

CONFIDENTIAL BUSINESS PROFILE

21407JD High Volume Lab Management and Consulting Firm



Presented by: Pacific Reliance Medical Business Brokers

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Description of Business:

Established in 1988, this business started its journey as a laboratory supply company. In 1999 they decided to branch out into laboratory management services, making it one of the early pioneers in the clinical laboratory services industry. This company provides Complete Lab Care (CLC) under which it provides analyzers, supplies, lab personnel, testing products, training, administration support, technical support, management and compliance assistance for one monthly fee based on production report and work performed at the Physician Office Laboratories (POLs). It is a win-win situation for both, Physician office group and firm. For the labs they are allowed to expand their services while maintaining regulatory compliance and making additional profits by not have to worry about running their labs. For the firm, it provides growth in a niche market and an area where it enjoys high margins, limited competition, and a large potential market.

Gaining trust in the industry quickly led to gaining a solid reputation for quality and expert services in this field. They have become well known for supporting laboratories specializing in clinical chemistry, immunology, hematology, toxicology, and most recently genomics. The company now has over 30 years of providing expert knowledge and unparalleled support for laboratories especially for those specializing in clinical chemistry, immunology, hematology, toxicology, and most recently genomics.

Clients consist of Physician Office Labs (POL's), group practices and small independent laboratories with 80+ active LONG-TERM (5+ years) contracts that spread across the state of California and Midwest United States. These labs are inspected and accredited by CLIA. Operations has ability to grow nationally. The office is located in the Los Angeles County, California and has the flexibility to move.

Highlights

- Infrastructure is ready for **nationwide** laboratory management services
- Stable lab and admin staff
- Major agreements with key manufacturers
- Distribution agreement with key suppliers
- Excellent references available from current customers who are well respected in the healthcare industry
- Experts in the field of Lab consultation
- High margins, and high growth
- Long-term contracts ensure recording revenue and with most being auto renewals
- Relocatable – this can be operated anywhere
- Large potential market of over 300,000 laboratories in the United States
- Limited competition



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Revenues are generated from 2 main avenues:

1. **LAB CONSULTING AND MANAGEMENT**
2. **PRODUCT SALES**- lab supplies, reagents, Laboratory Instruments, etc.

Product/ Service	Sales %
Laboratory Consulting and Management	70%
Laboratory Product Sales	30%

A. LAB CONSULTING, SET UP AND MANAGEMENT

What makes this lab consulting firm unique is their specialized services and their distinctive business model, which differentiates it among its limited competitors. Medical labs serve a necessary part in the medical field and will become even more vital in the years to come.

The company makes lab setup, operations, and the review process easy with a cost-effective fee structure and an efficient business model. This provides a full turnkey operation. A team of 11 employees use their expertise to leverage the work of laboratory needs in the most optimal fashion while tailoring needs to help physicians increase revenues. This requires a special skillset in such a niche market. With decades of experience, this lab consulting firm offers services and resources to the 3 highest growth potential testing specialties.

1. **Routine testing/general chemistry:** Routine testing has become a staple in the health services industry. Although commonly found, an outstanding routine testing laboratory is still hard to come across let alone build/maintain. Only with true hands on experience and intimate knowledge of the particular needs of the clinical market can one succeed in building such a facility.
2. **Urine Toxicology:** The number of Urine Toxicology laboratories in the U.S. has grown substantially in the last several years. Two key realizations by the industry has driven that growth. First is the acceptance that drug metabolism testing is a true asset to the regular day-to-day practice of medicine, contributing to the improvement of the safety and improvement of the lives of patients. Second is that it can be used to confirm a number of commonly misinterpreted clinical symptoms, from drug abuse to overdose; confirmation testing is now easier and more powerful than ever.
3. **Genomics:** This company offers a number of services in meeting the needs of the new and growing Molecular Genetics Laboratory, from infectious disease to women's health and other special applications.

Supported Tests:

A team of experts and seasoned professionals at this consulting lab pride themselves in research and implementation of their products and services. They are extremely selective and proudly support these tests, making sure that they are of highest quality.

- Chemistry
- Immunoassays
- Hematology
- Infectious disease
- Toxicology
- Specialty Testing

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Laboratory Management

The company assumes key responsibilities to create a sound infrastructure for the laboratory. It facilitates and manages all set up operations, including but not limited to the following:

- Layout & Design
- Customized Testing Menu
- Equipment & LIS Selection
- Installation & Validation
- Service & Maintenance
- CLIA & Lab Accreditation

Operations Management

The company manages day to day operations of the laboratory with focus on providing reliable results and overall growth of the laboratory.

