

# Preparing your practice for sale.

## Guidance

- Make sure your financial records are up to date so you can readily provide financial information as needed. It is essential to have financial statements for the past three to five years on hand as potential buyers will want to see them. If unsure of the financial information you will need, ProVision can provide guidance.
- Secure your intellectual property. Check that the trademark for your business name and logo, and any other valuable business assets are secured so they can be included as part of the sale.
- Review and update any procedure manuals, training documents or policies which relate to the operation of your practice. If you don't have this kind of information, creating these guides with the assistance of ProVision will make it easier for potential buyers to see themselves operating your practice.
- If you lease the premises, check the lease and extend it for a longer period (if possible) so the new owner is not faced with the possibility of having to move locations soon after they take over. Security of tenure is critical for a successful sale.
- You will also be required to assign the lease to the new owner. Submission to the landlord is required and can take up to 45 days to process so planning for this and notifying your landlord well in advance is required.
- Spruce up your business assets. A spring clean, small investment to appearance and ensuring equipment is serviced and up to standard can help ensure your practice is appealing to prospective purchasers. The same goes for your online assets like your website or social media accounts – make sure they are secure and up to date.
- Carefully navigating the transition with your staff is critical. Ensuring there is confidentiality throughout the process is important, as is choosing the right time to notify your team of your intentions and plan. ProVision have extensive experience in the transition process to assist you, your team and the purchaser in a seamless transition.
- Review all employment contracts and accrued entitlements. If you have staff with a lot of annual leave owing encourage them to take or book leave to make it easier for the new owner to manage leave liabilities.
- Review your depreciation schedule and listed business assets to remove items that have been written off or are no longer held by the business.
- Purchasers prefer a current and minimised level of stock. Conduct a stocktake to identify opportunities to move on unseasonal and out-of-date items.
- If selling privately, the vendor is responsible for preparing the contracts of sale. You will need to engage a solicitor to complete this on your behalf ahead of schedule.
- Communicating to your patients is an important component of the transition. ProVision can assist in the ideal communication plan to ensure they are aware of the sale and comfortable with the new owner.