

DEALWISE ADVISORY

Exit Readiness Playbook

The complete guide to preparing your business for a successful exit
From first thinking about selling to closing the deal

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About this playbook

Most business owners sell once. Most deals are won or lost in the preparation — not the negotiation.

This playbook gives you a structured, phase-by-phase programme to prepare your business for sale. It covers everything a serious buyer will examine — financial performance, commercial positioning, people, legal, and operations — and tells you what to do about each one before you go to market.

Work through it honestly. The gaps it reveals are the gaps a buyer will find. Better to find them first.

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The Exit Readiness Journey

Phase 1 Foundation	Phase 2 Value Build	Phase 3 Hardening	Phase 4 Documentation	Phase 5 Market Prep	Phase 6 Sale Process
Months 1–3	Months 3–9	Months 6–18	Months 12–18	Months 18–24	Months 24–30

Timeline assumes a 24–30 month preparation programme. Compressed timelines are possible but involve trade-offs. The best exits are planned — not rushed.

Introduction — Why Preparation Changes Everything

Most business owners spend decades building something of real value — and then give away a significant portion of that value at the point of sale because they were not prepared.

Not because their business was bad. Because they did not understand how buyers think, what buyers pay for, and how the sale process actually works.

This playbook is designed to close that gap.

The Exit Preparation Premium

Businesses that are well prepared for sale consistently achieve:

Outcome	Typical impact of thorough preparation
Higher valuation multiple	0.5x to 2x EBITDA premium for well-prepared businesses vs rushed exits
Faster deal completion	Prepared businesses complete in 4–6 months; unprepared can take 12–18 months or fail
Fewer price chips	Buyers use due diligence findings to reduce price — preparation eliminates the ammunition
Stronger buyer competition	Multiple interested parties drives price up — preparation makes the business more marketable
Cleaner legal process	Organised documentation reduces legal costs and delays significantly
Seller confidence	Knowing your numbers and your narrative puts you in control of the conversation

THE CORE INSIGHT

A buyer is not just buying your historical performance. They are buying their confidence in the future. Exit preparation is the process of building that confidence deliberately — before a buyer is at the table.

When to Start

The honest answer is: earlier than you think.

Horizon to exit	Recommended focus
5+ years away	Start building recurring revenue, reducing owner dependency, and improving reporting quality now
3–5 years away	Begin formal exit preparation — this playbook is your starting point
18–24 months away	Accelerate — use the 90-Day Exit Accelerator at the back of this playbook
Under 12 months away	Triage — focus on the highest-impact items only; accept you will not solve everything
Unexpected offer received	Get independent advice before responding — do not negotiate without preparation

REAL TALK

If you are planning to sell in the next 12 months and have not started preparing — you are already behind. The best time to have started was two years ago. The second best time is now.

Phase 1 — Foundation | Months 1–3

Financial Clarity and the Honest Audit

Before anything else, you need to understand exactly where you stand. Not where you hope you stand — where you actually stand. Phase 1 is about getting that clarity, however uncomfortable it might be.

1.1 — Know Your Numbers

A buyer's first question is always about the numbers. You need to be able to answer every financial question about your business without hesitation, without referring to your accountant, and without contradiction.

The numbers you must know:

- Revenue for each of the last three financial years — and why it moved
- Gross margin — and what drives it up or down
- EBITDA — reported and normalised — for each of the last three years
- Net profit after tax
- Working capital cycle — how many days debtor, creditor, and stock
- Cash position at year end and at current date
- Debt and financing obligations — what is owed and to whom
- Capital expenditure — what has been spent and what is coming
- Current year trading versus prior year and versus budget

COMMON MISTAKE

Many business owners cannot explain why their profit this year is different from last year beyond 'it was a better year.' Buyers probe every movement. Prepare a concise narrative for each year's performance before you start any process.

1.2 — Normalise Your Earnings

Your reported accounts will not reflect the true earnings power of your business. Normalisation adjusts for one-off items, owner-related costs, and accounting decisions that distort underlying performance.

