

Indiana School of Real Estate

April 2016

EXECUTIVE SUMMARY

Balance Sheet:

1. The School's cash balance decreased by \$12,000 during April with an ending balance of \$173,000, due to cash disbursements being in excess of cash receipts.
2. The amount due to IAR increased by \$13,000 with an ending balance of \$476,000, During the month, ISRE made a payment to IAR of \$94,000.
3. Overall, liabilities decreased by \$3,000, mostly due to a decrease in Unearned Registration Fees.

Income Statement:

4. The School had net income for the month of \$4,000 compared to a budgeted net income of \$900. YTD net income is \$54,000 compared to YTD budget of \$4,000. YTD net income is \$36,000 (40%) less than the prior YTD net income.
5. Total revenue for April is above the monthly budget by \$44,000 or 48% at \$134,000 vs budget of \$90,000.
6. Total revenue YTD is above the YTD budget by \$125,000 or 34% at \$486,000 vs YTD budget of \$361,000. Compared to the prior year, total revenue YTD is up by \$8,000 or 2%.
7. Total expenses for April are over budget by \$41,000 or 46%, mostly due to Instructor Compensation and Programmatic Costs being over budget, which are in line with revenues being over budget for the month.
8. Total expenses YTD are over budget by \$75,000 or 21%, mostly due to Instructor Compensation and Programmatic Costs which is caused due to revenues being over budget..
9. Compared to the prior year, YTD expenses are up \$45,000 or 11%, with all categories being higher than last year except Technology & Equipment.

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

April 30, 2016

	04/30/2016	03/31/2016	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1022 - ISRE Checking	172,950	184,951	(12,001)
Total 1000 - Cash Accounts	<u>172,950</u>	<u>184,951</u>	<u>(12,001)</u>
Total Checking/Savings	<u>172,950</u>	<u>184,951</u>	<u>(12,001)</u>
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	14,957	7,490	7,467
1210 - Tuition Receivable	6,352	6,917	(565)
Total 1200 - Accounts Receivable	<u>21,309</u>	<u>14,407</u>	<u>6,902</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	15,243	19,677	(4,434)
1330 - Prepaid Curriculum	117,311	107,157	10,154
1350 - Other Deposits	1,559	1,559	0
1390 - Revenue Clearing Account	0	0	0
Total 1300 - Other Current Assets	<u>134,113</u>	<u>128,393</u>	<u>5,720</u>
Total Other Current Assets	<u>155,422</u>	<u>142,800</u>	<u>12,622</u>
Total Current Assets	<u>328,372</u>	<u>327,751</u>	<u>621</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1605 - Land, Buildings & Equipment			
1621 - Capital Lease	19,547	19,547	0
1630 - Furniture, Fixtures & Equipmen	107,614	107,613	0
Total 1605 - Land, Buildings & Equipment	<u>127,161</u>	<u>127,160</u>	<u>0</u>
1655 - Accumulated Depreciation			
1670 - Accum. Amortization- Capital Lease	(15,746)	(15,746)	0
1680 - Accum. Depreciation - FF&E	(91,429)	(91,428)	0
Total 1655 - Accumulated Depreciation	<u>(107,175)</u>	<u>(107,174)</u>	<u>0</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>19,986</u>	<u>19,986</u>	<u>0</u>
Total Fixed Assets	<u>19,986</u>	<u>19,986</u>	<u>0</u>
Other Assets			
1700 - Capitalized Lease Costs			
1730 - Capitalized Software Costs	16,500	16,500	0
Total 1700 - Capitalized Lease Costs	<u>16,500</u>	<u>16,500</u>	<u>0</u>
Total Other Assets	<u>16,500</u>	<u>16,500</u>	<u>0</u>
Total ASSETS	<u>364,858</u>	<u>364,237</u>	<u>621</u>
LIABILITIES & NET ASSETS			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	8,220	16,528	(8,308)
Total Accounts Payable	<u>8,220</u>	<u>16,528</u>	<u>(8,308)</u>
Other Current Liabilities			
2025 - Other Current Liabilities			
2200 - GFC Lease Payable	4,534	4,534	0

