

Prospectus  
SN Strategies Corp.,  
a Nevada corporation

1,025,000 Shares of Common Stock

This prospectus relates to 1,025,000 shares of common stock of SN Strategies Corp., which are issued and outstanding shares of our common stock, acquired by the selling shareholders in private placement transactions which were exempt from the registration and prospectus delivery requirements of the Securities Act of 1933. The selling shareholders will offer and sell the shares at \$0.10 per share, making the aggregate offering price to the public approximately \$102,500 if all the shares are sold.

Our common stock is presently not traded on any market or securities exchange, and we have not applied for listing or quotation on any public market. The selling shareholders will sell those 1,025,000 shares of our issued and outstanding common stock at a price of \$0.10 per share until the shares are quoted on the OTC Bulletin Board and thereafter at prevailing market prices or privately negotiated prices. We will not receive any of the proceeds from the sale of those shares being offered by the selling shareholders.

Title of securities to be offered	Number of offered shares	Offering price per share	Proceeds
Common Stock	1,025,000	\$0.10	\$102,500

*See "Risk Factors" on Pages 4 to 7 for factors to be considered before purchasing shares of our common stock.*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The information in this prospectus is not complete and may be changed. We will not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale of these securities is not permitted.

The date of this prospectus is August 6, 2007.

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## Prospectus Summary

### **Our Business:**

Our principal business address is 1077 Balboa Avenue, Laguna Beach, California 92651. Our telephone number is (714) 651-8000.

We are an Internet company that specializes in developing social networking applications designed to engage, provide information to and gather information from users, through applications that are known as widgets and weblogs, or blogs. A widget is a type of user interface which allows people to interact with a computer and computer-controlled devices which employ graphical icons, visual indicators or special graphical elements, along with text labels or text navigation to represent the information and actions available to a user. Users can drag and drop their widgets onto the personal page of their social network or onto a blog. Widgets typically look like a little window or box with some functionality depending on the purpose of the widget. A blog is a website where entries are written in chronological order and displayed in reverse chronological order. Blogs provide commentary or news on a particular subject such as food, politics, or local news and combines text, images, and links to other blogs, web pages, and other media related to its topic.

### **Our state of organization:**

We were incorporated in Nevada on January 18, 2002.

### **Summary financial information:**

The summary financial information set forth below is derived from the more detailed financial statements appearing elsewhere in this prospectus. We have prepared our financial statements contained in this prospectus in accordance with accounting principles generally accepted in the United States. All information should be considered in conjunction with our financial statements and the notes contained elsewhere in this prospectus.

<b>Income Statement</b>	<b>Period Ending June 30, 2007</b>	<b>Year Ending December 31, 2006</b>	<b>Year Ending December 31, 2005</b>
Net Revenue	0	0	0
Gross Profit	0	0	0
Operating Expenses	16,127	2,109	1,640
Loss from continuing operations	(16,774)	-	-
Loss from discontinued operations	-	(2,909)	(1,640)
Net Loss Per Share	(0.00)	(0.00)	(0.00)

<b>Balance Sheet</b>	<b>June 30, 2007</b>	<b>December 31, 2006</b>	<b>December 31, 2005</b>
Total Assets	37,890	0	0
Total Liabilities	9,235	4,018	2,309
Shareholders' Equity (Deficiency)	53,808	(4,018)	(2,039)

### **Number of shares being offered:**

The selling shareholders want to sell 1,025,000 shares of our issued and outstanding common stock. The selling shareholders will sell at a price of \$0.10 per share until the shares are quoted on the OTC Bulletin Board and thereafter at prevailing market prices or privately negotiated prices.

### **Estimated use of proceeds:**

We will not receive any of the proceeds from the sale of those shares being offered by the selling shareholders.

## **RISK FACTORS**

In addition to the other information in this prospectus, the following risk factors should be considered carefully in evaluating our business before purchasing any of our shares of common stock. A purchase of our common stock is speculative in nature and involves a lot of risks. Any person who cannot afford the loss of his or her entire purchase price for the offered shares should not purchase of the offered shares because such a purchase is highly speculative and involves significant risks. Our business objectives must also be considered speculative, and we cannot guaranty that we will satisfy those objectives. Purchasers of the offered shares may not realize any return on their purchase of the offered shares. Purchasers may lose their investments in us completely.

### **Risks Related to our Business:**

#### **We have a limited operating history upon which an evaluation of our prospects can be made.**

We were formed on January 18, 2002. Our lack of operating history in the internet industry makes an evaluation of our business and prospects very difficult. Our prospects must be considered speculative, considering the risks, expenses, and difficulties frequently encountered in the establishment of a new business. We cannot be certain that our business will be successful or that we will generate significant revenues and become profitable.

#### **We will need to raise additional capital to fund our operations. Our failure to raise additional capital will significantly affect our ability to fund our proposed activities.**

To develop and market our products, we will be required to raise additional funds through debt or equity financings. We do not know if we will be able to acquire additional financing. We anticipate that we will need to spend significant funds on developing our products. Our failure to obtain additional funds would significantly limit or eliminate our ability to fund our operations.

#### **We have incurred a net loss since inception and expect to incur net losses for the foreseeable future.**

As of June 30, 2007, our net loss since inception was \$38,174. We expect to incur operating and capital expenditures of up to \$50,000 for the next year and, as a result, we expect significant net losses in the future. We will need to generate significant revenues to achieve and maintain profitability. We may not be able to generate sufficient revenues to achieve profitable operations.

#### **Because we are a development stage company, we have no revenues to sustain our operations.**

We are a development stage company that is currently developing our business. To date, we have not generated any revenues, and we cannot guaranty that any will be generated. The success of our business operations will depend upon our ability to develop our products and market those products to the online communities. We are not able to predict whether we will be able to develop our business and generate revenues. If we are not able to complete the successful development of our business plan, generate significant revenues and attain sustainable profitable operations, then our business will fail.

#### **Online social networking products are new and rapidly evolving and may not prove to be a viable business model.**

Online social networking products are a relatively new business model for delivering entertainment over the Internet, and we have only very recently launched our efforts to develop a business centered on this model. It is too early to predict whether consumers will accept, and use our products on a regular basis, in significant numbers, and participate in our online video community. Our products may fail to attract significant numbers of users, or, may not be able to retain the usership that it attracts, and, in either case, we may fail to develop a viable business model for our online community. In addition, we expect a significant portion of the content that we will provide to be available for free. If we are unable to successfully monetize the use of our content, either through advertising or fees for use, we may not be able to generate revenues.

**We may be unable to attract advertisers to the social networking products that we develop.**

We expect that advertising revenue will comprise a significant portion of the revenue to be generated by the blogs that we develop. Most large advertisers have fixed advertising budgets, only a small portion of which has traditionally been allocated to Internet advertising. In addition, the overall market for advertising, including Internet advertising, has been generally characterized in recent periods by softness of demand, reductions in marketing and advertising budgets, and by delays in spending of budgeted resources. Advertisers may continue to focus most of their efforts on traditional media or may decrease their advertising spending. If we fail to convince advertisers to spend a portion of their advertising budgets with us, we will be unable to generate revenues from advertising as we intend.

**We hope to generate our revenue almost entirely from advertising, and the reduction in spending by, or loss of, advertisers could seriously harm our ability to generate revenues.**

We hope to generate revenues from our advertisers. If we are unable provide value to potential advertisers, we may not be able to sell any ad space, which would negatively impact our revenues and business. In addition, we expect that advertisers will be able terminate their contracts with us at any time. We may encounter difficulty collecting from our advertisers because we are a very small company with limited resources to collect outstanding balances.

**If we are unable to compete effectively in the social networking sector of the Internet industry, our business will fail.**

The social networking sector of the Internet industry is extremely competitive. The competition comes from both companies within the same business and companies in other entertainment media which create alternative forms of entertainment. We compete with several major Internet companies studios which are dominant in the industry, as well as with numerous small and independent social networking companies. Many of the organizations with which we compete have significantly greater financial and other resources than we do. The majors are typically large, diversified entertainment and media companies or subsidiaries of diversified corporations which have strong relationships with advertisers and others involved in the Internet industry. We may not be able to compete with those companies for users and advertisers.

**We may not be able to sustain or grow our business unless we keep up with changes in technology and consumer tastes.**

The Internet and electronic commerce industries are characterized by:

- rapidly changing technology;
- evolving industry standards and practices that could render our website and proprietary technology obsolete;
- changes in consumer tastes and user demands;
- challenges, such as “click fraud,” that cast doubt on otherwise legitimate activities and practices; and
- frequent introductions of new services or products that embody new technologies.

Our future performance will depend, in part, on our ability to develop, license or acquire leading technologies and program formats, enhance our existing services and respond to technological advances and consumer tastes and emerging industry standards and practices on a timely and cost-effective basis. Developing website and other proprietary technology involves significant technical and business risks. We also cannot assure you that we will be able to successfully use new technologies or adapt our website and proprietary technology to emerging industry standards. We may not be able to remain competitive or sustain growth if we do not adapt to changing market conditions or customer requirements.

**We intend to rely on third parties to maintain our systems and, if these third parties fail to perform their services adequately, we could experience disruptions in our operations.**

A key element of our strategy will be to generate a high volume of traffic to our widgets and blogs. Our ability to generate revenues will depend substantially on the number of customers who use our website. Accordingly, the satisfactory performance, reliability and availability of our website and network infrastructure are critical to our ability to generate revenues, as well as to our reputation.

**The costs to meet our reporting requirements as a public company subject to the Exchange Act of '34 will be substantial and may result in us having insufficient funds to operate our business.**

We will incur ongoing expenses associated with professional fees for accounting and legal expenses associated with being a public company. We estimate that these costs will range up to \$50,000 per year for the next few years. Those fees will be higher if our business volume and activity increases. Those obligations will reduce and possibly eliminate our ability and resources to fund our operations and may prevent us from meeting our normal business obligations.

**Our auditors have questioned our ability to continue operations as a “going concern.” Investors may lose all of their investment if we are unable to continue operations.**

We hope to begin generating revenues. In the absence of generating revenues, we will seek to raise additional funds to meet our working capital needs principally through the additional sales of our securities. However, we cannot guaranty that we will be able to obtain sufficient additional funds when needed, or that such funds, if available, will be obtainable on terms satisfactory to us. As a result, our auditors believe that substantial doubt exists about our ability to continue operations.

**Risks Related to Owning Our Common Stock:**

**Our board of directors has the authority, without stockholder approval, to issue preferred stock with terms that may not be beneficial to common stockholders and may grant voting powers, rights and preference that differ from or may be superior to those of the registered shares.**

Our articles of incorporation allow us to issue 5,000,000 shares of preferred stock without any vote or further action by our stockholders. Our board of directors has the authority to fix and determine the relative rights and preferences of preferred stock. Our board of directors also has the authority to issue preferred stock without further stockholder approval, including large blocks of preferred stock. As a result, our board of directors could authorize the issuance of a series of preferred stock that would grant to holders the preferred right to our assets upon liquidation, the right to receive dividend payments before dividends are distributed to the holders of common stock and the right to the redemption of the shares, together with a premium, prior to the redemption of our common stock.