Adjustment	Example	Impact on EBITDA
Owner salary above market	Owner pays self £180k; market rate CFO is £90k	Add back £90k
Owner salary below market	Owner pays self £30k; should be £70k	Deduct £40k
Personal expenses through business	Car, fuel, insurance, holiday — not commercial	Add back if genuine

One-off legal costs	Dispute resolved — non-recurring	Add back in full
Excess rent to connected party	Rent charged above market rate by owner's property company	Adjust to market
Non-recurring revenue	One-time government grant, insurance receipt	Remove from EBITDA
Exceptional marketing spend	One-off rebrand — not ongoing cost	Add back in full
Depreciation policy	Accelerated depreciation not reflecting economic reality	Adjust to standard

THE VALUE

A business with £300k reported EBITDA might have £450k normalised EBITDA after legitimate adjustments. At a 5x multiple that is a £750,000 difference in enterprise value. Normalisation is not window-dressing — it is your right as a seller to present the true earnings power of the business.

1.3 — Understand Your Own Valuation

Before you talk to any buyer, you need an independent view of what your business is worth. Not what you hope it is worth. Not what your accountant estimated over coffee. A properly considered valuation based on comparable transactions, normalised earnings, and an honest assessment of your multiple drivers.

Your valuation should answer:

- What is the normalised EBITDA?
- What multiple range is realistic for a business of this size, sector, and quality?
- What is the indicative enterprise value range?
- What adjustments will a buyer make — and how do those affect the number?
- What could increase the multiple before going to market?

1.4 — The Honest Audit

Phase 1 ends with a difficult but essential exercise: auditing your own business as a buyer would. Walk through every area and ask: if I were spending £3m on this business, what would worry me?

The areas to audit honestly:

- Financial — are the numbers clean, consistent, and defensible?
- Commercial — how dependent is revenue on a small number of customers?
- People — who would leave if the owner sold, and what does that mean?
- Operational — what breaks if a key person is unavailable for a week?
- Legal — are there any unresolved disputes, claims, or compliance gaps?
- Tax — are PAYE, VAT, corporation tax, and HMRC filings fully up to date?
- Systems — is the business run on spreadsheets and tribal knowledge, or documented processes?

Everything you find in this audit is something a buyer will also find. The difference is that you still have time to fix it.

Phase 2 — Value Building | Months 3–9

The Six Drivers That Increase Your Multiple

Once you understand where you are, the next phase is deliberate value creation. These are the six areas that most reliably expand the multiple a buyer is willing to pay.

2.1 — Build Recurring and Contracted Revenue

Recurring revenue is the single most powerful multiple driver in SME acquisitions. A business where 60% of revenue renews automatically or under long-term contract is fundamentally less risky to a buyer than one where every pound of revenue has to be re-won each year.

Revenue Type	Typical Multiple Premium
Project-based, discretionary, no contracts	Lowest multiple — baseline
Repeat customers but no formal contracts	Modest improvement — still perceived as fragile
Short-term contracts (less than 12 months)	Some improvement — shows commercial commitment
Long-term contracts (1–3+ years)	Strong improvement — significantly reduces perceived risk
Subscription or retainer model	Highest multiple — revenue is genuinely predictable

Actions to build recurring revenue:

- Convert your best customers to formal service agreements with minimum terms
- Introduce retainer pricing for ongoing services
- Create a subscription tier if your product or service allows it
- Extend contract terms at renewal — offer a small discount for longer commitment
- Identify services currently delivered ad hoc that could be packaged as recurring

2.2 — Reduce Owner Dependency

This is the single most common reason businesses sell for less than their owners expect. If you are the primary relationship manager, rainmaker, decision-maker, and problem-solver — a buyer is not buying a business. They are buying a very expensive job that collapses the moment you leave.

The test is simple: if you were unavailable for three months, what would happen?

The programme to reduce dependency:

1. Identify every key role currently performed by the owner
2. For each role, define what a successor or capable manager would do
3. Begin transitioning relationships — introduce a second face on every key account
4. Document your decision-making process so others can replicate your judgment
5. Promote or hire into the management positions that currently only exist in your head
6. Systematically remove yourself from day-to-day decisions over 12–18 months

THE OWNER SALARY TEST

One of the clearest signals a buyer uses: what is the owner paying themselves, and what would it cost to replace them? If your normalised owner salary is £120k, a buyer knows they need a strong MD to replace you. Every pound they need to spend on that is a pound off their return — and off their price.

