Reviewed Financial Statements

Walk With Sally

Year Ended December 31, 2017

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, 2017, 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
May 24, 2018

Walk With Sally

Statement of Financial Position

December 31,		**2017**
Assets		
Current Assets		
Cash	$	225,230
Pledges receivable		9,214
Prepaid expenses		2,977
Total current assets		237,421
Property and equipment, net		24,070
Total assets	$	261,491
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$	9,922
Total liabilities		9,922
Net Assets		
Unrestricted		237,174
Temporarily restricted		14,395
Total net assets		251,569
Total liabilities and net assets	$	261,491

See accompanying notes and Independent Accountants' Review Report.

Walk With Sally

Statement of Activities

Year Ended December 31, 2017	Unrestricted	Temporarily Restricted	Total
Revenue and Support			
Contributions	$ 204,547	$ -	$ 204,547
Program services	1,037	-	1,037
Special events			
Income	731,130	-	731,130
In-kind contributions	451,421	-	451,421
Direct expenses	(248,229)	-	(248,229)
In-kind expenses	(451,421)	-	(451,421)
Net special event income	482,901	-	482,901
Net assets released from restriction	-	-	-
Total support	688,485	-	688,485
Operating Expenses			
Program services	387,021	-	387,021
Support services			
Fundraising	161,333	-	161,333
General & administrative expenses	71,959	-	71,959
Total operating expenses	620,313	-	620,313
Change in net assets	68,172	-	68,172
Net assets at the beginning of year	169,002	14,395	183,397
Net assets at end of year	$ 237,174	$ 14,395	$ 251,569

See accompanying notes and Independent Accountants' Review Report.

Walk With Sally

Statement of Functional Expenses

Year Ended December 31, **2017**

Functional Expense	Program Services	Support Services		
	Total Program Services	Fundraising Expenses	General & Administrative Expenses	Total Expenses
Expenses				
Advertising	2,072	2,072	-	4,144
Bad Debt Expense	-	-	3,500	3,500
Dues and memberships	135	540	675	1,350
Depreciation	1,571	295	98	1,964
Employee Appreciation	-	-	406	406
Website and graphic design	14,539	8,241	-	22,780
Insurance	11,048	5,022	7,566	23,636
Meals and entertainment	1,328	626	1,564	3,518
Merchant Fees	-	-	13,731	13,731
Office supplies	6,434	1,206	402	8,042
Other	3,404	210	1,608	5,222
Outside services	13,671	23,437	1,953	39,061
Personnel expenses	231,732	105,333	14,044	351,109
Printing and copying	427	657	183	1,267
Professional fees	1,290	2,580	22,058	25,928
Program training and activities	59,875	-	-	59,875
Public relations	4,800	4,800	-	9,600
Rent	20,260	3,799	1,266	25,325
Storage	1,283	240	80	1,603
Telephone and internet	5,507	1,033	344	6,884
Temporary family support	4,000	-	-	4,000
Travel and meetings	3,645	1,242	2,481	7,368
Total	**$ 387,021**	**$ 161,333**	**$ 71,959**	**$ 620,313**

Walk With Sally

Statement of Cash Flows

Year Ended December 31,	**2017**
Operating Activities:	
Change in net assets	$ 68,172
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	1,964
Increase (decrease) resulting from changes in:	
Contributions and other receivables	5,459
Accounts payable and accrued expenses	6,215
Net cash provided by operating activities	81,810
Investing Activities:	
Purchase of property, plant and equipment	(18,177)
Net cash used in investing activities	(18,177)
Net change in cash	63,633
Cash, beginning of period	161,597
Cash, end of period	$ 225,230

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. As of December 31, 2017, the Organization managed a caseload of 96 children matched with their individual mentors.

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 85 participants attended four different friendship activities throughout 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, 2017, 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, 2017).

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, 2017.

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 office furniture, computer equipment and leasehold improvements 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, 2017, 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 11,245 volunteer hours during the year-ended December 31, 2017.

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, 2017, 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, 2017, the White Light White Night fundraising event provided 52% of the Organization's total support. Accounts receivable for contribution revenues due from three donors represented approximately 81% of accounts receivable at December 31, 2017.

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

Revenue from Contracts with Customers: In May 2014, , the Financial Accounting Standards Boards ("FASB") issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU introduced a comprehensive, principles-based framework for recognizing revenue, and, when effective, will supersede the requirements in FASB ASC 605 and virtually all industry-specific revenue recognition guidance in the FASB ASC. However, the standards for the recognition of revenue from contributions by nonprofit organizations will be retained in FASB ASC 958-605, which will be retitled Not-for-Profit Entities—Revenue Recognition—Contributions when ASU 2014-09 is effective.

In August 2015, the original effective dates of ASU 2014-09 were deferred by one year through the issuance of ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date. For most nonprofit organizations, ASU 2014-09 (as revised) is effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. Early application is allowed, but no earlier than annual reporting periods beginning after December 15, 2016, including interim reporting periods within that period. Alternatively, the ASU can be applied to annual reporting periods beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the year of initial adoption. The comprehensive new standard will supersede existing revenue recognition guidance and provides a single principles-based, five-step model to be applied to all contracts with customers.

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

Recent Accounting Pronouncements (Continued)

The five steps are to identify the contract(s) with the customer, to identify the performance obligations in the contract, to determine the transaction price, to allocate the transaction price to the performance obligations in the contract and to recognize revenue when each performance obligation is satisfied. Revenue will be recognized when promised goods or services are transferred to the customer in an amount that reflects the consideration expected in exchange for those goods or services.

Accounting for Leases: In February 2016, the 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.

Presentation of Financial Statements of Not-for-Profit Entities: 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.

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,		*2017*
Computer equipment	$	10,470
Furniture and Fixtures		4,028
Leasehold Improvements		13,500
		27,998
Less: accumulated depreciation		(3,928)
	$	24,070

Depreciation expense amounted to $1,964 for the year ended December 31, 2017.

3. Leases

Operating Leases

The Organization leases office facilities in El Segundo, California, for a term ending March 31, 2022. The lease agreement requires total monthly payments of $4,878 plus taxes and common area maintenance fees.

Total rental expense approximated $25,325 during the year ended December 31, 2017, (including taxes and common area maintenance charges). Future minimum lease payments are as follows:

Years Ending December 31,		
2018	$	54,829
2019		56,474
2020		58,168
2021		59,913
2022		16,471
	$	245,855

4. Related Party Transactions

During the year ended December 31, 2017, 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 $2,348. There was nothing due to this individual as of December 31, 2017.

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, 2017, through May 24, 2018, 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 required to be disclosed in these financial statements.