

PROFORMA INCOME STATEMENT

PRACTICE #J-1009

Profit & Loss 2009	Year End 2009	Adjustments	Proforma
Dr. Receipts	542,776		542,776
Less Returns	(5,224)		(5,224)
Bank Reversal ¹	319	(319)	-
Hygiene	333,278		333,278
TOTAL INCOME	871,149	(319)	870,830
Rentals - Atwood: Lawn Care ²	3,345	(3,345)	-
Retirement Admin ³	9,505	(9,505)	-
Employee Retirement	2,888		2,888
Call Service	145		145
Computer Hardware	165		165
Staff Education	1,133		1,133
Laundry	2,478		2,478
Advertising & Promotion	6,713		6,713
Automobile Expense ⁴	1,521	(1,521)	-
Bank Service Charges	6,217		6,217
Cleaning	10,739		10,739
Contract Labor	2,040		2,040
Contributions	5,234		5,234
Dues & Subscriptions	5,850		5,850
Property Insurance	3,396		3,396
Life Insurance ⁵	3,308	(3,308)	-
Disability Insurance ⁵	2,064	(2,064)	-
Liability Insurance	2,215		2,215
Workers Comp Insurance	4,244		4,244
Interest ⁶	40	(40)	-
Laboratory Fees	32,196		32,196
Office	8,483		8,483
Wages	236,728		236,728
Payroll Taxes	18,570		18,570
Postage & Delivery	739		739
Professional Development ⁷	2,501	(1,001)	1,500
Professional Fees: Accounting	3,555		3,555
Building Repairs	16,889		16,889
Computer Repairs	608		608
Equipment Repairs	398		398
Repairs: Other	623		623
Rent ⁸	30,123	(2,523)	27,600
Supplies	75,407		75,407
Property Tax	4,390		4,390
Telephone	3,175		3,175
Utilities	7,217		7,217
Amortization Expense ⁹	23,600	(23,600)	-
Depreciation ⁹	2,386	614	3,000
Miscellaneous ¹⁰	(927)	927	-
TOTAL EXPENSES	539,902		
TOTAL ADJUSTMENTS		(45,365)	
TOTAL ADJUSTED EXPENSES			494,537
NET PROFIT	331,247		376,292
ADJUSTED NET PROFIT			376,292

Notes:

Hygiene figures from reports provided by Seller.

- 1.) Bank Reversal: Non-Dental Income.
- 2.) Rentals - Atwood: Consider of personal benefit to Owner, will not be assumed by Buyer.
- 3.) Retirement Admin: Considered of personal benefit to Owner/Doctor.
- 4.) Automobile Expense: Considered of personal benefit to Owner/Doctor.
- 5.) Life & Disability Insurances: Considered of personal benefit to Owner/Doctor.
- 6.) Interest: Assume Debt Free. A new doctor will have his/her own debt structure.
- 7.) Professional Development: Considered of personal benefit to Owner/Doctor.
- 8.) Rent: The amount shown 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 fees.
- 9.) Amortization/Depreciation: To depreciate an asset represents a tax advantage for the purchaser and is not an operating expense of the practice. An adjustment for depreciation is made, leaving a fund for replacement of any hard assets/equipment.
- 10.) Miscellaneous: 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.**