

Financial Due Diligence Documentation

I. Executive Summary

Brief overview of the financial due diligence performed, period covered, and summary of key findings and recommendations.

II. Company Overview

- Business Name:
- Legal Structure:
- Industry:
- Location:
- Summary of Operations:

III. Scope of Due Diligence

- Objectives of the review
- Timeframe covered (e.g., past three years, YTD)
- Documents and data sources reviewed

IV. Financial Analysis

1. Summary Financial Statements

Year	Revenue	EBITDA	Net Profit	Total Assets	Total Liabilities
2021					
2022					
2023					

2. Income Statement Analysis

- Revenue trends and analysis
- Cost structure and gross margins
- Operating expenses
- Profitability ratios

3. Balance Sheet Review

- Assets (current and non-current)
- Liabilities (short and long term)
- Working capital position

4. Cash Flow Analysis

- Operating, investing, and financing cash flows
- Liquidity assessment

V. Tax Review

- Tax filings and compliance status
- Tax liabilities and contingencies
- Recent tax audits or assessments

VI. Debt and Commitments

- Outstanding loans and borrowings
- Leases and other contractual obligations
- Covenant compliance review

VII. Other Matters

- Significant accounting policies
- Related party transactions
- Contingent liabilities
- Legal or regulatory issues impacting finances

VIII. Key Findings and Recommendations

1. Summary of main financial risks identified
2. Opportunities for improvement
3. Recommended next steps

Important Notes:

- Financial due diligence aims to identify risks and validate the financial information provided by the target company.
- This document should be read together with supporting financial records and disclosures.
- Findings are based on the information available at the time of review and may require updates for subsequent events.
- This format can be customized based on deal size, industry, and specific requirements of the transaction.