

## How much you can make

There is a big demand for floor preparation and a cost effective way is for customers to grind and polish concrete floors to a mirror finish using a HTC 500 machine. This small machine has a good work rate - at a reasonable price - and is ideal for sub-contracting. It is possible to start making money quite quickly. Here is the calculation:

*\* If you market the business well and have contracts every weekday of the year excluding holidays you can use the calculation below or use the same formula, but based on less days.*

Potential turnover	
Price that you charge customer	Market price is R180 – 250 per m <sup>2</sup> (Ave = R215)
Working days in a year	240
Work rate of HTC 500 machine	30m <sup>2</sup> per day
*Formula	Days X working rate X price per m <sup>2</sup> = value of work
<b>Turnover</b>	<b>R1 548 000</b>

Main expenses	
Cost price of HTC 500 machine	R116 850 Incl VAT
Cost price of extractor	R30 780 Incl VAT
Cost price of consumables (tools)	R45 per m <sup>2</sup>
Labour (two workers needed)	R17.43 per hour X 2 = R278.88 per day
*Formula	Cost machinery + overall cost of consumables (based on 240 days) + overall cost of labour (based on eight-hour day for 240 days) = main expenses
<b>Expenses</b>	<b>R538 561</b>
Profit less running expenses	R1 009 439
(Note that normal business running costs have not been calculated such as transport, insurance, marketing, administration etc)	

## Is it for you?

Just like any decision to open a business you will need to carefully consider all factors that can have an effect on the profitability of such a business. These include researching the potential demand for these services, availability of skills, cost of marketing your service and possible competition from companies that offer similar services. If your research shows that there is a need for the service, and if you have the skills available, then expanding your business to include specialised flooring services can be a profitable way to go.