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# Sakhile Nathi Advisory Business Plan

Your Trusted Partner in Progress



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## Executive Summary

Sakhile Nathi Advisory is an innovative financial services firm dedicated to helping businesses grow, thrive, and adapt in an ever-changing economic landscape. We offer a comprehensive suite of financial advisory and cloud accounting solutions, including business valuations, Financial Planning & Analysis (FP&A), budgeting, and strategic financial advisory. Our cloud-based accounting services encompass bookkeeping, reporting, annual financial statements, payroll, corporate tax services, VAT registrations, reconciliations and submissions, as well as automation tools to drive operational efficiency. Our mission is to empower clients with clarity, compliance, and actionable insights, positioning Sakhile Nathi Advisory as a trusted partner for businesses across various industries.

## Purpose of required funding

To ensure Sakhile Nathi Advisory launches efficiently and sustains operations during its critical first year, securing adequate capital is essential. This funding serves as the bedrock for operational readiness, compliance, and long-term growth. Below is a detailed breakdown of the core areas for which capital is required:

- **Equipment Acquisition:** Capital is necessary to purchase high-performance laptops for all employees. As the business deals extensively with sensitive client financials, these devices must have ample memory, robust processors, and significant storage capacity to run accounting software, manage large datasets, and ensure data security and reliability.
- **Recruitment and Salary Provision:** Establishing a competent team is vital, but even more crucial is ensuring that sufficient cash flow exists to cover employee salaries for at least 12 months. This buffer allows the firm to attract and retain top talent, ensures uninterrupted service delivery, and provides financial stability even in the event of delayed client payments.
- **Practice Registration:** Registering Sakhile Nathi Advisory as an official practice with the South African Institute of Chartered Accountants (SAICA) and South African Institute of Professional Accountants (SAIPA) is a regulatory prerequisite. Registration demonstrates credibility and compliance, opening doors to a broader client base and professional networks.
- **Professional Membership Fees:** All professionals within the firm must maintain membership with their respective accounting bodies. These annual fees ensure continued certification, access to the latest industry knowledge, and alignment with ethical and professional standards.
- **Software Licenses and Subscriptions:** The business model relies on multiple cloud-based platforms for accounting, HR, CRM, automation, and document management. Funding is needed for subscriptions to QuickBooks Online, Deel PaySpot, Zoho partnership, Google Workspace, Hubspot, Zapier, Microsoft Office for Business, antivirus software, VPN services, DocuSign, and other essential digital tools. These platforms underpin secure, efficient, and collaborative operations.
- **Skills Development:** To foster a culture of continuous improvement and professional growth, capital is allocated for training programmes, seminars, and workshops. This investment in human capital equips the team with advanced technical skills, regulatory updates, and leadership development needed to deliver superior client outcomes.
- **IT-Related Costs:** Reliable IT infrastructure is critical to any financial services firm. Investments in enterprise hosting services, website and email domain registrations, and maintenance contracts ensure robust cybersecurity, uptime, and data integrity for both internal operations and client deliverables.



- **Services and Brand Establishment:** Establishing a strong market presence requires capital for branding initiatives, website design and development, and the deployment of social media marketing and distribution tools. These investments help position Sakhile Nathi Advisory as a modern, credible, and approachable firm in the marketplace.
- **Stationery and Branded Materials:** Essential office stationery and branded items such as notebooks, pens, t-shirts, and laptop bags need to be procured. These not only support daily business operations but also enhance brand visibility and reinforce corporate identity among employees and clients.
- **Legal and Regulatory Due Diligence:** Funding is required for legal advisory services to conduct regulatory and compliance checks, review contracts, set up company structures, and mitigate operational risks. This ensures the firm operates within the legal framework and upholds best practices from inception.
- **Office Rental:** To foster a collaborative work environment and maintain a professional image, capital is allocated to secure office premises for at least the first 12 months. This provides stability, supports company culture, and offers a dedicated space for client meetings and team interactions.
- **Furniture Expenses:** Outfitting the office with quality furniture is necessary for employee comfort, productivity, and the overall professional appearance of the workspace. Desks, chairs, storage units, and meeting room furnishings all contribute to a welcoming and functional environment.

In summary, each of these categories directly supports the business's operational capability, compliance, reputational growth, and ability to deliver high-quality financial advisory and accounting services. Adequate capital not only mitigates startup risks but also lays the foundation for sustainable performance and client trust.

***Refer to Annexure A – SNA Capital Requirements for a detailed breakdown of the capital required.***

## Business Description

Sakhile Nathi Advisory aims to bridge the gap between advanced financial management and practical business needs. Leveraging modern cloud technology and deep domain expertise, we provide tailored financial advice and robust accounting support to small and medium-sized enterprises (SMEs), startups, and established firms.

Our core values

- **Integrity:** Always acting with honesty and in the best interests of our clients.
- **Transparency:** Open communication and clear explanations of all recommendations and fees.
- **Personalisation:** Tailoring strategies to each client's goals, preferences, and risk tolerance.
- **Continuous Learning:** Staying ahead of market trends and regulatory changes to provide up-to-date guidance.
- **Community:** Giving back through financial literacy programs and local initiatives.
- **Efficiency:** Maximising resources and limiting waste. Delivering high-quality results in a timely manner.



## Vision

To be the leading partner in financial transformation, enabling business owners to make confident, data-driven and well-informed financial decisions.

## Mission

To deliver world-class financial advisory and cloud accounting services that help clients unlock value, ensure compliance, and achieve sustainable growth.

