

**PROFORMA INCOME STATEMENT**  
PRACTICE #DN-959

	Year end 2017	Adjustments	Proforma
Gross Receipts	1,077,951		1,077,951
Refunds	(9,453)		(9,453)
<b>Net Receipts</b>	<b>1,068,498</b>		<b>1,068,498</b>
<b>Expenses:</b>			
Advertising	1,895		1,895
Amortization <sup>1</sup>	406	(406)	0
Automobile <sup>2</sup>	5,073	(5,073)	0
Bank Service Charges	12,689		12,689
Computer Expenses	15,596		15,596
Continuing Education	885		885
Dental Supplies	173,287		173,287
Depreciation <sup>3</sup>	7,746	(7,746)	0
Dues, Subscriptions & Books	9,540		9,540
Employee Benefit Programs	7,977		7,977
Equipment Rental <sup>4</sup>	665	(665)	0
Insurance <sup>5</sup>	59,867	(6,696)	53,171
Interest Expense <sup>6</sup>	24,580	(24,580)	0
Laboratory	1,992		1,992
Legal & Professional <sup>7</sup>	37,885	(12,384)	25,501
Laundry & Linen	1,329		1,329
Meals & Entertainment <sup>8</sup>	2,537	(2,537)	0
Office Expense <sup>9</sup>	33,630	(20,952)	12,678
Pension & Profit Sharing <sup>10</sup>	8,725	(8,725)	0
Postage	2,686		2,686
Printed Materials	2,608		2,608
Promotion	565		565
Rent <sup>11</sup>		51,600	51,600
Repairs & Maintenance	8,209		8,209
Salaries & Wages <sup>12</sup>	334,109	(29,760)	304,349
Storage <sup>13</sup>	3,044	(3,044)	0
Taxes			
Payroll <sup>14</sup>	28,394	(2,500)	25,894
Property (Personal)	3,017		3,017
Property (Real)	5,861		5,861
Sales	1,084		1,084
Taxes & Licenses	433		433
Telephone	13,460		13,460
Travel <sup>15</sup>	612	(612)	0
Utilities	3,868		3,868
<b>TOTAL EXPENSES</b>	<b>814,254</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(74,080)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>740,174</b>
<b>NET PROFIT</b>	<b>254,244</b>		<b>328,324</b>
<b>ADJUSTED NET PROFIT</b>			<b>328,324</b>

**NOTES**

- 1.) Amortization: Considered a non-cash expense.
- 2.) Automobile: Considered of personal benefit to the owner.
- 3.) Depreciation: Considered a non-cash expense.
- 4.) Equipment Rental: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice.
- 5.) Insurance: Insurance plan administration fee. Service no longer used. Considered a non-recurring expense.
- 6.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 7.) Legal & Professional: Considered optional and non-recurring expense.
- 8.) Meals and Entertainment: Considered of personal benefit to the owner.
- 9.) Office Expense: Seller updated office. Considered a non-recurring expense.
- 10.) Pension & Profit Sharing: Considered of personal benefit to the owner.
- 11.) Rent: Seller owns building. Adjustment reflects annual mortgage payment, at the purchase price of \$650,000 amortized for 20 yr. @ 5% the monthly payment would be approx. \$4,300.
- 12.) Salaries & Wages: Adjusted for spouses wages who's position is not required.
- 13.) Storage: Considered optional and non-recurring expense.
- 14.) Taxes - Payroll: Adjusted for Spouses estimated payroll taxes.
- 15.) 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.**