

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

# BUSINESS REPORT

Date: **7th May 2024**

Business Reference: **34831**

About the Business:

## Auto Spares Shop

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Auto Spares Retail Store

# Auto Spares Shop



Sector: Sales & Services

Asking Price:

R 880,000

Monthly Profit:

R 1,686

Asset Value:

R 95,279

Stock Value:

R 0

Yearly Net Profit :

R 20,233



# Business Report

## Fully describe the business's activities?

Retail Auto Spares

## How does the business operate on a daily basis?

Retail store that serves walkin customers

## What Advertising/Marketing is carried out?

Limited advertising, mostly word of mouth in region

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## What competition exists?

There are other spares shops in area

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## How could the profitability of the business be improved?

Aggressive marketing, adding of services, callouts and towing services

### How involved is the Owner in running the business?

The owner has an overseeing role

### When does the current lease end?

The owner is willing to structure lease according to buyer requirements

### What are the trading hours?

Monday to Friday 08:00 to 17:00 and Saturday to 13:00

### What are the main assets of the business?

The balance sheet Assets is at R454K Inventory and Trade Receivables of R78k, owner estimates current Inventory at R1,1m

### Strengths?

The business is showing consistent revenues and lower cost of sales (improved margins) the past two financial periods

### Weaknesses?

The immediate service area is relatively small, yet the revenues are stable

### Opportunities?

Adding a repair, service and breakdown service into business

### Threats?

COVID Lockdowns

## What is the reason for the sale?

The owner wishes to focus on less of the businesses currently in his portfolio