

Novak Djokovic Foundation (USA) and Affiliate

Consolidated Financial Statements

December 31, 2017 and 2016

Novak Djokovic Foundation (USA) and Affiliate

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	1-2
CONSOLIDATED FINANCIAL STATEMENTS:	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Cash Flows	5
Consolidated Statements of Functional Expenses	6-7
Notes to Consolidated Financial Statements	8-13
SUPPLEMENTAL INFORMATION:	
Consolidating Schedule: Statements of Financial Position	14
Consolidating Schedule: Statements of Activities	15
Consolidating Schedule: Statements of Functional Expenses	16



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Novak Djokovic Foundation (USA)
New York, NY

We have audited the accompanying consolidated financial statements of Novak Djokovic Foundation (USA) (a nonprofit organization) and affiliate, which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the years 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 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 did not audit the financial statements of Novak Djokovic Foundation (UK) Limited, a foreign affiliate, which statements reflect total assets of \$4,332,141 and \$5,915,856 as of December 31, 2017 and 2016 respectively, and total support and revenues of \$308,647 and \$3,185,647, for the years then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Novak Djokovic Foundation (UK) Limited, is based solely on the report of the other auditors. 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 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 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, based on our audit and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Novak Djokovic Foundation (USA) and affiliate as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedules of consolidating schedule statements of financial position as of December 31, 2017, and the consolidating schedule statements of activities, and consolidating schedule statements of functional expenses for the year ended December 31, 2017 on pages 14-16 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Hoffman Mulligan CPAs, LLP
Hoffman Mulligan CPAs, LLP
Certified Public Accountants

October 24, 2018
New York, NY



**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016**

<u>ASSETS</u>	(Consolidated) <u>2017</u>	(Consolidated) <u>2016</u>
Cash and cash equivalents	\$ 2,280,217	\$ 5,133,950
Contributions receivable	50,437	376,443
Auction items inventory	20,000	20,000
Investments at fair value	<u>2,137,840</u>	<u>630,055</u>
Total Current Assets	<u>4,491,001</u>	<u>6,160,448</u>
Total Assets	<u><u>\$ 4,491,001</u></u>	<u><u>\$ 6,160,448</u></u>
 <u>LIABILITIES AND NET ASSETS</u> 		
LIABILITIES		
Accrued Expenses	<u>\$ 33,606</u>	<u>\$ 142,044</u>
Total Current Liabilities	<u>33,606</u>	<u>142,044</u>
NET ASSETS		
Unrestricted	4,457,395	5,994,365
Temporarily Restricted	<u>-</u>	<u>24,039</u>
Total Net Assets	<u>4,457,395</u>	<u>6,018,404</u>
Total Liabilities and Net Assets	<u><u>\$ 4,491,001</u></u>	<u><u>\$ 6,160,448</u></u>

See Independent Auditors' Report and Notes to Financial Statements

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017 (Consolidated)</u>			<u>(Consolidated)</u> <u>2016</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	
SUPPORT				
Contributions	\$ 411,205	\$ -	\$ 411,205	\$ 2,355,746
TOTAL SUPPORT	411,205	-	411,205	2,355,746
Amounts released from restrictions	24,039	(24,039)	-	-
Total	<u>435,244</u>	<u>(24,039)</u>	<u>411,205</u>	<u>2,355,746</u>
EXPENSES				
Program	2,000,222		2,000,222	852,157
Fundraising	155,575		155,575	212,686
General and administrative	246,140		246,140	187,977
TOTAL EXPENSES	<u>2,401,937</u>	-	<u>2,401,937</u>	<u>1,252,820</u>
OTHER INCOME (LOSS)				
Interest income	521		521	2,250
Unrealized gain on investments	111,607		111,607	12,995
Foreign currencies exchange gains (losses)	317,595	-	317,595	(278,279)
TOTAL OTHER INCOME (LOSS)	<u>429,723</u>	-	<u>429,723</u>	<u>(263,034)</u>
CHANGE IN NET ASSETS	(1,536,970)	(24,039)	(1,561,009)	839,892
NET ASSETS - Beginning of year	5,994,365	24,039	6,018,404	5,178,512
NET ASSETS - End of year	<u>\$ 4,457,395</u>	<u>\$ -</u>	<u>\$ 4,457,395</u>	<u>\$ 6,018,404</u>

