



FINANCIAL ADVISORY

PURCHASE PRICE ALLOCATION



Understanding the correct opening fair value is crucial not only for compliance purposes, but also to ensure that all future accounting is accurate. A purchase price allocation (PPA) assigns the purchase price into assets and liabilities acquired in a transaction. This identity of assets and liabilities at fair value gives businesses the confidence of accuracy on their opening balance sheet.

RELY ON THE ACCURACY OF B. RILEY ADVISORY SERVICES

Mandated by the FASB and according to *Accounting Standard Codification (ASC) 805: Business Combinations*, a PPA must be performed to be compliant with the *GAAP*. This requires a team of experts that are knowledgeable of the current regulations.

We've successfully helped businesses like yours make informed, profitable acquisitions across a wide range of market sectors. We draw together historical and projected financial statements, fixed-asset listings, quality-of-earnings analysis and much more to create a complete picture of a company's value that satisfies your auditors as well as your lenders and investors.

Companies must measure acquisition-date fair values of:

- Acquired assets (intangibles, tangibles & fixed assets, and real estate)
- Assumed liabilities
- Non-controlled interest in the acquired entity
- Equity used as currency in the deal

B. Riley Advisory Services has extensive expertise in the purchase price allocation methods and rules regarding the recognition, measurement, and valuation of acquired assets and liabilities.

WHERE WE'VE MADE WINNING PARTNERSHIPS



Creating Integrated Business Solutions

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