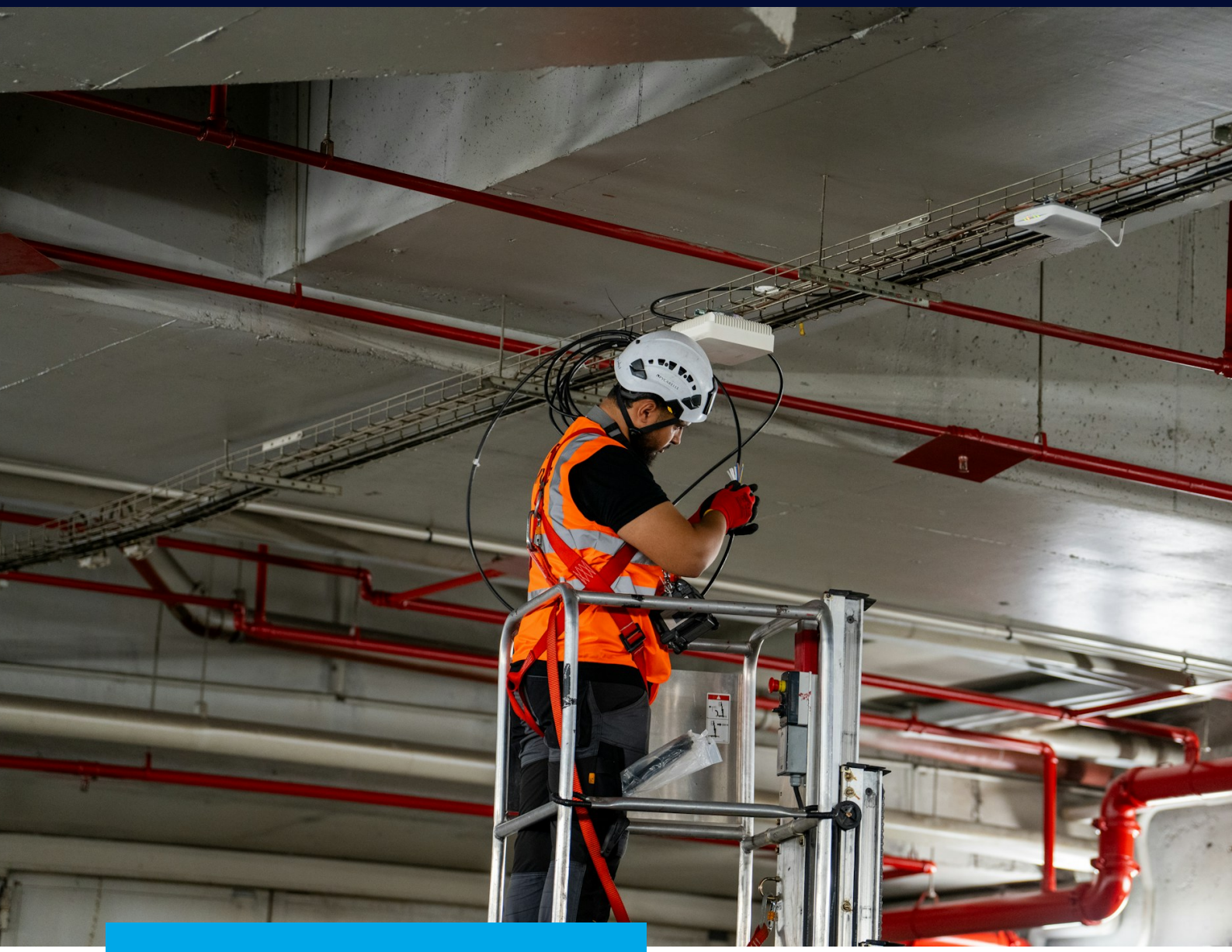
valuo | FAMILY LAW VALUATIONS

SAMPLE REPORT: fictional business, not a valuation of any real entity



Stock photo, not the business. Photo: Valentin Lacoste / Unsplash

Settlement Valuation

Tarrenvale Electrical Pty Ltd

A fictional business, created for this sample. No ABN.

Market value of 100% of the shares at 30 September 2026, for negotiation and mediation in a family law property settlement.

Jointly instructed by	Valuation date	Report date	Reference
Quellmore Family Law **Veldmoor Lawyers**	**30 September 2026**	**14 October 2026**	**SAMPLE-SV-2026**

Guided by APES 225 Valuation Services
APES 225 is the valuation standard issued by the Accounting Professional & Ethical Standards Board for members of Australia's accounting bodies. We are not an accounting firm; we follow its guidelines in every report we sign.

Restriction on use. Prepared for negotiation and mediation between the parties, for the purpose and the users set out in section 02. It is not prepared for filing or reliance as expert evidence in court. If expert evidence is required, a separate engagement must be agreed, including the scope, any additional investigations, reporting requirements and fees. Nothing in this restriction limits compliance with a legal disclosure obligation, subpoena or court order.

01 Summary

A growing contractor that still leans on its Director, worth $492,000

$492,000

Market value of 100% of the shares in Tarrenvale Electrical Pty Ltd at 30 September 2026. Range $428,000 to $556,000.

$160,000	3.00x	$480,000	+$11,640
Maintainable earnings (EBIT), with the Director at a market wage	Illustrative: a 3.50x start, adjusted for drivers 3 to 5	Business value, before surplus cash, debt and the Director's loan	Cash, debt, working capital and the Director's loan, net



Five things that drive the value

01 **Steady growth at a steady margin.** Revenue grew from $1,452,318 in FY2024 to $1,618,452 in FY2026, 5.6% a year. Normalised earnings held at about 10% of revenue in each year.

