business
for sale



BUSINESS REPORT

Date: **31st October 2026**
Business Reference:**37745**

About the Business:

West Rand. Leading Distributor of Building Materials: Sand, Stone, Cement, Bricks.

This business concentrates on the supply of building-sand, stone, bricks and cement. Based on the West Rand it is in a growth area for both affordable housing and upmarket estates. It has the fleet and the infrastructure to ensure customers are serviced efficiently. The owners also wish to sell the 4 x yards/premises for R6 million. Total for both the business and the properties = R26 million.

West Rand. Leading Distributor of Building Materials: Sand, Stone, Cement, Bricks.



Sector: **Services**

Asking Price:

R 18,200,000

Monthly Profit:

R 431,689

Asset Value:
R 18,575,027

Stock Value:
R 1,800,000

Yearly Net Profit :
R 5,180,262

Business Report

Fully describe the business's activities?

Distributor of builders needs such as building sand, building stone, bricks, cement, brick force, steel reinforcing and construction and builders tools.

How long has the business been established?

The business was established by the owners in 2019/2020 and has operated successfully for the past 7 years.

How does the business operate on a daily basis?

The owners ensure daily operations are on track including collections, deliveries. There is a fill time bookkeeper who ensures that invoicing and debtors and creditors are kept up to date.

How are the clients attracted to the business?

Social media is used. Advertising at local schools. sponsoring of school calendars, billboards in the area and word-of-mouth.

What Advertising/Marketing is carried out?

Facebook, Instagram and WhatsApp Groups are used extensively.

Does the business have any contract work?

No contracts in this type of business but long-standing relationships - especially with bigger building sites. They are listed with Build-It as a supplier.

What competition exists?

None really in the area as none of them have the type of client base and infrastructure or fleet that this business has.

What are the seasonal trends?

Most of the year is busy but July to November is really the exceptionally busy time. The business closes for builder holidays in mid-December to early January.

Is the business VAT Registered?

Yes, the business is VAT registered.

What VAT documentation is on file?

Normal VAT recons and returns.

Are there up-to-date Management Accounts available?

Yes, these are available for qualified interested parties.

What percentage of the business is cash/credit?

34% Cash/Card, 66% on Credit.

What is the age analysis of the debtors book?

Current: 25%, 30 days: 54% and 60 Days: 21%.

How could the profitability of the business be improved?

Concentration on growing the Revenue.

What is the total staff complement?

There are 20 staff in total: 7 x Salaries paid monthly, 11 x wages paid fortnightly and 2 x casuals.

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

This is available to qualified interested parties.

Do any receive special perks or incentives?

This is always at management's discretion.

Are they on contract?

Yes. letters of appointment are in place.

Do any have management potential?

Yes, there has been someone who has been identified.

How involved is the Owner in running the business?

The owners are involved in the business on a daily basis.

When does the current lease end?

The properties are owned by the sellers and they wish to sell these together with the business. These consist of 4 x large yards. Business asking price: R20 million PLUS the 4 x yards asking R6 million = R26 million in total. These yards are perfectly suited for their current use as builders distribution yards. There also offices built on the premises.

What are the main assets of the business?

A full asset list is on file for qualified interested parties to view. These include numerous vehicles including large trucks.

Which assets are on lease/HP and with whom?

Some assets are on lease/HP and would have to be taken over by the purchaser to ensure continuous trading.

Are copies of agreements available?

Yes, copies of agreements available.

Are they presently insured?

Yes, the business is comprehensively insured.

Strengths?

The business is located in a growth area with regards to building - especially in the affordable hosing market. Many building sites in the immediate catchment area.

Weaknesses?

Potential government work in the area would be a huge addition with the correct BEE credentials.

Opportunities?

The securing of private development work for upmarket estates in the area. These tend to be excellent clients. The addition of a lintels manufacturing plant as well as brickforce manufacturing - there is more than enough space available.

Threats?

Normal economic threats but the business tends to navigate these very well.

What is the reason for the sale?

Relocation.

Why is this a good business?

Very profitable. Operates in a growth area for affordable housing which will be a reality for many years to come in South Africa. Has great growth opportunities in the higher-end market in the same vicinity.