HFH089 – Construction Site Hoarding and Fencing Company for Sale

Business Summary

– Highly successful provider of construction site hoarding and fencing.

– Based in London with clients' sites predominantly in London.

– On the Approved Contractor list of several high-profile construction companies.

– Highly loyal client base, the company having worked with each of the top 5 clients for over 10 years.

– Hoarding supplier for over a dozen construction sites on projects which are set to continue for another 1 to 9 years, thus providing comfort in the sustainability of the business going forward.

– The business has exceptionally high client retention rates.

– All staff are CS Card Accredited.

– Strong team in place with succession plan for operations management.

– The business would be of particular interest to other construction site services companies that are looking for a strategic acquisition to add to their portfolio and could make significant synergy savings.

– Such companies may include ground works contractors, signage and printing companies.

Products and Services

– Hoarding and fencing design and construction

– Foundation, groundworks and pavements

Employees

– Managing Director (Vendor), Operations Manager (Vendor) and 13 full/part time staff

Premises

– Office and storage yard in South West London.
– Rent & Rates: £16,000.

Reason for sale

– Retirement of the two vendors.

Financial overview

Year ending 30th Sept	2012-13	2013-14	2014-15	2015-16
Sales revenue	**£969,808**	**£1,136,742**	**£1,361,468**	**£1,243,308**
Gross profit	£152,775	£169,013	£166,235	£137,115
Percentage	16%	15%	12%	11%
Adjusted EBITDA	**£52,355**	**£75,455**	**£72,875**	**£37,384**
Percentage	5%	7%	5%	3%

– Adjusted EBITDA is after having accounted for the vendors' replacement cost.

– Synergy savings of £16k to £33k are possible for a trade buyer.

– Revenue and demand remains strong despite the reduced profits in 2015-16; a focus on operational efficiencies will reduce the labour and equipment costs and enable EBITDA of at least £75k going forward.

Offers invited