Due Diligence Checklist

A practical guide to the documents and information buyers typically request when purchasing a UK business. Use this list to prepare your data room before going to market.

Financial Documents

- 3 years of signed, accountant-prepared accounts (profit & loss, balance sheet)
- Management accounts for the current financial year to date
- Corporation tax returns for the last 3 years
- VAT returns for the last 3 years
- Bank statements for the last 12 months (all business accounts)
- Aged debtor and creditor reports
- Details of any loans, overdrafts, or hire-purchase / finance agreements
- Schedule of any personal or directors' expenses run through the business
- Revenue breakdown by customer, product line, or service (last 3 years)
- Details of any inter-company transactions or related-party dealings

Legal & Structural

- Certificate of incorporation
- Memorandum and articles of association
- Shareholder register and any shareholders' agreements
- Details of any charges registered at Companies House
- Details of any pending or threatened legal disputes or claims
- Proof of ownership or licensing of key IP: trademarks, patents, software, domain names
- Key customer contracts — note any change-of-control clauses
- Key supplier and distributor agreements
- Employment contracts for all staff
- Directors' service agreements
- Details of any TUPE obligations from previous acquisitions

Operations & People

- Organisational chart showing reporting lines and key roles
- HR records: headcount, salaries, bonus arrangements, holiday entitlements
- Details of any pension schemes and employer contributions
- Details of any outstanding employment claims or grievances
- Evidence of any key-person insurance policies
- Documentation of key operational processes and procedures

- IT systems inventory: software licences, subscriptions, infrastructure details
- Health and safety records, risk assessments, and certificates
- Business continuity or disaster recovery documentation (if applicable)

Property & Assets

- Lease agreement(s): terms, expiry dates, break clauses, landlord consent requirements
- Details of any freehold property owned by the business
- Fixed asset register (equipment, vehicles, machinery)
- Details of any hire purchase or finance agreements on assets
- Insurance schedule: employer's liability, public liability, professional indemnity

Commercial & Customers

- Customer list with revenue contribution per customer (last 3 years)
- Top 10 customer relationship history: length, growth trend, payment terms
- Details of any exclusivity arrangements, non-compete clauses, or referral agreements
- Current sales pipeline and order book
- Details of any material customer churn or at-risk relationships

Regulatory & Compliance

- All licences, permits, or certificates required to operate
- GDPR / data protection compliance documentation and privacy policy
- Environmental permits or obligations (if applicable to your sector)
- FCA, CQC, or other sector-specific regulatory certifications (if applicable)
- Most recent Companies House confirmation statement

Important note: *This checklist is a guide to what buyers typically request — the exact scope will vary by sector, business size, and deal structure. Your solicitor and accountant will advise on the specific requirements for your transaction. If you have questions about preparing for sale, speak with us at* ***proactivebusinessbrokers.com****.*