



**ATLANTA, GEORGIA**  
**COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**MARCH 31, 2017 AND 2016**

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**INDEX TO COMBINED FINANCIAL STATEMENTS**  
**MARCH 31, 2017 AND 2016**

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**Jones and Kolb**  
Certified Public Accountants  
Atlanta, Georgia

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
CoreNet Global, Inc. and  
Related Entities  
Atlanta, Georgia

We have audited the accompanying combined financial statements of CoreNet Global, Inc. and Related Entities (a nonprofit organization) (the "Organization"), which comprise the combined statements of financial position as of March 31, 2017 and 2016, and the related combined statements of activities and net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of CoreNet Global, Inc. and Related Entities as of March 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Jones and Koltb*

September 14, 2017

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2017 AND 2016**

**ASSETS**

	<b>2017</b>	<b>2016</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 5,635,495	\$ 5,229,989
Certificates of deposit	1,098,155	600,928
Investments	4,550,003	4,075,013
Accounts receivable	297,530	430,732
Prepaid expenses	454,209	387,195
Total current assets	12,035,392	10,723,857
 <b>PROPERTY</b>		
Furniture and fixtures	213,577	212,761
Computer and equipment	488,855	450,615
Leasehold improvements	73,757	73,757
Software and website	1,982,637	1,790,057
Total	2,758,826	2,527,190
Accumulated depreciation	(1,744,379)	(1,339,076)
Total property	1,014,447	1,188,114
 <b>OTHER ASSETS</b>		
Certificates of deposit - long term	699,586	602,950
Total assets	\$ 13,749,425	\$ 12,514,921

The accompanying notes to combined financial statements  
are an integral part of these statements.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2017 AND 2016**

**LIABILITIES AND NET ASSETS**

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 1,119,007	\$ 594,801
Accrued liabilities	782,243	920,754
Deferred revenue	<u>4,989,784</u>	<u>4,884,162</u>
Total current liabilities	6,891,034	6,399,717
<b>NON-CURRENT LIABILITIES</b>	<u>165,999</u>	<u>208,288</u>
Total liabilities	<u>7,057,033</u>	<u>6,608,005</u>
<b>NET ASSETS</b>		
Unrestricted net assets	<u>6,692,392</u>	<u>5,906,916</u>
Total net assets	<u>6,692,392</u>	<u>5,906,916</u>
Total liabilities and net assets	<u><u>\$ 13,749,425</u></u>	<u><u>\$ 12,514,921</u></u>

The accompanying notes to combined financial statements  
are an integral part of these statements.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF ACTIVITIES AND NET ASSETS**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Summits	\$ 5,734,753	\$ 5,876,320
Membership dues	4,221,920	4,250,811
Partnership	1,588,271	1,561,255
Learning revenues	1,510,144	1,470,518
Advertising and publications	300,049	474,812
Miscellaneous	46,550	68,507
	<u>13,401,687</u>	<u>13,702,223</u>
<b>EXPENSES</b>		
Program expenses	9,310,633	9,341,801
Management and general	3,795,001	3,905,775
	<u>13,105,634</u>	<u>13,247,576</u>
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	296,053	454,647
<b>INVESTMENT INCOME (LOSS)</b>	<u>495,202</u>	<u>(74,429)</u>
<b>CHANGE IN NET ASSETS BEFORE FOREIGN CURRENCY GAIN (LOSS)</b>	791,255	380,218
<b>FOREIGN CURRENCY GAIN (LOSS)</b>	<u>(5,779)</u>	<u>70,394</u>
<b>CHANGE IN NET ASSETS</b>	785,476	450,612
<b>NET ASSETS</b>		
Beginning of year	<u>5,906,916</u>	<u>5,456,304</u>
<b>NET ASSETS</b>		
End of year	<u><u>\$ 6,692,392</u></u>	<u><u>\$ 5,906,916</u></u>

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**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**

