

**business**  
for sale



# BUSINESS REPORT

Date: **17th July 2025**

Business Reference: **37378**

About the Business:

## Exclusive Sale: Medical Sector Accounting Firm | Strong Recurring Revenue

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Rare opportunity to acquire a specialised, cloud-based accounting practice serving 155+ healthcare clients. Generates over R6 million in seller discretionary earnings. Scalable, low-debt operation with highly skilled team.

# Exclusive Sale: Medical Sector Accounting Firm | Strong Recurring Revenue



Sector: **Services**

Asking Price:

R **16,750,000**

Monthly Profit:

R **504,124**

Asset Value:

R **3,785,993**

Stock Value:

R **0**

Yearly Net Profit :

R **6,049,482**



# Business Report

## Fully describe the business's activities?

The Practice is a dynamic and client-focused accounting firm offering a comprehensive range of financial, accounting, taxation, and business advisory services. Its core service lines include bookkeeping, financial management, tax compliance, and human resource solutions, designed to support clients with financial clarity, regulatory compliance, and strategic guidance.

While the firm serves clients across various industries, it has developed a distinct specialization in the medical and healthcare sectors. It delivers tailored financial solutions that meet the unique needs of healthcare professionals and businesses, ensuring tax efficiency, streamlined financial processes, and proactive compliance support. This sector-focused approach enables clients to concentrate on their clinical and operational priorities while the firm manages their financial affairs with precision.

The Practice operates with a strong commitment to accuracy, discretion, and long-term financial growth for its clients. Its consultative, high-touch service model has positioned it as a trusted advisor to professionals navigating complex financial and regulatory environments.

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

**Operational Overview** - The Practice operates as a fully integrated accounting and advisory firm with a structured, technology-enabled approach to financial management. Daily operations are built around efficiency, regulatory compliance, and proactive client engagement.

**Core Processing Workflow** - The Practice has developed a disciplined and repeatable process to manage client financial data:

1. **Customized Accounting Files** - Each client is issued a tailored accounting file, clearly structured for ease of use. Six bi-monthly files are prepared annually, aligned to each client's VAT cycle, and delivered directly to client premises via courier.
2. **Collection and Preparation** - At scheduled intervals, completed files are collected and returned to the office for processing. An internal team organizes and digitizes documents, highlighting key business-related expenses to ensure clarity and audit readiness.
3. **Accounting Capture and Compliance Review** - Processed files are assigned to dedicated accountants who complete data entry within strict turnaround times. Once captured, a senior review is conducted to validate compliance and accuracy before release.
4. **Reporting and VAT Submission** - Each client receives a comprehensive management pack comprising VAT reports, return documentation, and financial summaries. Automated calendar reminders are issued ahead of deadlines to prompt timely action.
5. **Payment Tracking and Follow-up** - Post-submission, client accounts are monitored for payment confirmation. Where payments are outstanding, a structured follow-up process ensures swift resolution and continued compliance.

**Client Service and Delivery** - Clients benefit from a high-touch service model that includes regular bookkeeping, tax compliance, payroll processing, HR support, and financial advisory.

**Technology-Driven Efficiency** - The Practice is fully cloud-based, utilizing SageOne Online Accounting for real-time processing and reporting. Microsoft SharePoint and Office 365 are deployed for secure document management and collaborative workflows. All client documents are digitized.

**Internal Controls and Strategic Oversight** - Daily and weekly team briefings are held to review client files, monitor service levels, and plan tax strategies. Internal audits and quality checks form part of a rigorous compliance framework.

**Growth-Focused Advisory** - The Practice places strong emphasis on client education, strategic consultation, and financial planning. Its model blends expert insight with consistent engagement to deliver meaningful, long-term value to its client base.

## What Advertising/Marketing is carried out?

Referral-based growth, supported by online presence on Google, Facebook, and Instagram.

## What competition exists?

The Practice operates within a highly specialized niche, focusing exclusively on servicing clients in the healthcare and medical sectors. While numerous generalist accounting firms exist within the broader market, few possess the depth of expertise, sector-specific knowledge, and operational experience required to meet the unique financial and regulatory needs of healthcare professionals.

This specialization enables the Practice to:

- Navigate complex tax structures and sector-specific compliance requirements unique to medical practitioners and clinics.
- Deliver tailored accounting, advisory, and compliance solutions that go beyond the capabilities of conventional firms.
- Provide a high-touch, private-client service model that prioritizes personalized strategies over templated approaches.