**Our officers, directors and principal shareholders own approximately 56.7% of our outstanding shares of common stock, allowing these shareholders control matters requiring approval of our shareholders.**

Our officers, director and principal shareholders beneficially own, in the aggregate, approximately 56.7% of our outstanding shares of common stock. If the principal shareholders sell all of their shares that are being registered in this offering, they will own approximately 53.23% of our outstanding shares of common stock. Such concentrated control of the company may negatively affect the price of our common stock. Our officers, directors and principal shareholders can control matters requiring approval by our security holders, including the election of directors.

**The offering price of the shares of common stock was arbitrarily determined. Therefore, investors may lose all or part of their investment if the offering price is higher than the current market value of the offered shares.**

The offering price of the shares of common stock being offered by the selling shareholders has been determined arbitrarily and has no relationship to any established criteria of value, such as book value or earnings per share. Additionally, because we have no significant operating history and have only generated minimal revenues to date, the price of the shares of common stock is not based on past earnings, nor is the price of the shares indicative of current market value for the assets owned by us. Investors could lose all or a part of their investment if the offering price has been arbitrarily set too high. Even if a public trading market develops for our common stock, the shares may not attain market values commensurate with the offering price.

**We lack a public market for shares of our common stock, which may make it difficult for investors to sell their shares.**

There is no public market for shares of our common stock. We cannot guaranty that an active public market will develop or be sustained. Therefore, investors may not be able to find purchasers for their shares of our common stock. Should there develop a significant market for our shares, the market price for those shares may be significantly affected by such factors as our financial results and introduction of new products and services.

**Our common stock is subject to penny stock regulations which may make it difficult for investors to sell their stock.**

The Securities and Exchange Commission has adopted rules that regulate broker-dealer practices in connection with transactions in “penny stocks”. Penny stocks generally are equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system). The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, deliver a standardized risk disclosure document prepared by the Commission, which specifies information about penny stocks and the nature and significance of risks of the penny stock market. The broker-dealer also must provide the customer with bid and offer quotations for the penny stock, the compensation of the broker-dealer and salesperson in the transaction, and monthly account statements indicating the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the trading activity in the secondary market for a stock that becomes subject to the penny stock rules. If our common stock becomes subject to the penny stock rules, holders of our shares may have difficulty selling those shares.

**Forward Looking Statements**

**Information in this prospectus contains “forward looking statements” which can be identified by the use of forward-looking words such as “believes”, “estimates”, “could”, “possibly”, “probably”, “anticipates”, “estimates”, “projects”, “expects”, “may”, or “should” or other variations or similar words. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved. The following matters constitute cautionary statements identifying important factors with respect to those forward-looking statements, including certain risks and uncertainties that could cause actual results to vary materially from the future results anticipated by those forward-looking statements. Among the key factors that have a direct bearing on our results of operations are the effects of various governmental regulations, the fluctuation of our direct costs and the costs and effectiveness of our operating strategy. Other factors could also cause actual results to vary materially from the future results anticipated by those forward-looking statements.**

**Use of Proceeds**

We will not receive any of the proceeds from the sale of shares being offered by the selling shareholders.

**Determination of Offering Price**

**Factors Used to Determine Share Price.**In determining the offering price of the shares being offered by the selling shareholders, we considered several factors including the following:

- the price paid by the selling shareholders for the shares they are offering;
- our future prospects; and
- our capital structure.

Therefore, the offering price of the shares being offered by the selling shareholders has no relationship to any established criteria of value, such as book value or earnings per share. The selling shareholders will offer and sell the shares at \$0.10 per share until our shares are quoted on the OTC Bulletin Board and thereafter at prevailing market prices or privately negotiated prices.

**Dilution**

The shares offered for sale by the selling shareholders are already outstanding and, therefore, do not contribute to dilution.

## **Selling Shareholders**

The following table sets forth information concerning the selling shareholders including:

1. the number of shares owned by the selling shareholders prior to this offering;
2. the total number of shares that are to be offered by the selling shareholders;
3. the total number of shares of common stock that will be owned by the selling shareholders upon completion of the offering; and
4. the percentage of common stock that will be owned by the selling shareholders upon completion of the offering if all of the offered shares are sold by the selling shareholders.

The shares offered for sale constitute all of the shares known to us to be beneficially owned by the selling shareholders. The selling shareholders have no position or office with us, nor any material relationship with us, except as listed below. The selling shareholders are not broker-dealers or affiliates of broker-dealers to our knowledge.

<b>Name of Selling Shareholder</b>	<b>Amount of Shares of Common Stock Owned by Selling Shareholder Before the Offering</b>	<b>Amount of Shares of Common Stock to be Offered by the Selling Shareholder</b>	<b>Amount of Shares of Common Stock Owned by Selling Shareholder After the Offering</b>	<b>Percentage of Common Stock Owned if all of the Offered Shares Are Sold</b>
J&V Schimmelpfennig Family Trust <sup>(1)</sup>	125,000	125,000	0	0%
Jeffrey M. Ng	125,000	125,000	0	0%
Erik W. Thurnher	125,000	125,000	0	0%
Stan McCrosky	62,500	62,500	0	0%
Cake Ventures LLC <sup>(2)</sup>	1,000,000	100,000	900,000	31.29%
Greg Carney	62,500	62,500	0	0%
Greg Genske	62,500	62,500	0	0%
David A. Kernan	62,500	62,500	0	0%
C.M. Bertrand	31,250	31,250	0	0%
Linda Fischer	18,750	18,750	0	0%
ROSTOC, L.P. <sup>(3)</sup>	62,500	62,500	0	0%
Scott Santagata	62,500	62,500	0	0%
Neel Grover	62,500	62,500	0	0%
Greg Giraudi	62,500	62,500	0	0%

<sup>(1)</sup> Joseph Schimmelpfennig has sole voting and investment control over the securities held by J&V Schimmelpfennig Family Trust.

<sup>(2)</sup> Monu Joseph has sole voting and investment control over the securities held by Cake Ventures LLC.

<sup>(3)</sup> Daniel E. Roston, Elana S. Roston and Nira Roston are the respective trustees of the general partners of ROSTOC, L.P. and as such share investment and voting control over the securities held by ROSTOC, L.P.



### **Plan of Distribution**

The offering by the selling shareholders may start as soon as this registration statement is declared effective. The selling shareholders will sell at a price of \$0.10 per share until the shares are quoted on the OTC Bulletin Board and thereafter at prevailing market prices or privately negotiated prices. The selling shareholders may sell our common stock in the over-the-counter market, or on any securities exchange on which our common stock is or becomes listed or traded, in negotiated transactions or otherwise. The shares will not be sold in an underwritten public offering. The shares may be sold directly or through brokers or dealers. The methods by which the shares may be sold include:

- purchases by a broker or dealer as principal and resale by such broker or dealer for its account;
- ordinary brokerage transactions and transactions in which the broker solicits purchasers; and
- privately negotiated transactions.

Brokers and dealers engaged by selling shareholders may arrange for other brokers or dealers to participate. Brokers or dealers may receive commissions or discounts from selling shareholders, or, if any such broker-dealer acts as agent for the purchaser of such shares, from such purchaser, in amounts to be negotiated. Broker-dealers may agree with the selling shareholders to sell a specified number of such shares at a stipulated price per share, and, to the extent such broker-dealer is unable to do so acting as agent for a selling security holder, to purchase as principal any unsold shares at the price required to fulfill the broker-dealer commitment to such selling security holder. Broker-dealers who acquire shares as principal may resell those shares from time to time in the over-the-counter market or otherwise at prices and on terms then prevailing or then related to the then-current market price or in negotiated transactions and, in connection with such resales, may receive or pay commissions. In the event that a broker-dealer is added as a formal participant to the marketing effort of the selling shareholders, we will file a post effective amendment to disclose such event.

The selling shareholders and any broker-dealers participating in the distributions of the shares may be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act of 1933. Any profit on the sale of shares by the selling shareholders and any commissions or discounts given to any such broker-dealer may be deemed to be underwriting commissions or discounts. The shares may also be sold pursuant to Rule 144 under the Securities Act of 1933 beginning one year after the shares were issued.

We have filed the registration statement, of which this prospectus forms a part, with respect to the sale of the shares by the selling shareholders. To the extent that any successors to the named selling shareholders wish to sell under this prospectus, we will file a prospectus supplement identifying such successors as selling shareholders.

Under the Securities Exchange Act of 1934 and the regulations thereunder, any person engaged in a distribution of the shares of our common stock offered by this prospectus may not simultaneously engage in market making activities with respect to our common stock during the applicable “cooling off” periods prior to the commencement of such distribution. Also, the selling shareholders are subject to applicable provisions which limit the timing of purchases and sales of our common stock by the selling shareholders.

We will pay all expenses in connection with the registration and sale of our common stock. None of the expenses will be paid by the selling shareholders. The estimated expenses of issuance and distribution for all the shares being registered by this registration statement are set forth below.

Registration Fees	Approximately	\$3.15
Transfer Agent Fees	Approximately	\$700.00
Costs of Printing and Engraving	Approximately	\$500.00
Legal Fees	Approximately	\$10,000.00
Accounting Fees	Approximately	\$10,000.00

We have informed the selling shareholders that, during such time as they may be engaged in a distribution of any of the shares we are registering by this registration statement, they are required to comply with Regulation M. In general, Regulation M precludes any selling security holder, any affiliated purchasers and any broker-dealer or other person who participates in a distribution from bidding for or purchasing, or attempting to induce any person to bid for or purchase, any security which is the subject of the distribution until the entire distribution is complete. Regulation M defines a “distribution” as an offering of securities that is distinguished from ordinary trading activities by the magnitude of the offering and the presence of special selling efforts and selling methods. Regulation M also defines a “distribution participant” as an underwriter, prospective underwriter, broker, dealer, or other person who has agreed to participate or who is participating in a distribution.

Regulation M prohibits any bids or purchases made in order to stabilize the price of a security in connection with the distribution of that security, except as specifically permitted by Rule 104 of Regulation M. These stabilizing transactions may cause the price of our common stock to be more than it would otherwise be in the absence of these transactions. We have informed the selling shareholders that stabilizing transactions permitted by Regulation M allow bids to purchase our common stock if the stabilizing bids do not exceed a specified maximum. Regulation M specifically prohibits stabilizing that is the result of fraudulent, manipulative, or deceptive practices. Selling shareholders and distribution participants are required to consult with their own legal counsel to ensure compliance with Regulation M.

#### **Legal Proceedings**

There are no legal actions pending against us nor are any legal actions contemplated by us at this time.

### **Directors, Executive Officers, Promoters and Control Persons**

The following table sets forth information regarding our executive officers and director.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Michael Hawks	35	President, Secretary, Chief Financial Officer and Director
Eric Kennedy	31	Director

**Michael Hawks.** Mr. Michael Hawks has been our President, Secretary and Chief Financial Officer and one of our directors since April 2007. From 2005 to the present, Mr. Hawks has the Vice President of Parker Printing where he oversees the day to day operations as well as all sales and marketing management including new business and website development. From 1999 to 2005, Mr. Hawks was an Infusion Therapy Specialist at B. Braun Medical where he was responsible for hospital sales and marketing in the greater Orange County and Long Beach territories. From 1997 to 1999, Mr. Hawks was a sales representative at The Standard Register Company where he was responsible for outside printing sales in Orange County. Mr. Hawks graduated with a Bachelor of Science degree from the University of California, Berkeley in 1995. Mr. Hawks is not an officer or director of any reporting company.