02 **Earnings measured after a fair wage for the Director.** We replaced the Director's pay with a market cost of $151,200 and removed private and one-off costs. Maintainable earnings: $160,000 a year.

03 **The Director is still central.** About 27% of revenue, mostly builder work won through the Director's relationships, might not stay with a new owner. This takes 0.45x off the multiple, about $72,000 off the value.

04 **Concentrated builder work, with builder risk.** Four builders and fit-out companies gave 46.5% of revenue, and one builder's liquidation cost $38,600 in FY2025. Together these take 0.30x off the multiple, about $48,000 off the value.

05 **Repeat work and a licensed team.** Strata and property managers give 30% of revenue in repeat maintenance, and a second qualified supervisor means the licence does not rest on the Director alone. These add 0.25x to the multiple, about $40,000 to the value.


Stock photo, not the business. Photo: Kevin Grieve / Unsplash

02 Purpose, scope and intended use

Written for negotiation and mediation between the parties, not for court

Purpose	To give both parties and their solicitors one independent figure for the shares in Tarrenvale Electrical Pty Ltd, so they can negotiate and mediate their family law property settlement from the same starting point.
The interest valued	100% of the ordinary shares: 100 shares, all held by the Director, who is the company's sole director. The other party holds no shares and has no role in the business. Because the whole company is valued, no discount for a minority holding applies.
Who may rely on it	Quellmore Family Law (for the Director), Veldmoor Lawyers (for the other party), the two parties and a mediator they appoint, for the purpose above only. Nobody else may rely on it, and it may not be used for anything else, such as tax, stamp duty, a sale, lending or insurance, without our written consent.
Scope	One operating business, valued at one date, from the documents listed in section 04. Real property, superannuation, personal vehicles and the other assets in the property pool are outside the scope, and so is either party's personal tax position.
Independence and fee	We act for neither party. Both solicitors accepted one engagement letter. Both received the same document checklist, the same draft and this same report, and we corresponded with both equally. We have no interest in the company, the Director or the other party, and no relationship with either firm that could affect our view. The fee is fixed at $1,495 + GST (annual turnover under $2 million) and shared equally by the parties. It does not depend on the conclusion, content or future use of this report, or on the outcome.

What this report is not

It is not prepared for filing or reliance as expert evidence in court. It is not prepared to meet the expert-evidence requirements in Part 7.1 of the Federal Circuit and Family Court of Australia (Family Law) Rules 2021. Both solicitors agreed in the engagement letter that this joint instruction is for negotiation and mediation only, and is not the appointment of a single expert witness under those Rules. It is not legal, tax or financial advice, and it does not say how the property pool should be divided.

If the matter goes to court

	This report: Settlement Valuation	Family Law Expert Valuation
Made for	Negotiation and mediation	Family law court proceedings
Fee	$1,495 + GST (annual turnover under $2 million)	$4,495 + GST
Expert evidence	Not prepared for filing or reliance as expert evidence	Prepared to address the expert-evidence requirements in Part 7.1 of the Rules, and verified by the expert's affidavit
Delivery	Signed report in 2 business days	A delivery date agreed before work begins

If you move to a Family Law Expert Valuation within three months, the Settlement Valuation fee is credited. After a $1,495 Settlement Valuation the difference is $3,000 + GST.

03 The engagement

A full Valuation Engagement, at market value, on a going-concern basis

Engagement type	**Valuation Engagement.** Our choice of methods and information was not limited.
Interest valued	100% of the ordinary shares (100 shares, all held by the Director)
Valuation date	30 September 2026, as agreed by both solicitors in the engagement letter
Report date	14 October 2026
Standard of value	Market value, defined below
Premise of value	Going concern: the business keeps trading, with its staff, licence and customers
Instructed by	Quellmore Family Law and Veldmoor Lawyers, jointly (letter of 28 September 2026)
Amounts	Australian dollars, excluding GST

Market value

The price at which the shares would change hands at the valuation date between a willing but not anxious buyer and a willing but not anxious seller, dealing at arm's length, each reasonably informed about the business, and neither forced to buy or sell. It assumes a normal sale process, a normal handover by the Director and the usual promise by the Director not to compete with the business, and it is before selling costs and any tax either party might pay on a sale.

How the engagement ran

28 Sep
Engagement letter issued to both firms and accepted

30 Sep
Valuation date

1 to 9 Oct
Documents uploaded by the Director through Quellmore

6 to 8 Oct
Veldmoor's questions, the Director's interview and written answers

12 Oct
Accountant's reconciled balance sheet at 30 Sep received: information complete

13 Oct
Draft for factual review to both firms; representation letter to the Director

14 Oct
Signed report, 2 business days after information was complete

What this report covers, and where

Topic	Page
Purpose, intended users and scope	3
Independence	3 and 16
Engagement type, date, standard and premise of value	4
Information relied on, and what we did not do	5
The business and its industry	6
Financial performance and normalisation	7 and 8
Method, and why we chose it	9
The multiple	10
Goodwill and owner dependence	11
From business value to the shares	12
Value range and sensitivity	13
Assumptions and limitations	14
Using the report; the draft for factual review	15
Declaration and glossary	16

Guided by APES 225 Valuation Services

APES 225 is the valuation standard issued by the Accounting Professional & Ethical Standards Board for members of Australia's accounting bodies. We are not an accounting firm; we follow its guidelines in every report we sign.

What a Valuation Engagement means

It is the fullest kind of valuation work: the valuers decide what to look at and how to value it. A limited scope valuation or a calculation restricts the work, and a report of that kind says so.

