Cranleys
CHARTERED ACCOUNTANTS



CRANLEYS' CUNNING PLANS · No. 24 · SELLING AND EXIT

Finding Buyers and Negotiating the Deal Checklist

Tick it, print it, pin it up. Every box you cannot tick is a conversation worth having.



By Colin Davison FCA, Managing Partner, Cranleys Chartered Accountants. In practice since 1998. Reviewed 15 November 2026 against the 2026/27 rules.

THE QUICK ANSWER

Know the types of buyer: trade, private equity, management, employees and family. Use confidentiality agreements, a clear information pack and competing interest. Read the heads of terms for price adjustments, exclusivity and warranties, and be ready to walk away.

THE KEY FIGURES

The key facts	What to know
Buyer types	trade, private equity, MBO, EOT, family
Price basis	cash free, debt free, normal working capital
Exclusivity	a short, defined period

The checklist, box by box

	The check	What to do	Keep as evidence
☐	**Who are the likely buyers?**	List trade, financial and internal buyers.	Buyer list
☐	**Is confidentiality protected?**	Use non-disclosure agreements before sharing detail.	Signed NDAs
☐	**Is the information pack clear?**	A concise story, numbers and the growth plan.	Information memorandum
☐	**Do you understand the heads of terms?**	Price, structure, adjustments, exclusivity, timetable.	Heads of terms
☐	**How will price adjust?**	Debt, cash and working capital changes.	Adjustment mechanism
☐	**Can you walk away?**	Alternatives give you power.	Fallback plan



MY PRO TIP

one buyer is a conversation, three buyers is an auction.

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A worked example

A headline price of £3m is agreed on a cash free, debt free basis. At completion, debt of £250,000 is deducted and working capital is £100,000 below the agreed level. The seller receives £2.65m, before costs and tax. Knowing the mechanism in advance avoids an unpleasant surprise.

The trap to avoid

Granting a long exclusivity period without a firm timetable. You lose bargaining power while the deal drifts.

The Rufus test

One question that tells you if you have the right adviser:

If this buyer walked away tomorrow, who would I call next?

What has changed recently

- Prepare properly. See the sale-ready checklist.
- Tax shapes the price. See the share sale vs asset sale checklist.
- Deferred payments. See the earn-outs and handover checklist.

Questions I get asked

How do I find a buyer for my business?

Think about trade buyers, investors, your management team and family, and use advisers to approach them in confidence.

What are heads of terms?

A summary of the main deal terms, usually not legally binding, that guides the final contract.

What is cash free, debt free?

The price assumes no debt or cash is transferred, with adjustments at completion.

Should I give exclusivity?

Only for a short, defined period and when you are comfortable with the terms.

The 9 CAD Keys link: Differentiation

Differentiation is giving buyers a clear reason to choose you over every other target.

Colin's 9 CAD Keys. CORE: Clarity, Capability, Consistency. ADVANCED: Analysis & Positioning, Alignment, Acceleration. DYNAMIC: Differentiation, Dexterity, Development. Score each key 1 to 5 in the free Business Value Assessment Scorecard, total out of 45. *Freedom is built. One CAD Key at a time.*

Tick these next

Business checklist 21
Getting Sale-Ready: Clean Accounts, Contracts and Team Checklist

Business checklist 22
Share Sale vs Asset Sale: Tax and Legal Checklist

Business checklist 25
Earn-Outs, Retention and The Handover Checklist

Tax checklist 27
Business Sale, Exit and Succession Tax Checklist 2026/27

Go deeper: my books

For this topic, start with **Business Exit Secrets**, part of The Cranleys Business and Tax Secrets Series: Property Tax Secrets, Inheritance Tax Secrets, Business Tax Secrets, Starting Up Secrets, Business Growth Secrets and Business Exit Secrets. The books are launching soon. Join the launch list at cranleys.online/books and I will tell you the moment each one is released.

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YOUR NEXT STEP

Ring me. Free draft plan, no hard sell.

I will build you a free draft tax plan or business plan on my 9 CAD Keys: a scorecard, a 12-month cashflow forecast, a 90-day action plan and a review with me. **1** Get in touch. **2** Short intro call. **3** Your free draft plan in plain English. You decide what happens next.

Sniff out the offer.

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Scan to read online, tick it on screen and take the Scorecard



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