

## PROFORMA INCOME STATEMENT

PRACTICE # FN-1295

*\*Office closed due to Covid from March 18 - May 18, 2020*

	2020 C Corp	Adjustments	Proforma
Gross Receipts	873,512		873,512
Returns and Allowances	(16,350)		(16,350)
Other Income <sup>1</sup>	6,395	(6,395)	0
<b>Net Receipts</b>	<b>863,557</b>		<b>857,162</b>
<b>Expenses:</b>			
Accounting	8,489		8,489
Advertising	1,344		1,344
Amortization <sup>2</sup>	1,640	(1,640)	0
Automobile <sup>3</sup>	8,937	(8,937)	0
Bank Charges	531		531
Dental Supplies	52,360		52,360
Depreciation <sup>4</sup>	10,393	(10,393)	0
Education <sup>5</sup>	7,406	(5,000)	2,406
Employee Benefit Programs	22,076		22,076
Insurance <sup>6</sup>	15,495	(1,240)	14,255
Interest Expense <sup>7</sup>	3,831	(3,831)	0
Janitorial	4,410		4,410
Laboratory	43,065		43,065
Laundry and Cleaning	274		274
Legal & Professional	2,520		2,520
Licenses & Permits	920		920
Meals <sup>8</sup>	429	(429)	0
Merchant Fees	9,455		9,455
Miscellaneous	1,193		1,193
Office Expense	30,708		30,708
Pension & Profit Sharing <sup>9</sup>	54,399	(48,764)	5,635
Postage	965		965
Rent <sup>10</sup>	15,621	(923)	14,698
Repairs & Maintenance	11,131		11,131
Salaries & Wages <sup>11</sup>	283,853	(14,233)	269,620
Salary-Officer <sup>12</sup>	188,612	(188,612)	0
Storage	7,152		7,152
Subscriptions	3,095		3,095
Taxes			
Payroll	32,817		32,817
Property	3,831		3,831
State	5,693		5,693
Telephone	9,028		9,028
Travel <sup>13</sup>	1,414	(1,414)	0
Utilities	13,846		13,846
<b>TOTAL EXPENSES</b>	<b>856,933</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(285,416)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>571,517</b>
<b>NET PROFIT</b>	<b>6,624</b>		<b>285,645</b>
<b>ADJUSTED NET PROFIT</b>			<b>285,645</b>

NOTES
1.) Other Income: Recovery Grant funds are non-relevant to new owner
2.) Amortization: Considered a non-cash expense.
3.) Automobile: Considered of personal benefit to the owner.
4.) Depreciation: Considered a non-cash expense.
5.) Education: Adjustment considered of personal benefit to the owner.
6.) Insurance: Considered of personal benefit to the owner.
7.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
8.) Meals: Considered of personal benefit to the owner.
9.) Pension & Profit Sharing: Adjusted Seller's portion. Considered of personal benefit to the owner.
10.) Rent: Seller owns building. Adjusted to estimated annual mortgage payment of ~ \$14,698 for new Owner, based on purchase price of \$295,000 w/ \$29,500 down @ 2.75% interest rate for a 25y term.
11.) Salaries & Wages: Spouse is Office Manager and was paid \$54,232.63 in 2020. This position will need to be filled by new owner. Adjusted to reflect the estimated difference in the amount new owner should expect to pay replacement at \$25/hr.
12.) Salary-Officer: Considered of personal benefit to the owner.
13.) Travel: Considered of personal benefit to the owner.
<b>**Above data has not been audited by Western Practice Sales. It is the Buyer's responsibility to verify if information is true and correct.</b>