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

April 30, 2016

	04/30/2016	03/31/2016	Difference
Total 2025 - Other Current Liabilities	4,534	4,534	0
2400 - Deferred Dues & Other Revenue			
2430 - Unearned Registration Fees	48,576	55,876	(7,300)
Total 2400 - Deferred Dues & Other Revenue	48,576	55,876	(7,300)
Total Other Current Liabilities	53,110	60,410	(7,300)
Total Current Liabilities	61,330	76,938	(15,608)
Other Liabilities			
2200 - Intercompany Loans Payable			
2211 - Due to IAR (from ISRE)	475,755	463,114	12,641
Total 2200 - Intercompany Loans Payable	475,755	463,114	12,641
Total - Other Liabilities	475,755	463,114	12,641
Total Liabilities	537,085	540,052	(2,967)
NET ASSETS			
3010 - Unrestricted Net Assets	(175,815)	(185,319)	9,504
Net Income	3,588	9,504	(5,916)
Total Net Assets	(172,227)	(175,815)	3,588
Total LIABILITIES & NET ASSETS	364,858	364,237	621

**Indiana School of Real Estate
Budget Performance (Summary)**

April 30, 2016

	<u>1 Month Actual</u>	<u>1 Month Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>Prior YTD Actual</u>
Income						
4000 - Tuition Revenue	103,891	67,711	413,794	270,851	812,533	344,829
4200 - Contract Fees & Event Income	20,433	22,343	53,736	89,373	268,117	127,327
4300- Royalties, Rent & Product Sales	130	167	830	664	2,000	845
Total Income	<u>133,867</u>	<u>90,221</u>	<u>486,178</u>	<u>360,888</u>	<u>1,082,650</u>	<u>477,813</u>
Expense						
5000 - Personnel Costs	67,765	45,277	233,761	181,107	553,338	201,016
5300 - Travel & Entertainment	655	958	2,820	3,833	11,500	1,457
5600 - Professional Fees	1,956	2,000	8,064	8,000	23,999	7,650
5700 - Technology & Equipment	3,523	3,667	12,761	14,666	44,000	30,882
5900 - Office Costs	13,986	12,392	48,482	49,567	148,700	43,614
6100 - Facility Costs	5,078	3,593	20,245	14,375	43,125	14,620
7100 - Programmatic Costs	37,316	21,431	106,538	85,723	257,169	88,910
Total Expense	<u>130,279</u>	<u>89,318</u>	<u>432,671</u>	<u>357,271</u>	<u>1,081,831</u>	<u>388,149</u>
Net Ordinary Income	<u>3,588</u>	<u>903</u>	<u>53,507</u>	<u>3,617</u>	<u>819</u>	<u>89,664</u>
Net Income	<u>3,588</u>	<u>903</u>	<u>53,507</u>	<u>3,617</u>	<u>819</u>	<u>89,664</u>

