

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a blurred urban scene with buildings and a blue trash can.

BUSINESS REPORT

Date: **4th December 2025**
Business Reference: **37884**

About the Business:

Established Plumbing & Leak Detection Business With Guaranteed Contract Work

A long-standing plumbing and specialist leak detection business supported by solid insurance panel agreements and a loyal, experienced team. Offers steady, reliable income from major insurers along with high-margin opportunities in advanced services like pipe relining. Efficient systems, well-maintained assets, and strong market credibility make this a compelling acquisition for buyers seeking a resilient,

Established Plumbing & Leak Detection Business With Guaranteed Contract Work



Sector: **Services**

Asking Price:

R 2,290,000

Monthly Profit:

R 82,536

Asset Value:

R 1,215,018

Stock Value:

R 0

Yearly Net Profit :

R 990,437



Business Report

How does the business operate on a daily basis?

The daily operation runs smoothly through a streamlined, technology-driven workflow that keeps jobs moving efficiently and teams fully utilised.

Most work arrives through an online platform where incoming jobs can be accepted or declined within minutes. Once a job is approved, it is immediately assigned to the appropriate team based on availability, skills required, and location.

The process typically follows this flow:

- Jobs submitted through insurance platforms

- Quick acceptance or rejection depending on capacity

- Automatic allocation of work to the correct team

- Plumbers send confirmations through the app before and after completion

- Documentation and photos are logged digitally for insurer approval

Discovery-related jobs are confirmed instantly upon acceptance, ensuring fast turnaround and consistent workflow. Standard Bank projects usually follow a bidding system, allowing the business to secure high-value work based on competitive pricing and strong performance history.

This digital-first approach creates:

- Faster job scheduling

- Clear communication between office and field teams

- Accurate tracking of job progress

- Reduced admin and fewer delays

- Reliable reporting for insurance stakeholders

The result is an efficient, well-coordinated operation that maximises billable hours and maintains excellent service standards.

What Advertising/Marketing is carried out?

At present, the business operates with minimal direct advertising, relying primarily on its strong reputation, insurance partnerships, and repeat client base to generate work.

Historically, online marketing was used effectively, particularly to promote specialised services such as pipe relining. These campaigns helped raise brand awareness, attract niche clients, and generate high-value leads in targeted areas.

Key points:

- No active advertising currently

- Previous online campaigns focused on specialised services

- Growth historically driven by reputation, referrals, and insurance panels

For an investor or new owner, there is significant upside potential by reintroducing digital marketing, social media campaigns, and targeted promotions to expand private client reach and further capitalise on specialist services.

What competition exists?

The business operates in a competitive plumbing market, with several local companies offering similar services.

However, the majority of competitors are not approved on major insurance panels, which provides a significant barrier to entry. Gaining access to these panels is complex and requires proven track records, compliance, and reliability — all areas where this business excels.

This creates a strong competitive advantage:

Access to high-quality, recurring insurance work

Reduced competition for high-value jobs

Strong credibility and trust with insurers and clients

Ability to command premium rates on specialised projects

While general plumbing services are widely available, the combination of insurance panel accreditation, niche expertise, and long-standing client relationships positions the business well above typical competitors in the region.

How could the profitability of the business be improved?

Profitability and market positioning can be further enhanced by focusing on specialised, high-margin services and strategic business credentials.

A major opportunity lies in pipe relining, a technical service with limited competition and premium pricing. By prioritising relining:

Revenue per job increases due to higher margins

Marketing can target niche clients willing to pay for specialised solutions

Limited competition allows stronger pricing power

Teams can become highly skilled, improving efficiency and turnaround

Additional strategies to boost profitability include:

Expanding private client marketing to supplement insurance work

Offering bundled maintenance packages for recurring revenue

Upskilling staff to handle more complex, higher-value projects

Achieving BEE Level 1 status, unlocking access to corporate contracts, government tenders, and larger projects

By combining specialised services with enhanced market credibility, the business can generate sustainable growth, higher cash flow, and a stronger competitive edge.

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

The business is supported by a small, well-structured team that ensures smooth daily operations and high service quality.

Staff breakdown:

Administration: 1 full-time admin, currently the owner's spouse, earning R28,000/month. Role can be replaced with a qualified admin at market-related rates.

Plumbers: 4 skilled plumbers, including the owner. The owner's role can be handed over to a replacement plumber at approximately R16,000/month.

Plumber assistants: 4 support staff, assisting with on-site tasks and ensuring efficient workflow.

Length of service: Staff have varying years of experience within the business, providing continuity, technical expertise, and familiarity with insurance panel processes.

This lean team structure allows for efficient allocation of jobs, manageable overheads, and the ability to scale by adding more plumbers or assistants as demand grows, while maintaining service quality and reliability.

Do any have management potential?

No

How involved is the Owner in running the business?

He lead one of the teams

When does the current lease end?

The business currently operates from a home office and does not have any lease agreements in place.

This provides flexibility for a new owner to:

Relocate the office if desired

Reduce overhead costs

Scale operations without being tied to a fixed rental arrangement

It also simplifies the transition, with no lease obligations to assume.

What are the trading hours?

08:00-17:00 Ma - Fri, sometimes Saturdays

What are the main assets of the business?

The business owns a well-maintained fleet and essential tools, which form the core of its operational assets.

Main assets include:

2 bakkies – fully serviced with complete service histories

2 vans – fully serviced and equipped with tools

Tools and equipment – approximately R600,000 in value, enabling all daily operations and specialised services

These assets ensure the business can operate immediately without additional capital expenditure, supporting both general plumbing work and specialised services such as pipe relining and swimming pool leak detection.

Strengths?

Strong, recurring work from major insurance panels (Santam, Standard Bank, Discovery, Quickot)

High proportion of revenue (70%) from reliable, pre-approved contracts

Long-standing client relationships and repeat private clients

Skilled, experienced team with low turnover (most 14+ years)

Specialist services like pipe relining and pool leak detection offer high margins

Well-maintained vehicles and tools, ready for immediate operations

Weaknesses?

Minimal current marketing or advertising presence
Admin role currently filled by owner's spouse, needing replacement for independence
Seasonal fluctuations in specific services

Opportunities?

Focus on specialised services (pipe relining) to increase margins and reduce competition impact
Achieve BEE Level 1 to access corporate and government contracts
Expand private client marketing to supplement insurance work
Upskill staff for more complex, higher-value projects
Potential to implement digital marketing and social media campaigns

Threats?

Competition from general plumbing companies for non-insurance work
Economic factors affecting insurance claim volumes or private client spending
Dependence on key insurance panels for a large portion of revenue

What is the reason for the sale?

Immigrations