



# Sales Inspection Report and Business Appraisal for **TEste**

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**Private and Confidential**  
**25/01/2019**

**Sales Inspection Report and  
Business Appraisal For:**

**The Business:** TEste

**ABN:** 54757567211

**Business Address:** 31 Serpentine Crescent  
North Balgowlah, NSW, 2093

**Principal:** Bruno Valenga

**Prepared By:** Xclusive Business Sales Pty Ltd (The Agent)  
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4/10/2018

## **Purpose of this document**

The purpose of this document is to communicate our opinion of fair market price for this business in order to establish most appropriate asking price for business for sale marketing purposes.

This document is not a valuation. Before relying on the appraisal, you should seek independent advice from you accountant, solicitor and business advisor.

This document is prepared for the recipient only and will not be provided to potential buyers at any stage of business sales process.

## **The information this appraisal is based upon**

This appraisal is based upon the operating assets and goodwill of the business. Therefore this appraisal excludes any real estate, cash, investments, accounts receivable, and any other non-operating assets, as well as, accounts payable, short and long-term debt, and other non-operating liabilities.

This appraisal is based on the financial and business information provided to us by the directors and/or proprietors and/or their advisors of the above business verbally or in writing, and the summary and details of this information is stated throughout this document as we understand it. We have not verified, checked or audited these statements in any way.

## **Business appraisal method**

The method used for appraising the business is done from the purchaser's point of view, viewing the business objectively and as an investment. When determining the sale price of the above business, the following factors are being taken into consideration.

1. Other possible investment opportunities from the purchaser's point of view other than purchasing a private business.
2. Level of risk in the above business, its advantages and disadvantages.
3. Comparison of this business with other businesses on the market.
4. Our own business sales experience.

## About this Business

**Business Name:** TEste  
**ABN:** 54757567211  
**Address:** 31 Serpentine Crescent  
North Balgowlah, NSW, 2093  
**Principal:** Bruno Valenga

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## Description

**Business Type:** Accommodation  
**Business Industry:** industry test  
**Established (approx):**  
**With Current Owner (approx):**  
**Trading Hours:** 0  
**How many location:** 0  
**Products/Services:**

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## Customers & Suppliers

**Description of Customers:**

**Client Database Available:** No  
**Clients taking up > 10% T/O:** No  
**Largest 5 Clients % of T/O:**

**Description of Suppliers:**

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## Premises

**Premises owned or Rented:**  
**Rent:**  
**Time remaining on lease:**  
**Premises Notes:**

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## Employees

**No. of Full Time Employees:** 0  
**No. of Part Time Employees:** 0  
**No. of Sub-Contractors:** 0  
**No. of Casuals:** 0

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## Ownership

**No. of Owners:** 0  
**Owners 1's Hours:**  
**Owners 1's Role:**

**Other Owners' Hours:**  
**Other Owners' Role:**

**Other Owners' Role:**

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Business Risk and Value Drivers Assessment

There are three main influences on business value. One is profitability, the other is the risk associated with sustainability of those profits after transferee of ownership and the last one is the current businesstrand.

Following is the analyses risk and value drivers analysis of TEste.

Risks

<p>1. Test Risk</p><p>1. Test Risk</p><p>1. Test Risk</p><p>1. Test Risk</p><p>2. Test Risk</p><p>2. Test Risk</p><p>2. Test Risk</p></p>

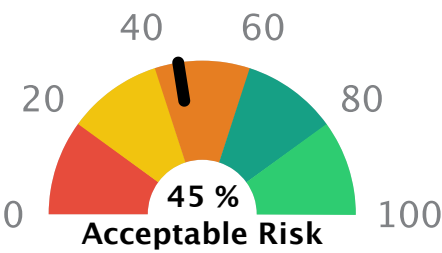
Values Driving Points

1. Test Value Drivers 1. Test Value Drivers 2. Test Value Drivers 2. Test Value Drivers 2. Test Value Drivers

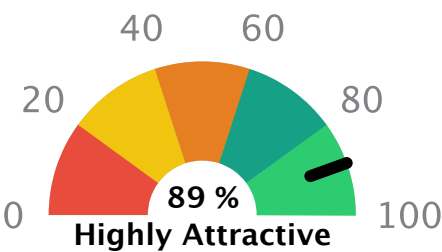
Critical issues or potential issues

1. test Critical Issues 1. test Critical Issues 2. Test Critical Issues 2. Test Critical Issues

Business risk assessment



Current market assessment



## Financial Information

Financial Information Source: Information provided by principals accountant.

financialInformation.html

## Financial Snapshot

needs to be done

needs to be done

profitsTable.html

**Market Wages for the Owners/Partners working in the business**

ownersPositionTable.html



Following is the list of 10 last business sold. With final and transaction details and as well as achieved prices with calculated multiplier based on total investment (including stock).

[illegible]

## Setting the Asking Price

It is important to set the asking price right. Underpricing the business will cause the business to sell below market value. However, overpricing the business could also cause the business to sell below fair value due to staying too long on the market and becoming 'Sail'.

Then assessing risk and value drivers of this business it is our conclusion that price for the multiplier for this business should be set 10% above value set over median multiplier with 20% extra of market/negotiation premium.

create table here

## Multiplier calculation

This business multiplier = (Media multiplier) + (multiplier adjustment) + Market / Negotiation premium

create table here

## Asking price calculation

(Last year PEBITA - owner's market wage) x (Multiplier) = Asking price

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