

## PROFORMA INCOME STATEMENT

PRACTICE # DN-1031 12-month P&L

	Jan - Dec 2021	Adjustments	Proforma
Gross Receipts	1,273,400		1,273,400
Interest Income	38		38
Other Income <sup>1</sup>	108,140	(108,140)	0
PPP Loan <sup>1</sup>	62,500	(62,500)	0
Refunds	(6,345)		(6,345)
<b>Net Receipts</b>	<b>1,437,733</b>		<b>1,267,092</b>
<b>Expenses:</b>			
Advertising	3,691		3,691
Automobile <sup>2</sup>	4,392	(4,392)	0
Lease <sup>2</sup>	8,322	(8,322)	0
Bank Charges	9,422		9,422
Dental Supplies	42,833		42,833
Depreciation <sup>3</sup>	34,369	(34,369)	0
Dues & Subscriptions	1,570		1,570
Education & Seminar	335		335
Employee Benefit	1,827		1,827
Equipment Lease <sup>4</sup>	422	(422)	0
Gifts <sup>5</sup>	1,382	(1,382)	0
Insurance <sup>6</sup>	89,355	(22,000)	67,355
Workers Comp	5,785		5,785
Interest Expense <sup>7</sup>	16,662	(16,662)	0
Laboratory	33,194		33,194
Legal & Professional	5,930		5,930
Licenses	1,880		1,880
Meals <sup>8</sup>	4,235	(4,235)	0
Employee overtime Meal <sup>8</sup>	952	(952)	0
Office Expense	10,397		10,397
Office Supplies	4,779		4,779
Outside Contract Services <sup>9</sup>	95,006	(95,006)	0
Pension Plan <sup>10</sup>	78,244	(60,000)	18,244
Pension Plan Service	2,979		2,979
Postage	1,433		1,433
Promotion	2,087		2,087
Rent	110,686		110,686
Repairs & Maintenance	4,976		4,976
Salaries & Wages <sup>11</sup>	521,081	(353,404)	167,677
Security	144		144
Software Support	3,395		3,395
Taxes			
Income	14		14
Payroll <sup>12</sup>	34,938	(7,500)	27,438
Property	3,074		3,074
Telephone	2,753		2,753
Training Expense	2,900		2,900
Utilities	7,131		7,131
<b>TOTAL EXPENSES</b>	<b>1,152,574</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(608,646)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>543,929</b>
<b>NET PROFIT</b>	<b>285,159</b>		<b>723,164</b>
<b>ADJUSTED NET PROFIT</b>			<b>723,164</b>

<b>NOTES</b>
1.) Other Income: PPP Loan & Covid Relief funds are non-relevant to Buyer.
2.) Automobile: Lease and expenses considered of personal benefit to the owner.
3.) Depreciation: Considered a non-cash expense.
4.) Equipment Lease: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice.
5.) Gifts: Considered of personal benefit to the owner.
6.) Insurance: Adjusted Doctor & Family's portion, considered of personal benefit to the owner.
7.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
8.) Meals: Considered of personal benefit to the owner.
9.) Outside Services: Adjustment reflects estimated salary paid to Associate working in the practice.
10.) Pension Plan: Adjusted Doctor's portion, considered of personal benefit to the owner.
11.) Salaries & Wages: Adjusted Doctor and Shareholder/Family members' estimated salaries of \$353,404.00, considered of personal benefit to the owner.
12.) Taxes-Payroll: Adjusted Dr & Family's estimated payroll taxes, considered personal benefit.
<b>**Above data has not been audited by Western Practice Sales.</b>
<b>It is the Buyer's responsibility to verify if information is true and correct.</b>