SAMPLE BOOKS · FINANCIAL DISCLOSURE FOR A FAMILY LAW MATTER

The Calloway Household

A household with a professional practice, rental homes and retirement savings

WHO THEY ARE

Dr. James Calloway owns an orthodontic practice. He and his spouse own their home, three rental houses through an LLC, a brokerage account, retirement accounts and a life insurance policy.

Their records were spread across a practice, an LLC, banks and brokerage firms. Here they sit in one set of books, so every asset, debt and dollar of income appears in one place.

IN THIS SAMPLE

- Consolidating balance sheet, household, practice and rentals, as of October 31, 2026
- Taxes built into the assets: fair market value, tax basis and the estimated tax on each
- Consolidating profit and loss, January 1 to October 31, 2026

WHAT THE FIRM DOES

- Every account, entity and debt organized in Baratelli Bankable
- One balance sheet across the household, the practice and the rental company
- Income and expense schedules that tie to the books, supporting the financial affidavit
- The taxes built into each asset, from tax basis to fair market value, so the settlement compares assets after tax
- An indexed document set for mandatory disclosure, every figure traced to its statement
- Work for one spouse's attorney, after a conflict check; no valuations or testimony

Baratelli CPA & Accounting, PLLC
Our CPA-led team does the work in Baratelli Bankable, and a U.S. CPA reviews it.
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> This is a sample. The family, its companies and every name and figure are made up to show the work. The reports that follow are printed from these sample books in Baratelli Bankable.

Consolidating balance sheet

Calloway Family (personally held) · Calloway Orthodontics, P.A. · Calloway Rental Holdings LLC · As of 10/31/2026

Printed from Baratelli Bankable · sample books · U.S. dollars

HOW TO READ THIS PAGE

- This page lists everything the household owns and owes, one column each for the household, the orthodontic practice and the rental company. The last column adds them together.
- **Assets** include bank accounts, the brokerage and retirement accounts, life insurance cash value, the home, vehicles, the practice's equipment and receivables, and the rental houses.
- Amounts are as recorded in the books, generally cost less depreciation. They are **not appraisals or valuations**, which the attorney's experts provide when needed.
- **Liabilities** are what is owed: the home mortgage, the rental mortgages, the practice's equipment loan, a vehicle loan, credit cards and tenants' deposits.
- **Equity** is assets minus liabilities, by entity. Together it comes to $6.8 million.

Account	Calloway Family (personally held)	Calloway Orthodontics, P.A.	Calloway Rental Holdings LLC	Consolidated
Assets				
Operating checking	–	703,000.00	83,100.00	786,100.00
Personal checking	150,000.00	–	–	150,000.00
Personal savings	164,000.00	–	–	164,000.00
Accounts receivable	–	285,000.00	–	285,000.00
Equipment	–	920,000.00	–	920,000.00
Buildings	–	–	1,140,000.00	1,140,000.00
Primary residence	1,650,000.00	–	–	1,650,000.00
Land	–	–	330,000.00	330,000.00
Personal vehicles	145,000.00	–	–	145,000.00
Accumulated depreciation	–	(505,000.00)	(244,500.00)	(749,500.00)
Brokerage accounts held personally	1,517,000.00	–	–	1,517,000.00
Retirement accounts (IRA, 401(k))	1,950,000.00	–	–	1,950,000.00
Cash value of life insurance	185,000.00	–	–	185,000.00
Total assets	**5,761,000.00**	**1,403,000.00**	**1,308,600.00**	**8,472,600.00**
Liabilities				
Personal credit cards	12,400.00	–	–	12,400.00
Tenant security deposits	–	–	9,600.00	9,600.00
Accrued liabilities	–	48,000.00	–	48,000.00
Mortgage on primary residence	758,500.00	–	–	758,500.00
Notes payable	–	191,500.00	–	191,500.00
Mortgage payable	–	–	603,500.00	603,500.00
Vehicle and personal loans	38,000.00	–	–	38,000.00
Total liabilities	**808,900.00**	**239,500.00**	**613,100.00**	**1,661,500.00**
Equity				
Owner's equity	4,885,600.00	827,000.00	694,400.00	6,407,000.00
Net income, current year	66,500.00	336,500.00	1,100.00	404,100.00
Total equity	**4,952,100.00**	**1,163,500.00**	**695,500.00**	**6,811,100.00**
Total liabilities and equity	**5,761,000.00**	**1,403,000.00**	**1,308,600.00**	**8,472,600.00**

Taxes built into the assets

Calloway Household · Estimate as of 10/31/2026

Calculated by the firm from the sample books and the values supplied for the sample · U.S. dollars

HOW TO READ THIS PAGE

- Two assets with the same value can be worth very different amounts after tax. This page shows the **tax that would be due** if each asset were sold or cashed in.
- **Fair market value** comes from statements and from appraisals the attorney orders. The firm does not value assets.
- **Tax basis** is what the asset cost for tax purposes, less any depreciation taken. The **built-in gain** is fair market value minus tax basis.
- **Retirement accounts** are pre-tax: every dollar withdrawn is taxed as income. $1.95 million in a 401(k) is not the same as $1.95 million in cash.
- Property moved between spouses in a divorce is generally not taxed at transfer, but the spouse who receives it **inherits the cost basis and the tax** that comes with it.
- The **rental houses** carry tax on past depreciation at up to 25%, plus capital gains tax on the rest.

