

PROFORMA INCOME STATEMENT

PRACTICE #GN-1118 from P&L

	Jan - Dec 2019	Adjustments	Proforma
Gross Receipts	728,583		728,583
Interest Income	3		3
Non-Dental Income ¹	133,762	(133,762)	0
Cash	46,986		46,986
Net Receipts	909,334		775,572
Expenses:			
Advertising & Promotion	2,368		2,368
Charity ²	1,165	(1,165)	0
Automobile ³	7,223	(7,223)	0
Bank			
Line of Credit ⁴	21,070	(21,070)	0
Bank Service Charges	6,943		6,943
Computer and Internet Expense	69		69
Continuing Education	2,189		2,189
Credit Card ⁵	33,012	(33,012)	0
Deposit Adjustment	754		754
Donations ²	7,000	(7,000)	0
Dues & License	3,548		3,548
Employee Benefit Programs			
Contribution - Benefits	11,404		11,404
Contribution - IRA	31,807		31,807
Equipment Lease-Waterlase ⁶	34,681	(34,681)	0
Finance Charges	656		656
Gifts ²	713	(713)	0
Insurance	2,703		2,703
Business	15,157		15,157
Disability	5,330		5,330
Life ⁷	4,264	(4,264)	0
Interest Expense ⁴	1,041	(1,041)	0
Real Estate ⁴	11,965	(11,965)	0
Janitorial	980		980
Laboratory	59,112		59,112
Legal & Professional ⁸	29,696	(23,000)	6,696
Loan ⁴	26,705	(26,705)	0
Office Expense	21,828		21,828
Office Supplies	90,819		90,819
Patient Refunds	380		380
Payroll Expenses	215,752		215,752
Pension, Profit Sharing, Retirement			
Retirement-Doctor ⁹	21,022	(21,022)	0
Retirement-Employee	20,956		20,956
Personal Draw/Withdrawal ¹⁰	36,151	(36,151)	0
Estimated Annual Mortgage ¹¹		36,034	36,034
Repairs & Maintenance ¹²	11,142	(11,142)	0
Building	8,249		8,249
Returned Item	203		203
Taxes			
Federal ¹³	34,000	(34,000)	0
Payroll	76,421		76,421
Property	7,205		7,205
State ¹³	23,738	(23,738)	0
Subscriptions	166		166
Telephone	2,975		2,975
Utilities	15,665		15,665
TOTAL EXPENSES	908,226		
TOTAL ADJUSTMENTS		(261,859)	
TOTAL ADJUSTED EXPENSES			646,367
NET PROFIT	1,108		129,205
ADJUSTED NET PROFIT			129,205

NOTES
1.) Non-Dental Income: One-time family Trust payment. Not related to practice.
2.) Charity/Donations/Gifts: Considered a personal benefit to the owner.
3.) Automobile & Insurance: Considered a personal benefit to the owner.
4.) Line of Credit/Overdraft Account/Interest Expense/Real Estate/Loan: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
5.) Credit Card: Considered a personal benefit to the owner.
6.) Equipment Lease-Waterlase: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice.
7.) Insurance-Life: Considered a personal benefit to the owner.
8.) Legal & Professional: Considered a non-recurring expense.
9.) Pension, Profit Sharing, Retirement - Doctors: Considered a personal benefit to the owner.
10.) Personal Draw/Withdrawal: Considered a personal benefit to the owner.
11.) Estimated Annual Mortgage: Adjustment reflects annual mortgage payment at the purchase price of \$455,000 with 10% down and amortized for 20 yr. @ 5% the monthly payment would be approx. \$2703.00.
12.) Repairs & Maintenance: Considered a non-recurring expense.
13.) Taxes- Federal and State: Considered a 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.