

OPTICAL BUSINESS FOR SALE

1929 East Midlands



CONFIDENTIAL SALE

Confidentiality is of paramount importance to our clients. Under no circumstances should you phone the staff or vendor direct. Failure to comply with our terms and protocol of purchase will exclude you from access to future opportunities and may result in legal action.

To arrange viewings, meetings, surveys, to make an offer or to ask for more information please contact Myers La Roche.

For more information about this business or to schedule a viewing, please telephone Elliott Booth at Myers La Roche on 0161 929 8389 or email ebooth@myerslaroche.co.uk

INTRODUCTION

Myers La Roche are delighted to bring to market a highly profitable practice nestled within a commercial district on the edge of a city centre.

With an employed receptionist as well as a Locum dispensing optician, this would be ideal for an optometrist to take over the current owner's clinical role.

LOCATION

Situated just off a main road leading into the city, the practice shares the commercial district with many independent shops as well as residential houses, which contribute to significant footfall for the practice.

The local area has many new housing estates under development in the upcoming years which has the potential to lead to an expanding customer base via targeted marketing strategies.

There is free streetside parking as well as a large supermarket car park nearby. The practice is only a short walk away from city centre, which contributes to a large catchment area.

POTENTIAL

The practice is profitable in its current state and a new owner continuing the current operations would see a good return on investment.

For an owner focusing on growth, there is scope to increase the number of tests conducted with a second unused testing room as well as the practice testing for only 42 weeks of the year.

The practice owner partakes in locum days (1/2 day every two weeks) at a local healthcare centre with an annual income of £20,000 included in the accounts. A new owner could take over this service or extend the practices working hours on these days.

COMPETITION

No immediate competition, 3 multiples located over 1 mile away in city centre.

REASON FOR SALE

The vendor is selling due to retirement.

COMPANY INFORMATION

The business is operated within a limited company which was registered in 1981. There is 1 director and 1 shareholder. The style of business sale is a share sale (sale of the limited company) where 100% of the shares will be transferred on completion.

On completion, a net asset adjustment will be made to allow for stock, debtors, cash at bank and creditors/liabilities (including any director loan accounts). 60 days after completion, a formal set of completion accounts is to be provided by the vendors accountant and agreed by the purchasers accountant to reflect the final cash position. Any cash in the bank will be swept up by the net asset calculation and any excess paid over on completion of these accounts.

For more information on a Share Sale please discuss with your accountant.

The following sections consider the financial performance and operational KPIs provided by the vendor.

FINANCIAL INFORMATION

Reported Financial Performance

	Turnover	Actual Gross Profit		Stated Net Profit	
YE DATE 2023	£353,960	£249,641	70.5%	£104,007	29.4%
YE DATE 2022	£341,289	£240,285	70.4%	£101,103	29.6%
YE DATE 2021	£343,429	£236,716	68.9%	£94,581	27.5%

EBITDA

	Adjusted EBITDA
YE DATE 2023	£107,095
YE DATE 2022	£98,946
YE DATE 2021	£95,395

Adjustments made to EBITDA:

- An allocation has been set at £53,440 per annum - 32 hours per week as an OO and 3 hours per week as a manager to cover the current owner's role.
- Removal of director salaries, director pensions contributions, amortisation and depreciation.
- Included a market rental on the business which currently isn't reflected in the accounts.

Staffing Costs

The adjusted total staffing costs for YE 2023 are £100,376 equating to 28.4% of adjusted turnover.

Position	Average weekly hours	Annual Salary
OWNER ROLE (OO)	32	£11,167 (Remuneration)
OWNER ROLE (Manager)	3	Combined with above
Locum DO	19.5	£22,750
Receptionist	30	£15,171
TOTAL		£49,088

KEY PERFORMANCE INDICATORS

Overview

The practice offers private standard and upgraded eye exams at the cost of £44 and £54 respectively. The practice offers NHS examinations with approximately 70% of exams being NHS funded. They also offer contact lens consultations and aftercare, as well as domiciliary visits.