Asset	In the books	Fair market value	Tax basis	Built-in gain	Tax rate assumed	Estimated tax
Cash in bank, all entities Bank statements	1,100,100	1,100,100	1,100,100	–	None	–
Brokerage account held personally Brokerage statement, October 31	1,517,000	1,742,000	1,180,000	562,000	23.8%	133,756
Retirement accounts (IRA and 401(k)) Plan statements, October 31	1,950,000	1,950,000	–	1,950,000	32% (income tax on withdrawal)	624,000
Cash value of life insurance Insurer's statement	185,000	185,000	140,000	45,000	32%	14,400
Primary residence Appraisal ordered by the attorney	1,650,000	2,100,000	1,650,000	450,000	23.8% on the gain above the $250,000 exclusion	47,600
Three rental houses (Calloway Rental Holdings LLC) Appraisals ordered by the attorney	1,225,500	2,050,000	1,225,500	824,500	28.8% on $244,500 of past depreciation; 23.8% on the rest	208,456
Personal vehicles Dealer quotes	145,000	120,000	145,000	(25,000)	None: a loss on a personal car is not deductible	–
Calloway Orthodontics, P.A. Value to come from the business valuation expert	1,163,500	Expert			Depends on the valuation	
Estimated taxes built into these assets						**1,028,212**

Assumptions. Federal rates for 2026: 20% long-term capital gains tax plus the 3.8% net investment income tax (23.8%); a 25% maximum on gain from past depreciation of real estate, plus 3.8% (28.8%); a 32% income tax rate on retirement withdrawals and the life insurance gain. Florida has no state income tax. The home exclusion assumes one spouse keeps the home and later sells it as a single filer ($250,000); sold jointly while married, the exclusion is $500,000 and no tax would be due. Early-withdrawal penalties are not included. The actual tax depends on who receives each asset, when it is sold, and that person's income that year, so this is an estimate for planning the settlement, not a tax return.

Consolidating profit and loss

Calloway Family (personally held) · Calloway Orthodontics, P.A. · Calloway Rental Holdings LLC · 01/01/2026 to 10/31/2026

Printed from Baratelli Bankable · sample books · U.S. dollars

HOW TO READ THIS PAGE

- This page shows income and expenses from January 1 to October 31, 2026, for the household, the practice and the rentals.
- The practice's **patient service revenue** is $2.05 million, and its costs include staff wages, supplies and rent.
- The doctor's **salary** appears twice: as part of the practice's wages and, after tax withholding, as the household's income. It moves money from one column to the other without changing the combined total.
- **Depreciation** is an accounting charge for wear on equipment and buildings. No cash is spent.
- **Net income** on the bottom line is what each entity earned after its expenses.

Account	Calloway Family (personally held)	Calloway Orthodontics, P.A.	Calloway Rental Holdings LLC	Consolidated
Income				
Patient service revenue	–	2,050,000.00	–	2,050,000.00
Rental income	–	–	88,500.00	88,500.00
Salaries, wages and guaranteed payments	285,000.00	–	–	285,000.00
Interest and dividends	37,000.00	–	–	37,000.00
Total income	**322,000.00**	**2,050,000.00**	**88,500.00**	**2,460,500.00**
Cost of goods sold				
Medical supplies	–	228,000.00	–	228,000.00
Total cost of goods sold	**–**	**228,000.00**	**–**	**228,000.00**
Gross profit	**322,000.00**	**1,822,000.00**	**88,500.00**	**2,232,500.00**
Operating expenses				
Property insurance	–	–	9,300.00	9,300.00
Rent	–	145,000.00	–	145,000.00
Household and living expenses	138,000.00	–	–	138,000.00
Education and tuition	39,000.00	–	–	39,000.00
Wages	–	1,170,000.00	–	1,170,000.00
Payroll taxes	–	61,000.00	–	61,000.00
Depreciation	–	95,000.00	34,500.00	129,500.00
Property taxes	–	–	14,600.00	14,600.00
Total operating expenses	**177,000.00**	**1,471,000.00**	**58,400.00**	**1,706,400.00**
Other expenses				
Personal income taxes	46,000.00	–	–	46,000.00
Interest expense	32,500.00	14,500.00	–	47,000.00
Mortgage interest	–	–	29,000.00	29,000.00
Total other expenses	**78,500.00**	**14,500.00**	**29,000.00**	**122,000.00**
Net income	**66,500.00**	**336,500.00**	**1,100.00**	**404,100.00**