

STRATEGIC ALLIANCE

Funding & Equity, Inc.

Seller Code #: 1M Tampa

Practice Profile

Overview

Are Owners Interested in Merger, Partnership or Acquisition? 100% Acquisition of practice & building for sale possibly with some retained equity

Location: Hillsborough County

What Licenses does the Owner have? CPA (PFS)

Number of CPA's/Accountants? CPA's (3) & Accountant (1) are F/T plus one P/T CPA

Number of Years in Business? 30 years by current owner (Firm est. in 1928)

Years at Present Location? 16 years

Could the Company be moved, how soon? Yes (Local County)

How is Client Work Brought to Office?	% Mailed	% Dropped Off	% Picked Up
	35%	55%	10%

Location of Business and Clients

Describe Where Concentration of Clients are? In Percentages (%):

Hillsborough	85%	Other Florida	10%
Out of State	5%		

Describe the outer bounders the office could realistically be moved? see below How Far? 20 Miles

West, South, or Central County

Open to talk to buyer's about options for those who are located relatively close to office

Monthly Rent (Inclusive) \$4,030 (Bldg. is owned) Approx. Square Footage 1 4,200 sf + (leased 650) + 1,500 Storage

Is there capacity available in the office, what %? Yes, 650 from tenant lease, expires in 1 yr.(room for 14 more based on present use)

What time is left on the present Lease, can it be canceled? Expires 12/31/03. (2) 5-year options avail. Owner controls lease

How much work will owner do after sale? Will work to ensure smooth transition

How Long? 5 years full-time

Will the clients move easily to a new owner? Why/Why Not? Yes, very easy because they go to most of their clients.

What assets or clients are not for sale: Limited Personal Property

Debt or Leases that will Transfer to New Owners: No debt

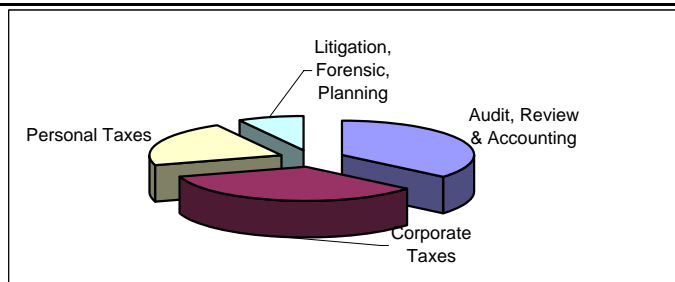
Income and Fee Structure

Types of Fee Based Revenue Hourly plus value added

Types of Hourly Revenue/Fees Combination - \$52 - \$168 per hour

Owner charges \$168 per hour for all work

Revenue Streams by Service	(APPROXIMATIONS)	
	\$	%
Audit, Review & Accounting	\$380,000	36.1%
Corporate Taxes	\$361,000	34.3%
Personal Taxes	\$229,000	21.7%
Litigation, Forensic, Planning	\$84,000	8.0%
	\$1,054,000	100.0%



Computers

What types of Software are used to run the business? Computer Solutions for tax, depreciation, and practice management, MS office,

CLS for write-ups, QuickBooks, T-Value, SAX TAX, Word Perfect, Kleinrock Forms & Tax Expert, Number Cruncher, and BNA Tax Planner

How many Computers? 9 workstations and 1 server & digital printer

What type of Network? Novell

Any existing lawsuits or contingent liabilities? No

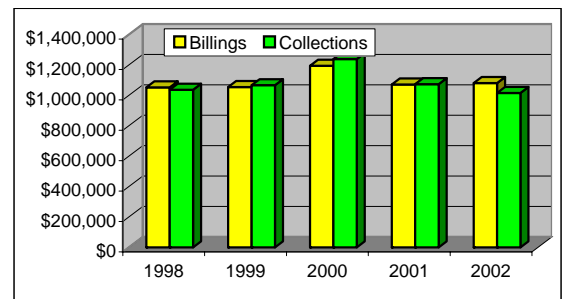
Practice Profile, continued

Specific Services Offered and their Average Income:

