



## Seller Readiness Checklist

**“Let’s make this simple.”**

Selling a business is a major step — and the best outcomes happen when you prepare early. This checklist is designed to help you see your business the way a buyer will. Use it to gauge where you stand, where you’re strong, and what might need tightening up before a sale.

### **+ Financial Readiness - Clean, credible financials are non-negotiable**

- Three full years of financial statements (ideally CPA-reviewed or prepared consistently).
- Clear separation between personal and business expenses.
- Reliable accounting system with accurate month-end closes.
- Normalized EBITDA calculated with legitimate add-backs (e.g., one-time costs, owner comp adjustments).
- Up-to-date balance sheet and AR/AP aging reports.
- Inventory accurately valued and documented.
- No major surprises in taxes, liens, or contingent liabilities.

## **Operational Readiness - Buyers pay for systems that work without the owner**

- Documented standard operating procedures (SOPs) for key processes.
- Organizational chart showing roles, responsibilities, and key staff.
- Redundancy in operations—no single point of failure.
- Reliable vendors and supply chain relationships in writing.
- Up-to-date IT and cybersecurity policies.

---

## **Growth Story - Your future is part of your value**

- Clearly defined growth opportunities (new markets, product lines, or pricing).
- 3-year revenue and EBITDA forecast — even directional estimates help.
- Defined customer segments and value proposition.
- Strong customer retention metrics and diversified customer base.
- Marketing or sales strategy that's repeatable and measurable.

---

## **People & Succession - Continuity builds confidence**

- Identified and empowered second-tier management.

- Retention or incentive plans for key employees.
- Owner transition plan — who will lead after you?
- Documented HR files, job descriptions, and training procedures.

---

## **Legal & Compliance - No one likes surprises in due diligence**

- Corporate documents current and organized (LLC/Inc. filings, minutes, ownership records).
- All key contracts and leases accessible and assignable.
- No pending or threatened litigation.
- Environmental, OSHA, or safety compliance up-to-date and documented.
- All intellectual property and trademarks properly registered.

---

## **Personal & Emotional Readiness - Know what comes next — for you**

- Financial goals defined (after-tax proceeds, rollover equity, estate planning).
- Discussed structure and taxes with a CPA or wealth advisor.
- Family and partners aligned on timing and goals.
- Mentally ready to transition from day-to-day control to advisory or retirement role.

---

## Final Thought

The best time to prepare is before you decide to sell. Even six months of cleanup and planning can make a meaningful difference in valuation, buyer confidence, and how smooth the process feels.

At **Methodica Capital**, we approach every transaction with respect for what you've built. If you'd like a quick, no-pressure conversation about where your business stands, you can schedule a call here: [Book a Call](#)