

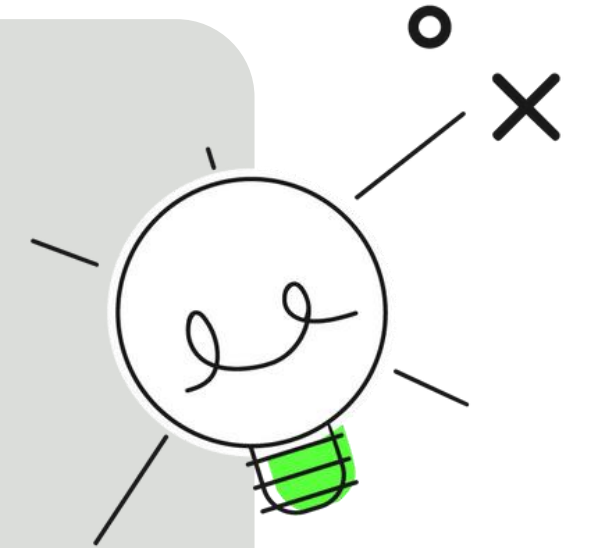


PARTNER WEBINAR

WE  VALUATIONS

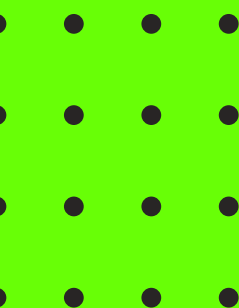
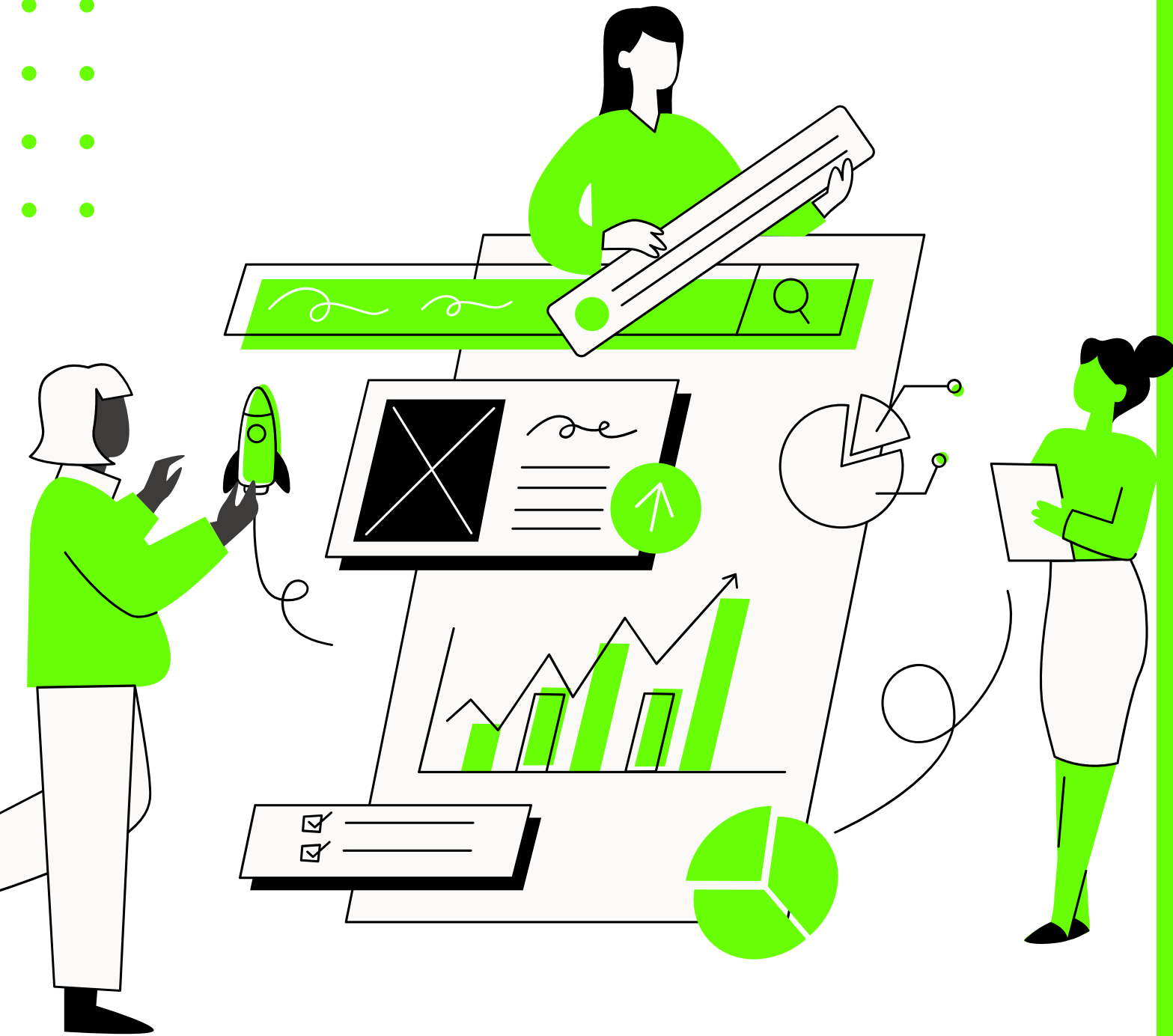
6