2.3 — Diversify Your Customer Base

Customer concentration is one of the most common deal killers in SME transactions. Any single customer representing more than 25% of revenue will attract intense buyer scrutiny. Over 40% can kill a deal outright — or trigger a significant price reduction.

The diversification roadmap:

- Analyse revenue by customer across the last three years — know your concentration
- Set a target: no single customer above 20% of revenue within 18 months
- Invest sales and marketing resource into building the second tier of customers
- Where concentration is unavoidable, get long-term contracts in place to reduce churn risk
- Document customer tenure — long relationships are more defensible to buyers

2.4 — Clean Up and Strengthen Financial Reporting

The quality of your financial reporting is read by buyers as a proxy for the quality of your management. A business with clean, timely, well-presented accounts signals control and professionalism. A business with patchy, inconsistent, or unreliable numbers signals the opposite.

The financial reporting standard you are aiming for:

- Monthly management accounts — produced within 10 working days of month end
- Clear P&L by division or product line if relevant to the business
- Reconciled balance sheet every month — not just at year end
- Working capital tracker — debtors, creditors, and stock at month end
- Cash flow forecast — rolling 13 weeks, updated weekly
- KPI dashboard — the 5–8 metrics that tell you the business is healthy
- Budget vs actual — variance analysis with written commentary

2.5 — Build and Demonstrate a Growth Story

Buyers are not just paying for what your business is today. They are paying for what they believe they can build. A business with a credible, evidenced growth narrative commands a higher multiple than one that has simply plateaued.

What a compelling growth narrative includes:

- The addressable market — how big is it, and what share do you have?
- Why the business is well-positioned — competitive advantage, reputation, relationships
- The specific growth levers — what can a buyer do to accelerate?
- What has prevented growth so far — capital, capacity, geography — and how a buyer can remove those constraints
- Evidence of early traction — pilot programmes, new contracts, geographic expansion, new product lines

2.6 — Improve Management Team Depth

Buyers buy businesses they believe will succeed without the seller. A management team that can operate the business, manage relationships, and drive performance without the owner is worth significantly more than a founder-dependent operation.

The management team a buyer wants to see:

- A capable operational leader — MD or COO who runs the day-to-day
- A financially literate finance lead — not necessarily a full-time FD, but someone who owns the numbers
- A commercial lead — someone who owns customer relationships and revenue growth
- Clear roles, responsibilities, and decision-making authority below the owner level
- Employment contracts, proper remuneration, and aligned incentives in place

Phase 3 — Business Hardening | Months 6–18

Reducing Risk, Dependency and Buyer Objections

Phase 3 is about systematically eliminating the things that give buyers a reason to reduce their price, slow the process, or walk away. This is where deals are won or lost — not in the negotiation, but in the preparation.

3.1 — Legal and Compliance Health Check

Every legal issue that surfaces in due diligence becomes a chip off the price — or a reason to pause. Deal with them before a buyer finds them.

Area	Common issues to resolve	Priority
Contracts	Missing or unsigned customer/supplier contracts; no auto-renewal terms	Critical
IP	Trademarks not registered in the company's name; domain names held personally	Critical
Employment	Staff on outdated or missing contracts; no up-to-date handbooks	High
Property	Leases expiring within 2 years of planned exit; no security of tenure	High
HMRC compliance	Late returns, underpaid PAYE, outstanding enquiries	Critical
Companies House	Outdated filings, incorrect PSC register, missing statutory books	High
Licences	Check licences are held by the company, not the individual	Critical
GDPR	ICO registration not current; no privacy policy or data processing records	Medium

3.2 — Operational Systems and Documentation

A business that runs on undocumented knowledge, personal relationships, and the owner's institutional memory is fragile. It depends entirely on people who may not stay. A buyer will discount this risk heavily.

