

# ASC 805 FAIR VALUE MEASUREMENTS



Whitley Penn provides fair value measurements for business combinations in accordance with Accounting Standards Codification (ASC) Topic 805 and International Financial Reporting Standards (IFRS) Standard 3. We follow the latest technical guidance and the Mandatory Performance Framework to provide proper support and documentation for the procedures performed and major assumptions underlying the concluded values.

Whitley Penn is experienced in the valuation of specific intangible assets and liabilities, including:

- Customer-related intangibles
- Developed technology and related in-process research and development
- Brand/trade names and marks
- Non-competition and other restrictive covenants
- Deferred revenue
- Contingent consideration



## The Whitley Penn Approach

Our team has the expertise and experience to work alongside management to develop reasonable and supportable fair value measurements that can withstand audit review procedures. Our approach includes:

- Understanding the rationale and drivers of the transaction, and identifying the assets acquired and liabilities assumed in the business combination
- Assessing the purchase consideration relative to the estimated fair value of the assets acquired, including the fair value measurement of any earn-out provisions or other types of contingent consideration
- Measuring the fair value of the intangible assets and liabilities to be separately recognized on the opening balance sheet
- Documenting our analytical procedures and support for key assumptions and variables utilized in the fair value analyses
- Supporting management during the audit review process

Whitley Penn continues to be one of the region's most distinguished public accounting firms. The firm is strategically positioned for continued growth both locally and internationally. Whitley Penn has been consistently recognized as "One of the Top 100 Firms in the U.S." and "Best of the Best" by *INSIDE Public Accounting*.