

PROFORMA INCOME STATEMENT

PRACTICE #DG-1014 12-month P&L

| | Jan - Dec 2019 | Adjustments | Proforma |
|--|----------------|------------------|----------------|
| Gross Receipts | 935,771 | | 935,771 |
| Miscellaneous Income | (177) | | (177) |
| Refunds | (5,130) | | (5,130) |
| Net Receipts | 930,464 | | 930,464 |
| Expenses: | | | |
| Accounting | 11,405 | | 11,405 |
| Advertising | 449 | | 449 |
| Alarm | 514 | | 514 |
| Care Credit Fees | 1,614 | | 1,614 |
| Computer Expenses | 450 | | 450 |
| Continuing Education | 740 | | 740 |
| Dental Supplies | 82,456 | | 82,456 |
| Invisalign | 5,934 | | 5,934 |
| Dental Equipment ¹ | 4,701 | (4,701) | 0 |
| Depreciation ² | 260 | (260) | 0 |
| Donations ³ | 872 | (872) | 0 |
| Dues & Subscriptions ⁴ | 6,937 | (4,000) | 2,937 |
| Insurances | | | |
| Health-Doctor ⁵ | 35,159 | (35,159) | 0 |
| Malpractice | 4,553 | | 4,553 |
| Workers Comp | 4,043 | | 4,043 |
| Janitorial | 7,800 | | 7,800 |
| Laboratory | 52,598 | | 52,598 |
| Laundry | 1,218 | | 1,218 |
| License and Registrations | 3,821 | | 3,821 |
| Marketing | 709 | | 709 |
| Meals ⁶ | 459 | (459) | 0 |
| Merchant Processing Fees | 6,943 | | 6,943 |
| Office Supplies | 9,845 | | 9,845 |
| Payroll Fees | 1,967 | | 1,967 |
| Pension Administration | 500 | | 500 |
| Petty Cash | 100 | | 100 |
| Postage & Delivery | 532 | | 532 |
| Practice Management ⁷ | 21,000 | (21,000) | 0 |
| Printing & Reproduction | 767 | | 767 |
| Rent | 41,816 | | 41,816 |
| Repairs & Maintenance | 360 | | 360 |
| Salaries & Wages | | | |
| Administrative | 112,375 | | 112,375 |
| Assistants | 90,640 | | 90,640 |
| Doctor's Family ⁸ | 60,000 | (60,000) | 0 |
| Hygiene | 93,194 | | 93,194 |
| Independent Contractor-Associates ⁹ | 105,562 | (105,562) | 0 |
| Storage | 170 | | 170 |
| Taxes | | | |
| Payroll | 27,983 | | 27,983 |
| Payroll-Doctor's Family ⁸ | 4,590 | (4,590) | 0 |
| Property | 1,472 | | 1,472 |
| Telephone | 7,849 | | 7,849 |
| Travel ¹⁰ | (967) | | (967) |
| Waste Disposal | 222 | | 222 |
| TOTAL EXPENSES | 813,609 | | |
| TOTAL ADJUSTMENTS | | (236,602) | |
| TOTAL ADJUSTED EXPENSES | | | 577,007 |
| NET PROFIT | 116,855 | | 353,458 |
| ADJUSTED NET PROFIT | | | 353,458 |

| NOTES |
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| 1.) Dental Equipment: Considered a one-time, non-recurring expense. |
| 2.) Depreciation: Considered a non-cash expense. |
| 3.) Donations: Considered of personal benefit to the owner. |
| 4.) Dues & Subscriptions: Adjusted to reflect normalized costs, considered of personal benefit to the owner. |
| 5.) Insurance-Health: Adjustment reflects Doctor's medical insurance, considered of personal benefit to the owner. |
| 6.) Meals: Considered of personal benefit to the owner. |
| 7.) Practice Management: Adjustment considered of personal benefit to the owner. |
| 8.) Salaries & Wages & Payroll Taxes-Doctor's Family: Adjustment reflects salary paid to Doctor's Family, considered of personal benefit to the owner. |
| 9.) Salaries & Wages-Independent Contractor: Estimated salary paid to Associates, whose services may not be needed by new Owner-Operator. |
| 10.) Travel: Considered of personal benefit to the owner. |
| It is the Buyer's responsibility to verify if information is true and correct. |