

Selling, closing and succession planning

QUICKSNAPS - Deciding how to exit your business.



Purpose of exiting



Family objectives and support



Options to exit



Preparing to exit

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QUICKSNAPS - Deciding how to exit your business.

Things you need to know	Considerations
Purpose of exiting	<ul style="list-style-type: none">• Have you reached your business goal?• Is the decision to exit right for you at this time? Consider whether the decision to exit is a 'business' decision or a 'personal' decision. Many small businesses are a very personal matter for owners.• If you are considering exiting for business reasons, it can be useful to seek professional advice from your business advisor, accountant and/or solicitor. They can provide support options for you to consider before exiting your business, especially if you are having difficulties running the business, keeping on top of business obligations, or managing financial pressures.• If you are considering exiting for personal reasons, it can be useful to seek advice from your family, friends or trusted confidants.• Have you considered what you will do if you exit your business? You may be looking to retire, start a new business or go into employment.
Family objectives and support	<ul style="list-style-type: none">• Have you discussed your decision with your family? Consider involving your professional advisor/s in this discussion to support the family to understand the implications of any business exit.• Will a family member take over the business (family succession plan)? If so, do they currently have the skills and experience to do this?• Will you remain involved in the business? For example there may be a period of transition while other members of the family step into your role.• Where the business is sold, have you considered if/how sale proceeds would be distributed between family members?
Options to exit	<ul style="list-style-type: none">• Consider if your business is profitable? If your business is not currently profitable, or is unlikely to be profitable in the near future, closing your business may be the best course of action.• If you were to sell and exit your business, would your business still have value? For example, it may be challenging to sell your business if you are a sole trader and your business value is based predominantly on you and your networks.• If applicable, do you have a family succession plan for the business?
Preparing to exit	<ul style="list-style-type: none">• Is your record keeping up to date?• Have you separated your personal affairs from any affairs of the business?• Do you have any outstanding financial obligations that need to be settled?• Are there any legal or operational risks that need to be managed?• Are you continuing to meet the ongoing financial commitments of the business?

More information

- Exiting your business can be a complex and emotional time. Don't forget to look after yourself. Seek professional advice from you business advisor, accountant and/or solicitor to help you successfully navigate this process.

For further information visit

<https://www.business.gov.au/closing/selling-or-closing>

<https://www.business.gov.au/Closing/Selling-or-closing/Close-your-business>

<https://www.business.gov.au/Closing/Selling-or-closing/Sell-your-business>

<https://asic.gov.au/for-business/closing-your-company/deregistration/>