- Personnel & Training
- Workflow Management
- Growth
- Communications
- Reimbursement Evaluations
- Administration
- All regents and supplies
- Instrument maintenance and service

Regulatory Compliance

The company keeps laboratory up to COLA, CLIA, & OSHA regulatory guidelines to ensure Good Laboratory Practice.

- CLIA, COLA, & OSHA Compliance
- Customized Manuals
- Quality Assurance
- Procedures & Policies
- Technical Consultation
- On-Site Inspection Preparation
- CPT Billing Assistance
- Proficiency Testing
- Calibration Verifications

Many aspects make this a highly desirable business on the market today. Long term contracts with a loyal base of clients that refer services provides a strong recurring stream of revenue.

Lab management services have high gross and EBITDA margins (66% and 28% respectively in 2020). This makes this type of business recession proof.



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B. LAB PRODUCT SALES

The company provides the labs with most common needed reagents, consumables, and equipment. It supplies products from 50+ different vendors. The products include equipment, reagents and basic lab supplies.

Clinical Chemistry	Hematology
Immunoassays	Immunology
Rapid Tests and CLIA waived Products	Infectious Disease Testing
Reagents and Consumables	Toxicology
Specimen Collection Supplies	Genomics

- Lab product: over 500+ items 30-35% profit margin, sourced in U.S
- 35% of products are drop shipped
- There is about \$120,000 - \$150,000 worth of inventory being held at a time
- Inventory turnover is on a monthly basis
- Company does own billing and can do employee management
- 50%-60% of inventory is refrigerated
- UPS and courier service for delivery

General Lab Supplies:

A one stop shop of for all your laboratory needs

- Specimen collection supplies
- Lab consumable supplies
- Laboratory reagents
 - Chemistry
 - Immunoassays
 - Serology/ Immunology
 - Hematology
 - Toxicology
 - Genomics
- Rapid diagnostic kits
- Laboratory testing equipment
- Lab support equipment
- General lab supplies



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Employee/personnel:

Operation consists of 11 highly skilled employees that are experts in their field as well as 2 Independent Contractors. Employee turnover is low and majority of employees have been with company for 5+ years.

Title/Position	Years with Company	Duties/Responsibilities	PT/FT/IC	Wages
Lab Operations Manager	8	Overall operations of all management accounts	FT	\$80,000
Clinical Lab Scientist/ Consultant	5	CLIA Compliance, lab personnel supervisor Lab testing supervision	FT	\$115,000
Lab Testing Personnel (5 People)	4	Performing lab testing	FT	\$22-35/hr
Purchasing Manager	7	Purchase orders, inventory, management, billing	FT	\$30/hr
Warehouse	8	Shipping / Receiving, So processing	FT	\$20/hr
CEO Assistant	10	Payroll, HR, AR,AP, general office	FT	\$27/hr
Lab Consultant	4	Laboratory Consulting	FT	Varies

Employee Benefits and Bonuses:

- 2 weeks of vacation after 1 year of service
- 3 weeks of vacation after 5 years of service
- 4 sick days per year
- \$150 medical insurance allowance per month

Ownership Info: The business ownership is an S-corporation. Buyer should have some understanding of the medical diagnostic industry in order to be successful. Owner is retiring and has other commitments.

Current Owners	Years owned	% Owned	Hours & Days/Week	Primary Duties
1	30	50%	30-40	Administrative Management
2	30	50%	-	-



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Clientele

Customer Type	Description	%
Small independent labs		25%
POL's	Physician office labs	75%

- 80+ active clients
- Lab agreements generally are 3-5 years with autorenewals
- Heavily referral based

Channel Distribution

Firm has created strategic partnerships with many of the largest manufacturers in the world to provide a "Best Fit" solution on your laboratory needs based on performance, cost and volume.

