



DUE DILIGENCE

Business Acquisition Checklist

1. Financial Information

Financial Statements:

- Last 3 years of audited financial statements
- Last 3 years of unaudited financial statements
- Latest interim financial statements

Tax Records:

- Last 3 years of tax returns (Federal, State, and Local)
- Tax assessments and correspondence with tax authorities

Budgets and Forecasts:

- Recent budgets and financial forecasts
- Capital expenditure plans

Bank Statements:

- Last 12 months of bank statements

2. Legal Documents

Contracts and Agreements:

- Customer and supplier contracts
- Lease agreements
- Loan agreements
- Employment contracts and independent contractor agreements

Intellectual Property:

- Patents, trademarks, and copyrights
- Licensing agreements

Litigation:

- Details of any ongoing or past litigation
- Legal correspondence and settlements



3. Operational Information

Business Operations:

- Description of business operations and processes
- Organizational chart and employee list

Assets:

- List of tangible and intangible assets
- Inventory details
- Equipment and machinery lists

Real Estate:

- Details of owned or leased properties
 - Property appraisals or valuations
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4. Compliance and Regulations

Permits and Licenses:

- Copies of all business licenses and permits
- Compliance certificates (e.g., health and safety, environmental)

Insurance:

- Copies of insurance policies (e.g., general liability, property, workers' compensation)
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5. Customer and Market Information

Customer Data:

- Customer list and segmentation
- Sales and revenue by customer

Market Analysis:

- Market research reports
 - Competitive analysis
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6. Human Resources

Employee Information:

- List of employees with roles and compensation details



7. Technology and Systems

CRM System:

Details of CRM systems:

8. Miscellaneous

Business History:

Other Items: