Resilient CFO

M&A SUPPORT · BUY-SIDE DILIGENCE

Quality of Earnings (QoE) Lite

Focused, cost-effective financial assessment for buyers acquiring a business—the clarity of diligence, scaled to the size of the deal.

Not every acquisition justifies a full-scope **Quality of Earnings** report. For smaller deals, a six-figure QofE can cost more than the risk it's meant to uncover. **QoE Lite** gives buyers a targeted, senior-led review of a target's financials. We surface the trends, risks, and earnings-quality questions that actually move a decision, without the overhead and price tag of a full engagement. You get a clear read on what you're buying, in time to act on it.

WHAT WE EXAMINE

Earnings Quality

Full P&L review, validation of seller addbacks, and testing of revenue and COGS, including the timing and matching that cash-basis books often obscure.

Balance Sheet & Cash

Complete balance-sheet overview with a detailed review of cash, working capital, and short-term assets and liabilities.

Risk & Structure

Debt levels, cash-flow generation, and unusual transactions assessed for their impact on valuation and deal structuring.

BUILT FOR

- Buyers of small to mid-sized businesses
- Deals where a full QofE is cost-prohibitive
- Owner-operated targets on cash-basis books
- Search funds, individuals & strategic acquirers

WHAT YOU GAIN

- Confidence in the numbers before you commit
- Early warning on the risks that change a price
- A practical, prioritized view, not a checklist dump
- Senior CFO judgment, not junior hours

HOW THE ENGAGEMENT WORKS

A clear process, scoped to your deal.

01 **Scope & Align**

We start with a short conversation about the target, the deal size, and your concerns. We narrow the engagement to what matters and limit our role to control cost.

02 **Review & Test**

We work through the financial statements, sample a high percentage of COGS and sales invoices, review bank statements, and scrutinize accounts with vague or unusual descriptions.

03 **Reconcile & Flag**

We reconcile historical performance against the picture being sold, confirm or dismiss our initial concerns through testing, and separate material issues from noise.

04 **Report & Advise**

You receive a concise findings summary with clear conclusions and forward-looking recommendations: what to fix, what to negotiate, and what to watch post-close.

CORE SCOPE

- Analysis of income statement, balance sheet & cash flow
- Evaluation of key revenue streams and major expenses
- Operational liquidity & working-capital assessment
- Review of debt levels and cash-flow generation
- Testing of seller addbacks and adjustments

WHAT YOU RECEIVE

- ✓ Findings summary with prioritized observations
- ✓ Clear conclusions on earnings quality and risk
- ✓ Forward-looking recommendations and next steps
- ✓ Transparent progress updates throughout
- ✓ A direct line to the CFO doing the work

Considering an acquisition?

Let's talk through the target and shape a diligence scope that fits the deal. We'll tell you what we'd look at and how we'd keep it efficient, before you commit a dollar.

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