



## HGS173 – Heating, Ventilation & Air-Conditioning Maintenance & Installation Company for Sale

### Business Summary

- Outstanding opportunity to acquire a heating, ventilation and air-conditioning (HVAC) installation and maintenance company in the London area.
- In the 12 months to 31st March 2016, the business has achieved a total revenue of £802k with an adjusted EBITDA of 21% at £167k.
- This turnover was up 15% on the previous year and turnover growth has averaged at 15% per annum over the last 4 years.
- The 2016/17 forecast turnover is expected to be circa £880k with an adjusted EBITDA of over £180k (21%).
- The business serviced over 90 clients in 2015/16. The largest client accounted for 11% of 2015/16 turnover.
- The business revenue is generated from on-going maintenance contracts, repairs and projects for contracted clients and new installations for new clients.
- Approximately 80% of revenue is generated from clients on maintenance contracts.
- The top 11 customers with maintenance contracts account for 53% of revenue in 2015/16 and the maintenance contract element accounts for 25% of that revenue.
- The business was started in 1993 and has a strong and enviable track record for year-on-year growth for those 23 years of trading.
- It has a very loyal client base with some very established household names included in a premium set of business customers.
- The business primarily services commercial buildings and offices, leisure businesses, hotels and schools in London and the Home Counties.
- The business is run day-to-day by a very capable team of 5 engineers headed up by a highly experienced General Manager, supported by an administration and finance manager.
- The vendor/director will be happy to provide a full hand-over to ensure the successful transfer of clients and contracts.





- The sale offers an outstanding opportunity to an existing HVAC, Energy Management or electrical services business wishing to expand its client base and/or geographical coverage.

### Products and Services:

- A provider of heating, ventilation and air-conditioning solutions (HVAC) to commercial properties. Services include design, installation and contracted maintenance and repair.

### Employees:

- 1 Director with 1 full-time General Manager, 5 full-time engineers and 1 full-time admin and accounts manager.

### Premises:

- Office premises in South East London with easy access to central London.
- Rent and rates is £9,800 per annum and a one-year lease with 6 months remaining and 3 months' notice.

### Reason for sale:

- The Vendor/Director wishes to retire however he is committed to a full handover of the business to ensure a smooth transition into new ownership.

### Financial overview

<i>Year ending 31st March</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017 Forecast</i>
<b>Sales Revenue</b>	<b>£557,568</b>	<b>£704,578</b>	<b>£698,157</b>	<b>£801,958</b>	<b>£883,000</b>
Gross profit	£176,657	£233,531	£255,734	£279,307	£308,000
Percentage	32%	33%	37%	35%	35%
<b>Adjusted EBITDA</b>	<b>£60,480</b>	<b>£99,873</b>	<b>£134,137</b>	<b>£166,676</b>	<b>£183,000</b>
Percentage	11%	14%	19%	21%	21%

- Adjusted EBITDA is stated having accounted for the vendor's replacement cost.

### Offers invited