## Services

### 1. Advisory Services

- ⇒ Business Valuations: In-depth analysis and appraisal of business worth for mergers, acquisitions, funding, or internal strategy.
- ⇒ Financial Planning & Analysis (FP&A) and Budgeting: Comprehensive budgeting, forecasting, and scenario planning to support informed decision-making.
- ⇒ Strategic Financial Advisory: High-level guidance on capital structure, investment decisions, growth strategies, and risk management.

### 2. Cloud Accounting Services

- ⇒ Bookkeeping & Reporting: Real-time, accurate record-keeping and management reports accessible from anywhere.
- ⇒ Annual Financial Statements: Preparation and review of statutory financial statements in compliance with regulatory standards.
- ⇒ Payroll Services: End-to-end payroll processing, including payslips, tax calculations, and statutory submissions.
- ⇒ Corporate Tax Services: Corporate income tax computation, submission, and compliance management.
- ⇒ VAT Registrations, Reconciliations & Submissions: End-to-end VAT services, ensuring clients remain compliant while minimising tax burdens.

### 3. Automation Tools

- ⇒ Implementation of cloud-based software to streamline accounting, reporting, and compliance workflows.

### 4. Bundled Packages

- ⇒ For clients who require more than one service or wish to integrate several elements from our diverse financial solutions, you can benefit from our tailored bundled packages. These packages are thoughtfully curated to bring together complementary services, such as cloud accounting, payroll processing, tax compliance, and strategic advisory, into a single, streamlined offering. By opting for a bundled package, clients can enjoy several key advantages: simplified engagement through a single point of contact, cost efficiencies derived from packaged pricing, and the assurance that all aspects of their financial management are holistically addressed. Whether a business needs bookkeeping and payroll, or a combination of annual financial statements, VAT compliance, and advisory support, our flexible bundles are designed to scale with organisational growth and evolving needs. This approach not only



maximises value but also ensures seamless integration across all selected services, providing clients with consistent quality, real-time insights, and peace of mind that their financial obligations are managed efficiently and compliantly.

We offer three distinct bundled packages, each tailored to meet the specific needs of businesses at various stages of their journey.

- ⇒ The Start-up Package is designed especially for start-ups and small businesses that are taking their first steps towards building a solid financial foundation. This package delivers essential services such as cloud bookkeeping, payroll processing, basic tax compliance, and straightforward VAT support. It ensures that fledgling enterprises remain compliant and gain access to accurate, real-time financial data without the complexity or cost of maintaining an in-house finance department.
- ⇒ For businesses entering a phase of growth, the Scale-up Package provides an expanded suite of services to support evolving requirements. In addition to the fundamentals, this package typically includes more advanced management reporting, ongoing tax planning, enhanced payroll features, and advisory sessions to help navigate scaling challenges. It's ideal for growth-phase companies seeking to streamline operations and make informed, data-driven decisions as they expand.
- ⇒ The Established Package is intended for medium-sized businesses that are either well-established or undergoing significant transformation. This comprehensive package combines all core services—cloud accounting, payroll, tax, and VAT compliance—with higher-level financial management, regular strategic advisory, and custom reporting. It's crafted to address complex compliance needs while supporting strategic development, efficiency, and sustainable growth.
- ⇒ The Fundraiser Package is a customised investment pack specifically designed for companies that have already identified potential financiers and now need a compelling motivation document to secure funding. Rather than a generic approach, this package focuses on assembling a persuasive, professionally crafted presentation or document that outlines the company's value proposition, growth potential, and financial projections. By concentrating on the needs of businesses that have progressed to the funding stage but require expert support in communicating their case, the Fundraiser Package streamlines the process of securing investment and strengthens the company's position with targeted financiers.

## Market Analysis

### Industry Overview

The South African financial services sector is undergoing rapid digital transformation, with cloud accounting and outsourced advisory services in high demand. SMEs, in particular, are seeking efficient ways to manage their finances, comply with regulatory changes, and make data-driven decisions without the overhead of in-house teams.

### Target Market

- Small and medium-sized enterprises (SMEs) across various sectors (retail, manufacturing, professional services, and more)
- Startups and entrepreneurs requiring scalable financial infrastructure



- Established businesses undergoing transformation or expansion
- Non-profit organisations and public entities seeking compliant, cost-effective solutions

## Value drivers and industry price structures

### Value Drivers

- ⇒ Technology Integration: The adoption of cloud-based platforms and automation tools allows for streamlined operations, real-time financial data access, and scalable solutions, enhancing efficiency and transparency for clients.
- ⇒ Regulatory Compliance: Proficiency in helping businesses adhere to shifting legal and tax requirements is a key differentiator, as companies increasingly value partners who can mitigate compliance risks and reduce administrative burdens.
- ⇒ Expertise and Customisation: Firms offering sector-specific insights and tailored advisory services—rather than one-size-fits-all solutions—are better positioned to add measurable value and command stronger client loyalty.
- ⇒ Cost Efficiency: Outsourced financial services allow SMEs to access high-level expertise without the costs of building in-house teams, making value-for-money a decisive factor for many clients.
- ⇒ Data-Driven Decision Support: The ability to deliver actionable insights from financial data empowers clients to make informed strategic decisions, further increasing reliance on providers who can turn raw data into value.
- ⇒ Client Service and Responsiveness: High-touch service, proactive communication, and ongoing support drive client retention and positive referrals in a competitive market.
- ⇒ Security and Data Privacy: As reliance on digital systems grows, robust cybersecurity and data protection measures become crucial, both as a selling point and a compliance requirement.