The documentation priority list:

- Process map for core operational activities — how is the work actually done?
- Customer onboarding and service delivery standard operating procedures
- Finance process — month end, invoicing, credit control, payment run
- People management — performance reviews, onboarding, absence management
- Supplier management — key contacts, ordering processes, quality standards
- IT and systems documentation — what systems are used and why
- Business continuity — what happens if a key person is unavailable?

BUYER'S VIEW

A buyer's integration team will ask: how do we run this business from day one? If the answer is 'phone the previous owner,' you have a problem. Every documented process removes one more dependency on you personally.

3.3 — Key Person Risk

Identify every person whose departure would materially harm the business and take action before going to market.

Action	Why it matters
Issue retention agreements for key staff	Buyers want certainty key people will stay post-deal
Introduce meaningful incentive schemes	Aligned staff are more valuable — and more likely to stay
Ensure knowledge transfer is underway	No single person should be the only holder of critical knowledge
Review notice periods for key roles	Longer notice periods reduce departure risk post-deal
Consider growth share or phantom equity	Aligns management team without diluting current ownership

3.4 — Tax and Structure Review

The structure of your business before you go to market has significant tax implications — for both the sale proceeds you receive and the ongoing efficiency of the business until completion. This is not something to think about six months before exit.

Key areas to review with a qualified tax adviser:

- Business Asset Disposal Relief (BADR) — do you qualify? Have you protected your entitlement?
- Company structure — are there multiple entities, holding companies, or subsidiaries that need to be rationalised?
- Property — is any property in the trading company? Consider separating it before sale
- Director loans — clear them before going to market
- Pension contributions — use the pre-sale period to make legitimate pension contributions
- EMI or growth share schemes for management — consider implementing before the exit timeline tightens
- Family investment company or trust planning — if proceeds will be reinvested
- Dividend policy — understand the tax position if taking distributions in the run-up to sale

Phase 4 — Documentation | Months 12–18

Building the Evidence Pack

Phase 4 is about assembling the documents and information that will support your sale process. A well-prepared information pack accelerates due diligence, reduces buyer uncertainty, and signals that the business is professionally managed.

4.1 — The Information Memorandum

The Information Memorandum (IM) is the principal marketing document for your business. It tells the story of the business — its history, market position, financial performance, and growth opportunity — in a way that is compelling to a buyer.

A well-structured IM typically includes:

- Executive summary — the opportunity in two pages
- Business overview — history, evolution, and current position
- Products and services — what you sell, how you price it, what the margins are
- Market and competitive landscape — where you sit and why buyers should care
- Customer analysis — who buys from you, how long they have been customers, concentration analysis
- People and management — the team, their tenure, and their capabilities
- Operations — how the business works, key processes, systems, and infrastructure
- Financial summary — three years of historical performance with normalisation schedule
- Forecast — current year and one forward year, with assumptions
- Growth opportunity — the most important section for multiple justification
- Transaction overview — deal structure preferences, timeline, key conditions

QUALITY MATTERS

The IM is often the first substantive thing a buyer sees about your business. A poorly constructed IM signals an unprepared seller. A sharp, well-evidenced IM signals a business worth paying for.

4.2 — The Data Room

A data room is a secure online repository where buyer due diligence documents are stored and shared. Preparing your data room in advance reduces delays, demonstrates organisation, and limits the scope for buyers to ask for things that could weaken your negotiating position.

Category	Documents to prepare	Status
Financial	3 years audited or prepared accounts; 24 months management accounts; current year trading; 3 years tax returns; VAT returns; bank statements 12 months	Prepare
Legal / corporate	Certificate of incorporation; articles; statutory registers; shareholders agreement; all material contracts; property leases; IP registrations	Compile
People	Full employee list; employment contracts; org chart; payroll summary; pension scheme details; any tribunal claims or HR issues	Compile
Commercial	Customer list with revenue split; key supplier agreements; pricing schedules; forward order book	Compile
Operational	Process documentation; IT systems overview; asset register; insurance schedule; H&S records	Compile
Tax	Corporation tax computations; PAYE reconciliation; VAT returns; any HMRC correspondence	Prepare

4.3 — Vendor Due Diligence

Vendor due diligence (VDD) is the process of commissioning your own due diligence report before going to market. It gives you a buyer's eye view of your business — and allows you to deal with findings before they become buyer leverage.

