

# BUSINESS VALUATION SERVICE

## Introduction

Essentially a business, as with any asset, is worth what somebody is willing to pay for it, and it is a matter of negotiation between a buyer and seller that ultimately determines the market value. However there are still times when a valuation is required, and this can sometimes be done by a specialist agent, perhaps an expert in your particular industry, or it can be done more generically by an Accountant.

An accountant's valuation can be used for many purposes, such as when selling, buying, raising finance, exit planning, tax planning, employee share options, valuation of goodwill on incorporation, performance measurement and many other reasons. We offer a comprehensive and reliable service to facilitate all requirements.

## Our Services

We offer three Business Valuation service levels as follows:-

### 1. Basic Valuation Service

For a **FIXED FEE of £265** plus VAT we will provide:-

- A basic one page valuation using a multiple of adjusted profits approach.
- Telephone advice in relation to the same.

Repeat Valuation: For a **FIXED FEE of £130** plus VAT we will produce repeat valuations provided they are based on the same assumptions as the initial valuation and no additional advice is required. This would be to update the valuation for different accounting period results.

### 2. Detailed Valuation Service

For a **FIXED FEE of £1,795** plus VAT we will provide:-

- A detailed set of valuation calculations using a choice of multiple valuation methods and also a summary.
- Methods available: Basic Profit Multiple, Earnings before Interest & Tax (EBIT), Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA), Discounted Cash Flow (DCF), Gross Recurring Fees (GRF), Net Assets and Gross Margin.
- Minority/Majority Interest Discount Valuations where required for all owners of the business.
- Detailed summaries of the Profit & Loss, Balance Sheet and Business Owner details used.
- Full explanation and discussion on the different assumptions and variables you need to be considering in each valuation method.
- A meeting will be required and associated telephone advice will be given in relation to the same.

Repeat Valuation: For a **FIXED FEE of £350** plus VAT we will produce repeat valuations provided they are based on the same assumptions as the initial valuation and no additional advice is required. This would be to update the valuation for different accounting period results.

### 3. Detailed Valuation Service Plus Report

For a **FIXED FEE of £2,495** plus VAT we will provide:-

- Everything in the 2. Detailed Valuation Service.
- A full written report to support the calculations giving background information, summary of assumptions made, our opinion on the overall valuation of the business, detailed explanations for the methodology of all the valuation methods used, general areas you should consider when valuing your business, the benefits of preparing valuations and issues to consider when using a valuation for tax purposes.

Repeat Valuation: For a **FIXED FEE of £350** plus VAT we will produce repeat valuations provided they are based on the same assumptions as the initial valuation and no additional advice is required. This would be to update the valuation for different accounting period results.

Repeat Valuations: If we are revisiting the assumptions and variables of the valuation and giving further advice on the valuation methodology then we reserve the right to charge the initial fixed fees for the service.