

CONFIDENTIAL BUSINESS OVERVIEW



**SPARKLE CLEAN
AND RESTORE**



ALDRIN RAPHAEL
A R BUSINESS BROKERS

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EXECUTIVE SUMMARY (SNAPSHOT)



23+

Year In Operation

2

Employees

(Full-Time)

Burlington

Location

\$372,214

SDE/Cashflow

(Historic 2 Year Avg.)

\$579,620

Revenue

(Historic 2 Year Avg.)

\$725,000

Asking Price

Moving

Reason For Sale

\$20,000

Inventory

(Additional To Asking Price)

\$1,300

Lease

(Excluding HST)

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SELLER INTERVIEW

COMPANY OVERVIEW

This interview with the seller will provide valuable insights by addressing key aspects such as the business history, operations, the seller's role within the company, and information about the employees. This comprehensive discussion will assist you in determining whether this company aligns with your purchasing objectives.



CLICK TO WATCH INTERVIEW

KEY HIGHLIGHTS

COMPANY OVERVIEW

REPUTATION

Sparkle Clean and Restore has been in business since 2001, establishing a strong reputation and a loyal, repeat client base across commercial, residential, and institutional sectors. Known for quick turnaround times and meticulous attention to detail, Sparkle Clean has become a trusted name in mobile washing and graffiti removal services throughout Southwestern Ontario.

The company is a preferred vendor for larger clients and works with compliance-certified institutions, reflecting a strong and lasting presence in the industry. Sparkle Clean is also fully insured and holds certifications through industry associations, ensuring compliance and safety for all projects.

KEY HIGHLIGHTS

COMPANY OVERVIEW

STRENGTHS

Diverse Client Base: Sparkle Clean serves a wide variety of sectors, including residential, commercial, property management, and institutional clients. This diversified customer portfolio ensures steady demand, with the largest single client representing only 10% of total sales.

Accredited Vendor Status: The business is a short-listed, preferred vendor for major clients, many of whom require contractors to be accredited through compliance agencies. This status has helped Sparkle Clean secure recurring contracts and strengthen its market presence.

Recurring Revenue Streams: Scheduled commercial washing services occur on a recurring basis, ranging from weekly, monthly, and quarterly to annual jobs. This consistency provides a stable revenue foundation and reliable workload distribution.

Environmentally-Friendly Practices: Sparkle Clean is committed to protecting the environment by continually finding safer methods that meet industry standards. These environmentally-conscious practices are highly valued by clients and reflect the company's ethical standards.

High-Quality Equipment: The company uses top-of-the-line equipment to deliver optimal results, ensuring effective cleaning and restoration on the first attempt.

Strong Reputation and Quality: Sparkle Clean is known for its rapid response, effective communication, and high-quality results. By consistently delivering on promises, the company has built significant trust with clients, contributing to long-term loyalty and repeat business.

GROWTH POTENTIAL / OPPORTUNITIES

Expand Workforce and Capacity:

Hiring additional staff would significantly enhance Sparkle Clean's ability to meet increasing demand, particularly during the busy season from April to October. With a larger team, the company could handle a higher volume of jobs across its various service areas, ensuring faster turnaround times and an expanded client base.

Extend Services to Fleet and Vehicle Washing:

Adding vehicle and fleet washing services presents a valuable opportunity to cater to commercial clients with transportation needs. Fleet washing aligns well with Sparkle Clean's mobile capabilities, enabling the business to access a stable, recurring revenue stream while offering convenience to clients who rely on maintaining clean and professional fleets.

Enhance Digital Marketing Efforts:

Investing in a robust digital marketing strategy could drive greater brand awareness, attracting new clients and building lasting relationships. Targeted online campaigns could effectively reach residential and commercial clients, promoting Sparkle Clean's unique offerings like graffiti removal, fleet washing, and eco-friendly practices. This approach would amplify Sparkle Clean's market reach and help secure more recurring service contracts.