**Eric Kennedy.** Mr. Kennedy has been one of our directors since our inception and was formerly our President and Secretary from inception through April 2007. Mr. Kennedy intends to serve as one of our blog writers and also advise other writers on the creative vision for their blog. Mr. Kennedy is a member of the Screen Actors Guild (SAG) and the American Federation of Television and Radio Artists (AFTRA). Mr. Kennedy has been employed by Southern California Edison from 1997 to the present as a field service technician. Mr. Kennedy is not an officer or director of any reporting company.

All directors hold office until the completion of their term of office, which is not longer than one year, or until their successors have been elected. Michael Hawks' term of office expires on April 10, 2008. All officers are appointed annually by the board of directors and, subject to employment agreements (which do not currently exist) serve at the discretion of the board. Currently, directors receive no compensation.

There is no family relationship between any of our officers or directors. There are no orders, judgments, or decrees of any governmental agency or administrator, or of any court of competent jurisdiction, revoking or suspending for cause any license, permit or other authority to engage in the securities business or in the sale of a particular security or temporarily or permanently restraining any of our officers or directors from engaging in or continuing any conduct, practice or employment in connection with the purchase or sale of securities, or convicting such person of any felony or misdemeanor involving a security, or any aspect of the securities business or of theft or of any felony. Nor are any of the officers or directors of any corporation or entity affiliated with us so enjoined.

### **Security Ownership of Certain Beneficial Owners and Management**

The following table sets forth certain information regarding the beneficial ownership of our common stock as of July 24, 2007, by each person or entity known by us to be the beneficial owner of more than 5% of the outstanding shares of common stock, each of our directors and named executive officers, and all of our directors and executive officers as a group.

<b>Title of Class</b>	<b>Name and Address of Beneficial Owner</b>	<b>Amount and Nature of Beneficial Owner</b>	<b>Percent of Class</b>
Common Stock	Michael Hawks 1077 Balboa Avenue Laguna Beach, CA 92651	410,000 shares <sup>(1)</sup> , President, Secretary, CFO and director	14.26%
Common Stock	Eric Kennedy 1077 Balboa Avenue Laguna Beach, CA 92651	21,000 shares, director	0.7%
Common Stock	Cake Ventures LLC <sup>(2)</sup> 500 Newport Center Drive, Suite 600 Newport Beach, California 92660	1,000,000 shares	34.8%
Common Stock	John. G. Obrey 21145 Felipa Rd. Yorba Linda, CA 92887	200,000 shares	6.95%
Common Stock	All directors and named executive officers as a group	1,431,000 shares	14.96%

<sup>(1)</sup> Includes 10,000 shares of common stock held by Renee Hawks, who is the spouse of Michael Hawks, our President, Secretary, Chief Financial Officer and one of our directors. Michael Hawks is deemed to beneficially own those shares.

<sup>(2)</sup> Monu Joseph has sole voting and investment control over the securities held by Cake Ventures LLC.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. In accordance with Securities and Exchange Commission rules, shares of our common stock which may be acquired upon exercise of stock options or warrants which are currently exercisable or which become exercisable within 60 days of the date of the table are deemed beneficially owned by the optionees. Subject to community property laws, where applicable, the persons or entities named in the table above have sole voting and investment power with respect to all shares of our common stock indicated as beneficially owned by them.

**Changes in Control.** Our management is not aware of any arrangements which may result in “changes in control” as that term is defined by the provisions of Item 403(c) of Regulation S-B.

**Audit Committee.** Presently, the board of directors acts as the audit committee. The board of directors does not have an audit committee financial expert. The board of directors has not yet recruited an audit committee financial expert to join the board of directors because we have only recently commenced a significant level of financial operations.

**Code of Ethics.** We do not currently have a Code of Ethics that applies to all employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We plan to adopt a Code of Ethics.

## **Description of Securities**

**Description of Capital Stock.** We are authorized to issue 50,000,000 shares of \$.001 par value common stock and 5,000,000 shares of \$.001 par value preferred stock. As of July 24, 2007, 2,876,000 shares of our common stock were issued and outstanding. No preferred stock is issued or outstanding.

**Common Stock.** Each shareholder of our common stock is entitled to a pro rata share of cash distributions made to shareholders, including dividend payments. The holders of our common stock are entitled to one vote for each share of record on all matters to be voted on by shareholders. There is no cumulative voting with respect to the election of our directors or any other matter. Therefore, the holders of more than 50% of the shares voted for the election of those directors can elect all of the directors. The holders of our common stock are entitled to receive dividends when, as and if declared by our Board of Directors from funds legally available therefore. Cash dividends are at the sole discretion of our Board of Directors. In the event of our liquidation, dissolution or winding up, the holders of common stock are entitled to share ratably in all assets remaining available for distribution to them after payment of our liabilities and after provision has been made for each class of stock, if any, having any preference in relation to our common stock. Holders of shares of our common stock have no conversion, preemptive or other subscription rights, and there are no redemption provisions applicable to our common stock.

**Dividend Policy.** We have never declared or paid a cash dividend on our capital stock. We do not expect to pay cash dividends on our common stock in the foreseeable future. We currently intend to retain our earnings, if any, for use in our business. Any dividends declared in the future will be at the discretion of our board of directors and subject to any restrictions that may be imposed by our lenders.

**Preferred Stock.** We have not designated the right and preferences of our preferred stock. The availability or issuance of these shares could delay, defer, discourage or prevent a change in control.

Our Articles of Incorporation and our Bylaws do not contain any provisions which were included to delay, defer, discourage or prevent a change in control.

## **Interest of Named Experts and Counsel**

No “expert” or our “counsel” was hired on a contingent basis, or will receive a direct or indirect interest in us, or was a promoter, underwriter, voting trustee, director, officer, or employee of the company, at any time prior to the filing of this registration statement.

## **Disclosure of Commission Position on Indemnification for Securities Act Liabilities**

Article Seven of our Articles of Incorporation provides, among other things, that our officers and directors shall not be personally liable to us or our shareholders for monetary damages for breach of fiduciary duty as an officer or a director, except for liability:

- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- for unlawful payments of dividends or unlawful stock purchase or redemption by us.

Accordingly, our directors may have no liability to our shareholders for any mistakes or errors of judgment or for any act of omission, unless the act or omission involves intentional misconduct, fraud, or a knowing violation of law or results in unlawful distributions to our shareholders.

**Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in that act and is, therefore, unenforceable.**

## **Organization Within Last Five Years**

**Transactions with Promoters.** Eric Kennedy was our promoter and served as our officers and directors through April 2007. Eric Kennedy currently serves as one of our directors. In January 2002, we issued 5,000,000 shares of our common stock to Eric Kennedy, who was our founder and our officer and director at inception and through 2007. These shares were issued in exchange for expenses of \$5,000 related to our incorporation, or \$0.001 per share, which represented the fair market value on the date of issuance. There is no other information that would be required to be disclosures by Item 401(d) or Item 404(d) of Regulation S-B.

## **Description of Business**

**Background.** We were incorporated under the laws of the State of Nevada on January 18, 2002, under the name Klean Kast Solutions, Inc. From our inception until April 2007, we were engaged in the development of designer slings and protective, waterproof cast covers to patients who have been fitted with plaster or fiberglass casts to treat their broken bones and other injuries. In April 2007, our management changed and we amended our name to SN Strategies Corp. and adopted a new business plan of developing social networking applications designed to engage, provide information to and gather intelligence from users. We have abandoned our business of developing designer slings and protective, waterproof cast covers.

**Our Business.** We are an Internet company that specializes in developing social networking applications designed to engage, provide information to and gather information from users, through applications that are known as widgets and weblogs, or blogs. A widget is a type of user interface which allows people to interact with a computer and computer-controlled devices which employ graphical icons, visual indicators or special graphical elements, along with text labels or text navigation to represent the information and actions available to a user. Users can drag and drop their widgets onto the personal page of their social network or onto a blog. Widgets typically look like a little window or box with some functionality depending on the purpose of the widget. A blog is a website where entries are written in chronological order and displayed in reverse chronological order. Blogs provide commentary or news on a particular subject such as food, politics, or local news and combines text, images, and links to other blogs, web pages, and other media related to its topic.

**Social Networking Products.** We intend to develop a celebrity gossip widget and dining and entertainment blogs. The celebrity gossip widget will allow users to post information about their favorite celebrities on their blogs or social networking pages. We believe that the celebrity gossip widget will provide entertainment to the users and the readers of their blogs and social networking pages. Our widget will be built with simple signup process via our website or the widget itself from a current user's social networking page. We also intend to maintain relationships with users by providing enhancements and updates to our widgets as well as allowing our users to provide feedback and suggestions to enhance the user experience and ensure user satisfaction.

We also intend to develop blogs which provide commentary on the dining and entertainment in various cities and geographic areas. We believe that we can serve a local area such as Orange County, California, where we are currently located and which we believe is underserved as far as commentary on the hip and trendy dining and entertainment establishments as well as general information about the Orange County area. We are currently beta testing our first blog that is focused on the Orange County area. We hope to generate revenues by advertising to our users as well as potentially selling products to our users.

**Internet Advertising.** We anticipate that we will be able to generate advertising revenues from companies which desire to advertise to our users. The Internet is an attractive method for certain advertisers, depending on the number of users we have and a variety of other factors. Internet advertising spending continues to increase on an annual basis. We believe that significant revenues can be generated from online advertising from small business service providers and product vendors.

We initially intend to sell the following Internet advertisements: banner and text ads, video ads and sponsorships. We hope to have advertisers pay for banner and text advertisements and other graphical images featured on web pages throughout our network. The images are advertising inventory that will be sold by us to advertisers or companies using measurements commonly referred to as cost per thousand impressions, cost per click or cost per action. Video ads will allow advertisers to place high quality video ads on our website. We will also provide advertisers with the opportunity to sponsor various parts of our website. Sponsors will be offered an integrated ad package that includes permanent placement in certain areas of the website.

**Strategic Alliance with Fliva, Inc.** In May 2007, we entered into a strategic alliance with Fliva, Inc. a social networking company which we believe will assist us in the development of our business as they have access to experienced developers and an already established user-base. Specifically, we entered into a convertible promissory note and warrant agreement with Fliva, Inc. pursuant to which we loaned \$25,000 to Fliva, Inc. in exchange for the right to convert those funds into shares of common stock of Fliva, Inc. and the right to purchase additional shares of common stock of Fliva, Inc. Fliva.com is a website which allows users through the website and a widget to share their personality and individuality with other users. The website provides questions to the users and allows the users to answers those questions in a short, free form format. Users can also browse other users' profiles/answers and rate other answers that they like. We believe that the relationship with Fliva will assist us in the development of our products because the management and development teams are very experienced in the internet industry.

