



# CLEAR PROTOCOL, INC

FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING APRIL 30, 2020

**UNAUDITED**

**CLEAR PROTOCOL, INC.**  
**Unadited**  
**BALANCE SHEET**  
**AS OF FISCAL YEAR END, APRIL 30, 2020**

	<u><b>2020</b></u>
<b><u>ASSETS</u></b>	
<b>CURRENT ASSETS</b>	
Cash	\$252
TOTAL CURRENT ASSETS	\$252
<b>PROPERTY AND EQUIPMENT</b>	
Property and equipment, net	\$800
<b>OTHER ASSETS</b>	
US Patent	\$4,900
US Trademark	\$400
TOTAL OTHER ASSETS	\$5,300
TOTAL ASSETS	\$6,352
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$0
California Franchise Tax payable	\$800
TOTAL CURRENT LIABILITIES	\$800
Deferred legal & consulting fees	\$9,182
Loans Payable	\$17,987
TOTAL LONG TERM LIABILITIES	\$27,169
TOTAL LIABILITIES	\$27,969
<b>SHAREHOLDERS' EQUITY</b>	
Common stock, 10,000,000 share authorized 9,000,000 shares issued and outstanding, \$0.00001	\$90
Retained earnings (Deficit)	(\$21,707)
TOTAL SHAREHOLDERS' EQUITY	(\$21,617)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$6,352

See accompanying notes to financial statements.

**CLEAR PROTOCOL, INC.**  
**Unaudited**  
**STATEMENT OF EQUITY**  
**AS OF FISCAL YEAR END, APRIL 30, 2020**

	<u>Common Stock</u>		<u>Preferred Stock</u>		<u>Additional Paid in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
<b>BALANCE ON APRIL 30, 2019</b>	7,500,000		-	\$0	\$0	(\$19,692)	(\$19,692)
Issuance of common stock	-	\$0	-	\$0	\$0	\$0	\$0
Other comprehensive gain/(loss)	-	-	-	-	-	-	-
Net Income		\$0		\$0	\$0	(\$6,172)	(\$6,172)
<b>ENDING BALANCE, APRIL 30, 2019</b>	<b>7,500,000</b>	<b>\$0</b>	<b>-</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$25,864)</b>	<b>(\$25,864)</b>

See accompanying notes to financial statements.

**CLEAR PROTOCOL, INC.**  
Unadited  
**STATEMENT OF INCOME**  
**AS OF FISCAL YEAR END, APRIL 30, 2020**

<b>REVENUES</b>	\$0
<b>COST OF GOODS SOLD</b>	\$0
<b>GROSS PROFIT</b>	-
<b>OPERATING EXPENSES</b>	
Auto	\$690
Bank Charges	\$144
Conferences and events	\$85
Insurance	\$0
Internet	\$1,020
Legal and professional	\$80
Licenses and Fees	\$650
Office Supplies	\$1,017
Postage and Couriers	\$149
Rent	\$1,500
Travel	\$320
Telephone	\$517
<b>TOTAL OPERATING EXPENSES</b>	<u>\$6,172</u>
<b>NET OPERATING INCOME</b>	<u>(\$6,172)</u>
<b>NET INCOME (LOSS)</b>	<u><u>(\$6,172)</u></u>

See accompanying notes to financial statements.

**CLEAR PROTOCOL, INC.**  
Unaudited  
**STATEMENT OF CASH FLOWS**  
**AS OF FISCAL YEAR END, APRIL 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss) for the period	(\$6,172)
Change in Prepaid Expenses	\$0
Change in Payables	\$0

**NET CASHFLOWS FROM OPERATING ACTIVITIES** (\$6,172)

**CASH FLOWS FROM FINANCIAL ACTIVITIES** \$0

**CASH FLOWS FROM INVESTING ACTIVITIES** \$0

**CASH AT BEGINNING OF PERIOD** \$390

**NET INCREASE (DECREASE) IN CASH** \$138

**CASH AT END OF PERIOD** \$252

See accompanying notes to financial statements.

**CLEAR PROTOCOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FISCAL YEAR END, APRIL 30, 2020**

Unaudited

**1. Summary of Significant Accounting Policies**

***The Company***

Clear Protocol, Inc. (the "Company") was incorporated in the State of California on May 11<sup>th</sup>, 2016. The Company is headquartered in Los Angeles, California. The Company has developed a patented software for clinicians.

***Fiscal Year***

The Company operates on a fiscal year ending April 30<sup>th</sup>.

***Basis of Presentation***

The accompanying financial statements have been prepared by company management and are believed to be in accordance with U.S. generally accepted accounting principles (US GAAP). These statements have not been reviewed or certified by any accountant, inside or outside the company.

***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.

***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 April 30<sup>th</sup>, 2020, the Company held no cash equivalents.

***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.

The Coronavirus Disease of 2019 (COVID-19) has recently affected global markets, supply chains, employees of businesses, and our communities. Specific to the Company, COVID-19 may actually create business opportunities but at the same time, there could be negative effects to the company staff or advisors. Management believes the Company is taking appropriate actions to pursue emerging opportunities as well as to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of April 30, 2020.

***Property and Equipment***

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Office equipment and computer equipment are depreciated over five years. Repair and maintenance costs are charged to operations as incurred and major improvements are capitalized. The Company reviews the

**CLEAR PROTOCOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FISCAL YEAR END, APRIL 30, 2020**

Unaudited

carrying amount of fixed assets whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

***Other Assets***

The patent(s) and US Trademark values listed are the total of costs actually paid out.

***Income Taxes***

Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions would be sustained on audit and does not anticipate any adjustments that would result in a material change to its financial position.

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States and in the State of California.

The Company sustained net operating losses during fiscal year 2020. Net operating losses will be carried forward to reduce taxable income in future years. Under current law, net operating losses may be carried forward indefinitely.

***Revenue Recognition***

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the fee for the arrangement is fixed or determinable and collectability is reasonably assured. As of April 30, 2020, the Company has not recorded any income.

***Organizational Costs***

Organizational costs, including accounting fees, legal fees, and costs of incorporation, are expensed as incurred.

**2. Commitments and Contingencies**

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

**3. Property and Equipment**

Property and equipment consisted of the following on April 30, 2020:  
Property and equipment at cost:

Office Equipment	\$ 220
Computer Equipment	\$ 880
Less Depreciation	(\$ 300)
Total	\$ 800

**CLEAR PROTOCOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FISCAL YEAR END, APRIL 30, 2020**

Unaudited

**4. Long-term Liabilities, Obligations**

There is a total of approximately \$9,182 in deferred legal and consulting fees, as of April 30<sup>th</sup>, 2020, that are expected to be paid when the Company raises capital.

There is a total of approximately \$17,987 as of April 30, 2020 in accumulated debt payable to the founders, representing cash contributions used for startup costs. Repayment will be amortized as appropriate.

**5. Subsequent Events**

The Company has evaluated subsequent events through January 27, 2021, the date through which the financial statement was available to be issued. It has been determined that no events require additional disclosure.