

GREATER DENTON/WISE COUNTY
ASSOCIATION
OF REALTORS, INC.

FINANCIAL STATEMENTS

FEBRUARY 28, 2021

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Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

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ACCOUNTANTS' COMPILATION REPORT

To Management
Greater Denton/Wise County Association of Realtors, Inc.
Denton, Texas

Management is responsible for the accompanying financial statements of the Greater Denton/Wise County Association of Realtors, Inc., which comprise the statement of assets, liabilities, and members' equity-tax basis as of February 28, 2021, and the related statement of revenues and expenses—tax basis for the one and two months then ended in accordance with the tax basis of accounting, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statement on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, expenses and supplementary information. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in the schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not Independent with respect to Greater Denton/Wise County Association of Realtors, Inc.

Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

March 12, 2021

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS, INC.

STATEMENT OF ASSETS, LIABILITIES AND MEMBER'S EQUITY-
INCOME TAX BASIS
FEBRUARY 28, 2021

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 820,410.80
Inventory	6,977.64
Prepaid Expenses	8,140.70
TOTAL CURRENT ASSETS	<u>835,529.14</u>

FIXED ASSETS

Land and Building	853,057.62
Furniture and Equipment	90,479.58
Less Accumulated Depreciation	<u>(353,442.55)</u>
FIXED ASSETS - Net	<u>590,094.65</u>

TOTAL ASSETS	<u>\$ 1,425,623.79</u>
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LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Accounts Payable	\$ 4,110.00
Mortgage Payable-DATCU	143,267.88
Payroll Taxes Payable	4,439.17
Sales Tax Payable	584.06
IRA Payable	1,450.00
Dues Payable	8,514.98
Prepaid Event	11,900.00
TREPAC Payable	383.92
Scholarships Payable	4,251.65
Prepaid Supra Fees	8,662.61
TOTAL LIABILITIES	<u>187,564.27</u>

MEMBER'S EQUITY

Unrestricted	1,004,187.67
Current Year Income (Loss)	233,871.85
TOTAL MEMBER'S EQUITY	<u>1,238,059.52</u>

TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 1,425,623.79</u>
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See Accountants' Compilation Report

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS. INC.

STATEMENT OF REVENUE AND EXPENSES-
INCOME TAX BASIS
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

INCOME:

	CURRENT	YTD
ASSOCIATION SPONSORED FUNCTIONS		
Luncheons	\$ 690.00	\$ 1,965.00
Mixer	-	-
Annual Installation Banquet	10,665.00	12,415.00
Total ASSOCIATION SPONSORED FUNCTIONS	11,355.00	14,380.00
COMMITTEE INCOME		
Governmental Affairs Income	-	-
Member Relations Income	-	-
Education Income	1,108.60	2,878.60
TREPAC Committee Income:		
Other Income	-	-
Golf Tournament	-	-
Auction Events	-	-
Total COMMITTEE INCOME	1,108.60	2,878.60
DUES		
Membership Dues	4,678.06	169,310.06
Affiliate Dues	91.67	5,825.67
Application Fees	950.00	2,000.00
New Realtor Firms	400.00	800.00
Reinstatement Charge	200.00	1,600.00
MLS Fees	9,574.46	118,668.28
MLS Fines Violation	-	-
MLS Entry Fee	-	150.00
MLS Late Fee	15.00	3,180.00
MLS Reinstatement Fee	20.00	1,200.00
Orientation	450.00	1,054.00
Affiliate Business Council	(8,742.00)	11,420.00
Total DUES	7,637.19	315,208.01
OTHER INCOME		
Realtor Store Sales	78.80	544.62
Interest Income-DATCU	-	-
Interest Income-FSB	-	-
Interest Income-Independent Bank	82.58	171.98
Supra Lease Fees	-	-
Rental Income-Conf. Room	-	-
Scholarships Income	50.00	50.00
Miscellaneous Income	2.89	19.24
Total OTHER INCOME	214.27	785.84
TOTAL INCOME	\$ 20,315.06	\$ 333,252.45

See Accountants' Compilation Report

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS, INC.