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	(Consolidated) <u>2017</u>	(Consolidated) <u>2016</u>
Cash flows from operating activities		
Change in net assets	\$ (1,561,009)	\$ 839,892
<i>Adjustments to reconcile change in net assets to net cash provided by (used) in operating activities:</i>		
Unrealized gain on investments	(111,607)	(12,995)
Changes in assets and liabilities:		
Contributions receivable	326,006	391,776
Prepaid expenses	(2,507)	-
Auction items inventory	-	7,654
Accrued expenses	(108,438)	68,162
	<u>(1,457,555)</u>	<u>1,294,489</u>
Cash flows from investing activities		
Cash paid for investments	<u>(1,396,178)</u>	<u>(617,060)</u>
Net change in cash and cash equivalents	(2,853,733)	677,429
Cash and cash equivalents - beginning of year	<u>5,133,950</u>	<u>4,456,521</u>
Cash and cash equivalents - end of year	<u><u>\$ 2,280,217</u></u>	<u><u>\$ 5,133,950</u></u>

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>PROGRAM</u>	<u>FUNDRAISING</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>TOTALS</u>
Contributions to NDF Serbia	1,943,499	-	-	1,943,499
Other Contributions	-	-	-	-
Insurance	-	-	247	247
Bank and credit card fees	-	-	861	861
Salaries and related	51,575	51,575	51,575	154,725
Miscellaneous	-	-	4,877	4,877
Professional fees	-	-	166,157	166,157
Public relations	-	81,405	-	81,405
Publication, postage and mailings	-	-	95	95
Subscriptions	-	-	186	186
Travel and related	5,148	5,148	5,148	15,444
Telephone	-	-	176	176
Computer and software	-	-	16,436	16,436
Website costs	-	17,447	382	17,829
Totals	<u>\$ 2,000,222</u>	<u>\$ 155,575</u>	<u>\$ 246,140</u>	<u>\$ 2,401,937</u>

See Independent Auditors' Report and Notes to Financial Statements

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>PROGRAM</u>	<u>FUNDRAISING</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>TOTALS</u>
Contributions to NDF Italy	\$ 42,654	\$ -	\$ -	\$ 42,654
Contributions to NDF Serbia	488,250	-	-	488,250
Other Contributions	254,044	-	-	254,044
Insurance	-	-	445	445
Bank and credit card fees	-	-	537	537
Salaries and related	51,805	51,805	51,805	155,415
Miscellaneous	-	-	4,220	4,220
Professional fees	12,360	-	124,836	137,196
Public relations	-	128,038	-	128,038
Publication, postage and mailings	-	-	1,029	1,029
Subscriptions	-	-	187	187
Travel and related	3,044	3,044	3,044	9,132
Telephone	-	-	315	315
Computer and software	-	-	1,559	1,559
Website costs	-	29,799	-	29,799
Totals	<u>\$ 852,157</u>	<u>\$ 212,686</u>	<u>\$ 187,977</u>	<u>\$ 1,252,820</u>

See Independent Auditors' Report and Notes to Financial Statements

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1 - Organization and Summary of Significant Accounting Policies

Organization

The Novak Djokovic Foundation (USA) and affiliate (The “Foundation”) was incorporated in Delaware on December 21, 2011 to award grants to fund organizations and projects in Serbia and the rest of the world that promote early childhood education and the development of young children who are from disadvantaged backgrounds. The intention is that by investing in these children and helping them to reach their full potential they will be able to bring positive changes to their communities in the future.

The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c) (3) and New York State Not-for-Profit Corporation Law Section 402.

Summary of Significant Accounting Policies

Basis of accounting - The Foundation prepares its consolidated financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to not-for-profit entities.

Financial statement presentation – In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-205-05 *Presentation of financial Statements*, the Foundation is required to report that the amounts for each of the three classes of net assets, permanently restricted, temporarily restricted and unrestricted, be displayed in a statement of financial position and the amounts of change in each of those classes of net assets be displayed in a statement of activities. These reporting standards require the classifications of net assets and changes therein in one of three classes of net assets as follows:

Unrestricted Net Assets - Net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations or by New York Prudent Management of Institutional Funds Act (“NYPMIFA”).

