<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$0</td>
<td>$125,678</td>
</tr>
<tr>
<td>Investments</td>
<td>$12,298,938</td>
<td>$9,174,552</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade, net</td>
<td>206,691</td>
<td>155,895</td>
</tr>
<tr>
<td>Other</td>
<td>14,904</td>
<td>201,103</td>
</tr>
<tr>
<td>NACS Foundation</td>
<td>120,303</td>
<td>206,876</td>
</tr>
<tr>
<td>NACSCORP</td>
<td>217,559</td>
<td>672,262</td>
</tr>
<tr>
<td>Inventories</td>
<td>18,452</td>
<td>33,553</td>
</tr>
<tr>
<td>Deferred tax asset</td>
<td>207,084</td>
<td>304,963</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>185,361</td>
<td>166,847</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>13,269,292</td>
<td>11,041,729</td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NACSCORP</td>
<td>3,404,827</td>
<td>4,940,663</td>
</tr>
<tr>
<td>PartnerShip</td>
<td>2,095,419</td>
<td>1,840,792</td>
</tr>
<tr>
<td>indiCo</td>
<td>(927,500)</td>
<td>935,205</td>
</tr>
<tr>
<td><strong>Other investments</strong></td>
<td>4,572,746</td>
<td>7,716,660</td>
</tr>
<tr>
<td><strong>PROPERTY, BUILDING AND EQUIPMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and land improvements</td>
<td>269,884</td>
<td>269,884</td>
</tr>
<tr>
<td>Building and building improvements</td>
<td>3,154,512</td>
<td>3,154,512</td>
</tr>
<tr>
<td>Furniture/equipment</td>
<td>709,384</td>
<td>694,114</td>
</tr>
<tr>
<td>Technology</td>
<td>1,097,107</td>
<td>1,097,107</td>
</tr>
<tr>
<td>Other</td>
<td>5,700</td>
<td>5,700</td>
</tr>
<tr>
<td><strong>Less accumulated depreciation and amortization</strong></td>
<td>(3,880,943)</td>
<td>(3,755,270)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$20,688,803</td>
<td>$22,966,080</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line of credit</td>
<td>$478,208</td>
<td>$650,000</td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,053,327</td>
<td>1,049,550</td>
</tr>
<tr>
<td>Accrued wages and payroll taxes</td>
<td>582,241</td>
<td>861,744</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>306,580</td>
<td>1,027,532</td>
</tr>
<tr>
<td>Deferred income</td>
<td>234,188</td>
<td>857,600</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>2,654,544</td>
<td>4,446,426</td>
</tr>
<tr>
<td><strong>Deferred tax liability</strong></td>
<td>239,801</td>
<td>290,578</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,894,345</td>
<td>4,737,004</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>17,717,854</td>
<td>17,773,893</td>
</tr>
<tr>
<td>Designated by Member Interest Groups</td>
<td>76,604</td>
<td>455,183</td>
</tr>
<tr>
<td><strong>Total unrestricted net assets</strong></td>
<td>17,794,458</td>
<td>18,229,076</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$20,688,803</td>
<td>$22,966,080</td>
</tr>
</tbody>
</table>
# Statement of Activities

**Years ended March 31, 2017 and March 31, 2016**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AND OTHER SUPPORT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product sales and services</td>
<td>$78,751</td>
<td>$138,281</td>
</tr>
<tr>
<td>Membership dues</td>
<td>1,193,883</td>
<td>1,347,330</td>
</tr>
<tr>
<td>Meetings, expositions and educational programs</td>
<td>4,347,685</td>
<td>5,178,909</td>
</tr>
<tr>
<td>Publications/advertising</td>
<td>359,535</td>
<td>428,216</td>
</tr>
<tr>
<td>Investment income</td>
<td>188,422</td>
<td>138,548</td>
</tr>
<tr>
<td>Management fee - NACS Foundation</td>
<td>294,376</td>
<td>315,181</td>
</tr>
<tr>
<td><strong>Total net revenues and other support</strong></td>
<td><strong>6,462,652</strong></td>
<td><strong>7,546,465</strong></td>
</tr>
</tbody>
</table>

