Reviewed Financial Statements

Walk With Sally

Year Ended December 31, 2016

Contents

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Independent Accountants' Review Report

Board of Directors
Walk With Sally
El Segundo, California

We have reviewed the accompanying financial statements of Walk With Sally (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA). Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Raimondo Pettit Group

Torrance, California
September 7, 2017

Walk With Sally

Statement of Financial Position

December 31,		**2016**
Assets		
Current Assets		
Cash	$	161,597
Pledges receivable		17,650
Total current assets		179,247
Property and equipment, net		7,857
Total assets	$	187,104
Liabilities and Net Assets		
Current Liabilities		
Accrued liabilities	$	3,707
Total liabilities		3,707
Net Assets		
Unrestricted		169,002
Temporarily restricted		14,395
Total net assets		183,397
Total liabilities and net assets	$	187,104

Walk With Sally

Statement of Activities

Year Ended December 31, 2016	Unrestricted	Temporarily Restricted	Total
Revenue and Support			
Contributions	$ 79,552	$ 50,000	$ 129,552
Program services	576	96	672
Special events			
Income	579,334	-	579,334
In-kind contributions	312,996	-	312,996
Direct expenses	(222,430)	-	(222,430)
In-kind expenses	(312,996)	-	(312,996)
Net special event income	356,904	-	356,904
Net assets released from restriction	68,678	(68,678)	-
Total support	505,710	(18,582)	487,128
Operating Expenses			
Program services	356,216	-	356,216
Support services			
Fundraising	161,750	-	161,750
General & administrative expenses	49,363	-	49,363
Total operating expenses	567,329	-	567,329
Change in net assets	(61,619)	(18,582)	(80,201)
Net assets at the beginning of year	230,621	32,977	263,598
Net assets at end of year	$ 169,002	$ 14,395	$ 183,397

See accompanying notes and Independent Accountants' Review Report.

Walk With Sally

Statement of Functional Expenses

Year Ended December 31,				**2016**
	Program Services	Support Services		
Functional Expense	Total Program Services	Fundraising Expenses	General & Administrative Expenses	Total Expenses
Expenses				
Advertising	3,014	3,014	-	6,028
Dues and memberships	160	639	799	1,598
Depreciation	1,375	393	196	1,964
Website and graphic design	9,355	9,206	-	18,561
Insurance	12,252	6,408	6,234	24,894
Meals and entertainment	3,769	689	1,722	6,180
Merchant Fees	-	5,689	-	5,689
Office supplies	3,902	1,951	650	6,503
Other	3,479	690	245	4,414
Outside services	28,957	6,205	6,205	41,367
Personnel expenses	209,995	109,844	3,231	323,070
Printing and copying	1,094	547	182	1,823
Professional fees	2,686	2,686	22,440	27,812
Program training and activities	28,121	-	-	28,121
Public relations	6,000	6,000	-	12,000
Rent	18,150	3,889	3,889	25,928
Software subscriptions	5,487	1,829	1,829	9,145
Storage	1,437	-	157	1,594
Telephone and internet	4,544	1,298	649	6,491
Temporary family support	7,000	-	-	7,000
Travel and meetings	5,439	773	935	7,147
Total	**$ 356,216**	**$ 161,750**	**$ 49,363**	**$ 567,329**

Walk With Sally

Statement of Cash Flows

Year Ended December 31,	**2016**
Operating Activities:	
Change in net assets	$ (80,201)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation expense	1,964
Increase (decrease) resulting from changes in:	
Contributions and other receivables	(12,650)
Accrued liabilities	(2,597)
Net cash used in operating activities	(93,484)
Investing Activities:	
Purchase of property, plant and equipment	(9,821)
Net cash used in investing activities	(9,821)
Net change in cash	(103,305)
Cash, beginning of period	264,902
Cash, end of period	$ 161,597

See accompanying notes and Independent Accountants' Review Report.

1. Non-Profit Operations and Summary of Accounting Policies

Nature of Activities

Walk With Sally, (the "Organization"), is a non-profit public benefit 501(c)(3) corporation founded on June 4, 2004. The Organization's mission is to provide free mentoring support programs and services to children of parents, guardians or siblings who have cancer or have succumbed to cancer.

