



WE CAN HELP EXIT PLANNING

At some point, enough will be enough, and you will want to stop running your business.

The method and timing of your exit, and the value of the business, and how you dispose of it, needs a good deal of thought well in advance of the event.

Methods of sale

You might want to sell it to your team, and there are some relatively tax-efficient ways of doing that. You might sell the whole thing, retain an interest and draw an income, or sell part now and part later.

You might also want to explore a trade sale. That is a sale to a competitor or to someone who has complementary products and services and who can integrate your business into theirs.

If the business is large and growing fast, you might want to explore selling shares to investors through one of the main or smaller markets, such as the Stock Exchange or the Alternative Investment Market. This is rare, and expensive, but can reap big rewards.

Each solution brings its own tax challenges, and we would need to explore with you how to best take advantage of them.

The best solution for you involves getting the best net of tax position so there is a commercial balance to be struck between the best value and minimising tax.

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Preparations for sale

Ideally you need to start exit planning five years before you sell, to give you two years to get everything in place, and then three years of steady growth to show prospective buyers.

Buyers will be interested in a business which is easy to run, where everybody knows what to do and they can just step in and manage the processes.

That means working on the systems, procedures, workflows, and training to ensure that you are best positioned to maximise the sale proceeds. It also makes it easier for you to manage prior to sale.

Routes to market

You also need to consider who you will entrust with selling your business. Perhaps you will advertise or use a specialist agent? Agents may charge a large upfront fee, win or lose, but with a success fee on top, and some have smaller up-front fees but larger success fees. We have experience in dealing with business transfer agents, and we can advise you which is best for your circumstances. Again, it is useful to engage them early on, and certainly within three years of an eventual sale.

It is quite possible that the sale process will take more than a year, so you need to be aware of that and plan accordingly. And you also need to plan what you're going to do with the money!

Let's round up

Exiting a business is a once in a lifetime event. It needs a good deal of care and planning well in advance of placing it for sale. Our job is to help you maximise this part of your journey so that you achieve what you want, not just for the sale, but for your lifestyle afterwards.

Please call to discuss this if you have any thoughts of selling in the medium term. Contact us on **01753 888 211** or email us at info@nhllp.com. We are here to help.