

How much is your business worth?

A Guest Article by Henry Campbell-Jones
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Assessing the sale value of a business

Most people only sell one business in a lifetime, and it is crucial to maximise the results.

The value of a business is influenced and determined by a wide range of interrelated factors. Assessing these factors requires experience of business sales, current knowledge of the market, and understanding of a variety of valuation methods.

Keys to determining value

Past profitability and asset values provide starting points for a valuation, but it is often intangible factors such as management, business relationships and client base that provide the key value.

Whatever technique is used, the bottom line is that the value of a business is how much a buyer is prepared to pay. Therefore the type of buyer, the synergies with their own business and their business development plan will also be key to determining the value.

Expert advice pays off

Business owners seeking a fair assessment of the value of their business should talk to a strategic consultant with extensive experience in business sales. Through grooming, preparation, the right marketing and identifying the right prospective buyers, the right strategic consultancy can help business owners wishing to exit their company achieve the maximum sale value.

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If you would like more information on any of the points covered in this Guest Article, please contact TCii on 020 7099 2621.