

PROFORMA INCOME STATEMENT

PRACTICE #CN-184

	Year end 2012	Adjustments	Proforma
Gross Receipts	1,044,938		1,044,938
Less Returns and Allowances	(4,625)		(4,625)
Net Receipts	1,040,313		1,040,313
Expenses:			
Accounting	1,350		1,350
Advertising	5,232		5,232
Automobile ¹	3,454	(3,454)	0
Bank Charges	7,433		7,433
Continuing Education ²	3,493	(1,000)	2,493
Dental Supplies	60,394		60,394
Depreciation ³	27,525	(27,525)	0
Dues & Subscriptions	2,631		2,631
Employee Benefit Programs	12,246		12,246
Gardening & Landscaping	3,850		3,850
Insurance	13,775		13,775
Interest Expense ⁴	5,420	(5,420)	0
Janitorial Services	3,995		3,995
Laboratory	69,240		69,240
Meals & Entertainment ⁵	477	(477)	0
Miscellaneous	1,992		1,992
Office Expense	13,851		13,851
Pension Administration	2,183		2,183
Pension and Profit-Sharing Plans	12,453		12,453
Postage	4,103		4,103
Promotion	1,758		1,758
Rent ⁶		30,000	30,000
Repairs & Maintenance	16,013		16,013
Staff Meeting Meals	2,360		2,360
Supplies	6,308		6,308
Taxes and Licenses	21,022		21,022
Telephone	11,890		11,890
Travel ⁷	40	(40)	0
Uniforms	7,932		7,932
Utilities	7,462		7,462
Wages ⁸	332,389	(35,000)	297,389
TOTAL EXPENSES	662,271		
TOTAL ADJUSTMENTS		(42,916)	
TOTAL ADJUSTED EXPENSES			619,355
NET PROFIT	378,042		420,958
ADJUSTED NET PROFIT			420,958
NOTES			
1.) Automobile: Considered of personal benefit to the owner. 2.) Continuing Education: Considered of personal benefit to the owner. 3.) Depreciation: Considered a non-cash expense. 4.) Interest Expense: Assume Debt-Free. A new doctor will have his/her own debt structure as it pertains to the purchase of the practice. 5.) Meals and Entertainment: Considered of personal benefit to the owner. 6.) Rent: Seller owns building. Assuming new Buyer purchases building estimated at \$500,000* *subject to appraisal and assume Down Payment of \$75,000 (which is \$425,000 less 15% down payment). Adjusted rent to reflect annualised amortized mortgage payments, calculated at 5% of principal loan. 7.) Travel: Considered of personal benefit to the owner. 8.) Wages: Adjustment reflects estimated salary paid to Seller's spouse. Considered a non recurring expense. **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.			