VDD is particularly valuable when:

- The business is complex or has a complicated financial history
- You want to accelerate the buyer due diligence process by sharing a pre-prepared report
- You believe there are issues that will surface and want to get ahead of them
- You are running a structured process with multiple buyers
- The expected deal value justifies the investment in preparation

Phase 5 — Market Preparation | Months 18–24

Advisers, Buyer Strategy, and Process Design

5.1 — Choosing your advisers

The right adviser team is not a luxury — it is a necessity. The wrong adviser (or no adviser) will cost you far more in lost value than their fees.

Adviser	Role	What to look for
M&A adviser / corporate finance	Lead the process, prepare the IM, manage buyers, negotiate price and terms	Sector experience; track record of comparable deals; chemistry with you as a client
Tax adviser	Optimise your personal and corporate tax position; structure the deal for maximum tax efficiency	Deep M&A tax experience; proactive not just reactive; knowledge of BADR and current HMRC practice
Solicitor (M&A)	Draft and negotiate the SPA, disclosure letter, and ancillary documents	M&A specialist — not a generalist; responsive; commercially minded
Accountant	Prepare VDD or support financial due diligence; advise on normalisation schedule	Independence from the business accounts if running VDD; M&A savvy
Financial adviser	Personal financial planning post-sale; pension, investment, and wealth structuring	Qualified IFA with HNW client experience; involved early in the process

5.2 — Buyer Strategy

Not all buyers are equal — and not all buyers are right for your business. Defining your ideal buyer profile before going to market allows you to target the right people and maximise your outcome.

Buyer Type	Why They Buy — and What They Pay
Strategic trade buyer	Acquires to add capability, customer base, or geography. Often pays the highest price — synergies justify a premium multiple.
Financial buyer (PE-backed)	Acquires for financial return. Price-disciplined but moves quickly. Needs strong management team to stay.
Management buyout team	Existing management backed by finance. Knows the business — due diligence is faster. Price may be lower.

Entrepreneur / search fund	Individual buyer — often personal capital plus debt. High motivation; longer process; more relationship-driven.
Competitor	Motivated by market consolidation. Can move fast. May want to strip out duplication post-deal.
International acquirer	Often pays a premium for UK market entry. Slower process due to distance; cultural factors matter.

5.3 — Running a Competitive Process

The most effective way to maximise price is to create genuine buyer competition. A competitive process — even with just two or three serious parties — changes the negotiating dynamic entirely.

The stages of a structured sale process:

7. Teaser distributed — anonymous one-page overview to test interest
8. NDA signed — detailed information released only under confidentiality
9. Information Memorandum distributed — full business overview
10. Indicative offers received — non-binding initial bids from interested parties
11. Management presentations — selected buyers meet the management team
12. Final bids received — binding offers with proposed deal structure
13. Preferred bidder selected — exclusivity granted for due diligence
14. Due diligence — buyer's advisers examine the business in detail
15. SPA negotiated — legal documentation agreed
16. Completion — funds transferred, ownership changes

Phase 6 — The Sale Process | Months 24–30

From First Meeting to Signed SPA

Once you have entered a formal sale process, the dynamics shift. You are now managing a transaction — with legal deadlines, multiple advisers, and a buyer who is probing for every chip they can find. Preparation is what allows you to stay in control.

6.1 — The Management Presentation

The management presentation is your opportunity to bring the business to life — to show the buyer not just the numbers, but the people, the culture, the opportunity, and why this deal makes sense for them.

How to perform effectively:

- Rehearse — know the IM inside out; anticipate every difficult question
- Lead with your story, not your spreadsheet — buyers invest in conviction as well as data
- Bring your management team — demonstrate that it is not just you
- Show operational credibility — walk them through how the business actually works
- Do not oversell — overclaiming creates suspicion; confident understatement builds trust
- Control the difficult questions — acknowledge and redirect, never get defensive

6.2 — Heads of terms

Heads of terms (HoT) is the document that captures the agreed commercial terms before formal legal documentation begins. It is usually non-binding on price and structure but creates a commercial framework that is difficult to deviate from.

