

# PROFORMA INCOME STATEMENT

Practice #EG-1039

|                                    | Year end 2017  | Adjustments      | Proforma       |
|------------------------------------|----------------|------------------|----------------|
| Gross Receipts                     | 537,914        |                  | 537,914        |
| <b>Net Receipts</b>                | <b>537,914</b> |                  | <b>537,914</b> |
| <b>Expenses:</b>                   |                |                  |                |
| Advertising                        | 1,765          |                  | 1,765          |
| Bank Service Charges               | 4,143          |                  | 4,143          |
| Continuing Education               | 603            |                  | 603            |
| Convention <sup>1</sup>            | 1,468          | (1,468)          | 0              |
| Dental Supplies                    | 25,919         |                  | 25,919         |
| Depreciation <sup>2</sup>          | 13,035         | (13,035)         | 0              |
| Dues & Subscriptions               | 2,777          |                  | 2,777          |
| Equipment & Tools <sup>3</sup>     | 587            | (587)            | 0              |
| Gifts <sup>4</sup>                 | 125            | (125)            | 0              |
| Insurance                          |                |                  |                |
| Malpractice                        | 2,924          |                  | 2,924          |
| Worker's Comp                      | 1,835          |                  | 1,835          |
| Interest Expense <sup>5</sup>      | 1,343          | (1,343)          | 0              |
| Laboratory                         | 28,959         |                  | 28,959         |
| Legal & Accounting                 | 2,150          |                  | 2,150          |
| Meals & Entertainment <sup>6</sup> | 564            | (564)            | 0              |
| Office Supplies                    | 8,605          |                  | 8,605          |
| Pharmacy Expense                   | 697            |                  | 697            |
| Postage & Delivery                 | 1,698          |                  | 1,698          |
| Rent                               | 27,000         |                  | 27,000         |
| Repairs & Maintenance              | 3,654          |                  | 3,654          |
| Salaries & Wages                   | 167,398        |                  | 167,398        |
| Salary-Officer <sup>7</sup>        | 118,500        | (118,500)        | 0              |
| Taxes-Payroll <sup>8</sup>         | 24,865         | (7,000)          | 17,865         |
| Taxes & Licenses                   | 1,629          |                  | 1,629          |
| Telephone                          | 5,685          |                  | 5,685          |
| Travel <sup>9</sup>                | 21             | (21)             | 0              |
| Uniforms                           | 4,400          |                  | 4,400          |
| Utilities                          | 5,327          |                  | 5,327          |
|                                    |                |                  |                |
| <b>TOTAL EXPENSES</b>              | <b>457,676</b> |                  |                |
| <b>TOTAL ADJUSTMENTS</b>           |                | <b>(142,643)</b> |                |
| <b>TOTAL ADJUSTED EXPENSES</b>     |                |                  | <b>315,033</b> |
| <b>NET PROFIT</b>                  | <b>80,238</b>  |                  | <b>222,881</b> |
| <b>ADJUSTED NET PROFIT</b>         |                |                  | <b>222,881</b> |

## NOTES

- 1.) Convention: Considered a non-recurring expense, of personal benefit to the owner.
- 2.) Depreciation: Considered a non-cash expense.
- 3.) Equipment & Tools: Considered a one-time, non-recurring expense.
- 4.) Gifts: 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 and Entertainment: Considered of personal benefit to the owner.
- 7.) Salary-Officer: Considered of personal benefit to the owner.
- 8.) Taxes-Payroll: Adjustment represent Seller's estimated portion of taxes
- 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.**