Sonasoft Corporation
Profit and Loss
April - June, 2016

		Total
Income		
4999 Revenue Adjustments		
4750 Unearned Maintenance Contract		22,569.56
Revenue Project in Progress		31,937.20
Total 4999 Revenue Adjustments	**$**	**54,506.76**
Revenue		
4200 Software Sales		
4201 Sales - SonaVault Archiving		45,855.00
4203 Sales - MSP		4,562.00
Total 4200 Software Sales	**$**	**50,417.00**
4206 Sales - SonaCloud		12,750.00
4610 Maintenance Contract		0.00
4611 Maintenance Contract - SonaVault		51,068.50
4612 Maintenance Contract - SonaConsole		2,300.00
4613 Maintenance Contract - SonaSQL		2,310.00
4614 Maintenance Contract - SonaExchange		2,913.00
4800 Sales Discount		-514.48
Total 4610 Maintenance Contract	**$**	**58,077.02**
4620 Professional- Services		28,671.75
4624 Services - SonaVault Import		2,960.00
Total 4620 Professional- Services	**$**	**31,631.75**
4640 Installation		1,095.00
4641 Installation - SonaVault		0.00
Total 4640 Installation	**$**	**1,095.00**
Total Revenue	**$**	**153,970.77**
Total Income	**$**	**208,477.53**
Cost of Goods Sold		
5061 Excel Micro Cloud Archiving		6,000.00
5100 Professional Services		
5120 Consultants - Outside Services		34,300.00
Total 5100 Professional Services	**$**	**34,300.00**
Total Cost of Goods Sold	**$**	**40,300.00**
Gross Profit	**$**	**168,177.53**
Expenses		
6001 Operation Expenses		
6355 Consulting Fees		32,600.00
Total 6001 Operation Expenses	**$**	**32,600.00**
6025 Research & Development Exp		
6012 Research & Development-Salary		67,500.00
6015 Integra Micro Software		17,456.25
6022 Zone24x7 - Cloud Dev		40,725.00

Total 6025 Research & Development Exp	**$**	**125,681.25**
6050 Marketing Expenses		
6013 Sales & Marketing- Salary		58,069.63
6016 Sales Commission		1,660.80
6110 Advertising		1,800.00
6214 Webex		1,405.53
6220 SalesForce		1,875.00
6225 Web Hosting		2,138.62
6750 Travel & Ent		
6761 Meals - 100%		2,106.68
Total 6750 Travel & Ent	**$**	**2,106.68**
6760 Meals		1,776.63
6765 Travel		240.67
Total 6050 Marketing Expenses	**$**	**71,073.56**
6051 Sales & Marketing Expenses		3,927.00
6101 General & administration Expens		
6011 G & A-Salary officer		6,000.00
6017 G &A Salary-Others		9,000.00
6160 Insurance		
6167 Liability Insurance		1,460.00
Total 6160 Insurance	**$**	**1,460.00**
6180 Interest Expense		
6185 Finance Charge		933.62
Total 6180 Interest Expense	**$**	**933.62**
6240 Miscellaneous		
6120 Bank Service Charges		325.00
6125 Automobile Expense		1,137.14
6550 Office Supplies		1,604.93
Total 6240 Miscellaneous	**$**	**3,067.07**
6350 Professional Fees		
6351 Accounting & HR		6,715.00
6352 Legal Fees		3,000.00
6357 IPO Expenses		3,000.00
Total 6350 Professional Fees	**$**	**12,715.00**
6360 Consulting Fees - Other		520.00
6400 Rent		9,500.00
6410 Electricity Charges		0.00
Total 6400 Rent	**$**	**9,500.00**
6650 Taxes		
6665 Payroll Taxes		1,000.28
Total 6650 Taxes	**$**	**1,000.28**
6690 Telephone		
6691 Tel Local		191.00
6693 Wireless		1,274.08
6696 Internet		622.32
Total 6690 Telephone	**$**	**2,087.40**
8100 Office Expenses		2,004.32

8101 Copier Lease		762.25
Total 8100 Office Expenses	$	2,766.57
8110 Postage and Delivery		
8115 Shipping & Handling		47.92
Total 8110 Postage and Delivery	$	47.92
Total 6101 General & administration Expens	$	49,097.86
6140 Dues and Subscriptions		95.00
6141 Accounting Online - Cloud		79.90
Total 6140 Dues and Subscriptions	$	174.90
bank fees		80.00
QuickBooks Payments Fees		268.87
Total Expenses	$	282,903.44
Net Operating Income	-$	114,725.91
Net Income	-$	114,725.91