Temporarily restricted net assets – Net Assets used for grants and financial assistance that is subject to donor-imposed restrictions that will be met either by actions of the Foundation or passage of time. In addition, earnings on certain donor-restricted endowment funds are classified as temporary restricted, pursuant to NYPMIFA until appropriated for spending by the Board of Directors.

Permanently restricted net assets – Net Assets resulting from contributions and other inflows of assets whose use by the Foundation is limited by donor - imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Organization and Summary of Significant Accounting Policies, (continued)

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of Novak Djokovic Foundation (USA) and its wholly owned affiliate. All significant intercompany balances and transactions have been eliminated in consolidation. The following entities are included in the consolidated financial statements:

Novak Djokovic Foundation (USA) was incorporated in Delaware on December 21, 2011. This is the USA operating foundation that receives contributions mainly from US entities and/or tax payers but also receives donations from foreign entities and/or tax payers.

Novak Djokovic Foundation (UK) Limited is registered as a members' limited liability company and was incorporated on March 7, 2012. This is the UK operating foundation that receives contributions mainly from UK entities and/or tax payers but also receives donations from foreign entities and/or tax payers. This entity is 100% owned by the Novak Djokovic Foundation (USA).

Use of Estimates - The preparation of 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 and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Foreign Currencies – Assets and liabilities recorded in foreign currencies are translated at the exchange rate on the balance sheet date. Revenue and expenses are translated at average rates of exchange prevailing during the year. Translation adjustments resulting from this process are recorded in Other Income (Expense) on the Statements of Activities.

Cash and Cash Equivalents – Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months.

Contributions Receivable which include income tax recoverable in relation to donations received under Gift Aid are unconditional promises to give and are recorded as receivables and revenues and are recognized when the promises are made at their net present value. The Foundation determines whether an allowance for doubtful accounts should be provided for pledges receivable. Such estimates are based on management's assessment of the aged basis of its contributions and other sources, current economic conditions, subsequent collections, and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable efforts have been exhausted.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Organization and Summary of Significant Accounting Policies, (continued)

Valuation of Portfolio Investments - US GAAP establishes a hierarchy that prioritizes inputs to valuation methods which the Foundation utilizes for its investments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. The three levels of inputs are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.
- Level 2 - Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Foundation’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The Foundation’s investments are traded in quoted public markets, primarily the London Stock Exchange. The year end valuation is prepared on the basis of mid-market prices from the appropriate stock exchange, the bid price from the relevant fund manager or the last traded price where applicable.

New Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, which makes changes to net asset classifications and certain disclosure requirements and in August 2018 issues ASU 2018-08, which clarifies the accounting contributions made and received. The effective date for the Foundation to adopt these changes is 2018. The Foundation does not believe that the adoption of this ASU will have a material impact on its financial statements

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Organization and Summary of Significant Accounting Policies, (continued)

Auction Items Inventory – Inventories are stated at the lower of cost or market. Cost is principally determined using the first-in, first out (FIFO) method.

Financial statement classifications - Contributions and grants, including unconditional promises to give, are reported as increases in unrestricted net assets unless use of the related assets has donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets are reported as net assets released from restrictions in the statement of activities.

Functional Allocation of Expenses – The cost of providing the various programs and supporting services has been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and services in reasonable ratios determined by management.

Concentration of credit risk – The Foundation maintains its cash and cash equivalents at major financial institutions, which at times may exceed federally insured limits. The Foundation has not experienced any losses on such accounts.

Income taxes – The Foundation follows FASB ASC Topic 740, *Income Taxes*, and evaluates its income tax positions each year. The Foundation is exempt from federal income taxes under Section 501(c)(3) of Internal Revenue Code and believes it has no uncertain tax positions for open tax years. Accordingly, no provision for income taxes has been made in the financial statements. In addition, the Foundation has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue code. There was no unrelated business income for 2017 or 2016.

The Foundation files a Form 990 informational return with the Internal Revenue Service as well as the State of New York. The years ending December 31, 2017, 2016 and 2015 remain subject to examination by applicable taxing authority.

