THE VALUE CORE

M&A: Due Diligence Checklist

A structured checklist for sell-side and buy-side transaction preparation. For illustrative purposes — adapt to your specific transaction.

1. CORPORATE & LEGAL

- Certificate of incorporation and constitutional documents
- Shareholder register and cap table (fully diluted)
- Board minutes for last 3 years
- Material contracts, amendments, and side letters
- Regulatory licences and permits
- Litigation history and pending claims
- IP ownership and registrations (patents, trademarks, domain names)
- Related party transactions and disclosure
- Group structure chart and intercompany agreements

2. FINANCIAL

- Audited financial statements — last 3 years
- Management accounts — last 12 months (monthly)
- Management accounts — YTD current year
- Board-approved budget and latest forecast
- Financial model with assumptions documented
- Bank statements — last 12 months
- Debt schedule (facilities, terms, covenants, maturity dates)
- Working capital analysis (DSO, DPO, DIO trends)
- Normalised EBITDA bridge with supporting evidence for each adjustment
- Tax returns — last 3 years
- VAT/GST returns — last 2 years
- Transfer pricing documentation (if applicable)
- Aged debtors and creditors reports

3. COMMERCIAL

- Top 20 customer list (name, revenue, contract expiry, relationship tenure)
- Customer contracts — top 10 by revenue
- Revenue breakdown by product/service, geography, customer segment
- Churn analysis and customer retention data
- Sales pipeline and CRM data
- Competitor landscape and market position evidence
- Pricing history and pricing power evidence
- Key supplier contracts and dependency analysis

4. OPERATIONS

- Organisational chart (current and proposed)
- Employment contracts for senior management

- Staff handbook and HR policies
- Payroll summary by department
- Bonus and incentive scheme documentation
- Key person dependency assessment
- Office/facility leases and property obligations
- IT systems and infrastructure summary
- Data protection and GDPR/privacy compliance documentation
- Cybersecurity assessment or certifications

5. FINANCIAL PROJECTIONS & MODEL

- Detailed financial model (3-5 year projection)
- Documented assumptions for each key driver
- Scenario analysis (base / upside / downside)
- Sensitivity analysis on key variables
- Capital expenditure plan
- Working capital modelling
- Debt service schedule and covenant headroom analysis

6. ESG & COMPLIANCE

- Environmental impact summary or ESG report
- Health & safety records and incidents
- Anti-bribery and corruption policy
- Whistleblower policy
- Diversity and inclusion metrics
- Regulatory compliance history