The Organization is supported primarily through fundraising events and donations from the public. The Organization's costs consist primarily of staff salaries, consultants, equipment rental, entertainment, auctions and event materials. The Organization administers the following programs to help achieve its goals:

Mentoring Program – The focus of this program is to match and create one-on-one mentoring relationships ("Friendships") between a child and an adult who have both been impacted by cancer. The child in the "Friendship" is living with, lived with or lost a parent or sibling to cancer. The adult in the "Friendship" lived with or lost a parent/sibling to cancer in their lifetime or is a cancer survivor. The mentor and mentee commit to the Friendship for a minimum of 1 year, spending 6-8 hours together each month. During 2016, the Organization matched 47 mentees with mentors in this program and served a total of 76 families.

Friendship Activity Program – This program is a quarterly experiential and educational day-long event for all the mentoring friendships, their families, prospective families and mentors. An average of 69 participants attended four different friendship activities through-out the year.

Heart to Home - This program is a quarterly group art activity designed to help provide mentees safe avenues for self-expression, increase coping skills and address the impact of cancer on the youth.

Hope for the Holidays – This program provides families in the mentoring program with support and assistance during the holiday season.

Molly's Corner - This program is designed to bring hope and healing through the use of books and journaling for family and children.

Junior Mentor Program - The Junior Mentor Program is designed to engage older mentees on a deeper level while giving them a leadership role within the Walk With Sally Mentoring Program.

Fred's Future Young Leaders Scholarship - This scholarship financially contributes to the Organization's mentees secondary education.

Temporary Family Support Program – This program provides financial assistance and resources to Walk With Sally families experiencing hardship.

1. Non-Profit Operations and Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions on their use that may be met either by actions of the Organization or the passage of time. As of December 31, 2016, the Organization had total temporarily restricted net assets equal to $14,395 to be used for scholarships.

Permanently restricted net assets – Net assets subject to donor-imposed or other legal restrictions requiring that the principal be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of the income earned for either general or donor-specified purposes (none as of December 31, 2016).

Management's Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Grant Contributions Receivable

The Organization records accounts receivable for unpaid grants awarded and promises to give (contributions).

The Organization reviews accounts receivable on a regular basis to determine delinquent or past due items. A reserve is established if significant uncertainty exists as to the collectability and the amount is written off if it is determined that the amount will not be collected. All receivables were determined to be fully collectable as of December 31, 2016.

1. Non-Profit Operations and Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment

Property and equipment are stated at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation is provided for by using the straight-line method over the estimated useful lives of the respective assets, which are computer equipment depreciated over 3-5 years.

Repair and maintenance charges are expensed as incurred.

Significant improvements which materially increase values or extend the useful lives of the assets are capitalized and depreciated over the estimated useful lives of the respective assets.

Fair Value Measurements

The Organization has adopted authoritative guidance surrounding fair value measurements as it relates to financial and nonfinancial assets and liabilities. The guidance defines fair value as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Additionally, the guidance also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Authoritative guidance also provides the Organization the option to elect to measure eligible financial instruments at fair value on an instrument-by-instrument basis. At December 31, 2016, the Organization did not elect to measure any financial instruments at fair value.

The carrying amounts reported on the statement of financial position for cash, and accrued expenses approximate fair value based on the short-term maturity of these instruments.

Revenue Recognition

Contributions and Unconditional Promises to Give

The Organization records contributions and unconditional promises to give, as revenues when received or when a promise is made. Conditional promises to give are recognized as revenue when the conditions on which they depend have been substantially met. Contributions and promises to give receivable are recorded net of estimated uncollectible amounts which are determined based on management's analysis of specific contributions and promises made. Multi-year promises to give are not discounted if the amount of discount is not material.

1. Non-Profit Operations and Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

The Organization reports donations of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. Revenues are reported as increases in unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence or non-existence of donor imposed restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

When both restricted and unrestricted resources are available for use for the same purpose, it is the Organization's policy to use restricted resources first, then unrestricted resources as they are needed. Temporarily restricted revenues that are released from restrictions within the same fiscal year are shown as unrestricted.

Contributed Services and In-Kind Contributions

Volunteers make contributions of their time to the Organization's programs and supporting services on a regular basis. Many individuals volunteer their time as part of the Mentor Program and perform a variety of tasks that assist the Organization at the events, however, these services do not meet the criteria for recognition as contributed services described above. The Organization received more than 8,640 volunteer hours during the year-ended December 31, 2016.

