



BUSINESS REPORT

Date: **20th May 2024**

Business Reference: **35184**

About the Business:

Take-a-Way restaurant - REDUCED PRICE

Customers like the "home cooked" fast food -- great tasting and good value With a trendy layout and a good menu , this restaurant compete with other franchised outlets at a fraction of the establishment cost

Take-a-Way restaurant - REDUCED PRICE



Sector: Food

Asking Price:

R 150,000

Monthly Profit:

R 391

Asset Value:

R 385,000

Stock Value:

R 20,000

Yearly Net Profit :

R 4,691



Business Report

Fully describe the business's activities?

Following a unique concept - the business can be described as a "" Quick Service Restaurant , selling home style meals "

The focus is on affordable chicken and beef dishes , with constant combo specials , served in a stylish environment

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How does the business operate on a daily basis?

The manager and staff open the restaurant just before trading hours to ensure the restaurant is clean and stock levels are checked

The restaurant is stocked with fresh products that are sourced locally

The kitchen staff is preparing meals on order

What Advertising/Marketing is carried out?

Mall Facebook page/ Pamphlets

What competition exists?

The business is successfully competing in the same segment with businesses like Chesa Nyama , Galito's Zebro's and Hungry Lion - there is a Hungry Lion in the mall at present

How could the profitability of the business be improved?

If the option of buying the franchise group is considered - the economics of scale will benefit the business
Constant reviewing of the input cost is important

Marketing and sales should be focused around the hi-profit product lines

Do any have management potential?

The manager is in charge of most of the operational functions

How involved is the Owner in running the business?

The seller is only overseeing the business by means of daily reports or occasional visits
He will also control the financial reports and advise with purchasing and marketing

When does the current lease end?

The lease agreement is signed until 2027

What are the trading hours?

The Restaurants need to comply with Mall Hours
Mondays to Saturdays 9 to 18h
Sundays from 9 to 15h

What are the main assets of the business?

Equipment / software and furniture associated with a sit-in fast food restaurant
Asset list is available

Strengths?

An affordable sit-in fast food restaurant that can compete with well know competitors
Good quality ""home cooked "" menu and very affordable prices
Trendy and vibrant atmosphere
Very low setup costs
Zero franchise fees / royalties when bought as a non franchise running concern

Weaknesses?

It is a challenge to proof your uniqueness in a competitive marketplace
Consumer expendable income reducing

Opportunities?

Deliveries

The menu is flexible - can be adjusted to fit the specific market

Threats?

Community unrest/Violence

What is the reason for the sale?

There was a breakdown in partnership - thus the sale