July 2023
12:30 pm



Today's Webinar

- Who is “We Love Group”
- Introduction to “We Love Valuations”
- Business Valuation Methods
- Purpose of Business Valuations
- BV's in Practice – EO + Naked Accounting
- LYD Member Firm Offer



WE♥ACCOUNTING
WE♥BOOKKEEPING

♥ eventum optimum
the best result

WE♥SMSF

WE♥LOANS

WE♥LEGAL

WE♥HR

WE♥COACHING

WE♥SUCCESSION

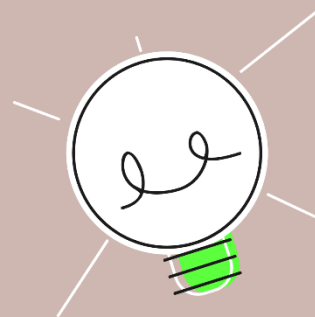
WE♥VALUATIONS

WE♥

Providing
Solutions,
Strategies and
Support to be
your **BEST**

WE VALUATIONS

 lightyear docs



WE 

We Love Valuations!

- Is Part of the “We Love Group”
- Your outsourced partner for the provision of valuation services.
- Valuation services covered under our PI Insurance not yours.
- Team trained and accredited by Bstar.
- Access to other valuation services
- connect@welovevaluations.com.au

