

# Due Diligence Checklist for SaaS Financing

This checklist will help you gather the necessary information and documentation to facilitate a smooth loan application and increase your chances of securing the capital you need to drive your business forward.

**NOTE:** This is intended to assist with debt financing applications, which tend to focus on historical financial data and realistic medium-term growth projections. Equity financing applications may require additional items (e.g., investor pitch decks, best-case long-term financial projections, etc.).

## 1 : Financial : Items

Financial items provide a comprehensive view of your company's financial health. Note that accounting should be accrual-based and aligned with GAAP standards.

- ☐ **Historical Financials:** The past 24 months of historical financials
  - Monthly Profit & Loss Statement
  - Balance Sheet
  - Monthly Cash Flow Statement
- ☐ **Aged Receivables/Payables:** As of the most recent date available, including any bad debts written off in the last 12-24 months
- ☐ **Forecasted Financials:** 12-24 months forecasted financial model
  - Monthly Profit & Loss Statement
  - Balance Sheet
  - Monthly Cash Flow Statement
- ☐ **Metrics:** Detailed monthly revenue and SaaS metrics (in Excel if possible) by customer and product (e.g., retention, churn, ARR/MRR, LTV, revenue concentration)
- ☐ **Growth Plans:** The intended use of funds, sales and marketing budgets, details on sales pipeline for the future
- ☐ **Shareholder Loans:** Details on shareholder loans or dividend payments to employees or owners
- ☐ **FX Exposure:** Summary of bank accounts and any potential financial exchange exposures or hedging in place



## 2 : Corporate & : Capital Structures

- **Business Documents:** Articles and Certificate of Incorporation including Certification of Amendment(s) or Amalgamation, bylaws or LLC Agreement (if applicable)
- **Corporate Structure:** Chart showing all subsidiaries, entities, associates, and investments including their jurisdiction and any other pertinent information
- **Board:** List of board members and most recent board report
- **Capitalization Table:** Detailing who has ownership stakes and any other intercompany agreements  
Other Debt: Details of warrants, options, convertibles, and other debt-like instruments
- **Fundraising Plans:** Details of any imminent plans for equity fundraising
- **Business Plan:** Most recent business plan and last presentation to the Board of Directors
- **Operational Review:** To analyze the business model, operations, and management team and gain an understanding of key suppliers, customers, revenue models, contracts, and competitive environment

## 3 : Key People : & Headcounts

- **Org Chart:** High-level organizational chart showing leadership and full-time employees by division, entity, or location
- **Senior Leadership:** Bios, roles, and tenure of senior leadership team
- **Other Agreements:** Details on any notable agreements between the company and its shareholders, directors/employees, or related parties

## 4 : Product & : Technology Overview

- **Business Model:** Revenue model, including typical contract terms, conditions, duration, sales cycles, gross margin, committed periods, etc.
- **Patents:** documentation for any registered patents, Information on disputes relating to IP or software (in or outside of court)
- **Data Security:** Details on any data protection, security reports (SOC I/II), and any cyber incidents  
Product Roadmap: 12-month roadmap with capital required in the near future



