

PROFORMA INCOME STATEMENT
PRACTICE #DN-938 from P&L

| | Jan - Dec 2017 | Adjustments | Proforma |
|--------------------------------|----------------|-----------------|----------------|
| | | | |
| Gross Receipts | 877,375 | | 877,375 |
| Patient Refunds | (3,643) | | (3,643) |
| Refunds | (1,375) | | (1,375) |
| Net Receipts | 872,357 | | 872,357 |
| Expenses: | | | |
| Advertising & Promotion | 12,384 | | 12,384 |
| Alarm | 338 | | 338 |
| Automobile ¹ | 70 | (70) | 0 |
| Bank Service Charges | 3,739 | | 3,739 |
| Collection Agency | 1,058 | | 1,058 |
| Computer & Internet Expenses | 6,382 | | 6,382 |
| Dental Supplies | 53,657 | | 53,657 |
| Dental Warranty Charge | 735 | | 735 |
| Donation ² | 643 | (643) | 0 |
| Dues & Subscriptions | 2,932 | | 2,932 |
| Finance Charges | 96 | | 96 |
| Insurance Expense | | | |
| Auto ³ | 214 | (214) | 0 |
| Business Equipment | 655 | | 655 |
| Disability ³ | 1,400 | (1,400) | 0 |
| General Liability | 467 | | 467 |
| Health | 25,483 | | 25,483 |
| Other ³ | 709 | (709) | 0 |
| Workers Comp | 2,509 | | 2,509 |
| Insurance Refunds | 158 | | 158 |
| Interest Expense ⁴ | 602 | (602) | 0 |
| Janitorial | 4,402 | | 4,402 |
| Laboratory | 28,581 | | 28,581 |
| Licenses & Permits | 50 | | 50 |
| Miscellaneous | 1,190 | | 1,190 |
| Office Expense | 16,191 | | 16,191 |
| Office Supplies | 487 | | 487 |
| Payroll Processing Fees | 764 | | 764 |
| Periodicals & Subscriptions | 35 | | 35 |
| Postage & Delivery | 169 | | 169 |
| Printing & Reproduction | 94 | | 94 |
| Professional Fees | 1,494 | | 1,494 |
| Rent | 124,872 | | 124,872 |
| Triple Net | 8,174 | | 8,174 |
| Repairs & Maintenance | 3,075 | | 3,075 |
| Salaries & Wages | 155,424 | | 155,424 |
| Back Office | 8,459 | | 8,459 |
| Endo | 13,630 | | 13,630 |
| Front Office | 5,622 | | 5,622 |
| Garnishment ⁵ | 952 | (952) | 0 |
| GP ⁶ | 71,489 | (71,489) | 0 |
| Hygiene | 19,614 | | 19,614 |
| Oral Surgery | 21,122 | | 21,122 |
| Ortho | 34,219 | | 34,219 |
| Pedo ⁷ | 3,998 | (3,998) | 0 |
| Perio | 2,038 | | 2,038 |
| Security | 448 | | 448 |
| Storage | 809 | | 809 |
| Taxes | | | |
| Corporate | 138 | | 138 |
| Income | 295 | | 295 |
| Payroll | 78,304 | | 78,304 |
| Payroll | 24 | | 24 |
| Property | 1,045 | | 1,045 |
| Telephone | 8,942 | | 8,942 |
| Telephone & Internet Hardware | 338 | | 338 |
| Uncategorized | 1 | | 1 |
| Uniforms | 1,335 | | 1,335 |
| Utilities | 9,637 | | 9,637 |
| Water | 201 | | 201 |
| Water Bottles | 319 | | 319 |
| | | | |
| TOTAL EXPENSES | 742,209 | | |
| TOTAL ADJUSTMENTS | | (80,077) | |
| TOTAL ADJUSTED EXPENSES | | | 662,133 |
| NET PROFIT | 130,147 | | 210,224 |
| ADJUSTED NET PROFIT | | | 210,224 |

NOTES

- 1.) Automobile: Considered of personal benefit to the owner.
- 2.) Donations: Considered of personal benefit to the owner.
- 3.) Insurance: Adjustment considered of personal benefit to the owner.
- 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.) Salaries & Wages-Garnishment: Considered a non-recurrent expense pertaining to owner.
- 6.) Salaries & Wages-GP: Adjustment reflects estimated salary paid to Seller's spouse who is a Dentist in Practice.
- 7.) Salaries & Wages-Pedo: Adjustment considered a part-time, temporary expense.

**Above data has not been audited by Western Practice Sales.

It is the Buyer's responsibility to verify if information is true and correct.