### Industry Price Structures

- ⇒ Fixed-Fee Packages: Many providers offer tiered packages (monthly or annual) based on the complexity and volume of services—such as bookkeeping, payroll, tax compliance, or reporting. This brings predictability for clients and recurring revenue for firms.
- ⇒ Pay-As-You-Go: Flexible pricing for ad hoc or one-off services (e.g., financial modelling, business valuations) appeals to startups or businesses with fluctuating needs.
- ⇒ Value-Based Pricing: Where advisory services deliver clear, measurable benefits, some firms charge fees aligned with the value created for the client, rather than input hours alone.
- ⇒ Hourly Billing: Traditional billing by the hour remains common in cases requiring ongoing, hands-on advisory or project-based work. However, its popularity is declining in favour of more transparent alternatives.
- ⇒ Subscription Models: With the shift to cloud-based solutions, software access and associated support may be bundled into recurring subscription fees, often scaling with user numbers or service modules selected.

## Historical growth rates

Between 2018 and 2025, the industry has experienced steady, albeit varied, growth rates shaped by digital transformation, regulatory changes, and shifting client expectations. The initial years saw





moderate expansion as firms adapted to new technologies and integrated cloud-based solutions, resulting in improved service delivery and the emergence of innovative business models. Growth accelerated further from 2020 onward as remote work and automation became mainstream in response to the global pandemic, driving demand for scalable, digital-first financial services. Annual growth rates fluctuated accordingly: modest increases of 3–5% in 2018–2019 gave way to higher rates of 6–8% during 2020–2022, as firms capitalised on heightened digital adoption and new client segments entered the market. As the industry matures and digital solutions reach broader adoption, growth is projected to stabilise at around 4–6% annually through 2025, with continued opportunities arising from advisory services, data analytics, and integrated platforms.

These growth rates are supported by industry analyses such as the “Global Accounting Services Market Report (2023)” and year-on-year data published by the International Federation of Accountants (IFAC) and Statista, which detail the sector’s digital evolution and pandemic-driven acceleration. Such reports consistently highlight the transition to digital platforms and recurring service models as central factors shaping observed and projected growth.

## Trends and problems the industry is facing

The accounting and financial services industry is currently navigating a landscape characterised by rapid technological advancement, evolving client expectations, and mounting regulatory complexity. Among the most significant trends is the widespread adoption of digital tools and cloud-based platforms, which have transformed not only how services are delivered but also the types of offerings available. Automation and artificial intelligence have enabled more efficient data processing and analysis, freeing professionals to focus on higher-value advisory work. This shift has spurred firms to diversify into data analytics, business intelligence, and strategic consulting, moving beyond compliance and transactional tasks.

However, these opportunities come with their own set of challenges. The accelerated pace of digital transformation has intensified competition, as both established firms and new entrants vie to differentiate themselves through innovation and client experience. Smaller practices may struggle to invest in the technology and talent required to keep pace, risking obsolescence or consolidation. Additionally, while automation reduces manual workload, it also raises concerns about job displacement, skill gaps, and the need for ongoing professional development.

Regulatory requirements continue to grow in complexity as governments respond to global economic uncertainties, cybersecurity threats, and demands for increased transparency. Firms must contend with frequently changing compliance standards, data privacy regulations, and heightened expectations around environmental, social, and governance (ESG) reporting—further increasing the cost and complexity of doing business.

Moreover, as clients become more sophisticated and demand customised, real-time insights, firms are pressured to deliver seamless, integrated solutions that offer clear, demonstrable value. Balancing the shift to recurring revenue models with the need to maintain individualised service remains a persistent challenge.

In summary, while technological innovation and new service models offer substantial growth opportunities, the industry must address significant hurdles related to competition, regulation, workforce adaptation, and evolving client demands to sustain long-term success.

For further substantiation, these themes and data points are corroborated in recent industry analyses such as the “**Global Accounting Services Market Report (2023)**” as well as year-on-year statistical releases from organisations like the International Federation of Accountants (IFAC) and Statista.



These sources emphasise the sector's rapid shift toward digitalisation, evolving regulatory landscapes, and the challenges and prospects facing firms as they adapt to new business realities.

## Recent developments

In recent years, the accounting and financial services industry has witnessed several notable developments that reflect both the momentum of digital transformation and the shifting priorities of clients and regulators. Notably, there has been a surge in the integration of artificial intelligence and machine learning into core service offerings, enabling predictive analytics, automated risk assessment, and enhanced fraud detection. Cloud-based collaboration tools have become ubiquitous, facilitating both remote work and real-time client interaction, while also supporting more agile business continuity strategies.

Another significant development is the growing emphasis on environmental, social, and governance (ESG) services. Firms are expanding their advisory and assurance portfolios to help clients navigate new ESG reporting requirements and implement sustainable business practices. Additionally, blockchain technology is beginning to make inroads, particularly in audit and transaction verification processes, promising greater transparency and traceability.

Cybersecurity has also taken centre stage as a strategic priority, with firms investing heavily to protect sensitive financial data amid rising threats and stringent data privacy regulations. Talent management strategies are evolving in parallel, as firms place increased focus on digital skills development, flexible work arrangements, and diversity initiatives to attract and retain top professionals in a competitive market.

Collectively, these developments underscore the industry's dynamic evolution and its capacity to adapt to changing technological, regulatory, and market landscapes.

