

INFORMATION COLLATION CHECKLIST

BUSINESS VALUATION & DISPOSAL

This checklist outlines most of the information you may need to sell your business.

	Tick
Copies of last 3 years accounts (Including latest accounting year)	
Copies of your most recent management accounts plus a breakdown of the last 24 months turnover (month by month) and (where practical) customer by customer	
Inventory of machinery, equipment and vehicles indicating any HP, contract hire, finance or loan arrangements	
Staff schedule with positions, length of service, ages and Salaries, include owners, indicate key staff and any vacancies	
Customer List (this will not be divulged without express permission)	
Value/Breakdown of Current Order Book / Ongoing Contracts	
Details of licences in respect of goods or services	
Details of any professional or trade memberships e.g. NICEIC, REC, etc. or approvals (e.g. ISO 9002, Investors in People etc)	
Details of e.g. patents, trademarks, copyrights etc.	
Any specific supply contracts	
Copy of any marketing literature, price lists, website address	
Copy of any lease on equipment and/or vehicles	
Summary of Lease(s) / Rent / Rates / Maintenance Charges	
Plan / Photographs / Valuation (if Freehold)	
List of any charges on property or equipment	
Details of any current legal claims or disputes by, for or against the business	

The information must be as up to date as possible. Some information may not be applicable.

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 our experience is that paying attention to much of the following prior to marketing your business will assist in the following key areas:

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

		Tick
Annual Accounts	Should be clear and produced within as short a time as possible after your Year End	
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 Reports are ideal	
Licences/Approvals	Are ALL licencing requirements in place and up to date? e.g. Waste Licencing, WEEE, Import/Export Licences, Software Licencing	
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?	
Contracts (1)	Review all contracts. Would any of them be a burden to a sale e.g. onerous lease terms etc?	
Contracts (2)	Do you have customer contracts? Can you secure any customer business on a contractual basis?	
Contracts (3)	Remember any obscure contracts e.g. washroom towels, telephone maintenance, any "special" deals with suppliers.	
Staff Contracts (1)	Do all staff have Employment Contracts? Are they fully compliant?	
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?	
Staff Contracts (3)	Are any foreign staff employed and do contracts follow all Home Office guidelines?	
Literature	Is it up to date and compliant with current legislation?	
Fixtures and Fittings	What is included in the sale? How does the balance sheet valuation compare to the REAL value of your Fixed Assets?	
Staff	Are there any staff issues? e.g. ongoing disputes, pay negotiations or reviews, pending promotions, vacancies etc.	
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.	
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?	
Premises (2)	Does your premises comply with Health and Safety Regulations, Building Regulations, Landlords requirements – have you had an Asbestos Survey, or Fire Safety Check? From 1 st October 2008 you may also need an Energy Performance Certificate (EPC).	
Customers	How is your customer base spread? Is 80% of your business with one customer? How strong is your customer's business?	

You may wish to list the regular current monthly expenses of the business
 Show any expected increases/decreases in overheads (e.g. Rent rises, Rates reviews
 etc.) and when these are due.

TYPICAL MONTHLY EXPENSES

Rent	£ _____
Rates	£ _____
Water rates	£ _____
Service Charges	£ _____
Salaries incl NIC.	£ _____
[Adj. True staff needed]	£ _____
Light/Heat/Power	£ _____
Motor [if needed]	£ _____
Depreciation/Capital item	£ _____
[cost to keep up to date?]	£ _____
Insurance	£ _____
Buildings Insurance	£ _____
Franchise Fees	£ _____
Telephone	£ _____
Accountancy	£ _____
Advertising	£ _____
Printing/Stationery	£ _____
Equipment/ Leases	£ _____
Credit Cards	£ _____
Sundries	£ _____
Bank Charges	£ _____
Other _____	£ _____
Other _____	£ _____
TOTAL EXPENSES	£ _____

SALES BREAKDOWN Month by Month

These are intended as a guide to the business' monthly turnover and a breakdown of customer sales.

FINANCIAL YEAR 2006-2007

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month 10	Month 11	Month 12
SALES												

FINANCIAL YEAR 2007-2008

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month 10	Month 11	Month 12
SALES												

FINANCIAL YEAR 2008-2009

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month 10	Month 11	Month 12
SALES												

FINANCIAL YEAR 2009-2010

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month 10	Month 11	Month 12
SALES												

ANNUAL SALES BREAKDOWN By Customer**FINANCIAL YEAR 2006-2007**

	Cust.1	Cust.2	Cust.3	Cust.4	Cust.5	Cust.6	Cust.7	Cust.8	Cust.9	Cust.10	Cust.11	Cust.12
SALES BY CUSTOMER (Top 12)*												
CUSTOMER NAME (OR TYPE OF BUSINESS)												

FINANCIAL YEAR 2007-2008

	Cust.1	Cust.2	Cust.3	Cust.4	Cust.5	Cust.6	Cust.7	Cust.8	Cust.9	Cust.10	Cust.11	Cust.12
SALES BY CUSTOMER (Top 12)*												
CUSTOMER NAME (OR TYPE OF BUSINESS)												

FINANCIAL YEAR 2008-2009

	Cust.1	Cust.2	Cust.3	Cust.4	Cust.5	Cust.6	Cust.7	Cust.8	Cust.9	Cust.10	Cust.11	Cust.12
SALES BY CUSTOMER (Top 12)*												
CUSTOMER NAME (OR TYPE OF BUSINESS)												

FINANCIAL YEAR 2009-2010

	Cust.1	Cust.2	Cust.3	Cust.4	Cust.5	Cust.6	Cust.7	Cust.8	Cust.9	Cust.10	Cust.11	Cust.12
SALES BY CUSTOMER (Top 12)*												
CUSTOMER NAME (OR TYPE OF BUSINESS)												

* or Top 10 or Top 6 (whatever) as appropriate to show around 80% of annual turnover.