Key terms to agree in heads of terms:

- Enterprise value and equity value — and how each is calculated
- Working capital assumption — the agreed baseline and adjustment mechanism
- Completion mechanism — locked-box or completion accounts
- Any deferred consideration, earn-out, or loan note structure
- Exclusivity period — length and what it prohibits
- Conditions to completion — regulatory, consent, financing
- Proposed transaction timeline
- Employee and management treatment post-completion
- Seller restrictions — non-compete and non-solicitation scope and duration

**NEGOTIATION
PRINCIPLE**

The best deals are done from a position of confidence, not desperation. A prepared seller who knows their numbers, has multiple interested parties, and has addressed the obvious objections in advance will always negotiate better than one who is hoping for the best. Preparation is your negotiating advantage.

6.3 — Surviving due diligence

Due diligence is the period after heads of terms when the buyer's advisers examine the business in detail. For most sellers, this is the most stressful phase of the process. For a well-prepared seller, it should be orderly and controlled.

How to manage due diligence effectively:

- Appoint a single point of contact — one person who coordinates all information requests
- Use your data room — everything should already be there
- Respond promptly — delays breed suspicion and erode buyer confidence
- Do not hide issues — if something will surface, disclose it proactively with context
- Track every request — know what has been asked for and what has been provided
- Hold regular update calls — maintain momentum and a positive deal dynamic
- Protect sensitive information — use an NDA, stage disclosure, and watermark documents

6.4 — The SPA and legal completion

The Sale and Purchase Agreement (SPA) is the legally binding document that governs the transaction. It will be long, detailed, and negotiated intensively. Do not treat it as a formality.

Key areas of SPA negotiation:

- Warranties — scope, basket, cap, and limitation period
- Disclosure — the disclosure letter is your primary protection against warranty claims
- Indemnities — specific obligations negotiated based on known risks
- Completion mechanism — confirming the accounts basis and any adjustments
- Restrictive covenants — non-compete and non-solicitation duration and geography
- Management arrangements — employment, consultancy, or exit terms for key people
- Completion conditions — what must happen before you can complete

The Exit Readiness Scorecard

Score yourself across 12 dimensions — 1 (not started) to 10 (fully ready)

Be honest. An inflated score gives you false comfort. A realistic score tells you where to focus.

Exit Readiness Area	Score /10	Priority Action
Financial performance — clean, consistent, growing EBITDA over 3+ years	/10	<i>Prepare normalised EBITDA schedule with commentary</i>
Financial reporting quality — monthly management accounts, on time, reliable	/10	<i>Implement monthly reporting cycle now</i>
Valuation knowledge — you have an independent view of what the business is worth	/10	<i>Commission independent valuation assessment</i>
Recurring revenue — significant contracted or subscription income	/10	<i>Convert top customers to formal service agreements</i>
Customer diversification — no single customer above 20% of revenue	/10	<i>Actively grow second tier — reduce concentration</i>
Owner independence — business operates effectively without you day-to-day	/10	<i>Begin systematic transition of key relationships</i>
Management team — capable leaders in operational, commercial, and finance roles	/10	<i>Identify gaps and recruit or promote into them</i>
Legal and compliance — all filings, contracts, licences, and IP in order	/10	<i>Commission legal health check</i>
Operational documentation — processes written down, systems documented	/10	<i>Start documentation programme with operations lead</i>
Tax position — BADR protected, structure reviewed, HMRC fully compliant	/10	<i>Engage specialist tax adviser for pre-sale review</i>
Information Memorandum — compelling, accurate, professionally presented	/10	<i>Engage M&A adviser to prepare or review</i>
Adviser team — M&A adviser, tax adviser, solicitor all appointed and briefed	/10	<i>Identify and appoint advisers at least 6 months before going to market</i>

Total Score (out of 120)	What It Means
96–120	Exit ready. You are well positioned to go to market. Focus on the lowest-scoring areas.
72–95	Strong foundations. Targeted work in 3–4 areas will significantly improve your outcome.
48–71	Meaningful preparation required. Plan 12–18 months of focused work before going to market.
24–47	Early stage. Build the fundamentals first. 18–24 months of preparation needed.
Below 24	Not ready. Going to market now would be premature — focus on the foundation phase first.