	2017			2016		
	Program	Management and General	Total	Program	Management and General	Total
Projects	\$ 5,137,994	\$ -	\$ 5,137,994	\$ 5,303,421	\$ -	\$ 5,303,421
Personnel costs	2,713,171	2,000,952	4,714,123	2,821,856	1,939,774	4,761,630
Technology costs	36,234	557,371	593,605	15,502	668,098	683,600
Professional fees	444,070	142,699	586,769	306,935	159,692	466,627
Marketing and communication	391,603	87,767	479,370	412,656	32,885	445,541
Depreciation	6,208	400,539	406,747	-	358,048	358,048
Non-event travel	244,931	147,408	392,339	266,821	165,686	432,507
Occupancy and office administration	68,012	273,372	341,384	72,349	293,842	366,191
Miscellaneous	268,410	67,126	335,536	142,261	169,256	311,517
Insurance	-	117,767	117,767	-	118,494	118,494
Total expenses	\$ 9,310,633	\$ 3,795,001	\$ 13,105,634	\$ 9,341,801	\$ 3,905,775	\$ 13,247,576

The accompanying notes to combined financial statements  
are an integral part of these statements.



**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 785,476	\$ 450,612
 <b>ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:</b>		
Depreciation	406,747	358,048
Realized and unrealized (gain) loss on investments	(367,258)	275,783
(Increase) decrease in accounts receivable	122,124	224,715
(Increase) decrease in prepaid expenses	(67,112)	70,697
Increase (decrease) in accounts payable	534,898	(112,588)
Increase (decrease) in accrued liabilities	(180,277)	(185,208)
Increase (decrease) in deferred revenue	133,838	437,796
 Total adjustments	 582,960	 1,069,243
 Net cash and cash equivalents provided by operating activities	 1,368,436	 1,519,855
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of certificates of deposit	(1,200,000)	(1,202,939)
Redemptions of certificates of deposit	606,507	-
Payments for the purchases of property	(233,747)	(427,725)
Payments for the purchases of investments	(301,270)	(890,112)
Proceeds from the sales of investments	193,538	459,410
 Net cash and cash equivalents used in investing activities	 (934,972)	 (2,061,366)

The accompanying notes to combined financial statements  
are an integral part of these statements.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	433,464	(541,511)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	(27,958)	5,982
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	5,229,989	5,765,518
<b>CASH AND CASH EQUIVALENTS</b>		
End of year	\$ 5,635,495	\$ 5,229,989

The accompanying notes to combined financial statements  
are an integral part of these statements.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. CoreNet Global, Inc. ("CoreNet") was incorporated on August 6, 2001 under the laws of the District of Columbia. CoreNet is a 501(c)(6) tax-exempt membership organization focused on education, research, certification (the masters of Corporate Real Estate), and networking for corporate real estate professionals. Corporate real estate professionals manage the real estate held by a corporation to support its core business, including acquisition, design and efficient use. CoreNet Global Community Reinvestment Challenge ("CRC"), formerly CoreNet Global Learning, was incorporated on July 2, 2002 under the laws of the District of Columbia. CRC is a 501(c)(3) tax-exempt organization that provides support and distributes contributions to local charitable organizations located in the various cities where CoreNet hosts its annual North American summit.

CoreNet Global EU was incorporated during 2009, under the laws of Brussels, Belgium, as a nonprofit foundation to promote corporate real estate management and corporate infrastructure management and to provide worldwide industry specific networking forums and state-of-the-art research, education and certification in Europe, the Middle East and Africa. Its predecessor company, CoreNet Europe, was consolidated with CoreNet Global EU under the process set forward in Belgium law during the year ended March 31, 2017.

CoreNet Commercial Consulting (Shanghai) Co., Ltd. was established on September 24, 2012, under the laws of the People's Republic of China, as a wholly-owned Foreign Enterprise to expand CoreNet's operations to Asia. The People's Republic of China does not recognize a membership related organization as a not for profit corporation, but CoreNet Commercial Consulting (Shanghai) Co., Ltd. will conduct their operations to effectuate the mission of CoreNet Global and provide training and education regarding the practice of corporate real estate.

