

Financial Reporting Valuations: Understanding and implementing fair value.



We provide tax and financial reporting valuations, and can guide you through the fair value landscape to meet the new FASB requirements.

During the last few years, in an effort to improve the decision-making relevance of financial statements, the Financial Accounting Standards Board (FASB) has been adding more fair value recognition, measurement, and disclosure standards to the body of U.S. Generally Accepted Accounting Principles (U.S. GAAP). The International Accounting Standards Board (IASB) is following a similar approach. As fair value rules and guidance have been constantly changing and have become increasingly complex, GHP Horwath has focused on developing expertise in this area to help guide our clients with valuations for a variety of financial reporting, transactional, and tax purposes. We have developed sophisticated and accepted valuation methods — combining our valuation and financial accounting expertise with our understanding and insight on compliance, and domestic and international requirements.

At GHP Horwath, our highly credentialed professionals can guide you through the complexities of the fair value landscape and provide a full range of capabilities to satisfy your fair value valuation needs. We value companies and/or intellectual property for financial reporting purposes in a wide range of industries, including distribution, healthcare, hospitality, manufacturing, professional services, real estate, retail, and technology.

Our experience includes:

Purchase Price Allocations for SFAS

141. An acquiring company in a business combination must allocate the purchase price to all tangible and intangible assets acquired. In the past, identified intangible assets were simply accounted for as goodwill. Purchase price allocation changes have increased the importance of the identification and valuation of tangible and intangible assets, both in pre-acquisition due diligence and post-acquisition compliance with financial reporting standards. We can help you as a purchaser with the allocation of the purchase price for all assets acquired, including tangible and intangible assets.

Assistance with Goodwill and Intangible Asset Impairment for SFAS 142 and 144.

Under SFAS 142 and SFAS 144, goodwill and intangible assets must also be evaluated, at a minimum, on a yearly basis to determine if their value has been impaired. We can help by providing you with an objective, supportable valuation opinion that withstands independent auditor scrutiny.

Employee Stock Option Valuation, or Value of Share-based Payment for SFAS

123R and IRS 409A. This covers fair value of share-based payments, including the use of equity instruments for goods and services. We have extensive experience

Financial Valuation Reporting Fast Facts

Team

2 principals, 3 managers, and approximately 7 professionals

Expertise

Hold credentials as CPA, Accredited in Business Valuation (ABV), Certified Valuation Analyst (CVA), and Certified Financial Forensic Analyst (CFFA)

Industry Focus

Distribution, healthcare, hospitality, manufacturing, professional services, real estate, retail, and technology.

Clients

Have completed hundreds of valuations for businesses of numerous descriptions.

GHP Horwath provides valuation services to the following:

- Closely held businesses and professional practices
- Middle-market public companies
- Financial institutions
- Private equity holdings
- Start-up enterprises

For more, contact:

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with complex equity instruments and option pricing techniques, and can arrive at a valuation opinion that accurately reflects your company's standing.

Fair Value Measurement Standard for SFAS 157. New standards by FASB require companies that hold portfolios of privately held securities to adhere to the highly nuanced fair value standards. SFAS 157 focuses the definition of fair value on the 'exit price' — the price that would be received to sell the asset or the price paid to transfer the liability — rather than the 'entry price,' the price paid to acquire the asset or received to assume the liability. By establishing a framework for measuring fair value under GAAP, SFAS 157 stresses that it is a market-based measurement, not an entity-based measurement. We can help with understanding and implementing these new provisions.

Fresh Start Accounting for SOP 90-7. Recording the emergence from bankruptcy is one of the most complex and demanding accounting challenges an organization may face. We can help you adopt the requirements of Statement of Position (SOP) 90-7 "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code," and establish the opening balance sheet of your successor organization.

International Fair Value Financial Reporting for IFRS 3 and IAS 36. The move to IFRS provides a strategic opportunity for companies, and impacts far more than just financial statement accounting — it affects all of your key business decisions. As a member of Horwath International, one of the largest global professional services organizations in the accounting field, we have access to more than 140 independent member firms operating from more than 465 offices around the world. We have in-depth knowledge of national and international accounting standards, extensive expertise across many different sectors, and can provide the financial analysis you need to make informed strategic and tactical decisions.

**GHP Horwath enhances
the life of your business, *and*
the business of your life.**

GHP Horwath, a member of The GHP Financial Group, is one of Colorado's leading independent certified public accounting and business advisory firms. Our multi-disciplinary team provides comprehensive services on a local, national, and global scale for companies in a range of industries, and for executives, professionals, and individuals worldwide. As a member of Horwath International, one of the largest global professional services organizations, we have access to more than 140 independent member firms operating from over 465 offices around the world.

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