04 Information relied on

Built on the company's records and both sides' questions, not an audit

Documents from the Director came through Quellmore Family Law and were shared with Veldmoor Lawyers. We relied on the following.

	Document	Period or date	From
1	Financial statements, prepared by the company's accountant	FY2024 and FY2025	The Director
2	Draft financial statements and tax estimate (return not yet lodged)	FY2026	The Director
3	Company tax returns	FY2024 and FY2025	The Director
4	Xero profit and loss, by month	July 2023 to September 2026	The Director
5	Xero balance sheet, reconciled by the accountant, and the Director's loan account ledger	30 September 2026 (received 12 October)	The Director
6	Aged debtors and aged creditors	30 September 2026	The Director
7	Work in progress and retentions schedule	30 September 2026	The Director
8	Sales by customer	FY2024 to FY2026	The Director
9	Payroll summary, and staff list with roles and licences	FY2026	The Director
10	Fixed asset register and chattel mortgage statements	30 September 2026	The Director
11	Premises lease, including the option	To 30 June 2028	The Director
12	Contractor licence and qualified supervisor certificates	Current	The Director
13	Company extract and share register	28 September 2026	Quellmore Family Law
14	Company bank statements	July 2025 to September 2026	The Director
15	Written questions about the business	6 October 2026	Veldmoor Lawyers
16	Interview with the Director, and written answers	7 and 8 October 2026	The Director
17	Representation letter, signed by the Director	14 October 2026	The Director

One gap, and how we treated it

The FY2026 company tax return had not been lodged by the report date. We used the accountant's draft FY2026 financial statements and tax estimate, checked against the Xero monthly figures. If the lodged figures differ materially, the value may need to be updated.

Both sides were heard

Veldmoor Lawyers asked four questions on 6 October 2026: about the family car, overseas travel, the Director's pay and the loan account. The Director answered in writing on 8 October, and both firms received the answers and our note of the 7 October interview. Sections 07 and 11 deal with each point.

What we did not do

- We did not audit or review the accounts, or test the records behind them.
- We did not inspect the premises, the vans or the equipment, or obtain separate valuations of them.
- We did not search for legal claims, or check title, licences or tax compliance beyond the documents above.
- We did not confirm debtors, work in progress or retentions with customers.
- We did not speak to customers, staff, the landlord or the accountant.
- We did not give legal, tax or financial advice.

05 The business and its industry

An established Sydney electrical contractor with three kinds of work

What it does

Tarrenvale Electrical does three kinds of work: electrical fit-outs and upgrades for builders and fit-out companies, repairs and maintenance for strata buildings through their managers, and smaller jobs for householders. It has traded since 2011 and was incorporated in 2014.

How it runs

The Director runs the business day to day: winning and pricing builder work, supervising the larger jobs and overseeing quality and compliance. The office manager handles scheduling, invoicing and payroll in Xero and the job management software. Five licensed electricians and two apprentices do the work on site.

What a buyer would get

A licensed business with a trained team, six vans, a leased base in Sydney's inner west and three years of steady growth. Also a business whose builder work still rests largely on one person (section 10).

Company	Tarrenvale Electrical Pty Ltd (fictional; no ABN)
Trading since	2011, incorporated 2014
Shares	100 ordinary shares, all held by the Director, the sole director
Premises	Leased industrial unit, Sydney inner west. Lease to 30 June 2028 with a 3-year option. Unrelated landlord, market rent
Licence	NSW contractor licence held by the company. The Director is the nominated supervisor; the leading hand also holds a qualified supervisor certificate
Team	The Director, 5 licensed electricians, 2 apprentices and an office manager (4 days a week)
Vehicles	6 vans, 4 under chattel mortgage
Systems	Job management software and Xero

The industry

Electrical contractors in Sydney work in markets that move differently. Fit-out and upgrade work for builders follows the building cycle and carries the risk of a builder failing while owing money. Strata maintenance and household repairs recur whatever the cycle. Licensed electricians can be hard to recruit, so a settled, licensed team matters to a buyer. Buyers look most at how much work comes from a few builders and how much rests on the owner.

Revenue by type of work, FY2026

Total $1,618,452; share of revenue at right



Top five customers, FY2026

Customers are not named in this sample

Customer	FY2026 revenue	Share
Builder A	344,730	21.3%
Builder B	186,420	11.5%
Fit-out company C	121,560	7.5%
Builder D	99,870	6.2%
Strata manager E	69,490	4.3%
Top five	**822,070**	**50.8%**

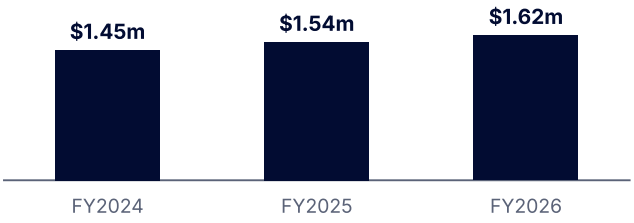
The four largest builders and fit-out companies gave 46.5% of FY2026 revenue; Builder A alone gave 21.3%.