KEY HIGHLIGHTS

COMPANY OVERVIEW

TARGET MARKET

Sparkle Clean serves a diverse customer base, including residential, commercial, and institutional clients, as well as government agencies.

Residential: Power washing of house exteriors, patios, walkways, driveways, pool surrounds, and additional services like deck sanding and staining. These services are typically scheduled annually or biennially.

Commercial: Services include power washing, degreasing, and restoration of indoor and outdoor spaces, including plazas, walkways, entrances, and parking areas. Commercial clients generally engage Sparkle Clean on a recurring schedule.

Institutional: Graffiti removal, power washing, and disinfecting services for various public spaces within institutional sectors.

Graffiti Removal: This is often a premium, time-sensitive service, offered to both commercial and institutional clients, typically on an as-needed basis and often for repeat customers.

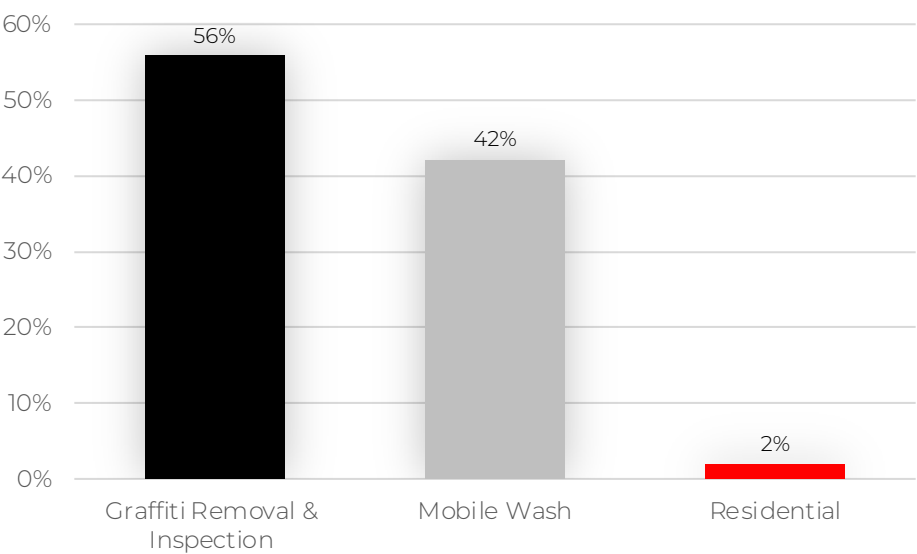
PERMITS & LICENSES

Sparkle Clean is fully compliant with all required industry standards, holding certifications from four accredited compliance agencies. Institutional clients approve Sparkle Clean based on its insurance, WSIB coverage, and specialized training required for the full scope of work.

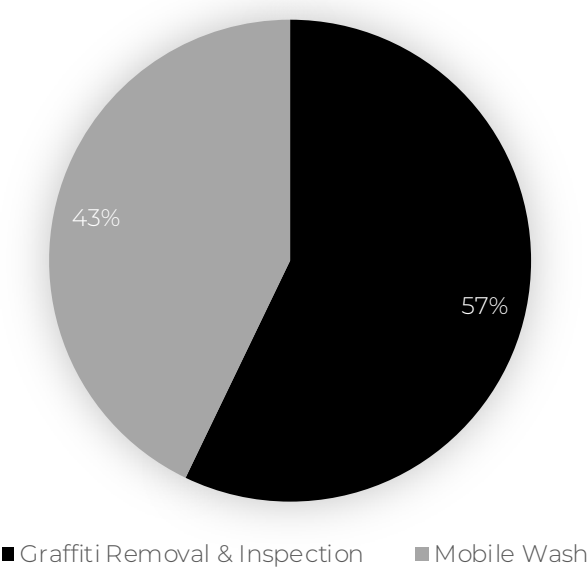
SEASONALITY

While Sparkle Clean experiences peak demand from April to October, influenced by seasonal weather conditions, its scheduled work continues year-round. Graffiti removal services, in particular, sustain operations through winter, providing a steady revenue base during the off-season.