STATEMENT OF REVENUE AND EXPENSES-
INCOME TAX BASIS (CONTINUED)
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

EXPENSES:

	CURRENT	YTD
ASSOCIATION BUILDING		
Repairs & Maint.	\$ -	\$ -
Janitorial Services & Supplies	18.36	18.36
Office Building Insurance	433.75	867.50
Yard Maintenance	-	-
Alarm System	19.49	38.98
Exterminating	48.71	48.71
Total ASSOCIATION BUILDING	520.31	973.55
ASSOCIATION FUNCTIONS		
Recruiting Expenses	-	-
Networking Mixers	-	-
Broker's Meetings	-	-
Planning Meetings	-	-
Board of Dir. Expenses	-	-
Luncheon Wise County	-	-
Luncheon Denton County	-	-
Affiliate Luncheon	-	-
GDWCAR Installation Banquet	1,903.29	1,903.29
Other Installation Banquets	-	-
Orientation	9.20	9.20
Total ASSOCIATION FUNCTIONS	1,912.49	1,912.49
COMMITTEE EXPENSE		
Affiliate Business Council	-	-
Education Expenses	472.50	1,432.50
Strategic Planning	-	-
Member Benefits Committee	-	-
PR Committee:		
Seller's Summit	-	-
Chamber Mixers	-	-
PR Committee Other	-	-
Trepac Committee Expenses:		
Auction	-	-
Golf Tournament	-	-
Other TREPAC Events	-	-
Government Affairs Committee:		
TAR Candidate Expenses	-	-
Realtor Day City Hall	-	-
Other Committee Expense	-	-
Total COMMITTEE EXPENSE	472.50	1,432.50
DUES EXPENSE		
MLS User Fees - NTREIS	19,893.00	38,836.00
Total DUES EXPENSE	19,893.00	38,836.00

See Accountants' Compilation Report

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS, INC.STATEMENT OF REVENUE AND EXPENSES-
INCOME TAX BASIS (CONTINUED)
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

EXPENSES CONTINUED:	CURRENT	YTD
OFFICE OVERHEAD		
Accounting Fees-Monthly	\$ 360.00	\$ 990.00
Accounting Fees-Audit/Review	3,750.00	3,750.00
Accounting Fees-Tax	-	-
Salaries	16,403.48	32,446.96
Payroll Taxes	1,455.40	2,937.19
Automobile Expense	-	-
Health Insurance	830.76	1,799.98
Workmen's Compensation	37.67	75.30
IRA Contribution-EO	153.62	1,014.48
Staff Development	5.00	5.00
Office Supplies	79.51	480.81
Leased Equip & Rental/Maint.	433.08	433.08
Software & IT	825.99	1,432.27
Postage	81.47	99.64
Telephone	574.38	1,040.56
Utilities	-	120.90
ATMOS Energy	198.35	198.35
Insurance Bond	-	8.33
Advertising	270.00	270.00
Credit Card Processing Fees	968.52	2,862.97
Dues & Subscriptions	32.50	65.00
Total OFFICE OVERHEAD	26,459.73	50,030.82
OTHER EXPENSES		
Miscellaneous	-	-
Donations	-	-
Referral Program	-	-
Realtor Store	141.89	448.34
Interest Expense	589.19	1,185.52
Total OTHER EXPENSES	731.08	1,633.86
TRAVEL		
Texas Realtors 360	-	-
GDWCAR Team Building	-	-
N TREIS Meeting	-	-
TAR Mid Winter	-	-
TAR AE Meeting	-	-
TAR Convention	-	-
TAR BOLC Trepac	-	-
NAR Leadership	-	-
NAR AEI-AE	-	-
NAR Convention	-	-
NAR Realtor Party	-	-
Total TRAVEL	-	-
TOTAL OPERATING EXPENSES	49,989.11	94,819.22
TOTAL INCOME FROM PAGE 3	20,315.06	333,252.45
TOTAL EXPENSES	(49,989.11)	(94,819.22)
NET INCOME (LOSS) BEFORE DEPRECIATION	(29,674.05)	238,433.23
DEPRECIATION		
Office Equipment Depreciation	156.90	313.80
Office Building Depreciation	2,123.79	4,247.58
Total DEPRECIATION	2,280.69	4,561.38
NET INCOME (LOSS)	\$ (31,954.74)	\$ 233,871.85

See Accountants' Compilation Report

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS, INC.

