

**PROFORMA INCOME STATEMENT**  
PRACTICE #EN-660

	2015 Corp Ret	Adjustments	Proforma
Gross Receipts	1,150,042		1,150,042
Returns and Allowances	(4,936)		(4,936)
<b>Net Receipts</b>	<b>1,145,106</b>		<b>1,145,106</b>
<b>Expenses:</b>			
Advertising	10,639		10,639
Automobile <sup>1</sup>	7,994	(7,994)	0
Bank Charges	7,169		7,169
Computer Supplies	9,159		9,159
Dental Supplies <sup>2</sup>	91,136	(10,000)	81,136
Depreciation <sup>3</sup>	25,729	(25,729)	0
Dues & Subscriptions	8,457		8,457
Education	3,107		3,107
Insurance			0
Employees <sup>4</sup>	13,956	(10,000)	3,956
Property	6,794		6,794
Workers Comp	5,107		5,107
Interest Expense <sup>5</sup>	574	(574)	0
Janitorial	4,840		4,840
Laboratory	79,087		79,087
Laundry/Uniform Expense	1,846		1,846
Licenses & Fees	3,102		3,102
Meals & Entertainment <sup>6</sup>	7,506	(7,506)	0
Miscellaneous	1,022		1,022
Office Expense	12,833		12,833
Outside Services	1,667		1,667
Pension & Profit Sharing <sup>7</sup>	15,068	(12,054)	3,014
Professional Fees	5,310		5,310
Promotion & Advertising <sup>8</sup>	19,265	(10,000)	9,265
Rent	82,800		82,800
Repairs & Maintenance <sup>9</sup>	38,514	(30,000)	8,514
Salaries & Wages <sup>10</sup>	337,760	(39,000)	298,760
Salary-Officer <sup>11</sup>	183,618	(183,618)	0
Supplies	2,627		2,627
Taxes & Licenses	48,651		48,651
Telephone <sup>12</sup>	10,126	(4,800)	5,326
Travel <sup>13</sup>	15,188	(15,188)	0
Utilities <sup>14</sup>	8,499	(2,000)	6,499
<b>TOTAL EXPENSES</b>	<b>1,069,150</b>		
<b>TOTAL ADJUSTMENTS</b>		<b>(358,463)</b>	
<b>TOTAL ADJUSTED EXPENSES</b>			<b>710,687</b>
<b>NET PROFIT</b>	<b>75,956</b>		<b>434,419</b>
<b>ADJUSTED NET PROFIT</b>			<b>434,419</b>

**NOTES**

- 1.) Automobile: Considered of personal benefit to the owner.
- 2.) Dental Supplies: Considered high for industry. Adjusted to normalized dental supply costs, estimated @ 6-7% of gross collections.
- 3.) Depreciation: Considered a non-cash expense.
- 4.) Insurance: Adjustment of \$10,000 for Seller's portion of Medical Insurance. Considered of personal benefit to the owner.
- 5.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice.
- 6.) Meals and Entertainment: Considered of personal benefit to the owner.
- 7.) Pension & Profit Sharing: Adjustment of \$12,054 represents Seller's portion, considered of personal benefit to the owner.
- 8.) Promotion & Advertising: Adjusted to normalize. Considered discretionary expense.
- 9.) Repairs & Maintenance: Adjusted for non-recurring expense
- 10.) Salaries & Wages: Adjustment of \$39,000 represents estimated salary paid to family member working in the practice, whose position may not be replaced by new Owner/Buyer.
- 11.) Salary-Officer: Considered of personal benefit to the owner.
- 12.) Telephone: Considered of personal benefit to the owner.
- 13.) Travel: Considered of personal benefit to the owner.
- 14.) Utilities: Considered of personal benefit to the owner.

**\*\*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.**