

**business**  
for sale



Date: **11th February 2025**  
Business Reference: **37093**

About the Business:

## **Established livestock business for sale**

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Cattle, sheep and goat livestock business

# Established livestock business for sale



Sector: **Food**

Asking Price:

**R 5,200,000**

Monthly Profit:

**R 229,105**

Asset Value:

**R 987,050**

Stock Value:

**R 700,000**

Yearly Net Profit :

**R 2,749,263**



# Business Report

## Fully describe the business's activities?

The business trades in livestock, namely cattle, goats and sheep. An average of 100 head of cattle are purchased and sold per month, mainly from Mpumalanga Province, and an average of 190 head of sheep/goats are purchased and sold per week, predominantly from the Northern and Eastern Cape Provinces.

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

Customers come from all over KZN, including Ixopo. Some customers collect their purchases whilst others have their purchases delivered to them. Some customers elect to have their purchases processed on site and this paid-for service is provided by an on-site butchery, which is a tenant on the property.

## What Advertising/Marketing is carried out?

No advertising or marketing is carried out. The business has built a great reputation, so their customers are their best promoters.

## What competition exists?

This business was the first livestock trading company in the area but over time there has been some competition, albeit on a much smaller scale.

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

There is plenty of space to accommodate additional livestock for sale, which should translate into extra sales and profitability.

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

Farm Manager (Just over 2 years' service) - Attends to the overall management of the staff.

Cattle sales manager (30 years' service) - Cattle sales and welfare (ensures that cattle are properly fed and watered). Lives on the farm.

Cattle sales assistant (15 years' service) - Same as above. Also lives on the farm.

Goat/sheep sales manager (20 years' service) - Goat/sheep sales and welfare (ensures that cattle goats and sheep are properly fed and watered). Lives on the farm.

Cashier (20 years' service) - Attends to sales, deliveries and does administration. Lives on the farm.

Driver (20 years' service) - Lives on the farm.

Labourers x 3 - (two have 4 years' service and the third one has 10 years' service) - General labour.

Casual driver (15 years' service) - works on Thursday, Friday and Saturday only.

## Do any have management potential?

The business employs a manager who takes care of the day-to-day operations of the business.

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

The owner is involved on a daily basis.

## When does the current lease end?

There is no current lease because the owner of the business is also the owner of the property. The owner is prepared to enter into a lease agreement with the purchaser of the business.

## What are the trading hours?

Monday to Friday - 07:30 to 17:00.

Saturday - 07:30 to 13:00.

## What are the main assets of the business?

The main assets include 4 x vehicles, various cattle and goat feeding rings, various water baths and water storage tanks, 2 x boreholes, loading ramps for cattle and goats, etc. A full list of assets is available.

## Strengths?

This business has built up a solid reputation over the past 30 years and is the dominant player in its area of operation.  
The business also has a very loyal customer base.

## Weaknesses?

January and February are traditionally the quieter months so the new owner should ensure that they are adequately resourced to cover those periods. December usually does a turnover of around R5m, so this should help to get through the 2 quieter months that follow.

## Opportunities?

The new owner can do some marketing and advertising that will increase sales.

## Threats?

There are currently no perceivable threats from competition. However, there are more than enough customers to sustain the business should there be an increase in competition.

## What is the reason for the sale?

The owner has operated this business since inception and has decided to focus more on their property portfolio.