## Considerations for a Well-Written Valuation Report OR How To Improve Your Chances of Passing the CVA Case Study Exam

The writing of the case portion of the CVA exam should be no different than submitting a report to your own client. The underlying thought pattern shold be along the lines of, "Is this the type of report I would be pleased to submit to my client?"

## **BAUMBACH CONSTRUCTION**

Historical Balance Sheet Summary

Current Assets           Cash         209         350         1,005         1,435         1,403           Accounts Receivable (WIP)         290         750         689         714         891           Inventory         25         30         39         45         49           Other Current Assets         30         0	For Year Ended June 30: (in US \$ 000's)	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Accounts Receivable (WIP)         209         350         1,005         1,435         1,403 Accounts Receivable (WIP)         290         750         689         714         891 Inventory         225         30         39         45         499 Other Current Assets           Other Current Assets         0 <td>Assets</td> <td></td> <td></td> <td></td> <td></td> <td></td>	Assets					
Accounts Receivable (WIP)         290         750         689         714         891           Inventory         25         30         39         45         49           Other Current Assets         30         0         0         0         0           Loans to Stockholders         50         65         514         1,220         2,150           Total Current Assets         574         1,195         2,247         3,414         4,493           Fixed Assets         574         1,195         2,247         3,414         4,493           Fixed Assets         550         65         514         1,220         2,150           Colspan="6">Col						
Inventory				,	,	
Other Current Assets         0						
Loans to Stockholders         0         0         0         0         0           Short-term Investments         50         65         514         1,220         2,150           Total Current Assets         574         1,195         2,247         3,414         4,493           Fixed Assets           Property, Plant & Equipment         450         475         550         675         900           Land         900         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600         1,600	•	25	30	39	45	49
Short-term Investments         50         65         514         1,220         2,150           Total Current Assets         574         1,195         2,247         3,414         4,493           Fixed Assets           Property, Plant & Equipment         450         475         550         675         900           Land         900         100         100         150         150         150         150         150         150         150         150         150         150         150         150         150         150         150         150 <td></td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td>		0	0	0	0	0
Fixed Asets         574         1,195         2,247         3,414         4,493           Fixed Asets         Property, Plant & Equipment         450         475         550         675         900           Land         900         1,825         1,825           Other Assets         150 <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td></th<>						
Fixed Asets         Property, Plant & Equipment         450         475         550         675         900           Land         900         1,262         1         150         <					, -	,
Property, Plant & Equipment         450         475         550         675         900           Land         900         1825         1825         150			,	, .	- ,	,
Land Other Fixed Assets         900         1,825           Other Assets         150						
Other Fixed Assets         12         15         13         18         25           Total Fixed Assets         1,362         1,390         1,463         1,593         1,825           Other Assets         Use of the colspan="6">Use of the colspan="6">	Property, Plant & Equipment					
Other Assets         1,362         1,390         1,463         1,593         1,825           Other Assets         Deposits         150         <						
Other Assets         150 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
Deposits	Total Fixed Assets	1,362	1,390	1,463	1,593	1,825
Other         0         0         0         0         0           Total Other Assets         150         150         150         150         150           Total Assets         2,086         2,735         3,860         5,157         6,468           Liabilities & Equity         Current Liabilities           Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable (Short-term)         73         88         111         119         135           Accounts Payable (Other Current Liabilities         3         5         2         4         3           Total Current Liabilities         87         106         128         135         148           Long-term Liabilities         705         830         1,158         1,517         1,831           Other Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity         55 <t< td=""><td>Other Assets</td><td></td><td></td><td></td><td></td><td></td></t<>	Other Assets					
Other         0         0         0         0         0           Total Other Assets         150         150         150         150         150           Total Assets         2,086         2,735         3,860         5,157         6,468           Liabilities & Equity         Current Liabilities           Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable (Short-term)         73         88         111         119         135           Accounts Payable (Other Current Liabilities         3         5         2         4         3           Total Current Liabilities         87         106         128         135         148           Long-term Liabilities         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity         2         55         55         55         55         55         55         55         55         55         55         55	Deposits	150	150	150	150	150
