

**Hipshark, LLC**  
**Financial Statement**  
**October 9, 2018**

# **Hipshark, LLC**

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Unaudited- See accompanying notes.

**Hipshark, LLC**  
**Balance Sheet**  
**December 31, 2016**

**Assets**

<b>Cash</b>	<b>\$11,742</b>
<b>Total Assets</b>	<b>\$11,742</b>

**Liabilities and Members Equity**

<b>Current Liabilities</b>	<b>\$2,592</b>
<b>Members Equity</b>	<b>\$9,150</b>

Unaudited- See accompanying notes.

**Hipshark, LLC**  
**Balance Sheet**  
**December 31, 2017**

**Assets**

<b>Cash</b>	<b>\$33,923</b>
<b>Accounts Receivable</b>	<b>\$12,580</b>
<b>Total Assets</b>	<b>\$46,503</b>

**Liabilities and Members Equity**

<b>Current Liabilities</b>	<b>\$13,897</b>
<b>Members Equity</b>	<b>\$32,606</b>

Unaudited- See accompanying notes.

**Hipshark, LLC**  
**Income Statement**  
**FOR THE YEARS ENDING 2016 AND 2017**

<b>Operating Income</b>	<b>2016</b>	<b>2017</b>
<b>Sales</b>	<b>\$ 266</b>	<b>\$ 18,755</b>
<b>Cost of Sales</b>	<b>301</b>	<b>13,450</b>
	<hr/>	
<b>Gross Profit</b>	<b>(35.00)</b>	<b>5,305</b>
<b>Operating Expense</b>		
<b>Hosting</b>	<b>382</b>	<b>1,096</b>
<b>Marketing</b>	<b>3,425</b>	<b>9,894</b>
<b>Software Engineers (outsourced)</b>	<b>17,160</b>	<b>12,321</b>
<b>Accounting</b>	<b>0</b>	<b>500</b>
<b>Payments to Non-Profits</b>	<b>0</b>	<b>3,781</b>
<b>Misc</b>	<b>623</b>	<b>487</b>
	<hr/>	
	<b>21,590</b>	<b>28,081</b>
<b>Net Income From Operations</b>	<b>(\$21,625)</b>	<b>(\$22,776)</b>
<b>Net Income</b>	<b><u>(\$21,626)</u></b>	<b><u>(\$22,776)</u></b>

Unaudited- See accompanying notes.

**Hipshark, LLC**

**STATEMENT OF CASHFLOWS**

**For the years ending December 31, 2016 and 2017**

<b>Cash Flows from Operating Activities</b>	<b>2016</b>	<b>2017</b>
<b>Net Income (loss) For the Period</b>	<b>(\$21,626)</b>	<b>(\$22,776)</b>
<b>Change in Payables</b>	<b>0</b>	<b>0</b>
<b>Change in Receivables</b>	<b>75</b>	<b>5,943</b>
<b>Net Cash Flows from Operating Activities</b>	<b>(\$21,551)</b>	<b>(\$16,883)</b>
<b>Cash Flows from Financing Activities</b>		
<b>Change in Founder Investment</b>	<b>30,000</b>	<b>7,500</b>
<b>Change in Convertible Notes</b>	<b>0</b>	<b>35,000</b>
<b>Net Cash Flows from Financing Activities</b>	<b>30,000</b>	<b>42,500</b>
<b>Cash at Beginning of Period</b>	<b>30,000</b>	<b>11,742</b>
<b>Net Increase (Decrease) in Cash</b>	<b><u>(\$18,258)</u></b>	<b><u>22,181</u></b>
<b>Cash at End of Period</b>	<b><u>\$11,742</u></b>	<b><u>\$33,923</u></b>

Unaudited- See accompanying notes.

# Hipshark, LLC

## Notes to Financial Statement

### Summary of Significant Accounting Policies

**Nature of Business:** Hipshark, LLC dba SimpleFund (The Company) was founded in March of 2016 in the state of New York with the intent of operating a Mobile Fundraising Platform under the name SimpleFund.

**Basis of Accounting:** The accompanying financial statement has been prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP") as determined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles 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 statement and the reported amounts of revenue and expenses during the periods reported. Actual results could differ from those estimates.

**Income Taxes:** The Company is treated as a partnership for federal and state income tax purposes, and its members report their respective share of the Company's taxable income or loss on their income tax return. Accordingly, no provision or liability for income taxes has been included in the accompanying financial statement.

**Income Tax Uncertainties:** The Company follows the FASB guidance on how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statement. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing The Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax expense and liability in the current year. Management evaluated the Company's tax position and concluded that the Company had taken no uncertain tax positions that require adjustment to the financial statement to comply with the provisions of this guidance. The Company is not currently under audit by any tax jurisdiction.

**Cash Flow From Financing Activities:** November 2017 The Company closed on a convertible note from Launch NY. The convertible note was \$50,000. \$35,000 initially paid right away and the remaining \$15,000 was paid in 2018