



## Medfin e-news



### The WHY, WHEN and HOW of exiting your practice?

Many practice owners, dream of setting a retirement date and living on their superannuation from that date onwards for personal funding. Without proper planning, this simply is not possible.

To help you plan, here are few questions to consider:

- When do you want to stop working? Do you have a specific age in mind or a life stage? For example does your retirement date correspond with when your children leave home or when you feel that you have made enough money to cease working full time?
- What do the other partners/key individuals within your practice want to do in the future? Their plans may dictate how you shape your practice goals.
- What do you want to do in your retirement? Do you want to work part time as a consultant or are you intending to take a permanent holiday?
- How will your retirement income be funded and will your current superannuation be sufficient?
- If a shortfall exists in your projected income, how much are you going to rely on the proceeds from your practice sale to supplement your existing superannuation?
- What exit plan will yield the best results for both you personally and the practice – once you have left?
- Are you going to withdraw gradually so that someone else can be groomed to take your place or are you going to withdraw completely on a specific date?
- Are you likely to enjoy good health until your retirement age is reached?
- As the practice owner, you are the only person who can answer the above questions. The answers will form the basis of your exit planning strategy.
- You only exit your practice once. Your chances of achieving a good deal will be considerably enhanced by using a team of great advisers. These advisers can assist you to understand the market place and the real value of your practice so you can negotiate the best price.

Carol Hull, partner at leading accountancy and business advisory firm PKF states “About 45 percent of business owners advise us that they want to retire early. Yet the owners of small practices, tend to work later in life, mostly because they gain personal satisfaction from running their own practices.”

David Roberts is Medfin Finance’s Western Australian State Manager. “Our clients are all health professionals so they have a unique set of retirement needs. Often they are looking for a succession plan in their early 40’s that will allow an exit at the right stage in life, whilst providing future support for their patients and staff.”

“To help you plan your practice exit strategy visit our website - [www.medfin.com](http://www.medfin.com). The site hosts a free e-Paper – Extracting value from your business. The paper, written by PKF is a practical guide to exiting your practice on your terms. Our website also hosts free classifieds to help you sell your practice. We have over 6,000 health practitioners’ visit our website per month, so it’s worthwhile posting an advert” David Roberts continues.

If you need more information on retirement strategies and finance your local Medfin Relationship Manager can be contacted on **1300 361 122** or to talk to a PKF accountant phone **1300 753 222**.