

## **A year of superannuation turmoil**

A pensions time bomb may be ticking for some dentists as a result of the new contract and changes to the system for calculating superannuation amounts. Dentists are advised by National Association of Specialist Dental Accountants (NASDA) to be particularly careful with their record-keeping, especially when they undertake additional UDAs.

Superannuation reconciliation returns were a major talking point at the NASDA annual conference where several delegates reported they had been contacted by dentist clients who were having problems. In some cases Primary Care Trusts are sending out forms with the wrong figures on them.

Frances Clark, secretary of NASDA, said she had seen two forms so far and in both cases, the wrong amounts had been entered by the PCT. While the form is only one page, there are five pages of notes and it is hard to calculate the correct superannuation figure.

She said: "They tell you what they think the figure is, but not how they worked it out. It concerns me that some practices may have simply signed the form and returned it without checking."

The old contract was more transparent; the activity of each was dentist recorded on the monthly schedule and a percentage was simply deducted for superannuation. NASDA has already taken this up with the NHS Business Services Authority dental services division, pointing out that the system could be storing up problems for future years. However NASDA's representations were not heeded and as a result, NASDA's media spokesman, Nick Ledingham predicts there will be a year of turmoil.

There is an additional complication: in the first year of the new contract, only eleven months of superannuation can be taken into account. This is because the final monthly payment made to practices for their March activity arrives on the first of April. Since the NHS superannuable year ends on the 31<sup>st</sup> March the payment must be added into the following year. In future, superannuation will include one month from the previous year and 11 months from the current year!

A straw poll of the 35 NASDA accountants at the meeting indicated that one third had been asked for advice by dentist clients who were confused by the forms. This provided another instance of why it is important for dentists to have a specialist accountant who understands the background to the new contract and associated issues.

**To find member of the National Association of Specialist Dental Accountants (NASDA) in your area, call 0870 6010 230 or go to the website at [www.nasda.org.uk](http://www.nasda.org.uk)**