



## HEM288 – IT Support & Solutions Company

### Business Overview

- Opportunity to acquire an IT Support Services company based in one of the Northern London Home Counties.
- The company has a range of mature IT support contracts which can be migrated onto another provider's infrastructure.
- Company turnover to October 2014 was c. £470k of which £195k (41%) was contracted recurring revenue for support/services. Support contracts are annual contracts with 30 days' notice.
- The client base includes a wide range of business types and no single client accounts for more than 10% of total company turnover.
- The majority of customers are in London and the Northern home counties and the scale of customers ranges from very small with 1-5 end users to up to over 100 end users with the upper quartile typically having over 20 users.
- In recent years the Vendors have rationalised the business into a solid core of support contracts and have created a platform for the business which is completely transferrable.
- Apart from the two directors the business employs two engineers to run the day to day support activities.
- This business would be of particular interest to other IT support companies that are looking for a series of 'bolt-on' contracts that can be transferred onto their own infrastructure to create an additional revenue stream and recognise significant synergy cost savings.

### Products and Services

The business offers traditional IT support services including:

- IT Support/maintenance contracts
- Managed services (including email and web hosting and back-up systems)
- Consultancy and small systems integration projects.
- Hardware and software sales

### Premises:

- The business operates from a serviced office space which is on 30 days' notice.



### Reason for sale:

- The current owners no longer have a collective desire to build the business beyond its current base and wish to focus on project management roles without the responsibility of company ownership. The vendors wish to sell the company and its main trading assets including the contracts and debtor book.

### Financial overview

<i>YE: 31st October</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
<b>Sales revenue</b>	<b>£467,395</b>	<b>£488,559</b>	<b>£470,361</b>
Gross Profit	£274,564	£266,394	£269,450
<i>Percentage</i>	<i>59%</i>	<i>54.5%</i>	<i>57.3%</i>
<b>EBITDA</b>	<b>£12,443</b>	<b>£20,380</b>	<b>£23,724</b>
<i>Percentage</i>	<i>3%</i>	<i>4%</i>	<i>5%</i>
<b>EBITDA</b> adjusted with synergy savings for a trade buyer	<b>£181,251</b>	<b>£186,959</b>	<b>£191,724</b>
	<i>39%</i>	<i>38%</i>	<i>41%</i>

### Offers Invited