

Due Diligence Services

Urish Popeck believes the effectiveness of its due diligence is enhanced when our specialists become involved in the deal discussion stages

www.urishpopeck.com



What is the Service?

The basic objective of a due diligence review is to assist a buyer, investor, or lender in assessing a company's business by investigating relevant events and conditions affecting the target company. Such reviews can range from a two-day overview to an in-depth evaluation of all or part of the target company's business and organization. When necessary, we will expand the scope of our work to include additional specific procedures based on our preliminary findings.

Our due diligence reviews are designed to focus on three key areas:

- historical and prospective financial performance;
- operational strengths and weaknesses; and
- strategic objectives and business synergies.

Particular emphasis is placed on identifying and analyzing:

- abnormalities that skew earnings;
- accounting issues that may affect current and future earnings;
- vulnerable areas of the business;
- adequacy of existing information systems;
- contingent liabilities;
- potential business integration problems;
- hidden tax traps that could become costly;
- other matters that could affect future operations of the individual and combined entities; and
- off balance sheet assets and liabilities, i.e. pensions and other employee benefits, intellectual properties, and commitments.

We can help identify soft spots and potential issues that might require negotiation of the deal structure or terms of the purchase agreement, placing particular emphasis on those areas subject to judgment or estimation by management. We focus on early identification of hidden problems that could be deal breakers, as well as pinpoint under-performing assets or areas where strategic/operational improvements could increase profitability. If multiple states or countries are involved, we will utilize professionals whose extensive knowledge of local business practices, culture, and laws, can incorporate these considerations into the investigative process.

We will verbally communicate our findings to the client throughout the engagement, and by written report at the conclusion of the engagement. The format of the written report will be tailored to your needs.

How You Will Benefit

Any buyer of a company, underwriter in a private placement or public offering, or lender/equity financier requiring an in-depth assessment of a particular company can benefit from these services.

The scope of our services often relates to whether the buyer is a strategic buyer (i.e., involved in a similar or synergistic business operation) or a financial buyer (i.e., involved in managing companies as part of a portfolio investment). Financial and foreign buyers generally will request an in-depth report to supplement their internally generated financial analysis. Strategic buyers are more likely to request assistance with financial due diligence.