

**Business Valuation of Architectural or Engineering Firm: Initial Information Needs List
(Needs to be Made Specific to Unique Issues of Actual Entity)**



For Questions Regarding this List Contact:

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Firm:

Valuation Date (Value as of):

1. Detailed annual financial statements for the last 7 years, including balance sheets, income statements, schedules, accompanying accountant notes to statements (if available).
2. Federal corporation tax returns (including all schedules, and any amendments), latest seven years to the valuation date.
3. Latest year-to-date financial statements (to valuation date), including detailed balance sheet and income statements, and for same year-to-date period of prior year.
4. Current detailed accounts receivable aging as of valuation date.
5. Current project backlog as of valuation date. Schedule of contracts in progress, percentage complete. Schedule of completed contracts.
6. For each of last five years to valuation date (if available):
 - Annual revenues by customer, job.
 - Revenues by year in total for architectural versus engineering, etc.
7. Budgets, forecasts or business plans or projections of any kind, if any, as of valuation date.
8. Compensation paid each officer or shareholder and their respective family members, last five years, and for the year-to-date period to the valuation date.
9. Copies of the following at each valuation date:
 - Employment agreements
 - Lease on premises, if any
 - Loan agreements with banks and other financial institutions
10. Schedule of life insurance in force on officers, shareholders, with the following information on policies covering shareholders or officers, including (as of valuation date):
 - Face amount of policy
 - Ownership of policy
 - Beneficiary
 - Cash value, if any, at the valuation date
 - Amount of annual premiums paid by the Firm
11. Firm corporation documents, including:
 - Articles of incorporation (Articles of Organization if LLC)
 - Bylaws
 - Any amendments to the above
 - Corporate minutes
 - Partnership agreement (if a partnership), Operating Agreement (if a professional limited liability company or partnership) and any associated amendments.
 - All corporate or partnership documents of any kind
 - Shareholder or similar buy/sell agreements of any kind pertaining to ownership interests in the Firm.

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- Options to purchase stock, rights of first refusal
 - Trust agreements
 - Other documents affecting the ownership rights of the interest being valued
 - Employment or Deferred Compensation or similar agreements of any kind
 - Articles of incorporation, bylaws, and any amendments
 - Corporate minutes
 - Shareholder or buy/sell agreements
12. List of stockholders/members/partners as of the Valuation Date, including the number of shares/units/partnership interests held by class (voting, non-voting, common and preferred).
 13. Information on all prior transactions in Firm shares/member interests/partner interests (for consideration, not gifts), including terms, purchase price, any written contracts.
 14. Information on any past, current or potential future offers, plans, or consideration given to buy or sell part or all of the Firm's shares or assets, even if general, or highly preliminary, currently or historically. Discussions with any possible buyer and information on any offers received.
 15. Information on any related party transactions.
 16. Any contingent or off-balance sheet assets or liabilities of any kind whatsoever as of each valuation date, such as:
 - Pending or threatened lawsuits/malpractice claims
 - Regulatory compliance
 - Warranty or other product liability
 - Hazardous waste/environmental
 - ERISA claims or problems
 - OSHA problems
 - Letter of credit liabilities
 - Liens or judgments of any kind
 - Guarantees by Firm of any obligations
 - Off balance-sheet assets or liabilities of any kind not showing on the Firm's balance sheet as of the valuation date.
 17. Information on:
 - Any recent, pending or possible future loss of a project or other factor which might materially impact the business
 - Any recent, pending or possible future addition of a key project or other factor which might materially impact the business
 - The recent loss of key employees that might harm the business, whether through a loss of revenues, result in the establishment of a competing firm, or any other material impact on the business
 - Pending or possible acquisitions or purchases of other companies or assets, product lines, etc.
 18. Copies of any existing indicators of asset values as of or near the valuation date, including latest property tax assessments and any appraisals that have been prepared including real and personal property appraisals of assets owned by the Firm.
 19. List of all assets/liabilities not used in the day-to-day business as of the valuation date. This might include marketable securities, cash value of life insurance, investment or excess real estate, assets held for sale or for personal use.
 20. Amount of compensation paid (if any) to individuals not working in the business on a daily basis for each of the last five fiscal years leading up to each valuation date.
 21. Information on any unusual or non-recurring income or expense items in the last five years leading up to valuation date.
 22. Any on any other material factor impacting (or potentially impacting) the Firm, its results or value as of the valuation date.

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23. Amount of non-business related expenses paid by the Firm by year and type, last five fiscal years leading up to the valuation date.
24. Listing of employees at the valuation date, including name, title, responsibility, start date with Firm.
25. Resumes of each architect and engineer.
26. Information on any patents, trademarks or other intangible assets.
27. Detailed depreciation schedule.