Pensions – The Foundation contributes to personal pension plans for its employee. During the year ending December 31, 2017 and 2016, the Foundation contributed \$6,747 and \$6,776 to such plan, respectively.

Contribution expense – Contributions are recorded when the offer is made.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS**

Organization and Summary of Significant Accounting Policies, (continued)

Subsequent events – In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through October 24, 2018 the date the financial statements were issued. There were no significant subsequent events or transactions which required recognition and disclosure in the financial statements.

NOTE 2 – Investments at Fair Value

The table below sets forth information about the level within the fair values hierarchy at which the Foundation’s investments are measured at December 31, 2017 and 2016 as well as the breakdown of investment income for the year ended December 31, 2017 and 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
As of December 31, 2017:				
Equities	\$ 1,193,693	\$ -	\$ -	\$ 1,193,693
Fixed income securities	-	913,437	-	913,437
Cash held within the investment portfolio	<u>30,710</u>	<u>-</u>	<u>-</u>	<u>30,710</u>
Total securities owned, at fair value	<u>\$ 1,224,403</u>	<u>\$ 913,437</u>	<u>\$ -</u>	<u>\$ 2,137,840</u>
As of December 31, 2016:				
Equities	\$ 261,468	\$ -	\$ -	\$ 261,468
Fixed income securities	-	192,284	-	192,284
Cash held within the investment portfolio	<u>176,303</u>	<u>-</u>	<u>-</u>	<u>176,303</u>
Total securities owned, at fair value	<u>\$ 437,771</u>	<u>\$ 192,284</u>	<u>\$ -</u>	<u>\$ 630,055</u>

Investment income for the year ended December 31, 2017 and 2016 consists of the following:

	<u>2017</u>	<u>2016</u>
Interest income	\$ 521	\$ 2,250
Unrealized gains	111,607	12,995
	<u>\$ 112,128</u>	<u>\$ 15,245</u>

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILATE
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - Related Party Transactions

The Foundation made contributions to the Novak Djokovic Foundation (Serbia) of \$1,943,499 and \$488,250 during the years ended December 31, 2017 and 2016, respectively and contributions to the Novak Djokovic Foundation ONLUS (Italy) of \$42,654 during the year ended December 31, 2016.

During the year ended December 31, 2016 NDF US transferred as a grant \$1,000,000 to NDF UK which was eliminated in consolidation. The founder of the Foundation made contributions during the year ended December 31 2017 and 2016 totaling \$250,000 and \$2,049,756, respectively. These contributions have been designated by the Board of Directors as a separate Novak Djokovic donation fund to meet future core and administration costs. It is intended that the balance of these designated funds will be put towards direct charitable activities and future fundraising expenditure. Investment income earned on any amounts invested are included as part of the Novak Djokovic donation fund. As of December 31, 2017 and 2016, the balance of the Novak Djokovic donation fund was \$3,921,054 and \$4,540,034, respectively.

NOTE 4 – Temporarily Restricted Activities

Temporarily restricted contributions were received in 2016 specifically to benefit the Village Donja Toplica project.

NOTE 5 - Concentrations

During the year ended December 31, 2017 and 2016 the Foundation received contributions from individual donors which represented 61% and 87% of total support, respectively.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE: STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017**

	Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited	Eliminations	Novak Djokovic Foundation Consolidated
<u>ASSETS</u>				
Cash and cash equivalents	\$ 369,353	\$ 1,910,864	\$ -	\$ 2,280,217
Contribution receivable	-	50,437	-	50,437
Prepaid expenses	2,507	-	-	2,507
Auction items inventory	20,000	-	-	20,000
Due from Novak Djokovic Foundation (USA)	-	233,000	(233,000)	-
Total Current Assets	391,860	2,194,301	(233,000)	2,353,161
Investments at fair value	-	2,137,840	-	2,137,840
Investment in Novak Djokovic Foundation (UK) Limited	164	-	(164)	-
Total Assets	\$ 392,024	\$ 4,332,141	\$ (233,164)	\$ 4,491,001
<u>LIABILITIES AND NET ASSETS</u>				
LIABILITIES				
Accrued Expenses	\$ -	\$ 33,606	\$ -	\$ 33,606
Due to Novak Djokovic Foundation (UK) Limited	233,000	-	(233,000)	-
Total Current Liabilities	233,000	33,606	(233,000)	33,606
NET ASSETS				
Share capital in Novak Djokovic Foundation (UK) Limited	-	164	(164)	-
Unrestricted Funds	159,024	4,298,371	-	4,457,395
Temporarily Restricted	-	-	-	-
Total Net Assets	159,024	4,298,535	(164)	4,457,395
Total Liabilities and Net Assets	\$ 392,024	\$ 4,332,141	\$ (233,164)	\$ 4,491,001

