SJBA
South Jersey Business Association

BUSINESS PLANNING SERIES · WORKBOOK 05

Understand What You Are Buying.

Existing Business Acquisition Due-Diligence Planner



Brand familiarity and reported revenue do not establish value or transferability. This workbook helps you organize due diligence: what is being acquired, what depends on the seller, and which obligations need qualified assessment.

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02 · BUYER OBJECTIVES

Your objectives, capabilities, and assumptions

Be clear about why you are buying and what you bring before evaluating any target.

WHERE ARE YOU STARTING? MARK ONE.

- ☐ **Exploring** — No target yet
- ☐ **Target identified** — Early talks
- ☐ **Due diligence** — Information flowing
- ☐ **Closing** — Terms being finalized

Why buy rather than start a business

Capabilities you bring

Gaps you need to fill

Decision owner

Target decision date

Alternatives considered

KEY ASSUMPTIONS

Assumption	How it will be verified

NOTES

03 · ACQUISITION SCOPE

What exactly is being acquired

These are questions for your attorney and accountant. This workbook does not recommend a deal structure.

QUESTIONS FOR QUALIFIED LEGAL AND FINANCIAL ADVISORS

1 Are we buying assets, ownership interests, or another arrangement, and what does each mean for us?

2 Which assets, accounts, and contracts are included, and which are excluded?

3 Which existing obligations or liabilities could come with the business?

4 What approvals or consents are needed from landlords, lenders, or other parties?

5 Are real estate, intellectual property, or licenses part of the transaction?

6 What should be confirmed before any letter of intent is signed?

NOTES

04 · INFORMATION REQUESTS

Confidential information-request tracker

Track what you asked for and what was verified. Keep confidential seller data in your secure files, not in this template.

Item requested	Requested from	Date	Access authorized?	Received	Verified by	Status

05 · FINANCIAL EVIDENCE

Financial evidence worksheet

Reported figures should reconcile to tax returns and bank records. Your accountant tests that; this page tracks it.

Record	Periods	Received	Reconciles?	Unusual items	Advisor
Profit and loss statements					
Balance sheets					
Tax returns					
Bank statements					
Receivables aging					
Payables					
Payroll records					
Owner pay and personal expenses					

QUESTIONS FOR YOUR ACCOUNTANT

1 Do reported earnings match deposits and tax filings?

2 Which expenses would change under new ownership?

3 How reliably are receivables collected?



06 · CONCENTRATION

Customer, supplier, and revenue concentration

Use codes rather than names. Record only information you are authorized to see and have verified.

CUSTOMERS

Customer code	% of revenue	Contract?	Transferable?	Relationship held by

SUPPLIERS

Supplier code	% of purchases	Contract?	Alternatives exist?	Relationship held by

NOTES

07 · SELLER DEPENDENCE

Seller-dependence map

Identify what the business relies on the seller for personally. Each item needs a transition plan.

Dependency	Type	How critical (1–3)	Transition need	Timeframe

Types: relationship, knowledge, credential or license, permission, process.

NOTES

08 · OPERATING DUE DILIGENCE

Operating due-diligence questions

Licenses, contracts, and permissions do not all transfer the same way. Assign each area to a qualified reviewer.

Area	Question for qualified review	Reviewed by	Finding
Workforce			
Premises and lease			
Equipment			
Technology and data			
Intellectual property			
Insurance			
Licenses and permits			
Key contracts			

NOTES

09 · TOTAL COMMITMENT

Total commitment and funding

The purchase price is only part of the commitment.

Item	Estimate	Confirmed	Source	Notes
Purchase price				
Legal fees				
Accounting and due diligence				
Financing costs				
Working capital				
Transition costs				
Repairs or remediation				
Reserves				
Allowance for uncertainty				
Total				

FUNDING SOURCES

Source	Amount	Conditions	Status

NOTES

10 · CONDITIONS

Conditions, deadlines, and responsibilities

Log each condition and who is responsible. Your attorney interprets the terms; do not sign based on this log.

Condition or deadline	Responsible party	Due	Consent or approval needed	Status

11 · TRANSITION

Transition and continuity plan

Plan who does what so customers experience continuity. Confirm each transfer is lawful and permitted.

Transition item	Who	By when	Transfer verified by	Done
Customer introductions				
Supplier accounts				
Employees				
Licenses and permits				
Phone, domain, and online accounts				
Bank and payment accounts				
Seller training period				

How service continues for customers during the handover

NOTES

12 · RISK AND DECISION

Risk register and decision checkpoint

Base the decision on evidence. This page does not produce a valuation.

Risk	Likelihood	Impact	Evidence	Mitigation	Owner

CHECKPOINT DECISION

- ☐ Proceed
- ☐ Revise terms
- ☐ Investigate further
- ☐ Pause

Reasoning and evidence for the decision

NOTES

13 · CONVERSATIONS AND ACTIONS

Professional conversations and action plan

Prepare for the next conversation, then turn decisions into owned, dated actions.

ROLES THAT MAY BE RELEVANT

- ☐ Business attorney
- ☐ Accountant or CPA
- ☐ Business broker
- ☐ Lender
- ☐ Valuation professional
- ☐ Insurance agent
- ☐ Commercial real estate professional
- ☐ IT provider

Conversation 1: professional role | **Name / company** | **Date**

Questions to ask

Documents to bring | **Recommendation received**

Action and owner | **Deadline** | **Follow-up date**

PRIORITY ACTIONS

#	Action	Owner	Due	Depends on	Done
1					
2					
3					
4					
5					
6					

Review cadence: _____ Next review date: _____ Visit SJBA to explore current professionals.

14 · SOURCES AND NEXT STEPS

Official sources, About SJBA, and next steps

OFFICIAL SOURCES, CHECKED OCTOBER 2026

SBA: Buy an existing business or franchise
Federal overview of evaluating and financing a business purchase.
www.sba.gov/business-guide/plan-your-business/buy-existing-business-or-franchise

U.S. Small Business Administration
Federal guidance on planning, funding, managing, and growing a small business.
www.sba.gov

New Jersey Small Business Development Centers
No-cost confidential advising and training for New Jersey businesses, with centers serving South Jersey.
www.njsbdc.com

NJ Division of Taxation: Bulk sale notification
State notice process that may apply when business assets are sold. Ask your advisor whether it applies.
www.nj.gov/treasury/taxation/bulksale.shtml

New Jersey Business Portal
State guidance on registering, licensing, and operating a business in New Jersey.
business.nj.gov

IRS: Small business and self-employed
Federal tax information for small businesses, including buying and selling a business.
www.irs.gov/businesses/small-businesses-self-employed

Companion article: "Buying an Existing Business." Find it with SJBA's business resources at southjerseybusinessassociation.org.

About SJBA

Founded in 1994, the South Jersey Business Association is a structured, category-exclusive referral network for South Jersey business owners serving Camden, Gloucester, and Burlington counties. Members hold one seat per professional category and follow attendance and referral standards.

Visit SJBA to explore current professionals

Established business owner? Visit a Meeting

Planning note. This workbook is general educational planning information for South Jersey business owners. It is not individualized legal, tax, accounting, valuation, or financial advice. Requirements vary by municipality, industry, and business; qualified professionals and the relevant authorities should confirm applicable decisions. SJBA does not perform, supervise, or guarantee the work of any member or other professional. Rules change; confirm details with each source. Photos are illustrative, not SJBA members or member projects.