



MERCER CAPITAL

Steps in a Business Valuation

Zac L. Lange, CPA

Senior Financial Analyst

langez@mercercapital.com

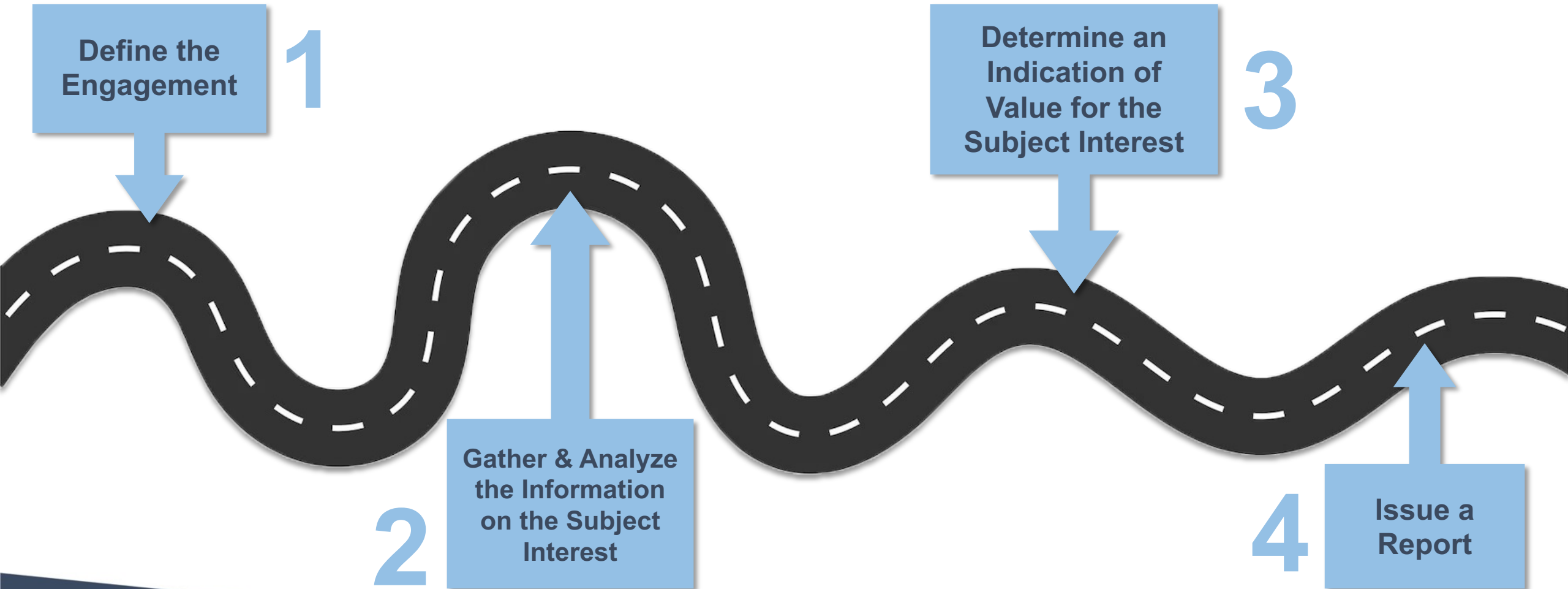
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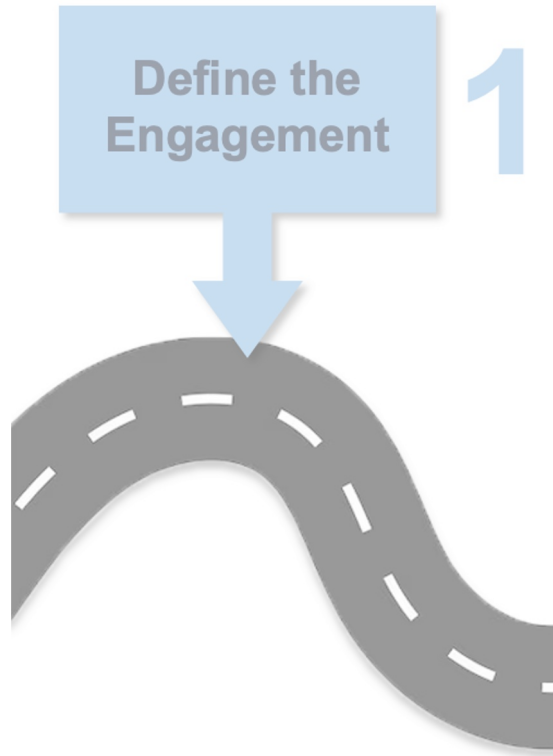
**BUSINESS VALUATION &
FINANCIAL ADVISORY SERVICES**