06 Financial performance

Revenue grew 5.6% a year, while reported profit swung with one-off costs

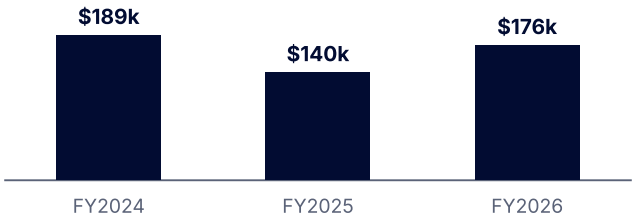
Revenue

Years to 30 June



Reported profit before interest and tax

Before the adjustments in section 07



Profit and loss, years to 30 June ($)	FY2024	FY2025	FY2026
Revenue	**1,452,318**	**1,541,906**	**1,618,452**
Materials	(290,464)	(312,860)	(331,780)
Subcontractors	(31,260)	(36,940)	(40,520)
Gross profit	**1,130,594**	**1,192,106**	**1,246,152**
Gross margin	77.8%	77.3%	77.0%
Staff wages and on-costs	(613,480)	(652,310)	(688,940)
Director's salary and super	(99,900)	(105,925)	(112,000)
Vehicles	(61,850)	(64,420)	(67,960)
Rent and outgoings	(50,400)	(52,200)	(54,000)
Insurance	(16,920)	(17,680)	(18,340)
Tools and small equipment	(13,640)	(14,310)	(15,880)
Phones, IT and software	(12,380)	(13,050)	(13,720)
Accounting and legal	(14,200)	(15,100)	(26,900)
Advertising	(5,460)	(5,980)	(6,240)
Travel and other	(19,730)	(30,140)	(22,610)
Bad debts	(1,240)	(39,480)	(900)
Depreciation	(38,960)	(41,230)	(43,100)
Overheads	**(948,160)**	**(1,051,825)**	**(1,070,590)**
Profit on the sale of a van	6,200	0	0
Profit before interest and tax (EBIT)	**188,634**	**140,281**	**175,562**
Interest	(7,820)	(8,640)	(9,310)
Net profit before tax	**180,814**	**131,641**	**166,252**

FY2026 is from the accountant's draft financial statements. The Director's salary was $90,000, $95,000 and $100,000, plus super at 11%, 11.5% and 12%. Vehicles include the family car's running costs, and travel and other includes private travel. FY2025 bad debts include $38,600 from a builder's liquidation, and FY2026 accounting and legal includes $12,400 for a settled contract dispute. Section 07 adjusts for each.

07 Normalising the earnings

Normalised, earnings grew steadily at about 10% of revenue

Reported profit mixes the business's earning power with the Director's own pay, private costs and one-off items. We adjust for each, so the earnings are what a buyer could expect after paying someone to do the Director's job.

Adjustment ($)	FY2024	FY2025	FY2026
Reported EBIT	**188,634**	**140,281**	**175,562**
1 Director's pay to a market cost	(51,300)	(45,275)	(39,200)
2 Family car running costs	9,800	10,400	11,200
3 Private travel	4,800	13,900	5,700
4 Bad debt from a builder's liquidation	0	38,600	0
5 One-off legal costs	0	0	12,400
6 Profit on the sale of a van	(6,200)	0	0
Normalised EBIT	**145,734**	**157,906**	**165,662**
Normalised EBIT as a share of revenue	10.0%	10.2%	10.2%

1 **Director's pay.** Actual pay was $99,900, $105,925 and $112,000 with super. A manager doing the Director's job would cost about $135,000 plus 12% super, $151,200 a year (illustrative for this sample). We use that cost in all three years so the years compare on today's terms. This charges the two earlier years at today's cost, which lowers them slightly; the latest year, with half the weight, is unaffected.

2 **Family car.** The company paid the running costs of the family car, which the Director owns personally and the business does not need. Raised by Veldmoor Lawyers and confirmed by the Director.

3 **Private travel.** Part of travel was private, including a family holiday in FY2025 ($13,900 in total that year).

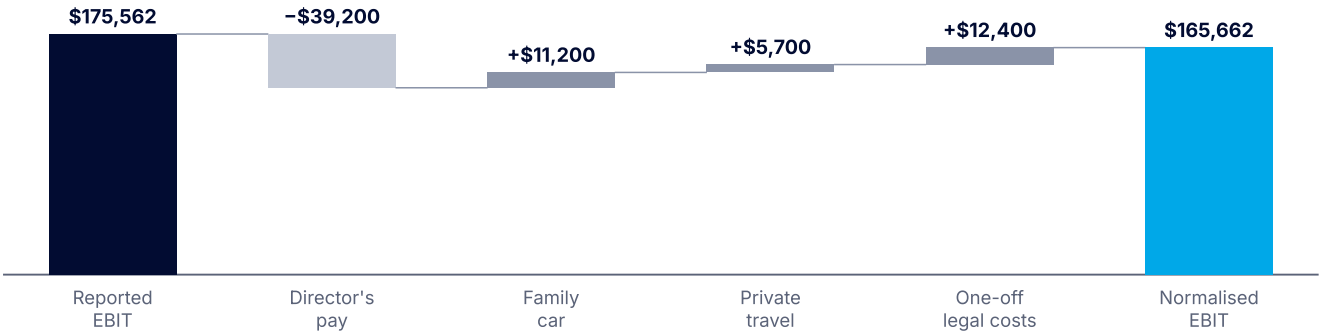
4 **Bad debt.** A builder went into liquidation in FY2025 owing $38,600. Other years' bad debts are small, so we add this one back and allow for builder risk in the multiple instead (section 09).

5 **Legal costs.** $12,400 in FY2026 for a contract dispute with a builder, settled in May 2026 and not expected to recur.

6 **Van sale.** The $6,200 profit on selling an old van in FY2024 is not trading income.

FY2026: from reported to normalised EBIT

Each step is an adjustment in the table above



Not adjusted: rent ($54,000 in FY2026, an unrelated landlord at market rent); the office manager (unrelated to either party, paid a market wage); depreciation (kept as a cost, because vans and tools must be replaced); interest (left out of EBIT, because the vehicle finance is deducted in section 11).