## How is the market segmented and why

Market segmentation within the accounting and financial services industry is both multifaceted and purposeful, designed to address the diverse and evolving needs of clients, regulatory environments, and competitive dynamics. Broadly, the industry is segmented along several key dimensions: service lines, client type, firm size, sector focus, and geographic region.

By service lines, firms distinguish themselves through offerings such as audit and assurance, tax advisory, consulting, risk management, forensic accounting, and, increasingly, ESG and digital transformation services. This segmentation allows firms to specialise and innovate, capturing value in areas where they possess deep expertise or technological advantage.

Client segmentation is equally crucial, differentiating between large corporates, small and medium-sized enterprises (SMEs), public sector entities, and high-net-worth individuals. Each client category presents unique requirements in terms of compliance, reporting, and advisory needs, prompting providers to tailor their solutions and service delivery models accordingly.

Firm size further stratifies the market, from global networks and "Big Four" firms, which serve multinational clients with complex, cross-border needs, to boutique and regional practices that focus on local enterprises and specialised services. This hierarchy enables both breadth and depth of service, accommodating everything from global regulatory compliance to niche market advisory.

Sector focus, meanwhile, reflects the growing demand for industry-specific expertise. Firms develop specialised teams to serve sectors such as financial services, healthcare, technology, real estate, and manufacturing, each with its own regulatory nuances and operational challenges.



Finally, geographic segmentation remains vital as regulatory regimes, economic conditions, and market maturity vary widely across jurisdictions. Firms often tailor their strategies to align with local requirements and business cultures, ensuring compliance and relevance in each territory. This nuanced segmentation is driven by the imperative to deliver targeted, high-value services in an increasingly complex environment, enabling firms to build competitive advantage, strengthen client relationships, and respond nimbly to emerging trends and risks.

## Applicable industry ratios

Within the accounting and financial services industry, several key ratios are employed to assess performance, economic health, and operational efficiency. These ratios not only facilitate benchmarking against peers but also inform strategic decisions for both service providers and their clients. The most pertinent industry ratios include:

- ⇒ **Gross Margin Ratio:** This measures the proportion of revenue that exceeds the cost of service delivery (often staff and technology costs). A healthy gross margin indicates operational efficiency and the ability to invest in innovation or client service enhancements.
- ⇒ **Operating Margin:** Reflecting profitability after accounting for operating expenses, this ratio is crucial for understanding how well a firm manages its overheads relative to revenue generation, especially in a sector where fixed costs can be significant.
- ⇒ **Revenue per Employee:** Given that talent is the primary asset, this ratio assesses workforce productivity and efficiency. Higher revenue per employee often signals effective utilisation of expertise and technology.
- ⇒ **Utilisation Rate:** Particularly relevant to professional services, this measures the proportion of billable hours against total available hours. High utilisation suggests optimal deployment of staff time and resources.
- ⇒ **Realisation Rate:** This tracks the percentage of billable hours that are paid by clients, highlighting pricing discipline and client relationship management.
- ⇒ **Client Retention Rate:** A high retention rate signals strong service quality and client satisfaction, both critical in a relationship-driven industry.
- ⇒ **Accounts Receivable Turnover:** This indicates how efficiently a firm collects payments from clients, which is vital for cash flow management in a sector with project-based billing cycles.
- ⇒ **Net Promoter Score (NPS):** While not a financial ratio, NPS has become a significant benchmark for client satisfaction and loyalty, impacting a firm's reputation and growth prospects.
- ⇒ **Fee Recovery Ratio:** This ratio compares the fees billed to the fees collected, providing insight into the effectiveness of billing and collections processes.

Each of these ratios provides a lens through which firms can identify strengths, pinpoint weaknesses, and benchmark themselves against industry standards. Their proper application supports strategic planning, risk management, and continuous improvement in an environment marked by evolving expectations and competitive pressures.

## Legal and regulatory environment

The legal and regulatory environment in the professional services and accounting sector is both dynamic and multifaceted, shaping the operational landscape in profound ways. Firms must adhere to a complex framework of national statutes, industry-specific regulations, and evolving standards issued



by bodies such as the International Financial Reporting Standards (IFRS), local accounting boards, and tax authorities. Regular compliance audits, anti-money laundering protocols, and stringent data protection requirements underscore the need for robust internal controls and vigilant risk management. Further, frequent legislative updates compel firms to remain agile, investing in ongoing staff training and technological adaptation to maintain compliance and uphold professional integrity. Navigating this environment not only safeguards a firm's reputation but also enhances client trust—key assets in an industry built on fiduciary responsibility and long-term relationships.

## Economic outlook

The economic outlook for the professional services and accounting sector is shaped by both enduring fundamentals and emerging trends. Demand for high-quality advisory and compliance services remains resilient, driven by ongoing regulatory changes, globalisation of business, and the increasing complexity of financial reporting. However, firms also face mounting challenges: pressures on fee structures, the commoditisation of certain services due to technology, and heightened competition from both traditional rivals and new digital entrants.

Macroeconomic factors—including inflation, interest rate fluctuations, and shifting client industries—can affect project pipelines and discretionary spending on consulting. While economic slowdowns may prompt some clients to cut costs, the essential nature of accounting, audit, and tax services often provides a measure of defensive stability for the sector.

At the same time, firms that invest in digital transformation, cloud-based solutions, and value-added advisory services are better positioned to capture growth opportunities, especially as clients seek partners who can deliver both compliance and strategic insight. The sector's outlook is thus cautiously optimistic: those able to adapt quickly, harness technology, and demonstrate clear value will not only weather economic headwinds but can thrive amid evolving client expectations and global market dynamics.

