

**business**  
for sale



Date: **4th December 2024**

Business Reference: **35730**

About the Business:

## **Outdoor adventure company with great location and profits**

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Key features of this business: 1) - Profitable business for someone who wants to enjoy country living, 45 minutes from Johannesburg and Pretoria; 2) - Work from home; 3) - Easy to run business that requires minimal input from the owner, as the full staff compliment run the day to day activities required to deliver a 5 star experience to the clients. The Asking Selling Price excludes the property. The owner is looking for

a package deal, the total asking price including the property is R15 million.

## Outdoor adventure company with great location and profits



Sector: **Services**

Asking Price:

**R 5,455,000**

Monthly Profit:

**R 228,241**

Asset Value:

**R 2,017,475**

Stock Value:

**R 45,000**

Yearly Net Profit :

**R 2,738,891**



# Business Report

## Fully describe the business's activities?

This business is an outdoor adventure company offering their clients a 5 star experience in any of the following outdoor adventures:

- Horse Riding;
- Quad Biking;
- Off road Go Karting;
- Archery;
- Laser Clay Pigeon Shooting;
- Spa Treatments;
- Bush Picnics;
- Conference Packages;
- Team Building Packages;
- Hot Air Ballooning;
- Helicopter Flights; and
- Catering options.

## How long has the business been established?

The current owner founded the business in 2009.

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

Trading hours of the business is 8.30am to 5.00pm. Maintenance staff start work at 7.30am and office staff start work at 8.00am.

The business starts the day with a brief meeting between the maintenance manager and the maintenance team, The bookings office reviews all bookings and events for the week ahead and plans accordingly, The Workshop Manager reviews the report on all equipment with workshop assistant and actions the necessary repairs and supplier orders accordingly. Throughout the day, the host welcomes customers and arranges activities booked.

The owners check that all departments are running smoothly, pay suppliers, update the accounting system, and where necessary works on marketing and promotions.

There is an onsite medic during weekends, peak periods and corporate events.

## How are the clients attracted to the business?

Over the past 7.5 years the business has built a good repeat customer base. New customers are attracted by word-of-mouth referrals, referrals from all accommodation venues in the area as well as incoming bookings from their advertising and marketing.

## What Advertising/Marketing is carried out?

The business continuously advertises promotions and set packages in the following media:

- various websites, including their own website;
- brochures, placed at popular venues as well as venues offering accommodation in the area;

In addition to this they market through:

- Tour operators and agents - the business has good relationships with events management companies, as well as tour operators; and
- Site visits - the business often hosts site visits with accommodation venues and travel and tour agents

## Does the business have any contract work?

No, however, they have built a solid base of repeat customers, both corporate and private.

## What competition exists?

The business is the only business in their area of operation that offers such a wide range of activities suitable for all ages. Their activities caters for a wide range of customers ranging from the adventurous adrenaline "junkies" to toned down activities for the less adventurous.

## What are the seasonal trends?

Peak periods for the business is generally during school holidays, all public holidays and the last quarter of the year (September to December).

## Is the business VAT Registered?

Yes.

## What VAT documentation is on file?

All Vat documentation is available on site at their external Accountant's office, which will be made available to serious Buyers during the due diligence.

## Are there up-to-date Management Accounts available?

Yes, monthly Sage Pastel income statements are available on file up to 31 December 2022. Management accounts for the year ended 28 Feb 2022 are also available on file.

## What Balance Sheet and Income Statements are available?

Annual Financial Statements for the year ended 28 February 2021 is available on file.

## What percentage of the business is cash/credit?

This is a 100% cash business, no activities are sold on credit.

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

Revenue can easily be increased through additional service offerings, such as:

- on site conferencing;
- paint ball;
- zip line;
- adventure golf;
- rope park;
- mountain boarding; and
- segways etc.

Cost reduction opportunities include reduction in Eskom electricity, septic tank redesign and improvements.

## What is the total staff complement?

The business employs 12 permanent staff members (excluding the owners), consisting of:

- 1 Maintenance Manager;
- 1 Workshop Manager;
- 1 Office Manager responsible for hosting/bookings and events;
- 1 Bookings/hosting and kitchen Manager;
- 1 Domestic worker and caterer;
- 7 Guides (they also assume responsibility for all maintenance on the property); and
- 1 Casual.

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

Office Manager (bookings, hosting, function co-ordination) - 5 years (since 2018)  
Kitchen Manager (bookings, hosting, catering, stock take & shopping) - 1.5 years (since 2021)  
Maintenance Manager (hosting & shopping) - 1.5 years (since 2021)  
Workshop Manager/Mechanic - 7 years (since 2016)  
Cleaner (kitchen, catering & picnics) - 6 years (since 2017)  
Guide (Guide, dustbins, gas braai & ad-hoc garden maintenance) - 3 years (since 2020)  
Guide (Guide & ad-hoc garden maintenance) - 6 years (since 2017)  
Guide (Guide & garden maintenance) - 5 years (since 2018)  
Guide (Guide, groom & garden maintenance) - 8 years (since 2014)  
Guide (Guide, groom, horse management, & garden maintenance) - 8 years (since 2014)  
Guide (Guide, driver, supervisor & Assistant Maintenance Manager) - 9 years (since 2013)  
Guide (Guide, workshop & ad-hoc garden maintenance) - 3 years (since 2020)  
Casual (kitchen assistance) - 1 year (since 2022)

## Do any receive special perks or incentives?

The Office Manager earns a commission for accommodation bookings.

