

ARE YOU AND YOUR FIRM READY FOR THE NEXT STEP?

An exit will put strain on the resources of a firm of any size. Preparing early will help transaction-proof your firm and ensure you achieve a deal that meets your aspirations.

RSM can offer a readiness review tailored to your firm to help you prepare.

Focus on your marginal gains

Your management information should be just that - important and useful information that will withstand a due diligence process; establish KPI's, profit and cash and track them monthly.



The future is bright

Have a medium term detailed forecast, supported by verifiable assumptions not just an annual budget. Invest in a robust pipeline tracking system.



Practice housekeeping

Simple, often forgotten but fundamental is the record of how your firm is owned and governed; is it fit for purpose?



Accounting Policies should never be extraordinary

Understand the industry standards particularly around WIP valuation and asset capitalisation; consider having an audit even if you don't need one.



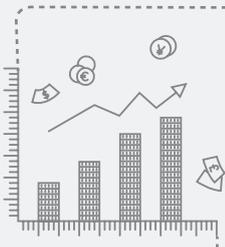
Dotting the i's and crossing the t's

Review and overhaul your contracts and engagement terms to standardise wherever possible (staff, suppliers, customers, partners); look at liability caps, IP protection, restrictive covenants, change of control clauses and property leases.



Turnover is vanity, profit is sanity and cash is king

Cash and debt all impact on valuation; actively manage lock-up and have reward systems which are linked.



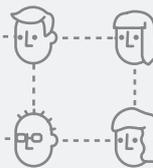
Eggs in one basket

Concentration increases risk and impacts on deal structure. Manage risk by reducing client, supplier, people, service line or location concentration.



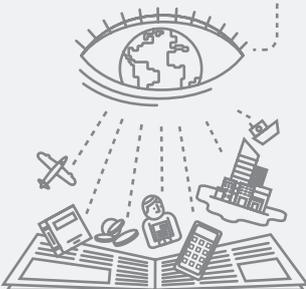
Don't forget the personal

Review partners' and shareholders' agreements, personal tax planning and incentive schemes with a view to implementing changes.



Mirror image

Ensure that the external perception of the firm and its management mirror internal workings; review your social media and web presence.



Talk to your local RSM contact about:

- Achieving your aspirations
- Maximising value
- Understanding your options
- Preparing for a transaction
- Company health checks