Sonasoft Corporation
Balance Sheet
As of June 30, 2016

		Total
ASSETS		
Current Assets		
Bank Accounts		
1000 Cash & Equivalents		
1001 Wells Fargo - Checking		0.00
1010 Wells Fargo - Money Market		0.00
1020 Wells Fargo - Savings		0.00
1025 Fremont bank-2959429		0.00
O/S Checks & Deposits		0.00
Total 1025 Fremont bank-2959429	$	0.00
1026 Fremont Bank-Payroll -2960850		0.00
1027 Fremont Bank CHK - 7812		386.31
1028 Fremont Bank CHK PC - 7855		28.12
1030 PayPal Account		26,241.81
1040 Checks on Hand		0.00
1050 US Bank		0.00
1060 Comerica Bank CHK - 3199		49,801.57
1062 Comerica Bank CHK - 7672		0.00
1070 Bank of the West CHK -1350		0.00
1080 JPMorgan Chase Bank CHK - 9758		0.00
O/S Checks & Deposits		0.00
Total 1000 Cash & Equivalents	$	76,457.81
Bank		0.00
Petty Cash		0.00
Total Bank Accounts	$	76,457.81
Accounts Receivable		

1200 Accounts Receivable		264,415.69
Total Accounts Receivable	**$**	**264,415.69**
Other current assets		
1120 Inventory Asset		0.00
1210 Allowance for Doubtful Accounta		-15,155.88
1300 Notes Receivable		69,406.25
1350 Other Receivables		0.00
1380 Shareholder Receivable		0.00
1425 Prepaid Expenses		
1451 Prepaid Interest		0.00
1452 Prepaid Rent		9,132.00
Total 1425 Prepaid Expenses	**$**	**9,132.00**
1450 Deposit - Workers Comp.		0.00
1453 Deferred Warrant Exp on Notes Payable		0.00
1499 Undeposited Funds		2,795.00
1500 Employee Advances		0.00
1650 Commission Advance		0.00
1651 CA . Chris Fries		0.00
1652 CA . Mike Khanna		0.00
1653 Roy Kumar		0.00
Total 1650 Commission Advance	**$**	**0.00**
2005 Accounts Receivable- Project in Progress		-49,456.80
IPN Holding Account		0.00
Total Other current assets	**$**	**16,720.57**
Total Current Assets	**$**	**357,594.07**
Fixed Assets		
1700 Fixed Assets		
1710 Computer Equipment		78,880.79
1715 Computer Software		1,821.15
1720 Furniture & Fixtures		0.00
1730 Office Equipment		20,720.65
1731 Leasehold Improvements		7,587.68
Total 1700 Fixed Assets	**$**	**109,010.27**
1800 Accumulated Depreciation		-109,010.27
Total Fixed Assets	**$**	**0.00**
Other Assets		
1231 Deposit & Prepayments		0.00
1900 Intangible Assets		
1940 Patent Costs		2,638.00
Total 1900 Intangible Assets	**$**	**2,638.00**
Total Other Assets	**$**	**2,638.00**
TOTAL ASSETS	**$**	**360,232.07**
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 Accounts Payable		240,949.77

