

business
for sale



Date: **3rd July 2024**

Business Reference: **36486**

About the Business:

Profitable Nursery School with Property for sale - Pretoria

Long-established nursery school in Pretoria with a good reputation. Well-trained staff and assistants with a principal in place. Property included in the price.

Profitable Nursery School with Property for sale - Pretoria



Sector: **Services**

Asking Price:

R 3,350,000

Monthly Profit:

R 43,661

Asset Value:

R 2,100,003

Stock Value:

R 0

Yearly Net Profit :

R 523,932



Business Report

Fully describe the business's activities?

This nursery school caters for 3-month-old babies to Grade R children. The school have 74 children and provides care, stimulation and education in Afrikaans and English. They follow a curriculum which is in line with the NQF. The children are getting breakfast, lunch and snacks from the school. There are 6 classrooms.

How long has the business been established?

30+ years.

How does the business operate on a daily basis?

The school is open from Monday to Friday: 5:45 - 18:00. There is a principal in place who opens every morning at 5:45. The principal handles the general running of the school and has been with the school for 30 years. The rest of the staff arrive between 6 am and 6:30 am. The children arrive from 6 am. The school is well equipped with different playgrounds catering for all the children.

How are the clients attracted to the business?

Mainly word of mouth.
The school is very well known.
Street-side advertising.
Facebook page.

How could the profitability of the business be improved?

There are currently 74 children in the school but the school is allowed to have 103. Actively engage in advertising campaigns to increase the numbers.

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

- 1 - Principal - 30 years of service.
- 6 - Teachers - all 5 years plus.
- 3 - Assistant Teachers - all 5 years plus.
- 1 - Chef
- 1 - Cleaning Lady
- 1 - Groundsman

Do any have management potential?

The principal manages all aspects of the school and is very competent.

How involved is the Owner in running the business?

Not at all.

When does the current lease end?

The Owner owns the property. The school is being sold with the property. The property is very well situated in a sought-after location.

What are the trading hours?

Mon - Fri 5:45 am - 18:00 pm.

What are the main assets of the business?

All assets associated with a nursery school. A full asset list will be provided to interested buyers. The property and buildings.

Which assets are on lease/HP and with whom?

The outstanding bond on the property.
Some of the jungle gym equipment is leased. This is to introduce alternative equipment every few months.

Will Seller settle or Buyer to take over?

The buyer is to take over the outstanding bond. The monthly instalment is however captured as a rent expenditure in the income statement.

Strengths?

30+ years of trading (goodwill).
A principal who will definitely stay on.
Loyal and knowledgeable staff.
Great systems and IP in place.
Brilliant location.

Weaknesses?

None perceived.

Opportunities?

Increase the number of kids to the maximum allowed.
More owner involvement.

Threats?

None perceived.

Why is this a good business?

Reputable school with systems and processes in place. Very good location on a busy street connecting neighbourhoods.