| **EXPENSES**         |          |          |
| Cost of products and services sold | 35,442   | 178,861  |
| Membership services    | 1,592,727| 1,918,290|
| Meetings, expositions and educational programs | 3,633,897| 4,177,763|
| Publications/advertising | 896,240  | 1,147,525|
| NACS Foundation expense | 294,376  | 315,181  |
| Selling, general and administrative | 468,193  | 496,345  |
| Depreciation and amortization | 125,673  | 131,374  |
| Governance             | 696,091  | 1,095,687|
| Public relations/advocacy/legal | 1,053,315| 1,311,175|
| Interest               | 15,336   | 10,056   |
| **Total expenses**     | **8,811,290** | **10,782,257** |

| **CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)** |          |          |
|                                                       | (2,348,638) | (3,235,792) |

| **OTHER INCOME (EXPENSE)** |          |          |
| Other, net                      | (363,616)   | (372,822)  |
| Restructuring costs             | (170,770)   |           |
| Net realized and unrealized gains on investments | 2,342,371  | (416,342)  |
| **Total expenses**              | **1,807,985** | **(789,164)** |

| **CHANGE IN NET ASSETS BEFORE EQUITY EARNINGS AND TAXES** |          |          |
|                                                           | (540,653)  | (4,024,956) |

| Equity earnings of NACSCORP | (1,535,836) | 501,636  |
| Equity earnings of PartnerShip | 4,929,270 | 5,220,466 |
| Equity earnings of indiCo     | (3,312,660) | (1,579,700) |

| **CHANGE IN NET ASSETS BEFORE TAXES** |          |          |
|                                         | (459,879)  | 117,446   |

| Federal income tax provisions         | 25,261     | (1,343,254) |

| **CHANGE IN NET ASSETS AFTER TAXES** |          |          |
|                                       | (434,618)  | (1,225,808) |

| **UNRESTRICTED NET ASSETS - END OF YEAR** |          |          |
|                                          | $17,794,458 | $18,229,076 |
### NATIONAL ASSOCIATION OF COLLEGE STORES

#### Statement of Cash Flow

**Years ended March 31, 2017 and March 31, 2016**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets before equity earnings and distributions</td>
<td>$(515,392)</td>
<td>$(5,368,210)</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets before equity earnings and distributions to net cash (used for) provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>125,673</td>
<td>131,374</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>47,102</td>
<td>(92,626)</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>(2,342,371)</td>
<td>416,342</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables, net</td>
<td>(50,796)</td>
<td>(27,108)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>186,199</td>
<td>573,546</td>
</tr>
<tr>
<td>NACS Foundation receivable/payable</td>
<td>86,573</td>
<td>(18,952)</td>
</tr>
<tr>
<td>Inventories</td>
<td>15,101</td>
<td>(1,256)</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>(18,514)</td>
<td>(66,623)</td>
</tr>
<tr>
<td>Trade and publishers payables</td>
<td>3,777</td>
<td>(13,136)</td>
</tr>
<tr>
<td>NACSCORP receivable/payable</td>
<td>454,703</td>
<td>(417,503)</td>
</tr>
<tr>
<td>Accrued wages and payroll taxes</td>
<td>(279,503)</td>
<td>(52,545)</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>(720,952)</td>
<td>239,401</td>
</tr>
<tr>
<td>Deferred income</td>
<td>(623,412)</td>
<td>94,819</td>
</tr>
<tr>
<td>Net cash (used for) provided by operating activities</td>
<td>(3,631,812)</td>
<td>(4,602,477)</td>
</tr>
</tbody>
</table>

| **CASH FLOWS FROM INVESTING ACTIVITIES** |          |           |
| Capital expenditures and transfers, net | (15,270) | (9,457)   |
| Purchase of investments | (3,860,779) | (998,814) |
| Proceeds from sale of investments | 4,329,287 | 1,511,658 |
| Net cash (used for) provided by investing activities | 453,238  | 503,387   |

| **CASH FLOWS FROM FINANCING ACTIVITIES** |          |           |
| Net (payments) borrowings on lines of credit | (171,792) | 239,392   |
| (Payments on) proceeds from capital distribution | (1,449,957) | (2,072,949) |
| Proceeds from (payments on) capital distribution | 4,674,645 | 6,058,325 |
| Net cash provided by (used for) financing activities | 3,052,896 | 4,224,768 |

| **INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** |          |           |
| INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 125,678  | 0         |
| INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 0        | 125,678   |

#### Supplemental Disclosures:

- Cash paid during the year for:
  - Income taxes | $651,184 | $994,332 |
  - Interest    | $15,336  | $(10,056) |