

## PROFORMA INCOME STATEMENT

### PRACTICE #HN-213

	Year end 2013	Adjustments	Proforma
Gross Receipts	513,766		513,766
Other Income	9,104		9,104
Cost of Goods Sold:			
Lab Fees	(41,353)		(41,353)
Dental Supplies	(42,173)		(42,173)
<b>Net Receipts</b>	<b>439,344</b>		<b>439,344</b>
Expenses:			
Advertising	567		567
Automobile <sup>1</sup>	4,121	(4,121)	0
Bad Debt	164		164
Bank Charges	2,135		2,135
Depreciation <sup>2</sup>	14,206	(14,206)	0
Dues & Subscriptions	1,096		1,096
Continued Education	2,835		2,835
Insurance	6,084		6,084
Laundry & Janitorial	1,151		1,151
Legal & Professional	3,030		3,030
Meals & Entertainment <sup>4</sup>	299	(299)	0
Office Expense	5,444		5,444
Over/Short	3		3
Pension & Profit-Sharing Plans	4,333		4,333
Rent <sup>5</sup>		18,000	18,000
Repairs & Maintenance	3,827		3,827
Taxes & Licenses	18,898		18,898
Travel <sup>6</sup>	568	(568)	0
Utilities	15,468		15,468
Wages <sup>7</sup>	182,521	(14,000)	168,521
<b>TOTAL EXPENSES</b>	<b>266,750</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(15,194)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>251,556</b>
<b>NET PROFIT</b>	<b>172,594</b>		<b>187,788</b>
<b>ADJUSTED NET PROFIT</b>			<b>187,788</b>

#### NOTES

- 1.) Automobile: Considered of personal benefit to the owner.
- 2.) Depreciation: A non-cash expense.
- 3.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 4.) Meals and Entertainment: Considered of personal benefit to the owner.
- 5.) Rent: Seller owns building. Adjusted to gross annualized rent based on \$1500/month which does not include utilities.
- 6.) Travel: : Considered of personal benefit to the owner.
- 7.) Wages: Adjustment of \$14,000 reflects estimated salary paid to Seller's spouse who currently works in office.

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