



The Care Team



SMITH PARTNERSHIP®

Solicitors



Preparing to sell a Care Home

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The time taken to sell a care home is often a major concern for owners. However, much can be done to minimise delays in the process by early planning and preparation.

In asset transactions i.e. those involving the sale of the business and property rather than disposal of shares in the company owning the business, initial delay by the purchaser preparing an application to CSCI or CSSI Wales can be reduced by having available and documented comprehensive basic information. Lists of all current employees, their dates of birth, pay and holiday entitlement, job description and date employment commenced is a basic requirement. Additionally, a scale floor plan of the property is essential.

Many owners do not have an asbestos survey and an asbestos management plan. As this is a statutory requirement, the buyer is likely to insist on seeing it and having it in place before marketing a business can save major delays in the sale process. Another statutory requirement is to have a written Fire Risk assessment in place and again this should be thought about at the outset.

Having available the last 2-3 years business accounts enables buyers to assess the viability of the business. It is essential to provide monthly management accounts as these show the current trading status of the business as the annual accounts may be almost 12 months old.

Much of this documentation will need to be produced several times, so prepare several copies, which should also include the Registration Certificate and planning consents, so that it can be produced for the buyer, his surveyor, his solicitor and your own solicitor.

Finally, take time choosing your selling agent. Ensure that you instruct an agent with specialist knowledge in the care sector and not simply general business sales.

Equally, ensure that your legal adviser has in depth knowledge of the care sector. You may have a family solicitor who has advised on general business matters, your house purchase or your Will but care homes are an area requiring solicitors with specialist knowledge. By instructing a solicitor with that expertise you can not only avoid unnecessary delays but it may also save you money both in legal fees and in avoiding making the wrong decisions in your sale and purchase.

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