



Email Version

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This Questionnaire is intended to give an overall picture of your business. There are no right or wrong answers although it will identify potential weaknesses where we can work on while we are in the sales process.

Over the course of this questionnaire you might identify areas in your business that might need attention. Please don't hesitate to ask your broker for help so we can maximise the return from the sale of your business.

Name of the Business: _____

T/A (if applicable): _____

Your Name: _____

In which year did you start this business? _____

If you have any questions during this exercise, please contact Rudy directly on 09 555 6042

Your Business

1. In one sentence how would you describe your business to a new acquaintance (i.e. what does your company do?)

2. Would you say that your industry is:

- In decline
- Growing at about the rate of the economy
- Growing a little faster than the economy
- Growing much faster than the economy
- Unsure

Your Customers

3. And which of the following best describes the exclusivity of your business to your customers:

- We sell a commodity product/service that our customers can get from many other suppliers
- We sell a product/service that our customers can get from a few other suppliers
- We have a niche product/service that is unique in the marketplace so our customers would have to work hard to find another supplier of what we sell
- We have a monopoly on the service/product we sell
- Unsure

4. Thinking about the market share for the products / services that you sell, do you sell to

- Most of the people who buy what you provide
- More than half of the people who buy what you provide
- Less than half of the people who buy what you provide
- A very small proportion of the people who buy what you provide
- Unsure

5. Which of the following best describes your company's personal relationship with its customers?

- I know each of my customers by first name and they expect that I personally get involved when they buy from my company
- I know most of my customers by first name and they usually want to deal with me rather than one of my employees
- I know some of my customers by first name and a few of them prefer to deal with me rather than one of my employees
- I don't know my customers personally and rarely get involved in serving an individual customer
- Unsure

6. Which of the following best describes the typical level of customization which you offer your customers?
- We offer a complete custom solution to meet the unique needs of each customer we serve
 - We have a basic set of products, methodologies and services, but we often customize them a lot for customers
 - We have a standard set of products, services and methodologies that we tweak slightly for some customers
 - We do not customize our products, services or methodologies for individual customers
 - Unsure
7. Please estimate the percentage of your customers who are VERY SATISFIED with the services/products which your company provides:
- Less than 25% of our customers are "very satisfied"
 - 25%-50% of our customers are "very satisfied"
 - 51-75% % of our customers are "very satisfied"
 - More than 75% of our customers are ""very satisfied"
 - I'm not sure - we don't measure customer satisfaction
8. How often, if at all, do your existing customers refer your company to their friends and colleagues:
- Always
 - Sometimes
 - Rarely
 - Never
 - Unsure
9. In the last 12 months, what proportion of your customers complained in writing (e.g. email, letter, submission to your website, etc.)?
- None
 - Less than 1%
 - 1 to 5%
 - 5 to 10%
 - More than 10%
10. Which of the following best describes your business model?
- Our net profit margin goes down with each new customer who buys from us
 - Our net profit margin stays about the same with each new customer who buys from us
 - Our net profit margin improves a little, the more customers buy
 - Our net profit margin improves a lot with each new customer who buys from us

11. How do you typically get paid by your customers?

- 100% billed after the customer receives what they have purchased
- An upfront deposit, followed by the full balance after the customer receives what was bought
- Spread equally over the time it takes us to deliver what the customer bought
- 100% billed when the customer agrees to buy
- Unsure

12. What percentage of your overall revenue did your largest customer represent last year?

- 1 to 15%
- 16 to 25%
- 26 to 50%
- 51%+
- Unsure

13. Which of the following describes best the potential impact of losing your largest customer.

Would your business:

- Hardly suffer at all, and survive
- Suffer a little, but survive
- Suffer a lot, but survive
- Suffer a lot, and not survive
- Unsure

14. What percentage of your sales/revenue (i.e. turnover) is “recurring”, meaning you will have this revenue again next year without having to generate new demand through advertising or marketing:

- None
- 1 to 25%
- 26 to 50%
- 51 to 75%
- 76 to 100%
- Unsure

Your Staff

15. What percentage of your company's revenue (i.e. sales / turnover) is undertaken personally by you or your fellow equity holders?

- None
- 1 to 25%
- 26 to 50%
- 51 to 75%
- 76 to 100%
- Unsure

16. Please think of the person who contributes the most to each of the following areas of your business. How easy or difficult would it be to replace them? For section a) and b) if this person is YOU, select IMPOSSIBLE.

A) Sales & Marketing

- Very easy
- Fairly easy
- Fairly difficult
- Very difficult
- Impossible
- Unsure

B) Product/Service design & delivery

- Very easy
- Fairly easy
- Fairly difficult
- Very difficult
- Impossible
- Unsure

C) External supplier. How easy or difficult would it be to replace your most important supplier?