**Growth Strategy.** Our objective is to establish several widgets and blogs with large user bases. We intend to develop additional products that will increase our user base and hopefully increase the amount of revenue that we can generate from advertising. In addition to continually seeking out and evaluating new products, we may consider the acquisition of other companies or businesses that are operating in a similar space. We believe that there is an opportunity for us to acquire smaller companies or web properties with already established user bases. We hope to use our common stock as payment for any potential acquisitions. Accordingly, in the future, we intend to seek potential acquisitions or other suitable business partners which will assist us in increasing our user base as well as realizing other business objectives. As of the date of this prospectus, we have not identified any potential acquisition candidates. We cannot guaranty that we will acquire any other third party, or that in the event that we acquire another entity, this acquisition will assist us in realizing our business objectives.

**Our Target Market.** Our target demographic is the 18 to 40 year old males and females. We need to develop a loyal and active user community amongst those individuals. We believe we will be in touch with the interests, tastes and needs of our targeted users and that we will be able to use that knowledge to generate a loyal user base.

**Competition.** We compete with several large media companies that dominate the Internet industry as well as numerous small and independent companies that have widgets and blogs as well as other social networking applications. Many of these companies have access to vast financial resources. Additionally, they have established long standing relationships with users and advertisers. We cannot compete with either the large or mid-sized companies. We are also at a significant competitive disadvantage within the Internet industry because we have not previously produced any products and have limited capital resources. Our ability to compete will depend on our ability to obtain users of our products without spending any funds to market and promote our products.

**Website.** Our website is located at [www.snstrategies.com](http://www.snstrategies.com). Our current website is under construction and provides limited contact information.

**Government Regulation.** Few existing laws or regulations specifically apply to the Internet. Many laws and regulations, however, are pending and may be adopted in the United States, individual states and local jurisdictions and other countries with respect to the Internet. It is not possible to predict whether or when such legislation may be adopted, and certain proposals, if adopted, could negatively affect our business. We do not know for certain how existing laws governing issues such as property ownership, copyright and other intellectual property issues, digital rights management, security, illegal or obscene content, retransmission of media, spyware, and personal privacy and data protection apply to the Internet.

In addition, we are subject to federal, state and local laws and regulations applied to businesses generally. We believe that we are in conformity with all applicable laws in all relevant jurisdictions. We do not believe that we have not been affected by any of the rules and regulations specified in this section.

**Intellectual Property.** We also currently own the web domain [www.snstrategies.com](http://www.snstrategies.com), which will be our corporate website, and [www.pickleintheoc.com](http://www.pickleintheoc.com) which we are establishing as our local blog for Orange County, California. Under current domain name registration practices, no one else can obtain an identical domain name, but someone might obtain a similar name, or the identical name with a different suffix, such as ".org", or with a country designation. The regulation of domain names in the United States and in foreign countries is subject to change, and we could be unable to prevent third parties from acquiring domain names that infringe or otherwise decrease the value of our domain names.

We may also protect various other words, names, symbols, and devices that are used with goods produced by us to distinguish them from those produced by others through the use of trademarks, and will identify and distinguish the source of several of our services through the use of service marks. We have not filed applications to protect any other trade or service marks. We cannot guaranty we will receive such trade or service mark protection if we make an application.

**Research and Development.** We are not currently conducting any research and development activities other than the development of our website. We believe that the total cost for the development of our website will be no more than \$1,500. We do not anticipate conducting such activities in the near future.

**Employees.** As of July 24, 2007, we have no employees other than our officers. We will utilize independent contractors, consultants, and other creative personnel from time to time to assist in developing our products. We are not a party to any employment agreements.

**Our Facilities.** Our offices are located at 1077 Balboa Avenue, Laguna Beach, California 92651. Our office space is provided to us by one of our officers and stockholders at no charge. We treat the usage of the office space as additional paid-in capital and charge the estimated fair value rent of \$100 per month to operations. We recorded total rent expense of \$600 for each of the six month periods ended June 30, 2007 and 2006. We believe that our facilities are adequate for our needs. We do not own any real estate.

## **Management's Discussion and Analysis of Financial Condition and Results of Operations**

**Critical Accounting Policy and Estimates.** Our Management's Discussion and Analysis of Financial Condition and Results of Operations section discusses our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to revenue recognition, accrued expenses, financing operations, and contingencies and litigation. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The most significant accounting estimates inherent in the preparation of our financial statements include estimates as to the appropriate carrying value of certain assets and liabilities which are not readily apparent from other sources.

The following discussion of our financial condition and results of operations should be read in conjunction with (1) our audited financial statements for the years ended December 31, 2006 and 2005, together with notes thereto included in this Registration Statement on Form SB-2 and (2) our unaudited interim financial statements and notes thereto for the six months ended June 30, 2007 and 2006 also included in this Registration Statement on Form SB-2.

**Our Plan of Operation for the Next Twelve Months.** To effectuate our business plan during the next twelve months, we must continue to develop our products and begin to attract users to our products. With our strategic alliance with Fliva, inc., we believe that we will access to developers who can help us develop our widgets and blogs. We intend to develop additional products that will increase our user base and hopefully increase the amount of revenue that we can generate from advertising. We also intend to look for opportunities to work with other companies that will assist us in our development.

During the next three to six months, our primary objective is to complete development of our celebrity gossip widget and begin blogs in several cities and geographic areas. During the next six to twelve months, we hope to raise additional funds so that we can expand our user base, monetize our user base and begin generating revenues. We believe that we will need to spend approximately \$10,000 to complete the development of our gossip widget and start blogs in several cities and geographic areas. In order to market and promote our services, we will need to raise additional capital. However, we may need to spend more funds on marketing and promotion than we have initially estimated. Our failure to market and promote our services will hinder our ability to increase the size of our operations and generate revenues. If we are not able to generate additional revenues that cover our estimated operating costs, our business may ultimately fail.

**Liquidity and Capital Resources.** From May to June 2007, we raised \$74,000 in a private placement in exchange for 925,000 shares of our common stock. We used a significant portion of those proceeds for a loan of \$25,000 to Fliva, Inc. which executed a convertible promissory note with us. The note bears annual interest of five percent (5%) and is due and payable on May 18, 2009. The note may be converted into Fliva's common stock upon default or upon certain capital raising triggering events. Under the terms of the warrant agreement, we have the right to purchase 62,500 shares of Fliva's common stock at \$0.04 per share. The warrant agreement expires upon the earlier of the warrant execution or May 18, 2011. We believe our arrangement with Fliva, Inc. will assist us in the development of our business as they have access to experienced developers and an already established user-base.

During 2007, we incurred significant accounting costs associated with the audit and review of our financial statements. We expect that the legal and accounting costs of becoming a public company will continue to impact our liquidity and we may need to obtain funds to pay those expenses. Other than the anticipated increases in legal and accounting costs due to the reporting requirements of becoming a reporting company, we are not aware of any other known trends, events or uncertainties, which may affect our future liquidity. We had no long term liabilities, commitments or contingencies.

We have cash of \$37,890 as of June 30, 2007. In the opinion of management, available funds will not satisfy our working capital requirements for the next twelve months. Our forecast for the period for which our financial resources will be adequate to support our operations involves risks and uncertainties and actual results could fail as a result of a number of factors. We intend to pursue capital through public or private financing as well as borrowings and other sources, such as our officers, director and principal shareholders. We cannot guaranty that additional funding will be available on favorable terms, if at all. If adequate funds are not available, we hope that our officers, director and principal shareholders will contribute funds to pay for our expenses to achieve our objectives over the next twelve months.

We are not currently conducting any research and development activities other than the development of our website which we expect the total cost to be approximately \$1,500. We do not anticipate that we will purchase or sell any significant equipment. In the event that we generate significant revenues and expand our operations, then we may need to hire additional employees or independent contractors as well as purchase or lease additional equipment.



**Off-Balance Sheet Arrangements.** We have no off-balance sheet arrangements.

#### **Description of Property**

**Property held by us.** As of the December 31, 2006 and 2005, we held no real property and do not presently own any interests in real estate

**Our Facilities.** Our offices are located at 1077 Balboa Avenue, Laguna Beach, California 92651. Our office space is provided to us by one of our officers and stockholders at no charge. We treat the usage of the office space as additional paid-in capital and charge the estimated fair value rent of \$100 per month to operations. We recorded total rent expense of \$600 for each of the six month periods ended June 30, 2007 and 2006. We believe that our facilities are adequate for our needs. We do not own any real estate.

#### **Certain Relationships and Related Transactions**

##### **Related party transactions.**

In January 2002, we issued 5,000,000 shares of our common stock to Eric Kennedy, who was our founder and one of our officers and directors at inception and through April 2007. These shares were issued in exchange for expenses and services of \$5,000 related to our incorporation, or \$0.001 per share, which represented the fair market value on the date of issuance. There is no written agreement for this transaction.

From our inception through June 30, 2007, we have utilized office space of one of our officers and stockholders at no charge. We treated the usage of the office space as additional paid-in capital and charged the estimated fair value rent of \$100 per month to operations. We recorded total rent expense of \$600 for each of the six month periods ended June 30, 2007 and 2006. There is no written agreement for this transaction.

In May 2007, we entered into a strategic relationship with Fliva, Inc. Specifically, we entered into a convertible promissory note and warrant agreement with Fliva, Inc. pursuant to which we loaned \$25,000 to Fliva, Inc. in exchange for the right to convert those funds into shares of common stock of Fliva, Inc. and the right to purchase additional shares of common stock of Fliva, Inc. Minority shareholders of Fliva, Inc. are members of Cake Ventures LLC, one of our principal shareholders.

We believe that each report transaction and relationship is on terms that are at least as fair to us as would be expected if those transactions were negotiated with third parties.

There have been no other related party transactions, or any other transactions or relationships required to be disclosed pursuant to Item 404 of Regulation S-B.

With regard to any future related party transaction, we plan to fully disclose any and all related party transactions, including, but not limited to, the following:

- disclose such transactions in prospectuses where required;
- disclose in any and all filings with the Securities and Exchange Commission, where required;
- obtain disinterested directors consent; and
- obtain shareholder consent where required.

#### **Market for Common Equity and Related Stockholder Matters**

**Reports to Security Holders.** Our securities are not listed for trading on any exchange or quotation service. We are not required to comply with the timely disclosure policies of any exchange or quotation service. The requirements to which we would be subject if our securities were so listed typically include the timely disclosure of a material change or fact with respect to our affairs and the making of required filings. Although we are not required to deliver an annual report to security holders, we intend to provide an annual report to our security holders, which will include audited financial statements.

When we become a reporting company with the Securities and Exchange Commission, the public may read and copy any materials filed with the Securities and Exchange Commission at the Security and Exchange Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may also obtain information on the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Securities and Exchange Commission. The address of that site is <http://www.sec.gov>.

As of July 24, 2007, there were 40 record holders of our common stock.

There are 520,000 outstanding shares of our common stock which can be sold pursuant to Rule 144. There are no outstanding options or warrants to purchase, or securities convertible into, shares of our common stock. We have agreed to register for sale 925,000 shares of common stock held by thirteen of our shareholders.

