



**OVERT SKINCARE**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED**  
**DECEMBER 31, 2019.** (Legal Entity Name: Enclave Digital Development Company)

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**OVERT SKINCARE  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2019**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalent	\$	83,083
		83,083
<b>TOTAL CURRENT ASSETS</b>		<b>83,083</b>

**TOTAL ASSETS**

\$ **83,083**

**LIABILITIES AND SHARE HOLDER'S EQUITY**

**CURRENT LIABILITIES**

Credit Cards Payable	\$	5,816
		5,816
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,816</b>

**TOTAL LIABILITIES**

**5,816**

**SHAREHOLDER'S EQUITY**

Common stock, authorized 10,000,000 shares, 8,750,000 shares issued and outstanding, \$0.00001 par value.		88
Additional Paid-in Capital		119,913
Retained Earnings		(42,733)
		77,267
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>77,267</b>

**TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**

\$ **83,083**

\$ -

**OVERT SKINCARE  
STATEMENT OF INCOME  
FOR THE PERIOD ENDED DECEMBER 31,2019**

<b>REVENUES</b>	<b>\$ 1,184</b>
<b>COST OF GOODS SOLD</b>	<u>770</u>
<b>GROSS PROFIT</b>	<b>414</b>
<b>OPERATING EXPENSES</b>	
Advertising & Marketing	8,336
Bank Charges & Fees	296
Contractors	25,000
Credit Card Yearly Fee	795
Legal & Professional Services	4,920
Taxes & Licenses	760
Other Expenses	<u>3,040</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>43,147</b>
<b>NET OPERATING LOSS</b>	<u><u>\$ (42,733)</u></u>

**OVERT SKINCARE  
STATEMENT OF EQUITY  
AS AT DECEMBER 31, 2019**

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>			
BEGINNING BALANCE, FEBRUARY 04, 2019 (INCEPTION)	-	\$ -	\$ -	\$ -	\$ -
Contributions	8,750,000	88	119,913	-	120,000
Other comprehensive gain/(loss)	-	-	-	-	-
Net loss	-	-	-	(42,733)	(42,733)
<b>ENDING BALANCE, DECEMBER 31, 2019</b>	<b><u>8,750,000</u></b>	<b><u>\$ 88</u></b>	<b><u>\$ 119,913</u></b>	<b><u>\$ (42,733)</u></b>	<b><u>\$ 77,267</u></b>

**OVERT SKINCARE  
STATEMENT OF CASHFLOW  
AS AT DECEMBER 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Loss	\$	(42,733)
Adjustments to reconcile net income to net cash provided by operating activities:		

Increase (decrease) in liabilities:		
Credit Cards Payable		5,816

<b>CASH USED FOR OPERATING ACTIVITIES</b>		<b>(36,917)</b>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Cash used for fixed assets		-
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<b>CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES</b>		-
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Issuance of common stock		88
Additional Paid in-Capital		119,913

<b>CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>120,000</b>
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<b>NET INCREASE (DECREASE) IN CASH</b>		<b>83,083</b>
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<b>CASH AT BEGINNING OF YEAR</b>		-
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<b>CASH AT END OF YEAR</b>	\$	<b>83,083</b>
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**SUPPLEMENTAL DISCLOSURE FOR NONCASH ACTIVITIES:**

<b>STOCK ISSUANCE IN EXCHANGE FOR ASSETS</b>		<b>8,750,000</b>
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**OVERT SKINCARE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1 Summary of Significant Accounting Policies**

***The Company***

Overt Skincare, Inc. (the "Company") was incorporated in Delaware, United States Of America on February 04, 2019. The company is engaged in selling and marketing of skin care products.

***Fiscal Year***

The Company operates on a December 31st year-end.

***Principles and Basis of Accounting***

The accompanying financial statements have been prepared on the 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 the financial statement in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. These estimates are subjective in nature and involve judgments that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at fiscal year-end. Actual results could differ from those estimates.

***Risks and Uncertainties***

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include, recession, downturn or otherwise, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations.

***Cash and Cash Equivalents***

The Company considers all highly liquid financial instruments purchased with maturities of three months or less to be cash equivalents. As of December 31, 2019, the Company held no cash equivalents.

***Accounts Receivable***

The Company's trade receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The Company evaluates the collectability of accounts receivable on a customer-by-customer basis. The Company records a reserve for bad debts against amounts due to reduce the net recognized receivable to an amount the Company believes will be reasonably collected. The reserve is a discretionary amount determined from the analysis of the aging of the accounts receivables, historical experience and knowledge of specific customers.

***Inventory***

Inventories are stated at the lower of standard cost (which approximates cost determined on a first-in, first-out basis) or market.

***Intangibles***

Intangible assets, other than goodwill, are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method.

***Property and Equipment***

Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Office equipment is depreciated over five years. Repair and maintenance costs are charged to operations as incurred and major improvements are capitalized. The Company reviews the carrying amount of fixed assets whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

**OVERT SKINCARE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1 Summary of Significant Accounting Policies (Cont.)**

***Income Taxes***

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities. ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is "more likely than not" that the position is sustainable upon examination by the relevant taxing authority based on its technical merit. The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses during fiscal year 2019. Net operating losses will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

**Fair Value of Financial Instruments**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability. There are three levels of inputs that may be used to measure fair value:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of Inception. Fair values were assumed to approximate carrying values because of their short term in nature or they are payable on demand.

**OVERT SKINCARE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1 Summary of Significant Accounting Policies (Cont.)**

***Revenue Recognition***

The Company recognizes revenue when: (1) persuasive evidence exists of an arrangement with the customer reflecting the terms and conditions under which products or services will be provided; (2) delivery has occurred or services have been provided; (3) the fee is fixed or determinable; and (4) collection is reasonably assured. Revenues are generally recognized upon shipment of a sale. Unshipped orders are recorded as deferred revenues.

***Warranty Reserve***

The product contracts entered into generally provide a two month product warranty to customers from the date of shipment. The Company currently estimate the cost of satisfying warranty claims based on analysis of past experience and provide for future claims in the period the revenue is recognized.

***Advertising Expenses***

The Company expenses advertising costs as they are incurred.

***Research and Development***

Research and development costs are expensed as incurred.

***Foreign Currency***

The financial statements are presented in United States Dollars, ("USD"), which is the reporting currency and the functional currency of the Company. In accordance with ASC 830, Foreign Currency Matters, foreign denominated monetary assets and liabilities are translated to their USD equivalents using foreign exchange rates which prevailed at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rate prevailing at the transaction date. Revenue and expenses were translated at the prevailing rate of exchange at the date of the transaction. Related translation adjustments are reported as a separate component of stockholders' equity/(deficit), whereas gains or losses resulting from foreign currency transactions are included in results of operations.

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**OVERT SKINCARE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**2 Commitments and Contingencies**

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its members.

**3 Property and Equipment**

Currently, there is no property and equipment relate to the company at December 31, 2019.

**4 Related Parties**

There were no related party transactions during the year.

**5 Equity**

Under the articles of incorporation, the total number of common shares of stock that the Corporation shall have authority to issue is ten million (10,000,000) ordinary shares of par value of \$ 0.00001.

The company issued eight million and seven fifty thousands ordinary shares at incorporation.

As at December 31, 2019, eight million and seven fifty thousands were outstanding.

**6 Subsequent Events**

There were not any subsequent events eligible for disclosure.

**7 Legal Entity Name**

The Legal Entity Name is Enclave Digital Development Company. For purposes of company presentation and coherence we have referred to it as the operating name, Overt Skincare.