

PRIME'S Business Sale-Readiness Checklist

The Preparation Phase

Name:

Business Name:

DOCUMENT POLICIES & PROCEDURES

Organizational Chart:

- Clearly outline company structure and reporting lines.
- No more than 5-7 direct reports to the owner.

HR Policies and Job Descriptions

- Handbook: Consolidate all company policies.
- Job Descriptions: Detail responsibilities for each role.
- Evaluation Process: Document a formal performance review system.

Business Policies & Procedures

- Spending/Purchasing Policy: Define spending approvals/limits.
- Close Policy: Formalize month-end accounting procedures.
- Internal Controls: Document processes for Cash Disbursements, Receipts, Payroll, Inventory, Budgeting, Credit/Travel Expenses.
- Internal Controls: Outline procedures for operational areas and sales.



BUSINESS CHECK-UP

- Profitability: Are you generating a healthy profit margin?
- Metrics: Analyze financial/operational performance against industry benchmarks.
- Sales Contracts: Formalize customer agreements.
- Customer Concentration: Avoid over-reliance on a single large customer.



OWNER INVOLVEMENT

- Sustainability: Would company performance remain strong without your direct involvement?
- Knowledge Transfer: Can core business functions be executed by others, or are you the sole knowledge holder?
- Leadership Development: Do you have a strong management team in place? Is there a need to develop internal talent?



ADDITIONAL NOTES

- Start early: The "getting sale-ready" process takes time. Don't rush it.
- Valuation: Understand the factors driving your business's value to maximize it before a sale.
- Advisor Team: Engage professionals (accountant, lawyer, business consultant) to assist with the process and ensure compliance.



Let PRIME Business Advisory Solutions help you get started!

Our experienced team can guide you through each step.

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