

Project Varsity

Opportunity to Purchase a Manufacturer, Distributor and Installer of Commercial Kitchen Equipment (“the Company”)

Business Opportunity

- This manufacturer and installer of specialist catering equipment is a well-known brand in its field.
- With a long-established history and reputation for quality and service the business supplies equipment throughout the food service industry – single sites, multiple chains, blue chip clients and the public sector, both throughout the UK and worldwide. Many clients are long-term, repeat customers who also have ongoing service and maintenance contracts.
- The Company also specialises in the sale of commercial catering equipment from respected brands via their e-commerce site - along with offering a full kitchen design, planning and installation service.

Key Features

- Occupying a 0.95 acre leasehold site in West Yorkshire, the Company employs 55 staff across sales, design, manufacturing, installation and back-office functions.
- Equipment is manufactured to the highest standards by highly skilled engineers who are adept at fabricating bespoke appliances, along with a range of standard products. Due to this high level of workmanship and its excellent R&D skills the business has recently diversified and engaged in a range of non-food service related engineering and fabrication projects.
- Sales are broadly comprised of: Bespoke equipment 30% / Capital kitchen equipment 53% / Service, spares and maintenance 11% / Non-catering fabrication 5%.
- The Company's website receives c. 24,000 unique visitors / mth from a blend of organic and paid search.
- The Company has a secure sales pipeline and order book.

High Level Financial Information

Profit & Loss Account	Aug-18	Aug-17	Aug-16	Balance Sheet	Aug-18	Aug-17	Aug-16
	12 mths	12 mths	12 mths		12 mths	12 mths	12 mths
£'000s	Mgt	Stat	Stat	£'000s	Mgt	Stat	Stat
	£	£	£		£	£	£
Turnover	5,398	5,400	5,422	Fixed Assets	556	653	577
Gross profit	461	784	971	Current Assets	1,371	1,493	1,383
Overheads	569	699	778	Creditors (< 1yr)	(1,451)	(1,445)	(1,247)
Net profit / (loss)	(240)	(53)	66	Creditors (> 1yr)	(169)	(152)	(109)
EBITDA	(108)	85	193	Net Assets	307	549	604

- The Company's principal assets comprise debtors, plant and machinery, vehicles and stock.
- Turnover has remained constant during the past three years, but margin has declined significantly; this has gradually led to working capital pressure, which is now acute.
- Management considers that there is great scope for further development with new investment. In particular the business is thought to represent an ideal acquisition opportunity for an expanding commercial catering solutions supplier.
- Offers are invited for the Company's business and assets. Although the Company is not currently subject to an insolvency process it is anticipated that the transaction will be effected via Administration. Accordingly warranties provided by the vendor will be minimal.
- The transaction must be executed at the earliest opportunity. A timescale of completion during November 2018 is envisaged. All interested parties will be required to sign a non-disclosure agreement and specifically deal with Geoffrey Martin & Co.

Reasons for Sale

Expressions of Interest

For further information please contact:

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