



# Valuing a Small Business

## The Essentials

**Prospective business purchasers should ensure they are not paying too much for a business – one of the main causes of business failure is paying too much to buy or establish a business.**

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### **Introduction**

The need to value a business can arise in a number of circumstances including buying a business, buying a share of a business, setting up a new business, becoming a partner in a business, buying a franchise, dissolving a partnership, and family law disputes.

The selling price of most businesses is set by business owners. The selling price however does not always reflect an accurate value of a business and prospective business purchasers should conduct their own valuation.

Prospective business purchasers should ensure they are not paying too much for a business – one of the main causes of business failure is paying too much to buy or establish a business.

### **Establishing the Price of a Business**

Vendors can arrive at the sale price of their businesses in any number of ways. The vendor's price might be based on the previous purchase price, the original investment or by comparison with other businesses on the market.

#### **Factors That Influence the Value of a Business**

Like any asset, a small business is only worth what someone is prepared to pay. The value of a business will vary according to:

- ...✿ Recent profit history of the business – a profitable business will yield a higher price than one less so
- ...✿ General condition of the business – such as condition of facilities, completeness and accuracy of books and records, staff morale and so on
- ...✿ Market demand for the particular type of business and its products/services
- ...✿ Return on investment – buyers should expect a certain level of return on their investment; the riskier the business, the higher the expected return
- ...✿ Cash flow – how much of a loan will the cash flow support? Prospective purchasers look for businesses that provide a reliable, secure and high cash inflow
- ...✿ Strategic value – some businesses have greater value because of their strategic importance. For example, they may hold a long lease on a retail premises that is prominently located. Some businesses may also be easier to buy than start up from



- ...❖ scratch – in some cases the hard work of obtaining approvals, licences etc. has already been carried out. A premium paid for such a business is offset by the time the buyer saves
- ...❖ Economic conditions – especially cost and availability of capital and any economic factors that directly affect the business
- ...❖ Ability to transfer goodwill or other intangible assets to a new owner
- ...❖ Value of assets
- ...❖ Future profit potential.

Purchasers should calculate their own value to ensure they are not paying too much for a business – if they do, they will spend too much of the profit paying off any loans and trying to recover the invested capital. Worse still a business, although apparently profitable, may be a failure and the purchaser may not only lose the original investment but can also remain responsible for ongoing commitments such as rent and loan repayments.

## Valuation Methods

Accountants and professional business valuers may use any number of business valuation methods to determine the value of a business. There are a number of common methods (used singularly or in combination) and they include the capitalised earning approach, excess earning method, cash flow method, asset valuation, cash flow method and rule of thumb methods.

The result of using these or other approaches is in an attempt to determine a fair and reasonable price for a business. Prospective buyers should calculate their own value (with professional assistance) and

can use the advertised selling price of a business as the basis to commence negotiations. Prospective purchasers must scrutinise all those things that can affect the success, longevity and viability of a business therefore its value.

*Prospective purchasers should consult professional advisers such as accountants, solicitors and business valuers before entering into contractual arrangements for the purchase of a business.*

## Primary Issues in Valuing a Business – Components of the Purchase Price of a Business

The valuation of a business usually commences by determining the value of:

- ...❖ Goodwill
- ...❖ Plant and equipment
- ...❖ Fixtures and fittings
- ...❖ Stock
- ...❖ Work in progress
- ...❖ Intellectual property

The liabilities of the vendor should also be taken into consideration. These key areas are now examined:

### 1. Goodwill

Goodwill is an intangible asset which reflects the reputation, viability and potential of a business.

The value of goodwill is the component of the purchase price which remains after deducting all the other assessable components of the business from the total purchase price.

For example:

Purchase price	\$400,000
Components of the purchase price (not including goodwill)	
Fixtures & Fittings	\$80,000
Plant and equipment	\$70,000
Stock	\$60,000
Work in progress	\$30,000
Intellectual property	<u>\$50,000</u>
	\$290,000
LESS liabilities in relation to employees	<u>\$10,000</u>
	\$280,000
	\$280,000
<b>Goodwill</b>	<b>\$120,000</b>

Goodwill is often valued according to formulas or ratios linked to turnover or profit or by comparison with other business sales within the same industry. But these methods can, in particular circumstances, be misleading and perpetuate overpricing of businesses. Goodwill should be considered only as part of the overall investment in a business and this investment must be sufficiently profitable to provide, among other things:

- ...❖ A return on the investment
- ...❖ A fair income for the proprietor
- ...❖ Repayment of the capital after tax.

