



BUSINESS REPORT

Date: **19th May 2024**

Business Reference: **36463**

About the Business:

Very well-known on-premise consumption and functions venue in Pretoria.

Known as one of the benchmark establishments in Pretoria they often entertain patrons with some of the country's best artists. Top location with loads of space.

Very well-known on-premise consumption and functions venue in Pretoria.



Sector: **Food**

Asking Price:

R **1,850,000**

Monthly Profit:

R **121,347**

Asset Value:

R 693,300

Stock Value:

R 120,000

Yearly Net Profit :

R 1,456,169



Business Report

Fully describe the business's activities?

An iconic on-premise consumption establishment in Pretoria. They are well-known for live performances from some of South Africa's best-known artists. They offer a bar as well as a full restaurant service to their patrons. They host different activities on different days of the week i.e. pizza evenings, cocktail evenings, etc. They have pre-planned weekends where they host well-known artists. Ticket sales for these events are managed by Quicket.

They are also listed with Mr D food delivery. The venue can seat 800 patrons and has ample space for big events and functions with world-class sound equipment. They also use the space on hand to host market days over the weekend.

How does the business operate on a daily basis?

The manager opens the venue at 9 am every day and closes at 2 am. There are two full-time managers in place relieving one another. They ensure that the staff acts in line with their roles and responsibilities and that operational expenses are well managed and applied, which in turn leads to a well-run business. The owner is involved daily to make sure that there is a high standard of service delivery and operational excellence. There is a full-time admin lady who does all the artist bookings and negotiations. She is also responsible for keeping all administrative tasks and responsibilities current. Marketing is outsourced to a third-party service provider ensuring relevant and powerful marketing and advertising solutions.

What Advertising/Marketing is carried out?

Facebook, TikTok, Instagram, and word of mouth. Marketing is done by an outsourced marketing agency.

How could the profitability of the business be improved?

Host more private functions in the dedicated functions room. Mr D has only been introduced recently and is showing healthy growth. Growing the menu items will definitely be beneficial. Upsell by introducing more services - there is enough space to do so.

What is the total staff complement?

12 x Full-time employed staff.

6 x Barman earning small shift allowance but mainly work on commission.

15 x Waiters earning commission only.

How involved is the Owner in running the business?

70%

When does the current lease end?

1 July 2026 - It is important to note that the premises are zoned correctly. The landlord is also willing to sell the property should the buyer be interested.

What are the trading hours?

9 am - 2 am

What are the main assets of the business?

Total assets of about R700 000 include ice machines, kitchen freezers, pizza ovens, 6 TVs, projectors, sound systems, seating, industrial ice machine, etc. A full asset list is available.

Strengths?

Very well known.
No other competition in the area compared to what they offer.
Mr D growing steadily.
Lots of indoor as well as outdoor space.
Business zoning.
All licenses are up to date.

Weaknesses?

Just off the main road with no street appeal.
Tough hours.

Opportunities?

Build on the day trade (food).
Grow the monthly amount of private functions.
Loads of space allow for upselling ex. introduce a car wash, in-store vape shop, etc.

Threats?

Pandemics like Covid.

What is the reason for the sale?

The owner wants to relocate to the coast. He has property there.