TSG well positioned for transformation in IT industry

TSG releases Financial Statements for the year to 31st March 2012 and gets ready for a period of massive transformation within the IT industry.

(PRWEB UK) 24 December 2012 -- As the IT industry enters a period of significant change, TSG has reported strong figures for the year ending March 31st 2012.

The announcement comes at a critical time and provides a clear demonstration that TSG has the financial stability required to successfully meet the challenges ahead as businesses are being encouraged to change the way they consume their technology.

In a year that saw major developments to TSG's CRMand SharePoint teams with two key acquisitions, a focus on telecoms and crucial improvements to project management and quality systems, highlights from the financial statement include:

•Annual sales grew from £37M to over £42M
•EBITDA increased from £490,000 in 2011 to £1.2M in 2012
•Cash generation increased from £98,000 in 2011 to £1.2M in 2012
•Net assets increased by approximately £2.5M to £10.5M

Whilst many businesses won't make the change immediately, it's widely acknowledged that resellers will quickly need to adopt a subscription-based model.

TSG CEO David Stonehouse explains, "We have to continue to deliver exceptional levels of support for existing services at the same time as introducing a completely new product and service offering."

"Such a strong financial platform, coupled with the fact that we are privately owned and carry no bank debt, means we're very much on the front foot whilst others may struggle with the transition to a subscription-based model."

TSG's expertise has been acknowledged by high-levelpartner accreditations from Microsoft, Sage, Pegasus, Nintex, Sophos, Zen and others, and they were recently selected as one of only five UK partners to spearhead Microsoft's game-changing strategy to help more businesses take advantage of industry-leading IT solutions.

Steve Cox, TSG's CTO believes that this is crucial, "There will no doubt be some who take a 'pile it high, sell it cheap' approach, but we're clear about our value proposition and are looking to build long-term relationships that yield significant results for our customers."

"We've developed a number of new products that make sense of the subscription based approach to consuming business software by tapping in to the economies of scale that TSG can offer to make the initial costs of deployment affordable."

According to independent industry analysts Gartner, 46% of all acquired software ends as "shelfware" so the opportunity to pay on a per user / per month basis could offer real advantages for business.

However, many will need to overcome common concerns around the migration to cloud-based services and understand how to balance the potential benefits with existing investments in technology.

Cox is clear about the industry's obligations, "Compatibility, integration and flexibility should become the industry's new focus. As the boundaries between infrastructure and applications are becoming increasingly blurred, platform choice will become more and more important for our customers."

"The scale we've achieved allows us to offer a genuinely unified approach across all areas of the IT mix bringing together an exceptional team of experts with vast experience of deploying best practice solutions to fit the broadest range of business requirements."

More detail on TSG's financial statements for the year to 31st March 2012 is available on the TSG website.

NOTES TO EDITOR

About TSG: Technology Services Group

•TSG is based in Newcastle upon Tyne with 14 offices across the UK
•Created in 2003 with a focus on providing IT services and products to small and medium sized businesses, now one of the UK's leading IT companies
•Acquired 25 businesses throughout the UK in last 9 years, from Aberdeen to Southampton and now employs approx. 560 people
•Provides IT support services to thousands of contracted customers throughout the UK
•Offers a remote monitoring service (System Care) powered by Kaseya software which provides customers with a professional network monitoring service
•Largest IT service provider to SME customers of any Kaseya Managed Service Software worldwide
•Leading supplier of Microsoft Dynamics, Sage and Pegasus Business software
•Pegasus Centre of Excellence Partner 2012
•Multiple Microsoft Gold Competencies Partner
•HP Gold Specialist 2012
•Sophos Platinum Partner
•Zen Wholesale Partner of the Year 2012

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