

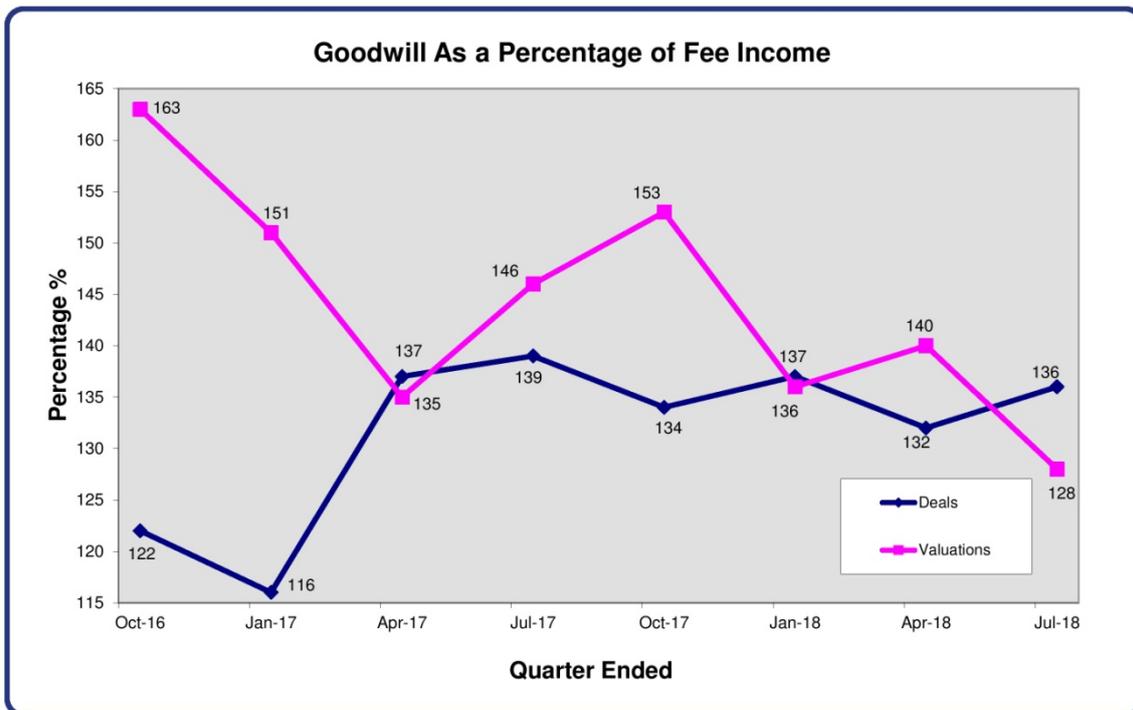


For immediate release

### A Divided Nation - NASDAL Goodwill Survey

This week has seen the release of the latest practice goodwill statistics from the NASDAL (The National Association of Specialist Dental Accountants and Lawyers) survey released. Perhaps rather aptly for the current political climate, the survey for the quarter ending 31<sup>st</sup> July 2018 shows a divided country with a huge disparity in practice goodwill values.

### NASDAL QUARTERLY GOODWILL SURVEYS



Across the quarter, NASDAL members acted for their clients in the sale of practices with a range of values between 47% of gross fees and 313% of gross fees. A wide range indeed. The headline figure for deals was up slightly - an average goodwill value of 136% of gross fees – a return to the level of the quarter ending 31<sup>st</sup> January 2018. Average valuations saw a big drop of 12% from the quarter ending 31<sup>st</sup> July 2018. NHS practices are still in huge demand with a significant number of sales in the quarter at considerably over 200% of gross fees.

Alan Suggett, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, said, “I think that a range of more than 250% illustrates how divided dental practice sales are in the UK (and also how difficult it is to make predictions for the UK market as a whole). When I started specialising in dental accounting, if someone had suggested a goodwill value of 313%, they would have been laughed at! But, if your practice ‘ticks the right boxes’ then it seems that the market will pay what you want. However, if it doesn’t, you may have trouble selling it at all.”

In Scotland, Cliff Fleming, partner at Condie & Co Chartered Accountants based in Fife said, “The valuations attributed by certain valuers have been in excess of what the market has been prepared to bear, primarily dictated by what the financial institutions are prepared to fund. As a result of this, during 2018 valuations have moved closer to deal prices rather than the other way around. This has helped to alleviate difficult discussions between buyers / sellers when buyers have to educate sellers as to what their practice is actually worth in the market place!”

### **Corporates return to the market?**

Alan Suggett also added, “There is a whisper in the market that 2019 will see **ALL** of the corporates buying practices again. This time may see a little more focus and selection about where and what type of practice is to be bought. Watch this space.”

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 31<sup>st</sup> July 2018.

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.

For further information please contact Chris Baker on 0845 370 2211/07947 470896 or email [chris.baker@coronadental.co.uk](mailto:chris.baker@coronadental.co.uk)