

Indiana School of Real Estate

March 2016

EXECUTIVE SUMMARY

Balance Sheet:

1. The School's cash balance increased by \$9,000 during March with an ending balance of \$185,000, due to cash receipts being in excess of cash disbursements.
2. The amount due to IAR decreased by \$10,000 during the month due to a payment to IAR of \$88,000. Amount due to IAR at month end was \$463,000.
3. Overall, liabilities increased by \$8,000, mostly due to an increase in Unearned Registration Fees.

Income Statement:

4. The School had net income for the month of \$10,000 compared to a budgeted net income of \$900. YTD net income is \$50,000 compared to YTD budget of \$3,000. YTD net income is \$13,000 (20%) less than the prior YTD.
5. Total revenue for March is above the monthly budget by \$34,000 or 27% at \$124,000 vs budget of \$90,000.
6. Total YTD revenue is \$82,000 or 30% above the YTD budget at \$352,000 vs YTD budget of \$271,000. Compared to the prior year, total revenue YTD is up by \$15,000 or 5%.
7. Total expenses for March are over budget by \$25,000 or 28%, mostly due to Instructor Compensation and Programmatic Costs being over budget.
8. Total expenses YTD are over budget by \$34,000 or 13%, mostly due to Instructor Compensation and Facility Costs.
9. Compared to the prior year, YTD expenses are up \$28,000 or 10%, mostly due to Personnel Costs, Facility Costs and Programmatic Costs.

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

March 31, 2016

	03/31/2016	02/29/2016	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1022 - ISRE Checking	184,951	175,946	9,005
Total 1000 - Cash Accounts	<u>184,951</u>	<u>175,946</u>	<u>9,005</u>
Total Checking/Savings	<u>184,951</u>	<u>175,946</u>	<u>9,005</u>
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	7,490	1,267	6,223
1210 - Tuition Receivable	6,917	3,665	3,252
Total 1200 - Accounts Receivable	<u>14,407</u>	<u>4,932</u>	<u>9,475</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	19,677	22,025	(2,348)
1330 - Prepaid Curriculum	107,157	105,922	1,235
1350 - Other Deposits	1,559	1,559	0
1390 - Revenue Clearing Account	0	0	0
Total 1300 - Other Current Assets	<u>128,393</u>	<u>129,506</u>	<u>(1,113)</u>
Total Other Current Assets	<u>142,800</u>	<u>134,438</u>	<u>8,362</u>
Total Current Assets	<u>327,751</u>	<u>310,384</u>	<u>17,367</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	107,613	107,614	0
Total 1605 - Land, Buildings & Equipment	<u>127,160</u>	<u>127,161</u>	<u>0</u>
1655 - Accumulated Depreciation			
1670 - Accum. Amortization- Capital Lease	(15,746)	(15,746)	0
1680 - Accum. Depreciation - FF&E	(91,428)	(91,429)	0
Total 1655 - Accumulated Depreciation	<u>(107,174)</u>	<u>(107,175)</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>364,237</u>	<u>346,870</u>	<u>17,367</u>
LIABILITIES & NET ASSETS			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	16,528	14,269	2,259
Total Accounts Payable	<u>16,528</u>	<u>14,269</u>	<u>2,259</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)**

March 31, 2016

	03/31/2016	02/29/2016	Difference
Total 2025 - Other Current Liabilities	4,534	4,534	0
2400 - Deferred Dues & Other Revenue			
2430 - Unearned Registration Fees	55,876	40,331	15,545
Total 2400 - Deferred Dues & Other Revenue	55,876	40,331	15,545
Total Other Current Liabilities	60,410	44,865	15,545
Total Current Liabilities	76,938	59,134	17,804
Other Liabilities			
2200 - Intercompany Loans Payable			
2211 - Due to IAR (from ISRE)	463,114	473,055	(9,941)
Total 2200 - Intercompany Loans Payable	463,114	473,055	(9,941)
Total - Other Liabilities	463,114	473,055	(9,941)
Total Liabilities	540,052	532,189	7,863
 NET ASSETS			
3010 - Unrestricted Net Assets	(185,319)	(209,282)	23,963
Net Income	9,504	23,963	(14,459)
Total Net Assets	(175,815)	(185,319)	9,504
Total LIABILITIES & NET ASSETS	364,237	346,870	17,367

