

Buyer's red-flag scorecard

For an HVAC business you are thinking of buying. Keep it beside you when you meet the seller.

Give each line a letter. **R** means the evidence is missing or the work could not carry on. **A** means there is a named issue to settle. **G** means you have seen the evidence and are content with it for this deal.

Business being reviewed

R Red **A** Amber **G** Green

Check

R, A or G

Legal entity, certificates and engineer tickets

R A G

Maintenance terms, consent and margin

R A G

Owner replacement cost and role cover

R A G

Debtors, retentions and working capital

R A G

Engineer competence and employment continuity

R A G

Past installs, warranties and open complaints

R A G

Plant, refrigerant and service obligations

R A G

New-build approvals, dates and heating design

R A G

Unresolved evidence, responsible person and date

One red matters more than several greens. For each red and amber, write down what you need, who will get it and by when. Go through it again before you sign.

Type your answers in and save a copy, or print the page and fill it in by hand. Nothing you enter is sent to us.