

BUSINESS FOR SALE

Ref: 8990

The Pencil Case Cowbridge Ltd

50 Eastgate, Cowbridge, Vale of Glamorgan, CF71 7AB



Passionate about selling your business.

Business: £49,995 + SAV

EPC rating: C / Business rates: SBRR

Annual Turnover: £168,008

Gross Profit: £86,284

Latest available accounts

28th Feb 2024

Children's Uniform & Gift Shop With E-Commerce

Blacks Brokers are pleased to bring to the market this unique children's uniform, stationery and gift shop with e-commerce located in Cowbridge, Vale of Glamorgan.

- ✓ Well-Established Trading Position
- ✓ Financial Accounts Available Until 28th February 2024
- ✓ Annual Turnover: £168,008 | Gross Profit: £86,284
- ✓ Established in 2014 | Strong Industry Reputation
- ✓ No Direct Local Competition
- ✓ Consistent Year-Round Demand for High-Quality Products
- ✓ Loyal Customer Base with Extensive Email Marketing Database
- ✓ Robust Online Presence with a Comprehensive Website & Active Social Media Channels



About

The Pencil Case was established by our client in the affluent area of Cowbridge in 2014. This independent retail business offers a range of local school uniform, stationery, helium balloons, cards and children's gifts. It is very well known in this area and has a strong base of regular customers, as well as benefitting from a significant amount of passing trade due to this convenient trading position on Cowbridge high street. In addition, the business has a comprehensive website serving customers nationwide. Our client has created a strong, well recognised brand and an excellent reputation - superb reviews are noted on Google and Facebook.

The Pencil Case's target customers are parents of school-aged children. Although catering for children aged from about three to eighteen, the core audience is primary school children - Nursery to Year Six (4 to 11 years old).

Due to changes in our client's personal life, the business is now offered for sale. This presents an excellent opportunity for a new owner-operator or team to take the business forward. Our client is able to offer a detailed handover and provide support for a reasonable time, should this be desired by the new owner.

Location

The Pencil Case occupies a main road trading position in the centre of Cowbridge. The area is very well populated residentially. There are also a number of amenities nearby including many schools, cafes, restaurants, shops and more. The area is well linked with good public transport links and customer parking is available immediately outside.

Premises Details

The Pencil Case operates from the ground floor of a spacious semi detached property on a busy road. The business has large branding and signage on display above a fully glazed frontage. Inside, the shop is beautifully presented throughout with a dedicated uniform area and customer changing room, gift section, balloon displays and stationery area. There is also a kitchen and staff toilet to the rear and staff car parking at the back. All areas are finished to a high standard. The business rates for 2024/25 are £1,256.47. All fixtures and fittings are included.



Business History

The Pencil Case began trading in January 2014 and after a complete refurbishment, the shop opened on 29 March 2014. It was an immediate success. Within three months our client had taken on the first part-time member of staff.

The first few years (2014 to 2019) showed growing demand to sell uniform for more and more local primary schools, and over the years the numbers stocked steadily increased. The business now supplies official badged uniform for all 11 local schools, including Cowbridge Comprehensive School. The Pencil Case also took advantage of the opportunity to provide cards (in both Welsh and English), helium balloons, Scouts and Guides uniform, the hugely popular Top Model and Dino World range from Depesche, and a range of Orchard Toys for younger children.

The Covid lockdowns in 2020 and 2021 presented a serious threat to the business, and in March 2020 the school uniform side of the business was understandably very low. However, our client recognised that there was an opportunity to pivot from the original business model (for the duration of the pandemic) and replace school uniform with birthday celebrations. The business saw a dramatic increase in sales of helium balloons via the website and every lockdown was spent delivering balloons and gifts to customers across the Vale of Glamorgan.

In 2020, our client relaunched the website and uploaded the entire product range. The pandemic had rapidly accelerated consumers' confidence in online shopping, and the opportunity to reach a UK wide audience had never been greater. Online sales went from being just 4% of total sales before Covid, to 22% at its peak in 2021.

From 2021 to date, our client has spent a lot of time analysing category sales and display space and conducting market research to continue to improve the business offering. As a result, The Pencil Case has seen significant growth of more than 30% since the pandemic.

Business Operations & Financial Information

Accounts for year ending 28th February 2024 show annual turnover of £168,008 and gross profit of £86,284.

The business employs one permanent member of staff in addition to our client working on a full time basis. The website is managed by a part time contractor and there are also four casual members of staff utilised during the busy back to school period during the summer holidays.

In November 2020 our client installed Square, an easy-to-use POS system which processes all transactions, manages the inventory, holds customer records and provides reports and insights. The website could also be integrated into Square to further reduce costs and improve operational efficiencies.

There are solid supply chains in place. The Pencil Case does not have to deal with import duties or customs bureaucracy as this is all taken care of by suppliers. Suppliers are all very easy to deal with and order from.

All key information, systems and processes are clearly documented, and everything is stored on a well organised shared drive.

The building is available on a Full Repair and Insure lease (FRI lease). This is the most common form of commercial lease. The current lease is a rolling annual agreement which began in 2013 at a cost of £115 per week. Full financial information is available upon request.

Opening Hours

MON - SAT : 09:00 - 17:00

Summary

The Pencil Case is in a positively unique position - the ONLY supplier of school uniform, Girlguiding uniform, ballet and dancewear, helium balloons, children's stationery and gifts in Cowbridge and the surrounding area, with thousands of customers on the doorstep.

The Pencil Case sells not only to local customers, but also to customers right across the UK via the comprehensive website. Many customers shop on a very regular basis for uniform, stationery, gifts, cards and balloons. The business boasts a 3,400 strong email database. This database can also be segmented in order to target customers based on which products and categories they have bought, which schools their children attend, which month they need birthday balloons and so on.

This proposition would ideally suit an owner-operator or team who could take the business forward and build upon the solid and impressive trading foundations developed to date. Early viewings are strongly advised.







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