08 Maintainable earnings and the method

Maintainable earnings of $160,000, valued by capitalisation

$160,000	×	3.00x	=	$480,000	+	$11,640	=	$491,640
Maintainable earnings		Multiple (section 09)		Business value		Cash, working capital, debt and loan (section 11)		Rounded to $492,000

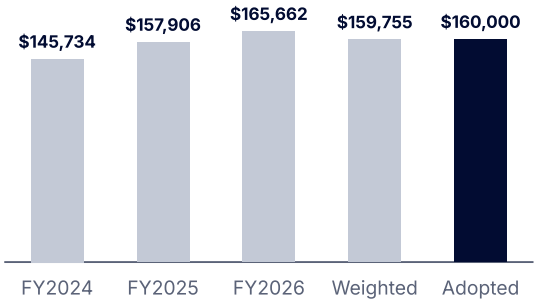
How we set maintainable earnings

Year	Normalised EBIT	Weight	Weighted
FY2024	145,734	1	145,734
FY2025	157,906	2	315,812
FY2026	165,662	3	496,986
Total		**6**	**958,532**
Weighted average (958,532 / 6)			159,755
Maintainable earnings adopted			**160,000**

The latest year best shows the business today, but one year alone could flatter or understate it. Weighting 1:2:3 puts half the weight on FY2026 and still counts the earlier years.

Normalised EBIT, weighted and adopted

Years to 30 June; the figure adopted in navy



A check on the latest quarter

July to September 2026 ($)	
Revenue	412,870
Reported EBIT	47,650
Director's pay to a market cost	(9,800)
Family car and private travel	4,000
Normalised EBIT	**41,850**
A year at that rate (× 4)	167,400

What it tells us

July to September 2026 normalised EBIT was 10.1% of revenue, in line with the three full years. A year at that rate would give about $167,400.

That supports $160,000. But one quarter is too short to rely on, and builder work is lumpy, so we did not raise the figure.

Methods we considered

Method	Role	Why
Capitalisation of maintainable earnings	**Adopted**	A profitable, steady business with three years of records. Buyers of small contracting businesses price them on earnings, and the multiple shows the effect of each risk.
Net tangible assets	Floor test	Shows what the assets are worth without goodwill, and so how much of the value is goodwill ($163,500, section 11).
Discounted cash flow	Not used	There are no reliable forecasts, and forecasts for a small contractor would rest on guesses about future builder work.
Revenue rules of thumb	Not used	They ignore margin and owner dependence. For reference only, the business value is 0.30x FY2026 revenue.

09 The multiple

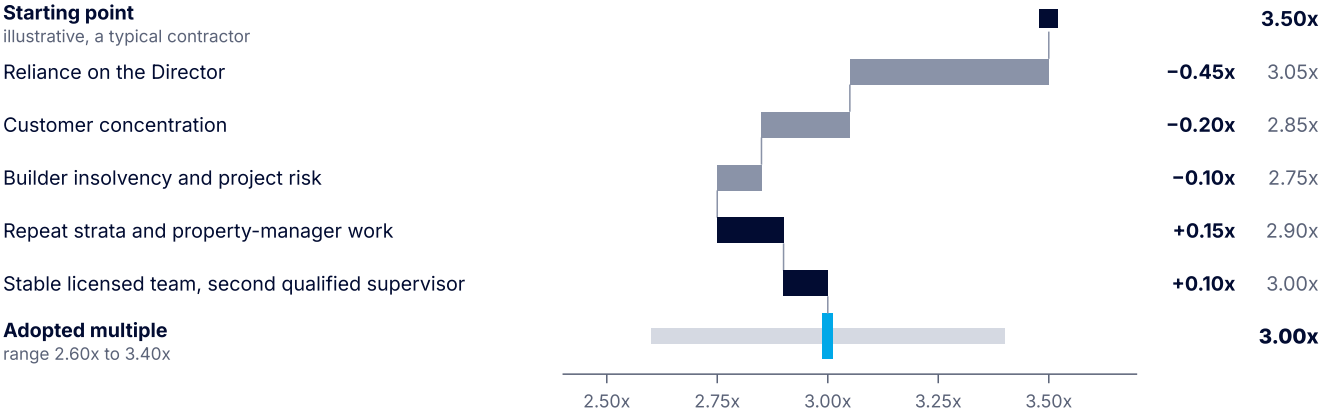
An illustrative 3.00x multiple, built up one step at a time

Illustrative only

This is a sample. The 3.50x starting point and every step below are assumptions made to show how a multiple is built and explained. They are not market data or evidence of any sale. In a real report the starting point comes from named, dated market evidence on the same earnings basis (EBIT), such as sales of comparable businesses, with the source given. Each step is then the valuers' judgement of how this business differs from those businesses, explained from its own records.

