

PROFORMA INCOME STATEMENT
PRACTICE #IG-1007 from P&L

| | Jan - Dec 2018 | Adjustments | Proforma |
|------------------------------------|----------------|------------------|----------------|
| Gross Receipts | 967,867 | | 967,867 |
| Refunds | (88) | | (88) |
| Net Receipts | 967,778 | | 967,778 |
| Expenses: | | | |
| Accounting | 5,200 | | 5,200 |
| Advertising & Promotion | 3,476 | | 3,476 |
| Answering | 6,654 | | 6,654 |
| Automobile ¹ | 6,976 | (6,976) | 0 |
| Bank Charges | 64 | | 64 |
| Computer & Internet Expenses | 7,978 | | 7,978 |
| Dental Lab & Supplies | 116,441 | | 116,441 |
| Dues & Subscriptions | 968 | | 968 |
| Equipment Lease ² | 1,499 | (1,499) | 0 |
| Insurance | 18,156 | | 18,156 |
| Interest Expense ³ | 4,586 | (4,586) | 0 |
| Gift ⁴ | 1,000 | (1,000) | 0 |
| Legal & Professional Fee | 3,629 | | 3,629 |
| License & Fees | 741 | | 741 |
| Meals & Entertainment ⁵ | 7,232 | (7,232) | 0 |
| Merchant Fee | 4,322 | | 4,322 |
| Office Expense | 2,616 | | 2,616 |
| Outside Service ⁶ | 114,085 | (114,085) | 0 |
| Payroll Processing Fee | 1,571 | | 1,571 |
| Postage & Delivery | 575 | | 575 |
| Printing | 107 | | 107 |
| Professional Dues & Fees | 1,166 | | 1,166 |
| Rent ⁷ | 33,120 | 8,880 | 42,000 |
| Repairs & Maintenance | 6,344 | | 6,344 |
| Salaries & Wages | 208,542 | | 208,542 |
| Salary-Officer ⁸ | 104,000 | (104,000) | 0 |
| Supplies | 17,804 | | 17,804 |
| Taxes | | | |
| Franchise | 1,050 | | 1,050 |
| Payroll ⁹ | 27,975 | (14,000) | 13,975 |
| Property | 9,782 | | 9,782 |
| Telephone | 3,147 | | 3,147 |
| Travel ¹⁰ | 879 | (879) | 0 |
| Utilities | 15,544 | | 15,544 |
| Waste Disposal | 899 | | 899 |
| TOTAL EXPENSES | 738,126 | | |
| TOTAL ADJUSTMENTS | | (245,377) | |
| TOTAL ADJUSTED EXPENSES | | | 492,749 |
| NET PROFIT | 229,653 | | 475,029 |
| ADJUSTED NET PROFIT | | | 475,029 |

| NOTES |
|--|
| 1.) Automobile: Considered of personal benefit to the owner. |
| 2.) Equipment Lease: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice. |
| 3.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice. |
| 4.) Gift: Considered of personal benefit to the owner. |
| 5.) Meals and Entertainment: Considered of personal benefit to the owner. |
| 6.) Outside Service: Adjustment reflects salary paid to Associate Dentists, whose services may not be needed by new owner-operator. |
| 7.) Rent: Seller owns building. Adjusted rent to reflect \$3,500.00/month to be paid by Tenant. |
| 8.) Salary-Officer: Considered 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. |