

**CHATTER, LLC**

*Unaudited Financial Statements For The Period of Inception Through December 31, 2016*

May 5, 2017



## Independent Accountant's Review Report

To Management  
Chatter, LLC  
Los Angeles, CA

We have reviewed the accompanying balance sheet of Chatter, LLC. as of December 31, 2016, and the related statements of income, retained earnings, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### ***Accountant's Responsibility***

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of my procedures provide a reasonable basis for our report.

### ***Accountant's Conclusion***

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

A handwritten signature in black ink, appearing to read 'J. Tyra', is positioned above the printed name.

Jason M. Tyra, CPA, PLLC  
Dallas, TX  
May 5, 2017

**CHATTER, LLC  
BALANCE SHEET  
DECEMBER 31, 2016**

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**ASSETS**

**CURRENT ASSETS**

Cash		\$ 195
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	TOTAL CURRENT ASSETS	<hr/> 195
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**NON-CURRENT ASSETS**

Fixed Assets, Net		1,200
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	TOTAL NON-CURRENT ASSETS	<hr/> \$ 1,200
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	TOTAL ASSETS	<hr/> <hr/> \$ 1,395
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**LIABILITIES AND MEMBERS' EQUITY**

**CURRENT LIABILITIES**

Due to Charities		800
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	TOTAL CURRENT LIABILITIES	<hr/> \$ 800
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	TOTAL LIABILITIES	<hr/> <hr/> 800
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**MEMBERS' EQUITY**

Contributed Capital		421,107
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Retained Earnings (Deficit)		(420,511)
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	TOTAL MEMBERS' EQUITY	<hr/> 596
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	TOTAL LIABILITIES AND MEMBERS' EQUITY	<hr/> <hr/> \$ 1,395
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**CHATTER, LLC**  
**INCOME STATEMENT**  
**FOR THE PERIOD OF INCEPTION TO DECEMBER 31, 2016**

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<b>Operating Income</b>	
App Raffle Income	\$ 1,012
Due to Charities	(800)
<b>Gross Profit</b>	<hr/> 213
<b>Operating Expense</b>	
General and Administrative	208,850
App Development	126,565
Advertising and Marketing	85,125
Depreciation	185
	<hr/> 420,723
<b>Net Income from Operations</b>	(420,511)
<b>Net Income</b>	<hr/> <u>\$ (420,511)</u>

**CHATTER, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD OF INCEPTION TO DECEMBER 31, 2016**

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<b>Net Income (Loss) For The Period</b>	\$ (420,511)
<b>Cash Flows From Operating Activities</b>	
Change in amount due to charities	800
Depreciation	185
	984
<b>Cash Flows From Investing Activities</b>	
Purchase of fixed assets	(1,384)
	(1,384)
<b>Cash Flows From Financing Activities</b>	
Change in contributed capital	421,107
	421,107
<b>Cash at Beginning of Period</b>	-
<b>Net Increase (Decrease) In Cash</b>	195
<b>Cash at End of Period</b>	\$ 195

CHATTER, LLC  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)  
DECEMBER 31, 2016

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NOTE A- ORGANIZATION AND NATURE OF ACTIVITIES

Chatter, LLC (“the Company”) is a limited liability company organized under the laws of the State of Florida and California. The Company operates a mobile application that allows users to bid on personal experiences with celebrity personalities while donating to charity.

The Company will conduct an equity crowdfund offering during the second and third quarter of 2017 for the purpose of raising operating capital. The Company’s ability to continue as a going concern or to achieve management’s objectives may be dependent on the outcome of the offering or management’s other efforts to raise operating capital.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Management’s estimate of the useful lives of the Company’s capital assets is the only significant estimate contained in the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Fixed Assets

Fixed assets are stated net of depreciation. The Company capitalizes fixed assets with an original value of \$1,000 or more. Depreciation is calculated on a straight-line basis over each asset’s estimated useful life.

Revenue

The Company retains a percentage of funds collected through the Chatter for Charity application and platform. The remainder of the funds are remitted to the various charities associated with each of the Company’s offerings.

CHATTER, LLC  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

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Advertising Costs

The Company expenses direct advertising costs as incurred.

Income Taxes

The Company is subject to tax filing requirements in the federal jurisdiction of the United States. For the year ended December 31, 2016, the Company elected to be treated as a partnership. All items of revenue and expense for that year were reported by the members on their individual tax returns. The Company's 2016 federal information filing will be subject to inspection by the Internal Revenue Service until 2020.

The Company is subject to franchise tax filing requirements in the State of California. The Company's 2016 California tax filing will be subject to inspection by the State of California until 2021.

NOTE C- CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents with a limited number of high quality financial institutions and at times may exceed the amount of insurance provided on such deposits.

NOTE D- SUBSEQUENT EVENTS

Management considered events subsequent to the end of the period but before May 5, 2017, the date that the financial statements were available to be issued.