



# SELLING YOUR EDUCATION BUSINESS



## TABLE OF CONTENTS

Introduction page 4

The idea of selling a business page 6

### CHRISTIE & CO SALES PROCESS:

1 Thinking seriously about selling page 12

2 Putting your business on the market page 18

3 Considering offers and negotiating page 24

4 Dealing with solicitors and progressing the sale page 28

5 Binding contract and completion page 32

A photograph of children in school uniforms walking across a rope bridge made of wooden logs and green ropes. The background is a blurred outdoor setting with a building and a blue structure.

## SELLING A BUSINESS? LET'S GUIDE YOU THROUGH THE PROCESS

Selling a business is certainly a more complex process than selling a house. But it doesn't need to be a stressful experience if you are willing to take specialist advice.

At Christie & Co, we've been selling businesses for more than 80 years and our knowledge is unrivalled. Our people are the best in the business – experienced, enthusiastic and dedicated to giving accurate and honest advice.

Through our people, our experience, our sector knowledge and our office network, we've built up a huge pool of relevant information to help you through the process of selling a business.

This guide sets out the things you need to think about and the action you need to take at each stage, which will maximise your chances of selling at the best price.

### CHRISTIE & CO SALES PROCESS:

- 1 Thinking seriously about selling
- 2 Putting your business on the market
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## THE IDEA OF SELLING

### “I’m not interested in selling my business, although...”

Although the thought of selling your business may be far from your mind, it's worth keeping an eye out for similar businesses in your area which have been sold as this could indicate buyer interest which you may be able to capitalise on. We have a concise understanding of both local and national market sentiment and what buyers are looking for, so it's always a good idea to have a chat with us to get a market update.

Whether you've already made your mind up or not, the idea of selling is a lot more attractive with the right information and expertise behind you.



### The right people to talk to at every stage

A Christie & Co **agent** will know your sector, your business and potential buyers throughout the UK and internationally.

They will also know how to present your business to the market to ensure that the best price is achieved for you.

Christie **Finance** can help in verifying perspective buyers of your business or help with moving your current business debt to terms that are more favourable to help with further expansion or business development.

## QUESTIONS TO ASK YOURSELF

### **Not for sale at any price?**

Many business owners would be tempted to sell if the price was right. Maybe somebody out there is prepared to pay the right price for your business.

### **Why sell and when?**

There are lots of reasons to sell other than price, such as retirement, end of partnership, poor health, or a change of lifestyle. So, does it matter when you sell? Not really. There's never a bad time to sell a good business - but it can be stressful, so help from an understanding expert is essential.

### **Can you get the right price?**

You've worked hard to build your business so there's every reason to get the highest possible value.

### **Do you know what you need to do?**

What price do you set for your business? How can you sell it most effectively? How do you manage a sales process while still running the business? What's the schedule of events and processes? What information to gather and prepare?

**“The Education sector has seen unprecedented growth in recent years. All quality, profitable education and childcare businesses – including independent day and boarding schools, language schools, colleges, special educational needs schools, children’s homes, foster care businesses and children’s day nurseries – are in high demand”**

## ABOUT CHRISTIE & CO

### **Need access to buyers?**

We have a network of UK and international offices, and a huge multi-media marketing resource including a website with over 47,000 regular users. We also hold major advertising pages in the most effective trade media. So anyone interested in buying a business is likely to be on our radar.

### **Need some support?**

If you don't sell businesses every day, there's quite a steep learning curve to negotiate – but we have worked with many businesses just like yours, so we have the experience to guide you through step-by-step.

Our agents enjoy meeting face-to-face, and we're happy to visit you as many times as you need before you decide to sell, and we'll always give honest advice.

### **Want real value?**

Some say that valuing a business is an art rather than a science. At Christie & Co, we analyse buyer behaviour at a local and national level, which helps us to understand real business values. Because we sell more, we know what a buyer will pay for your business. And we know how to present it to the market to ensure that the best price is achieved for you.

**“If you're serious about selling, appoint an agent who is too!”**

## QUESTIONS TO ASK YOURSELF

### **Do you understand the key issues?**

You need to start looking at your business from a buyer's point of view. What are the pros and the cons? What are comparable businesses selling for? Why would you be attracted to the business? You also need to start looking for smart professionals whose selling expertise and services you can depend on. Who you know and what you know can make all the difference.