- Analyzer & Related Equipment
- Reagents
- Consumables
- General Laboratory Supplies
- Point of Care Products
- EMR & LIS

Facility

LEASED

- Rent: **\$3200**
- Office building consists of about **3100** square feet
 - 50% Office
 - 50% Warehouse
- Both office and warehouse have room for expansion
- Office can be moved
- Recently added walk-in fridge
- 1 block away from a major freeway
- Year to year lease



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Historical Revenues

(Financials extracted from seller provided tax returns and profit & loss statements. Buyer to confirm all numbers and advised to hire CPA to review all financials)

	2018	2019	2020	YTD as of August 31
Annual Revenue	2,831,839	3,378,090	3,445,001	2,239,946
Sellers Discretionary Earnings (SDE)	488,208	801,617	954,502	526,403

This business comes debt free to the client, comes with an experienced team, good recurring revenues with high margins, and excellent growth potential.
See attached ytd profit and loss statement provided by seller.

Hours of operations

Monday through Friday
8am-6pm

Growth Prospects

There are more than 309,914 clinical labs in the United States. About 128,651 (over 42%) of these labs are physician Office Labs (POLs). Others include hospital-based labs (about 3%), independent labs (about 3%), and other labs (52%) that includes a variety of labs in urgent care centers, nursing homes, ambulatory centers, community health center, etc.

There are about 16,000 moderate and high complexity POLs, and all these labs are potential customers for this lab consulting company. By outsourcing the lab management to this firm, the practice can focus on patients and the lab can run efficiently and have stronger chance for increases in revenue and cost can be controlled. The monthly fees are comparable for overall cost of running POL's.

At the moment this firm manages labs mainly in the metro LA area, but have recently signed lab management agreements in Texas and Central California. The Lab Management division is very profitable and has excellent reputation. This model can be applied to other geographies as well.

More recently the company has been offering to set up and run Turn-key CLIA / CAP / COLA accredited Reference Laboratories with on-going support. Although they have set up some such labs, all their management clients currently are POLs/ There is a strong demand currently of labs, genetic testing and drug testing (toxicology labs).

Initially, it seemed like a good idea to have both, as it felt that the distribution business will grow in lockstep with the management business. Since the last 3 years, the company has focused



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much more efforts on the management side of the business and efforts are bearing fruit. With additional growth, they will continue to go higher. The distribution business can also bring substantial revenue with focus on marketing and sales.

Marketing Potential

Most marketing is referred or word of mouth. No marketing activities are currently being done. A new buyer can easily increase revenues by:

- Hiring an outside sales force.
- Creating e-blast and e-mail marketing to existing clients.
- Advertise **NATIONALLY** as this business is duplicable and scalable. Policies and procedures are in place.
- Cross marketing with various medical based companies.
- Adding Molecular testing (in process of)
- Add more toxicology testing
- Rapid diagnostic kits
- Expand services to more states across the nation
- Becoming a member of AACC and anything clinical laboratory related.

For additional information, please contact Jerry Diza at Info@PacificRB.com or call (949) 427-0304

Lab Mgmt Consult Co.
Profit & Loss
January through August 2021

	Jan - Aug 21
Ordinary Income/Expense	
Income	
410000 · Sales	
4100090 · Product	
4100091 · Equipment	31,300.00
4100093 · Consumables	4,560.00
4100095 · Reagents & Supplies	13,981.49
4100096 · Other	-681.10
410040 · Customer Freight	18,763.19
4100090 · Product - Other	534,237.86
Total 4100090 · Product	602,161.44
Total 410000 · Sales	602,161.44
4100100 · Management & Consultation	
410010 · Management	1,611,586.81
410030 · Consultation & Support	125,843.39
410080 · Discounts	-99,645.39
Total 4100100 · Management & Consultation	1,637,784.81
Total Income	2,239,946.25
Cost of Goods Sold	
Cost of Goods Sold	87,275.55
Management	
511010 · Cost of sales-use tax	41,708.52
520010 · Internal Use	409,218.77
520020 · Internal Use BioFire	26,272.65
Total Management	477,199.94
Product	
510000 · Cost of Sales-Product	433,494.98
511005 · COGS-Shipping	17,539.52
520000 · Inventory adjustment	-41,905.41
Total Product	409,129.09
Total COGS	973,604.58
Gross Profit	1,266,341.67
Expense	
611000 · Advertising & Promotion	906.90
612000 · Automobile Expense	
612001 · Officer	34,404.53
612020 · Service	10,186.09
Total 612000 · Automobile Expense	44,590.62
6130 · Cash Discounts	-11.79
614000 · Bank Service Charges	27,037.10
615000 · Cleaning & Maintenance	1,133.35
619000 · Dues and Subscriptions	10,749.13
620000 · Freight	
620001 · Inbound Freight	5,366.26
620002 · Outbound Freight	19,823.21

