

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

BUSINESS REPORT

Date: **22nd October 2025**
Business Reference: **37656**

About the Business:

School in Rural Area

Rural schools, often nestled amidst rolling fields or quiet landscapes, serve as vital community anchors, frequently embodying a close-knit environment where every student is known.

School in Rural Area



Sector: **Services**

Asking Price:

R 8,000,000

Monthly Profit:

R 63,854

Asset Value:

R 500,000

Stock Value:

R 0

Yearly Net Profit :

R 766,250



Business Report

Fully describe the business's activities?

Private School offering Grades RRR to 12

How does the business operate on a daily basis?

The school has two school principals, one for the Primary School and one for the High School, plus a Vice Principal.

2 Directors have online meetings every morning at 06h30, including the Admin/ Financial Manager.

Financial payments are handled during the day by the 2 Directors.

What Advertising/Marketing is carried out?

2 Facebook groups. One standard and 1 with parents, plus marketing on weekends in various areas and at Malls.

What competition exists?

There are a number of public schools around them – all of which are full to capacity.

They are mainly primary schools, and some are very small schools that are more like community or farm schools. There is now only one other independent school, which is a primary school. Every year, the DBE has 600 unplaced learners in the area.

How could the profitability of the business be improved?

Improving the number of students.

Will be buying busses to transport children from various areas and they are negotiating with other bus contractors.

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

2 Principals
1 Vice Principal
1 x Admin manager
1 x Debtors lady
1 x General admin lady
27 x Teachers
2 x Receptionist
3 x Cleaners
1 x General garden worker

Do any have management potential?

Yes

How involved is the Owner in running the business?

Both partners are working remotely.

They are in contact with staff daily and visit the school as needed for 1 to 3 weeks at times.

When does the current lease end?

October 2025.

Already negotiated a new 10-year lease from then.

What are the trading hours?

07h00 to 14h00

What are the main assets of the business?

Schools are made up of three asset categories, namely:

The intangible personal property/business value (contracts, systems, staff & goodwill); the tangible personal property (furniture, fixtures & equipment), and the real estate value. It is considered that the value would be a direct result of the status of the school's intangible and tangible personal property. Should the school thus be highly regarded in the community due to the reputation of the care given to pre-primary children, quality of material and programs used to educate the scholars, and qualifications and ability of teachers/staff employed, the more revenue will be created through parents trusting and utilising the facility to take care and educate their children.

A school is thus heavily reliant on its management, staff, equipment and programs in order to generate an income. Such an establishment normally generates detailed operating statements, which is regularly audited. It is thus the opinion that the profits or turnover method would be the most suitable method to use in order to determine the income stream of the property. The information required to determine such income stream is also audited and provides the valuer with reliable information, which eliminates assumptions and subjective comparisons

Plus Goodwill, 3 x Prefab Classroom, 1 x Padel Court, Office furniture and computers.

Strengths?

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Weaknesses?

Struggle with water supply in town. To get new staff is a problem at times but most staff stay on long term.

Opportunities?

To possibly open a Boarding school and increase transport from other areas.

Threats?

Economy and export of mine products

What is the reason for the sale?

Selling partner is emigrating and the other partner will not sell at this stage.