

# VC-ready checklist

## Preparing for your first institutional investment round

Raising institutional capital is a major milestone and an opportunity to scale with the right partners around the table. But to secure the right deal on the right terms, founders need more than a pitch deck and ambition. This checklist outlines the key legal and strategic foundations you should have in place ahead of your first institutional fundraising.

### 1. Corporate foundations

- **Cap table clarity:** Up-to-date, accurate, and reconciled with Companies House? Fully diluted positions clearly set out?
- **Share classes and articles of association:** Do your articles permit preference shares, drag/tag, pre-emption, etc.? Or will they need updating?
- **Founders' equity position:** Are founder shareholdings and vesting terms aligned with future funding (and team retention)?

### 2. Equity & incentives

- **Employee option schemes:** Is there a share option plan in place (e.g. EMI), and is the pool sufficient post-funding?
- **Advance assurance:** If you're seeking SEIS/EIS investment, is HMRC advance assurance in place?

### 3. Key contracts & IP

- **Founder and key employee agreements:** Do they contain appropriate IP assignment, confidentiality, and restrictive covenants?
- **IP ownership:** Is all core IP owned by the company (not founders, contractors, or third parties)?
- **Customer/supplier contracts:** Are there any high-risk terms, change of control clauses, or missing contracts?

### 4. Governance & compliance

- **Board structure:** Are board appointments clearly documented? Will changes be needed post-funding?
- **Companies House filings:** Are filings up to date, especially in relation to share issues and resolutions?
- **Due diligence readiness:** Have you reviewed what an investor due diligence request list might include?

### 5. Investor process

- **Heads of terms/term sheet:** Do you understand the commercial and legal impact of common terms: liquidation preference, anti-dilution, investor rights?
- **Data room setup:** Are you ready to provide structured access to financials, cap table, contracts, etc.?
- **Advisory support:** Have you identified legal, tax, and financial advisors to support the transaction?

## Final thoughts

The best investment rounds don't just close – they create lasting value. Getting your legal foundations right from the outset gives you leverage, confidence, and optionality. Start as you mean to go on.

## Let's talk

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We bring:

- Deep experience with UK and international investors (VCs, strategics, and family offices)
- Market-aligned legal and commercial advice
- Practical support preparing your business and negotiating fair terms

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