

**business**  
for sale



Date: **17th October 2021**  
Business Reference: **34228**

About the Business:

## **Established Consulting Engineering Business for Sale.**

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Established since 1991, and involved in a huge variety of projects and producing a turnover in excess of R 1 000 000 for the 12 month period to end february 2020. This practice is fully computerized and networks on all work stations with design, document production, and contract administration supported with appropriate hardware and computer software, The Practice Principal is Electrical and Mechanical and has

## Established Consulting Engineering Business for Sale.



Sector: **Sales & Services**

Asking Price:

**R 3,950,000**

Monthly Profit:

**R 49,535**

Asset Value:

**R 2,262,450**

Stock Value:

**R 0**

Yearly Net Profit :

**R 594,420**



# Business Report

## Fully describe the business's activities?

Established in November 1991, the Practice offers specialist consulting engineering services in electrical, electronic, mechanical and information systems engineering and related disciplines from its office in Port Elizabeth, South Africa.

The Firm is a member of the business association Consulting Engineers South Africa (CESA), membership of which is a recognition of the status and professional basis of the Firm. CESA membership carries many obligations which impact positively on the quality of services performed and reinforce the Firm's commitment to serving clients in terms of the CESA Code of Conduct with professionalism, integrity and independence of judgement.

Professional engineering services are provided to a variety of Government, Provincial, local authority, industrial and commercial clients in many different sectors. The Firm is registered on the consulting engineers' panels of various client organisations.

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

The Engineer works from a self contained detached premises at home and possesses all necessary computer hardware , software , printers, data bases and referral material to accomplish his work.

Site visits and inspections are done on a periodic basis by appointment with other involved parties such as consultants, engineers, builders and installers.

## What Advertising/Marketing is carried out?

For the last decade, most work has been via government " supplier Databases"

## What competition exists?

Limited competition from other consultants

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

- a) Owner of the Close Corporation is the Principal Engineer.
- b) One Practice Manager and Financial Officer.
- c) One Professional technician.
- d) Two Technical assistant

## Do any have management potential?

All technicians have excellent managerial skills.

## How involved is the Owner in running the business?

The owner is 80% involved in the running of the business.

## When does the current lease end?

The Principal Engineer works from a self contained detached premises located at his home. This business is ideal for working from home for all engineers, technicians and assistants.

## What are the trading hours?

The general working hours is 8am to 5 pm Mondays to Fridays.  
The Principal Engineer does have the right to lengthen working hours if projects are behind on schedules.

## What are the main assets of the business?

The main assets of this business in the professional integrity of the employers.  
The quality of the work generates recurring consultations.  
The practice is fully computerized with updated hardware, software, printers, etc to integrate with other systems and databases.  
The list of assets also include a cash deposit of R 2000 000

## Strengths?

This is a well established Consulting Engineering business and considered an icon in its industry. This business boasts a BBBEE level 4 grading which will open many doors to Government and local municipal projects.  
The business is well equipped with "state of the art" technology, computers, all required software and generating a rewarding profit.

## Weaknesses?

Limited competition from other Consulting Engineers

## Opportunities?

An excellent opportunity for a young engineer to tap into this mountain of knowledge and experience. The Business is an icon in the industry and respected by all opposition firms.

## Threats?

There will always be a demand for this level of expertise for any projects going forward. A new owner will have to relocate the office and a decision would need to be taken as to " work from home" or to rent premises.

## What is the reason for the sale?

The owners wish to retire.