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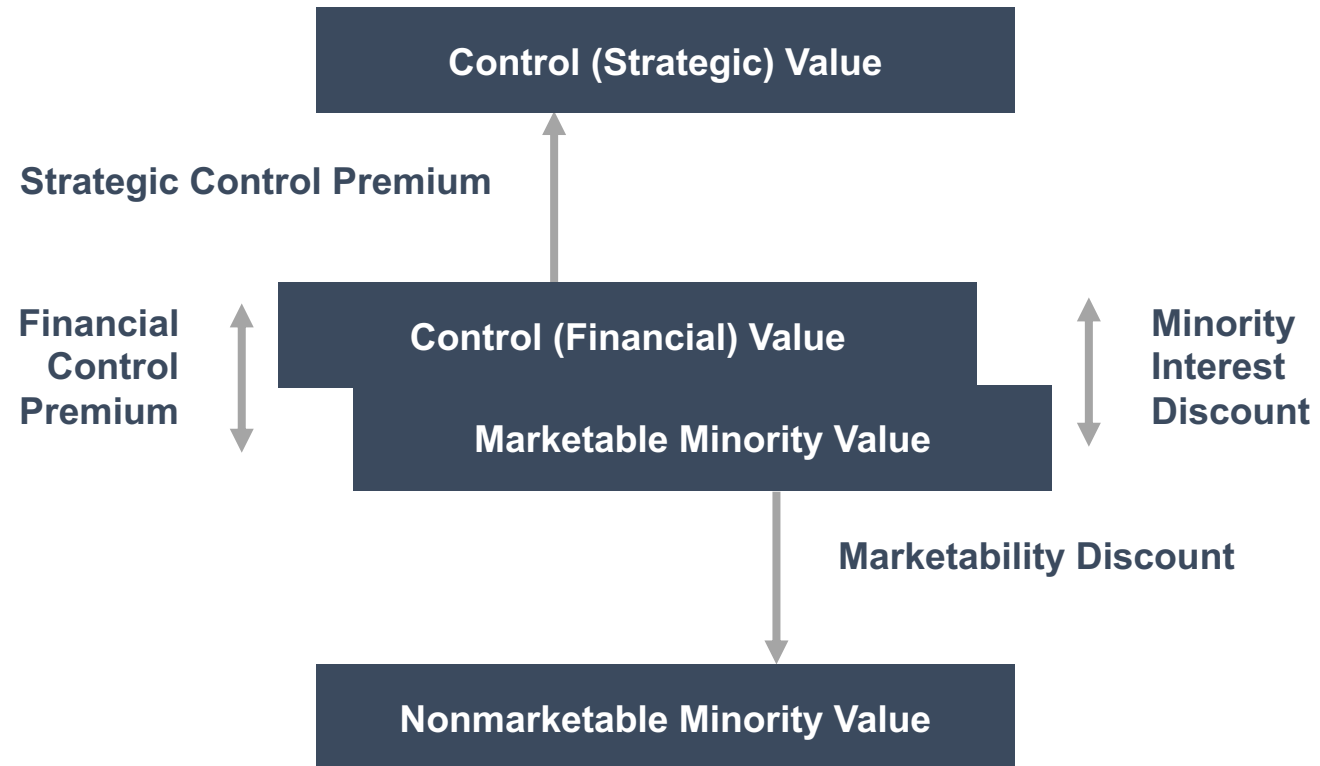