The Exit Readiness RAG Dashboard

Traffic-light view of your current position — complete honestly

Use this dashboard to quickly identify where you are ready, where you need work, and where you have a serious gap. Red areas need immediate attention — they are the most likely source of price reduction in a deal process.

Area	GREEN — Ready	AMBER — Work needed	RED — Not ready
Financial reporting	Monthly accounts on time; 3 years clean; budget vs actual tracked	Accounts produced but irregular; gaps in management reporting	No regular accounts; only annual statutory filed
EBITDA quality	Normalised EBITDA clearly documented; adjustments supported by evidence	Some adjustments made but not fully documented	No normalisation done; reported profit only
Revenue quality	60%+ under contract or recurring; no customer over 20%	Some contracted revenue; one or two large customers	Fully project-based; one customer over 40%
Owner dependency	Business runs for 3+ months without owner involvement	Some key processes need the owner; partial delegation done	Owner is the business — sales, relationships, operations
Management team	Full management team operational; MD, commercial and finance leads in place	Some management in place but gaps in key roles	No management team — owner and operatives only
Legal and compliance	All contracts signed; IP registered in company; HMRC fully current	Some contracts missing; IP partially registered	Significant legal gaps; HMRC issues outstanding
Tax position	BADR reviewed and protected; structure optimised; specialist advice taken	Some tax planning done but not comprehensive	No pre-sale tax planning; BADR position unclear
Data room readiness	Full data room prepared and organised	Key documents gathered but not organised	No data room; documents not located or prepared
Adviser team	M&A adviser, tax adviser, and solicitor appointed	One or two advisers identified but not all appointed	No advisers appointed
Growth narrative	Written growth strategy with evidence and market data	Verbal growth story but not documented	No growth narrative — selling on historic numbers only

The 90-Day Exit Accelerator

A prioritised action plan for the first three months of your exit preparation

If you are serious about exit, the first 90 days set the tone. These are the actions that deliver the most impact in the shortest time. Do not try to do everything at once — work through this list in order of priority.

Month 1 — Clarity

Action	Priority	Timeline	Owner / Notes
Commission an independent valuation or valuation assessment	Critical	Week 1–2	<i>Engage Dealwise or M&A adviser</i>
Produce a normalised EBITDA schedule for the last 3 years	Critical	Week 1–3	<i>Owner + accountant</i>
Identify every key person dependency in the business	Critical	Week 2	<i>Owner</i>
Pull your last 3 years of statutory accounts and management accounts	Critical	Week 1	<i>Finance lead / accountant</i>
Review customer concentration — list revenue by customer	Critical	Week 2	<i>Finance lead</i>
Book a pre-sale tax review with a qualified M&A tax adviser	Critical	Week 2–3	<i>Owner</i>
Identify all outstanding HMRC obligations and clear any arrears	Critical	Week 1–4	<i>Accountant</i>
List all signed and unsigned contracts — flag any major gaps	High	Week 3–4	<i>Operations lead / solicitor</i>

Month 2 — Build

Action	Priority	Timeline	Owner / Notes
Begin monthly management accounts process if not already running	Critical	Month 2	Finance lead
Identify top 5 customers and begin conversion to formal contracts	High	Month 2	Commercial lead / owner
Start documented handover of at least one owner-held key relationship	High	Month 2	Owner + nominated successor
Commission a legal health check on contracts, IP, and company records	High	Month 2	Solicitor
Draft role descriptions for management positions you want to fill	High	Month 2	Owner + HR lead
Begin data room folder structure — start collecting documents	High	Month 2	Finance + admin lead
Review insurance schedule — confirm all policies are adequate and current	Medium	Month 2	Finance lead
Identify any property or lease issues that need to be resolved	High	Month 2	Owner + solicitor

