



BUSINESS REPORT

Date: **7th May 2024**

Business Reference: **34723**

About the Business:

Spitbraai & Catering

This business handles catering and spit braais throughout the Western Cape region from Plett to Cape Town despite being Garden Route based currently. A 50% deposit is required and the balance paid before the function takes place.

Spitbraai & Catering



Sector: Food

Asking Price:

R 2,800,000

Monthly Profit:

R 91,448

Asset Value:

R 690,390

Stock Value:

R 10,000

Yearly Net Profit :

R 1,097,370



Business Report

Fully describe the business's activities?

The business specialises in Spit braais and Catering for functions of any kind such as birthdays, weddings, team building, private and corporate functions, from 1 to 1000 plus people as required. Currently they do catering in the Western Cape - from Plettenberg Bay to the Peninsula as required. All different dietary requirements are catered for, including vegetarian, vegan and Halaal meals.

How does the business operate on a daily basis?

The Owner and his wife handle all of the administrative and management functions, marketing etc, and are supported by a team of 3 Chefs and Drivers who are on a casual basis and are only paid after completion of each function.

What Advertising/Marketing is carried out?

Facebook is almost the only medium apart from business cards being handed out.

What competition exists?

There are many other such businesses, but not many of them can boast the endorsement levels and referrals as well as the many "Likes" that they receive from Face Book.

How could the profitability of the business be improved?

There are significant additions that can be made to the product offering such as potjies, fish braai's, chop braais, kiddies parties etc that could be offered on the food side. A new Owner may like to offer flowers & décor plus DJ's etc which could be arranged for the functions and often get requested, but the Owner prefers to focus on the Spitsbraai and Catering as it currently is.

Give a breakdown of staff/ functions/ length of service?

1 Manager

3 Chefs

2 Drivers

The manager, manages the staff, logistics and collection of orders

The chefs are able attend local functions alone if they can drive and have time.

All equipment is loaded and staff are trained so that the staff member can operate alone at the function given the correct time availability.

However if there are multiple functions in the same period and proximity a driver may be allocated to assist.

How involved is the Owner in running the business?

The Owners attend to all the administrative functions such as quotations, ordering of the required supplies for the function, preparation of deserts and salads etc.

They also attend to all the General Management requirements of the business.

All equipment and foods etc are checked out meticulously by the Owners before the chef leaves.

The staff have a well trained method of operating such as cleaning on site as soon as the meal is served, and repacking the vehicle etc.

The Owners check everything when the operator gets back.

What are the main assets of the business?

Two vehicles- Nissan NP200 and Toyota Hilux

6 Stainless Steel Spitbraai's

Gas bottles, trestle tables etc

Full range of equipment as required.

A manual turning handle accompanies each function in case of load shedding.

An important part of this business is the intellect within the meat cooking process and basting which is a trade secret in formulation and will only be shared once the sale is complete...it is a well tried and well liked recipe.

Strengths?

This business can be run from home so overheads are low and can be domiciled wherever the Owner lives within reason..

Cash Flow...Cash Flow....The business has around R450,000 currently in reserve for functions where a deposit has been paid but must still be held.

Since all functions are paid 50% upfront to secure a booking and balance of 50% at least 72 hours prior, the business enjoys a strong cash flow and no bad debts are incurred.

Staff are temps and paid per function, so no other staff costs are incurred.

Weaknesses?

Can be weather dependent.

Opportunities?

The business offering can be increased by introducing extra services such as sound, lighting and decor. Potjie's, chop or fish braai's can be introduced.

Threats?

None at present as business well run, well supported and not impacted by significant opposition.

What is the reason for the sale?

This is an easy to run and lucrative business, and the Owners feel that they need a new challenge. They have already started pursuing new interests.