STATEMENT OF CASH FLOWS
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	CURRENT	YTD
Net income (loss)	\$ (31,954.74)	\$ 233,871.85
Adjustments to Reconcile Change in Net Assets to Net Cash Provided From Activities		
Depreciation Expense	2,280.69	4,561.38
(Increase) decrease in Inventory	-	(1,386.00)
(Increase) decrease in Prepaid Expenses	(194.19)	68.91
Increase (decrease) in Accounts Payable	1,738.07	1,846.20
Increase (decrease) in Payroll Taxes Payable	229.92	(1,121.20)
Increase (decrease) in IRA Payable	-	(400.00)
Increase (decrease) in Prepaid MLS Fees	-	(72,246.48)
Increase (decrease) in Sales Tax Payable	(1,676.88)	(3,847.93)
Increase (decrease) in TREPAC Payable	-	(420.00)
Increase (decrease) in Scholarships Payable	0.17	0.36
Increase (decrease) in Dues Payable	(3,152.50)	(9,742.75)
Increase (decrease) in Prepaid Dues	-	(167,533.00)
Increase (decrease) in Prepaid Events	-	-
Increase (decrease) in Prepaid Install Banquet	-	-
Net Cash Provided (Used) by Operating Activities	<u>(32,729.46)</u>	<u>(16,348.66)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on mortgage loan	<u>(1,763.71)</u>	<u>(3,520.28)</u>
Net Cash Provided (Used) by Financing Activities	<u>(1,763.71)</u>	<u>(3,520.28)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(34,493.17)	(19,868.94)
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of period	<u>854,903.97</u>	<u>840,279.74</u>
Cash and cash equivalents at end of period	<u>\$ 820,410.80</u>	<u>\$ 820,410.80</u>

See Accountants' Compilation Report

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS. INC.

BUDGET VS ACTUAL INCOME TAX BASIS (CONTINUED) FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

	Feb. 21	YTD	Budget	\$ Over Budget
INCOME				
ASSOCIATION SPONSORED FUNCTIONS				
Luncheons	\$ 690.00	\$ 1,965.00	\$ 7,500.00	\$ (5,535.00)
Mixer	-	-	-	-
Other Installation Banquets	-	-	-	-
Annual Installation Banquet	10,665.00	12,415.00	7,500.00	4,915.00
Total ASSOCIATION SPONSORED FUNCTIONS	11,355.00	14,380.00	15,000.00	(620.00)
COMMITTEE INCOME				
Governmental Affairs Income	-	-	-	-
Member Relations Income	-	-	1,000.00	(1,000.00)
Education Income	1,108.60	2,878.60	15,000.00	(12,121.40)
TREPAC Committee Income:	-	-	23,000.00	(23,000.00)
Auction Dinner Event	-	-	-	-
Auction Luncheon Events	-	-	-	-
Golf Tournament	-	-	-	-
Total COMMITTEE INCOME	1,108.60	2,878.60	39,000.00	(36,121.40)
DUES				
Membership Dues	4,678.06	169,310.06	166,474.00	2,836.06
Affiliate Dues	91.67	5,825.67	7,500.00	(1,674.33)
Application Fees	950.00	2,000.00	12,000.00	(10,000.00)
New Realtor Firms	400.00	800.00	5,200.00	(4,400.00)
Reinstatement Charge	200.00	1,600.00	1,500.00	100.00
MLS Fees	9,574.46	118,668.28	415,296.00	(296,627.72)
MLS Fines Violation	-	0.00	-	0.00
MLS Application Fees	-	150.00	1,250.00	(1,100.00)
MLS Late Fee	15.00	3,180.00	7,600.00	(4,420.00)
MLS Reinstatement Fee	20.00	1,200.00	4,000.00	(2,800.00)
Orientation	450.00	1,054.00	4,800.00	(3,746.00)
Affiliate Business Council	(8,742.00)	11,420.00	27,309.00	(15,889.00)
Total DUES	7,637.19	315,208.01	652,929.00	(337,720.99)
OTHER INCOME				
Supra Lease Fees income	-	-	59,250.00	(59,250.00)
Realtor Store Sales	78.80	544.62	25,000.00	(24,455.38)
Rental Income-Conf. Room	-	-	-	-
Scholarships Income	50.00	50.00	-	50.00
Miscellaneous Income	2.89	19.24	-	19.24
Interest Income-DATCU	-	-	1,000.00	(1,000.00)
Interest Income-Point Bank	-	-	-	-
Interest Inc-Ind. Bank	82.58	171.98	800.00	(628.02)
Interest Inc-FSB	-	-	2,000.00	(2,000.00)
Total OTHER INCOME	214.27	785.84	88,050.00	(87,264.16)
Total Income	20,315.06	333,252.45	794,979.00	(461,726.55)

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS, INC.