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

March 31, 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	105,894	67,713	312,304	203,140	812,533	258,518
4200 - Contract Fees & Event Income	12,274	22,343	30,903	67,030	268,117	74,815
4300- Royalties, Rent & Product Sales	257	167	699	497	2,000	698
Total Income	<u>124,075</u>	<u>90,223</u>	<u>352,311</u>	<u>270,667</u>	<u>1,082,650</u>	<u>336,822</u>
Expense						
5000 - Personnel Costs	60,995	45,277	165,996	135,829	553,338	147,742
5300 - Travel & Entertainment	1,483	958	2,164	2,875	11,500	449
5600 - Professional Fees	2,124	2,000	6,108	6,000	23,999	5,743
5700 - Technology & Equipment	2,804	3,667	9,239	11,000	44,000	19,855
5900 - Office Costs	12,234	12,392	34,496	37,175	148,700	32,250
6100 - Facility Costs	5,060	3,593	15,167	10,781	43,125	10,955
7100 - Programmatic Costs	29,871	21,431	69,222	64,293	257,169	57,077
Total Expense	<u>114,571</u>	<u>89,318</u>	<u>302,392</u>	<u>267,953</u>	<u>1,081,831</u>	<u>274,071</u>
Net Ordinary Income	<u>9,504</u>	<u>905</u>	<u>49,919</u>	<u>2,714</u>	<u>819</u>	<u>62,751</u>
Net Income	<u>9,504</u>	<u>905</u>	<u>49,919</u>	<u>2,714</u>	<u>819</u>	<u>62,751</u>

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

March 31, 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	24,958	35,774	46,548	107,322	429,279
4011 - Registrations -- Non-members	80,936	31,105	265,756	93,316	373,254
4020 - Shared Fees, Local Boards	0	834	0	2,502	10,000
Total 4000 - Tuition Revenue	<u>105,894</u>	<u>67,713</u>	<u>312,304</u>	<u>203,140</u>	<u>812,533</u>
4200 - Contract Fees & Event Income					
4200 - Contract Service Fees, Broker	300	22,343	3,210	67,030	268,117
4210 - Contract Service Fees, Local	11,974	0	27,693	0	0
Total 4200 - Contract Fees & Event In- come	<u>12,274</u>	<u>22,343</u>	<u>30,903</u>	<u>67,030</u>	<u>268,117</u>
4300- Royalties, Rent & Product Sales					
4300 - Product Sales	257	167	699	497	2,000
Total 4300 - Royalties, Rent & Product Sales	<u>257</u>	<u>167</u>	<u>699</u>	<u>497</u>	<u>2,000</u>
4900 - Other Income	<u>5,650</u>	<u>0</u>	<u>8,405</u>	<u>0</u>	<u>0</u>
Total Income	124,075	90,223	352,311	270,667	1,082,650
Expense					
5000 - Personnel Costs					
5010 - Compensation	35,496	32,500	103,762	97,500	390,000
5020 - Bonus Pool	286	0	286	0	10,000
5030 - Contract Labor / Temp Help	0	416	0	1,249	5,000
5035 - Instructor Compensation	15,907	5,813	34,169	17,438	69,750
5100 - Benefits & Taxes					
5110 - Health & Life Insurance	2,798	2,375	8,394	7,125	28,500
5115 - Wellness Benefit	92	0	275	0	0
5120 - Dental Insurance	342	291	1,026	874	3,500
5125 - Disability Insurance	262	134	785	401	1,600
5130 - Retirement Benefits	1,231	1,000	3,608	3,000	12,000
5160 - Payroll Taxes	4,581	2,166	12,896	6,494	25,988
5170 - Professional Development	0	541	795	1,624	6,500
5180 - Dues & Subscriptions	0	41	0	124	500
Total 5100 - Benefits & Taxes	<u>9,306</u>	<u>6,548</u>	<u>27,779</u>	<u>19,642</u>	<u>78,588</u>
Total 5000 - Personnel Costs	<u>60,995</u>	<u>45,277</u>	<u>165,996</u>	<u>135,829</u>	<u>553,338</u>
5300 - Travel & Entertainment					