The average dispense rate is 63% with the average dispense value of £254.

Client Database – 4464 active patient records

Practice Management System (PMS) – Optisoft

EQUIPMENT LIST

Type	Supplier	Quantity
OCT	Revo	1
Focimeter	Louis Stone/Eyeco	1/1
Fundus Camera	Nikon	1
Trial Lens Set	Not Stated	2
Visual Field Screener	Revo	1
Slit Lamp	CSO	2
Patient Chair	CSO	2
Computerised Test Chart	Thompson & Grafton	2
Topographer	Medmont E300	1
Volk Lenses	Not Stated	2
Slit-lamp camera	CSO	1

Published opening hours:

Day	Opens	Closes
Monday	9am	5:30pm
Tuesday	8:30am	5:30pm
Wednesday	8:30am	5:30pm
Thursday	8:30am	5:30pm
Friday	8:30am	1pm
Saturday	Closed	Closed
Sunday	Closed	Closed
Bank Holiday	Closed	Closed

Clinic Available:

Day	Morning	Afternoon
Monday	0	1
Tuesday	1	1
Wednesday	1	1
Thursday	1	1
Friday	1	0
Saturday	Closed	Closed
Sunday	Closed	Closed
Bank Holiday	Closed	Closed

Property Tenure

The property is owned by the vendor and a current rental is not paid from the business.

The market value of the property was £200,000 in 2019 and includes a private dwelling. The property value is believed to have increase in value since 2019 up to c£245,000. If the successful business purchaser would like to purchase the freehold an updated freehold valuation is under way and expected to be available by the end of the week. It would be advisable to make an offer on the business and the freehold is to be purchased 'at market value'.

If the successful business purchaser wishes to lease the property the following terms will be offered:-

Internal repairing lease - retail unit only

Rental of £13,950 per annum

10 year lease

3 Year rent reviews

Premises

	Floor
Disabled Access	Ground Floor
Display Area	Ground Floor
Reception / waiting area	Ground Floor
Separate contact lens area	Ground Floor
Consulting Room 1	Ground Floor
Consulting Room 2	Ground Floor
Pre-Screening Area	Ground Floor
Office	First Floor
Staff Room	First Floor
Staff W/C	Ground Floor
Patient W/C	Ground Floor

The ground floor covers an area of 98m², the first floor has an area of 21m². The practice is believed to be in a good condition. The practice benefits from external shutters, air conditioning and CCTV.

PRICE GUIDE

Offers in the region of **£350,000** are invited for the shares of Limited Company on a cash free / debt free basis. On completion, a net asset adjustment will be made to allow for stock, debtors, cash at bank and creditors/liabilities (including any director loan accounts). 60 days after completion, a formal set of completion accounts is to be provided by the vendors accountant and agreed by the purchasers accountant to reflect the final cash position. Any cash in the bank will be swept up by the net asset calculation and any excess paid over on completion of these accounts.

STOCK

Stock is to be purchased in addition to the purchase price within the net asset adjustment .

Stock is valued with the following formula:-

Under 12 months	-	full invoice value
13 - 24 months	-	50% invoice value
25 - 36 months	-	25% invoice value
Over 36 months	-	nil value

THE SMALL PRINT

These business details are intended as a guide to assist potential purchasers with information relevant to their consideration of whether to proceed with the purchase of this business. Myers La Roche can accept no responsibility for, or warrant the accuracy or validity of the information provided by third parties, including the vendor and associated accountants, solicitors etc. It is therefore essential for potential purchasers to undertake the usual and appropriate enquiries and investigations to be expected of a potential purchaser or their advisors.

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FINANCE

If you require information or assistance in relation to funding options, please contact us on 0161 929 8389.

WHAT TO DO NEXT

For more information about this opportunity and to discuss your potential interest in acquiring them, please telephone Elliott Booth at Myers La Roche on 0161 929 8389. Alternatively, please email Elliott Booth at ebooth@myerslaroche.co.uk.