

Finance Checklist

For Early and Growth Stage Companies



BANNER PEAK GROUP

Document Purpose

Use this document to identify company finance & administrative issues and prioritize potential projects. This checklist is most useful for early and growth stage technology companies, but can be used for businesses of any stage or industry.

Table of Contents

Financial Planning & Analysis	4
Accounting & Financial Operations	5
Treasury & Risk Management	7
Human Resources	7
Sales & Marketing	9
Legal	9
Facilities	10
Information Technology	10
Other Business & Financial Issues	11
Business Systems	12
Professional Service Providers	13
Other Service Providers	13
Background Information Request	15
About Banner Peak Group	17
Contact	17

Financial Planning & Analysis

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> 12 Month Financial Forecast	Current model? Forecast period? Update frequency? Revenue, expense, cash forecast?		
<input type="checkbox"/> 3-5 Year Financial Projections	Long-term financial model including operating profit / cash flow breakeven points?		
<input type="checkbox"/> Gross Margin Structure	Revenue, Cost of Revenue, and Gross profit analysis and trends? Gross margin analysis by product, service, customer type, geography? "Unit economics" of a typical transaction?		
<input type="checkbox"/> Customer Lifetime Value (CLV)	CLV model? How frequently update? Overall or for segments of customers? Historical or predictive?		
<input type="checkbox"/> Customer Acquisition Cost (CAC)	Customer acquisition / lead cost reporting and analysis? Responsibility for reporting/monitoring of payback?		
<input type="checkbox"/> Supply Acquisition Cost (SAC)	If "2 sided" market: supply acquisition / lead cost reporting and analysis? Responsibility for reporting/monitoring of payback?		

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Budgeting & Cost Forecast	Budgeting/ cost forecast process? Department budgets? Budget vs. actual reporting?		
<input type="checkbox"/> Management Reporting	Daily reporting (flash report)? Weekly executive team KPI dashboard? Monthly reporting / operational review?		
<input type="checkbox"/> Board of Directors Reporting	Standard presentation package? Frequency of meetings/reports? Specific investor reporting requirements		

Accounting & Financial Operations

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Month-End Close	Month end close procedure documentation and roles?		
<input type="checkbox"/> Chart of Accounts	Level of fit for business reporting? Classes for departmental reporting?		
<input type="checkbox"/> Revenue Recognition	Significant policies?		
<input type="checkbox"/> Audit	Audit requirement (bank, investors) Most recent audit? Management letter?		
<input type="checkbox"/> Tax	409A valuation? Next due date?		

Finance Checklist

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Payroll	Provider? Renewal? 1099 contractor payments?		
<input type="checkbox"/> Transaction Processing	Credit card/ACH processor?		
<input type="checkbox"/> Accounts Receivable	Major customers? Aging? Subscription management		
<input type="checkbox"/> Accounts Payable	Major vendors? Aging?		
<input type="checkbox"/> Inventory	3PL/ warehousing locations? Inventory information systems?		
<input type="checkbox"/> Expense policies	Travel & entertainment guidelines? Purchase orders? Signature authority? Company credit cards?		
<input type="checkbox"/> Internal Controls	Expense authorization? Signing checks? Access to bank/accounting systems? Cash/deposits? Expense reports?		
<input type="checkbox"/> Other			

Treasury & Risk Management

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Banking & Cash Management	Current bank? Investment accounts? Signature authority?		
<input type="checkbox"/> Fundraising	Capitalization table? Fundraising plans (equity, venture/bank debt, etc.)?		
<input type="checkbox"/> Investment Policy	Formal policy for investment of excess cash (priority for security, liquidity and yield)? Board approved?		
<input type="checkbox"/> Insurance	General liability policy? Directors & officers (D&O) policy? Professional liability (E&O) policy? Agent/broker contact?		
<input type="checkbox"/> Other	Other cash related issues? Share buybacks, escrows, etc.?		

Human Resources

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Employee Benefits	Current providers? Renewal timing?		

Finance Checklist

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Compensation	Banding (salary, bonus, equity)? Variable compensation plans? Salary raise schedule? Profit sharing?		
<input type="checkbox"/> Stock Administration	Employee options and/or restricted stock? Responsibility for administration?		
<input type="checkbox"/> Employee Handbook	If exists, current version?		
<input type="checkbox"/> Recruiting/Staffing	New hire approval process? Internal/external recruiters? Onboarding process? Exit process?		
<input type="checkbox"/> Immigration	Any immigration issues? Immigration counsel/service providers?		
<input type="checkbox"/> Employee Database/HRIS	Process and record keeping/systems for employee information?		
<input type="checkbox"/> Performance Management & Career Development	Key processes? Systems and software?		
<input type="checkbox"/> Other			

Sales & Marketing

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Pricing	Competitive pricing analysis? Price sensitivity? Recent changes? Who is responsible for pricing decisions?		
<input type="checkbox"/> Demand Generation / Sales Funnel	If direct sales: demand generation and sales funnel visibility?		
<input type="checkbox"/> Sales Commissions	If commissioned sales force: sales commission plan?		
<input type="checkbox"/> Contract Negotiation	If custom sales deals: approval process?		
<input type="checkbox"/> Other			

Legal

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Outside Counsel	Corporate? Commercial? Intellectual property? Labor? Tax?		
<input type="checkbox"/> Intellectual Property	Patents? Trademarks? Major copyrights?		