**There are three types of goodwill - personal, corporate, location**

In any assessment of goodwill value, whether or not the goodwill can be transferred to the purchaser must be considered.

### Personal Goodwill

Personal goodwill exists in businesses where the proprietors or other key people have a personal following, such as in hairdressing, restaurants or professional practices.

Personal goodwill can't always be transferred to a business purchaser because customers or clients often follow the vendor to a new location and not necessarily do business with the purchaser.

No part of personal goodwill should be included in the assessment of the price of a business unless the vendor can guarantee that customers will be retained. One way which might facilitate the retention of customers is for the vendor to stay on in the business long enough to introduce customers or clients to the purchaser. Purchasers should seek for a restraint of trade clause to be included in the contract of sale.

### Corporate Goodwill

Corporate goodwill is the goodwill that attaches to the business independently of the individuals who comprise the business. Examples of these businesses include retailers, wholesalers and manufacturers.

It may be because of the nature of the business, its marketing methods and the reputation of its services and products that people will become or remain customers – they believe that they will get good service from the business.

In these cases a customer has no interest as to who owns the business. Provided vendors of a business with corporate goodwill agree to be bound by a suitable restraint of trade clause, corporate goodwill is transferable to a purchaser and is assessable as part of the purchase price.



## Location Goodwill

The location of a business may be a vital aspect of its success, mainly because of its visibility, accessibility, duration in the same location, proximity to other services and special purpose buildings. Examples of such businesses are convenience stores, service stations, and motels.

An important component in the value of goodwill in such businesses is the security of tenure of the premises. Prospective purchasers should carefully inspect the lease and obtain advice from an experienced solicitor in this regard.

Aspects of location which will adversely affect goodwill value include:

- ...❖ Erosion of the term of a lease – when the lease comes to an end the landlord has the right to take the premises back and the proprietor may have to relocate the business or lose it
- ...❖ Deterioration of the commercial value of the location, for example, through diversion of traffic or development of competitive businesses
- ...❖ Changes in regulations requiring upgrading of premises
- ...❖ Strict permitted use provisions of the lease
- ...❖ Difficulties created by a landlord in effecting a transfer of a lease.

## 2. Plant and Equipment

Plant and equipment may be machinery, vehicles, tools, furniture and computers. Plant and equipment can easily be valued by comparison with other similar items advertised for sale, available new or used from suppliers or sold by public auction. Professional valuers are available and listed in the Yellow Pages.

Some equipment has little or no disposable value. Prospective purchasers must ensure that the investment in equipment as a component of the purchase price is progressively recovered from the after tax profits of the business during the effective life of the equipment.

Conversely if it is anticipated that some new equipment will be required in the future to maintain the efficiency of a business the cost should be considered as an additional component to the overall price that will be paid for a prospective business.

## 3. Fixtures and Fittings

Fixtures and fittings installed or fixed to leased premises by a business proprietor for the proper operation of the business may be sold, removed or replaced at the discretion of the proprietor. Such equipment may include air conditioning equipment, stoves, shelving and machinery.

A purchaser should ascertain that the vendor owns the fixtures and fittings and they are free from encumbrances such as the right of repossession of finance companies in the event of a default in meeting lease or hire purchase payments. Prospective purchasers should be clear about fixtures and fittings that are assets owned by the business and those that are fixed to the premises such as plumbing, wiring and partitions – these may not be transferable to a purchaser.

## 4. Stock

Businesses are usually advertised for a price for the goodwill, fixtures and fittings, chattels, plus Stock At Valuation (SAV).

Not all stock is merchantable therefore of any value. Prospective purchasers should undertake their own stocktake and undertake certain measures to ensure

that what they are paying for is of some value.

