



HGLO46 – Utilities and Groundworks Contractor South West England

Business Summary

- Opportunity to acquire a long-established, profitable utility contractor, based in the South West of England.
- A local, family-run business, established in 1985.
- Services include excavation, sewerage and groundworks contracting for clients both large and small, and more complex projects involving multiple sub-contractors.
- The client range is diverse; spanning both the private and public sectors including the Government.
- Projects include establishing the infrastructure of police stations, schools, industrial units, homes and utilities.
- The company is the Approved Vendor for a large, local utilities company (a client for over 25 years) for projects up to £500,000 and the appointed sub-contractor for new sewerage systems across the region.
- The two other major clients have been using the company's services for between 10 and 15 years.
- The company carries out regular customer satisfaction surveys – last year 95% of clients rated them 'Excellent' (80%) or 'Good' (15%) in all categories.
- All contracts come in via recommendations or the company website and demand is exceedingly high.
- The sale offers an outstanding opportunity for a similar utilities contractor or construction company looking to either expand in the region, or in to the commercial construction sector.



Services

- Basic groundwork packages
- Complex underpinning & reinforcing work
- Specialised formwork & concrete structures
- Piling, traditional & custom-built foundations
- Building retaining walls & support systems



- Waterproofing from leading suppliers
- Recycling & site clearance
- Surface water & land drainage systems
- Final landscaping features & patio slab work

Premises

- A modern, open-plan office space with a separate meeting room and adjoining yard.
- Rent is c.£2k/month and rates are c. £3k/year.

Employees

- The vendor/MD plus a full-time General Foreman of 22 years standing who manages the business day-to-day.
- They are supported by a full-time Office Manager, part-time Secretary and Book-keeper and a part-time, freelance Quantity Surveyor who has been involved for 6 years.
- The rest of the workforce is made up of specialist sub-contractors regularly employed as required.

Reason for sale

- Over the past three decades, the vendor has built a very successful business. He now feels it is time to embark on a new venture; exploring other non-competing projects overseas.

Financial overview

<i>Year ending 31st March</i>	<i>2015</i>	<i>2016</i>
Sales revenue	£1,816,100	£2,246,882
Gross profit	£534,377	£539,035
<i>Percentage</i>	29%	24%
Adjusted EBITDA	£380,740	£392,046
<i>Percentage</i>	21%	17%

The Company changed from an LLP to a Limited Company in the 2013/14 financial year. Accounts for previous years are available on request.

Offers Invited