**Indiana School of Real Estate
Budget Performance (Detail)**

April 30, 2016

	<u>1 Month Actual</u>	<u>1 Month Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense					
Income					
4000 - Tuition Revenue					
4001 - Registrations -- Members	37,442	35,773	81,590	143,095	429,279
4011 - Registrations -- Non-members	66,449	31,105	332,204	124,421	373,254
4020 - Shared Fees, Local Boards	0	833	0	3,335	10,000
Total 4000 - Tuition Revenue	<u>103,891</u>	<u>67,711</u>	<u>413,794</u>	<u>270,851</u>	<u>812,533</u>
4200 - Contract Fees & Event Income					
4200 - Contract Service Fees, Broker	4,965	22,343	10,575	89,373	268,117
4210 - Contract Service Fees, Local	15,468	0	43,161	0	0
Total 4200 - Contract Fees & Event In- come	<u>20,433</u>	<u>22,343</u>	<u>53,736</u>	<u>89,373</u>	<u>268,117</u>
4300- Royalties, Rent & Product Sales					
4300 - Product Sales	130	167	830	664	2,000
Total 4300 - Royalties, Rent & Product Sales	<u>130</u>	<u>167</u>	<u>830</u>	<u>664</u>	<u>2,000</u>
4900 - Other Income	<u>9,413</u>	<u>0</u>	<u>17,818</u>	<u>0</u>	<u>0</u>
Total Income	<u>133,867</u>	<u>90,221</u>	<u>486,178</u>	<u>360,888</u>	<u>1,082,650</u>
Expense					
5000 - Personnel Costs					
5010 - Compensation	36,109	32,500	139,871	130,000	390,000
5020 - Bonus Pool	0	0	287	0	10,000
5030 - Contract Labor / Temp Help	200	416	200	1,665	5,000
5035 - Instructor Compensation	21,675	5,813	55,843	23,250	69,750
5100 - Benefits & Taxes					
5110 - Health & Life Insurance	2,798	2,375	11,192	9,500	28,500
5115 - Wellness Benefit	92	0	367	0	0
5120 - Dental Insurance	342	291	1,368	1,165	3,500
5125 - Disability Insurance	262	134	1,047	535	1,600
5130 - Retirement Benefits	1,309	1,000	4,917	4,000	12,000
5160 - Payroll Taxes	4,978	2,166	17,874	8,660	25,988
5170 - Professional Development	0	541	795	2,167	6,500
5180 - Dues & Subscriptions	0	41	0	165	500
Total 5100 - Benefits & Taxes	<u>9,781</u>	<u>6,548</u>	<u>37,560</u>	<u>26,192</u>	<u>78,588</u>
Total 5000 - Personnel Costs	<u>67,765</u>	<u>45,277</u>	<u>233,761</u>	<u>181,107</u>	<u>553,338</u>
5300 - Travel & Entertainment					

**Indiana School of Real Estate
Budget Performance (Detail)**

April 30, 2016

	<u>1 Month Actual</u>	<u>1 Month Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
5310 - Staff Travel Costs					
5310 - Staff Travel	15	167	548	666	2,000
5320 - Staff Lodging	0	208	563	834	2,500
5330 - Staff Mileage	55	167	239	666	2,000
5340 - Staff Meals	260	125	859	500	1,500
5350 - Staff Hospitality	0	208	0	834	2,500
5360 - Conference Registration Fees	325	83	595	333	1,000
Total 5310 - Staff Travel Costs	<u>655</u>	<u>958</u>	<u>2,804</u>	<u>3,833</u>	<u>11,500</u>
5410 - Leadership Travel					
5410 - Board / Volunteer Travel	0	0	16	0	0
Total 5410 - Leadership Travel	<u>0</u>	<u>0</u>	<u>16</u>	<u>0</u>	<u>0</u>
Total 5300 Travel & Entertainment	<u>655</u>	<u>958</u>	<u>2,820</u>	<u>3,833</u>	<u>11,500</u>
5600 - Professional Fees					
5610 - Legal Services	0	84	0	333	999
5620 - Audit & Tax Services	0	83	0	333	1,000
5630 - Accounting Services	1,956	1,833	8,064	7,334	22,000
Total 5600 - Professional Fees	<u>1,956</u>	<u>2,000</u>	<u>8,064</u>	<u>8,000</u>	<u>23,999</u>
5700 - Technology & Equipment					
5710 - Technology Consulting Service	782	2,917	1,285	11,666	35,000
5720 - Equipment Repairs & Maintenance	0	0	100	0	0
5730 - Small Equipment Purchases	0	83	538	334	1,000
5740 - Equipment > \$1000	0	250	0	1,000	3,000
5750 - Equipment Lease Payments	446	417	1,837	1,666	5,000
5760 - Software & Licensing Fees	2,295	0	9,001	0	0
Total 5700 - Technology & Equipment	<u>3,523</u>	<u>3,667</u>	<u>12,761</u>	<u>14,666</u>	<u>44,000</u>
5900 - Office Costs					
5910 - Telephone	0	250	0	1,000	3,000
5920 - Postage	0	625	0	2,500	7,500
5925 - Shipping Expense	(277)	458	(2,052)	1,834	5,500
5926 - Sales Tax	(9)	0	123	0	0
5930 - Office Supplies	82	125	1,067	500	1,500
5932 - Kitchen Supplies	0	0	248	0	0
5935 - Supplies for Resale	0	84	0	333	1,000
5940 - Printing	3,531	83	3,531	333	1,000
5950 - Liability Insurance	0	83	0	334	1,000
5960 - Licenses and Fees	27	250	277	1,000	3,000
5970 - Bank & Credit Card Fees	3,532	3,334	16,888	13,333	40,000
5980 - Miscellaneous	0	0	0	0	0