CoreNet Global (HK) Limited is a holding company designed to facilitate the establishment of CoreNet Commercial Consulting (Shanghai) Co., Ltd. and its parent company. CoreNet Global (HK) Limited is a subsidiary of CoreNet Global, Inc.

B. The combined financial statements include the accounts of CoreNet, CRC, CoreNet Global EU, CoreNet Global (HK) Limited and CoreNet Commercial Consulting (Shanghai) Co. Ltd. (collectively, the "Organization"). All material intercompany transactions and balances have been eliminated in these combined financial statements. The combined financial statements do not include the accounts of the chapters of the Organization since the Organization does not control these chapters.

C. The Organization reports net assets based on donor-imposed restrictions in three classes of net assets: unrestricted, temporarily restricted and permanently restricted. The Organization had no temporarily restricted or permanently restricted net assets at March 31, 2017 and 2016.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
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D. Money market funds and fixed income investments with initial terms to maturity of three months or less are considered to be cash equivalents.

E. Certificates of deposit that are not debt securities are reported at fair market value plus accrued interest in the accompanying Combined Statements of Financial Position. Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are classified as current assets. Certificates of deposit with remaining maturities greater than one year are classified as non-current assets.

F. Accounts receivable, net of allowance for doubtful accounts, are recorded at the amount of cash estimated as realizable. The Organization provides an allowance for doubtful accounts when specific accounts are deemed uncollectible, based on a review of receivables. Accounts receivable balances are considered delinquent after 30 days from the invoice date. There was no allowance for doubtful accounts at March 31, 2017 and 2016.

G. Investments are stated at fair market value.

H. Property is stated at cost or fair market value, if contributed. Repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method and is charged to operations over the estimated useful lives of the related fixed assets, which range from three to seven years.

I. Membership dues are amortized into revenue in the applicable membership period. Dues paid in advance on a calendar year are recorded as deferred revenue in the accompanying combined financial statements.

J. Meeting and event fees and expenses are recognized upon occurrence of the event.

K. The preparation of combined financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

L. The costs of providing programs and other activities of the Organization are summarized on a functional basis on the Combined Statements of Activities and Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

M. Assets and liabilities of foreign operations and related entities have been translated at year end exchange rates, and statement of activity accounts have been translated using monthly average

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
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exchange rates. Adjustments resulting from translation have been recorded as foreign currency gain (loss) on the Combined Statements of Activities and Net Assets.

N. Income from certain activities not directly related to CoreNet and CRC's tax-exempt purposes is subject to taxation as unrelated business income. During the years ended March 31, 2017 and 2016, CoreNet had net profits of approximately \$41,000 and \$84,000 of unrelated business income, respectively, from the sale of advertisements. Therefore, tax provisions of approximately \$9,000 and \$18,000, respectively, were recorded on the Combined Statements of Activities and Net Assets as of March 31, 2017 and 2016.

O. Certain prior year balances have been reclassified to conform to the current year presentation.

P. Subsequent events have been evaluated by management through September 14, 2017, the date these combined financial statements were available to be issued.

## **2. CASH BALANCES**

The Organization maintains cash deposits at several financial institutions, which may at times exceed the Federally insured limit. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

## **3. CERTIFICATES OF DEPOSIT**

The Organization owns various certificates of deposit with maturity dates of six months to twenty-four months from the date of purchase. The interest rates for all certificates of deposit vary between 0.95% and 2.40%. Certificates of deposit totaling \$1,098,155 and \$600,928 and maturing within one year from March 31, 2017 and 2016, respectively, are classified as current assets on the Combined Statements of Financial Position. Certificates of deposit totaling \$699,586 and \$602,950 and maturing after twelve months from March 31, 2017 and 2016, respectively, are classified as non-current assets on the Combined Statements of Financial Position.