	Total Number	Min	Max	Average	Annual
Total Monthly Clients					
Total Quarterly Clients	6 approx				
Number of 1120/1120's	93	\$500	\$25,000	\$3,194	\$297,000
Number of 1065'S	28			\$2,357	\$66,000
Number of 1041'S	52			\$1,423	\$74,000
Number of 709's	10				1040 Fees
Number of 1040's	223	\$200	\$10,000	\$695	\$155,000
How Many Extensions	35-40				
How many 990's & 1023's	4				\$13,000
How many Audits	10	\$10,000	\$50,000	\$31,000	\$310,000
How many Compilations	18			\$111	Included Above
How many Reviews	3			\$18,333	\$55,000
How many Pension Plans	3				Included Above
How many 706's	1				\$12,000
Business Consulting	Throughout				
How much Litigation	5			\$9,200	\$46,000
Financial Planning	10			\$2,600	\$26,000
Total Revenue					\$1,054,000

Revenue

	Billings	Collections	Revenue History	Billings	Collections
Jun. 2002	\$65,000	\$112,000			
July 2002	\$53,000	\$63,000	2002	\$1,081,000	\$1,016,000
Aug. 2002	\$92,000	\$69,000	2001	\$1,072,000	\$1,074,000
Sept. 2002	\$67,000	\$48,000	2000	\$1,195,000	\$1,239,000
Oct. 2002	\$40,000	\$47,000	1999	\$1,055,000	\$1,067,000
Nov. 2002	\$115,000	\$66,000	1998	\$1,053,000	\$1,037,000
Dec. 2002	\$72,000	\$132,000			
Jan. 2003	\$87,000	\$107,000			
Feb. 2003	\$100,000	\$97,000			
Mar. 2003	\$77,000	\$98,000			
Apr. 2003	\$99,000	\$87,000			
May. 2003	\$187,000	\$75,000			



Accounts Receivable and Work in Process as of 12/31/03:	A/R \$197,485/WIP \$89,971
How Long Have Clients Been with the Firm?	Most for many years
Types of Business Clients?	
Total	\$1,054,000 Billings, \$1,001,000 Collections
1st Largest Client	\$141,000 13%
2nd Largest Client	\$57,000 5%
3rd Largest Client	\$44,000 4%
Types of Personal Clients?	All types related to business, trusts/estates. Very few individuals not related to company clients

Employee Information

Number of Employees:	#Full-time: 6	#Part-time: 3	Billable	Total
Titles:	Job Description	# of Years	Avg Comp	# Hrs.
Owner	Owner	16	\$500,000	1582
Partner - CPA	Audit & Tax	12	\$130,000	1869
Manager - CPA	Audit & Tax	15	\$78,000	2009
Senior Staff	Accounting & Tax Accountant	5	\$49,000	1894
Administrative Staff	All Office Functions	14	\$31,000	504
Tax Manager (Per Diem)-CPA	1040, 1041, etc.	5	\$30/hr	400
Seasonal Tax Preparer	1040's & Accounting	3	\$12/hr	197
Bookkeeper (P/T)	Bookkeeping	TO BE DETERMINED		
Are there non-compete agreements with employees?		Yes		
Employee Benefits Programs?		Health insurance, life, 401K with automatic 3% contribution, bonus, CPE		

Opportunities

Methods Used to Acquire New Business? Referral, owner targets specific clients

Expansion Opportunities/Revenue Streams for New Owners? Business valuation, investment advisory services, computer consulting, international tax services, business litigation support, and audit work

Other Factors That Add Value to This Company's Profile:

