

**business**  
for sale



Date: **1st September 2024**  
Business Reference: **36870**

About the Business:

## **Umhlanga Locksmith**

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Serving businesses and homes - keys, locks, manual, digital, car remotes. 18 yrs & stable growth with 3 staff & a NP incl owners benefits R560 000 annually.

# Umhlanga Locksmith



Sector: **Services**

Asking Price:

**R 1,050,000**

Monthly Profit:

**R 46,530**

Asset Value:

**R 200,000**

Stock Value:

**R 50,000**

Yearly Net Profit :

**R 558,356**



# Business Report

## Fully describe the business's activities?

Fully fledged locksmith, with key cutting & remote programming capabilities, in respect of businesses, homes, cars, etc, as well as, retailing of all the preceding, security paraphernalia, safes etc. The clients have the option to come to the shop (Mon to Sat) or have the mobile techie's visit them 24/7.

## How long has the business been established?

Since 2006 by the present owner

## How does the business operate on a daily basis?

Clients either drive or phone in for products or services. The shop staff will either assist directly or direct the mobile unit to the client. The client is invoiced & payment made. Stock is replenished.

## How are the clients attracted to the business?

The business has built up a strong customer base over the past 18 years and they receive referrals from satisfied customers. The shop is in a high visibility area. They use Google AdWords.

## What competition exists?

There are 1 or 2 competitors close by, but not in such a good position or with such a long history in the community.

## What are the seasonal trends?

Pretty stable throughout the year at some R170k pm

## Is the business VAT Registered?

No - Two Companies are for sale, with the quoted "combined " turnovers within this Report (but as separate PTY's, they are not VAT registered)

## Are there up-to-date Management Accounts available?

Yes monthly in arrears. The systems in place prove the turnover. The Turnover of some R2m has been pretty stable over the last 2 years, with the May year-end Net Profit, including the owners benefits being R560 000.

## What percentage of the business is cash/credit?

The majority of clients pay by Cr Cards, eft & cash, while a very small percentage by 30 days (R7k pm)

## What is the total staff complement?

Owner - overseas everything & finance:  
plus - 3 staff : Shop assistant, mobile techie & 1 admin; PLUS there is an external mobile techie (within the expenses) who is used literally full-time.

## Do you require a licence?

Yes re-locksmith certification - and would be transferred with the PTY

## Premises details

42m2 shop with frontage in a strip shopping centre, on a main road. The present 3 yr lease ends in Aug 2025, but could similarly be extended with a 10% escalation. The rental for 2024/25 would be R9 000 pm, incl VAT.

## What are the main assets of the business?

2 x Nissan NP 200, various cutting & programming machines, tools & shop fittings/equipment, are in good working condition. They cost some R550k but might be some R200k on a 2nd hand sale basis. Private vehicle is not included.

## Strengths?

Known for 18 years in the market place, with a good service history, in a good physical position, quality staff, & products/services that are a necessity & always in demand.

## Weaknesses?

That pro-active marketing / business development does not occur

## Opportunities?

Additional / new products & services.

Once the new owner knows the business, he could open other shops in different suburbs

## Threats?

A new competitor opens nearby, but that business will be unknown, untested, & will not easily gain traction against a well-established name in the area

## What is the reason for the sale?

Owner is looking to emigrate

## Why is this a good business?

Known player in the market for 18 years, with a steady income of R2m & a NP (incl owner benefits) of R560 000 pa & selling for R1.1m including R50 000 stock.