REVENUE BREAKDOWN BY MARKET



REVENUE BREAKDOWN BY SERVICE

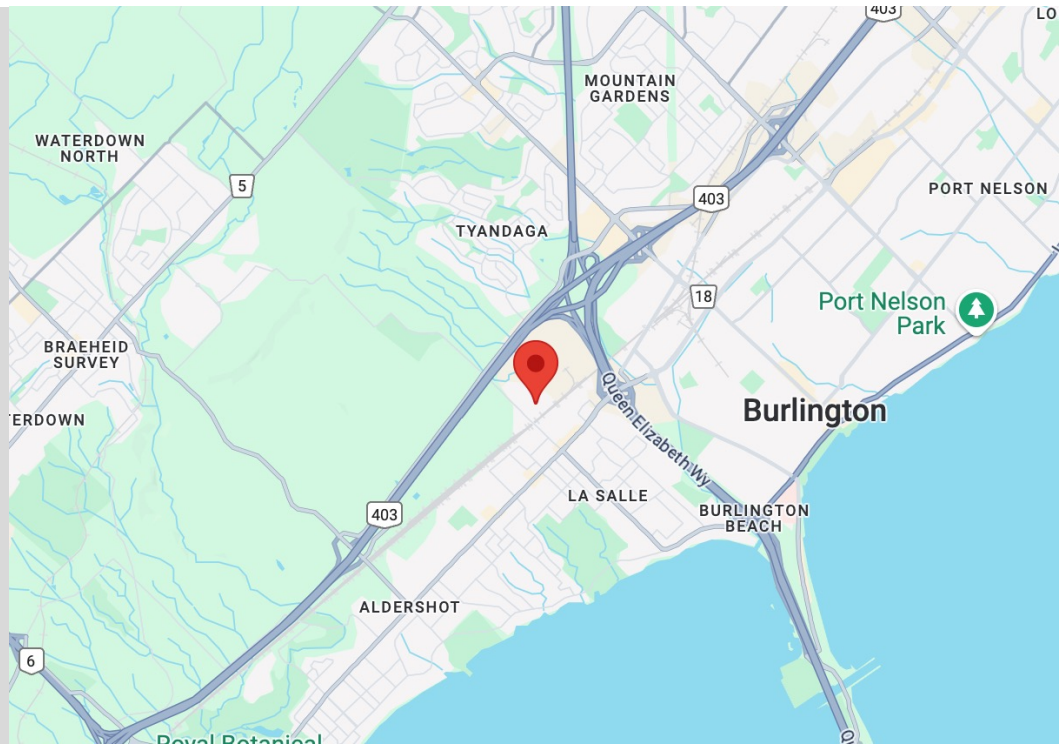


LOCATION & FACILITY

COMPANY OVERVIEW

LOCATION

1149 King Rd, Unit 2,
Burlington, ON
L7T 0B7, Canada



LEASE DETAILS

- Rent: \$1,300 (Includes TMI) + HST
- Terms: 1 year lease that auto-renews yearly

LOCATION & FACILITY

COMPANY OVERVIEW

PROPERTY/FACILITY INFORMATION

- Total Size: 1,275 Sq. Ft.
- The facility consists of a heated shop with an office, washroom and storage for our trucks, equipment and solutions.

HOURS OF OPERATION

| Monday | Tuesday | Wednesday | Thursday | Friday |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| 9:00am - 5:00pm | 9:00am - 5:00pm | 9:00am - 5:00pm | 9:00am - 5:00pm | 9:00am - 5:00pm |
| Saturday | Sunday | Holidays | | |
| As needed | Closed | Closed | | |

Hours are typically 9am - 5pm Monday – Friday though some jobs could be outside of these hours as needed. The sellers take 2 weeks off over Christmas and New Year.