## Growth Constraints

- ⇒ **Regulatory Complexity and Compliance Costs:** The ever-evolving web of regulations—from international standards to local compliance requirements—demands ongoing investment in staff training, monitoring, and technology. This not only diverts resources from innovation but also raises the cost of doing business, potentially slowing expansion.
- ⇒ **Fee Pressure and Commoditisation:** As certain core services (like basic accounting and tax preparation) become increasingly automated or commoditised, traditional billing models are challenged, squeezing profit margins and making it more difficult for firms to fund growth initiatives.
- ⇒ **Intense Competition:** The sector faces heightened competition from both established firms and agile new entrants leveraging digital platforms. This intensifies the need for differentiation and can lead to price wars, which further restrict growth potential.
- ⇒ **Talent Acquisition and Retention:** Attracting and retaining skilled professionals is a persistent challenge, especially as the demand for expertise in areas like data analytics, technology, and advisory services rises. Talent shortages can constrain the capacity to scale and innovate.
- ⇒ **Technological Disruption:** While technology offers opportunities, keeping pace with rapid advancements requires continuous investment. Firms that fall behind risk losing market share, while those that overinvest may strain their resources.



- ⇒ Client Budget Constraints: Economic uncertainty or sector-specific downturns may lead clients to delay projects or reduce discretionary spending on consulting and advisory services, thereby dampening demand.
- ⇒ Globalisation and Cross-Border Complexity: Expanding into new markets exposes firms to unfamiliar legal, tax, and regulatory environments, as well as cultural challenges, increasing both operational risk and cost.

## Cyclicalities and seasonality

The industry is shaped by recurring cycles and seasonal patterns. Periods such as fiscal year-ends, tax filing deadlines, and regulatory reporting dates tend to generate spikes in client activity and demand for professional services, placing strain on resources and requiring firms to ramp up capacity temporarily. Conversely, quieter periods may follow, where workflow and revenue taper off, presenting challenges for resource planning and financial stability. Broader economic cycles—such as recessions or periods of rapid growth—further impact client budgets and service demand, adding another layer of unpredictability to revenue streams and strategic planning.

## Industry-specific risks

Industry-specific risks in the accounting and professional services sector are multifaceted and can significantly impact firm performance and long-term viability. Among the primary risks are:

- ⇒ Regulatory and Legal Exposure: The profession is highly regulated, and failure to comply with complex and shifting standards can result in legal penalties, reputational damage, and even loss of license. Frequent updates to tax codes, audit requirements, and international reporting standards create a moving target for compliance.
- ⇒ Liability and Professional Indemnity: Providing advisory and assurance services exposes firms to the risk of litigation if advice leads to client losses or if errors are made in financial reporting. Professional indemnity claims can be costly and time-consuming, making robust risk management and insurance essential.
- ⇒ Data Security and Confidentiality Risks: Handling large volumes of sensitive client data makes firms attractive targets for cyberattacks and data breaches. Failure to safeguard this information can result in severe financial and reputational consequences, along with regulatory sanctions.
- ⇒ Reputational Risk: The sector's reliance on trust means that any perceived lapse—whether due to a single error, ethical breach, or association with controversial clients—can have a magnified adverse effect, resulting in lost business and decreased client confidence.
- ⇒ Talent Dependency: The quality of services provided is directly tied to the expertise of personnel. Loss of key staff or inability to attract new talent can compromise delivery, innovation, and client satisfaction, particularly in specialised or high-demand areas.
- ⇒ Service Delivery and Technology Failure: As firms adopt more digital platforms and automation, reliance on technology increases. Outages, software failures, or flawed implementations can disrupt operations and erode client trust.
- ⇒ Client Concentration: Overreliance on a small number of major clients increases vulnerability to changes in those clients' circumstances—such as mergers, insolvencies, or shifts in strategic direction—which can abruptly affect revenue streams.
- ⇒ Market Saturation and Fee Compression: High levels of competition, especially in commoditised services, can push down prices and margins, making it riskier for firms to invest in innovation or expansion without reliable returns.



Effectively navigating these risks requires proactive management, continuous upskilling, and investment in technology and compliance systems to ensure resilience in a dynamic environment.

## Competitive Advantage

- **Comprehensive Service Offering:** Integration of advisory and cloud accounting under one roof.
- **Cloud-First Approach:** Secure, accessible, and real-time financial data management.
- **Automation & Efficiency:** Reduced manual processes and errors, faster turnaround times.
- **Expertise:** Highly qualified professionals with deep financial and regulatory knowledge.
- **Client-Centricity:** Personalised support and education for business owners at every growth stage.

## Target market analysis

Market analysis (size and growth in terms of number of products, monetary value and number of customers)

At Sakhile Nathi Advisory, our strategic objective is to expand our client base by an average of 150-300 clients each year, positioning ourselves to serve organisations across all industries and company sizes within the next decade. This ambitious growth trajectory is underpinned by our commitment to delivering integrated advisory and cloud accounting solutions that are scalable, adaptable, and tailored to evolving market needs.

Through this measured approach, we anticipate reaching a diversified portfolio that spans traditional sectors such as manufacturing, retail, and professional services, as well as emerging industries including technology, renewable energy, and creative enterprises. Our current and projected market size reflects both the increasing demand for digital financial solutions and the growing recognition of the value of proactive, knowledgeable advisory services.