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Profit & Loss
January through August 2021

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	<u>Jan - Aug 21</u>
620000 · Freight - Other	-124.00
Total 620000 · Freight	25,065.47
621000 · Insurance	
621001 · Liability Insurance	9,056.68
621002 · Medical	12,404.10
621005 · Disability Insurance	2,747.15
621000 · Insurance - Other	12,564.78
Total 621000 · Insurance	36,772.71
622000 · Lab Management & Support	157,397.47
622300 · Initial Lab Setup Expense	26,947.18
622500 · Lab Management-Misc	11,400.00
622600 · Mgt Labor	272,753.98
623000 · Professional Fees	
623001 · Legal Fees	5,639.75
623002 · Accounting	7,041.64
623003 · Consulting	900.00
Total 623000 · Professional Fees	13,581.39
626000 · Miscellaneous	14.99
626001 · Donations	281.25
627000 · Office Supplies	8,124.29
628500 · Payroll Service Fee	2,213.16
630000 · Penalties & Fines	243.87
630001 · Late Fees	-178.99
633000 · Rent Expense	
633001 · Building	25,120.00
Total 633000 · Rent Expense	25,120.00
634000 · Repairs & Maintenance	
6310 · Building Repairs	1,382.32
6320 · Software & Support	3,516.97
6330 · Equipment Repairs	196.54
Total 634000 · Repairs & Maintenance	5,095.83
636000 · Salaries	
636001 · Officers	24,000.00
636002 · Office	103,652.06
636003 · Sales	88,400.00
Total 636000 · Salaries	216,052.06
640000 · Telephone	3,883.33
641000 · Travel & Ent	
641001 · Entertainment	77.41
Total 641000 · Travel & Ent	77.41
642000 · Utilities	
6400 · Gas and Electric	3,373.95
6410 · Water	70.90
642000 · Utilities - Other	3,008.68
Total 642000 · Utilities	6,453.53

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Profit & Loss
 January through August 2021

	Jan - Aug 21
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643000 · Warehouse supplies	1,096.00
644000 · Sales Promotion	3,977.59
6780 · Marketing	21,540.00
6880 · Taxes	
6810 · Payroll	41,009.82
6860 · State	15,357.49
Total 6880 · Taxes	56,367.31
690000 · Shipping and Handling	2,112.81
Void · Void	0.00
Total Expense	980,797.95
Net Ordinary Income	285,543.72
Other Income/Expense	
Other Income	
PPP Loan Forgiveness	129,710.00
7030 · Other Income	134.08
893000 · Finance Charge Income	146.44
Total Other Income	129,990.52
Net Other Income	129,990.52
Net Income	415,534.24

Recast	
Personal and 1 time expenses	
Officer Salary	24,000.00
Family Member Salary	88,400.00
Insurance-Medical	12,404.10
Insurance-Other	12,564.78
Initial Lab Setup Expense	26,947.18
Total Auto Expense	34,404.53
Legal Fees	5,639.75
Office Supplies	1,794.20
Payroll Taxes Officer	2,400.00
Payroll Taxes Family Member	8,840.00
PPP Loan Forgiveness	-129,710.00
Bad Debt Recovery	
Dues and Subscriptions	2,600.09
Lab Management and Support	5,207.00
Lab Management Misc	11,400.00
Mgmt Labor	
Sales Promotion	3,977.59
Total Recast	110,869.22
New Net Income	526,403.46
Gross Profit %	57%
New Net %	24%