### **Is finance forcing your hand?**

Maybe you're considering selling because you feel it's the best financial option? If you need funds to make positive changes to your business, then refinancing could be a possibility.

**“Many agents think selling businesses is easy and become “specialists” overnight. We have been in the business of selling businesses like yours since 1935 and are constantly investing to ensure the very best service and products for our clients.”**

## ABOUT CHRISTIE & CO

### **Prefer experience?**

We've been in the business for over 80 years and know our markets inside out. We work in partnership with thousands of business owners every year, successfully guiding them through the sale process. We're not just up to speed with the market, we're setting the pace.

### **Seeking knowledge?**

We make it our business to know every business we sell. And we know how to reach those hoping to buy and how to excite them. As an industry leader, we can also put you in contact with highly knowledgeable professionals such as accountants and solicitors, if required, who will work with you at every stage of the selling process.

### **Require finance?**

Uniquely among property agents, we can call on the expertise of our sister company, Christie Finance. They are a specialist commercial finance broker that can help you refinance your existing borrowing to help grow or develop your business. Their Finance Consultants offer a nationwide service and can source funding options for business operators and perspective buyers from the whole of the lending market.



## THINKING SERIOUSLY ABOUT SELLING

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**“What can I do to speed up the sales process?  
What can I do to maximise my chances of selling?”**

At Christie & Co, we use every possible means to ensure a successful sale process and secure the best deal for you – which is good news when you're thinking seriously about selling.

### The right people to talk to at every stage

Your **accountant** will help you consider the financial paperwork and prepare your business for sale.

Your **solicitor** will prepare a contract of sale and look at clearing potential legal hurdles that may affect the sale or the price.

Your Christie & Co **agent** will use their market knowledge to weigh up potential strengths and weaknesses and determine the best possible strategy for selling your business.

## THINKING ABOUT SELLING? WHAT DO YOU DO NOW?

### **Start preparing your business for sale**

By getting all your financial and legal paperwork in order now, you can save a lot of time later on. It also creates a more 'watertight' case for facts and figures, making it harder for potential buyers to knock you down or play hardball. Momentum is everything when it comes to negotiating price.

### **Consult with your professional advisers**

Professionally prepared material can mean a higher selling price for you, more likelihood of finance (i.e. a mortgage or loan) for the buyer and a quicker deal for all parties.

Your accountant will help with key financial data such as trading accounts, certificate of turnover and whether to sell the asset or shares. Think about your tax position post-sale too. Make sure that the liabilities you'll incur don't make it impossible for you to sell the business.

Your solicitor can avoid later delays by preparing a draft contract of sale and covering off any ongoing legal issues that may need clarifying or resolving (e.g. planning permission).

## WHAT CHRISTIE & CO WILL DO

### **We'll analyse what you're selling**

Not just a quick visit, finger in the air and add a nought. Quite the opposite, in fact. We'll analyse all the factors that contribute to the sale-worthiness of your business, particularly to a purchaser. We've probably visited, valued or sold several similar businesses locally too, so we'll use our sector insight to advise where you stand against other local businesses.

### **We'll get you a better price**

We may cost a little more than the average agent but that is offset by the above average price that we should get through our unrivalled expertise. You only get one shot at selling your business, so make sure it's your best by using our premium service. That means full advice on the sales process, strategy, pricing, buyer profiles, close attention to detail and once we've found a buyer, continuing with our personal advice and support right through to exchange and completion.

**“What are you selling, an asset or the shares in a limited company? There are big differences. We can advise you on the likely sale price of either route.”**

## THINKING ABOUT SELLING?

### WHAT DO YOU DO NOW?

#### **Make your business look more attractive to buyers**

This sounds like common sense but many sellers overlook small improvements that can make a big difference to generating interest in the business and to the ultimate selling price. A wisely invested £5,000 at this stage could repay itself several times over.

#### **Appoint a tried and trusted sales agent**

This is key to getting the best deal at the business end. It's easy to be swayed in the short term by bargain basement fees or the agent who puts the biggest price tag on your business. But do you really want a disappointingly low sale to the first bidder or no sale at all when you could have done much better?

