



**ATHLA**<sup>®</sup>  
CAPITAL MANAGEMENT

# Hassle-Free Private Company Valuations

Fast, Efficient and HMRC-Compliant Valuations For Corporate & Employment Law



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## Helping You & Your Clients Get The Best Outcomes

Dealing with clients who need private company valuations can be a thankless task. They can be time-consuming, cause backlogs in your case load and are required to pass the increasingly challenging standards of HMRC (and other tax authorities).

To help you overcome these hurdles, we offer a full Private Company Valuation Service, delivered quickly and efficiently to the highest professional standards for all Corporate and Employment Law situations.

Your clients can enjoy superior outcomes thanks to our unique valuation tool, both speeding up the process and also offering a more accurate end result.

Whilst we apply the highly technical valuation methodologies required to satisfy HMRC (and other tax authorities as required), our reports are designed to be easy-to-understand for your clients so that they feel confident in using the report.

## We Love 'Difficult' Cases and Tight Deadlines!

If you are ever faced with a client who needs an 'emergency valuation' with a tight deadline, talk to us - we relish the challenge!

Once we have gathered all the required information, our valuation tool can generate a valuation within minutes using seven different methodologies that complement one another. And thanks to our dedicated team along with our flexible and streamlined work process, we can turn around even complex valuations within days - without sacrificing accuracy.

For example, we have completed valuations in as little as 48 hours, saving the client tens of thousands in tax liability.

## Client-Friendly Valuations Are Good For You

When it comes to valuing private companies, arriving at the final figure is only half the challenge. Turning that hard data into something that your client can understand and use to achieve their desired outcome is essential.

Our valuation process allows us to spend less chargeable time which will save your clients money and offer a better quality, more client-friendly and more robustly-argued report.

We also take up less of your own chargeable time in working on a valuation project which benefits both you and your clients, as well as freeing you up to work on other projects for them.

## Evidenced Based Valuations

All our valuations are based on evidence. Whether it is data provided by the client or based on desk research, we show the source of ALL the data we use in footnotes so that it can be independently verified.

Every argument we use is also validated against proven evidence, whether it is on macro-economic conditions or company/industry specific factors. We support each report with the inclusion of a bundle of this evidence.

## Valuations For All Corporate Law Scenarios...

**Our valuations service covers the full range of corporate law scenarios including:**

- ✓ Share issues accompanying a funding round: e.g. Growth Shares/EMI schemes
- ✓ M&A, including the buyout of minorities by a majority shareholders
- ✓ Supporting mediation where a shareholder dispute needs to be resolved
- ✓ Estate planning, especially passing value to the next generation
- ✓ Valuation of IP and other complex assets
- ✓ Reports which value from the perspective of the counter party to a transaction, to inform deal negotiations
- ✓ Shadow reports e.g. for divorce
- ✓ SIPP transfers into and out of pension funds
- ✓ Employee Benefit Trust and similar transfers

## Valuations for Employment Law

We provide clear and detailed Valuation Reports that can be used in the following circumstances:

- HMRC approved share option schemes such as EMI schemes
- CSOPs
- SAYE schemes
- Other
  - Unapproved share option schemes
  - Good / Bad leaver negotiations
  - Share incentivised remuneration packages

### Share Option Schemes

We provide valuations for HMRC for all types share option schemes.

- Recognising factors such as staff retention, economic inclusion and impairment of value because of terms in shareholder agreements
- Allowing for current trading conditions and macro-economic factors
- Considering comparable companies and M&A
- Providing both UMV and AMC valuations
- Recognising appropriate impairments for illiquidity etc in line with precedents, all supported by academic research.

### Good Leaver / Bad Leaver Negotiations

We have significant understanding of the complexities surrounding the valuation of SMEs in Good Leaver / Bad Leaver negotiations. Accounting for the high volatility of the company's valuation journey over the medium and long term in share buy-back situations, we provide an independent, accurate valuation with the aim to mitigate the risk of litigation.



## A Simple and Super Efficient 3-Step Valuation Process

1



### Scope Meeting

First, we'll schedule an initial scoping call with you to form an initial assessment and outline a scheme of work. This is where you can request more granular reports or 'lite' assessments as required.

2

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10110  
11110

### Data Request & Analysis

Next, we gather and analyse the key data on the company and its market. We can process every size of private company and understand even the most complex cap tables and waterfalls.

3



### Valuation Report

Finally, your clients will receive valuations backed by a detailed report which breaks down how we have arrived at the final figures step by step. The report includes extensive supporting evidence, designed to enhance any agreement.

