

OPTICAL BUSINESS FOR SALE

1904 West Yorkshire



CONFIDENTIAL SALE

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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 contact 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 your attention a profitable practice situated on a West Yorkshire suburban high street with minimal owner involvement.

The opportunity is perfect for a hands-on optometrist to replace the currently contracted Locums and save on the wage costs.

LOCATION

The practice is located in a decently affluent town and is situated on a high street among other thriving independent shops and businesses.

With great road links, its own car park and a nearby bus stop, the practice has good commutability.

POTENTIAL

Many of the practices KPI's are well above the MLR benchmarks, even without being regularly tracked. The gross profit of 86% compared to the benchmark of 73% and an adjusted net profitability of c28% compared to the benchmark of 12% showcases a simplistic yet effective business model which can be adopted by a new owner.

Additionally, the expenditure for the practice is low with a low rent to turnover ratio and minimal marketing expenditure which can be increased by a new owner looking to scale up the business.

The practice currently employs a full time Dispensing Optician (40 hours per week) but only conducts approximately 15 hours per week of eye examinations. A new owner focusing on an improvement to the marketing strategy and booking in more eye examinations could expect to see a significant increase in the practice's turnover.

COMPETITION

The nearest multiples and independents are in a shopping complex 2 miles away from the practice.

REASON FOR SALE

The vendor has other ventures and is looking to reduce their workload.

COMPANY INFORMATION

The business is operated within a limited company which was registered in 2016. There is 1 director and 1 shareholder. The style of business sale is an asset sale, where the purchaser will be buying the goodwill, fixtures, fittings and equipment.

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 2024	£168,385	£122,635	72.8%	£46,108	27.4%
YE DATE 2023	£158,954	£123,247	77.5%	£41,600	26.2%
YE DATE 2022	£158,634	£134,234	84.6%	£40,337	25.4%

*The actual gross profit margin also includes locum costs in the cost of sales.

EBITDA

	Adjusted EBITDA
YE DATE 2024	£48,338
YE DATE 2023	£42,800
YE DATE 2022	£43,737

Adjustments made to EBITDA:

- An allocation has been set at £4,800 per annum – Half a day per week (3 hours) as an OO to cover the current owner's role.
- Removal of director salaries and director pensions contributions.

Staffing Costs

The adjusted total staffing costs for YE 2024 are £68,690 equating to 40.8% of adjusted turnover.

Position	Average weekly hours	Annual Salary	Bonus
OWNER ROLE (OO)	3	n/a	n/a
Locum Optom	3.5	£6,750	X
Locum Optom	7.5	£13,500	X
Dispensing Optician	40	£25,000	X
Receptionist	24	£14,390	X
TOTAL	78	£68,890	

KEY PERFORMANCE INDICATORS

Overview – The practice offers standard eye exams at the cost of £25. The practice offers NHS examinations with approximately 89.3% of exams being NHS funded. They also offer contact lens consultations, MECS/CUES and domiciliary visits.

The practice was established in 2008 and has been under the current ownership since 2015. The average dispense rate is 71.9% with the average dispense value of £100.93

Practice Management System (PMS) – Opticabase

Published opening hours:

Day	Opens	Closes
Monday	9am	5:30pm
Tuesday	9am	5:30pm
Wednesday	9am	5:30pm
Thursday	9am	5:30pm
Friday	9am	5:30pm
Saturday	9am	3pm
Sunday	Closed	Closed

Clinic Available:

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

EQUIPMENT LIST

Type	Supplier	Quantity
Ophthalmoscope	Keeler	1
Tonometer	Pulsair	1
Focimeter	Nidek 500	1
Trial Lens Set	TBC	1
Visual Field Screener	Henson 6000	1
Keratometer	B&L	1
Patient Chair	Frastema Combi	1
Slit Lamp	Acuvision	1
Computerised Test Chart	Elite Vision	1
Retinoscope	Keeler	1
Volk Lenses	Volk 900	1

Property Tenure – Freehold/Leasehold

The property is owned by the vendor through a limited company and a current rental of £15,000 is paid from the business.

The successful purchaser will either be offered a transfer of the current lease set to expire in 2031 or a new 10-year lease at a rental of £15,000 per annum. Rent reviews will be carried out every 5 years.

The vendor is open to offers on the property. The market value in August 2021 was £200,000 and so an up-to-date valuation would be required. Additionally, the freehold was bought on a business loan and so a successful bid would have to include interest accrued by the vendor.

Premises

	Floor
Disabled Access	Ground Floor
Display Area	Ground Floor
Reception / waiting area	Ground Floor
Separate contact lens area	Ground Floor / Basement / first floor
Consulting Room 1	Ground Floor
Office	Ground Floor
Staff Room	Ground Floor
Staff W/C	Ground Floor
Patient W/C	Ground Floor

The most recent shop fit was in 2016 and so could use an upgrade but is believed to be in a reasonably good condition. The practice benefits from a property alarm system, illuminated sign, external shutters and CCTV.

PRICE GUIDE

Offers in the region of £170,000 for the goodwill, the benefit of the goodwill (including unrestricted use of the trading name), fixtures, fittings and equipment.

Stock is to be purchased separately at valuation upon completion of the sale. (Currently in the region of £10,000).

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

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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 contact Elliott Booth at Myers La Roche on 0161 929 8389. Alternatively, please email Elliott Booth at ebooth@myerslaroche.co.uk