

# MANAGEMENT AND LETTING BUSINESSES

## THE SALES PROCESS



# THINKING OF SELLING YOUR MANAGEMENT RIGHTS

Readying your business for sale does not start by listing it with the broker. If you think about your entry into the industry you will recall that the scrutiny of the business was for all transactions 12 months prior to the contract signing. This is standard throughout the industry and so by this measure, preparing your business for the sale process begins well before listing the business for sale.

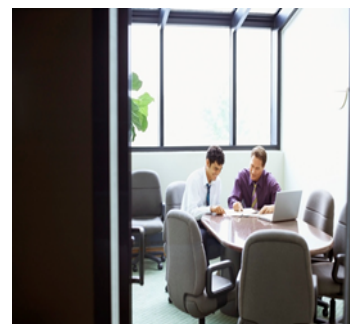
'House-keeping' on matters that are expected to be raised by the purchaser should be addressed as part of preparing the business for sale. Discovery of adverse findings during the contract stage of selling may be costly as the balance of power may shift away from you to the purchaser.

Key to the successful sale of your business, is a smooth due diligence. Buyers are cautious and will make reasonable enquiries into the soundness of their investment. Prompt and complete responses to the buyers enquiry is reassuring. It is vital that you speak with your business advisors, Broker, Solicitor and Accountant, so that you are prepared.

Selling your business is a skill and is an extension of what you have been doing to date, albeit that this sale is a very important one.

Our fees to produce a comprehensive 'Profit & Loss for Sale' will range and will be quoted upfront, with the size of the complex taken into account. Profit & Loss for Sale reports commence from \$1,200 plus GST.

McAdam Siemon is a specialist in preparing Management Rights for sale. The true value of a professionally constructed report, that drives the selling price of your business, is the assistance that it provides potential buyers during the sale process, to feel confident and reassured. A reassurance that takes the sale process forward from that of a contract, to a successful settlement, ultimately unlocking a rightful return for your years of investment.



# APPENDIX

 <b>McADAM SIEMON</b> <small>PTY LTD ABN 50 065 407 927</small> <small>ACCOUNTANTS AND BUSINESS ADVISORS</small>	<b>WORKSHEET - TO DO LIST - SELLING</b>
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Task	Responsibility	Action Required – a Health Check 12 months in Advance	✓
Review PAMD 20a agreements	You / Solicitor	Ensure assignment of all units in letting pool, agreements including addendums remain current	
Extend Caretaking & Letting Agreements	Solicitor	Extend agreements to provide potential purchaser with opportunity to buy a longer life business	
Assets to be sold	You / Solicitor	Prepare a detailed list of what assets are being sold with the business	
Task	Responsibility	Action Required – To List Business for Sale	✓
Appoint Broker	You	Contact Broker to discuss listing	
Prepare P&L for Sale	Your Accountant	Request Accountant to prepare Profit & Loss Report to assist Broker in constructing selling price	
Final Audit	Your Accountant	Contact Accountant to undertake final trust account audit to be sent to the Office of Fair Trading	
Close PAMD trust bank account	You	Office of Fair Trading needs to be advised within 14 days of bank account closing	
Calculate Tax implications on sale	Your Accountant	Contact your Accountant to discuss options	
Succession Planning	You/Your Accountant	Contact your Accountant to discuss options	

ADVISORS CONTACT LIST	NAME	PHONE NUMBER OR EMAIL
<b>SOLICITOR</b>		
<b>ACCOUNTANT</b>		
<b>BROKER</b>		
<b>BANK</b>		

**NOTES**

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McAdam Siemon is a CPA Practice



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