**No Equity Compensation Plan.** We do not have any securities authorized for issuance under any equity compensation plan. We also do not have an equity compensation plan and do not plan to implement such a plan.

**Recent Sales of Unregistered Securities.** There have been no sales of unregistered securities within the last three (3) years which would be required to be disclosed pursuant to Item 701 of Regulation S-B, except for the following:

From May to June 2007, we issued 925,000 shares of our common stock to thirteen investors for \$0.08 per share for gross proceeds of \$74,000. The shares were issued in a transaction which we believe satisfies the requirements of that exemption from the registration and prospectus delivery requirements of the Securities Act of 1933, which exemption is specified by the provisions of Section 4(2) of that act and Rule 506 of Regulation D promulgated pursuant to that act by the Securities and Exchange Commission.

**Reverse Stock Split.** On April 23, 2007, we declared a five for one reverse stock split whereby each share of our common stock outstanding was converted into 0.20 of a share of our common stock.

**Penny stock regulation.** Shares of our common stock will probably be subject to rules adopted by the Securities and Exchange Commission that regulate broker-dealer practices in connection with transactions in "penny stocks." Penny stocks are generally equity securities with a price of less than \$5.00, except for securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in those securities is provided by the exchange or system. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, deliver a standardized risk disclosure document prepared by the Securities and Exchange Commission, which contains the following:

- a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading;
- a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to violation to such duties or other requirements of securities' laws;
- a brief, clear, narrative description of a dealer market, including "bid" and "ask" prices for penny stocks and the significance of the spread between the "bid" and "ask" price;
- a toll-free telephone number for inquiries on disciplinary actions;
- definitions of significant terms in the disclosure document or in the conduct of trading in penny stocks; and
- such other information and is in such form, including language, type, size and format, as the Securities and Exchange Commission shall require by rule or regulation.

Prior to effecting any transaction in penny stock, the broker-dealer also must provide the customer the following:

- the bid and offer quotations for the penny stock;
- the compensation of the broker-dealer and its salesperson in the transaction;
- the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and
- monthly account statements showing the market value of each penny stock held in the customer's account.

In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement to transactions involving penny stocks, and a signed and dated copy of a written suitability statement. These disclosure requirements may have the effect of reducing the trading activity in the secondary market for a stock that becomes subject to the penny stock rules. Holders of shares of our common stock may have difficulty selling those shares because our common stock will probably be subject to the penny stock rules.

### **Executive Compensation**

Any compensation received by our officers, directors, and management personnel will be determined from time to time by our Board of Directors. As of July 24, 2007, Michael Hawks has received no compensation. Our officer and directors will be reimbursed for any out-of-pocket expenses incurred on our behalf.

**Summary Compensation Table.** The table set forth below summarizes the annual and long-term compensation for services in all capacities to us payable to our chief executive officer and our other executive officers during the years ending December 31, 2005 and 2006. Our Board of Directors may adopt an incentive stock option plan for our executive officers which would result in additional compensation.

Name and Principal Position	Year	Annual Compensation			Long Term Compensation			All Other Compensation
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Restricted Stock Awards (\$)	Securities Underlying Options/SARs (#)	LTIP Payouts (\$)	
Eric Kennedy, former officer	2006	None	None	None	None	None	None	None
	2005	None	None	None	None	None	None	None
Chris Destefano, former officer	2006	None	None	None	None	None	None	None
	2005	None	None	None	None	None	None	None

**Employment Contracts and Termination of Employment.** We do not anticipate that we will enter into any employment contracts with any of our employees. We have no plans or arrangements in respect of remuneration received or that may be received by our executive officers to compensate such officers in the event of termination of employment (as a result of resignation or retirement).

**Outstanding Equity Awards at Fiscal Year-end.** As of the year ended December 31, 2006, the following named executive officers had the following unexercised options, stock that has not vested, and equity incentive plan awards:

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options # Exercisable	# Un-exercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock Not Vested	Market Value of Shares or Units Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights Not Nested	Value of Unearned Shares, Units or Other Rights Not Vested
Eric Kennedy, former officer	0	0	0	0	0	0	0	0	0
Chris Destefano, former officer	0	0	0	0	0	0	0	0	0

**No Equity Compensation Plan.** We do not have any securities authorized for issuance under any equity compensation plan.

**Stock Options/SAR Grants.** No grants of stock options or stock appreciation rights were made since our date of incorporation on January 18, 2002.

**Long-Term Incentive Plans.** There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. We do not have any material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers.

**Director Compensation.** Our directors received the following compensation for their service as directors during the fiscal year ended December 31, 2006:

Name	Fees Earned or Paid in Cash	Stock Awards \$	Option Awards \$	Non-Equity Incentive Plan Compensation \$	Non-Qualified Deferred Compensation Earnings \$	All Other Compensation \$	Total \$
Eric Kennedy, former director	0	0	0	0	0	0	0
Chris Destefano, former director	0	0	0	0	0	0	0

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**BALANCE SHEETS**  
**JUNE 30, 2007 AND DECEMBER 31, 2006**

**ASSETS**

	<u>June 30,</u> <u>2007</u> <u>(Unaudited)</u>	<u>December 31,</u> <u>2006</u>
Current assets		
Cash	\$ 37,890	\$ -
Total current assets	37,890	-
Other assets		
Loan receivable	25,000	-
Interest receivable	153	-
Total assets	<u>\$ 63,043</u>	<u>\$ -</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)**

Current liabilities		
Accounts payable and accrued expenses	\$ 8,454	\$ 719
Income taxes payable	781	3,299
Total current liabilities	9,235	4,018
Stockholders' equity (deficit)		
Preferred stock, \$.001 par value; 5,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common stock, \$.001 par value; 50,000,000 shares authorized, 2,876,000 and 1,951,000 shares issued and outstanding at June 30, 2007 and December 31, 2006, respectively	2,876	1,951
Additional paid-in capital	89,106	14,231
Deficit accumulated during the development stage	(38,174)	(21,400)
Total stockholders' equity (deficit)	53,808	(4,018)
Total liabilities and stockholders' equity (deficit)	<u>\$ 63,043</u>	<u>\$ -</u>

See accompanying notes to unaudited financial statements.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF OPERATIONS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2007 AND 2006 AND FOR THE**  
**PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH JUNE 30, 2007**  
**(Unaudited)**

	<b>Six Months Ended June 30,</b>		<b>Inception (January 18, 2002)</b>
	<b>2007</b>	<b>2006</b>	<b>to June 30, 2007</b>
Net revenue	\$ -	\$ -	\$ -
Operating expenses			
Legal and professional	12,735	-	12,735
Filing fees	2,737	-	2,737
Rent	600	-	600
General and administrative	55	-	55
Total operating expenses	16,127	-	16,127
Loss from continuing operations	(16,127)	-	(16,127)
Other income (expense)			
Interest income	153	-	153
Loss from continuing operations before income taxes	(15,974)	-	(15,974)
Provision for income taxes	800	-	800
Loss from continuing operations	(16,774)	-	(16,774)
Discontinued operations	-	(1,590)	(21,400)
Net loss	\$ (16,774)	\$ (1,590)	\$ (38,174)
Net loss per common share from continuing operations – basic and diluted	\$ -	\$ -	\$ -
Net loss per common share from discontinued operations – basic and diluted	\$ -	\$ -	\$ -
Weighted average of common shares – basic and diluted	2,130,454	1,951,000	1,862,966

See accompanying notes to unaudited financial statements.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/(DEFICIT)**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH JUNE 30, 2007**  
**(Unaudited)**

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Deficit Accumulated During Development Stage</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Number of Shares</u>	<u>Amount</u>			
Balance, January 18, 2002	-	\$ -	\$ -	\$ -	\$ -
Issuance of founder shares for services, January 30, 2002, retroactively stated for 1:5 reverse stock split on April 22, 2007	1,200,000	1,200	4,800	-	6,000
Issuance of common stock, November 1, 2002, retroactively stated for 1:5 reverse stock split on April 22, 2007	751,000	751	36,799	-	37,550
Additional paid-in capital in exchange for facilities provided by related party	-	-	900	-	900
Net loss	-	-	-	(8,889)	(8,889)
Balance, December 31, 2002	1,951,000	1,951	42,499	(8,889)	35,561
Distributions to shareholders	-	-	(32,750)	-	(32,750)
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(3,273)	(3,273)
Balance, December 31, 2003	1,951,000	1,951	10,949	(12,162)	738

See accompanying notes to unaudited financial statements.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/(DEFICIT)**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH JUNE 30, 2007**  
**(Unaudited)**

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Deficit Accumulated During Development Stage</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Number of Shares</u>	<u>Amount</u>			
Additional paid-in capital contributed by related party	-	-	832	-	832
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(3,889)	(3,889)
Balance, December 31, 2004	1,951,000	1,951	12,981	(16,051)	(1,119)
Additional paid-in capital contributed by related party	-	-	50	-	50
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(2,440)	(2,440)
Balance, December 31, 2005	1,951,000	1,951	14,231	(18,491)	(2,309)

See accompanying notes to unaudited financial statements.



**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/(DEFICIT)**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH JUNE 30, 2007**  
**(Unaudited)**

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Deficit Accumulated During Development Stage</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Number of Shares</u>	<u>Amount</u>			
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(2,909)	(2,909)
Balance, December 31, 2006	1,951,000	1,951	15,431	(21,400)	(4,018)
Issuance of common stock, May 18, 2007	437,500	437	34,563	-	35,000
Issuance of common stock, May 31, 2007	218,750	219	17,281	-	17,500
Issuance of common stock, June 7, 2007	268,750	269	21,231	-	21,500
Additional paid-in capital in exchange for facilities provided by related party	-	-	600	-	600
Net loss	-	-	-	(16,774)	(16,774)
Balance, June 30, 2007	<u>2,876,000</u>	<u>\$ 2,876</u>	<u>\$ 89,106</u>	<u>\$ (38,174)</u>	<u>\$ 53,808</u>

See accompanying notes to unaudited financial statements.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2007 AND 2006 AND FOR THE**  
**PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH JUNE 30, 2007**  
**(Unaudited)**

	Six Months Ended June 30,		Inception (January 18, 2002) to June 30, 2007
	2007	2006	
Cash flows from operating activities			
Net loss	\$ (16,774)	\$ (1,590)	\$ (38,174)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities			
Cost of services paid for with common stock	-	-	6,000
Additional paid-in capital in exchange for facilities provided by related party	600	600	6,300
Changes in operating assets and liabilities			
Increase in accounts payable and accrued expenses	7,735	-	8,454
(Decrease) increase in income taxes payable	(2,518)	990	781
Net cash provided by (used in) operating activities	(10,957)	-	(16,639)
Cash flows from investing activities			
Loan receivable	(25,000)	-	(25,000)
Increase in interest receivable	(153)	-	(153)
Net cash used in investing activities	(25,153)	-	(25,153)
Cash flows from financing activities			
Proceeds from issuance of common stock	74,000	-	111,550
Distributions to shareholders	-	-	(32,750)
Capital contributions	-	-	882
Net cash provided by financing activities	74,000	-	79,682
Net increase in cash	37,890	-	-
Cash, beginning of period	-	-	-
Cash, end of period	\$ 37,890	\$ -	\$ 37,890
<b>Supplemental disclosure of cash flow information</b>			
Income taxes paid	\$ 3,200	\$ -	\$ 4,000
Interest paid	\$ -	\$ -	\$ -

See accompanying notes to unaudited financial statements.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

SN Strategies Corp. (the Company) was incorporated under the laws of the State of Nevada on January 18, 2002 under the original name "Klean Kast Solutions, Inc". On April 22, 2007, the Company filed amended and restated articles and changed its name to "SN Strategies Corp".