## 5 : Tax : Information

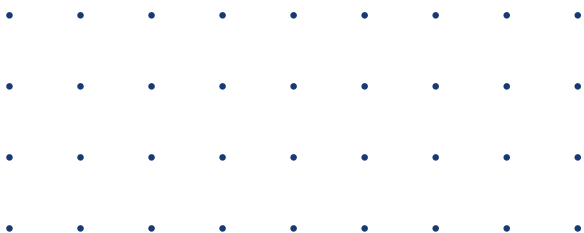
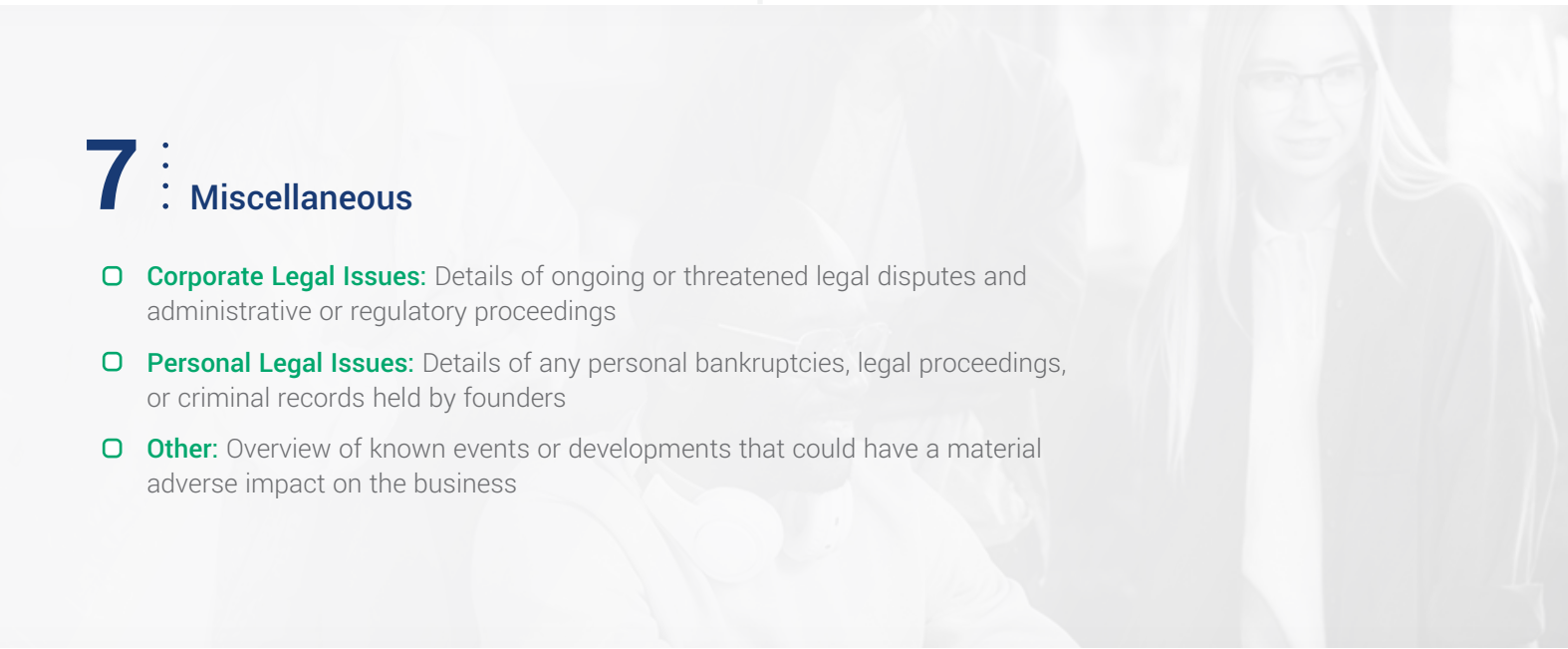
- **Tax Returns:** Returns for the past two years, information on any disputes, missed or late tax payments, and outstanding tax payments
- **Payroll:** Name of third-party payroll provider (i.e., ADP, Wagepoint, etc.), if any

## 6 : Credit : Checks

- **IDs for Credit Checks:** Government identification for founders and senior management so we can perform credit checks and obtain the credit history to assess historical repayment behavior

## 7 : Miscellaneous

- **Corporate Legal Issues:** Details of ongoing or threatened legal disputes and administrative or regulatory proceedings
- **Personal Legal Issues:** Details of any personal bankruptcies, legal proceedings, or criminal records held by founders
- **Other:** Overview of known events or developments that could have a material adverse impact on the business



If you have any questions about your future growth capital requirements, our team of experts is here to provide a free consultation to see if debt financing is the right choice for your SaaS business.

**Contact Us Today for a Consultation!**