From the starting point to the multiple adopted

Multiple of maintainable earnings (EBIT); each bar is one step, with its effect and the running total at right



Step	Effect	Running	Why
Starting point		3.50x	A typical electrical contractor of this size, as market evidence would show it. Assumed for this sample.
Reliance on the Director	−0.45x	3.05x	About 27% of revenue, mostly builder work, rests on the Director's own relationships (section 10). The market wage in section 07 pays someone to do the Director's job; it does not bring these relationships with it, so this is not the same cost counted twice.
Customer concentration	−0.20x	2.85x	The four largest builders and fit-out companies gave 46.5% of FY2026 revenue, and Builder A alone 21.3%. Any of them could leave or fail even after a good handover, so this is separate from reliance on the Director.
Builder insolvency and project risk	−0.10x	2.75x	Builders can fail owing money, as one did in FY2025 ($38,600). Retentions held by builders carry the same risk.
Repeat strata and property-manager work	+0.15x	2.90x	30% of revenue is repeat maintenance for strata buildings that depends little on the Director (10% at risk, section 10).
Stable licensed team, second qualified supervisor	+0.10x	3.00x	The licence does not rest on the Director alone, and the team of electricians is settled.
Adopted multiple	**−0.50x**	**3.00x**	**Applied to maintainable earnings of $160,000: a business value of $480,000.**

The range

We give 2.60x to 3.40x: 0.40x either side of 3.00x, for how far a buyer's view of the risks above could reasonably differ. At $160,000 that is $416,000 to $544,000 for the business, and $428,000 to $556,000 for the shares.

What 3.00x means

A buyer paying $480,000 pays for about three years of pre-tax earnings, which reflects the risk of buying a small business that still relies on its owner. For reference only, it is 0.30x FY2026 revenue.

10 Goodwill and owner dependence

About 27% of revenue rests on the Director, and a buyer would price that in

Owner dependence is the part of the earnings that rests on the owner personally: relationships, reputation and know-how that might not pass to a buyer. Here it sits mainly in the builder work, which the Director wins and manages personally.

Type of work, FY2026	Revenue	Share	Reliance on the Director	Expected to stay	At risk
Builders and fit-out companies	889,250	54.9%	High	60%	355,700
Strata and property managers	488,060	30.2%	Low	90%	48,806
Residential customers	241,142	14.9%	Low to medium	85%	36,171
Total	**1,618,452**	**100.0%**		**72.8%**	**440,677**

The share expected to stay is our judgement from the customer records and the interview, assuming a six-month handover. It is illustrative in this sample. A buyer would not assume all of the at-risk work leaves; the 0.45x in section 09 prices the chance that some of it does. At risk in total: $440,677, 27.2% of FY2026 revenue.

What might not stay with a new owner

FY2026 revenue by type of work



How a buyer would deal with it

1 A lower price

The multiple is 0.45x lower for reliance on the Director: about $72,000 at $160,000 of earnings.

2 A handover

The value assumes the Director stays about six months after a sale to introduce the builders to the new owner. Without a handover, a buyer would pay less.

3 Price terms

A buyer may hold back part of the price until the builder work proves it has stayed. We value a price paid in full on completion, after a normal handover.

What the $480,000 business value is made of

Tangible parts at book value; goodwill is the rest



$50,000 Working cash

$80,000 Normal working capital

$186,500 Vans and equipment at book value

$163,500 Goodwill

The goodwill in the value

Goodwill is $163,500: the business value less working cash, normal working capital and the vans and equipment ($316,500 together). It is about one year of maintainable earnings, after the 0.45x deduction for reliance on the Director.

What this section does not decide

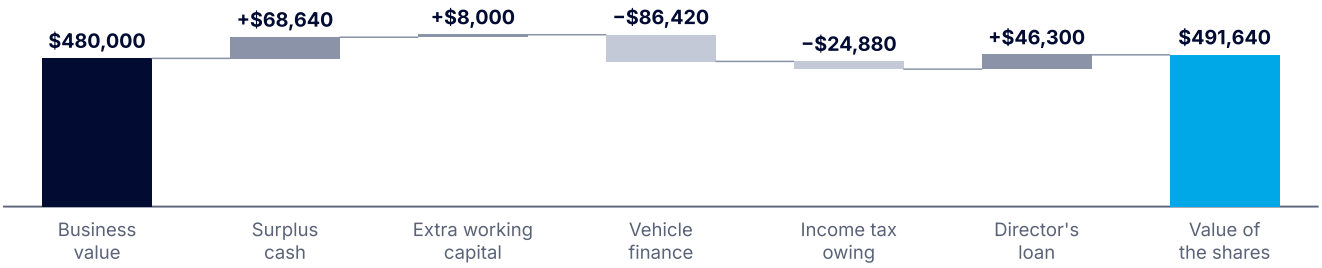
How the parties, or a court, treat the part of the value that rests on the Director's personal work is a legal question for the lawyers. This report does not answer it. It sets out the market value, the revenue that rests on the Director and the effect on price, so the question can be discussed on the facts.

11 From business value to the value of the shares

Cash, debt, working capital and the Director's loan add a net $11,640

From the business value to the value of the shares, at 30 September 2026

Each step is a line in the table below



Item	$	How we got it
Business value	**480,000**	**Maintainable earnings of $160,000 at 3.00x. Includes $50,000 of working cash and $80,000 of normal working capital.**
Surplus cash	68,640	Cash at bank of $118,640, less $50,000 kept to run the business (about two weeks of costs)
Working capital above normal	8,000	$88,000 against a normal $80,000 (below): mainly a builder progress claim invoiced in September and paid on 6 October.
Vehicle finance	(86,420)	Chattel mortgages on four vans at 30 September 2026.
Company income tax owing	(24,880)	Unpaid FY2026 tax from the accountant's estimate, plus tax on the July to September 2026 profit.
Director's loan	46,300	Owed by the Director to the company. Valued at face value: a buyer would want it repaid at completion. It built up from drawings above the Director's salary in FY2025 and FY2026, as the Director confirmed in writing on 8 October.
Value of 100% of the shares	**491,640**	**Rounded to $492,000.**

Working capital at 30 September 2026

	$
Trade debtors	221,380
Work in progress	38,900
Retentions held by builders	12,600
Stock	14,200
Working capital assets	**287,080**
Trade creditors	(96,450)
GST owing	(27,860)
PAYG withholding and super owing	(33,540)
Employee leave owing	(41,230)
Working capital	**88,000**
Normal level	(80,000)
Above normal	**8,000**

Normal level: the average of the four quarter-ends from 30 September 2025 to 30 June 2026 ($77,600, $81,900, $78,200 and $82,300). Leave owing counts as working capital because a buyer takes on the staff and their leave.

