business for sale

Getting It Right the First Time

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1. Those that don’t sell; and
2. Those that sell.

The main contributing factors for businesses that sell are:

1. It is priced correctly; and
2. Figures can be proved/verified

When considering selling your business, it is most important to set a market related value. It is recommended that you obtain the service of a professional Business Broking Firm with years of experience.

Setting a market related asking price will not only attract more interest but also qualified buyers. The biggest determining factor of the value of a small/medium business is the bottom line – PROFIT!

Buyers won't consider the potential of a business when determining the price. They will only consider the profit and what they are willing to pay for it. The fact that the business has got huge potential or future growth prospects, merely indicates that people will be willing to buy. If there is no future for the business, there is no buyers and henceforth no value.

The price that buyers are willing to pay is however set by the current earnings of the business.

In preparing your business to go to market, it is extremely important that you update your financial records. Buyers will thoroughly examine and verify your claimed profits, and this can only be done if you are able to prove the numbers.

Informed buyers will also "test and compare your numbers" with SARS, your franchisor, your landlord, your suppliers and the like.

Selling a business is a huge undertaking and a time-consuming exercise. Make sure that you align your efforts and get the basics right by setting a market related price and being able to prove your profits.