

CONSOLIDATED FINANCIAL STATEMENTS

**THE INTERNATIONAL CENTRE FOR
MISSING & EXPLOITED CHILDREN AND
ICMEC LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2015**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The International Centre for Missing & Exploited Children and ICMEC Limited
Alexandria, Virginia

We have audited the accompanying consolidated financial statements of The International Centre for Missing & Exploited Children and ICMEC Limited (collectively, ICMEC), which comprise the consolidated statement of financial position as of December 31, 2016, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of ICMEC as of December 31, 2016, and the consolidated change in its net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Report on Summarized Comparative Information

We have previously audited ICMEC's 2015 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 15, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

March 29, 2017

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015

ASSETS

	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,550,210	\$ 3,052,570
Investments	196,248	-
Grants and pledges receivable	498,331	555,145
Other receivables, net of allowance for doubtful accounts totaling \$3,300	15,328	5,141
Prepaid expenses	<u>81,764</u>	<u>61,342</u>
Total current assets	<u>3,341,881</u>	<u>3,674,198</u>
FIXED ASSETS		
Website development	181,267	168,708
Leasehold improvements	<u>714,964</u>	<u>470,079</u>
	896,231	638,787
Less: Accumulated amortization	<u>(538,094)</u>	<u>(411,802)</u>
Net fixed assets	<u>358,137</u>	<u>226,985</u>
OTHER ASSETS		
Grants and pledges receivable, net of current portion and present value discount of \$1,860	53,140	242,862
Deposits	<u>63,814</u>	<u>26,884</u>
Total other assets	<u>116,954</u>	<u>269,746</u>
TOTAL ASSETS	<u>\$ 3,816,972</u>	<u>\$ 4,170,929</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 177,906	\$ 177,026
Deferred revenue	39,249	59,801
Deferred rent	<u>32,301</u>	<u>69,149</u>
Total current liabilities	<u>249,456</u>	<u>305,976</u>
LONG-TERM LIABILITIES		
Deferred rent	<u>235,909</u>	<u>5,825</u>
Total liabilities	<u>485,365</u>	<u>311,801</u>
NET ASSETS		
Unrestricted	1,580,800	2,073,944
Temporarily restricted	<u>1,750,807</u>	<u>1,785,184</u>
Total net assets	<u>3,331,607</u>	<u>3,859,128</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,816,972</u>	<u>\$ 4,170,929</u>

See accompanying notes to consolidated financial statements.

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015**

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
SUPPORT AND REVENUE				
Grants and contributions	\$ 582,997	\$ 768,002	\$ 1,350,999	\$ 1,992,227
Investment income	2,257	-	2,257	410
Contributed services	1,748	-	1,748	100,828
Gala, net of expenses totaling \$248,073	1,246,713	110,100	1,356,813	890,943
Net assets released from donor restrictions	<u>912,479</u>	<u>(912,479)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>2,746,194</u>	<u>(34,377)</u>	<u>2,711,817</u>	<u>2,984,408</u>
EXPENSES				
Program Services	<u>2,503,266</u>	<u>-</u>	<u>2,503,266</u>	<u>2,100,774</u>
Supporting Services:				
Management and General	426,327	-	426,327	274,084
Fundraising	<u>309,745</u>	<u>-</u>	<u>309,745</u>	<u>239,284</u>
Total supporting services	<u>736,072</u>	<u>-</u>	<u>736,072</u>	<u>513,368</u>
Total expenses	<u>3,239,338</u>	<u>-</u>	<u>3,239,338</u>	<u>2,614,142</u>
Change in net assets	(493,144)	(34,377)	(527,521)	370,266
Net assets at beginning of year	<u>2,073,944</u>	<u>1,785,184</u>	<u>3,859,128</u>	<u>3,488,862</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,580,800</u>	<u>\$ 1,750,807</u>	<u>\$ 3,331,607</u>	<u>\$ 3,859,128</u>

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015**

	<u>Supporting Services</u>			Total Supporting Services	Total Expenses	2015 Expenses
	Program Services	Management and General	Fundraising			
Salaries and fringe benefits	\$ 855,891	\$ 195,049	\$ 205,158	\$ 400,207	\$ 1,256,098	\$ 1,052,265
Professional and contract fees	516,659	133,313	39,713	173,026	689,685	510,484
Travel	121,076	14,958	4,671	19,629	140,705	134,562
Supplies and deliveries	39,431	4,826	12,151	16,977	56,408	46,039
Occupancy and building costs	312,785	51,193	39,379	90,572	403,357	351,738
Outreach	176,352	-	-	-	176,352	280,967
Trainings/Roundtables/Conferences	407,924	16,775	-	16,775	424,699	195,813
Other	73,148	10,213	8,673	18,886	92,034	42,274
TOTAL	\$ 2,503,266	\$ 426,327	\$ 309,745	\$ 736,072	\$ 3,239,338	\$ 2,614,142

See accompanying notes to consolidated financial statements.