WE LOVE VALUATIONS

Powered by

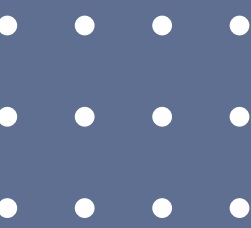
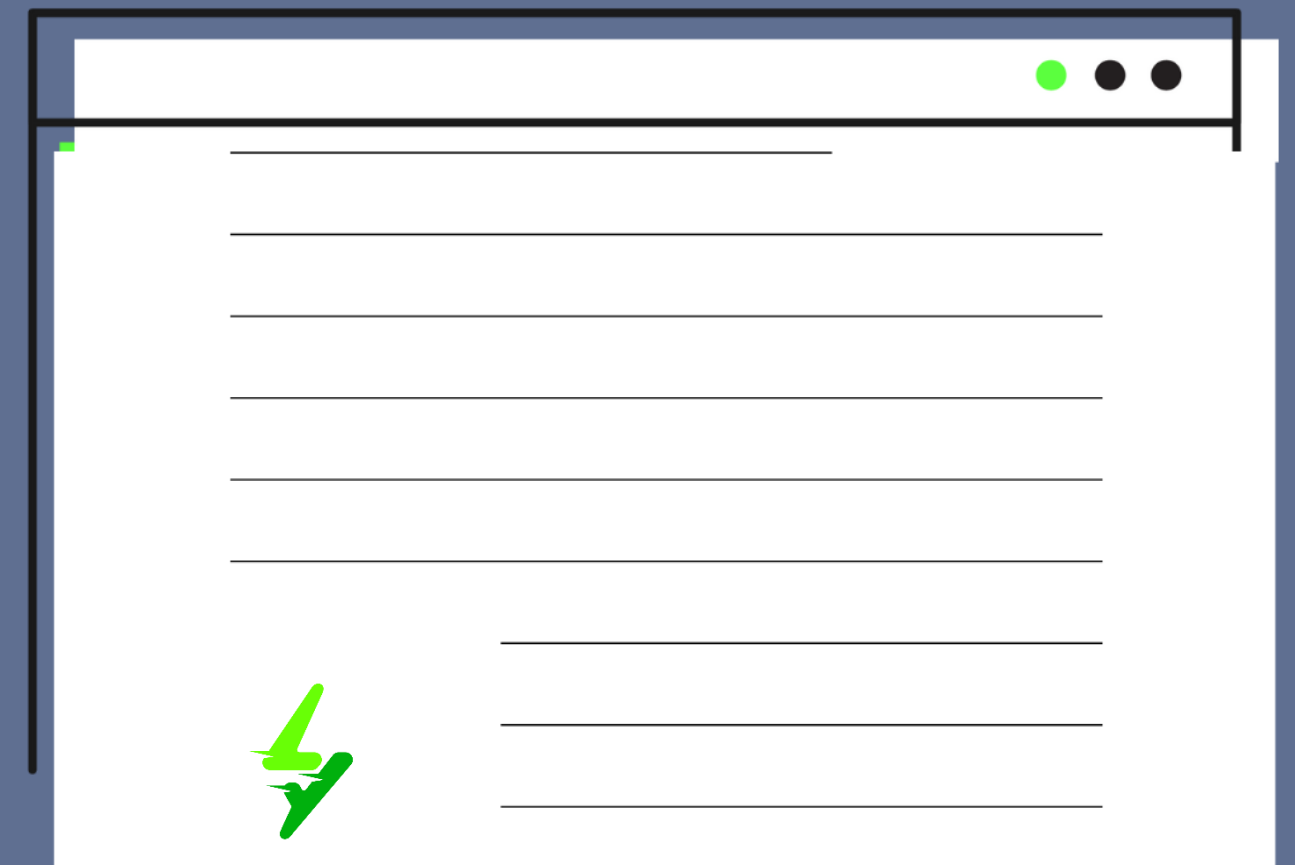
