

## 4 Questions to Ask When You Need A Business Valuation

There are a variety of reasons why you, as a business owner, may need a professional valuation. The time and effort you have dedicated to the business over the years has often grown into your most significant asset. Perhaps you're considering buying another business or selling your existing business; or maybe you are looking to transfer equity in your existing business to a family member or key employee; or maybe you'd like to expand your business and need to satisfy SBA requirements for a business loan. Here are four key questions to ask before hiring a business valuation specialist.

### 1. How do I know I can trust the firm's valuation specialists?

Unfortunately it can be difficult for business owners to understand the quality differences of the many credentials available in the valuation profession including Accredited in Business Valuation (ABV), Certified Valuation Analyst (CVA), Accredited Valuation Analyst (AVA), and the Certified Business Appraiser (CBA). Certainly having credentials is important, so ask about the professionals credential choice, ongoing training, and work experience in the field. Ask for references and any articles, case studies or other information they can provide to showcase their knowledgebase.

### 2. Does the firm have experienced CPA's with industry knowledge?

Due to the complex nature of business valuations, a multi-certified business valuation analyst is always in high demand. Consider a valuation provider who also holds a CPA to bring expertise to a broad range of taxation issues including M & A, employee stock ownership plans, estate taxes, divorce and partner break-ups and who can help with the needs of the business following the valuation such as due diligence assistance, tax planning, cash flow projections or financial statements.

### 3. How does the valuation process typically work?

The experienced valuation team listens to your needs to determine the objective and purpose for the valuation report. Through additional discussion, the process is tailored to work for you and the team provides value-added guidance throughout that process. Finally, the team timely delivers the high-quality work product that will stand up to scrutiny by outside parties.

### 4. What is the cost for a business valuation engagement?

There is a price range according to the specific type of business valuation report needed. The Conclusion of Value Report is highly detailed and covers most business transactions. This is usually the most expensive. The Calculation of Value Report is a lighter touch that typically focuses on buy/sell transactions. The Range of Value Report is a summarized report calculating a range of value for business owners and potential investors which is usually the least expensive report.

To learn more about LGA's Business Valuation Practice Group or to discuss your need for a comprehensive business valuation, contact LGA Partner Ross Yogel, MBA, CPA, CVA, MAFF at [ryogel@lga.cpa](mailto:ryogel@lga.cpa) or by calling Ross directly at 781-569-4739.



## About Ross Yogel

Ross is a Partner at LGA and the head of the Business Valuation and Financial Forensics group. Ross specializes in serving clients and attorneys in need of closely held business valuations, financial consulting and forensic accounting. He is a licensed Certified Valuation Analyst (CVA), Master Analyst in Financial Forensics (MAFF), and CPA and has been working in business valuation for over 10 years.

## About LGA

LGA, LLP is a CPA and Business Advisory firm with offices in Woburn, MA, Chestnut Hill, MA, and Salem, NH. Every day, we strive to achieve our mission to *Bring financial focus to your business*. We do this by developing deep relationships with our clients that enable us to provide strategic insight, straightforward advice and value added services, including business consulting and valuations, outsourced accounting services, tax planning, and assurance. LGA's leadership focuses on transparency, integrity, and communication leading to the dedication of our team of professionals and the high level of service they provide to clients.