A purchaser should insist that:

- ...❖ The stock is described in the contract of sale as good, saleable, merchantable stock; not shop soiled or excesses of odd sizes
- ...❖ The stock valuation is done by an independent valuer
- ...❖ The valuation is on the basis of the wholesale value of the stock and not the retail value (invoices from suppliers should be produced)
- ...❖ There is a maximum value put on the stock to avoid the vendor getting rid of stock that might be on order and delivered to the business unknown to the purchaser or brought from another location
- ...❖ The valuation takes place immediately preceding taking over the business and the vendor agrees not to sell or move any stock that is subject to the sale.

The price for stock at valuation is frequently negotiated by the purchaser and the vendor.

## 5. Work in Progress

Some business will be sold with a value placed on contracts and work in progress they have with customers.

Prospective purchasers should ensure that work in progress is calculated in accordance with customer contracts. Purchasers should ask that the valuation is agreed with the clients or customers.

The value of work performed by the vendor that will be invoiced by the purchaser would normally be an adjustment to the contract price in favour of the vendor. However purchasers should give consideration to:

- ...❖ Possible disputes over the quality of work by the vendor
- ...❖ Risk of not recovering debts
- ...❖ Delays in recovering debts.

Therefore the face value of work in progress should be discounted accordingly.

## 6. Intellectual Property

*Intellectual Property* is a collective name for rights and information protected by patent, design, or trademark registration, business or company name registration, copyright and confidentiality agreements. Intellectual property can also include customer lists, industrial processes and business tactics.

Intellectual property is particularly difficult to value. Often intellectual property that merely consists of customer lists, know-how or business tactics is lumped in with goodwill. But items such as patents, designs, trademarks and copyright are usually assessed individually. Some accountants and other consultants are experienced in assessing the value of these types of intellectual property

### How much should be paid for intellectual property?

The basis of valuing intellectual property is a capitalisation of the profit potential of the intellectual property.

Purchasers should ensure that the profit generated by the intellectual property pays a return on the investment and provides for the progressive recovery of the invested capital after tax during the commercial life of the intellectual property.

To set a value on intellectual property, an effective exercise is to ask the question – *what percentage contribution does the intellectual property make to the annual net profit and over what period in years does it make this contribution?*



## 7. Liabilities of the Vendor

The liabilities of the vendor are not normally calculated in a sale price. A purchaser would not normally take over:

- ...❖ Debtors
- ...❖ Creditors
- ...❖ Liability for future orders

In circumstances where these things may be taken over, such as in the case of sale of a company, the liability amount would be deducted or accounted for in setting the purchase price.

A purchaser of a business may, however, have to take on responsibility for employee entitlements such as holiday and long service leave. These entitlements would have to be assessed and deducted from the purchase price.

Similarly, adjustments may also have to be made for vendor's arrears in rent, statutory charges or financial obligations relating to business equipment.

### Companies

Buying a small business is usually different to buying a company or more precisely buying the shares of a company. Buying a company involves not only buying the business of the company but also taking on all its debts and liabilities such as outstanding loans, overdrafts, taxation, trade creditors, current orders, non-compliance with statutory requirements and complaints by previous customers. Accordingly purchasers normally only buy business operations, not companies.

Investors and sometimes staff members do buy company shares. The value of shares must reflect the value of the business operations and all the other debts, liabilities and assets of the company.

## Business Profits – What They Must Cover

Before committing to buying a business, prospective purchasers should ensure that the profits of the business provide a return on the purchaser's invested capital, enough for the repayments of any loan and a fair income for the effort and skill of the proprietor.

A prospective purchaser should ensure that the commercial life of the business allows profit generation for the recovery of opportunity costs and the invested capital in the business.

These terms are now explained.

### Commercial life of a business

The value of a business not only depends on the current position but also on its future.

A common misconception by purchasers is that businesses can always be resold at a later date and the capital investment recovered. Often this is not possible and purchasers lose some or all of the investment in the business.

Normally a business that is experiencing sustained growth with predictable long term profitability will be worth much more than one which is starting to experience difficulties or is facing an imminent crisis.

