

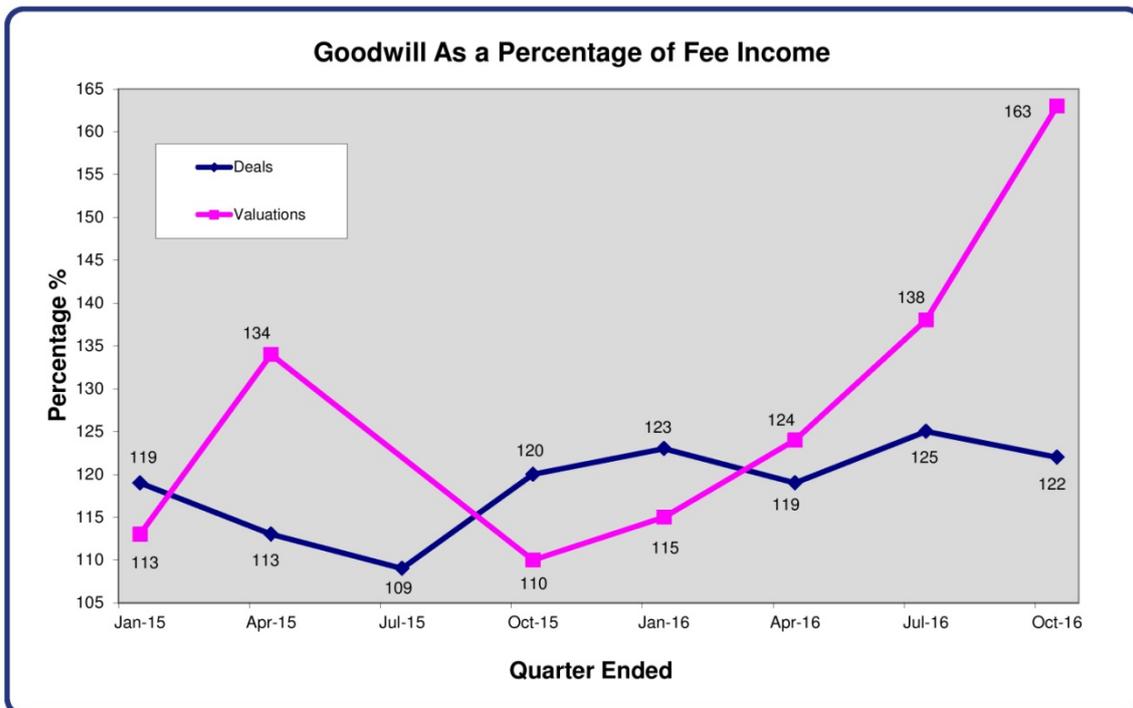


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Practice Goodwill values grow unabated – even with corporate withdrawal

This week sees the results of the latest NASDAL (The National Association of Specialist Dental Accountants and Lawyers) goodwill survey published and practice valuations continue on their upward trend.

NASDAL QUARTERLY GOODWILL SURVEYS



Alan Suggett, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, commented, "Actual practice sales values were stable which does seem to backup my feeling that there has been no Brexit effect as of yet. However, perhaps the biggest news of the last month is that *MyDentist* have withdrawn from buying *any* dental practices. Indeed, this even affected those that were already in the process of being purchased. Sources have told me that apparently this move has been taken due to a number of practices already in the group not performing as they should, and an operational decision was taken to iron out these issues before further expansion takes place.

"My regular communication with practices sales agents suggests that there is still a huge appetite for practices and this withdrawal will have little or no effect. There seems to be a general perception that the corporates, including *MyDentist*, are buying up every practice across the country but that is certainly not the case in the experience of agents I spoke to and there is sufficient demand for the market to continue on an upward trend. However, where an effect might be felt is at the 'mini-group' end of the spectrum – now probably isn't the best time to sell and they may have to explore different solutions such as breaking up the group or sale to private equity."

Nick Ledingham, Chairman of NASDAL and a partner in specialist dental accountants Morris and Co, added, "The withdrawal of such a 'big beast' as *MyDentist* will certainly create headlines and a certain amount of gossip, but it does seem that the effect on the buoyant practice sales market will be slight."

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 2016.

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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