Define the Engagement



Assignment Definition	
Client Name	XXXX (the “Client”)
Business Name	Subject Company, LLC (“nickname if applicable” or the “Company”)
Type of Entity	C/S Corporation / Limited Liability Corporation / Limited/General Partnership, etc.
Subject Business Interest	X% Interest
Standard of Value	Fair Value / Fair Market Value
Premise of Value	Going Concern / The Liquidation Basis / Orderly Disposition
Level of Value	Controlling Interest Basis / Marketable Minority Interest Basis / Nonmarketable Minority Interest Basis
Effective Date	DD/MM/YYYY
Purpose & Intended Use	Gift and/or Estate Tax Compliance / ESOP Transaction / Corporate Planning Purposes / Potential / Contemplated Sale / Litigation Concerning, etc.
Scope of Work	Appraisal / Limited Appraisal / Calculations
Type of Engagement	Valuation Engagement / Calculations Engagement
Type of Report	Detailed Report / Summary Report

Levels of Value Chart



Determine an Indication of Value for the Subject Interest

Determine an Indication of Value for the Subject Interest

3

Asset-Based Approach

The asset-based approach is a general way of determining a value indication of a business or business ownership interest using one or more methods based on the value of the assets net of liabilities.

Income Approach

The income approach is a general way of determining a value indication of a business or business ownership interest using one or more methods that convert anticipated economic benefits into a present single amount.

Market Approach

The market approach is a general way of determining a value indication by using one or more methods that compare the subject to similar businesses or business ownership interests that have been sold.

Correlated Indication of Value

Asset-Based Approach:

Net Asset Value Method

Income Approach:

Capitalization of Earnings Method

Capitalization of Cash Flow Method

Discounted Cash Flow Method

Market Approach:

Transactions Method

Guideline Public Company Method

Guideline Transactions Method

Correlated Indication of Value

Indicated Value

Weight

Product

\$0

Issue a Report



*Detailed Report
or
Summary Report*



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langez@mercercapital.com

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Zac Lange is a senior financial analyst with Mercer Capital. Zac has valuation experience in engagements related to corporate planning and reorganizations, financial reporting, fairness opinions, litigation support, employee stock ownership plans, and estate and gift tax planning and compliance matters.

As a member of Mercer Capital's Litigation Group, he provides valuation and forensics services for family law, gift & estate planning, commercial litigation, transactions (M&A), and further matters related to privately held businesses, dissenting shareholders, intellectual property, personal goodwill, etc.

[>> Click here to learn more about Zac](#)

Mercer Capital's Business Valuation Services

Mercer Capital's ability to understand and determine the value of a company has been the cornerstone of the firm's services and its core expertise since its founding

Services

- Buy-Sell Agreement Valuation
- Employee Stock Ownership Plans
- Corporate Valuation
- Gift, Estate, and Income Tax Compliance

Mercer Capital offers a broad range of valuation services, including corporate valuation, gift, estate, and income tax valuation, buy-sell agreement valuation, financial reporting valuation, ESOP and ERISA valuation services, and litigation and expert testimony consulting.

In addition, Mercer Capital assists with transaction-related needs, including M&A advisory, fairness opinions, and strategic alternatives assessment.

We have provided thousands of valuation opinions for corporations of all sizes in a variety of industries. Our valuation opinions are well-reasoned and thoroughly documented, providing critical support for any potential engagement. Our work has been reviewed and accepted by the major agencies of the federal government charged with regulating business transactions, as well as the largest accounting and law firms in the nation in connection with engagements involving their clients.

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