## Are they on contract?

All employees with the exception of the Workshop Manager and the Casual are on contract.

## Do any have management potential?

A management team is in place. No other employees have management potential.

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

This is a lifestyle business. The owners of this business is a husband and wife team.

The husband manages salaries, suppliers & supply chain as well as finance & admin. In addition to this, he oversees the workshop and equipment departments. On average he spends one full day a week doing administration and accounting, and the odd hour or two on a day to search for parts and other equipment.

The wife manages promotions, marketing and human resources. On average she spends about two hours a day, about 4 times a week, going through emails and corresponding with suppliers and staff.

The owner's time spent in the business increases slightly during the peak periods, The owners work from their home office on the property and visits the business three times a week.

## When does the current lease end?

The Sellers own the properties where the business operates from. The properties consist of two adjacent farms. Both properties have been valued by a sworn valuator in February 2023 at R9.5 million combined. The Sellers are selling the properties with the business as a package deal. The Sellers live on one of the properties.

## What are the trading hours?

Trading hours of the business is 8.30am to 5.00pm. Maintenance staff start work at 7.30am and office staff start work at 8.00am.

## What is the square meters of the business?

The first property measures 15.3604 ha (153 604 sqm) and the second property measures 7.1638 ha (71 638 sqm).

## Do you require a licence?

A Certificate of Acceptability for Food Handling Premises and a Liquor License is required to sell food and alcohol on the premises. The business does not have any of these certificates.

## What security measures are in place?

The owners have just installed a new high end extensive outdoor early warning security laser beam system which is linked to armed response.

## Does the business have any form of back-up power supply?

There are two generators on the properties, details are as follows:

- 3 Phase 40 KVA generator at the business (current replacement cost is in the region of R141 950 plus installation and delivery estimated R25 000).
- 3 Phase 23 KVA generator at the main residence (current replacement cost is in the region of R90 000 plus installation and delivery estimated R15 000).

The generators are not included in the asset list.

## What are the main assets of the business?

The main assets of the business are:

- Horses.
- Quad bikes.
- Go karts.
- Archery equipment.
- Laser clay pigeon shooting system.
- Spa equipment.
- Isuzu KB250 Double Cab 4x4.
- Kitchen / catering equipment.
- Picnic equipment.
- Tractor, trailers and gardening equipment.
- Medic room equipment.

A comprehensive asset list is available on file.

## Are any items not included in the sale?

All assets are included in the sale.

## What is their overall condition?

All assets are in daily use and in good condition.

## Do any require repairing?

No, all assets are maintained in the on-site workshop.

## How have they been valued ?

The owners assisted us with appropriate second hand replacement values.

## Which assets are on lease/HP and with whom?

All assets are fully paid for.



## Are they presently insured?

Yes, all assets are comprehensively insured.

## Strengths?

- High profit margins.
- Committed workforce with a good tenure.
- Knowledgeable and experienced staff.
- Flat management structure resulting in quick decisions.
- Good reputation among local community.
- Strong social media presence with more than 12 000 followers and check ins (382% growth in engagements over last 6 months).
- Excellent social media expert and web developer relationship.
- Good repeat business for corporate bookings and leisure customers.
- Only business that offers as many activities at one venue.
- No competition in the area, ongoing referrals from accommodation, and restaurants in area.
- Strong Relationships with suppliers and accommodation venues.
- The business offers their customers a 5 star experience.
- On site medic during peak periods and large events.

## Weaknesses?

- The business is weather dependent.

## Opportunities?

- Further training in hospitality and tour operations.
- Business growth by offering conferencing and accommodation (this would required capex).
- Increased revenue through additional service offerings, such as paint ball, zip line, adventure golf, rope park, mountain boarding, segways etc.

## Threats?

- Natural disasters such as floods and drought.
- Possible competition.
- Rising costs of fuel, food and equipment.

## What is the reason for the sale?

Owners are emigrating to the UK. Ancestral visa takes 4 weeks to obtain.

## Why is this a good business?

- 1) - Profitable business for someone who wants to enjoy country living, 45 minutes from Johannesburg and Pretoria.
- 2) - Work from home.
- 3) - Easy to run business that requires minimal input from the owner, as the full staff compliment run the day to day activities required to deliver a 5 star experience to the clients.
- 4) This is a lifestyle business.

## What is the total Asking Selling Price?

The total Asking Selling Price is made up as follows:

- The outdoor adventure business: R5.5 million.
- The two properties: R9.5 million.
- Total Asking Selling Price: R15 million.