

24/7 Kid Doc, Inc.
Balance Sheet
As of June 30, 2017
(Unaudited)

ASSETS

Current assets:	
Cash and cash equivalents	\$ <u>468</u>
Total current assets	468
Property and equipment, at cost, net	18,728
Purchase note receivable	<u>200,000</u>
Total Assets	<u>\$ 219,196</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:	
Accrued officer compensation	\$ 30,000
Advances from shareholders	<u>187,112</u>
Total current liabilities	<u>217,112</u>
Stockholders' equity:	
Preferred stock, \$.0001 par value, 5,000,000 shares authorized, no shares issued or outstanding	-
Common stock, \$.0001 par value, 200,000,000 shares authorized, 48,110,502 issued and 48,438,852 shares outstanding	4,811
Additional paid-in capital	7,259,931
Treasury stock, 671,650 at cost	(39,009)
Accumulated (deficit)	<u>(7,223,649)</u>
Total stockholders' equity	<u>2,084</u>
Total Liabilities and Stockholders' Equity	<u>\$ 219,196</u>

The accompanying notes are an integral part of these unaudited financial statements.

24/7 Kid Doc, Inc.
Statement of Operations
For The Three Months and Six Months Ended June 30, 2017
(Unaudited)

	3 Months Ended June 30, 2017	6 Months Ended June 30, 2017
Sales	\$ -	\$ -
Cost of sales and services	<u>-</u>	<u>-</u>
Gross profit	<u>-</u>	<u>-</u>
General and administrative expenses	<u>27,090</u>	<u>46,534</u>
(Loss) before taxes	(27,090)	(46,534)
Income taxes	<u>-</u>	<u>-</u>
Net (loss)	<u><u>\$ (27,090)</u></u>	<u><u>\$ (46,534)</u></u>
Per share information:		
Basic and diluted (loss) per share	<u><u>\$ (0.00)</u></u>	<u><u>\$ (0.00)</u></u>
Weighted average shares outstanding	<u><u>48,110,502</u></u>	<u><u>48,100,502</u></u>

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24/7 Kid Doc, Inc.
Statement of Cash Flows
For The Three Months and Six Months Ended June 30, 2017
(Unaudited)

	3 Months Ended June 30, 2017	6 Months Ended June 30, 2017
Net loss	\$ (27,090)	\$ (46,534)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	72	144
Increase in accrued compensation	<u>15,000</u>	<u>30,000</u>
Net cash used in operating activities	<u>(12,018)</u>	<u>\$ (16,390)</u>
Cash flows from financing activities:		
Repayment of shareholder advance	<u>(5,598)</u>	<u>(23,178)</u>
Net cash used in financing activities	<u>(5,598)</u>	<u>(23,178)</u>
Decrease in cash	<u>(17,616)</u>	<u>(39,568)</u>
Cash, beginning of period	<u>18,084</u>	<u>40,036</u>
Cash, end of period	<u>\$ 468</u>	<u>\$ 468</u>
Supplemental Cash Flow Information		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>-</u>	<u>-</u>

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24/7 Kid Doc, Inc.
Notes to Financial Statements
June 30, 2017

Note 1. Organization, Significant Accounting Policies and Liquidity

24/7 Kid Doc, Inc. (referred to as “we”, “us”, “our” or the “Company”) was incorporated in Florida on November 24, 1998 under the name of The Jarrett/Favre Driving Adventure, Inc. The name of the Company was changed to Dale Jarrett Racing Adventure, Inc. in October of 2002. The Company was originally a NASCAR Driving School that was in business for almost 18 years. In November of 2015 the name of the Company was changed to 24/7 Kid Doc, Inc. The Company provides Telemedicine hardware and software to schools at no cost to the schools.

Revenue Recognition

In general, we record revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price is fixed or determinable, and collectability of the sales price is reasonably assured. The following policies reflect specific criteria for our various revenue streams:

- Revenue is recognized at the time the product is delivered or the service is performed. Provision for sales returns are estimated based on the Company’s historical return experience; however, sales returns have not been significant due to the nature of the services we provide.
- Deferred revenue is recorded for amounts received in advance of the time at which services are performed and included in revenue at the completion of the related services

Statements of Cash Flows

For purposes of the statements of cash flows, we consider all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at estimated net realizable value. Accounts receivable are comprised of balances due from customer net of estimated allowances for uncollectible accounts. In determining collectability, historical trends are evaluated and specific issues are reviewed to arrive at appropriate allowances. There was no allowance at June 30, 2017.

Property and Equipment

Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of the respective assets, ranging from 3 to 10 years. Major additions are capitalized, while minor additions and maintenance and repairs, which do not extend the useful life of an asset, are expensed as incurred.

Long Lived Assets

We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition

is less than its carrying amount. No such impairment losses have been identified by the Company for the three and six months ended June 30, 2017.

Use of Estimates

The preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make certain 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. The reported amounts of revenues and expenses may be affected by the estimates management is required to make. Actual results could differ from those estimates.

Advertising Costs

Advertising costs are charged to operations when the advertising first takes place. Advertising costs charged to operations were \$0 for the quarter and six months ended June 30, 2017

Fair Value of Financial Instruments

At June 30, 2017, our short-term financial instruments consist primarily of purchased note receivable and the advance from shareholders. The carrying amounts of these financial instruments approximate fair value because of their short-term nature.