## **4. INVESTMENTS**

U.S. generally accepted accounting principles establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within the hierarchy states that valuations are based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on observable inputs other than level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets and other inputs that may be corroborated by

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observable market data. Level 3 within the hierarchy states that inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As of March 31, 2017 and 2016, investments are the only assets or liabilities that are measured at fair value on a recurring basis. Common stocks and U.S. Treasuries are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. Mortgage-backed securities are valued based on quoted market prices for similar assets. Such investments are classified within level 1 or level 2 of the valuation hierarchy.

The following is a summary of investments, stated at fair value, held at March 31:

	<b>2017</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Mutual funds	\$ 4,449,192	\$ -	\$ 4,449,192
U.S. Treasuries	71,694	-	71,694
Mortgage-backed securities	-	29,117	29,117
Total investments	<b>\$ 4,520,886</b>	<b>\$ 29,117</b>	<b>\$ 4,550,003</b>
	<b>2016</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Mutual funds	\$ 3,962,409	\$ -	\$ 3,962,409
U.S. Treasuries	73,525	-	73,525
Mortgage-backed securities	-	39,079	39,079
Total investments	<b>\$ 4,035,934</b>	<b>\$ 39,079</b>	<b>\$ 4,075,013</b>

Investment income (loss) on the Combined Statements of Activities and Net Assets for the years ended March 31, 2017 and 2016 includes realized and unrealized gain (loss) of \$367,258 and (\$275,783), interest and dividend income of \$157,262, and \$228,477 less investment fees of \$29,318 and \$27,123, respectively.

**5. RELATED PARTY TRANSACTIONS**

The Organization, acting as an agent, assists local chapters in the collection of membership dues and event registration fees and remits them to the chapters net of various banking fees.

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
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Amounts due to chapters at March 31, 2017 and 2016, were \$678,595 and \$357,132, respectively, and are included in accounts payable on the Combined Statements of Financial Position.

**6. LINE OF CREDIT**

CoreNet has a line of credit to provide cash funding without the need to sell investments against the market. The loan limit is determined based on percentages of equities and fixed income securities held by CoreNet and collateralized by such securities. The amounts available were \$3,013,488 and \$2,682,630 at March 31, 2017 and 2016, respectively. The interest rate varies and is dependent on the balance of the loan. The interest rate ranged from 3.63% to 7.75% during the year ended March 31, 2017. The line of credit is a demand instrument and, therefore, does not have a fixed term. The line of credit had a zero balance at March 31, 2017 and 2016.

**7. LEASES**

During the year ended March 31, 2011, CoreNet entered into a 112-month non-cancelable leasing agreement for office space at 133 Peachtree Street. The cash payments related to the future minimum payments under non-cancelable operating leases are as follows:

<u>Year Ending</u>	<u>Building</u>	<u>Storage</u>	<u>Total</u>
March 31, 2018	\$ 215,962	\$ 2,518	\$ 218,480
March 31, 2019	\$ 221,364	\$ 2,593	\$ 223,957
March 31, 2020	\$ 226,865	\$ 2,671	\$ 229,536
March 31, 2021	\$ 134,230	\$ 1,597	\$ 135,827

The accrued lease liability at March 31, 2017 and 2016 was \$149,034 and \$178,481, respectively, and was included in accrued liabilities on the Combined Statements of Financial Position. Rent expense was \$210,386 and \$206,193 for the years ended March 31, 2017 and 2016, respectively.

**8. EMPLOYMENT AGREEMENT AND POSTRETIREMENT BENEFIT OBLIGATION**

CoreNet assumed a lifetime employment agreement with two former officers and members of the Board of Directors of National Association of Corporate Real Estate Executives ("NACORE"), under which the individuals were to provide consultation services to NACORE. In exchange for these future services and agreements not to compete, a fee of \$36,000 per annum, reduced by Social Security benefits when either, or both, of these individuals are entitled to such benefits, was agreed to be paid beginning in September 1988. Upon the death of either individual, the amount

**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
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paid will be reduced by 40%. Upon the death of the surviving individual, the Organization will have no further obligation.