Bstar*

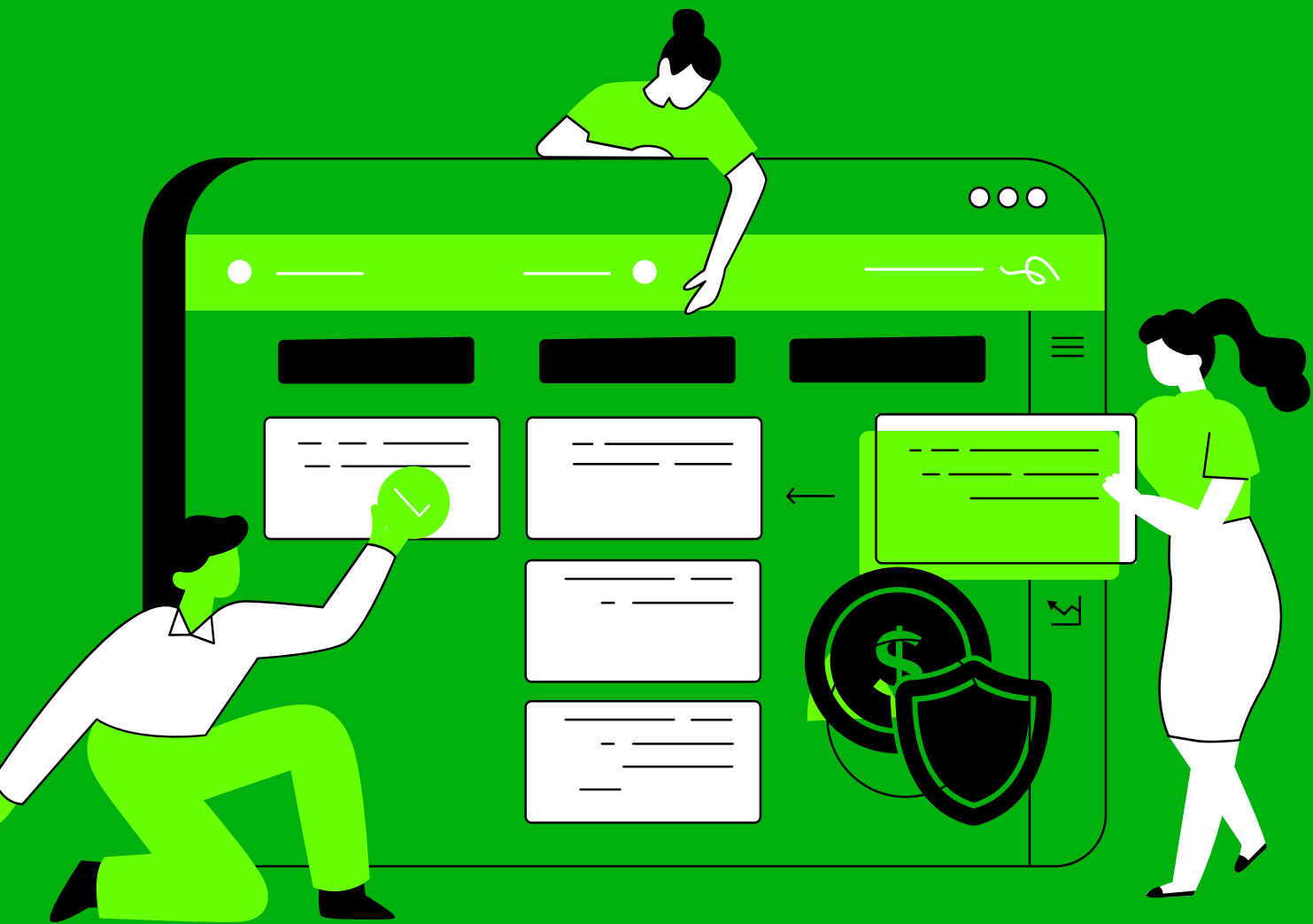
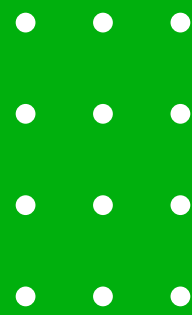


