

## Plan4Sale

### Critical Tidy Up - Checklist

Financial	Notes	✓
Monthly management accounts, ready by third week of following month		<input type="checkbox"/>
Management accounts prepared on same accounting principles as statutory accounts		<input type="checkbox"/>
Minimal corrections to management accounts when audited		<input type="checkbox"/>
Consistent accounting policies year on year		<input type="checkbox"/>
Where stock or work in progress are relevant, these are measured regularly and written down		<input type="checkbox"/>
Annual budget prepared, ideally with balance sheet and cashflow, preferably for 3 years		<input type="checkbox"/>
Ideally, high level forecast for the following 3 years prepared		<input type="checkbox"/>
Rolling actual v budget variations month by month		<input type="checkbox"/>
Monthly management or board meeting takes place with minutes that can be reviewed		<input type="checkbox"/>
Proof of past and current compliance with HMRC requirements		<input type="checkbox"/>

## Documentation

## Notes



All staff have signed and current employment contracts

☐

Detailed data on all staff dismissals, along with recruitment and pay rate changes over past 3 years

☐

Premises lease in place

☐

All equipment leases/HP documentation in place

☐

Banking documentation in place

☐

Statutory books accessible and up to date with original or certified copies

☐

Customer contracts, where relevant, in place

☐

Purchase orders in place for procurement

☐

Awareness of all supplier and client contracts that would need to be cancelled if business ownership changes

☐

All health and safety requirements met and documented

☐

Full set of company policies on bullying, holidays, sickness, anti-corruption etc etc.

☐

Proof that all employees have read and understood them

☐

## Management

Notes



Any side agreements with key managers formalised

☐

Record of any motor insurance claims over the past 5 years

☐

Record of any claims against the business referred to PI insurers during the past 5 years

☐

Record any claims referred to any other insurers during the past 5 years

☐

## Owner

Notes



All perks now to be charged openly through the P&L

☐

Tax paid as required

☐

## Balance Sheet

Notes



Maintenance programme (documented) for plant

☐

Confirm depreciation policy – is it appropriate and can it generate more profit?

☐

Can any capex be delayed or reconfigured?

☐

Doubtful debts provided for

☐

Can debtors be collected more quickly?

☐

Can creditors be paid more slowly?

☐

Is HMRC always up to date?

☐

Have there been any HMRC investigations and if so, recommendations dealt with?

☐

Is there deferred revenue on the balance sheet? If so, is the calculation consistent and accurate?

☐

Do you know what the real working capital requirement is of the business?

☐

Do all the assets truly belong to the business (or are there boats/cars etc for your own use)?

☐

End of lease dilapidations being accrued for on an accurate basis

☐

## Premises

## Notes



Clear lease terms

☐

Any risk to the tenant, eg:

☐

- Outside of Landlord and Tenant Act
- Onerous dilapidations charges

Premises health and safety compliant

☐

Offices and warehouses kept tidy – build in a process to keep this as the case

☐

Are any parts of the building built in the 1950 to 1999 period, if so:-

☐

Asbestos reports in place and compliance ensured with recommendations thereof

☐

Are there any notifiable invasive species of plant on the property?

☐

Where is the property relative to the 100 year flood plain?

☐

Are any parts of the property listed?

☐

Are there any known issues with the property that require repair?

☐

Does the property have a flat roof?

☐

## Client Analysis

Notes



Can you list the top spending clients for each of the last 5 years?

☐

How has their spend varied year on year?

☐

What is the breakdown of product/services bought year on year?

☐

Classify each client by risk of being lost to the business: low, medium, high, actively looking elsewhere

☐

What marketing activity brought each client to the business? I DON'T THINK YOU NEED THIS QUESTION – MIGHT BE TOO OBTUSE??

☐

What is the expectation of each client's spend with the business over the next 12 months?

☐

How do you win new business?

☐

Who are your most successful competitors?

☐

How many clients have you lost in the last 36 months, what was the value of their business, why were they lost?

☐

How do you manage "clients at risk"?

☐

How do you evaluate the profitability of your clients?

☐

List the most profitable 20 clients

Staff	Notes	✓
Staff have clear reporting lines		<input type="checkbox"/>
Staff are measured/appraised appropriately		<input type="checkbox"/>
If staff turnover is fast, assess why		<input type="checkbox"/>
Is there a TUPE risk with any staff/clients/suppliers?		<input type="checkbox"/>
Are any staff on any special employment terms?		<input type="checkbox"/>
Have any staff requested varied terms in the past 3 years that have been either denied (if so, on what basis) or allowed (if so, on what basis)?		<input type="checkbox"/>
Is there a Union?		<input type="checkbox"/>
Have any staff left in the last 3 years via compromise agreements?		<input type="checkbox"/>