

Dental Acquisition Risk Scorecard

Use this scorecard to identify hidden risks before signing an LOI or closing on a dental practice acquisition. Mark Yes, No, or Unsure for each question. Any 'No' or 'Unsure' response represents potential risk.

Seller Dependency

1. Can the seller be economically replaced by an associate?

Yes No Unsure

2. Does more than 25% of production depend on the seller?

Yes No Unsure

3. Are key referrals tied personally to the seller?

Yes No Unsure

4. Are systems documented beyond the seller's habits?

Yes No Unsure

Financial Reality

5. Has owner compensation been normalized?

Yes No Unsure

6. Does projected income include realistic staffing costs?

Yes No Unsure

7. Have add-backs been independently verified?

Yes No Unsure

8. Do you understand monthly (not annual) cash flow?

Yes No Unsure

Staffing & Operations

9. Is staff cost under 30–32% of collections?

Yes No Unsure

This scorecard is for educational purposes only and does not replace professional due diligence.

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10. Could the practice operate if a key staff member quit?

Yes No Unsure

11. Are roles clearly defined and redundant where needed?

Yes No Unsure

12. Is hygiene fully utilized based on capacity?

Yes No Unsure

Cash Flow & Timing

13. Can the practice survive the lowest collection month?

Yes No Unsure

14. Is working capital included at close?

Yes No Unsure

15. Do payroll and loan payments overlap tightly?

Yes No Unsure

16. Have you stress-tested a 10–15% drop in collections?

Yes No Unsure

Growth & Reality Check

17. Is growth required for the deal to work?

Yes No Unsure

18. Are you assuming systems will be fixed immediately?

Yes No Unsure

19. Have you budgeted for post-close support?

Yes No Unsure

20. Would you still buy this deal if income was 15% lower?

Yes No Unsure