



Enhanced Value Creation™
for
ACME CONSULTANCY
LIMITED

Date: 1st February 2009



The Generic SME Index™

The Generic SME Index™ has been developed by Generic Financial Management plc as a business financial planning tool, to help the owners of Small to Medium-sized Enterprises (or SME's) to organise their business affairs to identify, achieve and maintain their desired future lifestyle.....*without fear of ever running out of money!*

The Generic SME Index™ is a key component for business owners and their advisers to understand the interaction of all aspects of personal wealth management, using the lifelong Circle of Wealth™ concept, including one of the most difficult aspects of personal financial planning, that of valuing a private business.



The Circle of Wealth™

The Generic Wealth Management Solutions Programme™
is a trading style of Generic Financial Management Plc which is authorised and regulated by the Financial Services Authority
FRN No. 192999



Your Business

ACME Consultancy Limited has been trading as since and currently employs people.

The business is a private limited company with ordinary shares in issue. The Director and Shareholder,, wishes to dispose of the business in X years time.

Business Valuation Methods

Book Value Business Valuation Method

The book value is simply the business valuation based upon the accounting books of the business. Assets less liabilities equals the owners equity, which is the "Book Value" of the business. The problem with book value business valuation is that the accounting records may not accurately reflect the true value of the assets in the business valuation.

Adjusted Book Value Business Valuation Method

You can perform two types of adjusted book value business valuation: Tangible Book Value and Economic Book Value (also known as book value at market).

Tangible Book Value business valuation is different than book value in that it deducts from asset value intangible assets, which are assets that are not hard (e.g., goodwill, patents, capitalized start-up expenses and deferred financing costs).

Economic Book Value business valuation allows for a book value analysis that adjusts the assets to their market value. This business valuation allows valuation of goodwill, real estate, inventories and other assets at their market value.



Whichever direction you're heading,
we have a wealth of experience to
help you on the journey

Income Capitalization Business Valuation Method

First you must determine the capitalization rate - a rate of return required to take on the risk of operating the business (the riskier the business, the higher the required return). Earnings are then divided by that capitalization rate. The earnings figure to be capitalized should be one that reflects the true nature of the business, such as the last three years average, current year or projected year. When determining a capitalization rate you should compare with rates available to similarly risky investments.

Discounted Earnings Business Valuation Method

This determines the value of a business based upon the present value of projected future earnings, discounted by the required rate of return (capitalization rate). Usually, the question is how well earnings are projected.

Discounted Cash Flow Business Valuation Method

Is a business valuation method best used to conduct a business valuation on an entity established for the purpose of fulfilling a specific project, in certain start-up and other companies where cash flow is more important than net income, and when a certain time frame is set where an investor wishes to see his investment returned over a specific period of time. In discounted cash flow, the present value of liabilities is subtracted from the combined present value of cash flow and tangible assets, which determines the value of the business.

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Generic Financial Management Standing out from the crowd

Price Earnings Multiple Business Valuation Method

The price-earnings ratio (P/E) is simply the price of a company's share of common stock in the public market divided by its earnings per share. Multiply this multiple by the net income and you will have a value for the business. If the business has no income, there is no business valuation. If the common stock is not publicly traded, business valuation of the stock is purely subjective. This may not be the best method, but can provide a benchmark business valuation.

Enhanced Value Creation™

This Enhanced Value Creation™ is based on information provided by ACME CONSULTANCY LIMITED and should only be used for financial planning purposes and not as a statement of fact. Any valuation of a business is effectively a value of what can be commercially agreed between a willing seller and an agreeable purchaser. The valuations contained in this Report could be higher or lower than shown and should therefore be NOT be relied upon for any purpose other than to assist in planning your future financial planning requirements.



Summary

We have calculated that the current valuation of your business is as follows

Current Estimated Generic SME Index™ Value Range	1,603,492	to	Repeat Revenue Basis
	1,852,335		Gross Profit Basis
Estimated Future Value Range following completion of the Generic Wealth Management Solutions Programme™	2,582,440	to	Estimated Disposal Value at target date
	2,983,204		
Enhanced Value Creation™	978,948	to	161.05 % Growth
	1,130,869		

The Enhanced Value Creation™ is what we believe your business would be worth if you participated in the Generic Wealth Management Solutions Programme™ over the next X years.