See Independent Auditors' Report.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE: STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited	Eliminations	Novak Djokovic Foundation Consolidated
SUPPORT				
Contributions	\$ 102,558	\$ 308,647	\$ -	\$ 411,205
Events	-	-	-	-
TOTAL SUPPORT	102,558	308,647	-	411,205
EXPENSES				
Program	24,580	1,990,222	(14,580)	2,000,222
Fundraising	15,347	154,808	(14,580)	155,575
General and administrative	119,316	141,404	(14,580)	246,140
TOTAL EXPENSES	159,243	2,286,434	(43,740)	2,401,937
OTHER INCOME (EXPENSE)				
Interest income	-	521	-	521
Management fee	-	43,740	(43,740)	-
Unrealized gain on investments	-	111,607	-	111,607
Foreign currencies exchange gains (losses)	(14,048)	331,643	-	317,595
TOTAL OTHER INCOME	(14,048)	487,511	(43,740)	429,723
INCREASE (DECREASE) IN NET ASSETS	(70,733)	(1,490,276)	-	(1,561,009)
NET ASSETS - Beginning of year	229,756	5,788,648	-	6,018,404
NET ASSETS - End of year	\$ 159,023	\$ 4,298,372	\$ -	\$ 4,457,395

See Independent Auditors' Report.

**NOVAK DJOKOVIC FOUNDATION (USA) AND AFFILIATE
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE: STATEMENTS OF FUNCTIONAL EXPENSES
DECEMBER 31, 2017**

	PROGRAM			FUNDRAISING			GENERAL AND ADMINISTRATIVE			TOTAL EXPENSES			
	Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited		Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited		Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited		Novak Djokovic Foundation (USA)	Novak Djokovic Foundation (UK) Limited	Eliminations	Novak Djokovic Foundation Consolidated
Contributions to NDF UK	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions to NDF ONLUS (Italy)	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to NDF Serbia	10,000	1,933,499	1,943,499	-	-	-	-	-	-	10,000	1,933,499	-	1,943,499
Other Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	247	247	-	247	-	247
Bank and credit card fees	-	-	-	-	-	-	64	797	861	64	797	-	861
Salaries and related	14,580	51,575	66,155	14,580	51,575	66,155	14,580	51,575	66,155	43,740	154,725	(43,740)	154,725
Miscellaneous	-	-	-	-	-	-	3,880	997	4,877	3,880	997	-	4,877
Professional fees	-	-	-	-	-	-	100,792	65,365	166,157	100,792	65,365	-	166,157
Public Relations	-	-	-	450	80,955	81,405	-	-	-	450	80,955	-	81,405
Publication, postage and mailings	-	-	-	-	-	-	-	95	95	-	95	-	95
Subscriptions	-	-	-	-	-	-	-	186	186	-	186	-	186
Travel and related	-	5,148	5,148	-	5,148	5,148	-	5,148	5,148	-	15,444	-	15,444
Telephone	-	-	-	-	-	-	-	176	176	-	176	-	176
Computer and Software	-	-	-	-	-	-	-	16,436	16,436	-	16,436	-	16,436
Website costs	-	-	-	317	17,130	17,447	-	382	382	317	17,512	-	17,829
Totals	\$ 24,580	\$ 1,990,222	\$ 2,014,802	\$ 15,347	\$ 154,808	\$ 170,155	\$ 119,316	\$ 141,404	\$ 260,720	\$ 159,243	\$ 2,286,434	\$ (43,740)	\$ 2,401,937

See Independent Auditors' Report.