

**PROFORMA INCOME STATEMENT**  
PRACTICE #AG-944 12month P&L

|  | Jan - Dec 2018  | Adjustments      | Proforma       |
|--|-----------------|------------------|----------------|
| Gross Receipts                         | 775,750         |                  | 775,750        |
| Patient Refunds                        | (11,723)        |                  | (11,723)       |
| <b>Net Receipts</b>                    | <b>764,027</b>  |                  | <b>764,027</b> |
| <b>Expenses:</b>                       |                 |                  |                |
| Advertising & Marketing                | 20,007          |                  | 20,007         |
| Automobile <sup>1</sup>                | 11,912          | (11,912)         | 0              |
| Bank Charges                           | 1,038           |                  | 1,038          |
| Computer Expense                       | 286             |                  | 286            |
| Contract Services <sup>2</sup>         | 26,659          |                  | 26,659         |
| Dental <sup>2</sup>                    | 135,574         | (135,574)        | 0              |
| Dental Supplies                        | 40,895          |                  | 40,895         |
| Depreciation <sup>3</sup>              | 15,865          | (15,865)         | 0              |
| Dues & Subscriptions                   | 677             |                  | 677            |
| Software/Cloud                         | 16,783          |                  | 16,783         |
| Employee/Vendor Relations <sup>4</sup> | 395             | (395)            | 0              |
| Insurance                              | 2,982           |                  | 2,982          |
| Health                                 | (1,985)         |                  | (1,985)        |
| Workers Comp                           | 8,236           |                  | 8,236          |
| Interest Expense <sup>5</sup>          | 36,273          | (36,273)         | 0              |
| Laboratory                             | 34,036          |                  | 34,036         |
| Invisalign                             | 57,530          |                  | 57,530         |
| Laundry & Cleaning                     | 1,236           |                  | 1,236          |
| Licenses & Permits                     | 11              |                  | 11             |
| Maintenance & Repairs                  | 4,937           |                  | 4,937          |
| Meals & Entertainment <sup>6</sup>     | 9,185           | (9,185)          | 0              |
| Merchant Fees                          | 12,962          |                  | 12,962         |
| Office Supplies & Expenses             | 15,486          |                  | 15,486         |
| Office Meals <sup>7</sup>              | 803             | (803)            | 0              |
| Patient Relations                      | 1,118           |                  | 1,118          |
| Postage & Delivery                     | 800             |                  | 800            |
| Processing Fee                         | 41              |                  | 41             |
| Reimbursements                         | 1,644           |                  | 1,644          |
| Rent                                   | 70,545          |                  | 70,545         |
| Salaries & Wages <sup>8</sup>          | 249,396         | (37,281)         | 212,115        |
| Taxes                                  | 4,159           |                  | 4,159          |
| Payroll                                | 20,598          |                  | 20,598         |
| Telecommunications                     | 7,350           |                  | 7,350          |
| Travel <sup>9</sup>                    | 5,576           | (5,576)          | 0              |
| <b>TOTAL EXPENSES</b>                  | <b>813,010</b>  |                  |                |
| <b>TOTAL ADJUSTMENTS</b>               |                 | <b>(252,864)</b> |                |
| <b>TOTAL ADJUSTED EXPENSES</b>         |                 |                  | <b>560,146</b> |
| <b>NET PROFIT</b>                      | <b>(48,983)</b> |                  | <b>203,881</b> |
| <b>ADJUSTED NET PROFIT</b>             |                 |                  | <b>203,881</b> |

**NOTES**

- 1.) Automobile: Considered of personal benefit to the owner.
- 2.) Contract Services: Adjustment represents estimated salary paid to associate DDS.
- 3.) Depreciation: Considered a non-cash expense.
- 4.) Employee & Vendor Relations: Considered of personal benefit to the owner.
- 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 & Entertainment: Considered of personal benefit to the owner.
- 7.) Office Meals: Considered of personal benefit to the owner.
- 8.) Salaries & Wages: Adjustment reflects Doctor's salary, of personal benefit to the owner.
- 9.) Travel: Considered of personal benefit to the owner.

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