ONLINE

Sparkleandrestore.ca

EMPLOYEE OVERVIEW

COMPANY OVERVIEW

| Title | Responsibilities | FT, PT, or Contractor |
|---------|---|-----------------------|
| Owner 1 | Equipment operator, Estimating, Scheduling, Training | FT |
| Owner 2 | Office admin, AP/AR, Invoicing, Writing up estimates, etc | FT |

The business is currently operating by both owners with no additional staff.

Due to a higher rate of employee turnover during Covid the owners decided to shift direction to run the business without having to rely on employees. That being said, adding employees can definitely increase capability and sales. They do hire part-time and seasonal employees as needed and get lots of applicants when posting job ads.

KEY HIGHLIGHTS

TRANSACTION OVERVIEW

BUYER PROFILE

A good candidate for buying the business would be somebody who prefers to be hands-on to maintain the quality of service. Not ideal for an absentee owner unless willing to expand the team and hire employees to replace the current owner roles. No special skills required.

TRAINING & SUPPORT

Up to one month of training included to ensure a smooth transition.

REASON FOR SALE

Want to focus on family for a while and then relocate out of country.

ASKING PRICE

\$725,000

TYPE OF SALE

Share Sale (beneficial to retain the compliance accreditations required by the larger clients).

KEY HIGHLIGHTS

TRANSACTION OVERVIEW

INVENTORY

Additional to asking price - exact value will be determined at closing (*the maximum value will be \$20,000*).

CAPITAL ASSETS

Included in asking price – see chart below.

| Asset Name / Description | Fair Market Value |
|----------------------------------|-------------------|
| 2019 Ford E450 16' Cube Truck | \$35,000 |
| 2014 Ford E450 16' Cube Truck | \$20,000 |
| 2010 Ford E350 Pannel Van | \$10,000 |
| Hotsy Power Washer 2022 | \$10,000 |
| Hotsy Power Washer 2020 | \$11,000 |
| Hotsy Power Washer 2019 | \$5,000 |
| Enclosed Cargo Trailer 5' x 10' | \$2,500 |
| Total Value: | \$93,500 |

KEY HIGHLIGHTS

TRANSACTION OVERVIEW

WORKING CAPITAL

Not included in sale.

DEBT

Zero debt. All assets will be debt free and free of liens.

NON-COMPETE

Yes – exact terms to be negotiated.

SITE VISIT / SELLER CALL

Please consult your appointed broker.

BALANCE SHEET

FINANCIAL OVERVIEW

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| Company Year End: 31-Mar | Compilation Statements FY 2024 | Compilation Statements FY 2023 |
|---|-----------------------------------|-----------------------------------|
| Assets | | |
| Current Assets | | |
| Bank | 90,560 | 123,541 |
| Accounts Receivable | 36,462 | 53,835 |
| Inventory | 51,000 | 55,000 |
| Total Current Assets | 178,022 | 232,376 |
| Property, Plant and Equipment | | |
| Cost | 381,621 | 406,841 |
| Less: Accumulated Amortization | | |
| PPE, net | 381,621 | 406,841 |
| Total Assets | 559,643 | 639,217 |
| Liabilities & shareholder's equity | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 46,001 | 49,586 |
| Total Current Liabilities | 46,001 | 49,586 |
| Long-Term Liabilities | | |
| Vehicle Loan | 53,175 | 88,642 |
| BDC Loan | 50,522 | 83,713 |
| RBC Loan | 57,519 | 84,256 |
| Due to shareholders | 1,634 | 346 |
| | 162,850 | 256,957 |
| Total Liabilities | 208,851 | 306,543 |
| Shareholder's equity | | |
| Share Capital | 100 | 100 |
| Retained Earnings | 350,692 | 332,574 |
| Total Shareholders Equity | 350,792 | 332,674 |
| Total Liabilities and Equity | 559,643 | 639,217 |

