

# DON'T THROW A SPANNER IN THE WORKS

It has never been more important to have someone with experience and specialist dental knowledge on your side to navigate the complexities of dental business. NASDAL has launched a 'Don't throw a spanner in the works' campaign to highlight what can go wrong when a dentist is advised by a non-specialist.

## CASE STUDY: THE WATERSTONS

The names have been changed in the following two case studies.

Principal dentist Nigel Waterston and his wife Janine, who does the books, have an NHS-only practice and were facing financial problems as a result of claw back. Their non-specialist accountant had failed to accrue the claw back into the accounts so that they were also facing a huge tax bill. On the strong advice of their bank manager, they moved their business to a specialist dental accountant. Since starting to work with their NASDAL advisors, their cash flow has greatly improved and they have paid back half their £50k bank loan.

Said Janine: "Things have changed for us hugely. I just feel we have someone on our side who understands. I like the fact that if I am stuck, and it doesn't matter whether the problem is the LAT, the banking or how to fill in the Contract Allocation Form, you know there is someone at the end of the phone who will do their damndest to help you."

"Nigel likes the fact that we are being supported by people who understand the frustration of being a dentist in the NHS."

## CASE STUDY: THE HOTBLACKS

Claire Hotblack is a practice manager and her husband Johnny is a dentist. They had opened a private squat just a few years before the recession and then found their profits were badly hit when a corporate practice with an NHS contract opened nearby as well as suffering from the effects of a flood in the town. They employed a succession of business coaches and when things were getting problematic, the coach they were using at the time encouraged them to move their business to his accountant. Like their own accountant, he was a non-specialist. By the time the couple realised the mistake they had made, they were on the verge of bankruptcy.

Said Claire: "Johnny is a great dentist and I was working as a treatment co-ordinator and we were getting a 96% take-up on private treatment, but it was too late."

Thanks to the advice of a friend, their NASDAL accountant came on board and although it was too late to save the practice, she helped them "every step of the way."

Claire said afterwards that everything changed when she and Johnny had someone they could speak to who would understand. "I feel very passionately that dentists need specialist advisors because with someone on your side who knows what they are doing, then you are half way there."

Employ a NASDAL advisor if you want someone who understands:

- The business of dentistry
- Profitability and the value of your dental practice
- How to buy and sell dental practices
- Tax planning for dentists
- Incorporation of dental practices
- Partnership and expense sharing issues
- NHS contracts, superannuation and the ARR
- The CQC and how it operates

## Some telltale signs you should be speaking to a specialist

- When you are having financial problems and your NHS contract isn't working for you and your non-specialist accountant says: "Why don't you put your prices up."
- When the solicitor you have employed to assist you in buying a dental practice produces a contract of just two pages (the NASDAL standard contract is 80 essential pages)
- When you are an associate and your advisor suggests you incorporate without warning you of the effect on your NHS pension.
- When you have claw back to pay but the accountant you are using hasn't adjusted your taxable profit to reflect the lower earnings – so you have to pay an inflated tax bill as well as the claw back in the same year.
- When you have just bought an incorporated dental practice and discover that the NHS contract is in the name of the dentist you bought from and not in the name of the company you had agreed to buy.
- When you ask your accountant about forming a partnership with your other half and they fail to warn her that to be legal, both partners must be GDC registrants.

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