

SUCCESS STORY | ClassForKids



The Client

ClassForKids is an award-winning booking and management software for kids' activity clubs. It provides SaaS solutions enabling both booking and payment for classes as well as a platform for management of the clubs, enabling operators to be more efficient at running their businesses and more successful at meeting their growth ambitions.

Founded by former tennis coach Nikki Th'ng, ClassForKids had grown successfully and, with more than 3,000 clubs on the platform, was the market leader in the UK. After 10 years, Nikki could see that there was a huge opportunity to continue to grow and to expand internationally, but he felt that the business needed a new owner and access to greater resources to fulfil its potential. He also personally wanted to step back from the CEO role to pursue other interests, so he decided to seek a strategic buyer who could take the business to the next level.

Selecting FirstCapital

In order to draw up a shortlist of advisers, Nikki spoke to his board for recommendations of firms they had worked with before, and met with each of them. FirstCapital was introduced by one of his non-executive directors, who had worked with them before on the sale of his business.

Nikki explained his decision-making: "Because of the process of shortlisting that I went through, all of the parties were well qualified, so I was primarily looking for a team that I wanted to work with. I was very impressed with the FirstCapital team, which stood out from the others for their huge experience and for the confidence that I felt in their process."

The SMART process

FirstCapital firstly supported the company in preparing the business for the transaction, including putting together the materials needed. This process was thorough, resulting not only in compelling marketing documents which presented the strategic opportunity, but also a comprehensive data pack including a detailed analysis of the customer data, SaaS metrics and relevant KPIs.

In particular, Nikki felt that FirstCapital did a great job of identifying, screening and qualifying the potential buyers from both the US and Europe, and in engaging the right stakeholders within those buyers. This resulted in a good number and range of potential acquirers who bid for the business, providing a strong basis for negotiation with the preferred bidder.

Once into exclusivity, FirstCapital project managed the due diligence process and helped to manage the various streams of Q&A, shouldering a significant part of this aspect of the workload, as well as negotiating the locked box. Nikki commented that from his perspective the due diligence process went very smoothly, with a real team effort between FirstCapital, ClassForKids and the lawyers all the way to the close of the transaction, allowing the inevitable bumps in the road to be dealt with in a calm, pro-active and timely way.

In thinking about where FirstCapital made the greatest impact, Nikki said "It was really beneficial having FirstCapital call up the buyers, speak to them and qualify them, so I was confident I was speaking to the right people. I also really appreciated the support and project management they gave throughout the process but in particular in helping with Q&A and diligence. I had a business to run and numbers to hit and it would have been really difficult to go through this process without them."

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Working with FirstCapital

Nikki was very positive about his experience of working with FirstCapital: "Honestly I had a great time, and had a lot of fun on the way through, despite the fact that the external market environment was challenging with the war in Ukraine. It never felt too stressful, and FirstCapital's expertise shone throughout. I can imagine that without that support it would have been a very daunting process, but I felt very confident knowing FirstCapital was on my side."

"I also felt that at every stage of the process, FirstCapital were always thinking about what was the best thing for the deal and for us as the client. There were aspects of the process that were probably fairly unique, but they were flexible and supportive, providing the advice and support I needed to make things easy for me."

The Outcome

ClassForKids was acquired by the Access Group. Backed by TA Associates and HgCapital, Access is one of the largest UK-headquartered providers of business management software to small and mid-sized organisations in the UK, Ireland and Asia Pacific. It helps more than 75,000 customers across commercial and non-profit sectors become more productive and efficient.

Nikki is delighted with the outcome. He commented "I would 100% recommend FirstCapital, and in fact already have done. It was a great experience and fantastic working with them - they are a great team."

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FirstCapital added value to every stage of this process. They were insightful in their positioning of the business, brought all the right global parties to the table, expertly supported negotiations to deliver a win-win deal, and calmly and professionally managed an efficient due diligence process all the way to close. They went the extra mile to support us, and were not only our trusted advisers, but also fun to work with. We could not have achieved such a great outcome without them.

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