Total Assets         2,086         2,735         3,860         5,157         6,468           Liabilities & Equity         Current Liabilities           Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable         11         13         15         12         10           Other Current Liabilities         87         106         128         135         148           Long-term Liabilities         0<		0	0	0	0	0
Liabilities & Equity           Current Liabilities         73         88         111         119         135           Accounts Payable         11         13         15         12         10           Other Current Liabilities         3         5         2         4         3           Total Current Liabilities         87         106         128         135         148           Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity         2         55         55         55         55         55           Paid-in Capital         465         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0 <t< td=""><td>Total Other Assets</td><td>150</td><td>150</td><td>150</td><td>150</td><td>150</td></t<>	Total Other Assets	150	150	150	150	150
Current Liabilities           Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable         11         13         15         12         10           Other Current Liabilities         87         106         128         135         148           Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55           Paid-in Capital         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         35	Total Assets	2,086	2,735	3,860	5,157	6,468
Current Liabilities           Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable         11         13         15         12         10           Other Current Liabilities         87         106         128         135         148           Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55           Paid-in Capital         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         35	Liabilities & Fauity					
Notes Payable (Short-term)         73         88         111         119         135           Accounts Payable         11         13         15         12         10           Other Current Liabilities         3         5         2         4         3           Total Current Liabilities         87         106         128         135         148           Long-term Liabilities         87         106         128         135         148           Long-term Liabilities         705         830         1,158         1,517         1,831           Other Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity         705         830         1,158         1,517         1,831           Stochholder's Equity         55         55         55         55         55         55           Paid-in Capital         465         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0	1 1					
Accounts Payable         11         13         15         12         10           Other Current Liabilities         3         5         2         4         3           Total Current Liabilities         87         106         128         135         148           Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Stochholder's Equity         55         55         55         55         55           Paid-in Capital         465         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505		73	88	111	119	135
Other Current Liabilities         3         5         2         4         3           Total Current Labilities         87         106         128         135         148           Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55         55           Paid-in Capital         465		11	13	15	12	10
Long-term Liabilities           Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55           Paid-in Capital         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489		3	5	2	4	3
Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55         55           Paid-in Capital         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489	Total Current Laibilities	87	106	128	135	148
Notes Payable         705         830         1,158         1,517         1,831           Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55         55           Paid-in Capital         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489	Long-term Liabilities					
Other Long-term Liabilities         0         0         0         0         0           Total Long-term Liabilities         705         830         1,158         1,517         1,831           Stochholder's Equity           Common Stock         55         55         55         55           Paid-in Capital         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489		705	830	1.158	1.517	1.831
Stochholder's Equity         55         55         55         55           Paid-in Capital         465         465         465         465         465           Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489	•			,		,
Common Stock         55         55         55         55         55           Paid-in Capital         465		705	830	1,158	1,517	1,831
Common Stock         55         55         55         55         55           Paid-in Capital         465						
Paid-in Capital         465         465         465         465         465         465         465         465         A65         A65         A65         A65         A65         A65         A65         A95         3969           Other Equity         0         43         0         0         0         0           Total Other Equity         0         43         0         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489	- ·					
Retained Earnings         774         1236         2054         2985         3969           Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489						
Other Equity         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489						
Dividends         0         43         0         0         0           Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489		//4	1230	2034	2983	3909
Total Other Equity         0         43         0         0         0           Total Stockholder's Equity         1294         1799         2574         3505         4489		0	43	0	0	0
Total Stockholder's Equity 1294 1799 2574 3505 4489						
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Total Liabilities & Equity 2,086 2,735 3,860 5,157 6,468	Total Stockholder's Equity	1294	1799	2574	3505	4489
	<b>Total Liabilities &amp; Equity</b>	2,086	2,735	3,860	5,157	6,468

