

PROFORMA INCOME STATEMENT

PRACTICE #AG-1350

**Office closed due to Covid from March 17 - June 10, 2020*

	Year end 2020	Adjustments	Proforma
Gross Receipts	1,240,378		1,240,378
Other Income ¹	35,320	(35,320)	0
Net Receipts	1,275,698		1,240,378
Expenses:			
Accounting	10,995		10,995
Advertising	1,147		1,147
Automobile ²	14,218	(14,218)	0
Computer Expenses	12,331		12,331
Continuing Education & Meetings ³	5,988	(3,000)	2,988
Contract Labor	323		323
Dental Supplies	65,420		65,420
Depreciation ⁴	132,542	(132,542)	0
Dues & Subscriptions	3,054		3,054
Employee Benefit Programs	673		673
Equipment Rental ⁵	11,036	(11,036)	0
Insurance	8,760		8,760
Interest Expense ⁵	20,897	(20,897)	0
Janitorial	1,920		1,920
Laboratory	29,864		29,864
Invisalign	93,038		93,038
Management Consultant ⁷	2,960	(2,960)	0
Marketing ⁸	29,041	(27,589)	1,452
Meals ⁹	3,176	(3,176)	0
Merchant Fees	8,020		8,020
Office Expense	29,807		29,807
Postage	665		665
Refunds & Returned Checks	6,621		6,621
Rent	125,646		125,646
Repairs & Maintenance	724		724
Salaries & Wages ¹⁰	365,921	(22,000)	343,921
Taxes & Licenses ¹¹	47,928	(11,544)	36,384
Telephone	3,415		3,415
Travel ¹²	2	(2)	0
Uniforms	2,705		2,705
Utilities	3,182		3,182
TOTAL EXPENSES	1,042,019		
TOTAL ADJUSTMENTS		(248,964)	
TOTAL ADJUSTED EXPENSES			793,055
NET PROFIT	233,679		447,323
ADJUSTED NET PROFIT			447,323

NOTES
<p>1.) Other Income: HHS Grant funds are not relevant to Buyer.</p> <p>2.) Automobile: Considered of personal benefit to the owner.</p> <p>3.) Continuing Education: Adjustment considered of personal benefit to the owner.</p> <p>4.) Depreciation: Considered a non-cash expense.</p> <p>5.) Equipment Rental: Considered a non-recurring expense. Outstanding equipment leases are normally paid off from the proceeds from the sale of the practice.</p> <p>6.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.</p> <p>7.) Management Consultant: Considered of personal benefit to the owner.</p> <p>8.) Marketing: Adjustment considered a one-time, non-recurring expense.</p> <p>9.) Meals: Considered of personal benefit to the owner.</p> <p>10.) Salaries & Wages: Adjusted estimated \$50,000 salary to replace Dr's spouse @ \$72,000 which nets \$22,000.00 add back.</p> <p>11.) Taxes & Licenses: Adjusted estimated payroll taxes for Doctor's spouse.</p> <p>12.) Travel: Considered of personal benefit to the owner.</p> <p style="text-align: center;">**Above data has not been audited by Western Practice Sales. It is the Buyer's responsibility to verify if information is true and correct.</p>