SN Strategies Corp. is an internet company that specializes in developing social networking applications, known as widgets, which are designed to engage, provide information and gather intelligence from users. A widget is a type of user interface that allows people to interact with a computer and computer-controlled devices that employ graphical icons, visual indicators or special graphical elements, along with text labels or text navigation to represent the information and actions available to a user. The Company is headquartered in Laguna Beach, California.

Prior to the commencement of its current operations in 2007, the Company was a developer of designer slings and protective, waterproof cast covers. The Company has discontinued this line of business.

SN Strategies Corp. is currently a development stage company under the provisions of Statement of Financial Accounting Standards (SFAS) No. 7. For the six months ended June 30, 2007, the Company has produced no revenues and will continue to report as a development stage company until significant revenues are produced.

**Basis of Presentation**

The accompanying unaudited financial statements of SN Strategies Corp. have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Certain prior year amounts have been reclassified to conform to the current year presentation. Operating results for the six month period ended June 30, 2007, are not necessarily indicative of the results that may be expected for the year ending December 31, 2007.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Actual results could materially differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

**Fair Value of Financial Instruments**

Pursuant to SFAS No. 107, "*Disclosures About Fair Value of Financial Instruments*", the Company is required to estimate the fair value of all financial instruments included on its balance sheet. The carrying value of cash, accounts payable and accrued expenses approximate their fair value due to the short period to maturity of these instruments.

**Income Taxes**

The Company accounts for income taxes under SFAS 109, "*Accounting for Income Taxes*". Under the asset and liability method of SFAS 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. The components of the deferred tax assets and liabilities are classified as current and non-current based on their characteristics. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Comprehensive Income**

The Company applies Statement of Financial Accounting Standards No. 130, "*Reporting Comprehensive Income*" (SFAS 130). SFAS 130 establishes standards for the reporting and display of comprehensive income or loss, requiring its components to be reported in a financial statement that is displayed with the same prominence as other financial statements. From inception (January 18, 2002) through June 30, 2007, the Company had no other components of comprehensive loss other than the net loss as reported on the statement of operations.

**Basic and Diluted Income (Loss) Per Share**

In accordance with SFAS No. 128, "*Earnings Per Share*", basic income (loss) per common share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding. Diluted income (loss) per common share is computed similar to basic income per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. As of June 30, 2007, the Company did not have any equity or debt instruments outstanding that could be converted into common stock.

**Issuances Involving Non-Cash Consideration**

All issuances of the Company's stock for non-cash consideration have been assigned a dollar amount equaling either the market value of the shares issued or the value of consideration received, whichever is more readily determinable. The majority of the non-cash consideration received pertains to services rendered by officers and have been recorded at their estimated value.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Recent Accounting Pronouncements**

**SFAS No. 155**— In February 2006, FASB issued Statement 155, “*Accounting for Certain Hybrid Financial Instruments*”. This Statement amends FASB Statement 133, “*Accounting for Derivative Instruments and Hedging Activities*”, and FASB Statement 140, “*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*”. Statement 155 permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, clarifies which interest-only strips and principal-only strips are not subject to the requirements of Statement 133, establishes a requirement to evaluate interest in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation, clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives, and amends Statement 140 to eliminate the prohibition on the qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. This statement is effective for all financial instruments acquired or issued after the beginning of the Company’s first fiscal year that begins after September 15, 2006. The Company adopted the new standard beginning January 1, 2007. The impact of the adoption of SFAS 155 is not material to the Company’s overall results of operations or financial position.

**SFAS No. 156**— In March 2006, the FASB issued Statement 156, “*Accounting for Servicing of Financial Assets - an amendment of FASB Statement No. 140*”. This Statement amends FASB Statement No. 140, “*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*”, with respect to the accounting for separately recognized servicing assets and servicing liabilities. This statement requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in certain situations, and also requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable. This statement is effective at the beginning of its first fiscal year that begins after September 15, 2006. Earlier adoption is permitted as of the beginning of an entity’s fiscal year, provided the entity has not yet issued financial statements, including interim financial statements, for any period of that fiscal year. The effective date of this Statement is the date an entity adopts the requirements of this Statement. The Company adopted the new standard beginning January 1, 2007. The impact of the adoption of SFAS 156 is not material to the Company’s overall results of operations or financial position.

**SN STRATEGIES CORP.**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

FASB Interpretation No. 48– In July 2006, the FASB issued Interpretation No. 48, “*Accounting for Uncertainty in Income Taxes*” (FIN 48), which supplements SFAS No. 109, “*Accounting for Income Taxes*”, by defining the confidence level that a tax position must meet in order to be recognized in the financial statements. The Interpretation requires that the tax effects of a position be recognized only if it is “more-likely-than-not” to be sustained based solely on its technical merits as of the reporting date. The more-likely-than-not threshold represents a positive assertion by management that a company is entitled to the economic benefits of a tax position. If a tax position is not considered more-likely-than-not to be sustained based solely on its technical merits, no benefits of the position are to be recognized. This Interpretation is effective for fiscal years beginning after December 15, 2006. The Company adopted the new standard beginning January 1, 2007. The impact of the adoption of FIN 48 is not material to the Company’s overall results of operations or financial position.

SFAS No. 157– In September 2006, the FASB issued Statement 157, “*Fair Value Measurements*”. This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this Statement does not require any new fair value measurements. However, for some entities, the application of this Statement will change current practice. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. The Company is currently assessing the potential effect of SFAS 157 on its financial statements.

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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

SFAS No. 158— In September 2006, the FASB issued Statement No. 158 “*Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R)*”. This Statement improves financial reporting by requiring an employer to recognize the overfunded or underfunded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a not-for-profit organization. This Statement also improves financial reporting by requiring an employer to measure the funded status of a plan as of the date of its year-end statement of financial position, with limited exceptions. An employer with publicly traded equity securities is required to initially recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after December 15, 2006. An employer without publicly traded equity securities is required to recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after June 15, 2007. The Company believes that the adoption of this standard will not have a material impact on its financial statements.

SAB No. 108— In September 2006, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 108 (SAB No. 108), “*Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*.” The guidance in SAB No. 108 requires Companies to base their materiality evaluations on all relevant quantitative and qualitative factors. This involves quantifying the impact of correcting all misstatements, including both the carryover and reversing effects of prior year misstatements, on the current year financial statements. The Company has adopted this standard.

SFAS No. 159— In February 2007, the FASB issued Statement No. 159, “*The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115*”. This Statement permits entities to choose to measure many financial instruments and certain other items at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. This Statement is expected to expand the use of fair value measurement, which is consistent with the Board’s long-term measurement objectives for accounting for financial instruments. This Statement applies to all entities, including not-for-profit organizations. Most of the provisions of this Statement apply only to entities that elect the fair value option.



**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**2. GOING CONCERN**

As shown in the accompanying financial statements, the Company has incurred a net operating loss of \$38,174 from inception (January 18, 2002) through June 30, 2007.

The Company is subject to those risks associated with development stage companies. The Company has sustained losses since inception and additional debt or equity financing will be required by the Company to fund its development activities and to support operations. However, there is no assurance that the Company will be able to obtain additional financing. Furthermore, there is no assurance that rapid technological changes, changing customer needs and evolving industry standards will enable the Company to introduce new products on a continual and timely basis so that profitable operations can be attained.

**3. NOTE RECEIVABLE**

On May 18, 2007 the Company extended a \$25,000 loan to Fliva, Inc. (Fliva) in exchange for a convertible promissory note and a warrant agreement. Under the terms of the convertible promissory note agreement, the note accrues interest at 5% per annum and matures on May 18, 2009. The note may be converted into Fliva's common stock upon default or upon certain other conditions. Under the terms of the warrant agreement, the Company has the right to purchase 62,500 shares of Fliva's common stock at \$0.04 per share upon certain triggering events. The warrant agreement expires upon the earlier of the warrant execution or May 18, 2011.

**4. ACCRUED EXPENSES**

**Accrued Wages and Compensated Absences**

The Company currently does not have any employees. The majority of development costs and services have been provided to the Company by the founders and outside, third-party vendors. As such, there is no accrual for wages or compensated absences as of June 30, 2007.

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**5. COMMON STOCK**

The Company is authorized to issue up to 50,000,000 shares of \$0.001 par value common stock and 5,000,000 shares of \$0.001 par value preferred stock. Each share of common stock shall entitle the holder to one vote, in person or by proxy, on any matter on which action of the stockholders of this corporation is sought. The holders of shares of preferred stock shall have no right to vote such shares, with certain exceptions as determined by the Board of Directors of this corporation or as otherwise provided by the Nevada General Corporation Law, as amended from time to time.

In January 2002, the Company issued 6,000,000 shares of its common stock to its founders in exchange for reimbursement of organizational costs and related expenses. The value of such costs and related expenses totaled \$6,000.

In November 2002, the Company performed a private placement and issued 3,755,000 shares of common stock at \$0.01 per share for an aggregate total of \$37,550.

On April 22, 2007, the Company effected a one for five (1:5) reverse stock split whereby each share of the Company's common stock outstanding was converted into 0.20 of a share of the Company's common stock. Accordingly, the outstanding common stock and per share amounts have been retroactively stated to reflect the stock split within the Company's financial statements, pursuant to SEC Staff Accounting Bulletin, Topic 4C.

On May 18, 2007, the Company performed a private placement and issued 437,500 shares of common stock at \$0.08 per share for an aggregate total of \$35,000.

On May 31, 2007, the Company performed a private placement and issued 218,750 shares of common stock at \$0.08 per share for an aggregate total of \$17,500.

On June 7, 2007, the Company performed a private placement and issued 268,750 shares of common stock at \$0.08 per share for an aggregate total of \$21,500.

**SN STRATEGIES CORP.**  
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**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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**6. PROVISION FOR INCOME TAXES**

As of June 30, 2007, the Company has recognized the minimum amount of franchise tax required under California corporation law or \$800. The Company is not currently subject to further federal or state tax since it has incurred losses since its inception.

As of June 30, 2007, the Company had federal and state net operating loss carryforwards of approximately \$38,000, which can be used to offset future taxable income. The federal and state net operating loss carryforwards expire at various dates through 2027. Deferred tax assets resulting from the net operating losses are reduced by a valuation allowance, when, in the opinion of management, utilization is not reasonably assured.

As of June 30, 2007, the Company had the following deferred tax assets that related to net operating losses. A 100% valuation allowance has been established, as management believes it is more likely than not that the deferred tax assets will not be realized.

