

business
for sale



Date: **3rd July 2024**

Business Reference: **36453**

About the Business:

Watch your investment grow

Well-established nursery school in Johannesburg with 45 kids and a huge opportunity for growth. Great location. Stable income. Trained Staff

Watch your investment grow



Sector: **Services**

Asking Price:

R 1,650,000

Monthly Profit:

R 10,808

Asset Value:

R 2,083,845

Stock Value:

R 0

Yearly Net Profit :

R 129,698



Business Report

Fully describe the business's activities?

A Franchised nursery School and pre-school based in Johannesburg for sale. The school currently has 45 kids from babies to Grade R.

They have the license and capacity for 105 kids.

The owner recently started an aftercare facility for kids.

What Advertising/Marketing is carried out?

They hand out marketing pamphlets at nearby schools. They also have 2 advertising boards situated close to major roads in the area. There is also a school in the same street as the nursery school. Facebook Marketing is also done on a monthly basis

What competition exists?

Although there are schools around the area, there are no schools close to our school.

How could the profitability of the business be improved?

The school and premises have a capacity to increase the number of kids to 105

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

1 x Chef
1 x Gardener
5 x Teachers (including the Principal)
4 x Assistants

Do any have management potential?

The school has a principal in place.

How involved is the Owner in running the business?

The owners visit the school three times a week for around 3 hours per day.
The owners are involved in the daily management of the business, but are not one of the teachers.

When does the current lease end?

There is a current lease agreement in place. and has a further 4 years to run

What are the trading hours?

Monday - Friday 06:30 - 18:00.

What are the main assets of the business?

All tables, chairs, cots, kitchen utensils and gas stove, fridges, washing machines and tumble dryer, laptop and printer, toys, etc.
Including jungle gyms, playground equipment and Wendy house.

Strengths?

Established school with a good reputation in the area.
Trained staff and teachers.
The school is situated in an affluent area.
The schools is easily accessible.
The school is located in a secure neighborhood in a street with controlled access.
The premises are purpose built for a preschool, with large classrooms and playing areas.

Weaknesses?

Covid had an impact on the number of kids attending school.
Limited number of junior and primary schools in the area

Opportunities?

A new owner can increase the number of kids to at least 100.
With additional marketing and advertising, more children will be added to current low numbers.
The owner started an aftercare facility and this can be expanded.
There is space on the premises for therapists or other service providers.
As the focus on security increases in importance so the location of the school increases as it is in a very secure location

Threats?

Economic cycle may negatively affect household budgets thus affecting enrolment

What is the reason for the sale?

The sellers had previously retired and, in pursuit of a post retirement vocation, miscalculated the time commitment to operating the school and the skill levels required.