

**PROFORMA INCOME STATEMENT**  
PRACTICE # IC-468

| 1120S Corporate Tax Returns           | 2014           | Adjustments      | Proforma       |
|---------------------------------------|----------------|------------------|----------------|
| Drs. Receipts                         | 579,748        |                  | 579,748        |
| Interest*                             | 24             | (24)             | -              |
| Net Gain or Loss*                     | 1,500          | (1,500)          | -              |
| Hygiene 18%                           | 127,262        |                  | 127,262        |
| <b>TOTAL INCOME</b>                   | <b>708,534</b> | <b>(1,524)</b>   | <b>707,010</b> |
| Advertising                           | 3,029          |                  | 3,029          |
| Amortization <sup>1</sup>             | 19,700         | (19,700)         | -              |
| Auto & Truck <sup>2</sup>             | 1,354          | (1,354)          | -              |
| Bank Charges                          | 8,151          |                  | 8,151          |
| Compensation of Officers <sup>3</sup> | 113,217        | (113,217)        | -              |
| Contracted Services                   | 8,714          |                  | 8,714          |
| Contributions                         | 50             |                  | 50             |
| Depreciation <sup>1</sup>             | 41,963         | (38,963)         | 3,000          |
| Dues & Subscriptions                  | 3,028          |                  | 3,028          |
| Finance Charges                       | 286            |                  | 286            |
| Insurance                             | 26,154         |                  | 26,154         |
| Interest <sup>4</sup>                 | 11,678         | (11,678)         | -              |
| Lab                                   | 64,675         |                  | 64,675         |
| Legal & Professional <sup>5</sup>     | 19,226         | (14,226)         | 5,000          |
| Licenses & Permits                    | 4,909          |                  | 4,909          |
| Meals & Entertainment                 | 842            |                  | 842            |
| Miscellaneous                         | 113            |                  | 113            |
| Office Expense                        | 8,180          |                  | 8,180          |
| Payroll Taxes <sup>6</sup>            | 26,842         | (8,490)          | 18,352         |
| Postage                               | 20             |                  | 20             |
| Promotions                            | 640            |                  | 640            |
| Rent <sup>7</sup>                     | 54,718         | 5,282            | 60,000         |
| Repairs & Maintenance                 | 12,733         |                  | 12,733         |
| Salaries & Wages                      | 203,908        |                  | 203,908        |
| State Tax <sup>8</sup>                | 1,600          | (1,600)          | -              |
| Storage Fees                          | 210            |                  | 210            |
| Supplies                              | 45,063         |                  | 45,063         |
| Taxes - Other                         | 2,284          |                  | 2,284          |
| Telephone                             | 5,522          |                  | 5,522          |
| Travel <sup>9</sup>                   | 458            | (458)            | -              |
| Uniforms                              | 805            |                  | 805            |
| Utilities                             | 11,138         |                  | 11,138         |
| Workers Comp                          | 6,136          |                  | 6,136          |
| <b>TOTAL EXPENSES</b>                 | <b>707,346</b> |                  |                |
| <b>TOTAL ADJUSTMENTS</b>              |                | <b>204,404</b>   |                |
| <b>TOTAL ADJUSTED EXPENSES</b>        |                |                  | <b>502,942</b> |
| <b>NET PROFIT</b>                     | <b>1,188</b>   | <b>(205,928)</b> | <b>204,068</b> |
| <b>ADJUSTED NET PROFIT</b>            |                |                  | <b>204,068</b> |

**NOTES**

\*Other Income: Non-Dental Source. Considered of personal benefit to current owner/doctor.

- 1.) Amortization & Depreciation: Considered a non-cash expense. An adjustment for depreciation is made, leaving a fund for replacement of any hard assets/equipment.
- 2.) Auto & Truck: Considered of personal benefit to current owner/doctor.
- 3.) Compensation of Officers: Considered of personal benefit to owner/doctor.
- 4.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 5.) Legal & Professional: The adjusted amount shown is an estimated projection for this expense.
- 6.) Payroll Taxes: The adjustment shown is made to reflect payroll taxes attributed to current owner.
- 7.) Rent: The amount shown is an estimate of anticipated rent to be paid by the purchaser based on fair market rental for the area.
- 8.) State Tax: Considered of personal benefit to owner.
- 9.) Travel: Considered of personal benefit to owner.

**\*\*Above data has not been audited by Western Practice Sales/John M. Cahill Associates  
It is the Buyer's responsibility to verify if information is true and correct**