- Where necessary we also augment the reports with explanations of issues so that all types of client completely understand what we have done and why we have done it.
- We agree each step with the client before moving forward and if necessary share our draft reports so the client has full visibility on what we are doing. This means there are no surprises and that we deliver a final report which is just what the client ordered.
- We always offer the flexibility to respond to changing client needs during the valuation process, whilst retaining our independence, the integrity of calculations and the clarity of our arguments.
- In addition to valuations, we can consult on other aspects, including how to structure share issuances.

## Our Core Objectives Are Three-Fold

Always act in the client's best interests. At the start of every project, we make a commitment to be there for our clients to resolve any issues that may arise, until a settlement has been reached.



To aid mediation and speedy resolution, and never to inflame a negotiation because of the report we have prepared.



To ensure that our valuations cannot be challenged, which means we dot every "i" and cross every "t.". We also look forward and assure ourselves that even if our reports were to be reconsidered at a later date, they would be considered accurate on a contemporaneous basis.

### The data we use

- Precedent transaction data
- Companies House filings, management accounts and forecasts
- The latest industry-specific statistics and other relevant data required to support our arguments
- Analysis of physical assets. We engage with professional property valuers to correctly capture the value of property owned by the company where these represent a significant of the proportion equity value
- Analysis of Intellectual Property Rights assets. We work with Clarivate, which has a worldwide data lake of IP to contextualise the value of the IP owned or being created, and qualified patent attorneys



## Why Our Clients Love Working With Us...

*“Extremely professional, pragmatic and solutions oriented.”*

*“The team’s willingness to go the extra mile and engage with the Target’s management team in a facilitative manner to extract information rather than adopt an adversarial approach which would only have served to antagonise and slow down the valuation process. Feedback from the senior management team reflected the easy manner of the Athla team and a willingness of the Target’s team to provide the Athla team with all the information that was requested.”*

*“Two areas in particular [that we noticed when working with you]: firstly was the proactivity and speed of responses and ultimately getting to a final valuation, secondly was the interest in our business and ensuring the right approach was taken for us using a professional tool set alongside years of experience in the team (rather than just turning the handle)”*

*“The experience was good - it felt like a good team with strong breadth of experience. The approach of the team felt personal to us, really wanting to understand our business to be able to properly assess the valuation.”*

## An Independent Valuations Team You and Your Clients Can Trust

A law firm’s reputation relies on delivering a great service to their clients. Developing trust in every point of contact is key to building an ongoing commercial relationship.

You can be confident that our team has intrinsic knowledge of the world of private companies, specialising in how they work and what to look for when working on valuations.

Our Valuations Team comprises of accountants, former venture capitalists and current angel investors, as well as several experienced entrepreneurs who have built and sold many privately owned companies.

One of our advisory panel is among the UK’s leading valuers. As well as having the professional skills to complete the valuations, we also have the commercial understanding of the factors relating to privately owned businesses and their shareholders and stakeholders.



## Meet The Valuations Team



### **Modwenna Rees-Mogg (CEO)**

Modwenna, leads the team lending her vision as well as using her deep understanding of angel investors to shape products and services that add value to their investment activities.



### **David Livesley (Valuer)**

David has worked as a venture capital investment professional since 1999. He has led over 40 primary transactions and numerous follow-on investments. All of David's experience required detailed company valuations, both current and projected.



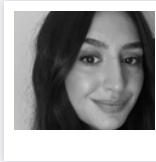
### **Arthur Jones (Fee Partner)**

A highly experienced executive and client relationship manager, he has the maturity and independence of thought to perform this role and ensure that no conflicts of interest arise.



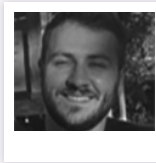
### **Philip Hare (Tax Advice Specialist)**

Philip was formerly at PwC and now leads the team at Philip Hare & Associates, the leading adviser on EIS and VCTs in the UK. He provides specialist advice on EIS and wider State Aid issues. He and his team have won the EIS Association Best EIS Tax Advisor 11 times since 2006.



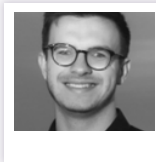
### **Sofia Antoni (Analyst)**

Sofia works on the wider research surrounding the valuations. Additionally, she works to develop the valuations business. She holds a degree in History from the University of Nottingham.



### **Joel Zammit (Analyst)**

Joel prepares valuations in advance of review by Modwenna & David and also focuses on new theories and valuation methodologies. He holds a Masters degree in Finance and Investment from The University of Bristol.



### **Martin Redmond (Analyst)**

Martin works towards supporting the preparation of valuations. Additionally, he focuses on the research and development of our service. Martin recently graduated with a Masters degree in Politics from The University of Manchester.

## Why Not Put Us To The Test?

Find out how we can help you and your clients with all your valuation needs - no matter how urgent or challenging.

For more information, including scheduling a live demo of our valuation tool please contact Modwenna on:

**+44 (0) 7736 676 212**

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We maintain appropriate professional indemnity cover to support our trading activities.