The Director's loan: list both sides

The $492,000 includes the $46,300 the Director owes the company, as an asset of the company. If the property pool lists the shares at $492,000 and also lists the $46,300 as the Director's debt, the loan nets to nil for the Director. Leaving the debt out would count the loan on the Director's side but not against it; in that case take $46,300 off the share value ($445,700). Adding the loan again as a separate asset would count it twice. How the pool is put together is for the lawyers.

Floor test: net tangible assets

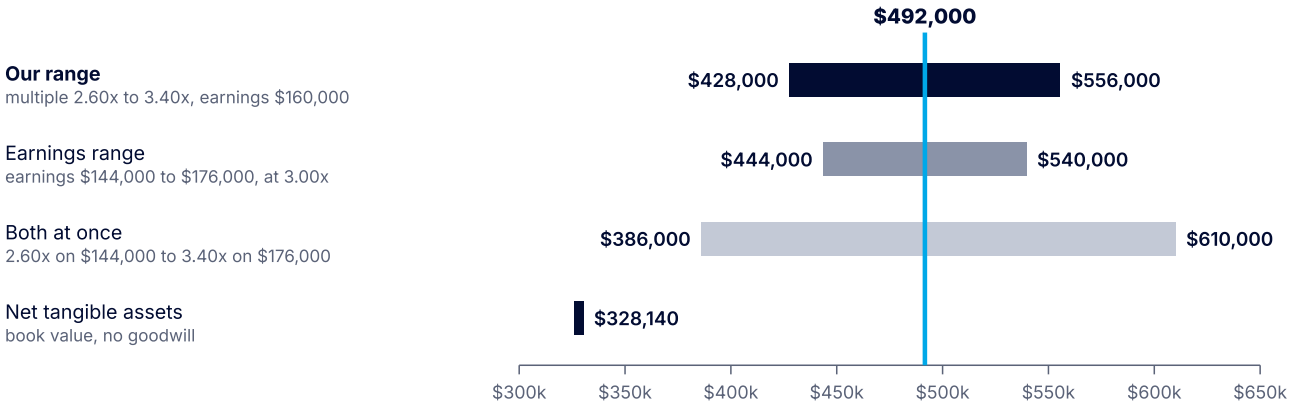
Assets of $638,520 less liabilities of $310,380 give net tangible assets of $328,140 at book value. The share value before rounding, $491,640, is $163,500 higher: the goodwill in section 10. The value sits well above the asset floor, as expected for a profitable business.

12 Value range and sensitivity

$492,000, within a range of $428,000 to $556,000

Where the value sits

Value of 100% of the shares; the vertical line is the value adopted



Sensitivity: value of 100% of the shares ($)

By multiple (rows) and maintainable earnings (columns), rounded to the nearest $1,000. Each figure includes the net $11,640 from section 11.

Multiple	$144,000 −10%	$152,000 −5%	$160,000 base	$168,000 +5%	$176,000 +10%
2.60x	386,000	407,000	428,000	448,000	469,000
2.80x	415,000	437,000	460,000	482,000	504,000
3.00x	444,000	468,000	**492,000**	516,000	540,000
3.20x	472,000	498,000	524,000	549,000	575,000
3.40x	501,000	528,000	556,000	583,000	610,000

Reading the table

- Each 0.20x on the multiple moves the value by $32,000.
- Each 5% on maintainable earnings ($8,000) moves it by $24,000 at 3.00x.
- Our range is the multiple range at $160,000, because the multiple is where reasonable views differ most. The earnings are steady over three years, and the latest quarter supports them.

What could call for an updated value outside this range

- Losing Builder A (21.3% of revenue) before settlement.
- The Director leaving without a handover.
- Lodged FY2026 figures that differ materially from the draft.
- A liability or claim we were not told about.

13 Assumptions and limitations

The value rests on these assumptions, and has these limits

Key assumptions

1. The business keeps trading as a going concern, with its staff, licence, lease, vans and customers.
2. The Director would give a buyer a normal handover of about six months and the usual promise not to compete with the business.
3. The company's contractor licence can continue with the leading hand as nominated supervisor if needed.
4. The lease, to 30 June 2028 with a 3-year option, would stay available on its current terms.
5. The lodged FY2026 figures will not differ materially from the accountant's draft.
6. Debtors, work in progress and retentions at 30 September 2026 will be collected at their recorded amounts.
7. The vans and equipment are worth about their book value of $186,500.
8. There are no undisclosed liabilities, guarantees, claims or disputes, including warranty claims for past work.
9. The Director can repay the $46,300 loan in full. If the company clears it with a dividend instead, the share value falls by $46,300 and the Director's debt goes, so the Director is no better or worse off before tax.
10. Whether the private car and travel costs the company paid (section 07), or the Director's loan, carry a tax cost, such as fringe benefits tax or under Division 7A, is for the parties' tax advisers. We have assumed no cost to the company; any such cost would reduce the value by the same amount.
11. The market cost of the Director's role ($151,200 with super) and the multiple build-up are illustrative assumptions for this sample.

