



H. Tam and Partner LLP
Chartered Professional Accountants

50 Acadia Avenue, Suite 308, Markham, Ontario L3R 0B3
tel. 905.479.HTAM (4826) fax. 905.479.6311 www.htam.ca

There are usually a few components to the due diligence review: Financial; Clinical; Equipment; Legal

Here is a list of information you would want to examine in financial due diligence

- Review accounts receivable aging report (patient vs insurance)
- Review patient deposits
- Review total fees charged and fees received by provider.
- Review report showing adjustments/ write off
- Review total fees charged: insurance vs cheque.
- Review financial statements
- Review full corporate tax return
- Review corporate tax assessment/reassessment
- Review corporate tax statement showing taxes outstanding
- Review of monthly bank statements
- Review rollover agreement
- Review HST status.
- Review liability of the DPC.
- Any related party transaction – rent, salary paid to family members?
- Review T4 summary and T4 slip
- Review payroll ledger showing hours worked and hourly pay of employees
- Review source deductions statement of account from CRA
- Are staff employees or independent contractors?