



For immediate release

More than half of UK dental practices rely on Government loans

52% of UK dental practices have relied on either CIBLS (Coronavirus Business Interruption Loan Scheme) or BBLS (Bounce Back Loan Scheme) from the government. That's the verdict of a recent NASDAL (National Association of Specialist Dental Accountants and Lawyers) survey.

The survey was carried out last month and a sample of 121 practices (with a total fee income of £88 million) was taken from NASDAL accountant member practice owning clients on a random sampling basis. The survey found that:

- 11% of practices have taken out CBILS loans, mainly private practices
- The average CBILS loan is £105k (12% of fee income)
- 41% of practices have taken out BBLS loans, covering all types of practices.
- The average BBLS loan is £49k (7% of fee income).

The average loan is £32k (4% of fee income) and overall, 52% of dental practices have taken advantage of Government backed COVID loans.

Alan Suggett, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, commented, "these findings don't surprise me and reflect what I have found when speaking to dental clients. The CBILS application process was particularly arduous and difficult and this meant that in my experience, those practices that applied for CBILS loans really did need the funds. BBLS however, required just a couple of ticks and the money was in the account 48 hours later. I suspect that a large number of applicants did so on a 'just in case' basis and will be happy to pay the money back in full next year.

"One of the major concerns that NASDAL had when we reported to the short life working group (SLWG) headed up by Deputy CDO England, Jason Wong, was that most dental practices are fundamentally sound businesses and to see a good number in potential difficulty purely because of capital loan repayments, is a real concern. That is why it was key for us that in the recommendations, a government guaranteed loan support scheme to underpin lenders confidence in supporting dental practices and dental laboratories at risk was included.

“When the CIBLS and BBLs repayments become due next year, we will see how many dentists and practices are in difficulty.”

NASDAL COVID SURVEY RESULTS

Number of Practices in survey	121	
Total Fees	£88,418,701	
Total NHS Fees	£35,948,501	41%
Total Private Fees	£52,470,200	59%
Total COVID Support Borrowings	£3,822,000	
Average Support Borrowings (Per Practice)	£31,587	
Percentage of Borrowings to Total Turnover	4%	
Number of Practices with CBILS	13	11%
Total Fees (of Practices with CBILS)	£11,896,317	13%
Total NHS Fees (of Practices with CBILS)	£1,941,133	
Total Private Fees (of Practices with CBILS)	£9,955,184	84%
Total CBILS Borrowing	£1,369,000	
Average of CBILS Borrowings to Number of Practices with CBILS	£105,308	
Percentage of Borrowings to Total Turnover (of Practices with CBILS)	12%	
Number of Practices with BBLs	50	41%
Total Fees (of Practices with BBLs)	£34,481,458	39%
Total NHS Fees (of Practices with BBLs)	£15,198,902	
Total Private Fees (of Practices with BBLs)	£19,282,555	56%
Total BBLs Borrowing	£2,453,000	
Average of BBLs Borrowings to Number of Practices with BBLs	£49,060	
Percentage of Borrowings to Total Turnover (of Practices with BBLs)	7%	

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Note to editors:

NASDAL, the National Association of Specialist Dental Accountants and Lawyers, was set up in 1998. It is an association of accountants and lawyers who specialise in acting for and looking after the accounting, tax and legal affairs of dentists. It is the pre-eminent centre of excellence for accounting, tax and legal matters concerning dentists. Its members are required to pass strict admission criteria, and it regulates the performance of its members to ensure high standards of technical knowledge and service.

Alan Suggett and Nick Ledingham, the Chairman of NASDAL, are both available for interview. To organise to speak to them or any other members of NASDAL for more information please contact Chris Baker.

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