Business Valuation Methods

There are three key business valuation methods that are currently generally accepted:

- **Asset Valuation Method** - calculates the value of tangible and intangible assets.
- **Discounted Cash Flow Analysis** - determines the present value of future opportunities or cash flow.
- **Capitalisation of Profit** - multiplies a business's adjusted net profit before tax by a capitalisation rate (or business cap rate), which is specific to each business and the particular point in time.





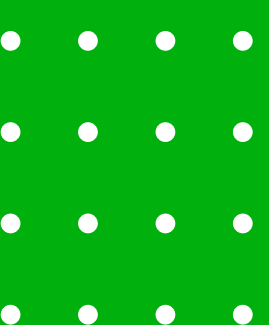
Valuation Methodology

Our Business Value Assessment, produced with BSTAR, adopts either:

- the **Capitalisation of Profits** method which calculates a value for the enterprise/business based on the business generating sufficient profits after tax to return total investment funds to an owner/investor over a defined term.

OR

- the **Capitalisation of Profits + NTA** method

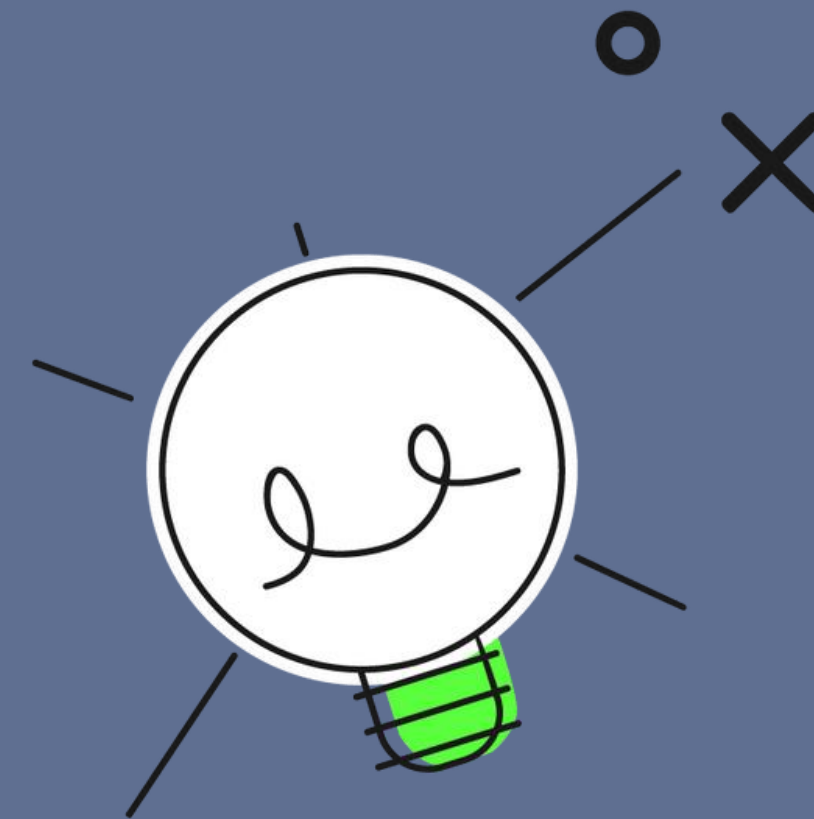


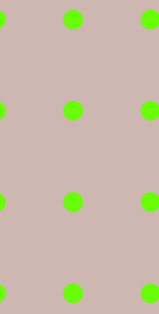


The **methodology** assesses the business in its current form, as represented by the most recent years' (adjusted) earnings, its after-tax cash flow and risk profile. The valuation values the businesses based on their historical and existing performance and does not take into consideration potential future business growth.

The valuation methodology considers:

- **Profitability & Cash Flow** - the business generating sufficient available cash flows after tax (from profits) to provide a return and yield on the business's assessed value (this includes consideration of the free cash flow factor of the business).
- **RAVDA** - an assessment of the business's qualitative risk and value drivers
- **Cost of Funds** - an acceptable yield rate to the owner/investor.





The Risk and Value Drivers Assessment (RAVDA) questionnaire is a structured process that allows you to gain better understanding and assess the risk and value drivers in your business. As well as being an essential element in determining the real, current value of your business, it can also help identify opportunities and strategies for you to grow that value.

A business cap rate/profit multiple is applied to the 'commercial sustainable earnings' of the business (WANEBIT) to determine the business value assessment.

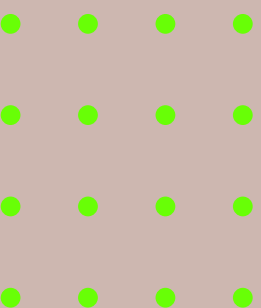
A patented and scientific business value assessment algorithm is used to calculate

the business cap rate/profit multiple for this business.

The algorithm caps the value of the business based on its after-tax cash flow and risk profile and determines the maximum enterprise/business value for the business.

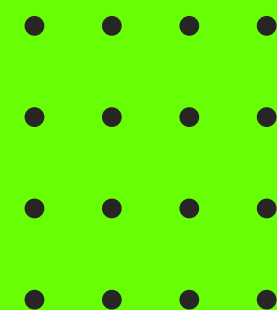
Another key component of a valuation process is to benchmark the business' key financial assumptions, non-financial performance indicators and results by comparing it with other businesses in the industry.

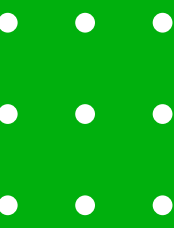
Bstar has a vast database as it has been operating and collecting benchmarking information for the last 17 years.





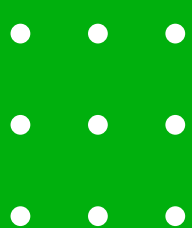
Let's jump into a valuation report recently prepared by We Love Valuations





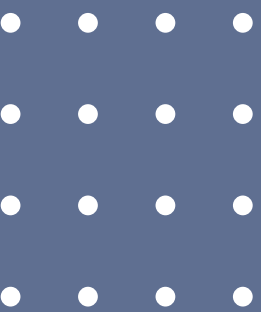
Reasons for Getting a Business Valuation

1. Selling your business
2. Planning your estate – map out your succession strategy
3. Retiring – be prepared. Your business maybe your biggest asset
4. Capital Raise – accessing investors
5. Mergers & Acquisitions
6. Valuation for shareholders + investors – presenting your position
7. Creating an ESOP
8. Managing your business