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents. As of June 30, 2017, and periodically throughout our fiscal years, balances in various operating accounts exceeded federally insured limits. We monitor our positions with, and the credit quality of, the financial institutions in which we maintain cash balances and we have not experienced any losses in such accounts. We do not hold or issue financial instruments for trading purposes nor do we hold or issue interest rate or leveraged derivative financial instruments.

Segment Information

The Company follows Financial Accounting Standards Board (FASB) ASC 280-10, Segment Reporting. Under ASC 280-10, certain information is disclosed based on the way management organizes financial information for making operating decisions and assessing performance. We currently operate in a single segment and will evaluate additional segment disclosure requirements if we expand our operations.

Income Taxes

We compute income taxes in accordance with FASB ASC Topic 740, Income Taxes. Under ASC-740, deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. Also, the effect on deferred taxes of a change in tax rates is recognized in income in the period that included the enactment date. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

We follow guidance in FASB ASC Topic 740-10, Accounting for Uncertainty in Income Taxes, which prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement.

We do not believe we have taken any uncertain tax positions on any of our open income tax returns filed through the year ended December 31, 2016. Our methods of tax accounting are based on established income tax principles in the Internal Revenue Code and are properly calculated and reflected within our income tax returns. Due to the carryforwards of net operating losses, all our federal and state income tax returns remain subject to audit.

Stock-Based Compensation

We recognize stock based compensation in accordance with FASB ASC 718, Stock Compensation. ASC 718 requires that the cost resulting from all share-based transactions be recorded in the financial statements. It establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement in accounting for share-based payment transactions with employees. The Statement also establishes fair value as the measurement objective for transactions in which an entity acquires goods or services from non-employees in share-based payment transactions.

Net Loss Per Common Share

We calculate net loss per share in accordance with ASC Topic 260, Earnings per Share. Basic loss per share is calculated by dividing net loss by the weighted average number of common shares outstanding for the period. Diluted loss per share is calculated by dividing net loss by the weighted average number of common shares and dilutive common stock equivalents outstanding.

During periods in which we incur losses, common stock equivalents, if any, are not considered, as their effect would be anti-dilutive. At June 30, 2017, we had no dilutive shares outstanding.

Recent Accounting Pronouncements

We do not believe any recently issued accounting standards will have a material impact on our financial statements.

Note 2. Property and Equipment

Property and equipment consist of the following at June 30, 2017:

	<u>June 30, 2017</u>
Connect-A-Doc Kits	\$ 17,395
Office furniture and equipment	- 1,851
	<u>19,246</u>
Less accumulated depreciation	- (259)
	<u>= \$ 18,728</u>

Depreciation charged to operations was \$72 for the quarter ended June 30, 2017 respectively.

Note 3. Long-term Debt

As of June 30, 2017, we were obligated under no long-term debt.

Note 4. Stockholders' Deficit

In February of 2016, the Board authorized issuance of 9,000,000 shares of common stock to the Directors and Consultants of 24/7 Kid Doc, Inc. for services performed and to be performed. This issuance was recorded to compensation expense at a value of \$279,000 as the stock price on that day was \$.031.

In November of 2016 the Board authorized issuance of 1,000,000 shares of common stock to Brian Rosenbloom for services to be performed. This issuance was recorded to compensation expense at a value of \$31,000 as the stock price on that day was \$.031.

Note 5. Income Taxes

We have not provided for income taxes in 2016 or 2015 because of operating and tax losses. We have net operating loss carryforwards at December 31, 2016 of approximately \$3,640,000 that expire in various years through 2036. We have fully reserved our net deferred income tax asset since we are uncertain as to whether future income from operations will be available to utilize it. The approximate deferred tax assets and liabilities, assuming a blended state and federal rate of 40%, and the related allowance are as follows:

	<u>June 30, 2017</u>
Non-current deferred tax assets (liabilities), net:	
Tax benefit of net operating loss carryforwards	\$ 1,456,000
Less valuation allowance	<u>1,456,000</u>)
Net deferred tax asset	<u><u>-0-</u></u> :

The valuation reserve decreased by \$274,500 in 2016.

The provision (benefit) for income taxes differs from the amount computed by applying the statutory federal income tax rate to our loss before income taxes for the years ended December 31, 2016. Our combined federal and state effective tax rate as a percentage before taxes for the years ended December 31, 2016, approximated 40%. The following is a reconciliation of the income tax at the effective tax rate with the income tax at the U.S. federal statutory tax rate for the year ended December 31, 2016:

	<u>2016</u>
Income tax provision at the federal statutory rate	34%
Effect of operating losses and other temporary differences	<u>(34)%</u>
Effective tax rates	0%

Note 6. Commitments

Operating Leases:

None.

Employment Agreements:

None.

Vendor Agreements:

None.

Note 7. Other Related Party Transaction

During 2016, we received \$50,000 of advances from shareholders accruing interest at 3% per year with no payment terms specified.

In January of 2016, we sold our racing school assets and liabilities to the President of the Company in exchange for a \$200,000 note with interest at 3% per year with no payment terms specified.

During 2016, we received \$160,291 of advances from the President of the Company.

We repaid advances to shareholders in the amount of \$ 3,178 and \$5,598 for the six months and three months ended June 30, 2017, respectively.

Note 8. Other Subsequent Events

We evaluated subsequent events through August 14, 2017 and, to the extent applicable, have incorporated such events into these financial statements.