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Material Agreements	Customer? Partner? OEM? Vendor? NDA?		
<input type="checkbox"/> Contract Repository & Database	Location of contracts? Database of contracts (summary of terms, etc)?		
<input type="checkbox"/> Other			

Facilities

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Facilities Management	Number/location of offices? Leased/subleased? Day-to-day management responsibility?		
<input type="checkbox"/> Facilities Planning	Lease renewal, expansion, new facilities?		
<input type="checkbox"/> Other			

Information Technology

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> New Employee Setup	Standard issuance for computer, monitor, desk set up? \$ allowance?		

Area	Issues	Priority	Potential Projects
<input type="checkbox"/> Business Applications	Which major business applications? Who has responsibility?		
<input type="checkbox"/> Fixed Asset Management	Fixed asset database? Responsibility for tracking?		
<input type="checkbox"/> Data Center & Cloud Services	Data center and cloud service providers?		
<input type="checkbox"/> Other			

Other Business & Financial Issues

Area	Issues	Priority	Potential Projects
<input type="checkbox"/>			
<input type="checkbox"/>			
<input type="checkbox"/>			

Business Systems

Area	Primary Systems & Sources	Comments
Accounting: General Ledger	Quickbooks, Xero, NetSuite, Intaact, Other	
Accounting: Invoicing	Quickbooks, Xero, Freshbooks, Other	
Financial Reporting	Excel/Google Spreadsheets, Quickbooks, Xero, Adaptive Insights, Other	e.g., actual results vs. plan/forecast
Financial Forecasting & Projections	Excel/Google Spreadsheets, Adaptive Insights, Other	
Expense Budgets & Forecasts	Excel/Google Spreadsheets, Adaptive Insights, Other	
Business Intelligence / Dashboard Tools	Excel/Google Spreadsheets, Tableau, Google Charts, GoodData, RJ Metrics, Other	
Website / App Analytics	Google Analytics, MixPanel, Flurry, New Relic, Other	
Data Warehouse	MySQL, PostgreSQL, MS-SQL, Other Internal or AWS RDS?	
HR Info Systems	Excel/Google Spreadsheets, BambooHR, Zenefits, Other	
Expense Reports	Excel/Google Spreadsheets, Expensify, Xero, Concur, Other	
Fixed Assets	Excel/Google Spreadsheets, Other	
Contracts Database	Excel/Google Spreadsheets, Other	

Area	Primary Systems & Sources	Comments
Third-party reporting (e.g., affiliate networks)		

Professional Service Providers

Area	Firm	Primary Contact
Accounting & Bookkeeping		
Corporate Counsel		
CPA - Tax		
Audit		
409(a) Valuation		
Corporate Insurance Broker		
Benefits Consultant/Broker		
PR Firm		
Marketing Agency		

Other Service Providers

Area	Company
Payroll	
Medical	

Finance Checklist

Area	Company
Vision	
Dental	
General Liability Insurance	
Directors & Officers Insurance	
Errors & Omissions (Professional Liability) Insurance	
Other Insurance	

Background Information Request

- Corporate
 - Entity type and state of incorporation (e.g., Delaware C-Corp)
 - Fundraising history (equity/debt/convertible notes, amount raised, pre/post-money valuation)

- Accounting (most recent close, last year, and year-to-date)
 - Income Statement
 - Balance Sheet
 - Cash Flow Statement
 - Accounts Receivable Aging report
 - Accounts Payable Aging report
 - General Ledger report
 - Bank reconciliation report
 - Most recent audit report and management letter (if any)

- Planning, Reporting, and Forecasting
 - Current/most recent operational & financial plans
 - Financial forecasting model
 - Executive team dashboards (monthly, weekly)

- Equity & Debt Information
 - Capitalization table
 - Most recent financing round round closing documents

Finance Checklist

- Loan documentation
- Most recent 409(a) valuation report

• Company Presentations

- General company overview
- Fundraising presentation (most recent round)

• Human Resources

- Compensation banding
- Employee handbook
- Sales incentives program

• Other

- Office lease(s)

About Banner Peak Group

Banner Peak Group is a CFO consulting firm serving data-driven companies. With expertise in financial modeling, business intelligence, and data analytics, we help consumer technology clients make data-driven financial and operating decisions that drive profitable growth.

Contact

Trey Pruitt, CEO

trey@bannerpeakgroup.com

www.linkedin.com/in/treypruitt

[Banner Peak Group](#)

<http://www.bannerpeakgroup.com/>

version 2.1