By mapping our growth to a consistent annual increase in clients, we can ensure sustainable scaling of our service capacity, maintain our high standards of client-centric support, and continue to invest in the professional development and technological infrastructure needed to serve a broader, more varied clientele. Over the next 10 years, our vision is to establish Sakhile Nathi Advisory as a trusted partner for businesses at every stage of maturity, from start-ups to large corporates, across the full spectrum of industry verticals.

## Target Market and geographic coverage

Our primary target market comprises start-ups, small businesses, and medium-sized enterprises (SMEs) operating in a diverse array of geographic locations, from dynamic local markets to the global stage. We recognise that these organisations are often the most agile, innovative, and growth-driven segments of the economy, yet they face unique challenges in navigating complex financial environments, regulatory landscapes, and the rapid pace of technological advancement.

Start-ups, with their bold ideas and entrepreneurial spirit, need flexible, cost-effective advisory and cloud accounting solutions that can scale with their ambitions as they move from ideation to commercialisation. Small businesses, the backbone of economies worldwide, require robust yet accessible support to streamline operations, maintain compliance, and unlock new opportunities for





expansion. Medium-sized enterprises, straddling the line between nimble innovation and operational complexity, benefit from the tailored expertise and digital transformation that can help them compete on a regional, national, and international level.

By focusing on these segments, Sakhile Nathi Advisory is committed to empowering organisations at pivotal moments in their growth journeys. Our global outlook ensures that we are attuned to the nuances of different markets and regulatory contexts, enabling us to offer relevant, future-proof solutions no matter where our clients are located. This inclusive approach positions us to add value to a broad spectrum of industries, fostering sustainable success for businesses worldwide.

***Refer to Annexure B – SNA Potential Client List for the potential and existing client list and refer to Annexure E – SNA LOIs & EIs.***

## Marketing & Sales Strategy

### Brand Positioning

Sakhile Nathi Advisory positions itself as an expert partner that not only solves financial challenges but also contributes to client growth through proactive, tech-driven solutions.

### Marketing Channels

- Digital Marketing: Website, SEO, social media campaigns (LinkedIn, Facebook, Instagram and X), and content marketing (thought leadership articles, webinars, workshops).
- Networking & Partnerships: Collaborations with business incubators, legal and consulting firms, and industry associations.
- Client Referrals: Incentivised referral programs for satisfied clients and partners.
- Sakhile Nathi Advisory will register as a practice under both the South African Institute of Chartered Accountants (“**SAICA**”) and the South African Institute of Professional Accountants (“**SAIPA**”).
- Events: Hosting and participating in financial literacy seminars, expos, and trade shows.

### Sales Strategy

- Consultative sales approach—understanding each client’s unique needs and tailoring service packages accordingly.
- Transparent pricing models—fixed monthly retainers or project-based fees.
- Free initial consultations and diagnostic reviews.

## Operations Plan

### Business Structure

The firm will operate with a lean, agile team of financial advisors, accountants, tax specialists, and client success managers. Cloud-based software will enable remote collaboration and flexible client service.

### Technology Stack

- Leading cloud accounting platforms (e.g., Xero, Sage, QuickBooks Online)
- Document management and digital signature tools
- Custom dashboards and automation solutions for streamlined reporting
- Secure data storage and cybersecurity protocols to ensure confidentiality



## Key Processes

- Client onboarding and needs assessment
- System integration and migration (where applicable)
- Ongoing bookkeeping, reporting, and compliance management
- Regular financial review meetings and strategic sessions with clients
- Continuous process improvement and feedback collection

## Management Team

The leadership of Sakhile Nathi Advisory comprises experienced professionals with backgrounds in finance, accounting, tax, and business consulting. The team is committed to ongoing professional development and upholding the highest ethical standards.

### Management experience and qualifications

The current CEO of Sakhile Nathi Advisory holds a prestigious chartered accountancy designation, underscoring their deep technical expertise in finance and accounting. In addition to this qualification, the CEO is set to complete an MBA by the end of 2025, which will further enhance their strategic, operational, and leadership capabilities. Bringing valuable corporate experience to the role, the CEO leverages a background that spans complex financial environments and business management settings. As Sakhile Nathi Investment continues to strengthen its financial position and achieve sustainable cash flow, the company plans to expand its leadership team by hiring additional directors. This phased approach ensures that the right talent will be brought on board to support the company's long-term growth objectives and operational excellence.

### Number of employees

Currently, Sakhile Nathi Advisory operates with a single dedicated employee who manages the firm's core operations and client engagements. While the current team is small, a comprehensive human resource plan has been developed and is included as an annexure to this document. This HR plan outlines a clear trajectory for organisational growth, detailing the strategic recruitment, training, and development initiatives that will enable the company to scale up its workforce significantly. According to the plan, Sakhile Nathi Advisory anticipates expanding to more than 120 employees by 2027. This phased approach ensures the company will be equipped with the skills, expertise, and capacity needed to support an expanding client base and to deliver consistently high-quality, innovative advisory services at scale.

### ***Refer to Annexure C – SNA HR Plan***

### % BEE

Sakhile Nathi Advisory proudly holds a Level 1 B-BBEE contributor status, the highest possible rating under South Africa's Broad-Based Black Economic Empowerment framework. This prestigious accreditation reflects not only the company's strong commitment to transformation and empowerment but also positions it as an ideal partner for organisations seeking to enhance their own B-BBEE scores through procurement. As a Level 1 contributor, Sakhile Nathi offers clients a 135% procurement recognition level, meaning that for every R1 spent with the firm, clients can claim R1.35 towards their own B-BBEE procurement targets. This exceptional recognition provides a strategic advantage for businesses focused on meeting compliance requirements and supporting inclusive economic growth.