Lab Mgmt Consult Co.
Profit & Loss
 January 2018 through December 2020

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 Accrual Basis

	Jan - Dec 18	Jan - Dec 19	Jan - Dec 20	TOTAL
Ordinary Income/Expense				
Income				
410000 · Sales				
4100090 · Product				
4100091 · Equipment	138,200.00	89,110.00	182,479.00	409,789.00
4100093 · Consumables	3,726.72	2,795.13	0.00	6,521.85
4100095 · Reagents & Supplies	34,589.83	32,043.98	17,418.79	84,052.60
4100096 · Other	4,140.38	39,084.97	2,836.35	46,061.70
410040 · Customer Freight	22,505.25	20,153.17	15,992.43	58,650.85
410070 · Refunds & returns	123.09	0.00	0.00	123.09
4100090 · Product - Other	574,387.36	578,681.96	701,298.34	1,854,367.66
Total 4100090 · Product	777,672.63	761,869.21	920,024.91	2,459,566.75
410000 · Sales - Other	0.00	0.00	1,078.48	1,078.48
Total 410000 · Sales	777,672.63	761,869.21	921,103.39	2,460,645.23
4100100 · Management & Consultation				
410010 · Management	1,804,241.58	2,494,942.05	2,430,411.79	6,729,595.42
410020 · Rental	4,502.37	3,080.46		7,582.83
410030 · Consultation & Support	248,234.43	230,175.62	208,715.30	687,125.35
410080 · Discounts	-2,822.10	-111,976.93	-115,229.05	-230,028.08
Total 4100100 · Management & Consultation	2,054,156.28	2,616,221.20	2,523,898.04	7,194,275.52
Total Income	2,831,828.91	3,378,090.41	3,445,001.43	9,654,920.75
Cost of Goods Sold				
Cost of Goods Sold	3,890.89	3,818.82	14,429.06	22,138.77
Management				
511010 · Cost of sales-use tax	41,953.25	73,826.91	68,390.81	184,170.97
520010 · Internal Use	674,276.19	825,207.72	790,880.62	2,290,364.53
Total Management	716,229.44	899,034.63	859,271.43	2,474,535.50
Product				
510000 · Cost of Sales-Product	535,955.96	551,017.34	593,127.39	1,680,100.69
511005 · COGS-Shipping	10,769.28	26,621.33	22,897.74	60,288.35
520000 · Inventory adjustment	54,966.58	9,174.79	-21,857.69	42,283.68
Product-Other			-97.80	
Total Product	601,691.82	586,813.46	594,069.64	1,782,574.92
Total COGS	1,321,812.15	1,489,666.91	1,467,770.13	4,279,249.19
Gross Profit	1,510,016.76	1,888,423.50	1,977,231.30	5,375,671.56
Expense				
611000 · Advertising & Promotion	1,238.32	1,404.65	2,843.87	5,486.84
612000 · Automobile Expense				
612001 · Officer	7,510.14	37,841.75	40,895.04	86,246.93
612002 · Sales	3,373.57	2,912.10	1,678.23	7,963.90

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 Accrual Basis

	Jan - Dec 18	Jan - Dec 19	Jan - Dec 20	TOTAL
612020 · Service	7,724.28	24,912.87	13,590.07	46,227.22
612000 · Automobile Expense - Other	982.19	1,347.34		2,329.53
Total 612000 · Automobile Expense	19,590.18	67,014.06	56,163.34	142,767.58
6140 · Contributions	0.00	250.00		250.00
614000 · Bank Service Charges	29,410.64	42,121.49	38,065.19	109,597.32
615000 · Cleaning & Maintenance	1,680.00	1,730.00	1,650.00	5,060.00
615500 · Commissions	4,000.00	4,500.00	5,000.00	13,500.00
615600 · Client Gifts	0.00	0.00	0.00	0.00
616700 · Consultation	1,522.00	4,754.08	0.00	6,276.08
618000 · Depreciation Expense	833.00	13,625.00	92,309.00	106,767.00
619000 · Dues and Subscriptions	5,309.38	11,153.62	11,839.43	28,302.43
620000 · Freight				0.00
620001 · Inbound Freight	23,547.70	19,763.16	13,811.55	57,122.41
620002 · Outbound Freight	27,291.64	24,168.13	23,223.35	74,683.12
620003 · Internal use freight	0.00	0.00	0.00	0.00
620000 · Freight - Other	0.00	5,052.81	1,060.58	6,113.39
Total 620000 · Freight	50,839.34	48,984.10	38,095.48	137,918.92
621000 · Insurance				
621001 · Liability Insurance	5,215.00	6,972.74	13,853.29	26,041.03
621002 · Medical	13,179.98	12,955.37	14,197.30	40,332.65
621004 · Work Comp	10,069.00	2,521.00	5,271.97	17,861.97
621005 · Disability Insurance	4,709.40	8,159.90	5,101.85	17,971.15
621000 · Insurance - Other	8,758.45	16,020.37	18,440.73	43,219.55
Total 621000 · Insurance	41,931.83	46,629.38	56,865.14	145,426.35
622000 · Lab Management & Support	177,018.13	224,505.59	217,081.49	618,605.21
622300 · Initial Lab Setup Expense	0.00	134,118.69	18,829.20	152,947.89
622500 · Lab Management-Misc	1,129.77	0.00	0.00	1,129.77
622550 · Moving Expenses	204.98	22,378.42	0.00	22,583.40
622600 · Mgt Labor	340,102.61	389,426.77	364,807.35	1,094,336.73
6230 · Licenses and Permits	3,845.00	849.00	440.20	5,134.20
623000 · Professional Fees				
623001 · Legal Fees	4,135.52	14,470.00	23,130.00	41,735.52
623002 · Legal & Accounting	16,302.50	8,290.00	10,025.00	34,617.50
623003 · Consulting	0.00	0.00	0.00	0.00
Total 623000 · Professional Fees	20,438.02	22,760.00	33,155.00	76,353.02
6250 · Postage and Delivery	678.85	519.05	521.55	1,719.45
626000 · Miscellaneous	2,965.35	-206.98	2,515.63	5,274.00
627000 · Office Supplies	9,674.21	22,333.90	18,934.71	50,942.82
628000 · Outside Services	21,000.00	28,194.00	627.90	49,821.90

