

**PROFORMA INCOME STATEMENT**  
PRACTICE #DN-1107

|  | 2018 S Corp    | Adjustments      | Proforma       |
|--|----------------|------------------|----------------|
| Gross Receipts                             | 757,651        |                  | 757,651        |
| <b>Net Receipts</b>                        | <b>757,651</b> |                  | <b>757,651</b> |
| <b>Expenses:</b>                           |                |                  |                |
| Accounting                                 | 2,390          |                  | 2,390          |
| Advertising                                | 1,864          |                  | 1,864          |
| Automobile <sup>1</sup>                    | 7,328          | (7,328)          | 0              |
| Auto Leasing <sup>1</sup>                  | 8,586          | (8,586)          | 0              |
| Bank Charges                               | 1,941          |                  | 1,941          |
| Continuing Education <sup>2</sup>          | 17,338         | (15,000)         | 2,338          |
| Dental Supplies                            | 49,000         |                  | 49,000         |
| Depreciation <sup>3</sup>                  | 1,908          | (1,908)          | 0              |
| Donation <sup>4</sup>                      | 1,650          | (1,650)          | 0              |
| Dues & Subscriptions                       | 737            |                  | 737            |
| Employee Benefit Program <sup>5</sup>      | 16,790         | (16,790)         | 0              |
| Equipment Lease <sup>6</sup>               | 1,241          | (1,241)          | 0              |
| HR Service Fee                             | 3,598          |                  | 3,598          |
| Insurance                                  | 11,615         |                  | 11,615         |
| Other-Health, Liability                    | 25,279         |                  | 25,279         |
| Laboratory                                 | 11,834         |                  | 11,834         |
| Legal & Professional                       | 2,359          |                  | 2,359          |
| Meals <sup>7</sup>                         | 1,634          | (1,634)          | 0              |
| Membership Fee                             | 4,700          |                  | 4,700          |
| Office Expense                             | 13,123         |                  | 13,123         |
| Payroll Processing Expense                 | 2,785          |                  | 2,785          |
| Pension & Profit Sharing-401k <sup>8</sup> | 23,948         | (23,948)         | 0              |
| Postage & Shipping                         | 1,956          |                  | 1,956          |
| Printing                                   | 305            |                  | 305            |
| Rent                                       | 76,101         |                  | 76,101         |
| Repairs & Maintenance                      | 1,429          |                  | 1,429          |
| Salaries & Wages                           | 128,003        |                  | 128,003        |
| Salary-Officer <sup>9</sup>                | 261,950        | (261,950)        | 0              |
| Security                                   | 1,711          |                  | 1,711          |
| Supplies                                   | 7,980          |                  | 7,980          |
| Taxes & Licenses <sup>10</sup>             | 33,035         | (16,000)         | 17,035         |
| Telephone                                  | 3,267          |                  | 3,267          |
| Travel <sup>11</sup>                       | 6,658          | (6,658)          | 0              |
| Utilities                                  | 4,353          |                  | 4,353          |
| <b>TOTAL EXPENSES</b>                      | <b>738,396</b> |                  |                |
| <b>TOTAL ADJUSTMENTS</b>                   |                | <b>(362,693)</b> |                |
| <b>TOTAL ADJUSTED EXPENSES</b>             |                |                  | <b>375,703</b> |
| <b>NET PROFIT</b>                          | <b>19,255</b>  |                  | <b>381,948</b> |
| <b>ADJUSTED NET PROFIT</b>                 |                |                  | <b>381,948</b> |

| NOTES  |
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| 1.) Automobile: Considered of personal benefit to the owner.   |
| 2.) Continuing Education: Adjustment considered of personal benefit to the owner.  |
| 3.) Depreciation: Considered a non-cash expense.   |
| 4.) Donation: Considered of personal benefit to the owner.   |
| 5.) Employee Benefit Programs: Considered of personal benefit to the owner.  |
| 6.) Equipment Lease: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice. |
| 7.) Meals: Considered of personal benefit to the owner.  |
| 8.) Pension & Profit Sharing: Adjustment considered of personal benefit to the owner.  |
| 9.) Salary-Officer: Considered of personal benefit to the owner.   |
| 10.) Taxes & Licenses: Seller's portion of payroll taxes. Considered of personal benefit to owner.   |
| 11.) Travel: Considered of personal benefit to the owner.  |
| <b>**Above data has not been audited by Western Practice Sales.<br/>It is the Buyer's responsibility to verify if information is true and correct.</b>       |