Month 3 — Sharpen

Action	Priority	Timeline	Owner / Notes
Appoint M&A adviser and brief them on timeline and objectives	Critical	Month 3	Owner
Review and refine your growth narrative — get it on paper	High	Month 3	Owner + M&A adviser
Begin process of transitioning second key customer relationship	High	Month 3	Owner
Complete data room population — all core documents in place	High	Month 3	Finance lead
Review management team gaps and begin recruitment or promotion process	High	Month 3	Owner
Complete legal health check — start resolving identified issues	High	Month 3	Solicitor
Review director loan accounts — agree plan to clear before exit	High	Month 3	Owner + accountant
Set personal financial goals — what do you need from the sale to achieve your goals?	Critical	Month 3	Owner + IFA

Common Mistakes — What Business Owners Get Wrong

These are the mistakes that consistently cost business owners money at the point of sale. Most are avoidable with preparation. All of them are predictable.

Mistake	Why it costs you	How to avoid it
Starting too late	Insufficient time to fix value killers before a buyer finds them	Begin preparation 24–36 months before target exit
Relying on one buyer	No competitive tension — buyer controls the price	Run a structured process with multiple parties
Inflating the valuation expectation	Missed deals; wasted time; damaged credibility	Get an independent view first — accept reality early
Letting momentum override judgment	Signing a bad deal because you want it over	Be prepared to walk away — have alternatives
Ignoring working capital	Completion accounts reveal a shortfall — price is chipped	Understand and agree working capital basis early
Underestimating due diligence	Issues surface late — lose price, lose time, lose deal	Prepare a data room; commission VDD; fix issues first
Keeping too much in the owner's head	Business looks fragile without the owner present	Document, delegate, and demonstrate independence
Poor disclosure in the SPA	Warranty claims post-completion erode net proceeds	Prepare thorough disclosure letter with your solicitor
No personal financial plan	Post-sale financial decisions made under pressure	Engage an IFA at least 12 months before sale
Not getting independent legal advice	Signing terms you do not fully understand	Use an M&A specialist solicitor — not your general solicitor
Emotional decision-making	Deals are killed by personal ego, not commercial logic	Separate your identity from the business early
Talking to buyers without a process	Bilateral conversations give buyer all the power	Run a structured process — never negotiate alone

Your Next Steps — How Dealwise Advisory Can Help

This playbook gives you the framework. Dealwise Advisory gives you the experience and the execution support to implement it — at whatever stage of the journey you are at.

What We Do

Service	What it involves
Exit Readiness Review	A deep-dive assessment of your current position against the 12 dimensions in this playbook. Includes a prioritised action plan and indicative valuation range.
Pre-Sale Value Creation Programme	A structured 12–24 month advisory engagement to build enterprise value, reduce risk, and prepare the business for a premium sale.
Independent Business Valuation	A formal valuation assessment with full normalisation schedule, multiple analysis, and comparable transaction benchmarking.
Transaction Advisory	Full M&A advisory support from Information Memorandum to completion — including buyer identification, negotiation, and deal structuring.
Vendor Due Diligence	A pre-sale due diligence exercise that gives you a buyer's eye view of your business — and time to resolve issues before they cost you money.
CFO-Level Support	Fractional CFO support to improve financial reporting, working capital management, and commercial analysis in the run-up to exit.

Who this is RIGHT for

- Business owners who are serious about exit in the next 2–5 years
- Owners who have received an approach and need to understand what it is worth
- Business operators who want to build enterprise value deliberately over time
- Entrepreneurs who are buying businesses and want to understand them through a seller's lens

Who this is NOT RIGHT for

- Business owners who want to be told what they want to hear rather than what is true
- Those looking for a quick valuation without preparedness to act on the findings
- Owners who are not genuinely committed to the preparation process

Ready to start your exit readiness journey?

Book a no-obligation Exit Readiness Review with Steve Rooms. In one focused session, we will assess where you stand, identify your biggest value opportunities, and build the starting framework for your exit programme.

To book your call, [click here](#)

www.dealwiseadvisory.co.uk

Disclaimer

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