



Rising costs a factor for dentists in latest stats

The annual benchmarking statistics just issued by NASDAL show that dental practices have been contending with a significant increase in costs. In the tax returns of dentists in the year ending March 2012, the total average costs of running a dental practice equated to 67.6% of practice income. As a result, profits are almost back to the levels in the 2004-2005 NASDAL survey.

While fee income has risen on average by £21k for the average NHS practice, profit is down. In the private sector, fee income is down and profits static. Larger practices, with associates, have seen the greatest reduction in profit. In the year ending 2010 the average net profit per principal in a practice with associates was £148,408, in the year ending March 2011 it was £129,000 and the year ended March 2012 it was £125,000.

Other indicative findings on income are:

- The average net profit for a typical dental practice in 10/11 was £125,000 and by the end of March 2012 it was down to £122,000
- An NHS principal's net profit is down by nearly 3% to £130,000 while a Private practice principal's net profit is static at £117,000

According to Ian Simpson, specialist dental accountant and the NASDAL member who leads the annual statistical survey, smaller private practices are finding it easier to protect their profits by trimming costs. Overall, NHS practices continue to earn greater profit than private practices, although the

gap has narrowed in recent years.

Nick Ledingham, Chairman of NASDAL, said that in the context of the wider economy, the survey results showed that dentists working with a NASDAL accountant were surviving through a variety of different strategies.

Other key findings of the statistical exercise are:

- Most dentists are still sole traders
- Associates continue to experience a fall in income and profit, with average net profit reducing from £68,000 in 2011 to £67,000 in 2012
- Lab and material costs are static
- The average practice UDA rate is £26.02
- Dentists appear to be working harder for less

Calculated annually by Ian's firm, firm Humphrey and Co, the statistics are gathered from a sample of practices across the UK to provide average 'state-of-the-nation' figures. They are used by NASDAL accountants to help dentists and dental practices benchmark their figures.

The statistics reflect the fee income of practices with up to 80 per cent NHS commitment while a private practice is deemed to have up to 80 per cent of its income derived from private fees.

Note to editors

The NASDAL stats are published annually in March and reflect the finances of dental practices and dentists for the most recent tax year. The latest to be released are for the year ending March 2012, and are taken from the tax returns of NASDAL clients submitted by January 31st 2013.

The NASDAL figures provide a detailed picture of dental practice finances, sourced directly from dentists working in the NHS and privately. The figures published by the NHS Information Centre later in the year reflect the income of

dentists working within an NHS contract only.

NOTE TO EDITORS

For more information or to obtain photos or the logo of NASDAL, please contact Caroline Holland on 020 8679 9595/07974 731396 or email caroline@carolineholland.eu