## Skills required

To achieve long-term success and thrive within the competitive financial consulting industry, Sakhile Nathi Advisory's team will need to cultivate a diverse and robust skill set. Critical skills include:

- **Technical Financial Expertise:** Advanced knowledge in accounting, tax regulations, and financial analysis will be essential for accurate reporting, compliance, and advisory services. This includes proficiency with financial software and the ability to interpret complex data sets.
- **Business Consulting Acumen:** Strategic thinking, problem-solving, and business process optimisation skills will enable the team to provide actionable insights and tailored solutions that drive client growth and efficiency.
- **Regulatory and Compliance Knowledge:** A Comprehensive understanding of both local and international compliance frameworks, including B-BBEE standards, will ensure clients' interests are protected and that the firm maintains its high ethical standards.
- **Client Relationship Management:** Strong interpersonal, communication, and negotiation skills are vital for building trust, nurturing long-term partnerships, and delivering excellent client service.
- **Technological Proficiency:** Familiarity with the latest business technologies—such as automation tools, cloud accounting platforms, and data analytics—will help drive innovation and operational efficiency.
- **Project Management:** Effective planning, organisation, and time management skills will be necessary to juggle multiple client projects and deliverables, ensuring deadlines and performance targets are consistently met.
- **Leadership and Team Development:** As the firm grows, leadership, coaching, and mentoring abilities will be increasingly important to foster a collaborative, skilled, and motivated workforce.
- **Continuous Learning:** The industry evolves rapidly; a commitment to ongoing professional development, staying abreast of regulatory updates, market trends, and emerging best practices will be crucial for maintaining a competitive edge.

## Training programmes

As part of its strategic growth and commitment to professional excellence, Sakhile Nathi Advisory will formally register as a training office with the South African Institute of Professional Accountants (SAIPA). This dual registration not only affirms the firm's adherence to the highest standards of ethics and technical competence but also opens the door for Sakhile Nathi Advisory to play an active role in training the next generation of industry professionals.

Central to this vision, the firm intends to recruit fresh graduates holding recognised accounting qualifications. These emerging professionals will benefit from a structured onboarding programme, where technical foundations are reinforced and real-world experience is gained through rotation across various service lines. Sakhile Nathi Advisory will provide dedicated mentorship, pairing each graduate with experienced advisors who will guide them through both the challenges and opportunities unique to the consulting environment.

Mentors will support graduates in setting personal development goals, mastering technical competencies, and cultivating essential workplace skills such as leadership, communication, and ethical decision-making. Regular feedback sessions, targeted training workshops, and exposure to client engagements will ensure that new team members develop a holistic understanding of the profession and the industry at large.



This investment in talent development is designed not merely to address immediate staffing needs but to create a sustainable pipeline of skilled professionals who are equipped to grow within the firm and contribute meaningfully to its culture and long-term vision. By fostering an environment of learning, support, and accountability, Sakhile Nathi Advisory will empower graduates to realise their full potential—both as professionals and as individuals.

***Refer to Annexure C - SNA HR Plan***

## Financial/Cashflow Analysis

### Revenue Streams

- Monthly retainers for ongoing accounting, payroll, and compliance services
- Project fees for business valuations, strategy projects, and automation implementations
- Ad hoc consulting and advisory fees
- Training, webinars, and support service packages

### Projected Costs

- Salaries and professional development
- Technology subscriptions and software licenses
- Marketing and client acquisition costs
- Professional indemnity insurance
- Office space and administrative expenses

### Profitability Outlook

Sakhile Nathi Advisory anticipates reaching operational break-even within the first 6-18 months, with strong potential for year-on-year revenue growth as the client base expands and service offerings scale.

***Refer to Annexure D – SNA Financial Analysis for the projected AFS and the NAV review/analysis.***

### Risk Analysis

- Regulatory Changes: Ongoing monitoring of tax and financial regulations to ensure compliance and proactively advise clients.
- Technology Risks: Investment in cybersecurity and regular updates to cloud infrastructure.
- Market Competition: Continuous differentiation through service quality, expertise, and client education.

## Socio-economic benefits

### Job creation

Sakhile Nathi Advisory is committed to fostering employment opportunities at multiple levels of expertise within the financial services sector. For experienced professionals, the firm will create specialised positions that leverage their advanced skills in areas such as tax strategy, compliance, audit, financial planning, and client advisory services. These roles will not only address complex client



needs but also enable knowledge sharing and leadership within project teams, thereby strengthening the firm's service quality and credibility.

Simultaneously, the company recognises the importance of nurturing future talent. Structured graduate recruitment and internship programs will be established to attract recent graduates from accounting, finance, and related disciplines. These trainees will benefit from a comprehensive onboarding process, mentorship by senior staff, and progressive responsibility on real client engagements. Through on-the-job training, exposure to diverse assignments, and formal skills development modules, new graduates will be equipped with both technical proficiency and professional confidence.

This dual approach ensures that Sakhile Nathi Advisory contributes both to reducing unemployment among skilled professionals and to providing meaningful entry points for young graduates. By doing so, the firm not only supports individual career advancement but also expands the talent pipeline necessary for sustainable business growth.

## Poverty alleviation

Sakhile Nathi Advisory adopts a multifaceted approach to poverty alleviation within the communities it serves, recognising that sustainable economic upliftment requires more than just job creation. By embedding social responsibility within its operational strategy, the firm targets poverty on several critical fronts.

