



BUSINESS REPORT

Date: **3rd July 2024**

Business Reference: **36369**

About the Business:

Owner Operator Pressure Vessel Inspection Business

Established and loyal customer base supporting this profitable business. All pressure equipment needs to be inspected by law resulting in a semi-captured market. Work from home opportunity with low overheads. Certification and Accreditation required to perform Inspection. Business based in beautiful Mpumalanga, Lowveld.

Owner Operator Pressure Vessel Inspection Business



Sector: **Services**

Asking Price:

R **550,000**

Monthly Profit:

R **43,485**

Asset Value:

R **150,000**

Stock Value:

R **0**

Yearly Net Profit :

R **521,821**



Business Report

Fully describe the business's activities?

Inspection and test of pressurized equipment, air receivers and boilers.

How does the business operate on a daily basis?

With an enquiry, a quote is issued and a accepted inspection is scheduled.
Once onsite, commence with the set-up of the inspection area and isolate the equipment ready for inspection.
Inspection equipment is on a bakkie and the assistant and owner carry out the inspection.
Equipment is re-instated once test is successfully completed and recommissioned.
Official inspection report is issued, client details and equipment status updated in business records.

What Advertising/Marketing is carried out?

Networking in the repair and maintenance organisations within the pressure vessel industry.
Word of mouth advertising and continued service of existing clients are the main actions carried out.

Does the business have any contract work?

No signed contract work, but several working arrangements with local industry players which will be continued with the new owner.

What competition exists?

One local competitor which mainly serves a different segment of the local market.

How could the profitability of the business be improved?

Improvement of admin whereby clients are followed up and quotes issued.
Addition of another assistant and LCV. The assistant could help with preparation work prior to the official inspection by the owner.

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

The assistant and owner perform all the inspections together.
Owners wife assist with the admin and financial management.

Do any have management potential?

Experienced assistant with customer knowledge and drivers license.
Owner needs to be certified by law in order to perform the inspections. (important)

How involved is the Owner in running the business?

Fully involved at all levels. At inspection, quoting reporting collecting money.

When does the current lease end?

Work from home opportunity, all testing equipment and work carried out using a light commercial vehicle.
Some storage space required (half of a single garage).

What are the trading hours?

7h00 to 17h00 for normal operations.
Weekend work is sometimes required due to client demands.
This is factored into the quote (i.e. overtime payment required).

What are the main assets of the business?

Intellectual Property (IP) compliant with PER, SANAS accredited and Inspection equipment.

Strengths?

Regulatory requirement, established client book, profitable business.
Low overheads and work from home, work time largely determined by owner.
Inspection work is not complicated or technically difficult.

Weaknesses?

One certified inspector, owner is the key person for this business.
Relative difficult entry to certification.

Opportunities?

Expansion by adding another assistant and LCV.

Threats?

Only one certified/qualified inspector in this business model and local competitor.

What is the reason for the sale?

Owner wishes to retire.