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (527,521)	\$ 370,266
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Amortization	126,292	81,623
Unrealized loss	1,873	-
Donated stock pledge	(198,121)	-
Change in discount	(5,366)	(3,613)
Change in allowance for bad debt	3,300	-
Donated website development	-	(8,750)
(Increase) decrease in:		
Grants and pledges receivable	248,602	284,582
Other receivables	(10,187)	2,094
Prepaid expenses	(20,422)	(2,707)
Deposits	(36,930)	(85)
Increase (decrease) in:		
Accounts payable and accrued expenses	880	82,473
Deferred revenue	(20,552)	1,696
Deferred rent	(51,648)	(59,903)
Net cash (used) provided by operating activities	<u>(489,800)</u>	<u>747,676</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	<u>(12,560)</u>	<u>(159,958)</u>
Net cash used by investing activities	<u>(12,560)</u>	<u>(159,958)</u>
Net (decrease) increase in cash and cash equivalents	(502,360)	587,718
Cash and cash equivalents at beginning of year	<u>3,052,570</u>	<u>2,464,852</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,550,210</u>	<u>\$ 3,052,570</u>
SUPPLEMENTAL INFORMATION:		
Donated Stock	<u>\$ 35,699</u>	<u>\$ 25,443</u>
Tenant Allowance	<u>\$ 244,884</u>	<u>\$ -</u>

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The International Centre for Missing & Exploited Children and ICMEC Limited (ICMEC) is a non-profit organization, incorporated in the State of New York and located in Alexandria, Virginia. ICMEC was organized for the purposes of protecting the world's children from sexual exploitation and abduction, and other activities in support of these purposes.

In May 2009, ICMEC created ICMEC Limited, a Singapore public company limited by guarantee. ICMEC is the sole member of ICMEC Limited. The office was established to direct ICMEC's policies and programmatic initiatives in the Asia-Pacific Region. ICMEC Limited is funded by ICMEC. During the year ended December 31, 2016, ICMEC sent \$177,049 to ICMEC Limited. ICMEC Limited has one full-time employee and one ICMEC staff member serves on the ICMEC Limited Board of Directors.

Basis of presentation -

The accompanying consolidated financial statements of ICMEC and ICMEC Limited (the organization) are presented on the accrual basis of accounting, and in accordance with FASB ASC 958-810, *Not-for-Profit Entities, Consolidation*. All significant intercompany balances and transactions have been eliminated in consolidation.

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with ICMEC's consolidated financial statements for the year ended December 31, 2015, from which the summarized information was derived.

Cash and cash equivalents -

ICMEC considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, ICMEC maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Foreign currency -

The U.S. Dollar is the functional currency of ICMEC. ICMEC Limited financial statements are reported in Singapore dollars. All assets and liabilities of the Singapore entity have been translated into U.S. Dollars using the spot exchange rate in effect as of year-end. All revenues and expenses of the Singapore entity have been translated into U.S. Dollars using the average annual exchange rate. The effects of this translation are recorded in the Consolidated Statement of Activities and Change in Net Assets and are immaterial.

Grants, pledges and other receivables -

Grants, pledges and other receivables that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contributions revenue. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the donor.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Fixed assets -

Fixed assets in excess of \$10,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Website development costs are amortized over three years once placed in service. Costs incurred for the ongoing maintenance of the existing website are expensed as incurred.

The capitalization and ongoing assessment of recoverability of development costs incurred require considerable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility and estimated economic life.

Amortization expense for the year ended December 31, 2016 totaled \$126,292.

Income taxes -

ICMEC is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. ICMEC Limited is recognized as a public company limited by guarantee in accordance with the laws and regulations of Singapore. A public company limited by guarantee is exempt from income tax if any surplus funds are from contributions or if over 50% of gross revenue receipts are from members and are not tax deductible for members. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. ICMEC is not a private foundation.

Uncertain tax positions -

For the year ended December 31, 2016, ICMEC has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

Deferred revenue -

Deferred revenue consists of gala registrations. ICMEC recognizes gala revenue when the related event has occurred.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of ICMEC and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of ICMEC and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statement of Activities and Change in Net Assets as net assets released from restrictions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Contributions and grants -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying consolidated financial statements.

Contributed services -

Contributed services consist of professional services and are recorded at their fair market value as of the date of the gift.

Use of estimates -

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

New accounting pronouncements -

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Consolidated Statement of Activities and Change in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted. The ASU should be applied on a retrospective basis in the year that the ASU is first applied. While the ASU will change the presentation of ICMEC's consolidated financial statements, it is not expected to alter ICMEC's reported financial position activities.