BUDGET VS ACTUAL INCOME TAX BASIS (CONTINUED) FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

	Feb. 21	YTD	Budget	\$ Over Budget
EXPENSES				
ASSOCIATION BUILDING				
Repairs & Maint.	\$ -	\$ -	\$ 15,000.00	\$ (15,000.00)
Janitorial Services & Supplies	18.36	18.36	2,400.00	(2,381.64)
Office Building Insurance	433.75	867.50	5,205.00	(4,337.50)
Yard Maintenance	-	-	3,500.00	(3,500.00)
Alarm System	19.49	38.98	300.00	(261.02)
Exterminating	48.71	48.71	1,000.00	(951.29)
Total ASSOCIATION BUILDING	520.31	973.55	27,405.00	(26,431.45)
ASSOCIATION FUNCTIONS				
Recruiting Expenses	-	-	200.00	(200.00)
Planning Meetings	-	-	500.00	(500.00)
Brokers Meetings	-	-	200.00	(200.00)
Board of Directors Expenses	-	-	100.00	(100.00)
Networking Luncheon Wise County	-	-	3,600.00	(3,600.00)
Networking Luncheon Denton	-	-	10,000.00	(10,000.00)
GDWCAR Installation Banquet	1,903.29	1,903.29	13,000.00	(11,096.71)
Affiliate Luncheon	-	-	1,000.00	(1,000.00)
Other Installation Banquets	-	-	600.00	(600.00)
Networking Mixers	-	-	-	-
Party with a Purpose Event	-	-	2,500.00	(2,500.00)
Orientation	9.20	9.20	1,200.00	(1,190.80)
Total ASSOCIATION FUNCTIONS	1,912.49	1,912.49	32,900.00	(30,987.51)
COMMITTEE EXPENSE				
Strategic Planning	-	-	-	-
Education Expense	472.50	1,432.50	14,000.00	(12,567.50)
Member Benefits Committee	-	-	1,200.00	(1,200.00)
Affiliate Business Council	-	-	-	-
PR Committee:	-	-	-	-
Chamber Mixer	-	-	-	-
Seller's Summit	-	-	-	-
Issues/Mobilization	-	-	-	-
Governmental Affairs Committee	-	-	2,000.00	(2,000.00)
Trepac Committee Expenses:	-	-	13,000.00	(13,000.00)
Auction	-	-	-	-
Miscellaneous Auctions	-	-	600.00	(600.00)
Golf Tournament	-	-	6,500.00	(6,500.00)
Brew Events	-	-	1,600.00	(1,600.00)
Total COMMITTEE EXPENSE	472.50	1,432.50	38,900.00	(37,467.50)
DUES EXPENSE				
MLS User Fees - NTREIS	19,893.00	38,836.00	229,824.00	(190,988.00)
Total DUES EXPENSE	19,893.00	38,836.00	229,824.00	(190,988.00)
TRAVEL				
TAR Mid Winter	-	-	3,000.00	(3,000.00)
TAR Convention	-	-	3,600.00	(3,600.00)
TAR Regional Meeting	-	-	500.00	(500.00)
TAR AE Meeting	-	-	1,200.00	(1,200.00)
GDWCAR Team Building	-	-	850.00	(850.00)
NAR Leadership Summit	-	-	1,900.00	(1,900.00)
NTREIS Meeting	-	-	-	-

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS. INC.