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

**Indiana School of Real Estate
Budget Performance (Detail)**

April 30, 2016

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
5995 - IAR Management Fee (paid by ISRE)	7,100	7,100	28,400	28,400	85,200
Total 5900 - Office Costs	13,986	12,392	48,482	49,567	148,700
6100 - Facility Costs					
6110 - Office Rent & Parking	4,909	3,469	19,636	13,875	41,625
6150 - Janitorial-cleaning & supplies	44	41	109	167	500
6170 - Property Insurance	125	83	500	333	1,000
Total 6100 - Facility Costs	5,078	3,593	20,245	14,375	43,125
7100 - Programmatic Costs					
7110 - Facility Rental	4,753	3,346	16,462	13,383	40,150
7120 - Catering	0	0	609	0	0
7130 - Honorarium/Speaker Fees	0	1,250	5,000	5,000	15,000
7140 - Speaker Travel	4,663	570	8,312	2,280	6,840
7160 - Event Sponsorships	0	209	500	834	2,500
7165 - Contract Fees	4,080	0	4,080	0	0
7170 - Curriculum	20,164	6,541	55,863	26,166	78,500
7210 - Website Development / Hosting	65	834	966	3,334	10,000
7220 - Internet Communications	350	0	500	0	0
7225 - Publications	0	0	89	0	0
7230 - Distance Learning Portal	2,510	5,141	10,991	20,566	61,699
7240 - Video Production & Editing	0	417	0	1,667	5,000
7260 - Advertising/Marketing	0	417	742	1,666	5,000
7270 - Research & Development	0	2,706	0	10,827	32,480
7310 - Other Program Costs	0	0	91	0	0
7700 - Broker Commissions	731	0	2,333	0	0
Total 7100 - Programmatic Costs	37,316	21,431	106,538	85,723	257,169
Total Expense	130,279	89,318	432,671	357,271	1,081,831
Net Ordinary Income	3,588	903	53,507	3,617	819
Net Income	3,588	903	53,507	3,617	819

Indiana School of Real Estate, LLC
Selected Information
April 2016 Financial Statements

The monthly financial statements for Indiana School of Real Estate are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). These financial statements have not been subjected to an audit, review, or compilation engagement; and no assurance is provided on them.

The accompanying financial statements include the following departures from accounting principles generally accepted in the United States of America:

- The financial statements omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America.
- The Balance Sheet includes a comparison with the period ended March 31, 2016 for additional meaningful data for management and the board.
- Certain accruals and adjustments are made on an annual basis in preparation for the organization's annual audit.
- The Budget Performance reports do not report changes in net assets among unrestricted, temporarily restricted and permanently restricted in accordance with GAAP.
- Budget information is presented without notes on significant assumptions used in developing the budget.

The effects of these departures have not been determined.