

PROFORMA INCOME STATEMENT
PRACTICE #FC-489

S Corp Tax Return	2012	Adjustments	Proforma
Dr. Receipts	689,066		689,066
Returns & Allowances	(7,900)		(7,900)
Hygiene 18%	151,259		151,259
TOTAL INCOME	832,425	-	832,425
Advertising & Promotions	20,324		20,324
Bank Charges	8,136		8,136
Building Insurance* ¹	1,756	(1,756)	-
Car & Truck ²	2,892	(2,892)	-
Depreciation ³	1,165	1,835	3,000
Dues & Subscriptions	3,239		3,239
Employee Benefits Program	13,571		13,571
Insurance: Insurance	4,552		4,552
Insurance: Overhead ⁴	5,522	(5,522)	-
Insurance: Professional Liability	2,281		2,281
Insurance: Workers Comp	4,027		4,027
Interest ⁵	168	(168)	-
Janitorial	4,787		4,787
Lab	70,506		70,506
Legal & Professional ⁶	5,659	(659)	5,000
Meals & Entertainment ⁷	1,519	(1,139)	380
Office Expense	22,099		22,099
Pension & Profit Sharing	6,548		6,548
Pharmaceuticals	1,062		1,062
Program Fees & Supplies	8,651		8,651
Rent* ⁸		43,200	43,200
Repairs & Maintenance ⁹	25,698	(20,498)	5,200
Supplies	67,341		67,341
Taxes & Licenses: Real Estate Taxes* ¹	3,718	(3,718)	-
Telephone	2,436		2,436
Travel ¹⁰	505	(505)	-
Utilities	12,988		12,988
Wages	255,626		255,626
TOTAL EXPENSES	556,776		
TOTAL ADJUSTMENTS		(8,178)	
TOTAL ADJUSTED EXPENSES			564,954
NET PROFIT	275,649	(8,178)	267,471
ADJUSTED NET PROFIT			267,471

NOTES

- 1.) Building: Insurance & Taxes: These expenses have been adjusted out, if Buyer does not purchase Seller's 50% interest in the property
- 2.) Car & Truck: Considered of personal benefit to owner/doctor.
- 3.) Depreciation: Considered a non-cash expense. An adjustment for depreciation is made, leaving a fund for replacement of any hard assets/equipment.
- 4.) Overhead Insurance: Considered of personal benefit to owner/doctor.
- 5.) Interest: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 6.) Legal & Professional: Considered of personal benefit to current owner. An allowance is made for the year.
- 7.) Meals & Entertainment: Considered of personal benefit to owner/doctor. An adjustment of 75% of the amount expensed was made to reflect the owner's personal expenses.
- 8.) Rent*: Seller's Real Estate Interest is available for purchase, if Buyer does not purchase the said Seller's 50% interest. The amount is a projection of anticipated rent to be paid by the purchaser based on fair market rental for the area in which the office is located including association fees.
- 9.) Repairs & Maintenance: The adjusted amount shown is an estimated projection for this expense.
- 10.) Travel: Considered of personal benefit to owner/doctor.

****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.**