Total Accounts Payable	**$**	**240,949.77**
Credit Cards		
2100 Credit Cards		0.00
2105 Sonasoft Visa Card 1		26,430.96
Total 2100 Credit Cards	**$**	**26,430.96**
Total Credit Cards	**$**	**26,430.96**
Other Current Liabilities		
2150 Flexible Spending - 125		0.00
2160 Dep. Care 125		0.00
2180 Employee Garnishment		0.00
2300 Accrued Payable		289,782.00
2190 Accrued BOD Fees		0.00
2195 Accrued Vacation Pay		166,987.54
2200 Accrued Commission		0.00
2310 Accrued License Fees		0.00
2350 Accrued Interest		11,349.53
Total 2300 Accrued Payable	**$**	**468,119.07**
2400 Notes Payable		0.00
2403 Notes Payable 2009		0.00
Total 2400 Notes Payable	**$**	**0.00**
2405 EMI Property Management		0.00
2500 Payroll Liabilities		0.00
2600 Royalty Premium		0.00
2700 Sales Tax Payable		0.00
City of San Francisco Payable		0.00
Deferred Revenue		
2320 Unearned Maintenance Contracts		113,718.59
2321 Unearned Maintenance -Over 12 Month		24,493.00
Total Deferred Revenue	**$**	**138,211.59**
New Jersey Division of Revenue Payable		1,842.23
Other Misc Current Liabilities		
2610 Customer Deposits		12,403.25
2615 Wells Fargo Checking		7,658.67
2870 Purchase Credit - Lister Tech.		27,467.88
2875 Integra Archiving Project Devel		0.00
Total Other Misc Current Liabilities	**$**	**47,529.80**
Sales Tax Agency Payable		0.00
San Jose Payable		0.00
Total Other Current Liabilities	**$**	**655,702.69**
Total Current Liabilities	**$**	**923,083.42**
Long-Term Liabilities		
2800 Accrued Renumeration		0.00
2850 Royalty Liability		233,048.95
2851 Royalty Liability - Integra Micro		0.00
Total 2850 Royalty Liability	**$**	**233,048.95**
2860 Accrued Remunerations		1,700,231.95
2950 Lease		0.00

2951 Dell A/C # 003-8812393-001		0.00
2952 Dell A/ C# 003-8812393-002		0.00
2953 Dell A/C # 003-8812393-003		0.00
2954 OCE Financial Services Inc		0.00
2955 DELL A/C # 6879 4501 2300 2871 412		0.00
2956 DELL A/C # 003-8924035-001		0.00
2957 DELL A/C # 003-8924035-002		0.00
Total 2950 Lease	**$**	**0.00**
computer lease		0.00
Total Long-Term Liabilities	**$**	**1,933,280.90**
Total Liabilities	**$**	**2,856,364.32**
Equity		
2450 Stock Payable		0.00
2900 Shareholders Receivable		0.00
3050 Common Stocks		0.00
3100 Common Stock		1,937,869.00
3150 Common Stock - 2006		1,873,822.00
3160 Common Stock - 2007		1,597,033.20
3170 Common Stock - 2008		1,063,325.00
3171 Common Stock-2009		36,390.50
3172 Common Stock-2010		310,100.00
3173 Common Stock 2011		327,546.01
3174 Common Stock 2012		275,885.30
3175 Common Stock 2013		239,556.25
3176 Common Stock 2014		1,605,310.42
3177 Common Stock 2014-Other than Cash		258,606.38
3178 Common Stock 2015		480,877.50
3179 common Stock 2016		188,500.00
Total 3050 Common Stocks	**$**	**10,194,821.56**
3200 Paid-In Capital		75,500.00
3250 Addt'l Paid in Capital-Royalty		500,000.00
3260 Debt Discount		0.00
3500 Capital Stock		0.00
3600 Retained Earnings		-14,382,913.24
3999 Suspense		0.00
Stock Options		1,395,444.50
Net Income		-278,985.07
Total Equity	**-$**	**2,496,132.25**
TOTAL LIABILITIES AND EQUITY	**$**	**360,232.07**

Sonasoft Corporation
Statement of Cash Flows
April - June, 2016

	Total
OPERATING ACTIVITIES	

Net Income		-114,725.91
Adjustments to reconcile Net Income to Net Cash provided by operations:		
1200 Accounts Receivable		-7,620.07
1452 Prepaid Expenses:Prepaid Rent		-3,700.00
2005 Accounts Receivable- Project in Progress		-31,937.20
2000 Accounts Payable		18,165.50
2105 Credit Cards:Sonasoft Visa Card 1		-1,412.05
2320 Deferred Revenue:Unearned Maintenance Contracts		-22,569.56
2700 Sales Tax Payable		0.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	**-$**	**49,073.38**
Net cash provided by operating activities	**-$**	**163,799.29**
FINANCING ACTIVITIES		
Common Stocks:3179 common Stock 2016		20,000.00
Net cash provided by financing activities	**$**	**20,000.00**
Net cash increase for period	**-$**	**143,799.29**
Cash at beginning of period		223,052.10
Cash at end of period	**$**	**79,252.81**