

Value Due Diligence



This service is designed for investors or buyers of smaller companies and provides cost effective support for their investment decisions. Engagements will often be limited scope in order to focus time on the issues which are most likely to have a material influence on value and, therefore, investment returns.

The emphasis on the future value of the business is intended to give investors the best information to support discussions on pricing, deal structuring and negotiating fair investment terms. The output will strive to provide investors with as much objectivity as possible in assessing opportunities with higher levels of uncertainty and risk.

“Value Due Diligence focusses on supporting investors’ key risk : reward assessment.”

Key Objectives

1. Ensure the accuracy of historic and forecast financial information

It is fundamental for an investor to be confident with the integrity of financial information when evaluating both the opportunity and the management team.

2. Quantify the key growth assumptions which impact investors’ returns

When reviewing more complex growth strategies it is important to understand the sensitivity of specific assumptions on the potential valuation of the business.

3. Assess the most significant risks which can be managed and mitigated

Identifying the risks which can have the most significant impact on future value is critical in protecting investment returns from earlier stage opportunities.

Quality Support

Reference Point Advisory is passionate about supporting investors structure deals which protect and enhance the value of their investments. Our main objective is to empower our clients with the quality information necessary to make and measure better investment decisions.

Alan Watt and Sarah Fraser deliver the services. Both qualified as chartered accountants with Ernst & Young and have, in aggregate, close to 50 years experience within the finance sector. In particular, they have skills in preparing, reviewing and operating complex financial models, typically used to assess competing growth strategies and to support investment decisions.

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