

WHEN SELLING YOUR BUSINESS, WILL YOU GET WHAT IT'S WORTH?

Realising the best price for your business is essential after the time and effort you have put in over the years. We reveal why it is not guaranteed without proper Exit Planning.

The price is right – come on down!

When selling a company, there are many different ways of obtaining a business valuation. Merely pulling a figure out of the air, like in some 80's quiz show, is not enough to meet your potential buyer's expectations and therefore your own aspirations. Furthermore, looking at your company's turnover or profit in isolation, will not provide a proper indication of your company's value.

If you want to ensure you obtain the best price possible for your business, then proper Exit Planning is essential.

Do you really know the value of your business?

Many aspects of a company have to be taken into account when deciding what a business is worth, and there are many methods of conducting a business valuation. Whatever method of business valuation is used, by working to extract the true value from your company, we will ensure the best price is achieved.

With a robust approach to Exit Planning we make sure our clients achieve the maximum return for their business.

How do you maximise the business value?

If your business is too dependent on you, or a few key clients, it may well be worth less than you anticipate despite showing a good profit. Examining the company's liquidity, turnover, profit margins and fixed assets will go some way to achieving a proper business valuation.

By Exit Planning well in advance of selling your business, your company can be structured in such a way so as to maximise the price that can be obtained. This includes implementing strategies to capitalise on areas such as 'Goodwill'.

In addition, because economic conditions can also affect the value of a business, by continually planning for your Exit, you can make sure you sell the business at the most advantageous time in the market.

After years of hard work, make sure you are not left disappointed by the price you obtain for your business.

Will Your Business Sell?

If you run a successful company, and believe you will have no trouble selling your business; think again. There are too many great businesses that the owners have not been able to sell. However profitable a business is, if it does not fit the criteria of a buyer, then no sale will be forthcoming.

It is how appealing a company appears to a potential buyer that determines a high business valuation. Our job is to make sure your business is attractive to a buyer, in order to make a sale as smooth as possible.

How Do You Make Your Business Attractive?

Without proper exit planning, and then executing a good exit strategy, it is unlikely the true value of your business will be reflected in the price that is paid. Also, without good succession planning the business may not even be attractive to potential buyers at all. This in turn will make selling your business extremely difficult.

- Exit Planning will help ensure the right Management Team is in place with the right operational controls.
- Exit Planning will make sure that legal contracts are in order and correct management information is provided.

Without these the business valuation will never be as high as you expected; as any potential buyer will deem buying the business a huge risk.

Keeping the Buyer's Interest

A good exit strategy will take into account the competition and the overall state of the market. By addressing these issues, you give yourself the best chance of selling your business.

However profitable your company may be, without the implementation of an effective Exit Strategy, it will not necessarily look like a business that is ready to be taken over.

- Exit planning is about ensuring that the company is attractive to a buyer so it can be sold at the best business valuation possible.
- By running the company with a succession plan in place, it allows you to sell your business at a time of your choosing.

Failure to execute a proper exit strategy can leave you trapped in a business you no longer wish to run.

Don't get stuck with a business you are unable sell.

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