

Indiana School of Real Estate

July 2020

EXECUTIVE SUMMARY

Balance Sheet (changes from prior month):

1. The School's cash balance decreased by \$4,000 during July with an ending balance of \$190,000.
2. Accounts Receivable decreased by \$1,000 during the month with an ending balance of \$8,000 which represents outstanding invoices for contract classes.
3. Tuition receivable increased slightly with an ending balance of \$15,000 which represents courses reserved but not yet paid for.
4. Prepaid expenses decreased by \$2,500 due to amortization of expenses for July. Ending balance was \$15,500.
5. Prepaid Curriculum decreased by \$3,500 with an ending balance of \$58,000 – this balance will be amortized over the estimated remaining life of the courses.
6. Accounts Payable decreased by \$9,000 with an ending balance of \$2,000.
7. Unearned registration fees decreased by \$3,000 due to July activity. Ending balance was \$23,000 which represents courses that have been paid for with start dates after July and will be recognized as revenue in the month the course is held.
8. The amount Due to IAR decreased slightly with an ending balance of \$173,000.

Income Statement:

9. The School had net loss for the month of (\$5,000) compared to budgeted net income of \$2,000. Under budget due to a decrease in CE revenues.
10. YTD, the School had net income of \$197,000 compared to budget of \$13,000. Over budget due to revenues being over budget and expenses being under budget.
11. Compared to the prior year, YTD net income was higher than the prior YTD net income of \$129,000 by \$68,000 or 53% - mostly due to lower expenses in the current year.
12. Total revenue for July was \$79,000 and was below the monthly budget of \$106,000 by \$27,000 or 25%.
13. YTD revenue was \$836,000 vs budget of \$740,000 – over budget by \$95,000 or 13%.
14. Compared to the prior year, YTD revenue was lower by \$28,000 or 3%, mostly due to a decrease in CE and contract revenue.
15. Total expenses for July were \$84,000 vs budget of \$104,000 – under budget by \$20,000 or 19% mostly due to personnel.
16. Total expenses YTD were \$638,000 vs budget of \$727,000 – under budget by \$88,000 or 12% mostly due to personnel, travel, technology, office costs and facility costs.
17. Compared to the prior year, YTD expenses were lower by \$96,000 or 13%, mostly due to personnel and programmatic costs.

**Indiana School of Real Estate
Balance Sheet (Detail)**

July 31, 2020

	07/31/2020	06/30/2020	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1022 - ISRE Checking	190,025	194,154	(4,129)
Total 1000 - Cash Accounts	<u>190,025</u>	<u>194,154</u>	<u>(4,129)</u>
Total Checking/Savings	190,025	194,154	(4,129)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	8,036	9,001	(965)
1210 - Tuition Receivable	15,344	14,706	638
Total 1200 - Accounts Receivable	<u>23,380</u>	<u>23,707</u>	<u>(327)</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	15,583	18,082	(2,499)
1330 - Prepaid Curriculum	57,792	61,253	(3,461)
1350 - Other Deposits	1,559	1,559	0
Total 1300 - Other Current Assets	<u>74,934</u>	<u>80,894</u>	<u>(5,960)</u>
Total Other Current Assets	<u>98,314</u>	<u>104,601</u>	<u>(6,287)</u>
Total Current Assets	<u>288,339</u>	<u>298,755</u>	<u>(10,416)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1605 - Land, Buildings & Equipment			
1621 - Capital Lease	27,857	27,857	0
1630 - Furniture, Fixtures & Equipmen	34,549	34,549	0
Total 1605 - Land, Buildings & Equipment	<u>62,406</u>	<u>62,406</u>	<u>0</u>
1655 - Accumulated Depreciation			
1670 - Accum. Amortization- Capital Lease	(12,266)	(11,797)	(469)
1680 - Accum. Depreciation - FF&E	(28,217)	(27,862)	(355)
Total 1655 - Accumulated Depreciation	<u>(40,483)</u>	<u>(39,659)</u>	<u>(824)</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>21,923</u>	<u>22,747</u>	<u>(824)</u>
Total Fixed Assets	<u>21,923</u>	<u>22,747</u>	<u>(824)</u>
Other Assets			
1700 - Capitalized Loan and Lease Costs			
1730 - Capitalized Software Costs	30,825	30,825	0
1732 - Accum Amort - Capitalized Software	(30,825)	(30,825)	0
Total 1700 - Capitalized Loan and Lease Costs	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Assets	<u>0</u>	<u>0</u>	<u>0</u>
Total ASSETS	<u>310,262</u>	<u>321,502</u>	<u>(11,240)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	2,411	11,102	(8,690)
Total Accounts Payable	<u>2,411</u>	<u>11,102</u>	<u>(8,690)</u>
Other Current Liabilities			
2025 - Other Current Liabilities			
2200 - GFC Lease Payable	19,637	19,636	0

