

BUSINESS VALUATION SERVICES

We offer two levels of service for business valuations:

1. **Buy-Sell Valuation** – This service is \$3,750 and is the level of service recommended for most business valuations. The service provides an approximately 40 page report and typically includes an option of value, adjusted earnings and balance sheet analysis, historical and projected cash flow, risk assessment and comparative analysis, approaches to value description, capitalization rates and multipliers, computation of value, adjustments to value and cash flow coverage reporting.
2. **Standard Report Valuation** – This service is \$5,250 and includes all information in the Buy-Sell Valuation plus details on the economic conditions and outlook, and business sales transactions analysis.

The typical time frame for preparation for completion of a business valuation is 3-4 weeks. If you require a quicker turn around time, we will do our best to accommodate you. The rush service will require a 10% additional charge to cover our additional costs and efforts for this service.

A separate appraisal for real estate, large equipment and other assets may be required. These services will be performed by outside appraisal specialists and will require additional fees based upon the work to be performed. We will provide you an estimate for these services if they are required.

All business valuations require a \$1,000 deposit. This fee covers our expenses for comparable sales analysis and other information we must purchase to perform your valuation. The balance is due upon completion of the report.

All pricing assumes that the requested information is provided, your accounting records are in good order, and that we are able to receive your assistance with information requests. We will notify you and request your approval if there will be additional charges based upon your accounting records or other matters before these costs are incurred.

If you have multiple locations and we have to consolidate your accounting records there will be a separate charge for this service.

BUSINESS VALUATION INFORMATION REQUEST

The following is a list of the documents typically used in a business valuation. If the item requested is not applicable, mark as N/A. There may be additional documents that will be needed after the valuation begins. Many of the information requests below can be obtained from a backup of your accounting software. We support QuickBooks, Peachtree and Business Works accounting software packages. Please disregard any requests that are included in your accounting backup.

Date of valuation: _____

Reason for valuation: _____

Financial Statements

1. Annual financial statements for the last 3 years.
2. Interim financial statements from the most recent year end to the date of valuation.
3. Federal income tax returns (and state returns, if applicable) for the last 3 years.
4. Copies of any forecasts or projections.
5. List of subsidiaries or other businesses in which the subject company has an ownership interest, together with their financial statements.

Other Financial Data

6. Fixed asset register or depreciation schedule.
7. Schedule of officers' and directors' compensation and a schedule of key person life insurance.
8. List of owner discretionary spending, separated by owner. This includes health insurance, automobile expenses, disability insurance, travel, entertainment and any other perks the business provides to the owners and their family.
9. Reports of other professionals:
 - a. Appraisals on specific assets.
 - b. Reports of other consultants.
10. List of stockholders or partners, showing the amount of stock or percentage owned by each person.

11. Organization chart.
12. List of five largest customers and suppliers and the total amount of sales and purchases, respectively, for each during the last year (unless accounting backup provided).
13. Details of transactions with related parties.

Legal Documents

14. Copies of significant leases and loans, including notes receivable and notes payable.
15. Copies of stockholder or partnership agreements, including any stock option agreements.
16. Copies of any buy-sell agreements and/or written offers to purchase or sell company stock.
17. Details of any litigation, including pending or threatened lawsuits.
18. Details of any employee benefit plans, including pension plans, profit-sharing plans, and employee stock option plans.
19. Reports of examination issued by government agencies such as EPA, OSHA, IRS, or EEOC.
20. Attorney's invoices/billing statements.

Other Company Data

21. Details of transactions in the company's stock during the last 5 years.
22. List of any of the following:
 - a. Patents.
 - b. Copyrights.
 - c. Trademarks.
 - d. Similar intangibles.
23. Details of any contingent liabilities (such as guarantees or warranties) or off balance sheet financing (such as letters of credit).
24. Resumes or a summary of the background and experience of all key personnel.
25. Copies of any other value indicators, such as property tax appraisals.