

COMPANY : _____

DATE : _____

I. BACKGROUND INFORMATION

II. MARKETING/SALES

III. ECONOMICS

IV. OPERATIONS/MANAGEMENT

V. CAPITAL STRUCTURE

VI. FINANCE

VII. ACCOUNTING

VIII. INSURANCE/RISK MANAGEMENT

IX. AREAS OF OPPORTUNITY

I. BACKGROUND INFORMATION

Company Name: _____

Company address: _____

Telephone number: _____

Fax number: _____

E-mail address: _____

Contacts & Titles: _____

Date started: _____

Number of years
in business: _____

Brief history of company:

Describe entity:

Describe company's business:

I. BACKGROUND INFORMATION

Attorney:

CPA:

Referral Source:

Banker:

Insurance Agent:

Fiscal Year End

Related Parties:

II. MARKETING/SALES

Indicate the company's primary source of revenue (e.g. major product lines) and approximate percentage of total revenue by end:

Major customers:

(Name)	(%Revenue)
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

Geographic Markets:

Describe the company's marketing methods:

What type(s) of advertising is used:

What percentage of market share does the company currently have?
What anticipated growth?

What trends are experienced or typical in industry?

Major competitors:

III. ECONOMICS

Economic relationship (or rule of thumb):

Describe the components of cost of goods sold:

List major vendors or suppliers:

IV. OPERATIONS/MANAGEMENT

List key employees:

(Name)	(Position)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Does the company have an organization chart? YES NO

Indicate, by major location, the approximate number of employees of the company:

List each location maintained and the nature of the activity carried on at each (e.g. plant, sales, offices, etc.):

Does the company have departments that can be divided into profit centers?

Describe the company's production process:

How does the company currently measure productivity?

What percentage of returns does the company receive?

Employee Evaluation

Does company have an employee dishonesty policy?

How many employees does company currently have?

Does company have formal employee contract/policies?

Ratio of hourly vs. salary:

Employee turnover?

How often are employee evaluations done?

V. CAPITAL STRUCTURE

Type of entity:

C Corp

S Corp

Partnership

LLC

Date entity organized:

How is property tax handled currently? What % of book value is rendered?

Related entities:

(Name)

(Type)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

What is inventory valued at?

Stockholders or Partners:

(Name)

(%Owned)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Are there plans to sell company in the future?

Do they bonus out income? YES NO

Do they pay excessive franchise tax? YES NO

VI. FINANCE

Banker (name): _____

How long have they
been with bank? _____

Current loan limit? _____

Current interest rate? _____

Key debt covenants: _____

Debt/Equity: _____

Current Ratio: _____

Tangible Net Worth: _____

Fixed Charge Coverage: _____

Other: _____

Does the client have a Cash Flow Projection? YES NO

How long does it take to collect AR?
_____ days (Increasing/<Decreasing>)

How long does it take to pay bills?
_____ days (Increasing/<Decreasing>)

Are the capital needs seasonal? YES NO

If so, what is the cycle?

List personal guarantees:

VII. ACCOUNTING

Key accounting personnel:

(Name)	(Position)
_____	_____
_____	_____
_____	_____

Accounting software: _____

How long on system? _____

Is accounting software adequate to meet needs into the next three years? _____

Integrate with Access? _____

Frequency of monthly financial statements? _____

Unique reporting/accounting requirements:

Do they account for results by Profit Centers?

Is there sufficient detail on COGS?

Is there adequate segregation of duties?

Does the owner/president receive the bank statements unopened? YES NO

What is the date of the last financial statement? Audits? Compilations?

List accounting problems:

Does the company use job costing to track project profitability?

VIII. INSURANCE/RISK MANAGEMENT

List property insurance coverage:

List liability insurance coverage:

Other major insurance:

Is the coverage adequate?

Does the company have flood insurance?

Are the major assets of the company insured? YES NO

IX. AREAS OF OPPORTUNITY

Franchise Taxes:

Does the company pay > \$5,000 in franchise taxes? YES NO

Are they a candidate for limited partnership? YES NO

Do they bonus out income? YES NO

Federal Income Taxes:

Is the company paying double taxes for owner? YES NO

Bonus out profit? YES NO

Profitability:

What areas of opportunity are there to increase profitability?

Information System:

Would the company benefit from a new accounting system?

Compensation:

Is incentive compensation used? Is it greater than 10% of total compensation? Who receives it? Float?

Cash Conversion Cycle:

What are the trends in the Cash Conversion Cycle? Is there opportunity to shorten the cycle?