Going for integrity, experience and honesty is what gets results. And don't forget to inform your appointed solicitor.

## WHAT CHRISTIE & CO WILL DO

#### **We'll work out who is likely to buy and why**

We specialise in telling the story of a business well – and knowing things you need to do to help us tell it. If there's an angle for the buyer, we'll find it. From our extensive and growing database, we'll find the buyers too. Not "rent-a-crowd" but high quality, tightly targeted prospects.

#### **We'll be open about our terms**

We like to work closely and exclusively for our vendors, because they get more out of it that way. Buyers come to us because they know that our sellers are serious, and you get 100% of our effort and attention.

**"Education businesses are normally valued by reference to profit. We then use our business intelligence to determine what somebody would pay for your business."**

## PUTTING YOUR BUSINESS ON THE MARKET

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**“I would rather deal with one professional who is an experienced specialist education agent and knows the process inside out”**

Putting your business on the market is an important step, so we make sure that you deal with the same professional from the beginning to the conclusion of your sale.

We're completely committed to selling businesses and we're able to use a range of powerful tools to attract all the right people at the right price.

### The right people to talk to at every stage

Your local Christie & Co **agent** will put your business on the market.

A Finance Consultant from Christie **Finance** will help potential buyers of your business with funding.

The **buyers** will be contacted by us directly to advise them of the opportunity as well as seeing additional media where appropriate.



## NOW YOU'RE COMMITTED, THERE ARE SOME KEY CONSIDERATIONS.

### **What's the best way to market your business?**

Open marketing lets everyone know in advance, attracts attention and maximises interest. It also stimulates more competition from potential buyers, which can push the price up.

It's a more certain way of ensuring a sale – and often the best way to get the best price. We always aim to attract more than one bidder for a business whether they be independents, multiple operators or corporates.

Closed and confidential marketing enables us to put out feelers without arousing suspicion. Sometimes a process can be so confidential that it makes achieving the best possible outcome slightly restricted. However, closed marketing is definitely a way of minimising disruption to the business if staff members, parents and suppliers are unaware of your plans to sell.

**“As it's a highly regulated and specialist sector, buying an education business can seem daunting when buying for the very first time - whether a buyer is completely new to the sector or set up their own business many years ago. We guide buyers through the process so that they know exactly what is expected of them.”**

## CHRISTIE & CO MARKETING

### **We market businesses appropriately**

Whatever the marketing strategy, we believe that the vast majority of serious purchasers are either known to us, or will be attracted by our marketing activity.

### **We target directly**

We take a targeted approach and use our national buyer database, local office network and specialist sector knowledge to enable us to pinpoint the right people straight away. While other agents take a scattergun approach, we take the direct route.

### **We market creatively**

Where appropriate, we market all businesses for sale on our website which has over 47,000 registered users, as well as use direct mail, email campaigns and the internal 'grapevine'. We also advertise in major publications. Our approach is so extensive that no potential buyer is off our radar, whether they're 500 metres or 5,000 miles away.

### **We sell efficiently**

We also ensure your business is described accurately and that you are in agreement before we begin marketing.

And we understand that today's buyers check out businesses for sale on the web first. Which means they are more savvy before we approach them – so we need more in-depth knowledge and to sell a little harder.

## NOW YOU'RE COMMITTED, THERE ARE SOME KEY CONSIDERATIONS.

### **How do you deal with viewings?**

This is a key time for you and any visits need to be managed appropriately to avoid disruption, or raising any unnecessary suspicions. You need your agent to be a good supporter and 'buffer' to take the pressure off and ensure that any visits are handled delicately.

### **Remember you're in the spotlight**

You and your business are on show. Don't assume you can let your guard down when no viewers are expected. Serious buyers often act as 'mystery shoppers' to get a true picture.

Set aside plenty of time to show viewers around and really sell the business. Be welcoming and receptive. Make it a quiet part of your business day, if possible.

### **Be thorough**

Have books and records handy. Show them the whole business – not forgetting that any living accommodation is an important part. Make sure both parts are clean, tidy and uncluttered. Take the opportunity to ask the viewer questions. Think about what they might ask and pre-prepare your responses.

