



BUSINESS REPORT

Date: **13th October 2026**
Business Reference: **38368**

About the Business:

Services Business in Cape Town - Plumbing and Electrical

Under the management of a General Manager and strong Division Leads, this business operates with minimal input of the owner.

Services Business in Cape Town - Plumbing and Electrical



Sector: **Services**

Asking Price:

R 9,935,000

Monthly Profit:

R 287,002

Asset Value:

R 1,000,000

Stock Value:

R 60,000

Yearly Net Profit :

R 3,444,018



Business Report

How does the business operate on a daily basis?

The business provides plumbing, electrical, and gas services to residential and commercial clients. The business is being run by a General Manager who oversees daily operations, staff, scheduling of jobs and deals with all clients. Receptionists manage customer enquiries and bookings, surveyors conduct site inspections and prepare quotations, the accounts administrator handles invoicing and financial administration.

What Advertising/Marketing is carried out?

The business markets its services through its Google Business Profile, targeted Google Ads campaigns, and an active social media presence to attract new customers. It also promotes the business through branded promotional items and marketing initiatives with its vendor partners, while a strong reputation and word-of-mouth referrals continue to generate a significant portion of new business.

What competition exists?

The service industry is highly competitive, with numerous plumbing, electrical, and gas contractors operating in the market. However, the business is well established and benefits from a strong reputation, recognized brand, and loyal customer base, providing stability and a competitive advantage over many newer entrants.

How could the profitability of the business be improved?

Profitability could be improved by narrowing the service offerings and focusing on increasing the closure rate of the services provided. By specializing in core strengths, you can improve efficiency, reduce overheads, and convert a higher percentage of quotations into completed work.

There is also an opportunity to increase profit margins on our existing sales. I believe there is still room to improve the margins built into our pricing calculations within our systems without compromising our competitiveness.

A longer-term opportunity would be to move to larger premises with sufficient space to purchase materials directly from wholesalers in greater quantities. Establishing an in-house store would reduce procurement costs, improve stock availability, and allow us to increase our product resale margins while improving operational efficiency.

Give a breakdown of staff/ functions/ length of service?

General Manager - Qualified plumber - 8 years of service
Qualified electrician and electrical manager
Qualified plumber
2 x Apprentices
Senior Plumber
3 x Construction Foremans
4 x Constuction Labourers
1 x Senior Plumbing Technician
2 x Plumbing Apprentices
3 Electrician Technicians
1 x Accounts and admin
1x Receptionist and administrator
1 year of service
1x QS
1x Utilities liaison

Do any have management potential?

Yes - to be discussed

How involved is the Owner in running the business?

The owner and his wife is involved.
He sits in on site meeting and site visits. Also deals with larger projects and manages the business from above.
2-3 days per week but the business can operating effeciently under the General Manager.
His wife deals with Finance.

When does the current lease end?

The lease is open with the landlord.

What are the trading hours?

The premises is in a 24-hour secure complex with no set trading hours

What are the main assets of the business?

Vehicles and drain cleaning machinery
Equipment

Strengths?

Diverse service offering across plumbing, electrical, gas, metering, leak detection, heat pumps and maintenance creates multiple income streams.

Well-positioned to service residential, commercial and construction sectors, reducing dependence on a single client segment.

Strong reputation for professional workmanship and customer service, evidenced by positive customer feedback and established market presence.

Benefits from recurring maintenance, compliance certificates, metering and repair work which can generate repeat business.

Ability to cross-sell services to existing customers, increasing customer lifetime value.

Weaknesses?

Trade businesses are often dependent on key technical staff and management expertise, creating operational risk if critical personnel leave.

Revenue can be impacted by labour availability, technician productivity and vehicle utilisation.

Managing multiple service divisions (plumbing, electrical and gas) increases operational complexity.

Working capital requirements can be significant due to stock holding, vehicles, tools and project-related cash flow timing.

Service quality must remain consistently high across all teams to protect reputation.

Opportunities?

Growing demand for energy-saving solutions, including solar support systems, heat pumps and intelligent water management.

Expansion into body corporate, sectional title and property management contracts that provide recurring monthly revenue.

Increased infrastructure maintenance requirements in both residential and commercial property sectors.

Ability to grow geographically throughout the Western Cape through additional teams and satellite operations.

Acquisition of maintenance contracts and service-level agreements with commercial customers, schools, estates and developments.

Threats?

Intense competition from numerous independent plumbers, electricians and franchise operators.
Economic pressure can cause homeowners and businesses to delay non-essential maintenance and upgrades.
Rising fuel, labour, material and compliance costs can place pressure on margins.
Difficulty attracting and retaining qualified artisans in a competitive labour market.
Regulatory and compliance risks associated with plumbing, electrical and gas certification requirements.

What is the reason for the sale?

Sellers will be emigrating to Australia.