



HCH254 – Digital Printing and Scanning Company for sale

Business overview

- An outstanding opportunity to acquire a profitable digital copy, printing and scanning business, based in London.
- The company provides large and small format, high quality digital copying, printing and scanning services along with extensive print finishing and collection & delivery.
- The company has an excellent reputation for quality and efficient service, which has enabled them to build an excellent level of client loyalty.
- Typical customers include contractors, architects, engineers, construction companies, property developers, and legal firms.
- Despite a drop in sales over the last few years, the business remains profitable achieving 24% (£80k) adjusted EBITDA in 2012-13 and is confident of achieving 37% (£145k) adjusted EBITDA in 2013-14.
- Significant synergy savings are possible for a trade buyer to increase profits by £60k.
- Circa 90% of the business is recurrent work from the existing client base, which leaves significant potential for the new buyer to expand the business through re-invigorated marketing.
- The company operates from one location to service clients across Central London



Products and Services

- The company offers large and small format, high quality digital copying, printing and scanning services coupled with extensive print finishing and collection and delivery.
- The company places a priority on producing highest quality, responding to customers 24/7, and delivering reliably on-time.
- The company is ISO 9001 and ISO 14001 registered.



Employees:

2 directors + 4 full time staff (1 production manager, 2 operators and 1 driver) + 1 book keeper part time.

Premises:

Leasehold premises in London.
Total rent and rates: £18,400 per annum

Reason for sale: There has been a level of downsizing of the business over recent years. Whilst the directors have turned the business around over the last 12-18 months, they feel that the company would be better managed by a new owner with more vigour and ambition.

The sale has been instructed to allow the directors to exit the business. However both are open to staying on in a management capacity for some time to come, beyond the usual handover period, subject to agreed terms.

Financial overview

<i>Year ending 31st March</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14 Forecast</i>
Sales revenue	£429,702	£387,801	£330,864	£390,000
Gross profit	£322,733	£290,588	£241,774	£292,500
<i>Percentage</i>	75%	75%	73%	75%
Adjusted EBITDA	-£111	£25,058	£79,994	£145,300
<i>Percentage</i>	0%	6%	24%	37%

The adjusted EBITDA is stated after having paid the replacement cost of the vendors.

Significant synergy savings of over £60k are possible through consolidation of premises, management and administrative costs. Based on the 2013-14 forecast figures, this would enable the strategic buyer to achieve an **EBITDA of more than £200k**.

The resale value of the plant and equipment is estimated at £75k

Offers invited