



WHAT CBVs DO

**AREAS OF
EXPERTISE**

OVERVIEW

Chartered Business Valuators (CBVs)¹ are accredited finance professionals with extensive knowledge and expertise in the specialized field of business valuation. CBVs are trained and governed by CBV Institute², an unequivocal authority in business valuation for half a century and a leader in the global valuation profession. CBVs are internationally recognized as having the judgement and analytical training necessary for a wide range of valuation-based needs: all based on **value measurement, value creation and value protection**. CBVs are:

- Trusted to determine business value and to provide insightful and high-quality valuation-related analyses for different types of circumstances, ranging from straightforward to highly complex
- Active in various sectors of the economy and the financial and capital markets.
- Provide objective, expert valuation advice for a variety of purposes, including financial reporting or tax compliance, dispute resolution, and compliance with securities regulatory requirements
- Act as trusted advisors for value-based decision-making, including transaction advisory, and income tax or estate planning

Whether performing work for clients or as part of a corporate team, CBVs apply their knowledge and insight to business valuation, in a variety of contexts.

AREAS OF CBV EXPERTISE	
Business and Asset Valuation	Litigation Support and Disputes
Corporate Finance, Deals and Transaction Advisory	Strategic Business Advisory
Senior Business Leadership	Academia

BUSINESS AND ASSET VALUATION

CBVs determine the value of businesses, business interests, intangible assets, and complex liabilities for a variety of purposes including:

- Financial reporting related to purchase price allocations and impairment testing
- Tax compliance and planning
- Corporate reorganizations

¹ The CBV designation is represented by Chartered Business Valuator (CBV) and Experts en Evaluation d'Entreprises (EEE).

² CBV Institute is the trade name of The Canadian Institute of Chartered Business Valuators.

- Financial instruments
- Shareholder disputes
- Matrimonial and family law matters
- Mergers, acquisitions, going private, going public or other transactions
- Expropriations

Three of the major areas are financial reporting-related valuations, tax-related valuations and financial instruments valuations.

Financial Reporting-Related Valuations

Valuations for financial reporting purposes are required to determine the value of identifiable intangible assets, such as trademarks, brands, technology and customer relationships acquired by a business in accordance with financial reporting and tax requirements. CBVs determine the value of individual assets acquired in a business combination so that the purchase price can be appropriately allocated.

CBVs also undertake annual impairment reviews for acquired goodwill and intangible assets under accounting standards such as International Financial Accounting Standards (IFRS), Canadian Generally Accepted Accounting Principles (ASPE), and United States Generally Accepted Accounting Principles (US GAAP).

Tax-Related Business Valuations

CBVs are engaged to determine value and assist with income tax compliance as well as income tax planning matters in a variety of contexts, including:

- Deemed dispositions and measurement of related capital gains
- Estate freezes and corporate reorganizations
- Disputes with taxation authorities related to value
- Valuation of stock option benefits
- Non-arm's length transactions and measurement of related capital gains
- Valuation of business interests contributed to or withdrawn from a Registered Retirement Savings Plan or Tax-Free Savings Account
- Charitable donations of business interests in kind

CBV professionals are also employed by tax authorities to review transactions to ensure the related valuations are appropriate.

Financial Instruments Valuations

Business valuation fundamentally includes the valuation of financial instruments (FI)

such as derivatives, contingent instruments, fixed income, equity instruments, hybrid instruments and structured products.

CBVs value all types of FI, including complex financial instruments, primarily for financial reporting purposes, using financial models. CBVs are also involved in evaluating the appropriateness of valuation controls, processes and overall governance of FI valuation.

LITIGATION SUPPORT AND DISPUTES

In addition to determining the value of underlying businesses, CBVs also provide expert evidence related to legal, tax and financial disputes for such matters as:

- Shareholder or partnership disputes, including shareholder oppression remedies under company law
- Commercial litigation
- Division of matrimonial assets and family law
- Business expropriations
- Securities and investor litigation
- Anticompetition
- Financial investigations

CBVs assist in measuring economic losses in the context of litigation, relating to such matters as patent and licence infringement, breach of contract, misrepresentation, expropriation, business interruption claims for insurance purposes, and personal injury. They also assist in a variety of bankruptcy, insolvency and receivership situations.

CORPORATE FINANCE, DEALS, AND TRANSACTION ADVISORY

CBVs also provide a variety of deal, transaction advisory, investment banking, and credit analysis services to clients ranging from small, privately held companies to global public conglomerates in a variety of contexts, including:

- Valuations for purchase, sale and financing
- Going public/going private transactions
- Mergers, acquisitions and divestitures, including valuation analyses
- Strategic, financing and business integration analysis
- Valuations required by financial regulators and fairness opinions
- Business succession and transition planning
- Business restructuring

CBVs also work for equity research firms, pension fund asset managers and wealth management companies.

STRATEGIC BUSINESS ADVISORY

As value experts, CBVs view transactions through an “investor’s lens” and focus on helping businesses identify, evaluate and implement growth and value optimizing strategies. CBVs are uniquely qualified to provide a variety of strategic services, such as financial modelling (including development, review and audit of financial models), data-driven insights to financial and operational decision-making processes, and practical solutions to complex business problems.

These types of advisory services are performed on behalf of clients wishing to:

- Evaluate their strategic options or develop business strategies to unlock value
- Perform investment analysis, investment decision and capital validation
- Identify value opportunities and business risks
- Develop investment alternatives and alternatives for value creation
- Create value by improving cash flow and investment returns

SENIOR BUSINESS LEADERSHIP

CBVs are also active within businesses – often holding senior leadership roles or are entrepreneurs within their own rights. CBVs are employed by corporations (both private companies as well as public reporting issuers and funds), typically in internal valuation functions such as financial and strategic planning and analysis, business development, deal analysis or financial reporting. CBVs perform critical functions for institutional and pension or other fund investors within the banking and investment management industry, and on behalf of financial regulators.

ACADEMIA

CBVs are also active academics – both in research and as instructors at leading universities.



cbvinstitute.com
416 977 1117

277 Wellington Street West
Suite 808, Toronto, Ontario
M5V 3E4, Canada