	<u>Amount</u>
Federal loss carryforwards (@15%)	\$ 5,700
State loss carryforwards (@8.84%)	<u>3,000</u>
	8,700
Less: valuation allowance	<u>(8,700)</u>
	<u><u>\$ -</u></u>

The Company's valuation allowance increased by approximately \$3,900 during the six months ended June 30, 2007.

**7. RELATED PARTY TRANSACTIONS**

From the Company's inception through June 30, 2007, the Company utilized office space of an officer and stockholder of the Company at no charge. The Company treated the usage of the office space as additional paid-in capital and charged the estimated fair value rent of \$100 per month to operations. The Company recorded total rent expense of \$600 for each of the six month periods ended June 30, 2007 and 2006.

**8. DISCONTINUED OPERATIONS**

In 2007, the Company abandoned its waterproof and protective cast cover business. A loss on operations for this business has been reclassified and presented as a single line item in the statements of operations.

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## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders  
SN Strategies Corp.  
(formerly Klean Kast Solutions, Inc.)  
Laguna Beach, California

We have audited the accompanying balance sheets of SN Strategies Corp. (formerly Klean Kast Solutions, Inc.) (a development stage company) as of December 31, 2006 and 2005, and the related statements of operations, stockholders' equity (deficit), and cash flows for the years then ended and for the period from inception (January 18, 2002) through December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SN Strategies Corp. (formerly Klean Kast Solutions, Inc.) (a development stage company) as of December 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended and for the period from inception (January 18, 2002) through December 31, 2006 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 2, the Company has incurred recurring operating losses and has an accumulated deficit. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

**Mendoza Berger & Company, LLP**

Irvine, California  
July 12, 2007

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**BALANCE SHEETS**  
**DECEMBER 31, 2006 AND 2005**

**ASSETS**

	<u>2006</u>	<u>2005</u>
Total assets	\$ -	\$ -

**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)**

<b>Current liabilities</b>		
Accounts payable	\$ 719	\$ -
Income taxes payable	3,299	2,309
Total current liabilities	<u>4,018</u>	<u>2,309</u>
<b>Stockholders' equity (deficit)</b>		
Preferred stock, \$.001 par value; 5,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common stock, \$.001 par value; 50,000,000 shares authorized, 1,951,000 shares issued and outstanding	1,951	1,951
Additional paid-in capital	15,431	14,231
Deficit accumulated during the development stage	<u>(21,400)</u>	<u>(18,491)</u>
Total stockholders' equity (deficit)	<u>(4,018)</u>	<u>(2,309)</u>
Total liabilities and stockholders' equity (deficit)	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF OPERATIONS**  
**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 AND**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH**  
**DECEMBER 31, 2006**

	<u>Year Ended December 31,</u>		<u>Inception</u> <u>(January 18,</u> <u>2002)</u> <u>to December</u> <u>31,</u> <u>2006</u>
	<u>2006</u>	<u>2005</u>	
Net revenue	\$ -	\$ -	\$ -
Operating expenses			
Legal and professional	525	-	4,299
Rent	1,200	1,200	5,700
General and administrative	384	440	8,201
Total operating expenses	2,109	1,640	18,200
Loss from operations	(2,109)	(1,640)	(18,200)
Provision for income taxes	800	800	3,200
Net loss	<u>\$ (2,909)</u>	<u>\$ (2,440)</u>	<u>\$ (21,400)</u>
Net loss per common share from operations – basic and diluted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Weighted average of common shares – basic and diluted	<u>1,951,000</u>	<u>1,951,000</u>	<u>1,768,081</u>

See accompanying notes to financial statements

**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/(DEFICIT)**  
**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 AND**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH**  
**DECEMBER 31, 2006**

	<u>Common Stock</u>		<u>Additional Paid-In</u>	<u>Deficit Accumulated</u>	<u>Total</u>
	<u>Number of</u>	<u>Amount</u>	<u>Capital</u>	<u>During Development Stage</u>	<u>Stockholders' Equity (Deficit)</u>
	<u>Shares</u>				
Balance, January 18, 2002	-	\$ -	\$ -	\$ -	\$ -
Issuance of founder shares for services, January 30, 2002, retroactively stated for 1:5 reverse stock split on April 22, 2007	1,200,000	1,200	4,800	-	6,000
Issuance of common stock, November 1, 2002, retroactively stated for 1:5 reverse stock split on April 22, 2007	751,000	751	36,799	-	37,550
Additional paid-in capital in exchange for facilities provided by related party	-	-	900	-	900
Net loss	-	-	-	(8,889)	(8,889)
Balance, December 31, 2002	1,951,000	1,951	42,499	(8,889)	35,561

See accompanying notes to financial statements



**SN STRATEGIES CORP.**  
**(formerly Klean Kast Solutions, Inc.)**  
**(A Development Stage Company)**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/(DEFICIT)**  
**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 AND**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH**  
**DECEMBER 31, 2006**

	<u>Common Stock</u>		<u>Additional</u>	<u>Deficit</u>	<u>Total</u>
	<u>Number of</u>	<u>Amount</u>	<u>Paid-In</u>	<u>Accumulated</u>	<u>Stockholders'</u>
	<u>Shares</u>		<u>Capital</u>	<u>During</u>	<u>Equity (Deficit)</u>
				<u>Development</u>	
				<u>Stage</u>	
Distributions to stockholders			(32,750)		(32,750)
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(3,273)	(3,273)
Balance, December 31, 2003	1,951,000	1,951	10,949	(12,162)	738
Additional paid-in capital contributed by related party			832		832
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(3,889)	(3,889)
Balance, December 31, 2004	1,951,000	1,951	12,981	(16,051)	(1,119)

See accompanying notes to financial statements

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**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH**  
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	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Deficit Accumulated During Development Stage</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Number of Shares</u>	<u>Amount</u>			
Additional paid-in capital contributed by related party			50		50
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-		(2,440)	(2,440)
Balance, December 31, 2005	1,951,000	1,951	14,231	(18,491)	(2,309)
Additional paid-in capital in exchange for facilities provided by related party	-	-	1,200	-	1,200
Net loss	-	-	-	(2,909)	(2,909)
Balance, December 31, 2006	<u>1,951,000</u>	<u>\$ 1,951</u>	<u>\$ 15,431</u>	<u>\$ (21,400)</u>	<u>\$ (4,018)</u>

See accompanying notes to financial statements

**SN STRATEGIES CORP.**  
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**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 AND**  
**FOR THE PERIOD FROM INCEPTION (JANUARY 18, 2002) THROUGH**  
**DECEMBER 31, 2006**

	Years Ended December 31,		Inception (January 18, 2002) to December 31, 2006
	2006	2005	
Cash flows from operating activities			
Net loss	\$ (2,909)	\$ (2,440)	\$ (21,400)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities			
Cost of services paid for with common stock	-	-	6,000
Additional paid-in capital in exchange for facilities provided by related party	1,200	1,200	5,700
Changes in operating assets and liabilities			
Increase in accounts payable	719	-	719
Increase in income taxes payable	990	1,130	3,299
Net cash provided by (used in) operating activities	-	(110)	(5,682)
Cash flows from financing activities			
Proceeds from issuance of common stock	-	-	37,550
Distributions to stockholders	-	-	(32,750)
Capital contributions	-	50	882
Net cash provided by financing activities	-	50	5,682
Net increase (decrease) in cash	-	(60)	-
Cash, beginning of period	-	60	-
Cash, end of period	\$ -	\$ -	\$ -
<b>Supplemental disclosure of cash flow information</b>			
Income taxes paid	\$ -	\$ -	\$ -
Interest paid	\$ -	\$ -	\$ -

See accompanying notes to financial statements

**SN STRATEGIES CORP.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 AND 2005**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

SN Strategies Corp. (formerly Klean Kast Solutions, Inc.) (the Company) is currently a development stage company under the provisions of Statement of Financial Accounting Standards (SFAS) No. 7 and was incorporated under the laws of the State of Nevada on January 18, 2002. For the years ended December 31, 2006 and 2005, the Company has produced no revenues and will continue to report as a development stage company until significant revenues are produced.

SN Strategies Corp. (formerly Klean Kast Solutions, Inc.) was a developer of designer slings and preprotective, waterproof cast covers. Subsequently, in 2007 the Company changed its business model to an internet company that specializes in developing social networking applications, known as widgets, which are designed to engage, provide information and gather intelligence from users. A widget is a type of user interface that allows people to interact with a computer and computer - controlled devices that employ graphical icons, visual indicators or special graphical elements, along with text labels or text navigation to represent the information and actions available to a user. The Company is headquartered in Laguna Beach, California.

**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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Actual results could materially differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. From inception to date, the Company has relied on cash contributions from its management.

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Fair Value of Financial Instruments**

Pursuant to SFAS No. 107, "*Disclosures About Fair Value of Financial Instruments*", the Company is required to estimate the fair value of all financial instruments included on its balance sheet. The carrying value of accounts payable and accrued expenses approximate their fair value due to the short period to maturity of these instruments.

**Income Taxes**

The Company accounts for income taxes under SFAS 109, "*Accounting for Income Taxes*". Under the asset and liability method of SFAS 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. The components of the deferred tax assets and liabilities are classified as current and non-current based on their characteristics. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

**Comprehensive Income**

The Company applies Statement of Financial Accounting Standards No. 130, "*Reporting Comprehensive Income*" (SFAS 130). SFAS 130 establishes standards for the reporting and display of comprehensive income or loss, requiring its components to be reported in a financial statement that is displayed with the same prominence as other financial statements. From inception (January 18, 2002) through December 31, 2006, the Company had no other components of comprehensive loss other than the net loss as reported on the statement of operations.

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Basic and Diluted Income (Loss) Per Share**

In accordance with SFAS No. 128, "*Earnings Per Share*", basic income (loss) per common share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding. Diluted income (loss) per common share is computed similar to basic income per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. As of December 31, 2006, the Company did not have any equity or debt instruments outstanding that could be converted into common stock.

**Issuances Involving Non-Cash Consideration**

All issuances of the Company's stock for non-cash consideration have been assigned a dollar amount equaling either the market value of the shares issued or the value of consideration received, whichever is more readily determinable. The majority of the non-cash consideration received pertains to services rendered by officers and have been recorded at their estimated value.

**Recent Accounting Pronouncements**

**SFAS No. 153**— In December 2004, the FASB issued Statement of Financial Accounting Standards No. 153, "*Exchanges of Nonmonetary Assets, an amendment of APB Opinion 29*" (SFAS 153). SFAS 153 requires that exchanges of nonmonetary assets be measured based on the fair values of the assets exchanged, and eliminates the exception to this principle under APB Opinion 29 for exchanges of similar productive assets. The Company adopted the new standard in the first interim period beginning after June 15, 2005. The impact of the adoption of SFAS 153 is not material to the Company's overall results of operations or financial position.

