

# THE RIGHT PERSPECTIVE

makes the impossible possible...



Warren Averett takes a renewed look at your business so we can offer the best solutions and strategies to help you reach your goals. *(Learn more on the back)*

# Tips to maximize the value of your business

## STRATEGIC

- Develop a strategic plan and ensure the entire organization is aligned with it.
- Establish an advisory board. Make sure the right people get a seat!
- Create a great place to work. Remember that Human Capital is one of your most valuable assets.

## OPERATIONAL

- Build the right management team to eliminate owner or employee dependency.
- Diversify customer and vendor bases to reduce concentrations.
- Eliminate idiosyncrasies (i.e., special treatment towards any particular customer or vendor).
- Build a scalable model. Develop and document key processes and procedures.
- Increase profitability wherever possible but not at the expense of quality.

## FINANCIAL

- Accounting can't run your business but you can't run your business without accounting!
  - > Clean up your income statement and balance sheet.

- > Prepare your financial statements in accordance with GAAP.
- > Create a budget/forecast and track your progress.
- Understand revenue recognition and account for it appropriately.
- Track and capitalize software development costs as required by GAAP.
- Avoid running personal items through the business.
- Develop key performance indicators. Management should track, analyze and discuss them on a monthly basis.
- Taxes: Plan for them now!
  - > Structure your business with the most favorable tax and investment treatment.
  - > File your federal and state tax returns.
  - > Consider sales and use tax situations.
  - > Understand state and local tax implications.

## LEGAL

- Is your capitalization table current?
  - > Are there any potential owners that you haven't considered? Verbal or informal promises? Ensure these arrangements are honored or legally terminated.

- Protect your intellectual property.
- Understand all leases and vendor contracts.
- Review and document all customer arrangements. Ensure contracts are transferable and current.
- Engage an attorney that knows your industry to keep you out of trouble.
- Settle any outstanding lawsuits.

**For more information, call Hanny Akl at 205-769-3306 or visit our website at [warrenaverett.com/transactionadvisory](http://warrenaverett.com/transactionadvisory)**

 **Warren Averett**  
CPAs AND ADVISORS

