

# BRIGHTER THINKING FOR HEALTHCARE

**Menzies is a top 20 firm of accountants, finance and business advisors. We operate out of a network of offices across Surrey, Hampshire and London, providing our clients with easy access and local knowledge. Many of our clients are expanding overseas and benefit from the outward perspective we can provide via our active membership of HLB International.**

Our key strength is focus. We focus on our clients – understanding your business via our in-depth sector expertise, which enables us to provide you with insights that add real value.

Our Relationship Partners focus on getting to know you. We use a consultancy-led approach and a variety of diagnostic tools we've developed to challenge your objectives and guide your business growth.

Clients also benefit from our diversity, we offer the full range of services you'd expect from your accountants, plus some you might not – like strategic consultancy, outsourced HR and FD support and business valuations.

And it's not just about your business. Our subsidiary company, Menzies Wealth Management, provides independent financial advice to both private and corporate clients, to reduce your tax exposure and meet your financial goals.

## CONTACT US

**CARDIFF** +44 (0) 29 2049 5444  
**FARNBOROUGH** +44 (0) 1252 541244  
**HEATHROW** +44 (0) 1784 497100  
**LEATHERHEAD** +44 (0) 1372 360130

**LONDON - CENTRAL** +44 (0) 20 7387 5868  
**LONDON - NORTH** +44 (0) 20 8446 9000  
**SOLENT** +44 (0) 1489 566700  
**WOKING** +44 (0) 1483 755000

**MENZIES.CO.UK**

ACCOUNTANCY | FINANCE | BUSINESS

**MENZIES**  
BRIGHTER THINKING

# PACE AND BREADTH OF CHANGE AN ISSUE

Rising public expectations, combined with a growing and ageing population, adds pressure to healthcare services, whilst reacting to changing legislation and reduced government funding presents care homes, dentists and GP's with enormous challenges. Increasingly, healthcare professionals need to react quickly by understanding where their business is now, how changes will affect them and how to move to safer strategic ground.

## KEY CHALLENGES FOR THE HEALTHCARE SECTOR

### CARE HOMES

This is a volatile sector where operators face strong potential demand for services. There will be 15.7m over 65 year-olds by 2031 (a 50% increase in 20 years) and high uncertainty about the impact this will have.

Fundamental challenges are outside the operators' control, for example, fluctuations in the general economy and, therefore, individual funds to purchase care home services; and uncertainty about policy at a national and local level, which hampers business planning.

This volatility can be seen in successful operators having to adapt and focus on operating profitably, whilst at the same time, high profile businesses in the sector have collapsed.

Innovation and technology have increased efficiency through the adoption of care plans, alternative fuels and clocking-in systems. Changes in scale are also impacting on effectiveness, as the demand for larger homes, larger rooms and better facilities leads to a reduction in the number of traditional converted period property care homes.

### DENTISTS

Dentist practices seem to be facing the "perfect storm": an increased regulatory burden, serious human resources issues, and their biggest customer - the NHS - set to make further budget cutbacks.

Competition between practices is rising, both for good staff and NHS contracts. Scarcer contracts are resulting in multi-practice consolidation, funded by business investors who are bringing commercial acumen to the table.

Attracting and retaining increasingly consumerist, image-conscious and digitally-mature patients is becoming as challenging as retaining the young, skilled and ambitious dentists entering the profession.

### GENERAL PRACTITIONERS

The profession is straddled between traditional care for a community and needing to balance business risk and reward. Demand is increasing, with 24% more NHS consultations since 1998 and the average person seeing a GP twice as often as a decade ago (linked in the main to an aging UK population).

Ability to meet that demand, profitably, is problematic, as GP's and nurses reach retirement age and are not replaced in sufficient quantities. Also, at the same time, the cost of running a practice has increased.

Growth in funding is insufficient to cover the growth in demand and practices have seen their income eroded since the high point in 2005/6, whilst their tax liabilities and pension costs have risen. Innovation in technology and process, combined with commercial skills are becoming the hallmarks of successful GP practices.

# HELPING YOU MEET YOUR CHALLENGES

We advise doctor, dentist, GP, and pharmacy practices, as well as care homes and a number of sector-dependent clients. We work closely to find solutions to industry issues, utilising our expertise in everything from business strategy and corporate finance, to audit and tax advice.

## KEY CHALLENGES

BUSINESS PLANNING

INCREASED COMPETITION

TECHNOLOGY INVESTMENT

STAFF RESOURCES

NATIONAL MINIMUM WAGE

OPERATIONAL EFFICIENCY

FIXED COSTS

FUNDING FOR GROWTH

FINANCIAL STABILITY

TAX LIABILITIES

## OUR SERVICES

STRATEGIC PARTNERSHIPS | BUSINESS STRATEGY  
INTERNATIONAL TRADING

STRATEGIC PARTNERSHIPS | BUSINESS STRATEGY

R&D TAX INCENTIVES | STRATEGIC PARTNERSHIPS

OUTSOURCING | HR SOLUTIONS

HR SOLUTIONS

ALTERNATE BUSINESS STRUCTURES | AUDIT & ASSURANCE  
COMPANY SECRETARIAL

SUPPLY CHAIN MANAGEMENT

CORPORATE FINANCE | RAISING FINANCE | BUSINESS VALUATIONS

FORENSIC INVESTIGATIONS | BUSINESS TURNAROUND

TAX ADVICE | VAT ADVISORY | WEALTH MANAGEMENT

*“It is very reassuring to know that we have Menzies in our corner providing an invaluable financial service to us, efficient and yet still individual, proactive and reliable.”*

CHRISTINA FIRMIN, PRACTICE BUSINESS MANAGER  
GIFFARD DRIVE SURGERY