### **Be positive**

Talk about your success. Sell your strengths. Recount examples of good news stories and events or outcomes you are particularly proud of. Talk about the competition's strengths and weaknesses.

### **Be honest**

Don't be afraid to tell them about the challenges and the competition. Talk about your weaknesses as well as your strengths. It helps buyers to see room for improvement. The less that comes out of the woodwork later, the more likely you are to sell at the price you agree.



## WHAT CHRISTIE & CO WILL DO

### **We'll get the best buyers to view**

If there's a 'perfect' buyer out there for your business, our extensive yet tightly focused marketing will find them. And no time wasters. The specialist team at Christie Finance talk to all viewers of your business where appropriate and identify their suitability for funding. So you have peace of mind that a buyer aided by Christie Finance has a higher chance of completing the purchase of your business.

### **We'll help you through the viewing process**

We can help remove some of the stressful part of the selling process. For a start, we'll protect you from wasted time and effort by being the first line of contact with prospective buyers. We won't normally be at the viewing but we try to meet the applicant as often as we can, to qualify then as serious buyers and field questions. We'll also keep in contact with you all the time. We appreciate that no news is not good news.

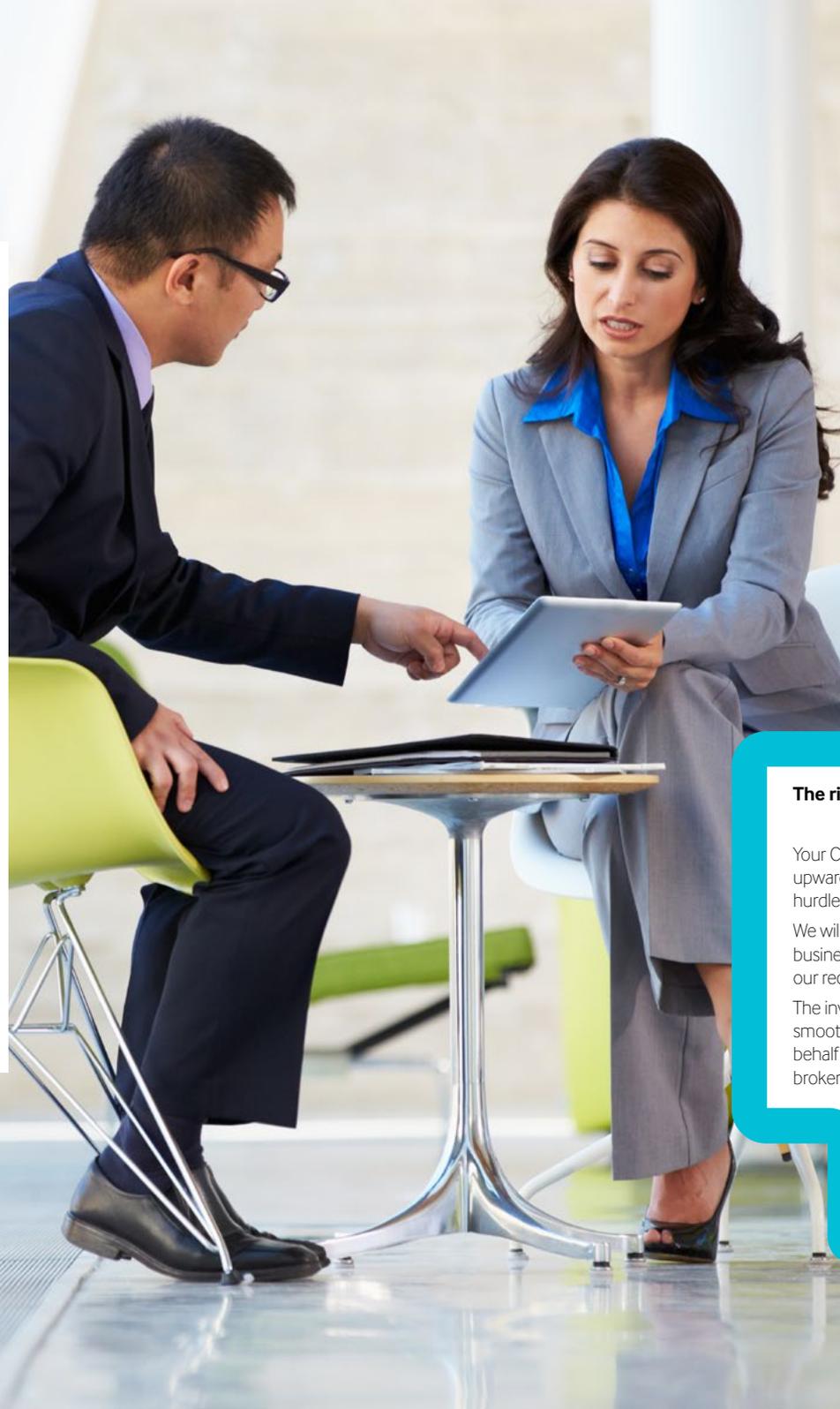
### **We'll report and review promptly**

