



martin aitken

accounting | tax | finance

Financial Health Checks for Pharmacists

Helping you to manage, comply, plan and grow your profits.

www.maco.co.uk

Accounting, tax and virtual finance director services for Pharmacists

Martin Aitken & Co provide accounting, tax and business services for pharmacists looking to make more-informed decisions, stay in control of their finances and improve the pharmacy's profitability.

We'll take care of the compliance and we'll advise you on the best ways to run and manage the pharmacy finances, generate the return and profits your efforts deserve and the best ways to invest your hard earned wealth, whilst minimising your tax liabilities.

The benefits to you and your business

1. We'll meet with you at your pharmacy to discuss your requirements.
2. You let us know how you want to manage the pharmacy finances and we'll fit our services around your decisions.
3. We'll help you to choose the right cloud accounting software and applications that fit with your business size, stage and objectives.
4. We'll advise you on the year-end and regular compliance requirements (accounts, tax, VAT, payroll) and what needs to be done by whom and by when.
5. We'll arrange quarterly business performance reviews and help you to set up regular monitoring and reporting to keep things on track.
6. Annual review meeting to discuss financial performance, how best to invest your hard-earned profits and setting targets for the year-ahead.

How we will make accounting easier

- Fixed monthly price. Upfront transparency from the outset giving you cost certainty with no unexpected surprises.
- Easy to use software that has been built for business owners, not accountants.
- Dedicated, qualified and experienced pharmacy accountant and tax adviser assigned to your business.
- Support available to take your finance and tax queries 8am-6pm weekdays and software support 24/7.





Are you ready to own a pharmacy?

Why are you buying and are you financially ready?

Consider the purchase price, 1st year running costs and potential refits/upgrades. Determine your budget and negotiating position.

What type of pharmacy are you looking to buy?

Unit size, location, your role (in or out?) and return required.

Get to know the detail and what that means.

Are you buying the company and its share capital, or are you buying the assets?

Warranties and indemnities are typical features of Sale & Purchase Agreements (SPA).

Read the small print carefully and ask your solicitor to run their rule over the SPA.

Raising finance.

Speak to your bank, and a couple of others, and ask us to help you to prepare your pharmacy business plan and financial projections.



Growing the pharmacy profits

Align your strategy with the opportunities for growth.

Ageing population, increasing prevalence of diseases such as obesity and associated health ailments. Direct contracts with drug manufacturers, GP surgeries, nursing homes etc.

Managing the drag.

Regulatory changes here and in pipeline. NHS budget, competitive threats – online only, 'clicks and bricks' and traditional pharmacists.

Issues to consider as part of your growth planning.

Nearness to GP surgery, accessibility, opening hours, product range/lines, stock management, staff training and product knowledge, online presence and strategy.

Take advantage of the tax reliefs and allowances.

Capital allowances, R&D Tax Credit, company cars/delivery vans tax, pensions, personal allowances for the owner and financial planning.





Managing the pharmacy finances

Getting to grips with the books.

The flexibility of use, ease of information available and all-round slicker delivery puts cloud accounting software miles ahead of the desktop versions and endless spreadsheets. Look no further.

Managing cash and controlling costs.

Unless you are in the fortunate position of having a significant amount of capital to invest, managing the cash position will be king. Also consider: supplier terms,

cost reviews and working capital requirements.

Measure performance.

It's important to understand the numbers side of the business so you can gauge returns e.g. NHS income, financial ratios and covenants.

Compliance.

Company accounts to Companies House within 9 months of each financial year-end. HMRC also require payment of Corporation Tax in the same 9-month period, PAYE/NI and VAT on a regular basis, your personal tax and it is never too early to consider inheritance tax.



Selling the pharmacy or considering retirement?

Grooming for sale:

To maximise the price you receive you should aim to present the business in its best possible light e.g. condition of premises, fixtures and fittings; value of NHS income; footfall and customer numbers/ loyalty; online presence and your marketing strategy.

Sometimes it can take a few months to get the pharmacy business ready for sale, in other situations it can take 1-2 years.

Planning your tax liability.

Specifically, Capital Gains Tax (CGT) and Inheritance Tax (IHT). These areas can appear to be overly complex but with a bit of careful planning, it is possible to mitigate both yours and your family's exposure.

For instance, Business Property Relief can potentially remove the full value of a pharmacy business – sole trader, partnership or shares in private company – from being subject to an IHT charge.

Let's Talk

Three choices, one positive outcome.

1. Make an appointment at our Virtual Finance Surgery with Mark Tenby, Director that runs on weekday evenings between 5-7pm.
Our Virtual Finance Surgery takes place online and you can join via any wi-fi connected device.
To book an appointment time email **megan.houston@maco.co.uk**
2. Get in touch with Mark Tenby, Director via email or phone to arrange a time to meet with you at your pharmacy or at our offices, whichever is most convenient.
3. Visit **www.maco.co.uk/pharmacy** to find out more about running and managing the pharmacy as a business.



SCOTTISH Pharmacist

Mark Tenby, Martin Aitken & Co writes a regular a business finance and tax column in Scottish Pharmacist magazine that has covered a range of issues, including:

- Buying a pharmacy
- Running and managing the pharmacy finances
- Growing the profits
- Selling the pharmacy and/or considering retirement

You can read the full articles on **maco.co.uk/pharmacy** or you can flick over to read a synopsis of some featured articles.

Our business and personal financial advice

Martin Aitken & Co has a dedicated healthcare professionals' team dealing with pharmacists, GPs, dentists and the ancillary service providers to the healthcare sector in Scotland.

Helping pharmacy-owner managers to comply with their statutory accounting and tax obligations and advising them to improve the pharmacy's business performance and profitability is our *raison d'être*.

We also advise on pharmacy purchases, sales, restructures and succession planning for new and retiring owners.

Our independent financial advisers provide personal finance, investment and NHS pensions advice, as well as advising on setting up auto-enrolment pension schemes and insurances.



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Kim Matheson
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We are flexible, approachable and responsive business and financial advisers who will treat your pharmacy business as our own and your success as our priority.

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financial services

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accounting + payroll services

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