



Immediate Past District Audit Chairman Report for District Council – April 2024

Submitted by	Tawanda Mubvumbi, DTM
Purpose of the Role	To ensure that the monthly profit and loss statements and the Year-End Profit and Loss Statement accurately reflect district income and expenses. In addition, to ensure that district funds are used in a manner that is consistent with the district mission which is to build new clubs and support all clubs in achieving excellence.

Audit Opinion

In our opinion, the monthly profit and loss statements and the Year-End Profit and Loss Statement for the period 1 January 2023 to 30 June 2023 fairly presents, in all material respects, the district income and expenses for the period. In addition, the District 74 financial transactions for the period under review were following the district mission and Toastmasters' International governing documents.

Matters Arising During Audit

Without qualifying its opinion, the Audit Committee urges the District Cabinet represented by the District Director and Finance Manager to note the following:

- ❖ There was a significant delay in completing the audit. This was due to delays from Toastmasters International in finalizing the Concur transactions. In addition, delays in getting completed claim forms and supporting invoices from some claimants also led to a delay in finalizing the audit and sending the audited files to Toastmasters International on time. This should be avoided in future
- ❖ During the Toastmasters' year being audited, District 74 Toastmasters subscribed to the Zoom Cloud recording add-on plan. This plan allows for 35 Gigabytes (GB) per month. If exceeded, an overage fee of 1.50 USD per GB is payable. In June 2023, the maximum of 35 GBs was exceeded leading to a deduction of ZAR18 800 by Zoom. Controls should be put in place to avoid incurring such unbudgeted charges in future.
- ❖ Some instances were noted where the incorrect amount was paid for claims due to the use of an incorrect exchange rate. These were either identified during the Toastmasters year by the Finance Manager or during the audit. The District Cabinet is advised to use correct exchange rates when making payments to Toastmasters outside the Republic of South Africa.



- ❖ Advance payments are being made for some in-person Club Officer Training events. These payments allow the Division Director to make the necessary purchases for the event ahead of time without incurring a large personal cost. However, there was an instance noted where there was no reconciliation performed by a Division Director between the advance payment and the actual costs incurred. The District Cabinet is encouraged to request reconciliations between advance payments and actual costs so that any refunds or further payments can be made.
- ❖ The budgeted net income for the 2022/23 Toastmasters' year was ZAR58 000. However, an actual net loss of ZAR 149 421 was recorded which is a variance of ZAR 207 421 with the main negative variances being for education and training, travel and lodging expenses. Strict budgetary controls should be maintained throughout the Toastmasters' year to avoid such a negative variance in future.

I want to thank my Audit Committee members, Matlhogonolo Matlaisane and Sibusiso Mkhabela for their assistance in the audit. In addition, I would also like to thank the District Director, Andrew Tsuru DTM and the Finance Manager, Keamogetswe Molebalwa DTM for their cooperation and assistance in providing the supporting documentation for the Year-End Audit.

Tawanda Mubvumbi CA (SA)
D74 Audit Committee Chairman
28 March 2024