Impressive audit practice with solid reputation for quality work papers

Great clientele for the introduction of financial services

Business based practice with over 70% of revenue derived from corporate clients

Expanding litigation department with unlimited potential

Custom computerized scheduling and work tracking system

Professional office with room for expansion and flexibility with owner/landlord

Loyal, experienced and knowledgeable staff with very low turnover

Strong staff/client relationships

Great cash flow, low overhead and no debt

Competitive fees and value added billing

Location is easily accessible to Hillsborough county

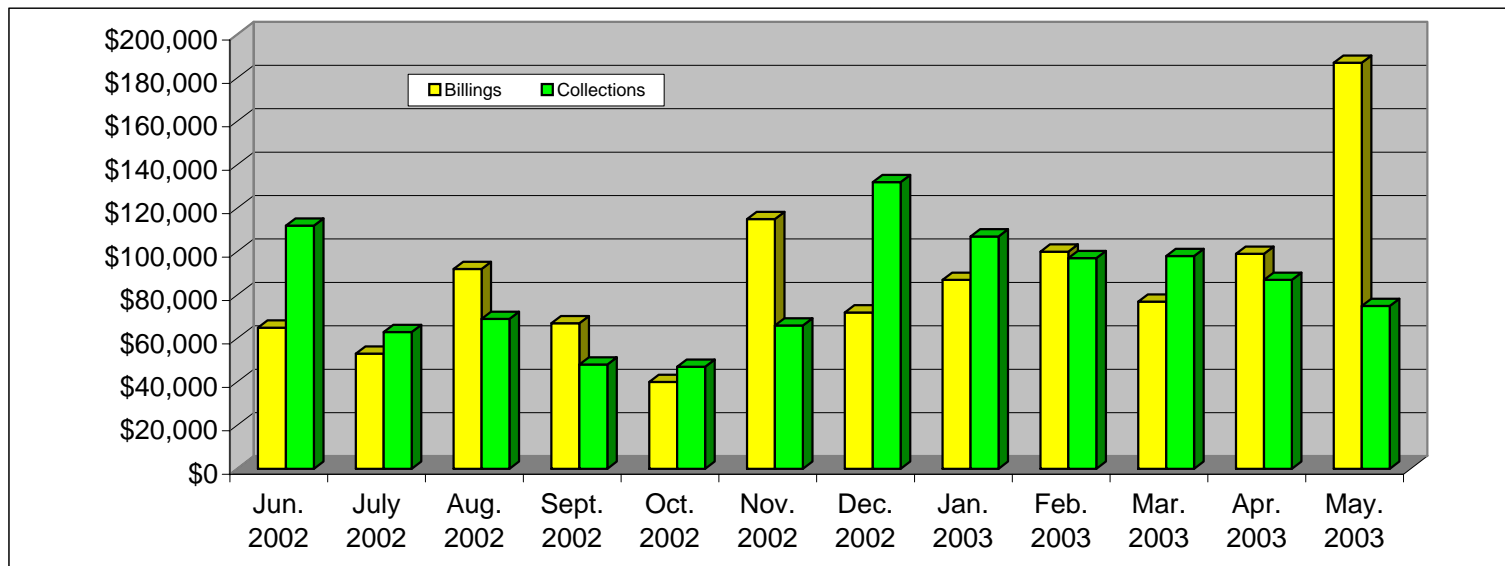
Business clientele with large asset base which allow for the introduction of new services

Practice can easily be moved into Central, South, East, or West Hillsborough County

Office is self-sufficient, no need to micro-manage

Owner and staff are lifelong FL residents

Billings & Collections



Terms of Sale:

Asking Price 1.1 Times Gross Average Collections plus F, F & E

Total Average Revenue \$1,050,000

Tangible Assets \$50,000 (Cost of present market value to replace F,F, & E)

Owners Compensation \$300,000 28.6% (very consistent over several years)

plus health insurance and other similar employee benefits

Terms Desired for practice: 50% Down + F,F,& E balance financed by seller 3-5 years plus interest.

Purchase price adjusted over 5 years based on collections

Real Estate: Purchase price of real estate based on future appraisal (approx. \$650K)

Tenancy: Purchase Bldg., Lease Bldg., or move practice