

For Immediate Release

Setting up or buying your own pharmacy

As a pharmacist, going out on your own is a very exciting prospect, requiring a whole new skill set from funding your new business, negotiating contracts, managing staff to keeping a close eye on your finances.

“The first key decision you will need to make is whether to buy an existing pharmacy or set up an entirely new venture,” comments Abdul Hafeez, partner at RA Accountants.

“If you are planning to buy an existing pharmacy, think carefully about the reasons for your acquisition,” Abdul advises. “How good is the location and is there anything planned that could affect your business turnover? What is the current revenue? Could this be increased? What is the cost structure and could you improve on this in any way? Consider using a business agent, who could save you time and will have a database of possible purchases. Finally and most importantly be meticulous in your due diligence, in terms of financial, commercial, legal, HR and technology. Setting up a new pharmacy is complex subject to PCT requirements as well as finding a location, obtaining funding and setting up new financial, legal, HR and IT systems”

“Once you have decided whether to buy or set up your own pharmacy, you will need to decide which is the best business structure for you – sole trader, limited liability

partnership or a limited liability company. Do discuss this with your accountant,” suggests Abdul “Every case is different, dependent on your personal situation, your long term goals and planned exit strategy. Furthermore, there can be significant tax advantages for some business structures”

“Like all new operations, you will need to consider financing your business in a tax efficient manner. Your accountant should be able to provide some invaluable advice and provide you with some useful contacts to help you obtain funding.”

“Finally, think about the day-to-day management of the financial side of your business. Should you outsource your book keeping, payroll and accounting functions giving you time to focus on the building of your business or do you plan to keep these activities in-house for the time being? Make sure you take advantage of all the tax allowances and reliefs that are available.”

“Starting your own business will be hard work, challenging but should be extremely satisfying” concludes Abdul.

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