Factors that may adversely affect the future of a business, therefore the price which should be paid include:

- ...❖ Expiration of a lease over premises
- ...❖ Deterioration in condition of premises
- ...❖ Ageing technology
- ...❖ Impending cessation of patent rights
- ...❖ Potential cancellation or expiration of important contracts
- ...❖ Reliability and number of suppliers

- ...❖ Increase in competition
- ...❖ Government regulation or deregulation.
- ...❖ Decline in appeal of the products or service of the business
- ...❖ Changing economic circumstances
- ...❖ Changing infrastructure in the area
- ...❖ Change of ownership
- ...❖ Changing consumer spending patterns
- ...❖ Changing reputation of the business with customers, suppliers, creditors, authorities and competitors
- ...❖ Inability to transfer management skills to others.

Each one or a combination of these factors may mean that the commercial life of a business is limited. Prospective purchasers must check all these things. The effect of these variables on the value of a business is a lower price than for a business not similarly afflicted.

An important aspect of buying a business at a realistic price is that the profits of a business should provide, at least, a return on the purchaser's invested capital, enough for the repayments of any loan and a fair income for the effort and skill of the purchaser.

### **Opportunity cost**

The concept of opportunity cost is a notion built around calculating cost in terms of foregone alternatives. It is the cost of passing up the next best choice when making a decision.

When a purchaser puts money into a business, the purchaser is missing an opportunity to obtain income from other possible investments. Consequently when assessing the purchase price of a business, purchasers should expect the business to provide, among other things, a return on the

investment higher than what could be obtained via the next best choice, say putting the money into an interest bearing account.

Purchasers should also aware that investing in a small business is risky – the purchase price should reflect a percentage return higher than that which could be otherwise obtained in a secure investment.

In evaluating a business, the business profits must be sufficient to provide for a reasonable return on the purchaser's investment and meet all the usual outgoings such as:

- ...❖ Expenses
- ...❖ Taxation
- ...❖ Reinvestment in the maintenance of the business
- ...❖ The proprietor's income,
- ...❖ The lender's interest and principal payments, and
- ...❖ Provision for the recovery of invested capital.

### **Recovery of invested capital**

Business proprietors usually expect that the money they invest in a business can one day be recovered by selling the business. They may even hope to recover more than the original investment and so make a capital profit. However, a business progressing through its commercial life span towards some predictable crisis will become harder to sell to a prudent purchaser for the amount of the original investment although it may be possible to sell the business for a lesser amount. In these circumstances a business is a deteriorating asset.

To offset the prospective loss of capital a prudent purchaser in calculating the value of a business will include in a projected cash flow some of the after-tax profits to progressively recover the original investment. This has to be considered in the context of:



- ...❖ Loans to buy or establish the business
- ...❖ The purchaser's own investment in the business

In the case of loans the purchaser will be under a contractual commitment to pay the interest and principal to the lender. The interest is an expense therefore tax deductible but the principal is not and must be paid out of after-tax profits. Business loans may be available for periods ranging from 5 – 10 years and a purchaser should ascertain the repayment schedule and include these payments in cash flow projections.

The proprietor's own funds should be regarded also as if they were loan funds and should yield a return on investment, that is, the opportunity cost, and be progressively recovered out of after tax profits. Too often proprietors assume they will get all their money back from some future sale of the business. But as the commercial life of the business is diminishing it may not be saleable, or at least, not without a loss.

The key issue is that profits must be sufficient to meet all the usual outgoings such as

- ...❖ Business expenses
- ...❖ Taxation
- ...❖ Reinvestment to maintain the business
- ...❖ Interest and principal payments on loans
- ...❖ Return on the proprietor's own investment and
- ...❖ Progressively recover the invested capital over the commercial life of the business.

*If the profits are insufficient then the price of the business is too high and the purchaser should not buy the business.*

## Information About the Business

No assessment of a business can be made without relevant and reliable information. The cooperation of the vendor is most important and any reluctance by the vendor to provide necessary information should be taken as an indication that there is something adverse about the business that the vendor wants to hide.

