

A man in a blue suit and patterned shirt stands on a street, smiling. The background shows a building and a blue bin.

BUSINESS REPORT

Date: **17th May 2024**

Business Reference: **36407**

About the Business:

General engineering shop in the far Westrand

General engineering shop in the far Westrand offering anything from cutting, machining, laser cutting and boiler making requests

General engineering shop in the far Westrand



Sector: **Manufacturing**

Asking Price:

R **1,470,000**

Monthly Profit:

R **45,862**

Asset Value:

R **890,000**

Stock Value:

R **0**

Yearly Net Profit :

R **550,342**



Business Report

Fully describe the business's activities?

General engineering business that also offers boiler making services

How does the business operate on a daily basis?

Clients phone or walk in with repairs and work to be done or arrange telephonically. Business aims to be a one stop shop where anything relating to general engineering can be done. Anything from cutting, machining, laser cutting and boiler making requests

What Advertising/Marketing is carried out?

None whatsoever

What competition exists?

There are similar business in the area but they don't offer a full stop service at a decent price

How could the profitability of the business be improved?

Obtain work from mines and maybe contracts and active marketing.

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

3 Fitters and turners
2 boiler makers
1 cleaner/ grinder
2 general handyman

Do any have management potential?

No.

How involved is the Owner in running the business?

This business is owner managed and run

When does the current lease end?

The lease is renewed annually in October

What are the trading hours?

Monday to Friday from 07:00 to 17:00

What are the main assets of the business?

1 Hyundai bakkie
Generator
Office furniture
Engineering machines like a laser cutter, drills
Welding machines including aluminium

Strengths?

Employees are skilled and can work unsupervised
Well-known in the industry and area having been around for decades
Prices are very competitive
Goes the extra mile to satisfy or assist a customer

Weaknesses?

Owner need to have a technical knowledge
Manual processes
They don't have the latest and greatest equipment but everything works and is being maintained

Opportunities?

Obtain work from mines
Obtain contractual work
Active marketing.

Threats?

None identified

What is the reason for the sale?

Retirement