

PDAWare Pro Forma PROFIT and LOSS Statement
Three-Year Summary

	YEAR 1	YEAR 2	YEAR 3
Revenue:			
Gross Sales	\$1,172,435.00	\$3,777,460.00	\$4,780,118.00
Less: Sales Returns and Allowances	\$0.00	\$0.00	\$0.00
Net Sales	<u>\$1,172,435.00</u>	<u>\$3,777,460.00</u>	<u>\$4,780,118.00</u>
Cost of Goods:			
Materials	\$35,000.00	\$56,000.00	\$75,000.00
Variable Labor	\$0.00	\$0.00	\$15,000.00
Misc.	\$0.00	\$0.00	\$0.00
	<u>\$35,000.00</u>	<u>\$56,000.00</u>	<u>\$90,000.00</u>
Less: Ending Inventory	\$0.00	\$0.00	\$0.00
Cost of Goods Sold	<u>\$35,000.00</u>	<u>\$56,000.00</u>	<u>\$90,000.00</u>
Gross Profit (Loss)	\$1,137,435.00	\$3,721,460.00	\$4,690,118.00
Controllable Expenses:			
Advertising	\$215,000.00	\$290,000.00	\$350,000.00
Wages	\$649,328.00	\$1,198,273.00	\$1,650,000.00
Payroll Taxes and Benefits	\$129,861.00	\$224,484.00	\$330,000.00
Commissions	\$93,795.00	\$425,533.00	\$462,406.00
Professional Fees	\$26,000.00	\$26,000.00	\$30,000.00
Operating Supplies	\$6,000.00	\$6,800.00	\$9,000.00
Travel	\$21,000.00	\$31,700.00	\$37,000.00
Communications	\$43,000.00	\$43,000.00	\$50,000.00
Maintenance and Repairs	\$1,200.00	\$2,400.00	\$2,800.00
Office Supplies	\$10,350.00	\$11,355.00	\$14,500.00
Miscellaneous	\$7,000.00	\$7,000.00	\$7,000.00
Fixed Expenses:			
Permits and Licenses	\$5,000.00	\$6,500.00	\$7,000.00
Interest	\$0.00	\$0.00	\$0.00
Depreciation	\$18,000.00	\$18,000.00	\$18,000.00
Property Taxes	\$0.00	\$0.00	\$0.00
Rent	\$60,000.00	\$66,000.00	\$72,000.00
Insurance	\$14,400.00	\$16,375.00	\$18,500.00
Utilities	\$11,659.00	\$11,659.00	\$12,500.00
Bad Debts	\$0.00	\$0.00	\$0.00
Amortization	\$0.00	\$0.00	\$0.00
Total Expenses	<u>\$1,311,593.00</u>	<u>\$2,385,079.00</u>	<u>\$3,070,706.00</u>
Net Operating Income	-\$174,158.00	\$1,336,381.00	\$1,619,412.00
Other Income:			
Gain (Loss) on Sale of Assets	\$0.00	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00	\$0.00
Total Other Income	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Net Income (Loss)	<u>-\$174,158.00</u>	<u>\$1,336,381.00</u>	<u>\$1,619,412.00</u>
Taxes		\$317,350.00	\$453,425.00
Net Income (Loss) after taxes	<u>-\$174,158.00</u>	<u>\$1,019,031.00</u>	<u>\$1,165,987.00</u>