

# Mergers, Acquisitions, & Succession Planning

## Readiness Guide

### Timing & Readiness: When to Start Preparing for a Sale?

- ✓ How far in advance should I begin preparing my business for sale or transition?
- ✓ What financial, operational, and structural improvements should be made before going to market?
- ✓ How do I optimize my business valuation?
- ✓ What role does the economy and market conditions play in determining the best time to sell?

### Key Advisors: Who Should Be Involved in the Process?

- ✓ **CPA/Financial Advisor:** To assist with financial due diligence and tax implications.
- ✓ **M&A Advisor/Business Broker:** To help identify buyers and structure the deal.
- ✓ **Attorney:** To review contracts, deal terms, and protect legal interests.
- ✓ **Valuation Expert:** To determine fair market value of the business.
- ✓ **Wealth & Estate Planning Specialist:** To ensure proceeds align with long-term personal financial goals.

# Mergers, Acquisitions, & Succession Planning

## Readiness Guide

### Family & Internal Succession: Transitioning to the Next Generation

- ✓ Should I evaluate family members' interest and capability before exploring an external sale?
- ✓ How do I balance family succession with maintaining company growth and culture?
- ✓ What governance structures should be in place for family-owned businesses?
- ✓ Should I consider an Employee Stock Ownership Plan (ESOP) as an alternative to a sale?

### Business Valuation & Deal Structuring: Maximizing Value

- ✓ How is my business valued, and what factors impact its worth?
- ✓ Should I accept earnouts, seller financing, or other deal structures?
- ✓ How do I ensure deal terms align with my financial goals and minimize risk?
- ✓ What are common pitfalls that reduce valuation or deal success?

# Mergers, Acquisitions, & Succession Planning

## Readiness Guide

### Financial & Legal Due Diligence: Preparing for Buyer Scrutiny

- ✓ What financial statements, tax returns, and legal documents will buyers require?
- ✓ How do I clean up financials and optimize profitability before a sale?
- ✓ What contracts, leases, or liabilities should I review to avoid deal roadblocks?
- ✓ How do I manage confidentiality and protect sensitive business information during negotiations?

### Tax Planning & Financial Impact: Minimizing Tax Burden

- ✓ What are the tax implications of selling my business?
- ✓ Should I structure the sale as an asset sale or stock sale for tax efficiency?
- ✓ How do I ensure long-term financial security post-sale?

# Mergers, Acquisitions, & Succession Planning

## Readiness Guide

### Transition & Post-Sale Planning: What Happens Next?

- ✓ What role will I play in the company post-sale, if any?
- ✓ How do I ensure a smooth transition for employees, clients, and vendors?
- ✓ What contractual obligations might I have (e.g., non-compete agreements, consulting periods)?
- ✓ How do I protect my legacy while ensuring the new owner's success?

### Questions? Contact Us.

Karen Artasanchez, Shareholder  
kartasanchez@wgcpas.com  
Mergers & Acquisitions