We'll chase all viewings to get feedback to you within 48 hours. We'll also review the marketing of your business. It can't always be a "one-hit-wonder" but there are plenty of different options at our disposal. Better to have a steady flow of quality applicants filtering through than "rent-a-crowd" on day one.

## CONSIDERING OFFERS AND NEGOTIATING

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**“I would rather deal with one professional who knows the process inside out”**

As the seller, you'll be very keen to convert an offer into a done deal. With our experience in considering offers and negotiating on your side, you'll have a better chance of getting the offer you're hoping for.

### The right people to talk to at every stage

Your Christie & Co **agent** will try to negotiate the price upwards and use business intelligence to overcome any hurdles that are hampering the deal going ahead.

We will also compare the offer received with similar businesses sold through us elsewhere before making our recommendations to you.

The involvement of Christie **Finance** can help the smooth process of arranging funding on your buyers behalf and give you confidence that an award-winning broker will help your deal cross the finish line.

## DEAL OR NO DEAL?

You've got a prospective buyer. Now all you need is to get the deal you want. In many respects this is both the easiest and the most difficult part if you're the seller. Easy because you have little to do at this stage but accept or reject offers. Difficult because you have to be patient, wait for the best price and trust your agent.

This is where your agent will be worth their weight in gold by negotiating hard to add value and get you the best possible price.

### What the average agent will do for you

1. The average agent will receive offers from potential buyers, note them down and report back to you.
2. The average agent will probably persuade you to accept the first offer on the premise that it's usually the best and it'll close the deal fast.
3. The average agent will accept offers without analysing the motives behind them or different angles that could be used to your further advantage.
4. The average agent will report various offers for your consideration, without comparing and contrasting them in any great detail for your consideration.
5. The average agent will, for the sake of fast closure and saved effort, persuade the seller to compromise, rather than hold out for the desired price.
6. Then it's just a question of getting the offer in writing. And at that point an average agent will start thinking about their next customer and hand you over to their call centre.

**Fortunately, Christie & Co doesn't employ average agents!**

## WHAT CHRISTIE & CO WILL DO

1. Rather than just report back with offers, your agent will start negotiating at this point, persuading buyers that the business is worth more.
2. We will compare the offer on the table with the many businesses in your sector and locality that we've sold before, weigh up the facts and then give you an informed and honest evaluation of whether you could do better.
3. We will ask lots of relevant questions to establish the reasons behind the offer. What else has the purchaser seen? Are the figures not attractive? By understanding the offers we can form a strategy to move things on (and up).
4. We will consider a request from a potential buyer for exclusivity. However, we'll also use that opportunity to 'sell' the right to that exclusivity by pushing the offer up in exchange.
5. Our loyalty is to the seller and to ensure you are not only entirely comfortable with your buyer but that we have also secured the best offer from them for you. Sellers often use us because they'd originally bought through us and remember not only the level of service and support we provided, but also how they were persuaded by us to pay a higher price for the business!
6. Once we get the offer in writing, we'll plan a highly organised time line of what happens next.

