

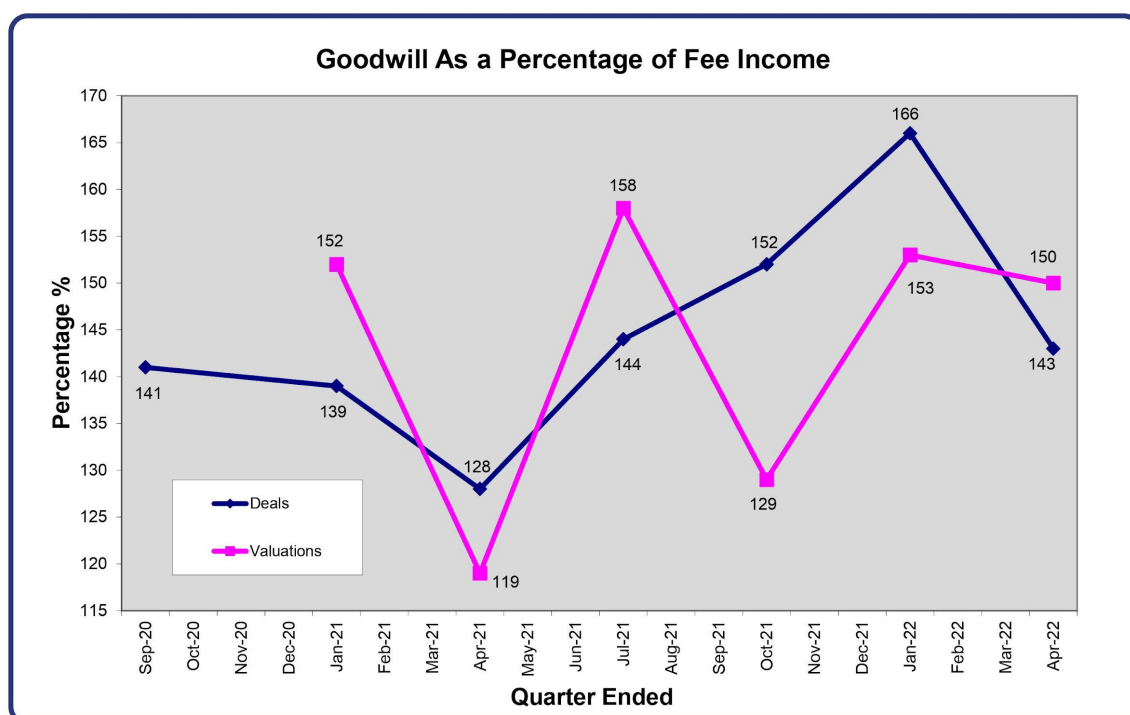


For immediate release

NASDAL Goodwill Survey – market sees big drop

This week has seen publication of the latest results from the NASDAL (National Association of Specialist Dental Accountants and Lawyers) Goodwill Survey statistics. This survey covers the quarter ending 30th April 2022 and includes data on valuations as well as deals completed (i.e., practices bought or sold by NASDAL members' clients in the period).

NASDAL QUARTERLY GOODWILL SURVEYS



The quarter showed a sharp reverse in the recent pattern of increases in goodwill values. Overall, there was a substantial decrease in goodwill as a percentage of fee income in the quarter across all types of practice – deals averaged 143% of gross fees – down from 166% in the quarter to 31st January 2022.

Private practices saw practice goodwill at 124% of gross fees – a big decrease from 155% in the last quarter. Mixed practice goodwill values were also on the slide as they dropped to 132% of gross fees (189% in the previous quarter). NHS practices did see an increase - they were at 178% of gross fees – up from 141% in the quarter to 31st January 2022.

Wider concerns?

Mike Blenkharn, specialist dental accountant and partner in UNW LLP who compiles the goodwill survey, said, “It is interesting to see a big fall back across many practice goodwill values. We can perhaps speculate that as the market returns to a bit more normality it should be expected that figures fall back a little. It also could be symptomatic of wider concerns in the economy as a whole.

“We have seen a low number of NHS practices come to market this quarter which may have skewed that data somewhat and the rise. However, there is a lack of confidence in the market for NHS practices and it will therefore be interesting to see if this trend in goodwill values continues in future quarters.”

The goodwill figures are collated from accountant and lawyer members of NASDAL in order to give a useful guide to the practice sales market. These figures relate to the quarter ending 30th April 2022.

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.

Nick Ledingham, the Chairman of NASDAL, is available for interview. To organise to speak to him or any other members of NASDAL for more information please contact Chris Baker.

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