As a result of this focused market position, strong referral base, and long-standing reputation, the Practice encounters minimal direct competition. It has successfully established a defensible niche and is regarded as the preferred financial partner for professionals operating within the healthcare industry.

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

The profitability of the Practice presents significant upside potential through strategic expansion, operational refinement, and scale advantages. A larger acquiring firm would be well-positioned to unlock additional value through the following key avenues:

### 1. Scalable Client Onboarding & Service Delivery

By leveraging broader infrastructure and additional human resources, a new owner could increase client volumes without sacrificing service quality. Expanding the staff complement would enable greater capacity while maintaining operational efficiency.

### 2. Technology-Led Operational Efficiency

Implementing advanced automation tools and accounting platforms could materially reduce manual workload, enhance turnaround times, and lower staffing costs. Further investment in cloud-based systems would streamline workflows and reduce administrative overhead.

### 3. Deeper Penetration of the Healthcare Niche

With its strong foundation in the healthcare sector, the Practice is well positioned for further market penetration. Opportunities exist to expand into high-value services such as practice optimization, estate planning for healthcare professionals, and integrated financial consulting.

### 4. Diversification of Services

Introducing higher-margin advisory offerings—including business consulting, succession planning, and advanced tax structuring—can increase revenue per client. Converting traditional billing models into retainer-based packages would create predictable and recurring income streams.

### 5. Geographic and Market Expansion

The firm currently operates within a defined region; however, demand for niche healthcare accounting services exists nationwide. A larger firm could extend the Practice's footprint to other metropolitan areas, supported by strategic alliances with healthcare associations and networks.

### 6. Cost Optimization through Scale

A buyer with existing infrastructure could capitalize on economies of scale—reducing costs across software, compliance, and administration. Shared services and centralized resources across locations would further enhance margin performance.

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

Staff includes accountants, senior reviewers, HR practitioners, payroll administrators, office managers, and support staff working collaboratively within defined operational roles.

### Do any have management potential?

Yes, several senior team members demonstrate leadership capability and are suitable for promotion into management roles under new ownership or expanded operations.

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

The Owner is actively involved in strategic direction, client relationships, and operational oversight while delegating routine tasks to experienced staff. One senior staff member is servicing a stand-in role for the owner

### When does the current lease end?

The current office lease runs through to mid-2026, aligning with the standard three-year commercial lease cycle in the area.

There is a specific development that will be discussed with a buyer.

### What are the trading hours?

While employees follow a flexible work schedule, they select from one of three fixed time blocks:

- 07:00 – 16:00
- 07:30 – 16:30
- 08:00 – 17:00

For external stakeholders and client-facing purposes, the Practice maintains official business hours of 08:00 to 17:00, Monday through Friday.

### What are the main assets of the business?

A detailed asset register is maintained and available.

## Strengths?

- Niche specialization in the healthcare and medical sector
- Consistently strong profitability with high gross margins
- Fully digitized, cloud-based operations enabling remote access
- High client retention is driven by referral-based growth
- Established reputation and trusted brand presence
- Experienced, stable team with defined operational roles
- No long-term liabilities or debt on balance sheet
- Robust internal processes and compliance controls
- Scalable systems and service delivery model
- Owner willing to assist with post-sale transition

## Weaknesses?

- Owner-centric leadership model
- Limited geographic expansion beyond the core region
- No formal retainer or long-term contractual agreements with clients

## Opportunities?

- Expand geographically using the cloud-based infrastructure
- Introduce new service lines
- Formalize client retainer for recurring revenue
- Increase market share within the healthcare sector through targeted campaigns

## Threats?

- o Potential disruption from accounting firms entering the niche
- o Overreliance on Owner for key client

## What is the reason for the sale?

The decision to divest the Practice is based on a planned strategic career transition by the owner. After establishing a highly successful and in-demand firm, the owner has chosen to pursue a full-time focus in the financial planning sector, which aligns with long-term professional goals.

Importantly, this transaction is intended to form the basis for a strategic partnership rather than a complete exit. The current owner is committed to referring clients to the Practice post-sale, positioning it as the primary destination for accounting and tax services. In turn, a reciprocal referral arrangement for financial planning services is encouraged. This ensures a smooth transition, continuity of care, and mutual long-term success for all parties involved.