The following basic information should be the starting point for valuing a business:

<b>Vendor(s)</b>	Name Phone number Address Length of time in this and previous businesses Reason for selling business or reason for assessing the business Special skills or knowledge of the vendor(s)
<b>Business</b>	Company and business names Address Phone number Age of business Australian Business or Company number (ABN/ACN) Products and/or service Trading hours Customer lists
<b>Documents</b>	Certificates of registration of company and/or business name Permits, licences and registrations Equipment and/or property leases Contracts and agreements with customers and suppliers

<b>Equipment</b>	Inventory of all plant equipment, fixtures, fittings, chattels
<b>Stock</b>	Inventory of stock
<b>Intellectual Property</b>	Patents, copyright, trademarks etc.
<b>Work in Progress</b>	Full details of work in progress
<b>Accounting Records</b>	Profit and loss statement Debtors Creditors Balance sheet Depreciation schedule Tax return Company return Employee and payroll records Books of account Sales records

### Statutory requirements

The Estate Agents Act 1980 - Section 52 requires a vendor of a business or part of a business in which the goodwill plant equipment, equipment or fittings is being sold for a total price of \$200,000 or less to provide a detailed statement called a Form 19.

The statement set out information about the business, including the trading history for the last two financial years and must be certified by the vendor's accountant.

If the Section 52 statement is not provided to the purchaser before the contract is made, the sale is voidable by the purchaser.

## Franchise Businesses

Franchising is a business system that delivers products and services to the marketplace under the franchisor's trademark or other commercial symbol. In return the franchisee pays a fee – this fee may relate to the initial capital investment, goods or services, training or royalties.

Like all small businesses, franchises are not without risk and careful evaluation should be undertaken.

### Evaluating a franchise

Prospective franchisees should ensure that the profits of the franchise provide a return on the invested capital, enough for the repayments of any loan and a fair income for the work performed in running the business. They should also ensure the profits cover ongoing fees and costs associated with the franchise.

Prospective franchisees should also ensure that they can recoup the cost of the franchise over the life of the franchise agreement – franchisees have a right to operate the business for a fixed term and like many small business franchises can't always be resold at a later date. Franchise agreements can also impose conditions on the sale or transfer of the business.

Prospective franchisees should take the following into consideration when evaluating a franchise:

- ...✦ The franchisor – the history of the franchisor and the business system offered
- ...✦ The franchise – the business itself, competitors and the overall market or industry
- ...✦ Other franchisees – the experience of other franchisees within the system to gauge the highs, lows and challenges of being a franchisee within the group



- ...❖ Financial aspects – the amount of fees payable, turnover, profitability levels, return on investment and potential growth in the value of the business
- ...❖ The franchise agreement – the terms and conditions of the franchise arrangement
- ...❖ The franchise territory – the size, number of competitors, its potential and the likelihood of further franchises being offered in the territory
- ...❖ Self-evaluation – franchisees can only expect to succeed by hard work and full time effort in a franchising business. Self-evaluation is a very important part of the assessment process. Prospective franchisees must assess whether they have the personal qualities for the unique aspects of franchising—following a system, accepting guidelines and rules, adhering to set trading hours, taking advice from others, adhering to territorial boundaries, undertaking regular training, implementing other people's ideas and being a team player.

## Franchising Code of Conduct

Franchising is regulated by the Franchising Code of Conduct. The Australian Competition and Consumer Commission (ACCC) administer this. Under the Code, a franchisor must give a prospective franchisee a disclosure document detailing information about the franchise, the franchisor and the obligations of both parties in the franchise relationship. Prospective franchisees must carefully examine the disclosure document before entering into a franchise.

The Franchising Code of Conduct is available on the ACCC website [www.accc.gov.au/smallbus/smallbus.htm](http://www.accc.gov.au/smallbus/smallbus.htm)

**Consultation with a legal adviser skilled in the law as it relates to franchising before signing any binding document is strongly recommended.**

The information sheet *Buying a Franchise* contains helpful information for prospective franchisees. Contact the Victorian Business Line (VBL)

**13 22 15** or download from [www.business.vic.gov.au/workshops](http://www.business.vic.gov.au/workshops)

## Contractual Outlets For a Purchaser

No matter how careful a purchaser has been in assessing a business there will still be some element of risk.

