

Indiana School of Real Estate

October 2020

EXECUTIVE SUMMARY

Balance Sheet (changes from prior month):

1. The School's cash balance decreased by \$38,000 during October with an ending balance of \$168,000.
2. Accounts Receivable decreased by \$4,000 during the month with an ending balance of \$14,000 which represents outstanding invoices for contract classes.
3. Tuition receivable decreased by \$10,000 due to corrections to student account balances. Ending balance was \$7,000 which represents courses reserved but not yet paid for.
4. Prepaid expenses increased by \$14,000 due to Xenegrade annual license renewal. Ending balance was \$31,000.
5. Prepaid Curriculum decreased by \$3,500 due to monthly amortization of courses. Ending balance was \$59,000 – this balance will be amortized over the estimated remaining lives of the courses.
6. Accounts Payable increased by \$18,000 with an ending balance of \$23,000. Increase is due to Xenegrade invoice for license renewal.
7. Unearned registration fees decreased by \$12,000 with an ending balance of \$12,000 which represents courses that have been paid for with start dates after October and will be recognized as revenue in the month the course is held.
8. The amount Due to IAR decreased by \$21,500 with an ending balance of \$126,000.

Income Statement:

9. The School had net loss for the month of (\$19,000) compared to budgeted net income of \$2,000. Under budget due to all revenue categories being under budget.
10. YTD, the School had net income of \$224,000 compared to budget of \$19,000. 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 \$109,000 by \$115,000 or 105% - mostly due to lower expenses in the current year.
12. Total revenue for October was \$61,000 and was below the monthly budget of \$106,000 by \$45,000 or 42%.
13. YTD revenue was \$1,097,000 vs budget of \$1,057,000 – over budget by \$40,000 or 4%.
14. Compared to the prior year, YTD revenue was lower by \$17,000 or 2%.
15. Total expenses for October were \$80,000 vs budget of \$104,000 – under budget by \$24,000 or 23% mostly due to personnel, professional fees and technology/equipment.
16. Total expenses YTD were \$873,000 vs budget of \$1,038,000 – under budget by \$166,000 or 16% due to all major expense categories being under budget.
17. Compared to the prior year, YTD expenses were lower by \$132,000 or 13%, mostly due to personnel, professional fees, technology/equipment, facility costs and programmatic costs.

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

October 31, 2020

	10/31/2020	09/30/2020	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1022 - ISRE Checking	167,719	205,825	(38,105)
Total 1000 - Cash Accounts	<u>167,719</u>	<u>205,825</u>	<u>(38,105)</u>
Total Checking/Savings	167,719	205,825	(38,105)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	14,439	10,803	3,636
1210 - Tuition Receivable	6,780	16,801	(10,021)
Total 1200 - Accounts Receivable	<u>21,219</u>	<u>27,604</u>	<u>(6,385)</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	30,512	16,165	14,346
1330 - Prepaid Curriculum	59,422	62,960	(3,537)
1350 - Other Deposits	1,560	1,559	0
Total 1300 - Other Current Assets	<u>91,494</u>	<u>80,684</u>	<u>10,809</u>
Total Other Current Assets	<u>112,713</u>	<u>108,288</u>	<u>4,424</u>
Total Current Assets	<u>280,432</u>	<u>314,113</u>	<u>(33,681)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1605 - Land, Buildings & Equipment			
1621 - Capital Lease	27,856	27,857	0
1630 - Furniture, Fixtures & Equipmen	34,550	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	(13,673)	(13,204)	(469)
1680 - Accum. Depreciation - FF&E	(29,282)	(28,927)	(355)
Total 1655 - Accumulated Depreciation	<u>(42,955)</u>	<u>(42,131)</u>	<u>(824)</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>19,451</u>	<u>20,275</u>	<u>(824)</u>
Total Fixed Assets	<u>19,451</u>	<u>20,275</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>299,883</u>	<u>334,388</u>	<u>(34,505)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	23,145	4,990	18,155
Total Accounts Payable	<u>23,145</u>	<u>4,990</u>	<u>18,155</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)**

October 31, 2020

	10/31/2020	09/30/2020	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	11,988	24,288	(12,299)
Total 2400 - Deferred Dues & Other Revenue	11,988	24,288	(12,299)
Total Other Current Liabilities	34,798	47,097	(12,299)
Total Current Liabilities	57,943	52,087	5,856
Other Liabilities			
2200 - Intercompany Loans Payable			
2211 - Due to IAR (from ISRE)	126,316	147,893	(21,577)
Total 2200 - Intercompany Loans Payable	126,316	147,893	(21,577)
Total - Other Liabilities	126,316	147,893	(21,577)
Total Liabilities	184,259	199,980	(15,721)
EQUITY			
Member Capital			
Undesignated	115,624	134,408	(18,784)
Total Member Capital	115,624	134,408	(18,784)
Total Equity	115,624	134,408	(18,784)
Total LIABILITIES & EQUITY	299,883	334,388	(34,505)

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

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 10/31/2019
Income						
4000 - Membership Income	54,533	94,474	981,040	944,740	1,133,704	963,939
4200 - Contract Fees & Event Income	6,694	11,230	114,497	112,300	134,761	136,174
4300 - Royalties, Rent & Product Sales	0	42	112	420	500	2,255
4900 - Other Income	0	0	1,259	0	0	11,266
Total Income	<u>61,227</u>	<u>105,746</u>	<u>1,096,908</u>	<u>1,057,460</u>	<u>1,268,965</u>	<u>1,113,634</u>
Expense						
5000 - Personnel Costs	40,804	57,450	458,941	574,500	702,413	500,037
5300 - Travel & Entertainment	289	1,125	1,810	11,250	13,500	5,605
5600 - Professional Fees	377	2,500	20,205	25,000	30,000	27,124
5700 - Technology & Equipment	983	4,683	36,499	46,830	56,200	53,374
5900 - Office Costs	9,888	11,057	103,418	110,570	132,700	99,776
6100 - Facility Costs	4,196	4,955	42,285	49,550	59,460	49,065
7100 - Programmatic Costs	23,474	22,072	209,675	220,720	264,870	269,560
Total Expense	<u>80,011</u>	<u>103,842</u>	<u>872,833</u>	<u>1,038,420</u>	<u>1,259,143</u>	<u>1,004,541</u>
Net Income (Loss)	<u>(18,784)</u>	<u>1,904</u>	<u>224,075</u>	<u>19,040</u>	<u>9,822</u>	<u>109,093</u>

Indiana School of Real Estate
Statement of Cash Flows
Year To Date 10/31/2020

OPERATING ACTIVITIES

Net Income	224,075
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	7,804
1210 - Tuition Receivable	311
1310 - Prepaid Expense	10,523
1330 - Prepaid Curriculum	23,389
2010 - Accounts Payable	13,559
2211 - Due to IAR (from ISRE)	(133,911)
2430 - Unearned Registration Fees	(14,513)
Net cash provided by Operating Activities	131,237
INVESTING ACTIVITIES	
1670 - Accum. Amortization- Capital Lease	4,690
1680 - Accum. Depreciation - FF&E	3,550
Net Cash provided by Investing Activities	8,240
Net cash change for period	139,477
Cash at beginning of period	28,243
Cash at end of period	167,719