



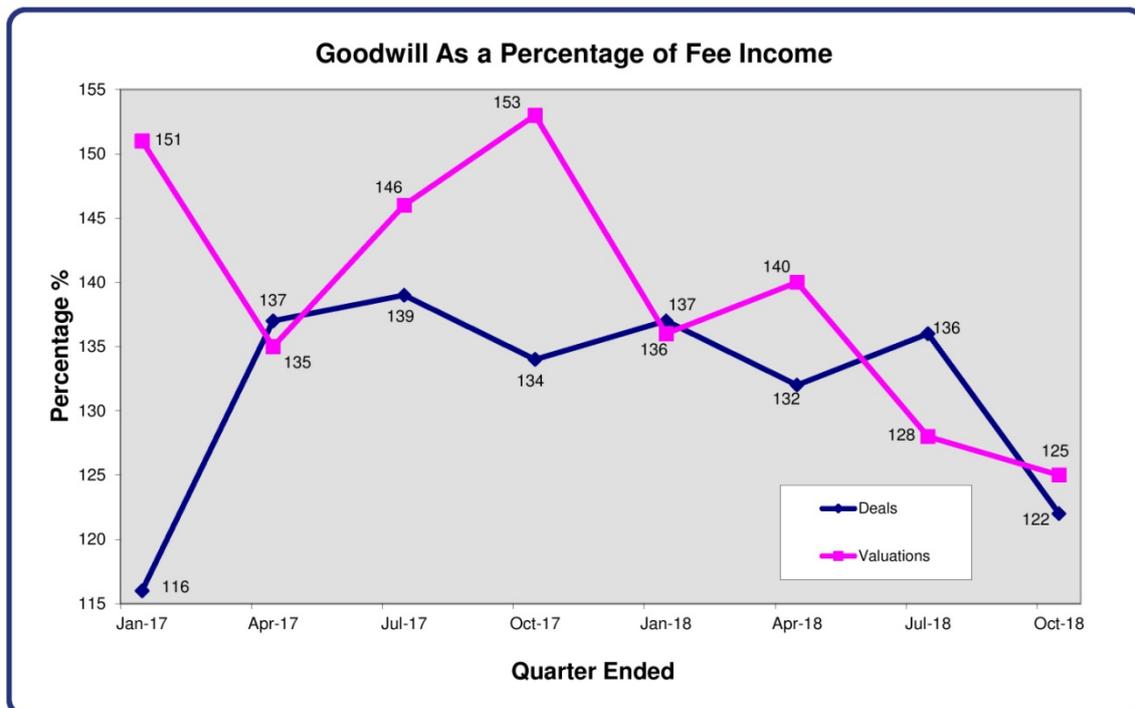
For immediate release

NASDAL Goodwill Survey – Greater Private Equity interest

This week sees the release of the latest practice goodwill statistics from NASDAL (The National Association of Specialist Dental Accountants and Lawyers). These statistics are produced quarterly and provide a useful snapshot of the dental practice sales market.

The survey for the quarter ending 31st October 2018 has illustrated a number of trends that seem to be becoming more prevalent in the sector.

NASDAL QUARTERLY GOODWILL SURVEYS



This quarter saw a reduction in the average goodwill values of *all* types of practice. NHS sales saw an average goodwill value of 177% of gross fees – down from 224%. Fully private practice sales were at an average goodwill value of 104% of gross fees – down from 125% in the quarter ending 31st July 2018. Finally, even mixed practices – one of the great performers of recent years, saw a slight reduction from 111% of gross fees to 108%.

Alan Suggett, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, said, “Although there has been a drop in both valuations and deals, I would want to see the next quarter’s figures before deciding on whether or not this is a trend or simply a blip.”

“There are still a number of issues in the UK dental practice sales market. Geography is a consistently important factor – it is simply more difficult to sell practices in certain areas of the country. I have also heard from a number of sources that a lack of availability of associates is causing some NHS practice owners to worry about hitting targets. This may be related to Brexit and it will be interesting to see what effect this may have on the market.”

New Private Equity entrant to market

Alan also noted, “There is ever increasing Private Equity interest in acquiring larger practices, or small groups – a new entrant to the market is Apposite Capital which has invested in ‘Riverdale Healthcare’ which recently bought the ‘Alpha Vitality Group’ in the North East.”

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 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.

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