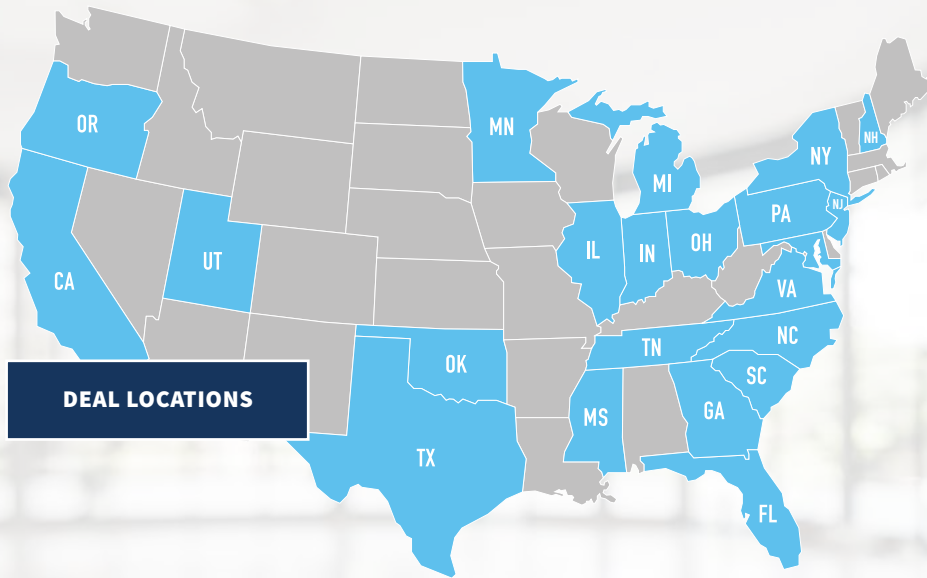


# TRANSACTION ADVISORY SERVICES

Smith Leonard provides a broad range of services, with experience in over 100 due diligence engagements. Our senior personnel focus on the most significant factors affecting deals and the associated risks. By tailoring our approach to fit your needs, our team works with you to identify and customize the procedures to efficiently accomplish your objectives and eliminate surprises.



TRANSACTION ASSISTANCE

FINANCIAL DUE DILIGENCE

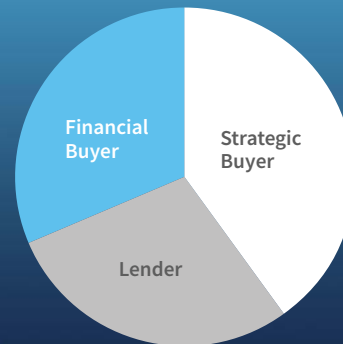
TAX DUE DILIGENCE

POST-ACQUISITION SERVICES

## INDUSTRY COVERED



## CLIENT TYPE



PARTNER ACCESS ■ VALUE-ADD RELATIONSHIPS ■ RELEVANT EXPERIENCE

**SMITH LEONARD**  
Accountants & Consultants



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HIGH POINT ■ LEXINGTON ■ WINSTON-SALEM

# BUY-SIDE DUE DILIGENCE

## TRANSACTION ASSISTANCE

- Cost-benefit and cash flow analysis
- Letter of intent terms including working capital target
- Purchase price and earn-out provisions
- Tax advantage structures
- Financing alternatives
- Review of agreements and closing documents

## FINANCIAL DUE DILIGENCE

- Quality of earnings reports
- Working capital analysis
- Sales and production backlog analysis
- Financial policies and procedures analysis
- Financial reporting systems assessment
- Internal control and best practices recommendations
- Forecast and cash flow analysis

## TAX DUE DILIGENCE

- Federal, state and local tax exposures
- Tax structure analysis
- Post-acquisition tax minimization
- Loss carryforward (Sec. 382) limitation analysis
- Sales tax implications

## POST-ACQUISITION SERVICES

- Establish open balances
- Purchase price adjustments
- Verify earn-out payments
- Dispute arbitration support
- Integration services

# SELL-SIDE DUE DILIGENCE

## MAXIMIZE YOUR COMPANY'S VALUE THROUGH SELL-SIDE DUE DILIGENCE

*Are you thinking about selling your business?  
Are you concerned about being ready?*

We can help you with this process by working with you and your advisors to design customized due diligence procedures to address potential risks and concerns. We bring an objective view to the process and can augment your existing staff.

Being prepared not only reduces your stress level, but it also increases the buyer's confidence and may improve the speed to close. Adding due diligence on the front end can prevent surprises which create costly delays, unnecessary purchase price reductions or, worse yet, failed deals.

## SELL-SIDE DUE DILIGENCE APPROACH

- Evaluate and improve the accuracy of financial information to be shared with suitors
- Identify adjustments to EBITDA, including favorable adjustments that buyers won't mention
- Identify potentially contentious issues and prepare for responses
- Perform sales and profit analysis, including backlog trends
- Track working capital trends
- Find cost-saving opportunities to increase EBITDA ahead of a transaction
- Assess financial reporting systems
- Recommend internal control improvements and other best practices
- Identify federal, state and local tax exposures
- Recommend estate planning or tax minimization opportunities

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Smith Leonard PLLC is a full-service, Triad-based CPA firm of over 80 associates that provides tax, audit and advisory services to clients in a variety of industries and locations across the globe.