

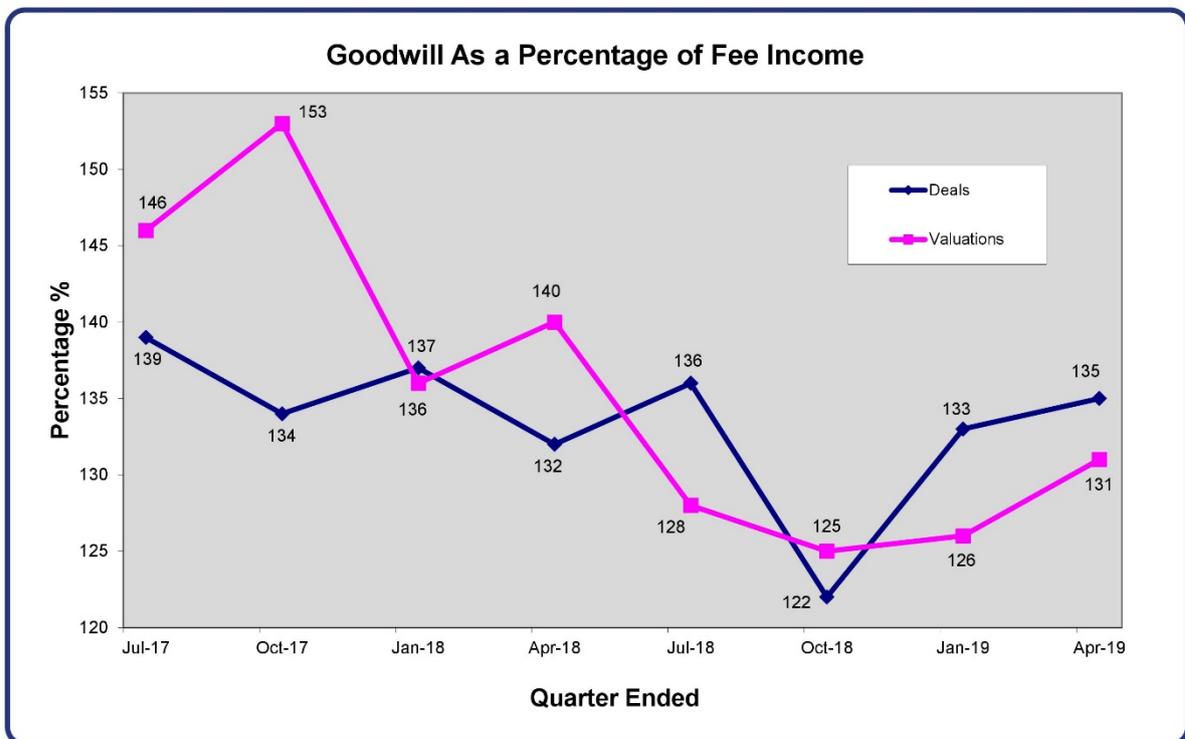


For immediate release

### NASDAL Goodwill Results – NHS Practice Values bounce back

The latest NASDAL (National Association of Specialist Dental Accountants and Lawyers) Goodwill Survey statistics have just been released and as always, prove interesting reading. These statistics are produced on a quarterly basis and provide a useful snapshot of the dental practice sales market.

### NASDAL QUARTERLY GOODWILL SURVEYS



The survey for the quarter ending 30<sup>th</sup> April 2019 sees both changes and continuing trends. The average goodwill value of NHS practices has bounced back after seeing 3 successive quarters of reductions. They saw an average goodwill value of 149% of gross fees – up from 118% in the quarter ending 31<sup>st</sup> January 2019. (But still nowhere near the July 2018 high of 224%).

Mixed practices also saw a big rise with an average goodwill value of 146% of gross fees – up 38% from the previous quarter. Fully private practice sales held relatively steady at to an average goodwill value of 120% of gross fees. When taken as an average, goodwill figures as a percentage of gross fees across all types of practice, deals were reasonably constant – up 2% on the previous quarter. Valuations, which traditionally can be more volatile, were also relatively stable at 131% of gross fees – up from 126%. This reflects a calm 12 months in terms of valuations.

Alan Suggett, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, said, “It is interesting to note that NHS practice values are back up – I wonder whether with Brexit/No Brexit looming, banks are looking for any kind of certainty that they can find. Anecdotally, I also hear that banks are keen on practices with a significant plan income – in uncertain times it is perhaps natural to cling on to any reassurance that one can find.

“There are still plenty of private equity backed corporates paying big money if your practice is in the ‘right’ place. However, if you are a single-handed practice with a small NHS contract value and low UDA rate in Cumbria or Cornwall, I wouldn’t hold your breath.”

The goodwill figures are collated from accountant and lawyer members of NASDAL on a quarterly basis in order to give a useful guide to the practice sales market. These figures relate to the quarter ending 30<sup>th</sup> April 2019.

NASDAL reminds all that as with any averages, these statistics should be treated as a guideline only.

## **ENDS**

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, who compiles the NASDAL Survey, 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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