The Organization receives in-kind contributions for special event and program expenses, such as food and beverages. The Organization records the revenue and the related expenses based on the fair market value of the good received as indicated by the donors.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the year ended December 31, 2016, the Organization has determined that no income taxes are due for its activities. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

Accounting standards require that a tax position be recognized or derecognized based on a 'more-likely than-not' threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include (or reflect) any uncertain tax positions. The Organization's tax returns are subject to examination by Federal taxing authorities for a period of three years from the date they are filed and a period of four years for California taxing authorities.

1. Non-Profit Operations and Summary of Significant Accounting Policies (Continued)

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and services benefited based on management's estimates.

Concentration of Risk

The Organization is primarily supported by fundraising events. During the year ended December 31, 2016, the White Light White Night fundraising event provided 60% of the Organization's total support. Accounts receivable for contribution revenues due from four donors represented approximately 85% of accounts receivable at December 31, 2016.

From time to time, the Organization may have cash and cash equivalent balances that exceed federally insured limits (unlimited coverage for non-interest bearing accounts and $250,000 per depositor, per insured bank for all other accounts). A failure of any banking institution in which the Organization has funds on deposit may result in a loss of deposits of amounts in excess of the then federally insured limit. Management believes that the financial institutions that hold the Organization's deposits are financially sound and therefore poses minimal credit risk.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Boards ("FASB")issued an Accounting Standards Update to increase transparency and comparability among entities by recognizing lease assets and liabilities on the balance sheet and disclosing key information about leasing arrangements. This new standard is effective for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020, with early application permitted. Under the new guidance, lessees will be required to recognize for all leases (with the exception of short-term leases) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The guidance requires modified retrospective application of the new standard, and the Organization is currently evaluating the impacts of adoption.

In August 2016, the FASB issued Accounting Standard Update ("ASU") 2016-14, Not-for-Profit Entities (Topic 985): *Presentation of Financial Statements of Not-for-Profit Entities.* The ASU simplifies the presentation of net assets into two classes of net assets at the end of the period: net assets with donor restrictions and net assets without donor restrictions, rather than the currently required three classes.

1. Non-Profit Operations and Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

In addition, the requirement of preparing the indirect method reconciliation if the direct method of operating cash flows is chosen has been removed. The ASU also requires reporting of investment return net of external and direct internal investment expenses and no longer require disclosure of those netted expenses.

Additional provisions related to the disclosures and financial statement presentation are included in the ASU. Non-profit organizations that previously were required to present a statement of functional expenses do not have the option to omit this analysis; however, they may present the comparative period information in any of the formats permitted in this ASU, consistent with the presentation in the period of adoption. The ASU also requires new disclosures about liquidity and availability of resources. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted and retrospective application to all periods presented. The Organization is currently evaluating the impacts of adoption.

2. Property and Equipment

Property and equipment consists of the following:

December 31,		*2016*
Computer equipment	$	9,821
		9,821
Less: accumulated depreciation		(1,964)
Total	$	7,857

Depreciation expense amounted to $1,964 for the year ended December 31, 2016.

3. Leases

Operating Leases

The Organization leased office facilities in El Segundo, California, for a term ending March 31, 2017. Subsequent to year-end, the Organization amended the terms of the lease to include additional office space and to extend the term of the lease ending May 31, 2022. The lease agreements require total monthly payments of approximately $1,770 plus taxes and common area maintenance fees.

3. Leases (Continued)

Operating Leases (Continued)

Total rental expense approximated $25,929 during the year ended December 31, 2016, (including taxes and common area maintenance charges). Future minimum lease payments are as follows:

Years Ending December 31,		
2017	$	33,673
2018		54,829
2019		56,474
2020		58,168
2021		59,913
Thereafter		16,471
	$	279,528

4. Related Party Transactions

During the year ended December 31, 2016, the Organization contracted with an individual, related to the Executive Director, to serve as a part-time summer intern. This transaction was approved by the Board of Directors in accordance with the Organization's conflict of interest policy. Total fees paid to the related family member and charged to program services were $1,621. There was nothing due to this individual as of December 31, 2016.

5. Subsequent Events

The management of the Organization has reviewed the results of operations and evaluated subsequent events for the period of time from its year ended December 31, 2016, through September 7, 2017, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor are there any other subsequent events other than those previously discussed requiring disclosure (see Note 3).