

**business**  
for sale



Date: **2nd April 2025**

Business Reference: **37160**

About the Business:

## **Franchised Funeral Services in Limpopo - Three agencies**

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Funeral Services

# Franchised Funeral Services in Limpopo - Three agencies



Sector: **Services**

Asking Price:

**R 7,800,000**

Monthly Profit:

**R 229,907**

Asset Value:

**R 1,515,000**

Stock Value:

**R 200,000**

Yearly Net Profit :

**R 2,758,888**



# Business Report

## Fully describe the business's activities?

This well established franchised business provides exemplary services relating to all aspects of the funeral industry, including burials, cremations as well as the selling of funeral policies.

## How long has the business been established?

The business was started by the owners 24 years ago.

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

The owners oversee the day-to-day operations and are supported by an experienced and compassionate team who have been with business for many years. The staff are extremely well trained in every respect of the funeral industry including client consultations, service planning and co-ordination, facility and equipment management, administrative tasks, logistics and transportation, community engagement, as well as marketing and customer outreach.

## How are the clients attracted to the business?

The business has a strong reputation within the community. The demand for funeral services remains steady, ensuring a stable revenue stream. The business benefits from its strategic location, experienced staff, and comprehensive service offerings.

## What Advertising/Marketing is carried out?

The franchisor provides robust marketing support including, a neat website, social media advertising and promotions, as well as referrals. Professionally designed marketing material and brochures are distributed occasionally, however, word of mouth is their best form of advertising.

## What competition exists?

The funeral industry is competitive, with several established service providers. However, this business differentiates itself through superior customer service, personalised funeral arrangements, strong community relationships, and a reputable brand backed by the franchisor's marketing efforts. Additionally, its competitive pricing and comprehensive service offerings make it a preferred choice for many families.

### **Is the business VAT Registered?**

Yes, the business is a registered VAT vendor.

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

Yes, management accounts will be made available to approved buyers.

### **What Balance Sheet and Income Statements are available?**

Financial statements in respect of the year ended 29 February 2024 are on file with Aldes.

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

The business does not provide credit to any of its clients.

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

This business does not currently provide catering services. In-house catering would create a new, profitable revenue stream. There are also great opportunities to open additional branches in the area.

### **Is Seller finance available and for what amount?**

The sellers are looking for an outright sale.

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

Four administrative staff members are responsible for the collection of policy payments, selling of funeral policies as well as all arrangements relating to funeral services. There are two drivers and one mortuary operator.

### **Do any receive special perks or incentives?**

Commission is payable on the upselling of funerals and related products. A joining fee is earned on all new funeral policies sold.

### **Are they on contract?**

Yes, valid contracts are in place with all staff members.

### **Do any have management potential?**

Yes. This will be discussed with potential buyers.

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

The owners oversee the daily operations.

### **When does the current lease end?**

The current leases expire in 2027.

### **Is there an option of renewal & what period?**

The landlords are amenable to negotiating new lease agreements.

### **What are the trading hours?**

The business operates from 08.00 to 16.30 on weekdays, however, they are on standby 24/7.

### **Is a copy of the lease available?**

Yes, this will be made available to approved buyers.

## Do you require a licence?

No licenses are required, however, a Certificate of Competence is renewable every 3 years. The COC for this business has recently been renewed.

## What are the main assets of the business?

Assets include vehicles, computer equipment, mortuary equipment etc. A full asset register is on file.

## How have they been valued ?

The assets have been valued by the owner at fair second hand value.

## Are they presently insured?

Yes, the assets are fully comprehensively insured and all vehicles have visual tracking systems.

## Strengths?

The business is extremely well established and has been operating successfully for 24 years. They have built a sterling reputation in the area.

They are part of a franchise group consisting of 97 branches countrywide. They enjoy excellent franchisor support and low royalties.

They provide a wide range of services.

Experienced and compassionate staff who understand the industry.

## Weaknesses?

Dependence on local market conditions and demographic trends.

## Opportunities?

There are vast opportunities for growth, which will be discussed in detail with potential buyers.

Introducing additional services such as catering, will boost revenues significantly.

There are also good prospects to open more branches.

## Threats?

General economic downturn.

## What is the reason for the sale?

The sellers would like to relocate.