- Very easy
- Fairly easy
- Fairly difficult
- Very difficult
- Impossible
- Unsure

Thinking Ahead

17. In the next 12 months, do you expect your revenue (i.e. sales / turnover) to:

- Decrease
- Remain at its current level
- Increase by up to 10%
- Increase by between 11 and 20%
- Increase by 21-30%
- Increase by more than 30%
- Unsure

18. Which of the following best describes the possibility of your company selling more to your existing customers?

- Our customers are pretty much tapped out - we already sell them everything they need when it comes to our products/services
- There are one or two complementary products or services we could be selling to our existing customers
- There are a reasonable amount of other products and services we could be selling to our existing customers
- There are lots of other complementary products and/or services we could be selling to our existing customers
- Unsure

19. If customers were lined up at your door to buy, would you find delivering FIVE times the current volume of what you sell:

- Impossible
- Very difficult
- Fairly difficult
- Fairly easy
- Very easy
- Unsure

20. Would replicating your business to serve a new geographical area be:

- Impossible
- Very difficult
- Fairly difficult
- Fairly easy
- Very easy
- Unsure

21. How would your business perform if you were out of action for 3 months and unable to work? Would it:

- Hardly suffer at all, and survive
- Suffer a little, but survive
- Suffer a lot, but survive
- Suffer a lot, and not survive
- Unsure

Facts & Figures

22. Which of the following best describes your management team?

- We don't have one
- We have a couple of senior people who act as informal leaders, but their leadership roles are not clearly defined.
- We have managers in charge of sales/marketing and producing our services/products
- We have a management team in place, and they have a compensation package that provides a long-term financial incentive to stay with our company (i.e., more than an annual bonus)

23. What was your profit margin (before tax) in your most recent completed financial year?

NOTE: Please adjust your profit margin to reflect a market rate salary for the owner(s). For example, if you withdrew \$350,000 in compensation but you could hire someone to replace you for \$120,000, then estimate what your profit margin would have been if you had only withdrawn \$120,000.

- We lost money
- 0 to 10%
- 11 to 20%
- More than 20%
- Unsure

24. What was your company's annual revenue (i.e. sales / turnover) last year?

- Less than \$ 100,000
- \$ 100,000 to \$ 500,000
- \$ 500,000 to \$ 1,000,000
- \$ 1,000,000 to \$ 5,000,000
- \$ 5,000,000 to \$ 10,000,000
- More than \$10,000,000

25. When comparing your most recently completed financial year with the previous year, did your revenue (i.e. sales / turnover):

- Decrease
- Remain at its current level
- Increase by up to 10%
- Increase by between 11 and 20%
- Increase by 21-30%
- Increase by more than 30%
- Unsure

26. Which of the following best describes your approach to financial record keeping?

- We give our accountant a stack of receipts and they figure it out
- We keep track of things ourselves using an accounting package (e.g. QuickBooks, Simply Accounting etc.)
- We hire an accounting firm to conduct a “Review Engagement” each year
- We hire an accounting firm to produce “Audited Statements” each year

27. What is your typical gross profit margin? Gross profit margin is defined as the proportion (percentage) of money left over from sales (i.e. turnover/revenue) after accounting for the cost of goods sold. *(For example, if your company sells a product for \$200 and it costs your business \$80 to buy the raw materials to make your product then your gross profit would be \$120 and your gross profit margin would be 60%).*

- Less than 40%
- 40 to 60%
- 61 to 80%
- More than 80%

28. Please select which of the following statements best describes your cash needs:

- We need more cash than we generate, so we’re regularly trying to raise or borrow money
- We need more cash than we generate so we're occasionally trying to raise or borrow money
- Our business generates excess cash which we keep in the company as a “rainy day” fund
- Our business generates excess cash which we distribute to shareholders regularly
- Unsure

29. Please estimate your influence by calculating the total number of people who have opted in to receive information from you and/or your company in the form of signing up for your website (e.g. e-newsletter, email mailing list or blog), Twitter "Followers", Facebook "Fans", RSS subscribers or people who have added you to their Google Plus "circles".

- None
- 0 to 500
- 500 to 1000
- 1000 to 5000
- 5000 to 10,000
- 10,000 to 50,000
- 50,000 to 100,000
- More than 100,000

30. Please estimate your pre-tax profit (or loss) over the last three years

NOTE: Please adjust your pre-tax profit (or loss) to reflect a market rate salary for the owner(s). For example, if you withdrew \$350,000 in compensation but you could hire someone to replace you for \$120,000, then estimate what your profit margin would have been if you had withdrawn only \$120,000. For all answers, please input a positive or negative number or leave blank, for example: \$300,000.00 or -\$124,000.00

- Pre-tax Profit last year \$ _____
- Pre-tax Profit 2 years ago \$ _____
- Pre-tax Profit 3 years ago \$ _____

31. Have you received a written offer (Letter of Intent, Expression of Interest) to buy your business in the last year?

- YES
- NO

32. What industry is your business in:

- Manufacturing
- Retail
- Hospitality
- Import / Export / Wholesale
- Home business
- Online Media
- Online Sales