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 Accrual Basis

	Jan - Dec 18	Jan - Dec 19	Jan - Dec 20	TOTAL
628500 · Payroll Service Fee	2,631.77	2,379.42	4,493.72	9,504.91
629500 · Pension expense	0.00	0.00	0.00	0.00
630000 · Penalties & Fines	1,271.61	692.38	210.53	2,174.52
630001 · Late Fees	2,145.85	0.00	0.00	2,145.85
633000 · Rent Expense				0.00
633001 · Building	55,596.00	39,356.00	36,990.00	131,942.00
633002 · Storage	0.00	33.48		33.48
Total 633000 · Rent Expense	55,596.00	39,389.48	36,990.00	131,975.48
634000 · Repairs & Maintenance				
6310 · Building Repairs	29.63	2.56		32.19
6320 · Software & Support	6,131.97	6,458.38	5,767.88	18,358.23
6330 · Equipment Repairs	1,423.37	1,414.61	8,517.99	11,355.97
634000 · Repairs & Maintenance - Other	199.15	0.00	0.00	199.15
Total 634000 · Repairs & Maintenance	7,784.12	7,875.55	14,285.87	29,945.54
634002 · Repairs & Maint Office	360.00	0.00	398.06	758.06
636000 · Salaries				
636001 · Officers	71,812.85	53,000.00	48,000.00	172,812.85
636002 · Office	169,320.70	192,244.19	148,857.87	510,422.76
636003 · Sales	123,273.20	124,800.00	123,350.00	371,423.20
636004 · Tech Service	0.00	0.00	0.00	0.00
636005 · Bonus	0.00	0.00	0.00	0.00
Total 636000 · Salaries	364,406.75	370,044.19	320,207.87	1,054,658.81
640000 · Telephone	13,901.21	14,445.34	8,643.62	36,990.17
641000 · Travel & Ent				
625000 · Meals	0.00	0.00	0.00	0.00
641002 · Tradeshow	0.00	0.00	0.00	0.00
641003 · Travel	8,267.64	5,027.96	1,800.11	15,095.71
641000 · Travel & Ent - Other	107.99	7,291.76	9,912.00	17,311.75
Total 641000 · Travel & Ent	8,375.63	12,319.72	11,712.11	32,407.46
642000 · Utilities				
6400 · Gas and Electric	6,524.70	5,137.32	5,453.28	17,115.30
6410 · Water	1,208.56	376.67	0.00	1,585.23
642000 · Utilities - Other	2,639.08	4,104.80	3,728.62	10,472.50
Total 642000 · Utilities	10,372.34	9,618.79	9,181.90	29,173.03
643000 · Warehouse supplies	3,309.63	3,150.68	3,701.00	10,161.31
644000 · Sales Promotion	11,766.31	7,020.17	10,637.28	29,423.76
6630 · Professional Development	0.00	0.00	0.00	0.00
6770 · Supplies				
6790 · Office	0.00	391.50	0.00	391.50