**“The first offer isn't necessarily the best but sometimes it is! How do you tell whether you're closing too quickly after the business goes onto the market? The highest offer is only the best if the buyer has the money to support it. Part of our job is to sort out who can offer you the best terms. Banks are very willing to lend into the education sector. The most competitive terms can be brokered through Christie Finance. This also enables us to make sure that the deal is kept well under control, and that we can advise you every step of the way.”**

## DEALING WITH SOLICITORS AND PROGRESSING THE SALE

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**“I hope they’re all talking to each other because nobody seems to be talking to me.”**

Once you’ve got a buyer, all you’re worried about is getting the good news that everything has gone through successfully.

Christie & Co excels in dealing with solicitors and progressing the sale by getting confirmation from all the relevant parties that they know what to do – and making sure that they get on with it.

#### The right people to talk to at every stage

Your Christie & Co **agent** will draw up a schedule, keep things moving and ensure that everyone is up to speed and in the loop.

The buyer is monitored by us to make sure key steps such as valuation, survey and finance are being completed.

Both seller’s and buyer’s solicitors and accountants are contacted by us to ensure that the right checks, searches and conversations are being carried out.

## THE DETAILS THAT NEED TO BE TIED UP

### The price is agreed – job done?

Not quite. Before you can bank the cheque, there are a lot of other checks to be done first. And because they involve people and paperwork, they are not always straightforward.

### Your progression checklist

1. Valuations and surveys need to be instructed (if not already done so), carried out and reviewed. Although this is not the seller's job, it's a potential time killer if things don't get moving.
2. Draft documentation required from the buyer's solicitor to the vendor's solicitor. More red tape that needs to assume red alert status.
3. Buyer's solicitors need to raise any relevant enquiries. All solicitors, accountants and other relevant parties need to 'buy into' an agreed timetable.
4. Ongoing dialogue and processing of relevant legalities and documentation ensues.
5. Finance for the buyer of the business needs to be arranged and agreed, if not already done so.
6. Final due diligence by the buyer's accountants is carried out.
7. As the seller, you will be expected to provide information for the buyer, such as a staff list, occupancy data, fixtures and fittings list, and details of lease/HP items.

## CHRISTIE & CO'S CHECKLIST

1. We will monitor the progress of the buyer to ensure speed and commitment. We ask questions such as 'Has a valuation/survey been instructed?'. Where is the finance coming from?
2. We immediately liaise with all parties to ensure dialogue and progress – and to inject a suitable sense of urgency.
3. We take the initiative in these situations. It helps to move things along and enables the seller to get feedback from all parties through the agent (us) – their selling 'partner'.
4. We will help both the vendor and buyer to answer queries accurately and promptly and chase up all issues – from routine paperwork, to more complicated matters.
5. We can call upon Christie Finance to facilitate finance for the buyer.
6. We talk to the accountants – to make sure that the financial "due diligence" is on track.
7. We have the vast experience required to help you prepare all the information a buyer will find useful in considering his purchase.

**"We'll always try to ensure that the buyer's solicitor is experienced in the education sector. Such a highly regulated industry requires in-depth knowledge, not guess-work. This applies to your agent too!"**

## BINDING CONTRACT AND COMPLETION

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**“Well, it’s done but was it worth all the hassle?”**

Christie & Co specialises in making the process of selling a business less stressful from start to finish.

### **The right people to talk to at every stage**

Your Christie & Co [agent](#) will keep in touch with you ready for the next business you want to sell – or buy!



## IT'S A DONE DEAL

Once there's a binding contract of sale, the money's as good as in the bank. Then it's just a question of reaching completion to dot the "i"s and cross the "t"s. It's been a long haul but hopefully far less painful and more profitable for you than it might have been.

**"It's good to arrange a handover to introduce the new owner to staff, customers and suppliers. This should ease any anxiety or uncertainty caused by the sale."**

## DEALING WITH CHRISTIE & CO MADE IT EASIER

We stick with our sellers every step of the way, using our insight and influence to progress the sale and overcome obstacles to achieve the best deal.

And when it's all done there is little to do but congratulate both the seller and the buyer (and maybe even celebrate!).

We like to keep in touch with our clients, and we're always happy to keep you updated on what the market is doing so you're ready for the next time you wish to buy or sell a business.

If you would like to find out more information about the services we offer, or take a look at the businesses we have for sale, or have recently sold, please visit [christie.com](http://christie.com). If you are interested in selling your business please contact us on 0203 846 0623.