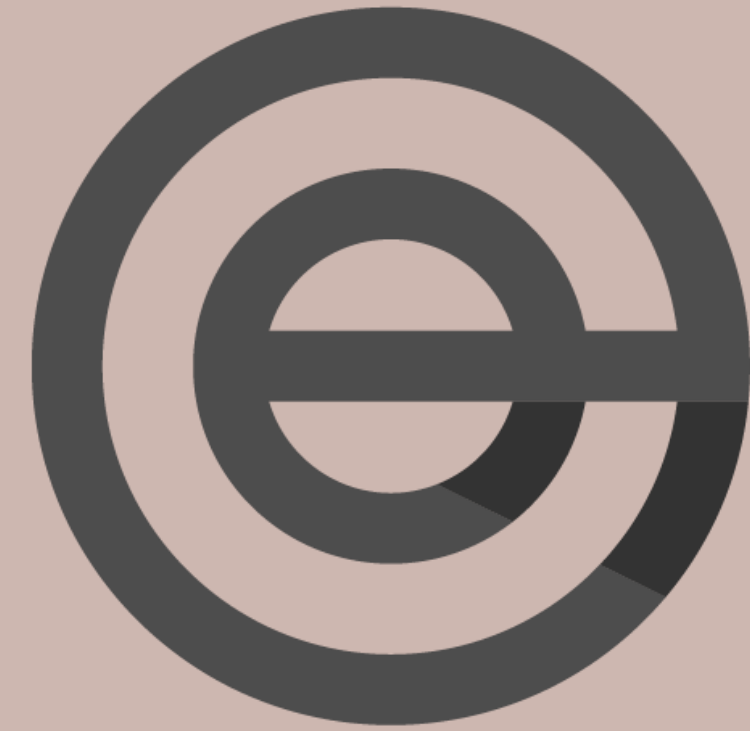
How we use **Business Valuations** at **Eventum Optimum & Naked Accounting**



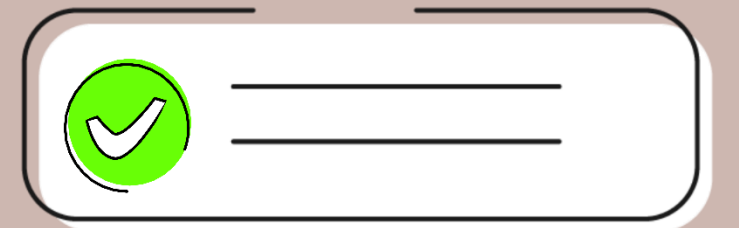
Eventum Optimum

How we use Business Valuations

- **Business Restructures:**
 - **MUST** use compliant expert business valuations for restructuring and tax reporting purposes, meeting ATO Market Valuation Guidelines and APES 225 standard.
 - EO uses We Love Valuations to provide these for them for this purpose.
- **Asset Protection:**
 - Need to know the value of what you are protecting.



eventum
optimum



Business Advisory Services & Compliance

- Tier 1 clients – included as part of annual review process
- Other clients – offered as a service

Major value-add for your clients. This is the stuff they want from their accountants!

- Compliance – bring value onto balance sheets such as IP & branding

Succession & Exit Planning

- Best starting point for planning out succession and exit planning.
- All of our client meetings focus on succession at the start as well as risks.

Asset Protection

- Need to know the value of what you are protecting.

Our own Group

- We practice what we preach. We use it for our planning purposes as well as our Group Team ESOP.

NAKEDTM

ACCOUNTING





HOW TO SELL IT?



⚡ lightyear^{docs}

WE❤️

- **Sales offer** - Exclusive to LYD member firms \$\$ - 50% discount to Valuation Services:
 - Business Valuation RRP \$5,000
 - Fee to LYD Firm \$2,500 and charge your client up to \$5,000.