Lab Mgmt Consult Co.
Profit & Loss
 January 2018 through December 2020

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 04/14/2021
 Accrual Basis

	Jan - Dec 18	Jan - Dec 19	Jan - Dec 20	TOTAL
Total 6770 · Supplies	0.00	391.50	0.00	391.50
6780 · Marketing	1,193.40	3,279.00	28,344.00	32,816.40
6880 · Taxes				
6810 · Payroll	56,190.89	56,640.90	52,318.67	165,150.46
6840 · Local	332.63	308.86	0.00	641.49
6850 · Property	0.00	0.00	0.00	0.00
6860 · State	800.00	2,336.49	4,852.30	7,988.79
6880 · Taxes - Other	0.00	0.00	0.00	0.00
Total 6880 · Taxes	57,323.52	59,286.25	57,170.97	173,780.74
690000 · Shipping and Handling	8,576.12	4,105.09	3,269.37	15,950.58
912000 · Interest Expense				
912001 · Loan Interest	0.00	0.00	0.00	0.00
912000 · Interest Expense - Other	188.27	253.77	0.00	442.04
Total 912000 · Interest Expense	188.27	253.77	0.00	442.04
Void · Void	0.00	0.00	0.00	0.00
Total Expense	1,282,614.14	1,621,296.15	1,468,990.78	4,372,901.07
Net Ordinary Income	227,402.62	267,127.35	508,240.52	1,002,770.49
Other Income/Expense				
Other Income				
PPP Loan Forgiveness			170,467.00	170,467.00
7020 · Bad Debt Recovery			12,517.00	12,517.00
7010 · Interest Income	0.00	0.00	0.00	0.00
7030 · Other Income	300.19	476.11	2,094.99	2,871.29
893000 · Finance Charge Income	579.48	0.00	1,497.52	2,077.00
Total Other Income	879.67	476.11	186,576.51	187,932.29
Other Expense				
Ask My Accountant	0.00	0.00	0.00	0.00
600000 · Bad Debt	65,174.24	12,517.00	312.50	78,003.74
894000 · Other Expenses	171.00	0.00	2,035.37	2,206.37
Total Other Expense	65,345.24	12,517.00	2,347.87	80,210.11
Net Other Income	-64,465.57	-12,040.89	184,228.64	107,722.18
Net Income	162,937.05	255,086.46	692,469.16	1,110,492.67

Recast

Officer Salary	71,812.85	53,000.00	48,000.00	172,812.85
Family Member Salary	123,273.20	124,800.00	123,350.00	371,423.20
Insurance-Medical	13,179.98	12,955.37	14,197.30	40,332.65
Insurance-Other	8,758.45	16,020.37	18,440.73	43,219.55
Initial Lab Setup Expense	0.00	134,118.69	18,829.20	152,947.89

Lab Mgmt Consult Co.
Profit & Loss
 January 2018 through December 2020

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 Accrual Basis

	Jan - Dec 18	Jan - Dec 19	Jan - Dec 20	TOTAL
Total Auto Expense	11,865.90	42,101.19	42,573.27	96,540.36
Moving Expense	204.98	22,378.42	0.00	22,583.40
Travel	3,828.85	7,291.76	9,912.00	21,032.61
Legal Fees	4,135.52	14,470.00	23,130.00	41,735.52
Depreciation Expense	833.00	13,625.00	92,309.00	106,767.00
Lab Mgmt and Support	25,645.90	26,481.61	7,746.00	59,873.51
Mgmt Labor	25,246.90	36,760.00	10,144.42	72,151.32
Office Supplies	5,210.00	5,210.95	7,398.95	17,819.90
Payroll Taxes Officer	7,181.28	5,300.00	4,800.00	17,281.28
Payroll Taxes Family Member	12,327.32	12,480.00	12,335.00	37,142.32
Bad Debt Recovery	0.00	12,517.00	-12,517.00	0.00
Sales Promotion	11,766.31	7,020.17	8,563.07	27,349.55
Dues and Subscriptions	0	0	3,288.00	3,288.00
PPP Loan Forgiveness	0	0	-170,467.00	-170,467.00
Total Recast	325,270.44	546,530.53	262,032.94	1,133,833.91
New Net Income	488,207.49	801,616.99	954,502.10	2,244,326.58
Gross Profit %	53%	56%	57%	56%
New Net %	17.24%	23.73%	27.71%	23.25%

Lab Mgmt Consult Co.
Profit & Loss
 January 2018 through December 2020

Ordinary Income/Expense

Income

410000 · Sales
 4100090 · Product
 4100091 · Equipment
 4100093 · Consumables
 4100095 · Reagents & Supplies
 4100096 · Other
 410040 · Customer Freight
 410070 · Refunds & returns
 4100090 · Product - Other

Total 4100090 · Product

410000 · Sales - Other

Total 410000 · Sales

4100100 · Management & Consultation
 410010 · Management
 410020 · Rental
 410030 · Consultation & Support
 410080 · Discounts

