

INFORMATION CHECKLIST FOR BUSINESS OR COMPANY VALUATION & DISPOSAL

This checklist outlines most of the information needed to compile a business sale file.

- You do not need to collate all of this for a preliminary discussion although we shall need to see at least the last 2 years accounts plus current sales figures or management accounts.
- We suggest that information is kept as up to date as possible.
- Some information may not be applicable.
- Items in **bold** are/or may be compulsory in law.

		Tick
1	Copies of last 3-5 years accounts (Full Financial Statements) including latest accounting year	
2	Copies of your most recent management accounts plus a breakdown of the last 24 months turnover (month by month) and (where appropriate or practical) customer by customer	
3	Inventory of machinery, IT, equipment and vehicles indicating any HP, contract hire, finance, lease or loan arrangements.	
4	For E-Commerce or Web Businesses – Details of web traffic, size of customer/subscriber database, Google Analytics	
5	Staff schedule. Unless you have individual permission this must be completely anonymous under GDPR legislation.	
6	Customer List (this will not be divulged without express permission) or an anonymised breakdown of the type of customers you service. Consider GDPR when compiling this data.	
7	Value/Breakdown of Current Order Book / Ongoing Contracts	
8	Details of licences in respect of goods or services	
9	Details of any professional or trade memberships e.g. NICEIC, REC, etc. or approvals (e.g. ISO 9002, UKAS etc)	
10	Details of intellectual property such as patents, trademarks, copyrights etc. (if any). Also details of website(s) and any domain names held.	
11	Any specific supply contracts	
12	Copy of any marketing literature, price lists, website address	
13	Summary of Lease(s) / Rent / Rates / Maintenance Charges	
14	Plan / Photographs of Premises. Valuation (if Freehold)	
15	List of any charges on property or equipment	
16	Details of any current legal claims or disputes for or against the business	

BUSINESS SALE CHECKLIST. ARE YOU READY TO SELL?

This checklist is an aide-memoire to assist you in determining your business's readiness for sale. It is not exhaustive but paying attention to much of the following before marketing your business will assist in the following key areas:

- *Getting the best price*
- *Showing the buyer you are serious*
- *Preparation for due diligence once an offer is received/accepted*
- *Keeping negotiations smooth, on-track and as stress-free as possible*
- *Providing no excuses for the buyer to try and renegotiate the price.*

			Tick
R1	Annual Accounts	Should be clear and produced as soon as possible after your Year End	
R2	Management Accounts	Recent management accounts should always be available as soon as possible after each month end – these should include Profit & Loss and Balance Sheet – Sage / Xero / Quickbooks etc. Reports are ideal	
R3	Associated Companies	Do you own or operate any other businesses? Are there any inter-company loans or cross-trading arrangements which need to be considered?	
R4	Licences/Approvals	Are ALL licencing requirements in place and up to date? e.g. Waste Licencing, WEEE, Import/Export Licences, Software Licencing	
R5	Intellectual Property	If you have patents, copyrights, domain names etc. are they available and up to date. Will they need renewing during the sale process?	
R6	Customer Contracts (1)	Review all contracts. Do you need to renew any? Would any of them be a burden to a sale e.g. onerous lease terms etc?	
R7	Customer Contracts (2)	Do you have customer contracts? Can you secure any customer business on a contractual basis?	
R8	Supplier Contracts	Include the obvious but remember any obscure supplier contracts e.g. washroom towels, telephone maintenance, any "special" deals with suppliers.	
R9	Staff Contracts (1)	Do all staff have Employment Contracts? Are they fully compliant?	
R10	Staff Contracts (2)	Do any part-time or self-employed staff contracts need to be reviewed or amended? Are there any potential issues with e.g. the status of any self-employed staff – should they be PAYE?	
R11	Staff Contracts (3)	Any foreign staff employed? Do contracts follow Home Office guidelines?	
R12	Staff Contracts (4)	Are you fully up to date with Workplace Pensions requirements?	
R13	Literature/Website	Is it up to date and compliant with any appropriate current legislation?	
R14	Fixtures and Fittings	What is included in the sale? How does the balance sheet valuation compare to the REAL value of your Fixed Assets? e.g. equipment, machinery, vehicles ...	
R15	Staff	Are there any staff issues? e.g. ongoing disputes, pay negotiations or reviews, pending promotions, vacancies etc.	
R16	Insurance	Do you have all company insurances in place? Employers Liability, Public Liability, Product Liability, Professional Indemnity, Vehicle or Fleet Insurance, Buildings Insurance, Keyman Cover, etc.	
R17	Premises (1)	Have you got an up to date copy of the lease? Have you read it? What are your obligations regarding the lease if you dispose of your business?	
R18	Premises (2)	Do your premises comply with Health and Safety Regulations, Building Regulations, Landlords requirements – have you had an Asbestos Survey, or Fire Safety Check? Does your premises need an EPC (Energy Performance Certificate)?	
R19	Premises (3)	If freehold, do you have a current valuation? Is the property owned within, or outside, the company?	
R20	Customers	How is your customer base spread? Is 80% of your business with one customer? How strong is your customer's business?	
R21	Disclosure	Is there ANYTHING which could jump up and bite you when you are in the 11 th hour of negotiations? For example: e.g. potential loss of a major customer, key member of staff resignation, turnover/profitability noticeably down on previous years	

Any questions? Please call 01264 891035 or email keith@andersonmoore.co.uk