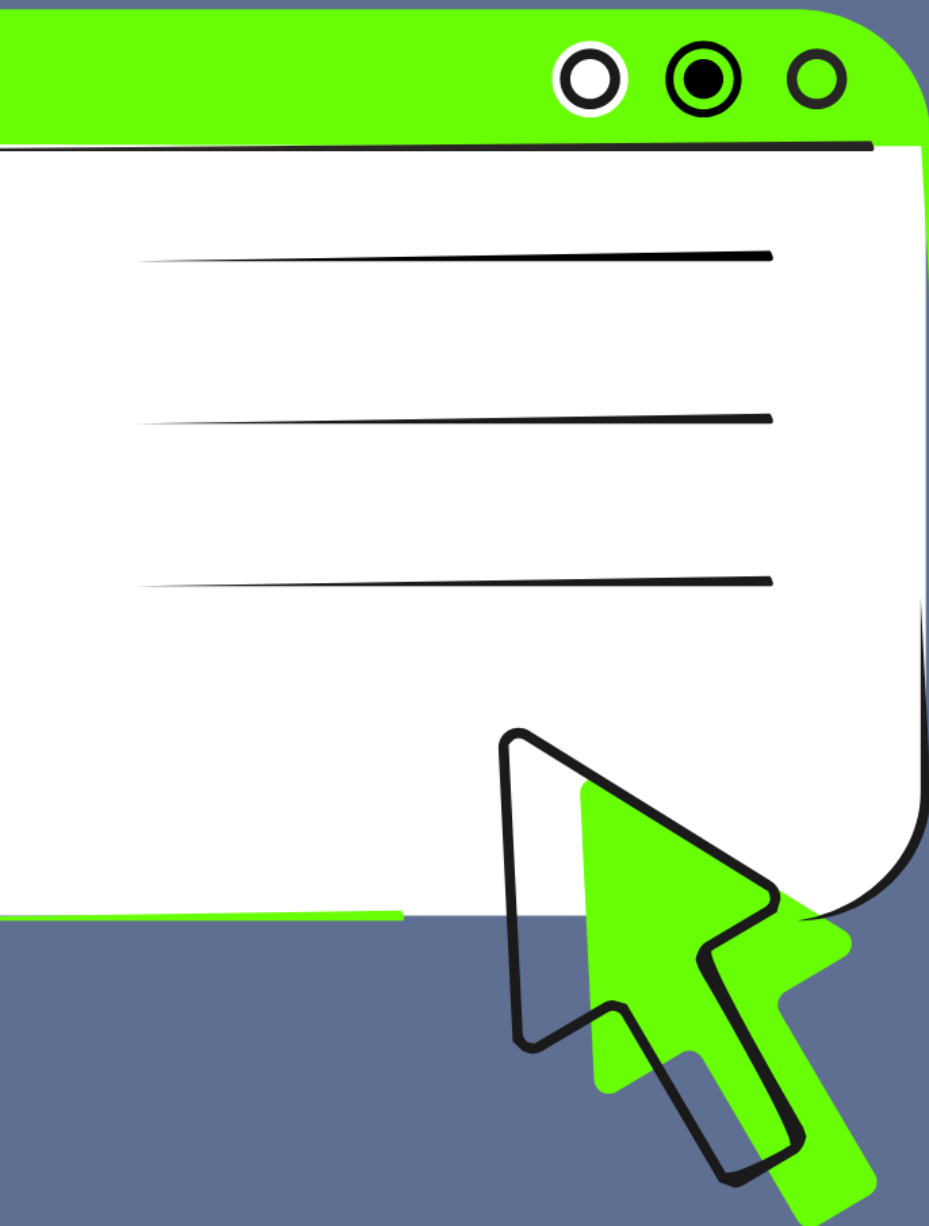
- **First 20 firms only!**

Free 1:1 Business Valuation & Asset Protection sales strategy session for your firm.

