



Adison International Limited

THE BUSINESS BROKERAGE WITH A REAL DIFFERENCE

Memorandum of Sale

**Training/Recruitment Agency
Business Ref. JS2089**

Location:
Buckinghamshire, Bedfordshire,
Northamptonshire

Confidentially offered for sale

Asking Price: £162,000 plus assets

Price includes: The following listed overleaf (which will be supplied to interested parties following the completion and signing of a confidentiality agreement).

Business Profile:

Incorporated in early 2006 and commenced trading in September of that year our client to date has focused on the recruitment and training of Eastern European engineers and skilled staff and introducing them into the UK work force. Candidates were sourced from within the UK and internationally. This company supplies staff on a permanent basis and also as temps and contractors. Since 2008 the company has predominantly focused on delivering training courses funded by ESF, LSC, East of England Development Agency and local government. Project include: Skills for Jobs, EEDA English Language Project, Response to Redundancy, Transqual (qualification conversion), MIF (Migration Impact Fund). The business has been entirely self funding. This business is geographically well placed to supply services and staff and is located in close proximity to major conurbations in Buckinghamshire, Northamptonshire and Bedfordshire. The company is run on a very professional basis by its owner who acts as the Managing Director who wishes to stay with the business and develop it further but now seeks to secure a business partner organisation to assist with the strategic development and thereby maximise the opportunities for the company.

Strengths:

- Profitable growing business
- Self funding
- No factoring arrangements
- Excellent management wishing to stay with the business
- Fully equipped office
- Low cost office accommodation
- Excellent location
- Excellent reputation with both clients and candidates
- Growing training section

Financial Information:

The business is offered for sale as “a going concern” basis. All financial discussions between the vendor and interested parties will take place through the auspices of Adison International Ltd.

Financial Results:

	To 31 Aug 2007	2008	2009	2010(projected)
Turnover	£188,493	£375,097	£164,495	£140,000
Gross Profit	£92,380	£145,388	£110,477	£115,000
Net Profit	£24,611	£39,646	£19,812	£24,000

The above figures show consistent profit with an average sustainable profitability of £27,000 per annum, after the owner has been paid. Assets and debtors against creditors are on average approximately plus £30,000. Our client seeks to sell the majority stake in the business to a recruitment organisation that will assist in the further development of this already successful company.

Premises:

The company operates from a leased premises within the centre of a major town, the offices represent approximately 1055 square feet of office space over two floors above shop premises. The 6 year lease is held until August 2012 .

The accommodation provides a reception area and an open plan office, and upstairs private/meeting room, kitchen and toilet facilities. The office is in a traditional building but is of a modern appearance, well decorated and maintained. Several multi-storey car parks are located nearby. This town has good access to major motorways and rail connections.

Employees:

This business was created by a husband and wife team who are co-owners of the business with equal shares. One of the Directors acts as the Managing Director and works full time in the business, heavily involved in the sales & marketing, financial control and motivation of staff. The other Director does not work in the business and is fully salaried elsewhere. The Managing Director is supported by 3 other staff members which include 1 individual who provides IT, finance, data management and payroll services and another individual who is a recruitment resourcer and training administrator. The training tutor works as required on an hourly rate to run specific courses. The business is currently seeking to recruit an additional training consultant.

Reasons for sale:

Having established the business so it's both profitable and growing focused on supplying Eastern European engineers and skilled staff, the owners now wishes to develop the business more widely as a Technical recruitment agency. Whilst the profits do allow for steady development the owners wish to grow the company more rapidly and therefore wish to align themselves with an experienced recruitment organisation to assist with their strategy. The Directors wish to be partially rewarded for the developments to date with the Managing Director staying with the company for the foreseeable future.

Business Development Potential:

Adaptable business with no rigid structures will allow development of all or selected services:

- Permanent recruitment of skilled/unskilled staff
- Contract and temporary work-all levels
- Training-significant scope to develop training by: expanding to a wider geographical area; taking on bigger projects, bidding directly; introduce 'non-funded' position; introducing new training (i.e. forklift, CSCS card requirements and other industry-specific skills training).

Support:

The Managing Director will provide the appropriate support, familiarisation and handover to the new purchaser whilst remaining to work full time in the business for the foreseeable future, dependent upon the needs of the purchaser.