Amounts estimated to be paid to these individuals after they reach normal retirement are considered to be post-employment retirement benefits. CoreNet provides for this obligation with annual charges to operations through each individual's normal retirement date. CoreNet recorded an expense, included in management and general on the accompanying Combined Statements of Activities and Net Assets, of \$4,417 and \$4,891 for future retirement benefits for the years ended March 31, 2017 and 2016, respectively. The liability for future retirement benefits totaled \$59,254 and \$66,285 at March 31, 2017 and 2016, respectively, and was included in accrued liabilities on the Combined Statements of Financial Position.

## **9. RETIREMENT PLAN**

CoreNet has a 401(k) plan for the benefit of its U.S. employees. CoreNet matches 50% of the first 6% of the employees' contributions. Effective January 1, 2017, CoreNet moved to a safe harbor match in which CoreNet matches 100% of the first 3% and 50% of the next 2% of the employees' contributions. Employees are fully vested for all employer matching contributions. Contributions to the plan for the years ended March 31, 2017 and 2016 were \$71,719 and \$61,454, respectively.

## **10. HOTEL CONTRACTS**

CoreNet has contracted with various hotels used to host its conferences through fiscal year 2021. These contracts stipulate the number of rooms to be reserved and the time period for which they are to be reserved, as well as stipulate a minimum amount spent for food and beverage. While the rooms will ultimately be paid for by the attendees of a conference, CoreNet has guaranteed the rooms in advance to ensure availability of rooms and related convention space.

There are two main risks associated with these contracts. The first risk concerns unforeseen catastrophic events. If the conference is cancelled in total because of an outside force such as hurricane, disease outbreak, or other act of God, most but not all of these types of events will be covered by cancellation insurance carried by CoreNet. The insurance would pay related cancellation expenses and the net profit expected from the event.

The second risk relates to guarantees made in the contracts from non-cancelled events. A poor economy limiting travel, poor site selection or poor marketing can cause the event to be less well attended than anticipated. Based on the contracts, CoreNet would be obligated to pay attrition fees to the venue. CoreNet did not incur any attrition fees for the years ended March 31, 2017 and 2016 and does not currently anticipate incurring any attrition fees for future events.



**CORENET GLOBAL, INC. AND RELATED ENTITIES**  
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**11. FOREIGN OPERATIONS**

A summary of foreign assets, liabilities, net assets and change in net assets relating to operations in Australia, Europe and China, which are included in the combined financial statements, are as follows:

	<u>2017</u>	<u>2016</u>
Assets	\$ 2,608,090	\$ 2,275,316
Liabilities	\$ 1,378,731	\$ 1,420,051
Net assets	\$ 1,229,359	\$ 855,265
Change in net assets from operations	\$ 374,094	\$ 67,724

**12. FOREIGN CURRENCY EXPOSURE**

CoreNet, as a non-profit entity with global operations, collects and holds multiple foreign currencies, including the Euro, Australian Dollar and the Chinese Yuan. In accordance with accounting principles generally accepted in the United States of America, it must record the effect of translating foreign currency transactions to United States Dollars in the Combined Statement of Activities and Net Assets. This principle can cause volatility in the change in net assets of CoreNet. The Organization may have a large gain or loss in a particular year from foreign currency transactions but it does not affect the operations or mission of the Organization as it receives revenues and pays expenses in local currency in these locations. The Organization does not hedge for currency fluctuation due to its operational approach and size. The foreign currency gain (loss) reported on the Combined Statements of Activities and Net Assets for the fiscal years ended March 31, 2017 and 2016 were (\$5,779) and \$70,394, respectively.

The following cumulative foreign currency translations are included in net assets on the Combined Statements of Financial Position:

March 31, 2015	\$ (189,587)
FYE 2016 gain	<u>70,394</u>
March 31, 2016	(119,193)
FYE 2017 loss	<u>(5,779)</u>
March 31, 2017	<u><u>\$ (124,972)</u></u>