

## PROFORMA INCOME STATEMENT

### PRACTICE #EN-625

	2015 Corp Ret	Adjustments	Proforma
Gross Receipts	610,801		610,801
<b>Net Receipts</b>	<b>610,801</b>		<b>610,801</b>
<b>Expenses:</b>			
Dental Supplies	43,483		43,483
Depreciation <sup>1</sup>	11,044	(11,044)	0
Dues & Subscriptions	3,600		3,600
Guaranteed Payments to Partners <sup>2</sup>	81,300	(81,300)	0
Insurance	7,927		7,927
Interest Expense <sup>3</sup>	6,027	(6,027)	0
Laboratory <sup>4</sup>	74,162	(20,000)	54,162
Legal & Professional	2,350		2,350
Maintenance	2,465		2,465
Office Expense	3,247		3,247
Outside Contract <sup>5</sup>	151,575	(151,575)	0
Rent	23,032		23,032
Salaries & Wages	120,416		120,416
Security	336		336
Small Tools & Equipment	9,286		9,286
Taxes & Licenses	11,689		11,689
Telephone	2,391		2,391
Utilities	4,922		4,922
<b>TOTAL EXPENSES</b>	<b>559,252</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(269,946)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>289,306</b>
<b>NET PROFIT</b>	<b>51,549</b>		<b>321,495</b>
<b>ADJUSTED NET PROFIT</b>			<b>321,495</b>

#### NOTES

- 1.) Depreciation: Considered a non-cash expense.
  - 2.) Guaranteed Payments to Partners: Assume Debt-Free. A new doctor may not need partners.
  - 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.) Laboratory: Considered high for the industry. Adjusted to normalized lab expenses, estimated at 6-8% of gross revenues.
  - 5.) Outside Contracts: New Owner/Operator may not need the services of partners in a practice of this size. Adjustment reflects estimated salary paid to Associate Dentist.
- \*\*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.**