**Indiana School of Real Estate
Balance Sheet (Detail)**

July 31, 2020

	07/31/2020	06/30/2020	Difference
2040 - Accrued Payables	3,173	3,173	0
Total 2025 - Other Current Liabilities	22,810	22,809	0
2400 - Deferred Dues & Other Revenue			
2430 - Unearned Registration Fees	23,013	19,799	3,214
Total 2400 - Deferred Dues & Other Revenue	23,013	19,799	3,214
Total Other Current Liabilities	45,823	42,608	3,214
Total Current Liabilities	48,234	53,710	(5,476)
Other Liabilities			
2200 - Intercompany Loans Payable			
2211 - Due to IAR (from ISRE)	173,326	173,970	(644)
Total 2200 - Intercompany Loans Payable	173,326	173,970	(644)
Total - Other Liabilities	173,326	173,970	(644)
Total Liabilities	221,560	227,680	(6,120)
EQUITY			
Member Capital			
Undesignated	88,702	93,822	(5,120)
Total Member Capital	88,702	93,822	(5,120)
Total Equity	88,702	93,822	(5,120)
Total LIABILITIES & EQUITY	310,262	321,502	(11,240)

Indiana School of Real Estate
Statements of Activities - Budget vs Actual (Summary)
For the one and seven months ended July 31, 2020 and year ending December 31, 2020
(with comparative totals for the seven months ended July 31, 2019)

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 07/31/2019
Income						
4000 - Membership Income	63,722	94,474	763,017	661,318	1,133,704	744,522
4200 - Contract Fees & Event Income	15,290	11,230	71,152	78,610	134,761	105,493
4300 - Royalties, Rent & Product Sales	0	42	92	294	500	2,080
4900 - Other Income	0	0	1,259	0	0	11,256
Total Income	<u>79,012</u>	<u>105,746</u>	<u>835,520</u>	<u>740,222</u>	<u>1,268,965</u>	<u>863,351</u>
Expense						
5000 - Personnel Costs	39,394	57,450	336,217	402,150	702,413	366,950
5300 - Travel & Entertainment	0	1,125	885	7,875	13,500	3,153
5600 - Professional Fees	914	2,500	18,563	17,500	30,000	20,240
5700 - Technology & Equipment	3,732	4,683	27,179	32,781	56,200	32,927
5900 - Office Costs	9,494	11,057	73,311	77,399	132,700	71,780
6100 - Facility Costs	4,196	4,955	29,697	34,685	59,460	33,988
7100 - Programmatic Costs	26,402	22,072	152,514	154,504	264,870	205,285
Total Expense	<u>84,132</u>	<u>103,842</u>	<u>638,366</u>	<u>726,894</u>	<u>1,259,143</u>	<u>734,323</u>
Net Income (Loss)	<u>(5,120)</u>	<u>1,904</u>	<u>197,154</u>	<u>13,328</u>	<u>9,822</u>	<u>129,028</u>

