

## **BUSINESS FOR SALE IN RICHARDS BAY**

Specialising in Electrical Installations, instrumentation and Factory Maintenance in Richards Bay, this business was first established by the existing owners in 1984. Work undertaken is almost exclusive to Corporate's in the area while sub-contract work is also undertaken for some of the civil and mechanical contractors in town. The staff complement comprises approximately 25 people most of whom are permanently employed. Some of the personnel have been with the company for as many as 10 years.

Other than subscribing to the Yellow Pages, no other form of advertising is undertaken. Consequently, the business relies upon "word-of-mouth" referrals in conjunction with repeat business from the corporate Client base resultant from the high quality in service levels that ensures retention in loyalty from this market sector. Work is also sourced from the accepted forms of tendering, via media etc.

This opportunity presents investors with a return on investment (R.O.I.) of 31% and/or payback of approximately 38 months. Serious Buyers will be given access to the company accountant of many years who will gladly verify and explain financial processes providing a better insight into the businesses financial performance and status.

There are many items on the premises which are no longer reflected in the register due to the depreciation of same in accordance with GAAP. Vehicles included in the sale comprise 2 x Renault Kangoo Diesel Panel vans (1 x 4.5 years old and the other, 3.5 years old), 1 x Toyota Condor 10 seater Diesel (6 years old), 1 x Isuzu 2.5l Diesel LWB LDV (8 years old) and 2 x Aluminium Box Trailers

With improved BEE status, this business would be eligible to work for many more governmental and corporate industries. Possibly with more active completion of forms this could be done without change to the BEE status. This is a long standing, well established Electrical and Instrumentation Contracting Company. It has an impeccable credit record and bases its business relationship with Vendors on a strictly professional, reliable basis. The long standing and loyal employees afford continuity and personal relationships with buyers and technical personnel.

Dependent upon the investor's intentions, the business generates a good income for all employees and the directors. Should they be ambitious, there are many more opportunities to explore. In 1999/2000, the company employed some 82 people but the owners decided that this was too much for them to manage as it impeded upon the lifestyle they wanted with their children however, without too much effort, the business could be expanded to achieve these results again in a relatively short period of time.

The owner's wife (current Acting CEO) would be willing to consider remaining on for a period of six months to facilitate transfer of skills and smooth transition in ownership albeit it that certain personnel have been trained to ensure a relatively unaffected transition.

The asking price for the business has been set at R1.75 million.

Please contact Chris Greager for owner details.