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The Generic SME Index™	ACME PRINTING CONSULTANCY			1ST FEBRUARY 2009	
Sector:(Retail/Manufacture, etc.)	No. OF YEARS TO DISPOSAL			5	
Financial Year End (insert dates)	31/10/2006	31/10/2007	31/10/2008	Valuation	Model
Trading Years	Year + 3	Year + 2	Last Year	£	
Profit & Loss					
Total Revenue:	541,678	547,961	549,128		
Contractual Repeat Revenues:	381,262	450,811	452,766	1,284,839	3 X Av. Multiple Repeat Revenue Basis
Exceptionals:	0	0	0		
Profit Before Taxation:	328,873	288,484	302,852	1,533,682	5 X Av. Multiple Gross Profit Basis
Directors Emoluments/Dividends:	195,000	214,500	214,500		
Retained Profit:	59,709	16,781	17,577	6.06	Earnings Per Share (Gross Profit/Shares in Issue)
Balance Sheet					
Fixed Assets:	492,964	316,226	309,978		
Current Assets:	231,211	201,256	180,776		
Creditors:amounts falling due within 1 Yr	-397,479	-209,296	-168,808		
Net Current Liabilities:	-166,268	-8,040	11,968		
Total Assets less current liabilities:	326,696	308,186	321,946		
Creditors:amounts falling due after 1 Yr	-43,211	-7,885	-3,293		
Net Assets:	283,485	300,301	318,653	6.37	Current Estimated Share Price (NAV/Shares In Issue)
Capital & Reserves					
Share Capital: £1 Ord Shares	50,000	50,000	50,000		
Profit & Loss Account	233,485	250,301	268,653		
Total Capital & Reserves	283,485	300,301	318,653	318,653	Net Asset Value (NAV) Basis
Current estimated Unique Value™ range				1,603,492 to 1,852,335	Repeat Revenue Basis Gross Profit Basis
Estimated Unique Value™ range following completion of the Generic Wealth Management Solutions Programme™				2,582,440 to 2,983,204	Estimated Disposal Value at target date
Enhanced Value Creation™				978,948 to 1,130,869	161.05 % Growth

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The Generic Wealth Management Solutions Programme™

Maximise your personal and corporate tax effectiveness, investment performance and wealth management with a personal programme that is tailored to your needs.

We all seek financial freedom – it gives us choice. Where we live, what school we send our children to, what car we drive, where we take our holidays and the age at which we can afford to retire in comfort.

Financial freedom gives us peace of mind in an uncertain world. Wealth can be generated through hard work or inherited. Either way, it is important that you develop a strategy to protect your wealth from the burden of higher taxes and the unpredictability of returns on stock market linked investments.

The financial world is complex and fast changing, and offers a myriad of choices. Changes in tax legislation and economic uncertainties add to the problems. So how can you be sure that you are managing your finances properly?

We have developed the answer.

Our Generic Wealth Management Solutions Programme™ has been designed specifically to provide clear advice so that you can make informed decisions on how you manage your wealth. Because everyone is different, the programme is tailored to your needs and requirements.

The Circle of Wealth™ is a key component of the Generic Wealth Management Solutions Programme™

Our Generic Wealth Management Solutions Programme™ incorporates a six-stage financial planning process:

1. The Generic Primary Review™
2. The Generic Wealth Management Inventory™
3. The Generic Needs Analysis™
4. The Generic Financial Solutions Programme™
5. The Generic Asset Model™
6. The Generic Benchmark Review™

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The first stage is the Generic Primary Review™, which is a no-obligation one-hour free consultancy session to ascertain whether or not we can help you. To learn more, call us on 01438 822005.

What can I expect?

The Generic Wealth Management Solutions Programme™ aims to:

- Reduce your tax burden
- Improve your cash flow
- Maximise the returns from your investments whilst reducing risk
- Provide for your retirement
- Minimise inheritance tax
- Provide sound strategies for extracting money from your business
- Help you prepare to dispose of your business for the sum you want

Who is the Programme suitable for?

If the value of your estate, including your home, exceeds £500,000 for a single person or £1 million for a married couple or civil partnership, then you could benefit. We can also help business owners or company directors looking for a tax-efficient income or exit strategy via a business sale by maximizing the new Entrepreneurs' Relief in conjunction with other reliefs.

The Generic Wealth Management Solutions Programme™ includes:

- The Circle of Wealth concept, and how it affects people.
- Strategies for reducing capital gains tax and inheritance tax.
- The benefits of the Property Preservation Programme.
- Will planning strategies.
- The multiple election strategy; reduce your capital gains tax.
- The business dilemma – how best to get a tax-efficient income.
- Exit strategies – how to sell your business tax efficiently.
- Pension strategies.
- Retirement strategies for those seeking to retire in the UK and/or overseas using a QROPS and much more.

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How can I learn more?

We have a thought-provoking series of Programmes that highlight the major issues facing individuals and business owners. If you want to learn how to protect your wealth, then you should participate in a Programme.

Our contact details are as follows:

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Generic Wealth Management Solutions™ The Generic Primary Review™ The Generic Wealth Management Inventory™ The Generic Wealth Management Summary™ The Generic Needs Analysis™ The Generic Asset Model™ The Generic Benchmark Review™ The Circle of Wealth™ The Generic SME Index™ The Personal P/E™ Enhanced Value Creation™
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For more information, or to arrange a
no-obligation review, please call us on
01438 822005

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