



NHS Practice values surge ahead

NHS Practices sales as a percentage of goodwill are still on the rise. The latest quarterly goodwill survey from NASDAL (The National Association of Specialist Dental Accountants and Lawyers), reports that the market for NHS practices in particular is forging ahead with the average goodwill value secured for a practice with an NHS contract being 140% of turnover; up from 125% in the previous quarter.

Alan Suggett, specialist dental accountant and partner in UNW LLP, commented, *“It does seem counter intuitive to me that such high values are being paid for NHS practices when we are in a time of potential reform and an uncertain future. Both corporates and mini-corporates appear to be voracious in their appetites and are almost in a type of ‘land grab’. However, the demand is there and the market is simply responding to that.”*

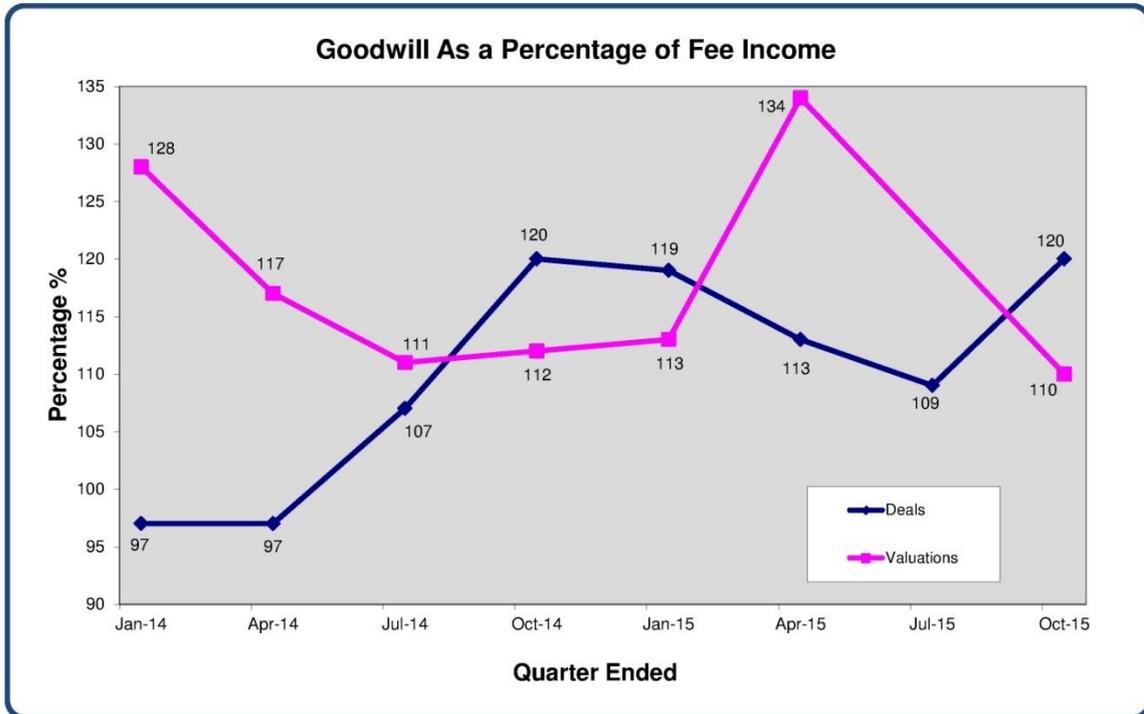
Mixed practices are also on the up with an average goodwill up from 115% in the quarter ending July 2015 to 122% at the end of October. Private practices stayed reasonable stable with an average goodwill value of 76% of turnover, down slightly from 81% in the quarter ending July 2015.

Ray Goodman, Managing Director of Goodman Grant Solicitors Ltd. added, *“These figures reflect what we have seen on the ground as one of the largest transactional dental lawyers in the UK. The downturn in valuations I would suggest may be down to the many that are carried out for other purposes rather than sale e.g. incorporation, probate and so on.”*

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 31st October 2015.

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

NASDAL QUARTERLY GOODWILL SURVEYS



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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.

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