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

March 31, 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	486	167	533	500	2,000
5320 - Staff Lodging	562	208	563	625	2,500
5330 - Staff Mileage	75	167	185	500	2,000
5340 - Staff Meals	360	125	597	375	1,500
5350 - Staff Hospitality	0	208	0	625	2,500
5360 - Conference Registration Fees	0	83	270	250	1,000
Total 5310 - Staff Travel Costs	<u>1,483</u>	<u>958</u>	<u>2,148</u>	<u>2,875</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>1,483</u>	<u>958</u>	<u>2,164</u>	<u>2,875</u>	<u>11,500</u>
5600 - Professional Fees					
5610 - Legal Services	0	84	0	250	999
5620 - Audit & Tax Services	0	83	0	250	1,000
5630 - Accounting Services	2,124	1,833	6,108	5,500	22,000
Total 5600 - Professional Fees	<u>2,124</u>	<u>2,000</u>	<u>6,108</u>	<u>6,000</u>	<u>23,999</u>
5700 - Technology & Equipment					
5710 - Technology Consulting Service	0	2,917	505	8,750	35,000
5720 - Equipment Repairs & Maintenance	0	0	100	0	0
5730 - Small Equipment Purchases	86	83	537	250	1,000
5740 - Equipment > \$1000	0	250	0	750	3,000
5750 - Equipment Lease Payments	423	417	1,391	1,250	5,000
5760 - Software & Licensing Fees	2,295	0	6,706	0	0
Total 5700 - Technology & Equipment	<u>2,804</u>	<u>3,667</u>	<u>9,239</u>	<u>11,000</u>	<u>44,000</u>
5900 - Office Costs					
5910 - Telephone	0	250	0	750	3,000
5920 - Postage	0	625	0	1,875	7,500
5925 - Shipping Expense	(350)	458	(1,775)	1,375	5,500
5926 - Sales Tax	(17)	0	132	0	0
5930 - Office Supplies	225	125	985	375	1,500
5932 - Kitchen Supplies	70	0	248	0	0
5935 - Supplies for Resale	0	84	0	250	1,000
5940 - Printing	0	83	0	250	1,000
5950 - Liability Insurance	0	83	0	250	1,000
5960 - Licenses and Fees	84	250	250	750	3,000
5970 - Bank & Credit Card Fees	5,122	3,334	13,356	10,000	40,000
5980 - Miscellaneous	0	0	0	0	0

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

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

March 31, 2016

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
5995 - IAR Management Fee (paid by ISRE)	7,100	7,100	21,300	21,300	85,200
Total 5900 - Office Costs	12,234	12,392	34,496	37,175	148,700
6100 - Facility Costs					
6110 - Office Rent & Parking	4,909	3,469	14,727	10,407	41,625
6150 - Janitorial-cleaning & supplies	26	41	65	124	500
6170 - Property Insurance	125	83	375	250	1,000
Total 6100 - Facility Costs	5,060	3,593	15,167	10,781	43,125
7100 - Programmatic Costs					
7110 - Facility Rental	2,904	3,346	11,710	10,038	40,150
7120 - Catering	0	0	608	0	0
7130 - Honorarium/Speaker Fees	5,000	1,250	5,000	3,750	15,000
7140 - Speaker Travel	2,219	570	3,649	1,710	6,840
7160 - Event Sponsorships	0	209	500	625	2,500
7170 - Curriculum	15,251	6,541	35,699	19,625	78,500
7210 - Website Development / Hosting	65	834	901	2,500	10,000
7220 - Internet Communications	50	0	150	0	0
7225 - Publications	0	0	89	0	0
7230 - Distance Learning Portal	3,094	5,141	8,481	15,425	61,699
7240 - Video Production & Editing	0	417	0	1,250	5,000
7260 - Advertising/Marketing	412	417	743	1,250	5,000
7270 - Research & Development	0	2,706	0	8,120	32,480
7310 - Other Program Costs	19	0	90	0	0
7700 - Broker Commissions	857	0	1,602	0	0
Total 7100 - Programmatic Costs	29,871	21,431	69,222	64,293	257,169
Total Expense	114,571	89,318	302,392	267,953	1,081,831
Net Ordinary Income	9,504	905	49,919	2,714	819
Net Income	9,504	905	49,919	2,714	819

Indiana School of Real Estate, LLC
Selected Information
March 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 February 29, 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.