BUDGET VS ACTUAL INCOME TAX BASIS (CONTINUED) FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2021

	Feb. 21	YTD	Budget	\$ Over Budget
TRAVEL CONTINUED				
NAR Realtor Party	\$ -	\$ -	\$ 5,600.00	\$ (5,600.00)
NAR AEI-AE	-	-	1,600.00	(1,600.00)
Texas Realtors 360	-	-	150.00	(150.00)
TAR BOLC-Trepac	-	-	2,500.00	(2,500.00)
NAR Convention	-	-	4,500.00	(4,500.00)
Total TRAVEL	-	-	25,400.00	(25,400.00)
OFFICE OVERHEAD				
Accounting Fees-Monthly	360.00	990.00	4,000.00	(3,010.00)
Accounting Fees-Audit/Review	3,750.00	3,750.00	3,500.00	250.00
Accounting Fees-Tax	-	-	900.00	(900.00)
Sunshine Fund	-	-	500.00	(500.00)
Salaries	16,403.48	32,446.96	226,719.00	(194,272.04)
Payroll Taxes	1,455.40	2,937.19	17,000.00	(14,062.81)
Automobile Expense	-	-	1,000.00	(1,000.00)
Health Insurance	830.76	1,799.98	15,000.00	(13,200.02)
Workmen's Compensation	37.67	75.30	400.00	(324.70)
IRA Contribution-EO	153.62	1,014.48	2,750.00	(1,735.52)
Office Supplies	79.51	480.81	2,500.00	(2,019.19)
Refreshments	-	-	500.00	(500.00)
Publications & Printing	-	-	800.00	(800.00)
Leased Equip & Rental/Maint.	433.08	433.08	5,500.00	(5,066.92)
Software & IT	825.99	1,432.27	17,500.00	(16,067.73)
Postage	81.47	99.64	600.00	(500.36)
Staff Development	5.00	5.00	1,000.00	(995.00)
Advertising	270.00	270.00	250.00	20.00
Telephone	574.38	1,040.56	3,700.00	(2,659.44)
Utilities	-	120.90	6,500.00	(6,379.10)
ATMOS Energy	198.35	198.35	1,000.00	(801.65)
Insurance Bond	-	8.33	100.00	(91.67)
Credit Card Processing Fees	968.52	2,862.97	16,000.00	(13,137.03)
Dues & Subscriptions	32.50	65.00	600.00	(535.00)
Total OFFICE OVERHEAD	26,459.73	50,030.82	328,319.00	(278,288.18)
OTHER EXPENSES				
Realtor Store Supplies	141.89	448.34	25,000.00	(24,551.66)
Miscellaneous/Donation	-	-	-	-
Referral Program	-	-	2,800.00	(2,800.00)
Interest Expense	589.19	1,185.52	8,780.00	(7,594.48)
Total OTHER EXPENSES	731.08	1,633.86	36,580.00	(34,946.14)
Total Expenses	49,989.11	94,819.22	719,328.00	(624,508.78)
 TOTAL INCOME FROM PAGE 7	20,315.06	333,252.45	794,979.00	(461,726.55)
TOTAL EXPENSES	(49,989.11)	(94,819.22)	(719,328.00)	624,508.78
 NET INCOME (LOSS) BEFORE DEPRECIATION	(29,674.05)	238,433.23	75,651.00	162,782.23
DEPRECIATION				
Office Equip/Building Depreciation	2,280.69	4,561.38	27,500.00	(22,938.62)
Total DEPRECIATION	2,280.69	4,561.38	27,500.00	(22,938.62)
 NET INCOME (LOSS)	\$ (31,954.74)	\$ 233,871.85	\$ 48,151.00	\$ 185,720.85

GREATER DENTON/WISE COUNTY ASSOCIATION OF REALTORS. INC.

SUPPLEMENTARY INFORMATION
FEBRUARY 28, 2021

Cash and Cash Equivalents

Petty Cash	\$ 480.57
DATCU-Savings	236,261.33
First State Bank-Reserves	89,223.48
First State Bank-Reserves CD	152,271.78
Point Bank-MLS Events EDU	34,879.88
Independent Bank-E-Commerce Yearly Dues	269,863.81
Point Bank-Operating Account	33,007.73
Point Bank-Scholarships (R Crawford)	4,422.22
	<u>\$ 820,410.80</u>

Inventory

Lock Box Inventory	\$ 3,240.00
Keypad Inventory	656.37
Realtor Store Inventory	3,081.27
	<u>\$ 6,977.64</u>

Prepaid Expenses

Prepaid Expenses	\$ 7,662.70
Prepaid Insurance	478.00
	<u>\$ 8,140.70</u>

Dues Payable

TAR Dues Payable	\$ 5,052.48
NAR Dues Payable	3,462.50
	<u>\$ 8,514.98</u>

See Accountants' Compilation Report