**FASB Interpretation No. 47**— In March 2005, the FASB issued FASB Interpretation No. 47, "*Accounting for Conditional Asset Retirement Obligations*" (FIN 47). This Interpretation clarifies that the term *conditional asset retirement obligation* as used in FASB Statement No. 143, "*Accounting for Asset Retirement Obligations*", refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and (or) method of settlement. Thus, the timing and (or) method of settlement may be conditional on a future event. Accordingly, an entity is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated. The fair value of a liability for the conditional asset retirement obligation should be recognized when incurred, generally upon acquisition, construction, or development and (or) through the normal operation of the asset. Uncertainty about the timing and (or) method of settlement of a conditional asset retirement obligation should be factored into the measurement of the liability when sufficient information exists. Statement 143 acknowledges that in some cases, sufficient information may not be available to reasonably estimate the fair value of an asset retirement obligation. This Interpretation also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. Retrospective application for interim financial information is permitted but is not required. The Company adopted the new standard for the year ended December 31, 2006. The impact of the adoption of FIN 47 is not material to the Company's overall results of operations or financial position.

**SFAS No. 154**— In May 2005, the FASB issued SFAS No. 154, "*Accounting Changes and Error Corrections*". This Statement replaces APB Opinion No. 20, "*Accounting Changes*", and SFAS No. 3, "*Reporting Accounting Changes in Interim Financial Statements*", and changes the requirements for the accounting for and reporting of a change in accounting principle. Opinion 20 previously required that most voluntary changes in accounting principle be recognized by including in net income of the period of the change the cumulative effect of changing to the new accounting principle. This Statement requires retrospective application to prior periods' financial statements of changes in accounting principle, unless it is impracticable to determine either the period -specific effects or the cumulative effect of the change. The provisions in SFAS 154 are effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. The Company adopted the new standard for the year ended December 31, 2006. The impact of the adoption of SFAS 154 is not material to the Company's overall results of operations or financial position.

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**SFAS No. 155**— In February 2006, FASB issued Statement 155, “*Accounting for Certain Hybrid Financial Instruments*”. This Statement amends FASB Statement 133, “*Accounting for Derivative Instruments and Hedging Activities*”, and FASB Statement 140, “*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*”. Statement 155 permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, clarifies which interest-only strips and principal-only strips are not subject to the requirements of Statement 133, establishes a requirement to evaluate interest in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation, clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives, and amends Statement 140 to eliminate the prohibition on the qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. This statement is effective for all financial instruments acquired or issued after the beginning of the Company’s first fiscal year that begins after September 15, 2006. The Company believes that the adoption of this standard will not have a material impact on its financial statements.

**SFAS No. 156**— In March 2006, the FASB issued Statement 156, “*Accounting for Servicing of Financial Assets - an amendment of FASB Statement No. 140*”. This Statement amends FASB Statement No. 140, “*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*”, with respect to the accounting for separately recognized servicing assets and servicing liabilities. This statement requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in certain situations, and also requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable. This statement is effective at the beginning of its first fiscal year that begins after September 15, 2006. Earlier adoption is permitted as of the beginning of an entity’s fiscal year, provided the entity has not yet issued financial statements, including interim financial statements, for any period of that fiscal year. The effective date of this Statement is the date an entity adopts the requirements of this Statement. The adoption of this standard will not have a material impact on the Company’s financial statements.

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**FASB Interpretation No. 48**— In July 2006, the FASB issued Interpretation No. 48, “*Accounting for Uncertainty in Income Taxes*” (FIN 48), which supplements SFAS No. 109, “*Accounting for Income Taxes*”, by defining the confidence level that a tax position must meet in order to be recognized in the financial statements. The Interpretation requires that the tax effects of a position be recognized only if it is “more-likely-than-not” to be sustained based solely on its technical merits as of the reporting date. The more-likely-than-not threshold represents a positive assertion by management that a company is entitled to the economic benefits of a tax position. If a tax position is not considered more-likely-than-not to be sustained based solely on its technical merits, no benefits of the position are to be recognized. This Interpretation is effective for fiscal years beginning after December 15, 2006. The Company is currently assessing the potential effect of FIN 48 on its financial statements.

**SFAS No. 157**— In September 2006, the FASB issued Statement 157, “*Fair Value Measurements*”. This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this Statement does not require any new fair value measurements. However, for some entities, the application of this Statement will change current practice. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. The Company is currently assessing the potential effect of SFAS 157 on its financial statements.

**SFAS No. 158**— In September 2006, the FASB issued Statement No. 158 “*Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R)*”. This Statement improves financial reporting by requiring an employer to recognize the overfunded or underfunded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a not-for-profit organization. This Statement also improves financial reporting by requiring an employer to measure the funded status of a plan as of the date of its year-end statement of financial position, with limited exceptions. An employer with publicly traded equity securities is required to initially recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after December 15, 2006. An employer without publicly traded equity securities is required to recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after June 15, 2007. The Company believes that the adoption of this standard will not have a material impact on its financial statements.

**SAB No. 108**— In September 2006, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 108 (SAB No. 108), “*Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*.” The guidance in SAB No. 108 requires companies to base their materiality evaluations on all relevant quantitative and qualitative factors. This involves quantifying the impact of correcting all misstatements, including both the carryover and reversing effects of prior year misstatements, on the current year financial statements. The Company has adopted this standard.

**SFAS No. 159**— In February 2007, the FASB issued Statement No. 159, “*The Fair Value Option for Financial Assets and Financial Liabilities—Including an amendment of FASB Statement No. 115*”. This Statement permits entities to choose to measure many financial instruments and certain other items at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. This Statement is expected to expand the use of fair value measurement, which is consistent with the Board’s long-term measurement objectives for accounting for financial instruments. This Statement applies to all entities, including not-for-profit organizations. Most of the provisions of this Statement apply only to entities that elect the fair value option.



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**2. GOING CONCERN**

As shown in the accompanying financial statements, the Company has incurred a net operating loss of \$21,400 from inception (January 18, 2002) through December 31, 2006.

The Company is subject to those risks associated with development stage companies. The Company has sustained losses since inception and additional debt or equity financing will be required by the Company to fund its development activities and to support operations. However, there is no assurance that the Company will be able to obtain additional financing. Furthermore, there is no assurance that rapid technological changes, changing customer needs and evolving industry standards will enable the Company to introduce new products on a continual and timely basis so that profitable operations can be attained.

**3. ACCRUED EXPENSES**

**Accrued Wages and Compensated Absences**

The Company currently does not have any employees. The majority of development costs and services have been provided to the Company by the founders and outside, third-party vendors. As such, there is no accrual for wages or compensated absences as of December 31, 2006.

**4. COMMON STOCK**

The Company is authorized to issue up to 50,000,000 shares of \$0.001 par value common stock and 5,000,000 shares of \$0.001 par value preferred stock. Each share of common stock shall entitle the holder to one vote, in person or by proxy, on any matter on which action of the stockholders of this corporation is sought. The holders of shares of preferred stock shall have no right to vote such shares, with certain exceptions as determined by the Board of Directors of this corporation or as otherwise provided by the Nevada General Corporation Law, as amended from time to time.

In January 2002, the Company issued 6,000,000 shares of its common stock to its founders in exchange for reimbursement of organizational costs and related expenses. The value of such costs and related expenses totaled \$6,000.

In November 2002, the Company performed a private placement and issued 3,755,000 shares of common stock at \$0.01 per share for an aggregate total of \$37,550.

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**5. PROVISION FOR INCOME TAXES**

For the years ended December 31, 2006 and 2005, the Company has recognized the minimum amount of franchise tax required under California corporation law or \$800, for each year, respectively. The Company is not currently subject to further federal or state tax since it has incurred losses since inception.

As of December 31, 2006, the Company had federal and state net operating loss carryforwards of approximately \$21,000, which can be used to offset future federal income tax. The federal and state net operating loss carryforwards expire at various dates through 2026. Deferred tax assets resulting from the net operating losses are reduced by a valuation allowance, when, in the opinion of management, utilization is not reasonably assured.

As of December 31, 2006 and 2005, the Company had the following deferred tax assets that related to net operating losses. A 100% valuation allowance has been established, as management believes it is more likely than not that the deferred tax assets will not be realized.

	<u>Amount</u>
Federal loss carryforwards (@15%)	\$ 3,200
State loss carryforwards (@8.84%)	<u>1,600</u>
	4,800
Less: valuation allowance	<u>(4,800)</u>
	<u>\$ -</u>

The Company's valuation allowance increased by approximately \$700 and \$600 during the years ended December 31, 2006 and 2005, respectively.

**6. RELATED PARTY TRANSACTIONS**

From the Company's inception through December 31, 2006, the Company utilized office space of an officer and stockholder of the Company at no charge. The Company treated the usage of the office space as additional paid-in capital and charged the estimated fair value rent of \$100 per month to operations. The Company recorded total rent expense of \$1,200 for each of the years ended December 31, 2006 and 2005.

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**7. SUBSEQUENT EVENTS**

In 2007, the Company abandoned its water proof and protective cast cover business.

On April 22, 2007, the Company filed amended and restated articles to change its name to SN Strategies Corp.

On April 22, 2007, the Company effected a one for five reverse stock split whereby each share of the Company's common stock outstanding was converted into 0.20 of a share of the Company's common stock. Accordingly, outstanding common stock and per share amounts have been retroactively stated to reflect the stock split within the Company's financial statements pursuant to SEC Staff Accounting Bulletin, Topic 4C.

On May 18, 2007 the Company extended a \$25,000 loan to Fliva, Inc. (Fliva) in exchange for a convertible promissory note and a warrant agreement. Under the terms of the convertible promissory note agreement, the note accrues interest at 5% per annum and matures on May 18, 2009. The note may be converted into Fliva's common stock upon default or upon certain capital raising triggering events. Under the terms of the warrant agreement, the Company has the right to purchase 62,500 shares of Fliva's common stock at \$0.04 per share upon certain triggering events. The warrant agreement expires upon the earlier of the warrant execution or May 18, 2011.

On May 18, 2007, the Company performed a private placement and issued 437,500 shares of common stock at \$0.08 per share for an aggregate total of \$35,000.

On May 31, 2007, the Company performed a private placement and issued 218,750 shares of common stock at \$0.08 per share for an aggregate total of \$17,500.

On June 7, 2007, the Company performed a private placement and issued 268,750 shares of common stock at \$0.08 per share for an aggregate total of \$21,500.

#### **Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

In June 2007, our Board of Directors appointed Mendoza Berger & Company, to audit our financials statements for the years ended December 31, 2006 and 2005. There have been no disagreements with our accountant since their appointment.

#### **Legal Matters**

The validity of the issuance of the shares of common stock offered by the selling shareholders has been passed upon by Esquire Consulting, Inc. located in Los Angeles, California.

#### **Experts**

Our financial statements for the years ended December 31, 2006 and 2005, appearing in this prospectus which is part of a Registration Statement have been audited by Mendoza Berger & Company and are included in reliance upon such reports given upon the authority of Mendoza Berger & Company as experts in accounting and auditing.

#### **Additional Information**

We have filed a registration statement on Form SB-2 with the Securities and Exchange Commission pursuant to the Securities Act of 1933. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information regarding us and our common stock offered hereby, reference is made to the registration statement and the exhibits and schedules filed as a part of the registration statement.

#### Dealer Prospectus Delivery Obligation

Until November 4, 2007, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligations to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

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