

QUESTIONS RAISED DURING D91 FINANCE UPDATE SESSION – 7th May 2022

- Responses provided by D91 Finance Manager, 2021/22

Q1: How much does the District has in reserves right now?

A1: *As of 30th April, we have £18,608 in our local Barclays Account and US\$115,595 (£92,152) in US Reserves.*

Q2: How much money do we need in reserve?

A2: *Maintaining at least 25% of the District Membership dues income towards the end of the year ensures that the incoming team has the funds necessary to carry out its duties. As Toastmaster International (TMI) limits withdrawals as year-end approaches, it is important that we have at least this amount in the District Reserve Account on June 30th*

Q3: Is there any chance of clawback from T1 or impact on future funding?

A3: *Yes, clawback has been on the cards for a while, and it will happen later this year. Protocol 8.4 Section 3 will allow up to 50% of the surplus of the June 30th District Reserve amount that exceeds 1.25 times the required Retention, to be re-allocated to TMI for purposes supporting the organisation's strategic plan and enhancing overall member value.*

Q4: If we don't spend the budget we will lose it or will this go into our reserves?

A4: *Please note that all monies are with TMI. District receives 25% of every dollar World Headquarters receives on membership dues payments from clubs within the District, and it is this amount that is allocated to the District every year. Unspent money remains in the District Reserves and will be subjected to the clawback process as explained in the Question above.*

Q5: Is there a plan to invest all these reserves back into driving better value for our members?

A5: *Protocol 8.4 Section 5 states that District funds may never be used for the payment of new club fees or membership dues. As a district, we are giving back through webinars and other learning opportunities, and many a times through incentives to help clubs grow. The same question from me to all Club Presidents, VPEs, and Treasurers in District 91. Many of you now have surplus reserves in your account due to reduced spending over the past 2 years. What is your plan to invest the reserves back into driving value for your club members?*

Q6: Please can you give an instance of when meals are claimed?

A6: *The district can reimburse certain expenses for **District Leader Training and Mid-Year Training** if they were included in the district budget, and this is what we have included in our budget for which reimbursements up to £20 for takeaways for attendees at Leaders Training and DEC Meetings when present for both the morning and afternoon sessions.*

Q7: Is there any possibility we will have to pay tax on any surplus?

A7: *Districts are not required to file taxes and should not do so. Districts are part of Toastmasters International and the finances are consolidated with World Headquarters for tax reporting purposes.*

Q8: As an example we could have heavily discounted (or made free) this weekends conference; if we had a large surplus in cash

A8: *All District funds, regardless of their source, are Toastmasters International funds. These funds are **governed** by Toastmasters International guidelines and are to be used to carry out the mission of Toastmasters International and the mission of the District to promote education, growth, and the development of membership and new clubs. District Conference is a separate budget line item and it needs to be budgeted to net-zero with its own Revenue and Expenses.*

Q9: Can you confirm if we are at risk of claw back post event and if so how much please.

A9: *Please refer to A3.*

Q10: Why this weekends event could not be free if we had a huge surplus (as an example)

A10: *Please refer to A8.*