

# Living and working in uncertain times

Obtaining a lasting power of attorney document is imperative for practice owners, says **Lis Hughes**

## Lis Hughes

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'attorneys' who will be able to make decisions on your behalf. An attorney can be anyone over the age of 18 who is not bankrupt. Your attorneys have a duty to act in your best interest, but it is important that you trust them.

### Why should I do this now?

As we know, accidents and illness can happen at any time.

If you suffered from a stroke, or a brain injury following an accident, then everyday tasks such as managing your accounts, paying your bills and maintaining your property

could become very difficult, or even impossible. An LPA ensures that people you trust can manage your affairs and make decisions on your behalf.

You can only make an LPA while you have capacity to understand the nature and scope of the LPA, so it is not something you should leave to do one day.

### What happens if you have not made an LPA?

So, should you lose capacity and do not have a valid LPA, then it may become necessary for an application to the Court of Protection for a deputy to be appointed. This may result in someone managing your affairs who you would not have chosen had you had the capacity. The court could

even appoint a professional deputy (usually a solicitor) if it considers this to be appropriate; for example, if there is a family dispute. Such applications to court are very time consuming and costly, and it may be several months before your deputy is able to access your finances.

The sad reality is the potential to lose everything you have worked for, and it can be a very stressful time for your relatives who may end up spending their own money trying to pay your bills, and sometimes having to resort to banks as they try to secure loans to keep businesses going and not always succeeding.

For peace of mind, it must be worth going through the process of obtaining an LPA now while everything is good. To find out more, call me on 03300 88 1156. **D**

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We all have a healthy belief that bad things might not happen to us, but sadly there are no guarantees and as we are currently living and working through uncertain times it is worth reminding ourselves of the protection we could and should have in place. When tragedy strikes, it is family members who not only have to deal with emotional fallout, but also the financial impact.

In view of this, we encourage all of our clients to make sure they have a lasting power of attorney (LPA), a legal document that allows you to plan ahead and set up now what you would like to happen should you become incapable of managing your affairs in the future.

In an LPA, you appoint one or more

## PRACTICE ONE - LANCASHIRE

**Practice type** – this practice occupies the ground floor of a purpose-built shop fronted building, in a mix of residential and commercial properties. This is a two surgery, predominantly NHS, practice that has been established over 40 years, and is being sold to facilitate the retirement of the principal. It is leasehold with a 20-year lease in place.

**Practice gross** – the gross fee income from the management information for the past 12 months is in the region of £300,000, and is derived from 95% NHS-GDS contract and 5% fee per item. The units of dental activity (UDA) rate is just over £26 per UDA. The gross has been generated from the principal working five days a week, supported by a full-time nurse and a full-time receptionist.

**Price achieved** – a price of £475,000 was achieved, which was in line with the asking price.

**Agent's comments** – this principal decided some time ago that practice ownership was no longer as enjoyable as it had been previously, and wanted to enjoy the next few years of pure clinical work – this is not an unusual story! The principal also recognised the opportunity for a new owner to develop the practice as the local area is under a massive development.

## PRACTICE THREE - THE MIDLANDS

**Practice type** – this practice is based in a small village and having been established for over 30 years is exceptionally well placed and very well known. This is a three surgery fully private practice and is being sold to facilitate the retirement of the principal. It is a limited company and will be a share sale and being sold as leasehold with a new 20-year lease being created by the seller.

**Practice gross** – the gross fee income from the management information for the past 12 months is in the region of £475,000 and has been generated from the principal working five days a week, alongside a part-time associate and a hygienist working two days a week. The team are supported by a part-time practice manager, two full time nurses/receptionists.

**Price achieved** – a price of £950,000 was achieved, in excess of the asking price.

**Agent's comments** – this practice is so well established that the seller has not been actively marketing the practice for a number of years. While it is in a village location, the surrounding area has a number of new housing estates and schools in development, which the incoming principal has already identified. The seller is happy to stay on for at least a year to provide continuity.

## PRACTICE TWO - HOME COUNTIES

**Practice type** – this practice is spread over two sites in a very busy market town, with excellent transport links from the surrounding areas. This is a predominantly NHS practice, which has been established over 30 years and is being sold to facilitate the retirement of the principal. The practice is being sold as leasehold, with 20-year leases in place in both sites.

**Practice gross** – the gross fee income from the management information for the past 12 months is in the region of £2,500,000 and is derived from 92% NHS-GDS contract (ortho and not time limited) and 8% fee per item. The practice is associate run and the gross has been generated by six full and part-time associates, six full and part-time therapists, four full-time technicians and supported by nine, full and part-time nurses, a full-time practice manager, a full-time operations manager, and a full-time administrator.

**Price achieved** – a price of £4,250,000 was achieved, in excess of the asking price.

**Agent's comments** – the seller has built this business over a number of years and has operated it as associate run for many years. This practice was only going to appeal to a small portion of our clients looking for a practice by the nature of its specialism and size, and the buyer is an established corporate who was willing to pay a premium to secure such a well-run practice.

## PRACTICE FOUR - SOUTH WEST

**Practice type** – this practice occupies a shop fronted position within a two-storey property. There is ample car parking at the practice with additional street parking. The practice is being sold as leasehold with 10 years left on a 15-year lease.

**Practice gross** – the gross fee income from the management information for the past 12 months is in the region of £350,000 and is derived from 41% NHS-GDS contract, and 59% fee per item. There are six full and part-time associates, and two hygienists working two days a week. The team are supported by a full-time practice manager, four full-time nurses, and two part-time nurses/receptionist.

**Price achieved** – a price of £750,000 was achieved, which was in line with the asking price.

**Agent's comments** – this practice is in an area that is always in high demand and with such a balance of NHS and private income, the high UDA rate, and an opportunity to develop the practice. What was not to like!

