



Date: **4th December 2024**
Business Reference: **36935**

About the Business:

Vinyl and Wooden Flooring, Carpets and Blinds and Curtains business in large Garden Route town.

Situated in a large Garden Route town, this business has traded solidly for over 30 years. The Owner had been planning to sell recently but this has now been accelerated by the recent passing of her husband. This has resulted in the business now being listed for sale. An excellent business for somebody with a flair

for selling and an interest in home decor. Many development opportunities exist for a new and motivated owner.

Vinyl and Wooden Flooring, Carpets and Blinds and Curtains business in large Garden Route town.



Sector: **Retail**

Asking Price:

R 1,950,000

Monthly Profit:

R 77,096

Asset Value:

R 643,550

Stock Value:

R 205,250

Yearly Net Profit :

R 925,152



Business Report

Fully describe the business's activities?

Sales and Services:

- Carpets
- Laminated Flooring: Wood or Vinyl finish
- Curtains
- Blinds
- Upholstery
- Carpet cleaning and allied services
- Soft Furnishings

How long has the business been established?

32 Years.

Registered as a CC in 1995.

How long has the owner had the business?

Family business since inception

How does the business operate on a daily basis?

The Owner and her son manage all of the general management functions of the business.

He handles the internal admin predominately although he may assist with the operational issues if required to do so.

(He is only assisting on a temporary basis.)

How are the clients attracted to the business?

The business has an active website,

Much of the work comes from repeat clients and they receive referrals from their suppliers and word of mouth after over 30 years of being in business.

They are also a "go to" company for quotations for hospitals, clinics, corporate office parks, hotels etc.

The history of clients that they have worked for will prove how well known this business is known.

What Advertising/Marketing is carried out?

Face Book site well followed
Leaflet handouts
Marketing via Local-Info ads

Does the business have any contract work?

No set contracts but they are the supplier of choice for many requested quotations.

What competition exists?

There are other similar businesses in the region but each with their own product range and client base.

Is the business VAT Registered?

Yes

What VAT documentation is on file?

All documentation relating to Vat is available as and when required.

Are there up-to-date Management Accounts available?

Yes, these will be made available to a qualified Buyer as required.

What percentage of the business is cash/credit?

This is a very low cash business and predominately receive payment via EFT.
(A deposit is taken prior to ordering of stock)
Credit card facility to be implemented.

How could the profitability of the business be improved?

The business has been impacted negatively by the passing of the original Owner, but his wife remains in the business currently.

A new owner will be able to introduce additional services and offerings, as well as increased work load.

The business has been under pressure over the last period due to personal circumstances impacting upon the Seller..

There are other opportunities that align themselves with this operation (such as window screening) as well as online business potential.

Opportunity to develop own products for the online store which has been in the planning.

What is the total staff complement?

There are permanent fitters in place, one senior a with many years of service and the second not as experienced but also many years of service. (There are also similar skills available on a contractual basis during increased workload periods).

A cleaner works in the showroom on a part time basis.

The remainder of the team are general workers who are employed on an hourly rate basis if and when required.

Do any receive special perks or incentives?

The fitters receive a bonus at the discretion of management.

Are they on contract?

Contracts are in place for the staff.

Workers are paid hourly rates.

How involved is the Owner in running the business?

The Owner handles the following:

- Site inspections and required measuring, interaction with clients and quotations.
- Preparation of the sales pro forma and the purchase orders once a deposit of 50% has been received from the client.
- Taking teams to and from site and overseeing their workmanship.
- Showroom assistance as required.

When does the current lease end?

The lease is currently reviewed on an annual basis however a new lease will be granted by the landlord.

Is there an option of renewal & what period?

Yes, subject to discussion with the landlord

What are the trading hours?

Mondays to Fridays 08.00 to 5.00pm

Currently not open on Saturdays unless by arrangement, although this is an opportunity if so desired..... but has not proven to be lucrative in the past.

What is the square meters of the business?

The business premises comprises:

- Retail store with main road frontage size approximately 100 square meters
- 5 storage garages, 4 of which are combined without division so is a substantial storage facility of around 60sq meters.

The garages are in the back area of the retail store which has remote access control plus tenant parking and a security guard patrolling the front and back areas.

Is a copy of the lease available?

Yes

Do you require a licence?

No

What are the main assets of the business?

2 x Vehicles (Toyotas, one petrol and one diesel.)

Specialised Tools and equipment.

Desks and computers, office and showroom furniture.

A very comprehensive range of samples for all the business streams such as curtains and blinds, flooring, carpeting etc.

(These are set out within the showroom for customers to view)

Are any items not included in the sale?

There are a few items of a personal nature that will be pointed out to a Buyer when visiting the business.

What is their overall condition?

Very good

How have they been valued ?

Owners estimated second hand value

Are they presently insured?

Yes

Strengths?

30+ years in the business
Professional and quality service
Large range of product offerings
Solid relationship with suppliers over many years of trading
The Owner is prepared to offer an extended handover period by agreement to ensure a smooth transition

Weaknesses?

The loss of one of the Owners has impacted significantly on the ability to maintain the turnover.
The Seller finds herself under a workload that is much more demanding than before.

Opportunities?

A new and more active Owner will be able to increase sales to where they were previously, and show growth.
The business has considered added window screening as an additional service but this has not yet transpired.
More focus on interior decorating
Opportunity to introduce an online business with their own product offering

Threats?

There are no known threats to this business.

What is the reason for the sale?

The Owners were looking at retiring prior to her husbands passing. Her son is currently assisting in the business but this is a temporary arrangement until a new Owner is in place. The decision to sell has now been escalated with the unfortunate change of circumstances

Why is this a good business?

The fact that this business has operated for over 30 years successfully indicates the viability of the business. The product offering is wide and they are asked to quote for many new developments and office complexes as the area develops. There are many additional opportunities for a younger entrepreneurial owner, within the solid business infrastructure.