INCOME STATEMENT

FINANCIAL OVERVIEW

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| Company Year End: 31-Mar | Management Prepared Financials | | Compilation Statements | | Compilation Statements | |
|-------------------------------------|---|--------------|------------------------|--------------|------------------------|--------------|
| | FY 2025 (April 2024 - October 2024) | % | FY 2024 | % | FY 2023 | % |
| Revenue | 330,260 | | 531,879 | | 627,361 | |
| Total Revenue | 330,260 | | 531,879 | | 627,361 | |
| Cost of Goods Sold | | | | | | |
| Total Cost of Goods Sold | 39,125 | 11.8% | 174,592 | 32.8% | 141,138 | 22.5% |
| Gross Profit | 291,135 | 88.2% | 357,287 | 67.2% | 486,223 | 77.5% |
| Gross Profit Margin (%) | 88% | | 67% | | 78% | |
| Expenses | | | | | | |
| Advertising | 889 | 0% | 2,874 | 0.5% | 4,679 | 0.7% |
| Amortization | - | 0% | 30,020 | 5.6% | 45,949 | 7.3% |
| Charitable donations | - | 0% | 4,000 | 0.8% | - | 0.0% |
| Insurance | 4,070 | 1% | 6,478 | 1.2% | 4,143 | 0.7% |
| Interest expense | 4,093 | 1% | 16,776 | 3.2% | 18,300 | 2.9% |
| Meals | 4,619 | 1% | 5,830 | 1.1% | 4,657 | 0.7% |
| Office expense | 37,638 | 11% | 36,197 | 6.8% | 22,184 | 3.5% |
| Professional fees | 2,500 | 1% | 2,200 | 0.4% | 2,800 | 0.4% |
| Rent | 10,400 | 3% | 16,175 | 3.0% | 14,866 | 2.4% |
| Telephone | 2,220 | 1% | 5,145 | 1.0% | 4,661 | 0.7% |
| Travel | 121 | 0% | 2,876 | 0.5% | 8,910 | 1.4% |
| Wages & benefits | | 0% | 15,311 | 2.9% | 23,523 | 3.7% |
| Other Expenses | 4,761 | 1% | | 0.0% | | 0.0% |
| | | 0% | | 0.0% | | 0.0% |
| Total Operating Expenses | 71,313 | 22% | 143,882 | 27.1% | 154,672 | 24.7% |
| Income from Operations | 219,822 | 66.6% | 213,405 | 40.1% | 331,551 | 52.8% |
| Earnings before Income Taxes | 219,822 | 66.6% | 213,405 | 40.1% | 331,551 | 52.8% |
| Income taxes | - | 0.0% | 25,286 | 4.8% | 40,449 | 6.4% |
| Net Income for the year | 219,822 | 66.6% | 188,119 | 35.4% | 291,102 | 46.4% |

SELLER'S DISCRETIONARY EARNINGS

FINANCIAL OVERVIEW

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| Company Year End: 31-Mar | Management Prepared Financials | | Compilation Statements | | Compilation Statements | |
|--------------------------------|---|--------------|------------------------|--------------|------------------------|--------------|
| | FY 2025 (April 2024 - October 2024) | | FY 2024 | | FY 2023 | |
| | | % | | % | | % |
| Net Income for the year | 219,822 | 66.6% | 188,119 | 35.4% | 291,102 | 46.4% |
| Normalizing Adjustments | | | | | | |
| Addbacks | | | | | | |
| 1 Interest | 4,093 | | 16,776 | | 18,300 | |
| 2 Amortization | - | | 30,020 | | 45,949 | |
| 3 Income taxes | - | | 25,286 | | 40,449 | |
| 4 Donations | - | | 4,000 | | - | |
| 5 Salaries and wages | - | | - | | - | |
| 6 Cost of goods sold | 12,267 | | 30,217 | | 44,868 | |
| 7 Office expenses | 17,876 | | 32,748 | | 19,332 | |
| 8 Telephone | 1,390 | | 4,876 | | 4,639 | |
| 9 Insurance | 1,568 | | 2,687 | | 2,788 | |
| 10 Travel | 121 | | 2,876 | | 8,910 | |
| 11 Meals and entertainment | 4,619 | | 5,830 | | 4,657 | |
| Total Addbacks | 41,935 | | 155,316 | | 189,892 | |
| Deductions | | | | | | |
| 12 Owner salary replacement | (23,333) | | (40,000) | | (40,000) | |
| Total Deductions | (23,333) | | (40,000) | | (40,000) | |
| Normalized SDE | 238,424 | | 303,435 | 57.0% | 440,994 | 70.3% |
| | SDE - 7 months | | | | | |

