

**PROFORMA INCOME STATEMENT**  
PRACTICE #GN-799

	2016 Corp Ret	Adjustments	Proforma
Gross Receipts	631,538		631,538
Returns and Allowances	(2,603)		(2,603)
<b>Net Receipts</b>	<b>628,935</b>		<b>628,935</b>
<b>Expenses:</b>			
Advertising <sup>1</sup>	12,308	(5,976)	6,332
Automobile <sup>2</sup>	147	(147)	0
Bad Debt <sup>3</sup>	7,344	(7,344)	0
Bank Charges	4,207		4,207
Dental Supplies	44,220		44,220
Depreciation <sup>4</sup>	10,026	(10,026)	0
Dues & Subscriptions	1,747		1,747
Insurance	15,242		15,242
Interest Expense <sup>5</sup>	1,645	(1,645)	0
Laboratory (Outside Services)	33,446		33,446
Legal & Professional	682		682
Maintenance	5,568		5,568
Meals & Entertainment <sup>6</sup>	1,163	(1,163)	0
Office Supplies	8,360		8,360
Pest Control	300		300
Postage	2,275		2,275
Promotion	70		70
Estimated Mortgage <sup>7</sup>		21,600	21,600
Repairs & Maintenance	5,568		5,568
Salaries & Wages	224,794		224,794
Salary-Officer <sup>8</sup>	206,200	(206,200)	0
Seminars & Training	380		380
Software Service Fees	3,737		3,737
<b>Taxes</b>			
Employer	1,174		1,174
Licenses	497		497
Other	681		681
Payroll	28,387		28,387
Real Estate	2,774		2,774
Sales	288		288
State Income <sup>9</sup>	3,024	(3,024)	0
Telephone	3,542		3,542
Uniforms	2,618		2,618
Utilities	5,214		5,214
X-ray & Pharmaceutical	649		649
<b>TOTAL EXPENSES</b>	<b>638,277</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(213,925)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>424,352</b>
<b>NET PROFIT</b>	<b>(9,342)</b>		<b>204,583</b>
<b>ADJUSTED NET PROFIT</b>			<b>204,583</b>

**NOTES**

- 1.) Advertising: Miss-categorized amount. This amount is actually "Profit Sharing" and the Adjustment made is for estimated owner's portion. Considered of personal benefit to the owner.
- 2.) Automobile: Considered of personal benefit to the owner.
- 3.) Bad Debt: Considered a non-cash expense.
- 4.) Depreciation: Considered a non-cash expense.
- 5.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 6.) Meals and Entertainment: Considered of personal benefit to the owner.
- 7.) Estimated Mortgage: Adjusted for estimated annualized mortgage that new owner should expect to pay. This figure is based on a purchase price of \$325,000 w/ 10% down for 25 years at an interest rate of 5% which equates to an estimated monthly payment of \$1,800
- 8.) Salary-Officer: Considered of personal benefit to the owner.
- 9.) State Income: A new doctor will have his/her own tax structure based on their personal tax situation.

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