



BUSINESS VALUATIONS

Jerroms
CORPORATE FINANCE

Are you planning on selling your business or issuing new shares but not sure at what price? Have you found an interesting acquisition, but want to make sure you don't pay too much?

There can be any number of reasons for wanting to know the value of a business, but it is typically conducted when a business owner is looking to sell, is considering selling some or all of their shares within the business or is looking to merge with or acquire another company. It may also be for reasons such as the death of an owner, drawing up a will or for divorce proceedings.



WHAT'S THE STARTING POINT?

Many business owners have no idea how much their business is actually worth - our valuation service determines the current worth of the business using objective measures and evaluating all aspects of the business to produce a confidential, independent, and realistic business valuation report.

The starting point in producing a business valuation report is to work from full sets of statutory accounts, preferably covering the last 3 years of trading, up to date management accounts and a budget or forecast for the current year. From there more detailed operational questions are requested, along with additional points to consider such as the type of business, spread of turnover, types of customers, years of trading, depreciation, trademarks, IP, key employees, future business etc, to ensure that the valuation report provides a fair and realistic figure.



HOW MUCH IS YOUR BUSINESS WORTH?



It's often said that a business is only worth what someone is willing to pay for it, but there are several proven methods used for valuing a business, depending on the type of business.

These include:

- Multiples of earnings
- Multiples of Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)
- Net Asset basis
- Entry Cost
- Price Earnings
- Discounted Cash Flow
- Industry Rules of Thumb

FORWARD PLANNING



A business valuation not only helps business owners understand the worth of their business now but can also project what it might be worth in the future, as well as identify areas of the business that may be underperforming and help the business owner make informed decisions to improve the value of the business.



Need a Valuation?

Jerroms Corporate Finance have extensive experience in valuing a diverse range of businesses across many industries, so if you are looking to speak with a business valuations expert or are interested in finding out more, please contact the Jerroms Corporate Finance team for a free, confidential, no obligation chat.

MEET THE TEAM



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