| Account | Normalization Notes |
|-----------------------------|---|
| 1 Interest | Subject to company's specific financing policy; not related to operations. Valuation is done on a debt-free basis |
| 2 Amortization | Non-cash item |
| 3 Income taxes | Adjusted to pre-tax basis |
| 4 Donations | Not related to the main business operation |
| 5 Salaries and wages | Bernard and Yolandi take dividends. Wages and benefits in the income statement is for seasonal employees |
| 6 Cost of goods sold | Add back personal/discretionary use portion |
| 7 Office expenses | Add back personal/discretionary use portion |
| 8 Telephone | Add back personal/discretionary use portion |
| 9 Insurance | Add back personal/discretionary use portion |
| 10 Travel | Add back personal/discretionary use portion |
| 11 Meals and entertainment | Add back personal/discretionary use portion |
| 12 Owner salary replacement | Replacement salary for Yolandi who works as administrator |

FINANCIAL ANALYSIS

FINANCIAL OVERVIEW

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Financial Analysis

| | FY25 - 7 Month Interim | FY24 | FY23 | Rationale |
|-----------------|---------------------------------------|---------------|---------------|---|
| Revenues | \$ 330,260.00 | \$ 531,879.00 | \$ 627,361.00 | While revenues are expected to be lower than FY23, management is focusing on higher margin business. FY25 profitabilibilty is expected to be better compared to previous years. |

Asset Sale: [also see Stock/Share Sale] The Purchaser acquires all or part of the company's assets; while the Vendor retains the ownership of the company entity (Shares).

Fair Market Value (FMV): [also see Net Book Value] The price at which the business and/or property would change hands between a willing purchaser and a willing Vendor, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the relevant facts.

Gross Margin: A company's total sales revenue minus cost of goods sold, divided by the total sales revenue, expressed as a percentage. Gross margin is an important measure of a company's profitability.

Net Book Value (NBV): [also see Fair Market Value] NBV is the value at which an asset is carried on a balance sheet. It is the historical cost of an asset minus accumulated depreciation.

Normalized Financial Statements: Normalized financial statements are financial statements that have been adjusted to eliminate non-recurring and non-business related items.

SDE: Seller's Discretionary Earnings. SDE is a commonly used valuation multiple for small businesses where the purchaser would most likely be an individual or main street purchaser, who would take on a hands-on approach to working in the business. It is typically EBITDA plus one owner's salary adjusted to FMV.

Stock/Share Sale: [also see Asset Sale] The Purchaser acquires all or part of the company's stock/shares and the ownership of the company or specific shares/stocks is/are transferred to the Purchaser. Since the assets of the business are owned by the company and the company is an independent entity and its ownership is represented by the shares/stock, purchasing the shares includes the assets and liabilities of the company unless otherwise specifically excluded.

Working Capital: Also called net working capital, though there are a number of methods for calculating this, it is traditionally calculated as total current assets minus total current liabilities, excluding interest-bearing debt. Investment in Working Capital in the form of inventory and accounts receivable is necessary to maintain the company's daily operations.

CONTACT US



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AWARDS



AFFILIATIONS