Limitations

1. We did not audit or review the records. We relied on them as provided, and on the answers given.
2. The value is at 30 September 2026 only. Later events, such as losing a major builder, are not reflected. We know of no event up to 14 October 2026 that changes it; the September progress claim paid on 6 October supports the debtors (section 11).
3. The report is for negotiation and mediation between the parties only. It is not for court, tax, stamp duty, a sale, lending or insurance.
4. It is not legal, tax or financial advice, and it does not say how the property pool should be divided.
5. Market value is the price in an assumed sale. An actual sale could achieve a different price.
6. The value is before selling costs and any tax either party might pay on a sale. Whether to allow for those is a matter for the lawyers.
7. We may revise the report if information we were not given comes to light.
8. Nobody other than the users named in section 02 may rely on it.

If an assumption turns out to be wrong

Tell both solicitors and us. Section 12 shows how the two main inputs move the value. For anything else, ask us whether the value needs updating before it is relied on in a settlement.

14 Using this report in mediation

Start from the same number, and argue about inputs, not totals

01 **Start from the same number.** Both sides instructed this report and saw the same draft. $492,000 is the market value of 100% of the shares. The range, $428,000 to $556,000, shows where reasonable views of the multiple land.

02 **Argue about inputs, not totals.** If you disagree, name the input and use the table on page 13: each 0.20x on the multiple is $32,000, and each 5% of maintainable earnings is $24,000.

03 **List both sides of the Director's loan.** The $492,000 includes the $46,300 the Director owes the company. If the pool lists the shares at $492,000, list the $46,300 as the Director's debt too, or take it off the share value instead. Never add it as a separate asset (section 11).

04 **Keep owner dependence separate.** The value already reflects what a buyer would pay for a business that relies on its Director. Whether the parties treat that part differently is a legal question (section 10).

05 **Check what has changed.** The value is at 30 September 2026. If something big changes before settlement, such as a major builder leaving or different lodged FY2026 figures, ask us whether the value needs updating.

About our fees (shown for this sample; not part of a real report)

Fixed fees, plus GST. Delivery time starts once payment and all required information have been received.

Report, by annual turnover	Fee	Signed report
Settlement Valuation		
Under $2 million	$1,495 + GST	2 business days
$2 million to under $3 million	$2,495 + GST	3 business days
$3 million to $10 million	$3,495 + GST	3 business days
Over $10 million	Quoted in writing	Date agreed before work begins
Family Law Expert Valuation, for court proceedings	$4,495 + GST	Date agreed before work begins

Move to a Family Law Expert Valuation within three months and the Settlement Valuation fee is credited.

> **Before this report was signed: draft for factual review**
>
> A draft went to both firms on the morning of 13 October 2026 for factual review, with comments due by 10am the next business day, as the engagement letter provides. The review was for facts only: a misread figure, a wrong date, a missing document. The method, the multiple and the conclusion were not open to negotiation.
>
> Quellmore Family Law confirmed the facts that afternoon. On the morning of 14 October, Veldmoor Lawyers pointed out that the draft gave the lease option as five years; the lease shows three. We corrected it. No figure changed. The Director signed our representation letter on 14 October 2026, confirming that the facts and financial records given to us are complete and correct, that the assumptions in section 13 are reasonable and that there is nothing else we should know. This report was then signed on 14 October 2026.

15 Declaration

Our opinion is independent, and it is our own

We declare that:

- the opinion in this report is our own, reached independently of both parties and their solicitors;
- we have no interest in Tarrenvale Electrical Pty Ltd, the Director or the other party, and no conflict with either instructing firm;
- our fee of $1,495 + GST is fixed and does not depend on the conclusion, content or future use of this report, or on the outcome of the settlement, and we accepted no instruction requiring a predetermined result;
- we relied on the information in section 04 without auditing it, and we are not aware of anything that makes it unreliable;
- the report sets out its purpose, scope, valuation date, standard and premise of value, engagement type, sources, method, assumptions, limitations and independence.

Guided by APES 225 Valuation Services

[In a real report, the valuers' signatures and qualifications appear here]

Family Law Valuations
Signed 14 October 2026

377 New South Head Road, Double Bay NSW 2028
03 8375 4177 · familylawvaluation.com.au

A Appendix: glossary

Business value
The value of the business's operations, before surplus cash, debt and the Director's loan. Also called enterprise value.

Capitalisation of earnings
Valuing a business by multiplying its maintainable earnings by a multiple.

Chattel mortgage
A loan secured over a vehicle or equipment.

Director's loan
Money the Director owes the company, here $46,300.

EBIT
Earnings before interest and tax.

Going concern
A business that keeps trading, rather than one closed and its assets sold.

Goodwill
The part of the value above the tangible assets, from customers, staff, systems and reputation.

Maintainable earnings
The earnings a buyer could expect the business to keep making, after normalisation.

Market value
The price between a willing but not anxious buyer and seller (section 03).

Multiple
The number maintainable earnings are multiplied by. It reflects risk and growth.

Net tangible assets
All assets except goodwill, less all liabilities.

Normal working capital
The working capital the business needs to trade; here $80,000, the average of four quarter-ends.

Normalisation
Adjusting reported profit for private, one-off and non-market items.

Owner dependence
How much of the earnings rests on the owner's own work and relationships.

Representation letter
A signed letter in which the Director confirms that the facts and records given to us are complete and correct.

Retentions
Part of a builder's payment held back until the work is finished and defects are fixed.

Surplus cash
Cash beyond what the business needs to trade.

Valuation Engagement
An engagement in which the valuers choose the approach and methods, and the work is not limited.

Working capital
Debtors, work in progress, retentions and stock, less creditors and other short-term amounts owing.

Working cash
The cash the business keeps on hand to trade; here $50,000.