Contracts for sale and purchase of businesses normally state a settlement date upon which the purchaser takes possession of the business and pays the balance of the purchase price to the vendor. If subsequently the purchaser discovers or suspects that the vendor has supplied misleading or incorrect information or indeed if for any reason the purchaser regrets buying the business there is then very little that can be done.

Purchasers have a number of choices as to how they can obtain a measure of protection. These include:

1. A prospective purchaser can insist on **the right to work in the business**, preferably before entering into a binding contract of sale, or at least prior to settlement. This gives the purchaser the opportunity of checking, as far as is possible, the bona-fides of the information provided by the vendor. If there is any evidence that the vendor's information was not reliable the purchaser may have grounds to refuse to settle, at least retaining most of the purchase price.

2. A purchaser could insert a **performance clause** into the contract which specifies the minimum takings of the business over an appropriate period. If the takings reach the specified amount the purchaser must settle but if the takings do not reach the specified amount the purchaser may withdraw from the contract and recover the deposit.
3. Where it is anticipated that the purchaser will take over some important contracts such as in a cleaning or maintenance business it should be a condition of the contract that **those contracts are transferred to the purchaser.**
4. Most contracts call for payment in full of the purchase price at the time of transfer. This means the purchaser takes all the risk. Purchasers could try to have **some portion of the purchase price retained for a certain period** and if necessary placed in trust with a solicitor or estate agent. If a dispute arises after possession is transferred the retained money provides the purchaser with some bargaining power.
5. Purchasers should ensure that any **representations made by the vendor whether written or otherwise are guaranteed by the vendor** as correct and this guarantee be incorporated as a condition in the contract of sale.
6. Insert a **restraint of trade clause** in the contract. This will restrict the previous owner from operating a similar business within a certain distance for a number of years. Some clauses are written to say that the previous owner cannot open a similar business within a 5km radius for 5 years.

### Checklist - Test of Viability

A profit shown on a business's Profit and Loss Statement is insufficient in assessing a business.

A business is not worth buying for the price asked if cash flow projections for the application of net profits fail to make provisions for:

<b>Before tax</b>	✓
A fair income for the proprietor's efforts and skill in running the business	
Interest on business loans	
A reasonable return on the proprietor's own money invested in the business - say 20-30% p.a. depending on the degree of business risk involved	
Taxation	
<b>After tax</b>	✓
Principal payments on business loans	
A fund for any capital expenditure in relation to the maintenance or improvement of the business such as the replacement of or upgrading of plant equipment buildings and investment in research and development	
The progressive recovery the proprietors non-recoverable investment in the business over the commercial life of the business.	

A purchaser will lose money if too much is invested in the business by paying too much for the components of the business such as goodwill, franchise fee, fixtures, equipment or stock.

It is important to obtain professional advice – a solicitor should always be consulted and an accountant can help value a business and advise if the selling price is fair and realistic.



## Conclusion

A successful business will generate sufficient profit to provide for a fair income for the proprietor, a reasonable return on capital invested in the business, the recovery of invested capital and repayment of borrowed capital. Prospective business purchasers or start-ups should establish a realistic value of a business and ensure that they will not only make money but will also recover their invested capital.

A person intending to go into business without the appropriate experience should get advice from the relevant industry sources, undertake work experience and attend a business training course.

**It is also essential to obtain professional advice. A solicitor should always be consulted about buying or starting a business and accountant is necessary to help assess how much should be invested in a business.**

## Further Information

### Under New Management

The Under New Management program provides more information about small business. The program enables individuals contemplating small business ownership and retail leasing to make informed decisions.

Under New Management consists of a choice of group and online workshops on three topics:

- ...❖ Buying a Business
- ...❖ Signing a Retail Lease
- ...❖ Buying a Franchise

Each group workshop, offered throughout Victoria, will be three-and-a-half hours in duration. Participants are also given the opportunity to follow up with a one-hour one-on-one business counselling session with an experienced business counsellor.

