

## **Preparing a business for sale**

The amount of preparation that goes into selling a business will often dictate whether the business will sell, how long it may take and what most Sellers will say is most important of all how much money it achieves.

Every business owner should have an exit strategy and a business plan. This information can be crucial to monitoring the performance of the business, achieving the owner's goals and it may well become vital if and when selling the business.

Generally buyers of a business will engage several professional advisors when they contemplate a purchase. Accountants, Solicitors, and Financial Institutions will need all relevant documentation and information pertaining to a business, if they are employed to make an educated analysis.

Having that information available upfront is paramount. Sellers must understand that full taxation returns, original lease documents and lots more sensitive information will be required at some stage during the transaction. An agent has a much better chance of a result if they have this information compiled upfront. This does not mean that they will give it to anyone that asks for it. Good agents are educated to know when and who to give this information to.

If you are considering selling and you want to achieve good money for a business take the time to get everything right in order where possible. Be mindful of how it presents, the stock levels, staffing levels, tenure of the premises, debtor levels, financial margins, taxation implications, diversity of clientele, marketing strategies and cash flow requirements.

All of these things and much more will come under the microscope, so it is wise to get them in order prior to going to the market.....chances are the transaction will be much smoother and more rewarding if you do your preparation.

For any further information or assistance with the sale or purchase of a business contact Rod Russell at Savvy Business Sales, Mooloolaba on 5444 3300 or 0409 931 600