

PROFORMA INCOME STATEMENT
PRACTICE #AG-1079

| | 2017 S Corp | Adjustments | Proforma |
|--|------------------|------------------|------------------|
| Gross Receipts | 1,050,737 | | 1,050,737 |
| Other Income | 1,275 | (1,275.00) | 0 |
| Returns & Allowances | (10,424) | | (10,424) |
| Net Receipts | 1,041,588 | | 1,040,313 |
| Expenses: | | | |
| Advertising | 11,253 | | 11,253 |
| Automobile ¹ | 1,878 | (1,878) | 0 |
| Bank Charges | 684 | | 684 |
| Computer & Internet | 14,750 | | 14,750 |
| Continuing Education ² | 3,521 | (1,021) | 2,500 |
| Credit Card Fees | 13,234 | | 13,234 |
| Dental Services | 648 | | 648 |
| Dental Supplies | 49,361 | | 49,361 |
| Depreciation ³ | 26,216 | (26,216) | 0 |
| Dues & Subscriptions | 2,936 | | 2,936 |
| Employee Benefit Programs ⁴ | 2,727 | (381) | 2,346 |
| Insurance | 8,236 | | 8,236 |
| Interest Expense ⁵ | 21,076 | (21,076) | 0 |
| Janitorial | 8,052 | | 8,052 |
| Laboratory | 55,878 | | 55,878 |
| Laundry | 30 | | 30 |
| Legal & Accounting ⁶ | 29,786 | (22,286) | 7,500 |
| Licenses & Permit | 375 | | 375 |
| Meals ⁷ | 5,093 | (5,093) | 0 |
| Office Supplies ⁸ | 10,076 | (2,271) | 7,805 |
| Parking | 2,405 | | 2,405 |
| Postage & Delivery | 1,950 | | 1,950 |
| Professional Services ⁹ | 235,948 | (89,826) | 146,122 |
| Rent ¹⁰ | 67,949 | 47,911 | 115,860 |
| Repairs & Maintenance | 4,074 | | 4,074 |
| Salaries & Wages ¹¹ | 341,063 | (55,000) | 286,063 |
| Security | 2,202 | | 2,202 |
| Taxes & Licenses | | | |
| City ¹² | 5,924 | 11,810 | 17,734 |
| Other | 275 | | 275 |
| Payroll | 31,892 | | 31,892 |
| Refund | (327) | | (327) |
| State | 800 | | 800 |
| Telephone | 2,277 | | 2,277 |
| Travel ¹³ | 5,128 | (5,128) | 0 |
| Uniforms | 375 | | 375 |
| Utilities | 12,415 | | 12,415 |
| | | | |
| TOTAL EXPENSES | 980,160 | | |
| TOTAL ADJUSTMENTS | | (170,455) | |
| TOTAL ADJUSTED EXPENSES | | | 809,705 |
| NET PROFIT | 61,428 | | 230,608 |
| ADJUSTED NET PROFIT | | | 230,608 |

NOTES

- 1.) Automobile: Considered of personal benefit to the owner.
- 2.) Continuing Education: Adjusted to expected annual expense of \$2,500 for new owner.
- 3.) Depreciation: Considered a non-cash expense.
- 4.) Employee Benefit Programs: 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.) Legal & Accounting: Adjusted to reflect normal & customary fees for this category.
- 7.) Meals: Considered of personal benefit to the owner.
- 8.) Office Supplies: Considered of personal benefit to the owner.
- 9.) Professional Services: DDS/Associate salary considered of personal benefit to the owner.
- 10.) Rent: Adjusted to reflect monthly rent of \$9,655 (approx market rent).
- 11.) Salaries & Wages: Adjusted to remove officer salary (\$49,000) and staff (\$6,000) considered of personal benefit to the owner.
- 12.) Taxes & Licenses-City: Includes City Tax & Cam Charges of \$19,361.76/yr & reflected on prospectus.
- 13.) 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.**