

# PROFORMA INCOME STATEMENT

PRACTICE #DG-1304

*\*Office closed due to Covid from March 17 - July 1, 2020*

|  | 2020 S Corp     | Adjustments      | Proforma       |
|--|-----------------|------------------|----------------|
| Gross Receipts                         | 831,989         |                  | 831,989        |
| Other Income <sup>1</sup>              | 27,075          |                  | 27,075         |
| Returns and Allowances                 | (1,173)         |                  | (1,173)        |
| <b>Net Receipts</b>                    | <b>857,891</b>  |                  | <b>857,891</b> |
| <b>Expenses:</b>                       |                 |                  |                |
| Accounting                             | 1,675           |                  | 1,675          |
| Bank Charges                           | 7,766           |                  | 7,766          |
| Charity <sup>2</sup>                   | 253             | (253)            | 0              |
| Computer Expenses                      | 4,603           |                  | 4,603          |
| Continuing Education                   | 2,405           |                  | 2,405          |
| Dental Supplies                        | 34,008          |                  | 34,008         |
| Depreciation <sup>3</sup>              | 1,381           | (1,381)          | 0              |
| Dues & Subscriptions                   | 40              |                  | 40             |
| Employee Benefit Programs <sup>4</sup> | 33,009          | (30,409)         | 2,600          |
| Gases                                  | 654             |                  | 654            |
| Gifts <sup>5</sup>                     | 100             | (100)            | 0              |
| Insurance                              | 4,080           |                  | 4,080          |
| Workers Comp                           | 2,770           |                  | 2,770          |
| Laboratory                             | 27,988          |                  | 27,988         |
| Medical Reimbursement                  | 8,319           |                  | 8,319          |
| Membership Fee                         | 278             |                  | 278            |
| Office Expense                         | 9,780           |                  | 9,780          |
| Payroll Service Fees                   | 2,173           |                  | 2,173          |
| Pension & Profit Sharing <sup>6</sup>  | 12,118          | (7,923)          | 4,195          |
| Postage                                | 2,432           |                  | 2,432          |
| Printing                               | 78              |                  | 78             |
| Rent                                   | 57,473          |                  | 57,473         |
| Repairs & Maintenance                  | 1,187           |                  | 1,187          |
| Salaries & Wages <sup>7</sup>          | 352,198         | (42,219)         | 309,979        |
| Salary-Officer <sup>8</sup>            | 264,100         | (264,100)        | 0              |
| Savings <sup>9</sup>                   | 2,100           | (2,100)          | 0              |
| Small Dental Equipment <sup>10</sup>   | 8,983           | (8,983)          | 0              |
| Taxes & Licenses <sup>11</sup>         | 48,640          | (15,161)         | 33,479         |
| Telephone                              | 4,490           |                  | 4,490          |
| Uniforms                               | 108             |                  | 108            |
| <b>TOTAL EXPENSES</b>                  | <b>895,189</b>  |                  |                |
| <b>TOTAL ADJUSTMENTS</b>               |                 | <b>(372,629)</b> |                |
| <b>TOTAL ADJUSTED EXPENSES</b>         |                 |                  | <b>522,560</b> |
| <b>NET PROFIT</b>                      | <b>(37,298)</b> |                  | <b>335,331</b> |
| <b>ADJUSTED NET PROFIT</b>             |                 |                  | <b>335,331</b> |

| NOTES   |
|---|
| <p>1.) Other Income: HHS Stimulus, FFCRA, &amp; Covid Grants are not relevant to the Buyer.</p> <p>2.) Charity: Considered of personal benefit to the owner.</p> <p>3.) Depreciation: Considered a non-cash expense.</p> <p>4.) Employee Benefit Programs: Adjustment considered of personal benefit to the owner.</p> <p>5.) Gifts: Considered of personal benefit to the owner.</p> <p>6.) Pension &amp; Profit Sharing: Adjustment considered of personal benefit to the owner.</p> <p>7.) Salaries &amp; Wages: Adjustment for estimated salary for owner's Spouse \$5,000 &amp; Employee Bonus considered a one-time, non-recurring expense due to Covid \$37,219.</p> <p>8.) Salary-Officer: Considered of personal benefit to the owner.</p> <p>9.) Savings: Considered of personal benefit to the owner.</p> <p>10.) Small Dental Equipment: Considered a non-recurring expense.</p> <p>11.) Taxes &amp; Licenses: Adjusted Doctor's estimated payroll taxes, considered of personal benefit.</p> <p style="text-align: center;"><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></p> |