Indiana School of Real Estate
Statement of Cash Flows
Year To Date 07/31/2020

OPERATING ACTIVITIES

Net Income	<u>197,154</u>
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	14,207
1210 - Tuition Receivable	(8,253)
1310 - Prepaid Expense	25,451
1330 - Prepaid Curriculum	25,020
2010 - Accounts Payable	(7,175)
2211 - Due to IAR (from ISRE)	(86,901)
2430 - Unearned Registration Fees	(3,488)
Net cash provided by Operating Activities	<u>156,015</u>
INVESTING ACTIVITIES	
1670 - Accum. Amortization- Capital Lease	3,283
1680 - Accum. Depreciation - FF&E	2,485
Net Cash provided by Investing Activities	<u>5,768</u>
Net cash change for period	161,783
Cash at beginning of period	<u>28,243</u>
Cash at end of period	<u><u>190,025</u></u>

Indiana School of Real Estate
Statements of Activities - Budget vs Actual (Detail)

For the one and seven months ended July 31, 2020 and year ending December 31, 2020
(with comparative totals for the seven months ended July 31, 2019)

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 07/31/2019
Income						
4000 - Membership Income						
4001 - Registrations -- Members	5,192	44,103	356,833	308,721	529,254	372,804
4011 - Registrations -- Non-members	58,530	50,371	406,184	352,597	604,450	371,718
Total 4000 - Membership Income	63,722	94,474	763,017	661,318	1,133,704	744,522
4200 - Contract Fees & Event Income						
4200 - Contract Service Fees, Broker	15,160	7,938	61,254	55,566	95,261	76,421
4210 - Contract Service Fees, Local	130	3,292	9,898	23,044	39,500	29,072
Total 4200 - Contract Fees & Event Income	15,290	11,230	71,152	78,610	134,761	105,493
4300 - Royalties, Rent & Product Sales	0	42	92	294	500	2,080
4900 - Other Income	0	0	1,259	0	0	11,256
Total Income	79,012	105,746	835,520	740,222	1,268,965	863,351
Expense						
5000 - Personnel Costs						
5010 - Compensation	27,391	29,583	205,052	207,081	355,000	189,639
5020 - Bonus Pool	0	0	500	0	13,000	0
5030 - Contract Labor / Temp Help	0	167	0	1,169	2,000	0
5035 - Instructor Compensation	5,839	17,274	70,202	120,918	207,300	115,942
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	1,907	3,392	24,018	23,744	40,700	21,934
5115 - Wellness Benefit	42	167	417	1,169	2,000	611
5120 - Dental Insurance	279	333	2,410	2,331	4,000	2,202
5125 - Disability Insurance	178	267	1,383	1,869	3,200	1,337
5130 - Retirement Benefits	1,309	1,687	9,409	11,809	20,250	8,809
5160 - Payroll Taxes	2,449	4,376	22,826	30,632	52,513	26,141
5170 - Professional Development	0	125	0	875	1,500	0
5180 - Dues & Subscriptions	0	79	0	553	950	335
Total 5100 - Benefits & Taxes	6,164	10,426	60,463	72,982	125,113	61,369
Total 5000 - Personnel Costs	39,394	57,450	336,217	402,150	702,413	366,950
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						
5310 - Staff Travel	0	250	426	1,750	3,000	423
5320 - Staff Lodging	0	250	0	1,750	3,000	279

Indiana School of Real Estate
Statements of Activities - Budget vs Actual (Detail)

For the one and seven months ended July 31, 2020 and year ending December 31, 2020
(with comparative totals for the seven months ended July 31, 2019)