Reclassification -

Certain amounts in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

2. INVESTMENTS

Investments consisted of the following at December 31, 2016:

	<u>Fair Value</u>
Common Stocks	\$ <u>196,248</u>

Included in investment income are the following at December 31, 2016:

Interest and dividends	\$ 4,130
Unrealized loss	<u>(1,873)</u>
TOTAL INVESTMENT INCOME	\$ <u>2,257</u>

3. GRANTS AND PLEDGES RECEIVABLE

ICMEC has received grants and pledges to be paid over the next two years. The grants and pledges due in more than one year have been discounted using an interest rate of 3.25% to 3.50%.

Following is a summary of all pledges receivable as of December 31, 2016:

<u>Year Ending December 31,</u>	
2017	\$ 498,331
2018	<u>55,000</u>
	553,331
Less: Discount	<u>(1,860)</u>
PLEDGES RECEIVABLE, NET DISCOUNT	\$ <u>551,471</u>

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2016:

Program	\$ 1,621,680
Time restricted	<u>129,127</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	\$ <u>1,750,807</u>

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Program	\$ 870,954
Passage of time	<u>41,525</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ <u>912,479</u>

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

5. CONTRIBUTED SERVICES

During the year ended December 31, 2016, ICMEC was the beneficiary of professional services which allowed ICMEC to provide greater resources toward various programs. To properly reflect total program expenses, the following donations have been included in revenue and expense for the year ended December 31, 2016.

Donated Legal Services	\$ <u>1,748</u>
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6. LEASE COMMITMENTS

In May 2016, ICMEC signed a lease for 111 months, commencing on November 15, 2016, for office space in Virginia. ICMEC received build-out allowance and other modifications paid by the landlord in the amount totaling \$244,884, which was recorded as a deferred rent liability and will be amortized using the straight-line method over the life of the lease. Additionally, the lease calls for an annual two and one-half percent rent escalation adjustment and eleven months of rent abatement.

Accounting principles generally accepted in the United States of America require that the total rent commitment and lease incentive should be recognized on a straight-line basis over the term of the lease.

Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Consolidated Statement of Financial Position. As of December 31, 2016, the deferred rent liability totaled \$268,210.

The following is a schedule of the future minimum lease payments:

<u>Year Ending December 31,</u>	
2017	\$ 68,148
2018	239,193
2019	245,191
2020	251,316
2021	257,617
Thereafter	<u>1,144,894</u>
	<u>\$ 2,206,359</u>

Rent expense for the year ended December 31, 2016 was \$337,106.

ICMEC Limited leases office space in Singapore under a short-term lease agreement.

7. RETIREMENT PLAN

ICMEC participates in The National Center for Missing and Exploited Children (NCMEC) defined contribution plan. The retirement contribution is 100% employer funded in an amount equal to 7% of W-2 wages for all staff over 20 1/2 years of age who have met eligibility requirements. Employees are vested after being employed for two years, with at least 1,000 hours worked in each year. ICMEC's contributions to the plan during the year ended December 31, 2016 totaled \$128,062. A separate 403(b) plan offers employees the opportunity to contribute a percentage or a specific dollar amount of their bi-weekly pay on a pre or post-tax basis, up to the allowed each year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

7. **RETIREMENT PLAN (Continued)**

In January 2017, ICMEC started participating in a new 403(b) defined contribution plan covering all eligible employees of ICMEC. The plan offers employee elective deferrals, voluntary after-tax contributions and ROTH contributions up to the maximum allowed by law. Employees are immediately vested in their elective deferrals. Under the same 403(b) plan, ICMEC contributes 7% of each eligible employee's gross salary per pay period, regardless of the employee's contribution. Employees are vested after being employed for two (2) years, with at least 1,000 hours worked in each year.

8. **RELATED PARTY**

ICMEC reimburses The National Center for Missing and Exploited Children (NCMEC) for expenses incurred on its behalf for employee services and other overhead expenses. For the year ended December 31, 2016, ICMEC reimbursed NCMEC \$133,591.

For the year ended December 31, 2016, contributions from Board members totaled \$622,004, with promises to give of \$125,000.

9. **FAIR VALUE MEASUREMENT**

In accordance with FASB ASC 820, *Fair Value Measurement*, ICMEC has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Consolidated Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market ICMEC has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2016.

- *Common stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.

THE INTERNATIONAL CENTRE FOR MISSING & EXPLOITED CHILDREN AND ICMEC LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

9. FAIR VALUE MEASUREMENT (Continued)

The table below summarizes, by level within the fair value hierarchy, ICMEC's investments as of December 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total December 31, 2016</u>
Asset Class:				
Common Stocks	<u>\$ 196,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,248</u>

10. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, ICMEC has evaluated events and transactions for potential recognition or disclosure through March 29, 2017, the date the consolidated financial statements were issued.