Firstly, through accessible employment opportunities at various skill levels, Sakhile Nathi Advisory provides stable income streams to both experienced professionals and young graduates. This dual hiring strategy ensures that not only are existing experts gainfully employed, but also that youth—who are often disproportionately affected by unemployment—are integrated into the workforce. With structured graduate recruitment and internship programmes, the company actively lowers barriers to entry for those from underprivileged backgrounds, thereby giving them a platform for socio-economic mobility.

Moreover, the comprehensive onboarding and skills development initiatives mean that new hires acquire not just immediate job placements, but the professional competencies and confidence required to thrive in the long term. The exposure to diverse client assignments, mentorship from seasoned practitioners, and ongoing formal training support sustained career progression. As these individuals advance, they become economically independent, able to support themselves and their families, and contribute to household stability. This ripple effect extends to the broader community, where improved livelihoods can translate into greater access to education, healthcare, and housing. Sakhile Nathi Advisory's focus on knowledge sharing and leadership development also nurtures local talent, ensuring that expertise remains within the community rather than being outsourced. As staff members become mentors and leaders themselves, they foster a culture of continuous learning and upliftment that benefits future generations. In this way, the firm not only addresses the symptoms of poverty—such as lack of income and opportunity—but also tackles the root causes, equipping community members with the tools for self-reliance and resilience.

Finally, by offering services that promote financial literacy and stability for clients—including individuals, small businesses, and community organisations—the firm helps to build a stronger economic foundation at the grassroots level. Improved financial planning and compliance among clients can stimulate entrepreneurial activity, local investment, and job creation outside the firm's direct employment, amplifying the impact of Sakhile Nathi Advisory's poverty alleviation initiatives throughout the community.



## Women participation

Founded by a visionary female leader, Sakhile Nathi Advisory has embedded the advancement of women at the very heart of its ethos. Recognising the systemic barriers that have historically limited female representation in the financial services sector, the firm is committed to creating an environment where women can thrive at every level. This commitment begins with intentional recruitment strategies that seek out talented women for both professional and graduate opportunities, ensuring gender diversity is championed right from the point of entry.

The company's leadership recognises that meaningful participation is about more than numbers—it is about influence, empowerment, and visibility. Sakhile Nathi Advisory will foster mentorship programmes specifically tailored for female employees, connecting them with senior leaders who can provide guidance, sponsorship, and career advocacy. The firm will also promote policies that support work-life balance, enabling women to excel in their careers while fulfilling other personal commitments.

To further strengthen this agenda, Sakhile Nathi Advisory will establish forums for women within the organisation to network, share experiences, and drive initiatives that address unique challenges faced in the workplace. Training in leadership, negotiation, and financial expertise will be prioritised, equipping women with the tools necessary to ascend to management and executive roles. By cultivating a culture where women's voices are integral to decision-making and innovation, the firm aims not only to redress gender imbalances within its own ranks but also to set a standard for the industry at large.

Sakhile Nathi Advisory's proactive measures will ensure that the empowerment of women is not merely aspirational, but a measurable and sustainable reality—impacting individuals, teams, and the broader business community.

## Skills transfer/training

Skills transfer and training are fundamental pillars within Sakhile Nathi Advisory's strategy for sustainable impact—both within the firm and in the wider community it serves. By prioritising robust training initiatives, the organisation ensures its team members are not only equipped with up-to-date technical knowledge but also with adaptive problem-solving abilities crucial in the rapidly evolving financial advisory landscape.

Central to this approach is the concept of deliberate, structured skills transfer. New employees, whether recent graduates or seasoned hires, participate in formal induction and ongoing development programmes that bridge gaps between academic knowledge and practical, client-facing expertise. The firm's commitment to mentorship means that staff benefit from the wisdom of experienced leaders, who offer guidance in everything from navigating complex compliance environments to mastering industry-specific technologies.

As Sakhile Nathi Advisory takes on a diverse range of clients—including individuals, small businesses, and community organisations—employees must be agile and versatile. Regular upskilling workshops and access to external certifications ensure staff remain ahead of regulatory changes and technological advancements. This culture of continuous learning not only raises the calibre of internal talent but also enables the firm to offer higher-value, more innovative solutions to its clients.

Importantly, skills transfer at Sakhile Nathi Advisory is a two-way street. As younger staff bring digital fluency and fresh perspectives, seasoned professionals contribute deep industry insight and client relationship acumen. This intergenerational exchange creates a dynamic environment where learning is shared, not siloed, fostering creativity and resilience across teams.

Beyond internal benefits, the emphasis on training radiates outward. As employees become more competent and confident, they are empowered to mentor others, both within the firm and in the



community. Graduates and interns from underprivileged backgrounds, in particular, gain access to skill sets that might otherwise be out of reach—unlocking new avenues for socio-economic advancement.

In summary, skills transfer, and training are not ancillary activities but rather foundational drivers of Sakhile Nathi Advisory's mission. They ensure the company remains competitive, its workforce is empowered, and its broader impact is both deep and enduring.

## Growth Plan

- Expand client base through targeted marketing and partnerships.
- Develop proprietary automation tools tailored to South African regulations and business needs.
- Offer additional services such as CFO-for-hire, due diligence, and financial wellness programs.
- Scale operations nationally, with future plans for international expansion into global markets.

## Conclusion

Sakhile Nathi Advisory is poised to become a key partner for businesses seeking modern, reliable, and insightful financial support. With a focus on cloud technology, automation, and personalised advisory, the firm will empower clients to navigate complexity, ensure compliance, and seize opportunities for sustainable growth.