

PROFORMA INCOME STATEMENT

PRACTICE # FN-1295

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

	2020 Corp	Adjustments		Proforma
Gross Receipts	873,512			873,512
Returns and Allowances	(16,350)			(16,350)
Other Income ¹	6,395	(6,395)		0
Net Receipts	863,557			857,162
Expenses:				
Accounting	8,489			8,489
Advertising	1,344			1,344
Amortization ²	1,640	(1,640)		0
Automobile ³	8,937	(8,937)		0
Bank Charges	531			531
Dental Supplies	52,360			52,360
Depreciation ⁴	10,393	(10,393)		0
Education ⁵	7,406	(5,000)		2,406
Employee Benefit Programs	22,076			22,076
Insurance ⁶	15,495	(1,240)		14,255
Interest Expense ⁷	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 ⁸	429	(429)		0
Merchant Fees	9,455			9,455
Miscellaneous	1,193			1,193
Office Expense	30,708			30,708
Pension & Profit Sharing ⁹	54,399	(48,764)		5,635
Postage	965			965
Rent ¹⁰	15,621	(923)		14,698
Repairs & Maintenance	11,131			11,131
Salaries & Wages ¹¹	283,853	(14,233)		269,620
Salary-Officer ¹²	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 ¹³	1,414	(1,414)		0
Utilities	13,846			13,846
TOTAL EXPENSES	856,933			
TOTAL ADJUSTMENTS		(285,416)		
TOTAL ADJUSTED EXPENSES				571,517
NET PROFIT	6,624			285,645
ADJUSTED NET PROFIT				285,645

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.

****Above data has not been audited by Western Practice Sales.
It is the Buyer's responsibility to verify if information is true and correct.**