Under New Management also has information sheets on the following subjects:

- ...❖ Retail Leasing in Shopping Centres
- ...❖ Buying a Franchise
- ...❖ Selecting a Retail Location For Small Business
- ...❖ Buying a Small Business
- ...❖ Signing a retail Lease
- ...❖ Selling a Small Business - the Process

**TEL 13 22 15**

Email: [businessaccess@iird.vic.gov.au](mailto:businessaccess@iird.vic.gov.au)

Website [www.business.vic.gov.au/workshops](http://www.business.vic.gov.au/workshops)

### Registering Business Names

Consumer Affairs Victoria (CAV) is where you register your business name and find out about your rights and responsibilities to consumers. CAV provides advice on customer service issues such as lay-bys, refunds, bag searches and warranty obligations.

Website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

Tel (03) 9627 6000 or 1800 678 328

### Information Victoria

Information Victoria is the central point for all information pertaining to the Victorian State Government. Information Victoria helps you access information on State Government services and programs. Copies of the legislation may be purchased from Information Victoria.

356 Collins Street  
MELBOURNE  
VICTORIA 3000  
TEL (03) 9603 9900  
Toll free: 1300 366 356

### Legislation

Victorian legislation can be downloaded from website [www.dms.dpc.vic.gov.au](http://www.dms.dpc.vic.gov.au). Click on 'Victorian Law Today', then scroll down to the search engine.

The development of this program was funded from the Estate Agents' Guarantee Fund.

## Victorian Government Small Business Information Services

### Victorian Business Line

The Victorian Business Line provides a single access point to the Victorian Government's small business services. Services include business development information and referral to specialist business service providers.

TEL **13 22 15**

Email: [businessaccess@ird.vic.gov.au](mailto:businessaccess@ird.vic.gov.au)

Website: [www.businessaccess.vic.gov.au](http://www.businessaccess.vic.gov.au)

### Services and Programs Accessed Through the Victorian Business Line Are:

#### Business Licence Information Service (BLIS)

BLIS makes it easy to identify all the licences, permits and regulations involved with starting and operating a small business

Website: [www.business.channel.vic.gov.au/blis](http://www.business.channel.vic.gov.au/blis)

#### StreetLife

The StreetLife program concentrates its efforts entirely on assisting the growth of small business. StreetLife programs improve skills through tailored training and mentoring programs; business opportunities for youth; fostering new enterprises; business attraction; and creating jobs.

Website: [www.businessaccess.vic.gov.au/streetlife](http://www.businessaccess.vic.gov.au/streetlife)

#### Victorian Business Channel

The Business Channel is an online information service containing comprehensive business-related information and services from State, Commonwealth and local Government.

Website: [www.business.channel.vic.gov.au](http://www.business.channel.vic.gov.au)

### Vic Export

Vic Export is a website providing export-related information. It also links to websites of other agencies able to assist in export development.

Vic Export can assist in developing a draft export strategy and helps examine the benefits, opportunities and risk of export.

Website: [www.export.vic.gov.au](http://www.export.vic.gov.au)

### Small Business Counselling Service Incorporated (SBCS)

The SBCS is a non-profit organisation that provides counselling and mentoring to medium, small and micro business operators throughout Victoria. The SBCS consists of a number of volunteer business people – they offer small business operators the benefit of their experience, knowledge and skill. This service is provided for a small fee.

Website: [www.sbcs.org.au](http://www.sbcs.org.au)

### Grow Your Business

Grow your business provides advice, referral and assistance to Victorian businesses. Grants of between \$4,000 and \$7,500 are available to eligible businesses that have the management strengths, commitment to planning and desire for business growth. Additionally, up to \$15,000 is available for Group Programs. Eligibility requirements apply.

Website: [www.business.vic.gov.au](http://www.business.vic.gov.au)

### Office of the Small Business Commissioner

The Office of the Small Business Commissioner will assist small business, promote informed decision-making and minimise disputes between small businesses and larger competitors, and encourage flexible Government regulation.

Website: [www.sbc.vic.gov.au](http://www.sbc.vic.gov.au)



## Victorian Business Centres

### Ballarat

Victorian Business Centre  
48 Sturt Street  
Ballarat VIC 3350  
**03 5320 5900**  
Fax 03 5320 5998

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