

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

BUSINESS REPORT

Date: **4th May 2024**

Business Reference: **33257**

About the Business:

Female medical practice with 4500 clients

Well established medical practice

Female medical practice with 4500 clients



Sector: **Services**

Asking Price:

R **5,000,000**

Monthly Profit:

R **71,209**

Asset Value:

R 2,000,000

Stock Value:

R 50,000

Yearly Net Profit :

R 854,504



Business Report

Fully describe the business's activities?

This is a Medical Practice, dealing with patients/clients mainly from the Upper Hihjway area, but there are a few clients who make appointments , and who come from other areas of KZN. There are 4500 patients on the database that has been built up over the past 16 years. The practice has a separate surgery where minor surgery takes place. General practioner with many years of experience in consulting and dealing with all medical situations.

How does the business operate on a daily basis?

Patients are booked in for appointments from 0800 hrs. to 1630 hours Monday to Friday. The owner closes the practice on a Wednesday at lunch time. The nursing sister assists with the taking of blood and with the ECG administration. Insurance and travel medicals are carried out on a daily basis, over and above the normal client/patient appointments.

What Advertising/Marketing is carried out?

No advertising is carried out as the working hours are fully booked with regular clients on a daily basis.

What competition exists?

There are other medical parctioners in the area, and each one has their own client base.

How could the profitability of the business be improved?

Growth in the practice would have to be when a "partner practioner" buys into the business, to develop a larger client base.

Give a breakdown of staff/ functions/ length of service?

The sister assists the doctor with the small surgeries and also with the medicals for insurance and travel requirements i.e. taking blood samples, ECG readings, as well as chronic applications, script requests, maintaining control of medical waste. The sister has been in the business for 3 years.. The receptionist handles all the appointments, patient billing, reconciliation of accounts and queries, month end reporting, practice bank account and payments and bank reconciliation. The cleaner comes in 3 x a week and assists with basic filing, washing and ironing duties.

Do any have management potential?

Each function of the business is managed by the staff as detailed above, and there is no need for an independant manager.

How involved is the Owner in running the business?

The owner sees all patients everyday and a locum attends to these if the doctor travels away.

When does the current lease end?

The owner owns the premises. A nominal rent is charged for the use of the premises. The property is also for sale and it has been independently assessed and valued. The municipal value and the valuation carried out by an independent evaluator is R2 million. The premises is on a half acre plot in a well known suburb in the Upper Highway, and the practice has commercial rights allocated to the buildings.

What are the trading hours?

0800 to 1630 hrs. Monday to Friday. Wednesdays the practice closes at lunch time.

What are the main assets of the business?

There are a variety of necessary machines required for certain treatments, plus a good software programme on the computer system. Computers, copier, fax machines and a comprehensive filing system are all in place. The property is also an asset of the business, and it is preferable to purchase the property with the business.

Strengths?

Well known in the area and as the doctor is a female doctor there are many female patients that utilize the practice. The business has been in existence for 19 years.

Weaknesses?

No real weaknesses as the business is extremely well known with professional staff offering high quality services to the local clients.

Opportunities?

If the business were to expand there would be a need to move into larger premises. Currently the business copes well with the daily appointments.

Threats?

No threats perceived

What is the reason for the sale?

The doctor wishes to relocate to the northern areas of KZN, and wishes to sell both the practice and the property