



## Practice Broking Services

**Rob Knights Practice Broking Pty Limited** specialises in the sale, merger or acquisition of professional Accounting, Financial Planning and Legal Practices throughout Australia.

### *Our Services*

Our personalised and proactive practice broking services are much more than simply an introductory service. We offer an uncompromising, holistic approach that incorporates all elements of the sale process including advertising, sourcing, identification, promotion, evaluation, qualification and negotiation of the sale on behalf of our clients.

### *The Process*

The practitioner completes a basic template for the collation of data relating to the practice for sale. We will then prepare an **information memorandum**. This document is the basis upon which prospective purchasers will initiate their expressions of interest. The practitioner will also provide a copy of the financial accounts for the three most recent financial years, as well as year-to-date where applicable.

The vendor is required to complete an **agency agreement**, which confirms the method and process through which the practice will be sold. This includes the agreed price at which the practice will be offered, as well as our fees. This agreement is prepared and supplied following the completion and return of the data collection template.

While most of the negotiations and discussions are held between the prospective purchasers and us as the broker, experience suggests that interested parties will request a meeting with the current practitioners as part of their decision to move forward with the purchase of the practice. Generally, these discussions will confirm information supplied to date and establish a similarity in cultures and client servicing between the two firms. These meetings are scheduled at a mutually convenient time and venue. If requested, a representative of Rob Knights Practicing Broking will attend this meeting.

Vendors and purchasers are responsible for sourcing their own independent legal and financial advice and the completion of all due diligence activities. The vendor's solicitor will be briefed in respect of agreed terms and conditions relevant for the drafting of contracts. Most importantly, we are not legal practitioners and are therefore unable to provide or offer legal advice.

### *Our Fees*

- An initial, non-refundable engagement fee ranging from \$880 to \$2,200 incl. GST depending on the size of the practice. This sum represents our costs associated with the preparation of both the practice's information memorandum and the practice advertisement listing for inclusion on our website and in our monthly industry newsletter. Any advertising, marketing or promotional activities conducted in external sources will be paid prior to performance at the agreement of the vendor; plus
- i) Commission of 7% on the initial \$100,000 of the gross sale price plus GST, then
- ii) Commission of 5% of the gross sale price plus GST thereafter.
- Or the minimum total fee of \$12,000 + GST, whichever is greater.

**Michelle Knights**, as **Director and licensed broker** in NSW, VIC, QLD, SA & WA, welcomes the opportunity to assist vendors with the sale of their practice.