



Softening in goodwill values

The sale value of the average dental practice has fallen in the NASDAL goodwill survey for the quarter ending July 31st 2011. It has dropped from 98% of turnover in the previous quarter ending April 2011 to 90% in the most recent collection of figures from NASDAL members.

With around 50 members, accountants and lawyers who are specialist advisors to the dental profession, the NASDAL goodwill survey reflects a significant number of dental practice sales in any quarter

Alan Suggett, a partner in unw LLP in Newcastle who carries out the NASDAL goodwill survey, commented: "Some very high value deals for large NHS practices are being done with the large chains which has an upward effect on the average. However, the market is far less predictable now than historically."

He believes that there is a move towards more complexity in the valuations of dental practices, with a far wider range of factors taken into account by professional valuers. He pointed out that the average valuation percentage increased to 106% in the last quarter, a rise of 16% since the last survey.

Ray Goodman, Chairman of the NASDAL Lawyers Group, said that there seemed to be a slight softening in goodwill values although it was too early to tell whether this was a trend or another fluctuation. "Goodwill appeared quite settled at 100% but now the figures are lower and there seems to be more uncertainty."

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