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 07/31/2019
5330 - Staff Mileage	0	125	96	875	1,500	762
5340 - Staff Meals	0	292	281	2,044	3,500	1,234
5350 - Staff Hospitality	0	125	82	875	1,500	280
5360 - Conference Registration Fees	0	83	0	581	1,000	175
Total 5310 - Staff Travel Costs	0	1,125	885	7,875	13,500	3,153
Total 5300 Travel & Entertainment	0	1,125	885	7,875	13,500	3,153
5600 - Professional Fees						
5610 - Legal Services	0	42	0	294	500	0
5620 - Audit & Tax Services	0	83	1,275	581	1,000	1,000
5630 - Accounting Services	914	2,375	17,288	16,625	28,500	19,240
Total 5600 - Professional Fees	914	2,500	18,563	17,500	30,000	20,240
5700 - Technology & Equipment						
5710 - Technology Consulting Service	0	2,083	8,658	14,581	25,000	15,444
5730 - Small Equipment Purchases	1,620	83	1,727	581	1,000	874
5740 - Equipment > \$1000	0	250	1,076	1,750	3,000	0
5750 - Equipment Lease Payments	664	600	4,730	4,200	7,200	4,750
5760 - Software & Licensing Fees	1,448	1,667	10,988	11,669	20,000	11,859
Total 5700 - Technology & Equipment	3,732	4,683	27,179	32,781	56,200	32,927
5900 - Office Costs						
5910 - Telephone	0	83	162	581	1,000	0
5920 - Postage	0	42	0	294	500	0
5925 - Shipping Expense	171	83	(271)	581	1,000	749
5926 - Sales Tax	0	0	173	0	0	(596)
5930 - Office Supplies	88	125	1,133	875	1,500	1,163
5935 - Supplies for Resale	0	83	0	581	1,000	0
5940 - Printing	0	125	28	875	1,500	9
5950 - Liability Insurance	0	83	0	581	1,000	0
5960 - Licenses and Fees	216	125	1,904	875	1,500	877
5970 - Bank & Credit Card Fees	1,919	3,208	20,482	22,456	38,500	19,878
5995 - IAR Management Fee (paid by ISRE)	7,100	7,100	49,700	49,700	85,200	49,700
Total 5900 - Office Costs	9,494	11,057	73,311	77,399	132,700	71,780
6100 - Facility Costs						
6110 - Office Rent & Parking	3,372	3,372	23,604	23,604	40,460	23,604

Indiana School of Real Estate
Statements of Activities - Budget vs Actual (Detail)

For the one and seven months ended July 31, 2020 and year ending December 31, 2020
(with comparative totals for the seven months ended July 31, 2019)

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 07/31/2019
6150 - Janitorial-cleaning & supplies	0	167	325	1,169	2,000	325
6510 - Amortization	469	1,083	3,283	7,581	13,000	7,084
6520 - Depreciation Expense	355	333	2,485	2,331	4,000	2,975
Total 6100 - Facility Costs	4,196	4,955	29,697	34,685	59,460	33,988
7100 - Programmatic Costs						
7110 - Facility Rental	1,557	4,417	20,711	30,919	53,000	34,874
7120 - Catering	0	442	0	3,094	5,300	3,238
7130 - Honorarium/Speaker Fees	0	792	875	5,544	9,500	6,175
7140 - Speaker Travel	0	1,667	3,037	11,669	20,000	8,263
7160 - Event Sponsorships	0	208	1,910	1,456	2,500	1,649
7165 - Contract Fees	0	417	0	2,919	5,000	10,039
7170 - Curriculum	9,711	8,069	72,310	56,483	96,830	86,463
7175 - Licensing-Big Broker	0	0	894	0	0	1,369
7210 - Website Development / Hosting	751	833	8,386	5,831	10,000	17,151
7230 - Distance Learning Portal	14,371	4,311	36,603	30,177	51,740	27,439
7260 - Advertising/Marketing	12	833	7,788	5,831	10,000	7,055
7310 - Other Program Costs	0	83	0	581	1,000	1,570
Total 7100 - Programmatic Costs	26,402	22,072	152,514	154,504	264,870	205,285
Total Expense	84,132	103,842	638,366	726,894	1,259,143	734,323
Net Income (Loss)	(5,120)	1,904	197,154	13,328	9,822	129,028