Email the We Love Valuations team at

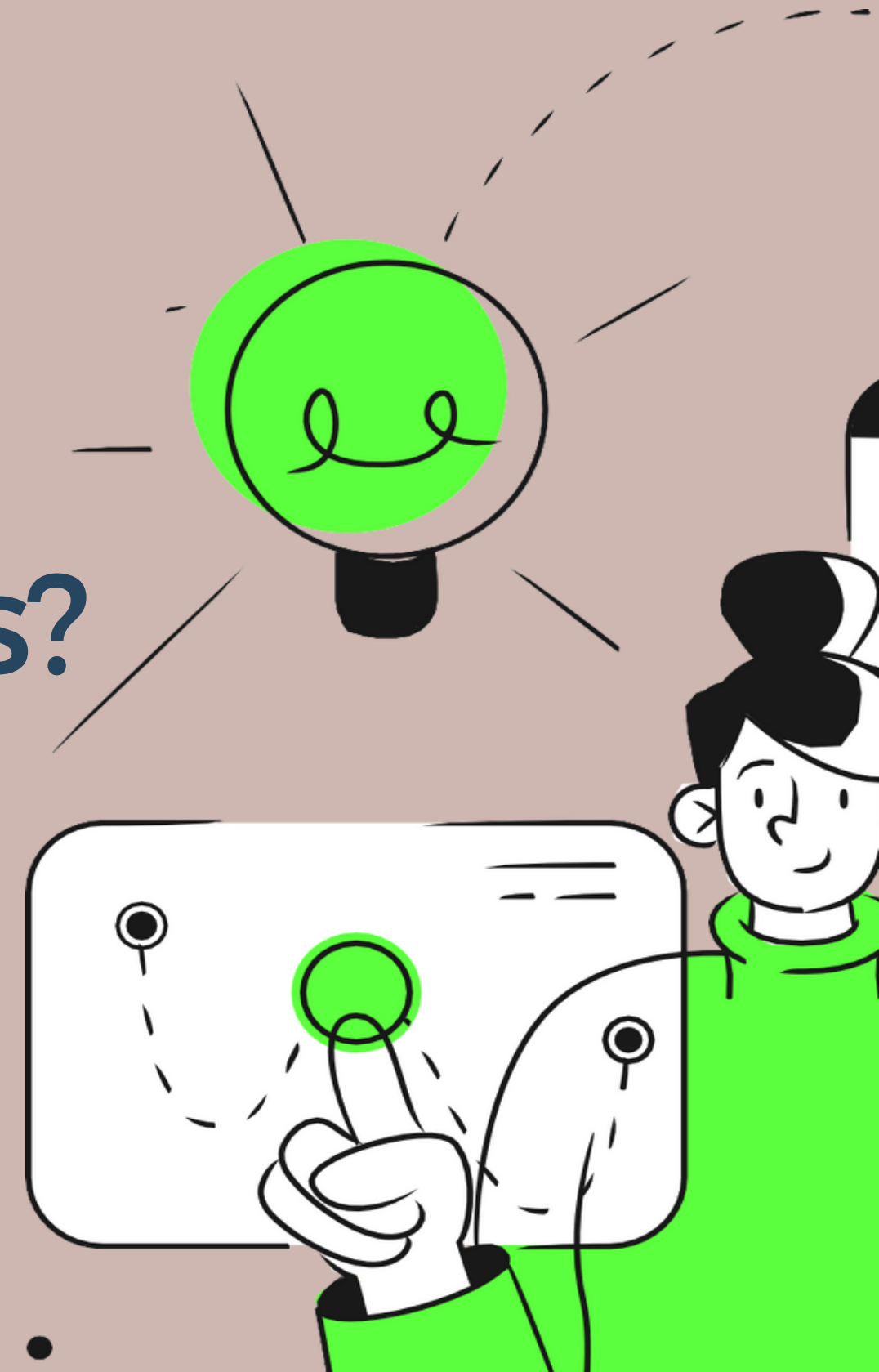
connect@welovevaluations.com.au

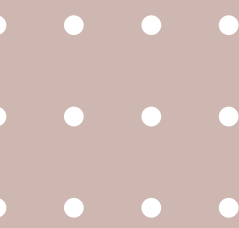
to redeem.



Q&A

Do you have any questions?





Contact us

We Love Group

p: 1300 590 388

w: welovegroup.com.au


e: connect@welovegroup.com.au

e: connect@welovevaluations.com.au



Make sure you jump on our socials as well

Coming up on LYD + LYTG

- Free Webinars – do not miss next week's!
- New Documents + Document review
- Phuket SAPEPAA (Oct 07) 
- Group CEO Update
- Last chance for EOFY special offers.
- New LYTG Website
- **50% off LYTG Courses ends this weekend.**
- Hitting the road with BGL REGTECH Roadshows (1st-17th Aug)
- Success Hub Upgrade
- New eBooks
- And some huge game changers coming.....