Total 4100100 · Management & Consultation

Total Income

Cost of Goods Sold

Cost of Goods Sold
 Management
 511010 · Cost of sales-use tax
 520010 · Internal Use

Total Management

Product

510000 · Cost of Sales-Product
 511005 · COGS-Shipping
 520000 · Inventory adjustment
 Product-Other

Total Product

Total COGS

Gross Profit

Expense

611000 · Advertising & Promotion
 612000 · Automobile Expense
 612001 · Officer
 612002 · Sales

\$

Lab Mgmt Consult Co.
Profit & Loss
January 2018 through December 2020

612020 · Service

612000 · Automobile Expense - Other

Total 612000 · Automobile Expense

6140 · Contributions

614000 · Bank Service Charges

615000 · Cleaning & Maintenance

615500 · Commissions

615600 · Client Gifts

616700 · Consultation

618000 · Depreciation Expense

619000 · Dues and Subscriptions

620000 · Freight

620001 · Inbound Freight

620002 · Outbound Freight

620003 · Internal use freight

620000 · Freight - Other

Total 620000 · Freight

621000 · Insurance

621001 · Liability Insurance

621002 · Medical

621004 · Work Comp

621005 · Disability Insurance

621000 · Insurance - Other

Total 621000 · Insurance

622000 · Lab Management & Support

622300 · Initial Lab Setup Expense

622500 · Lab Management-Misc

622550 · Moving Expenses

622600 · Mgt Labor

6230 · Licenses and Permits

623000 · Professional Fees

623001 · Legal Fees

623002 · Legal & Accounting

623003 · Consulting

Total 623000 · Professional Fees

6250 · Postage and Delivery

626000 · Miscellaneous

627000 · Office Supplies

628000 · Outside Services

Lab Mgmt Consult Co.
Profit & Loss
January 2018 through December 2020

628500 · Payroll Service Fee

629500 · Pension expense

630000 · Penalties & Fines

630001 · Late Fees

633000 · Rent Expense

633001 · Building

633002 · Storage

Total 633000 · Rent Expense

634000 · Repairs & Maintenance

6310 · Building Repairs

6320 · Software & Support

6330 · Equipment Repairs

634000 · Repairs & Maintenance - Other

Total 634000 · Repairs & Maintenance

634002 · Repairs & Maint Office

636000 · Salaries

636001 · Officers

636002 · Office

636003 · Sales

636004 · Tech Service

636005 · Bonus

Total 636000 · Salaries

640000 · Telephone

641000 · Travel & Ent

625000 · Meals

641002 · Tradeshow

641003 · Travel

641000 · Travel & Ent - Other

Total 641000 · Travel & Ent

642000 · Utilities

6400 · Gas and Electric

6410 · Water

642000 · Utilities - Other

Total 642000 · Utilities

643000 · Warehouse supplies

644000 · Sales Promotion

6630 · Professional Development

6770 · Supplies

6790 · Office

Lab Mgmt Consult Co.
Profit & Loss
January 2018 through December 2020

Total 6770 · Supplies

6780 · Marketing

6880 · Taxes

6810 · Payroll

6840 · Local

6850 · Property

6860 · State

6880 · Taxes - Other

Total 6880 · Taxes

690000 · Shipping and Handling

912000 · Interest Expense

912001 · Loan Interest

912000 · Interest Expense - Other

Total 912000 · Interest Expense

Void · Void

Total Expense

Net Ordinary Income

Other Income/Expense

Other Income

PPP Loan Forgiveness

7020 · Bad Debt Recovery

7010 · Interest Income

7030 · Other Income

893000 · Finance Charge Income

Total Other Income

Other Expense

Ask My Accountant

600000 · Bad Debt

894000 · Other Expenses

Total Other Expense

Net Other Income

Net Income

Recast

Officer Salary

Family Member Salary

Insurance-Medical

Insurance-Other

Initial Lab Setup Expense

Lab Mgmt Consult Co.
Profit & Loss
January 2018 through December 2020

Total Auto Expense
Moving Expense
Travel
Legal Fees
Depreciation Expense
Lab Mgmt and Support
Mgmt Labor
Office Supplies
Payroll Taxes Officer
Payroll Taxes Family Member
Bad Debt Recovery
Sales Promotion
Dues and Subscriptions
PPP Loan Forgiveness

Total Recast

New Net Income

Gross Profit %
New Net %