

Dun & Bradstreet Small Business Centre

Customer Report

Internet Mobile Communications Ltd

Rochester House
145 New London Road
Chelmsford
Essex
CM2 0QT

Tel Number: 01245357272
D-U-N-S® Number: 21-827-8916
CRO Registration Number: 07980955
Line of Business: Other Computer Related Activities
Date of latest accounts available: 30/06/2016

Dun & Bradstreet Risk Rating	 Low risk																				
Dun & Bradstreet credit limit recommendation	£105,000																				
Trading opinion	Proceed with transaction																				
How does its Dun & Bradstreet Risk Rating compare with other businesses in the same industry?	 Better than average for this industry																				
Year this business started	2012																				
Are there any significant legal proceedings/events against this business?	No																				
How large is this business? Sales Number of employees	 £5,465,942 5 Employees																				
Who are the directors/proprietors? Of what other businesses are they directors?	Mark Stewart, Company Secretary Andrew M Fox, Director Simon Leary, Director Mark J Stewart, Director																				
Who owns the business ?	No parent company																				
Financial figures	<table border="1"> <thead> <tr> <th>Year</th> <th>2016</th> <th>2015</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>£5,465,942</td> <td>£3,005,520</td> <td>£1,185,847</td> </tr> <tr> <td>Gross Profit</td> <td>£439,391</td> <td>£386,076</td> <td>£220,727</td> </tr> <tr> <td>Net worth</td> <td>£620,748</td> <td>£418,754</td> <td>£192,797</td> </tr> <tr> <td>Current ratio</td> <td>5.4</td> <td>1.7</td> <td>1.6</td> </tr> </tbody> </table>	Year	2016	2015	2014	Turnover	£5,465,942	£3,005,520	£1,185,847	Gross Profit	£439,391	£386,076	£220,727	Net worth	£620,748	£418,754	£192,797	Current ratio	5.4	1.7	1.6
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Bank details Name Sort code	- -																				

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If you have any queries regarding this report, please email Dun & Bradstreet customer service at customerhelp@dnb.com

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customer report advice

When you aim to take on new customers and expand your business it is usually to increase your profitability and overall success. To achieve this you need to attract the right customers, but how do you know they will be reliable both in what they trade and when they pay?


The Dun & Bradstreet customer report provides you with commercial information based on facts and analysis about the businesses and markets you deal with.


This report is intended to be used as an aid in discerning how much credit can be safely extended, and on what terms. Based on the Dun & Bradstreet rating and credit opinion, you can decide whether you should get closer to or withdraw from that commercial relationship as part of your overall business strategy.


In addition, where we have assigned low ratings we recommend that you add the company to tracker. tracker is a completely free monitoring service where we advise you of any significant changes or developments in up to 50 businesses of your choice. We will also give you the opportunity to purchase the tracker report, which provides a more detailed report on the business. Check out Ongoing Customer Monitoring below for more information.


Risk Rating:


Dun & Bradstreet have created a straightforward guide to a business's future performance that takes into account all those factors that we know drive failure. Each factor is given a weighting according to its predictiveness and is linked to other pieces of information as part of a detailed mathematical model designed for that type of business, in terms of its industry sector and legal status. All this data is then refined to give the score from which the Dun & Bradstreet risk rating is derived - a reliable and hassle-free evaluation of your customers future risk.

 (1/4) This business presents a significant level of risk. It is advisable to take suitable assurances, such as personal guarantees, before extending credit. Alternatively, try to secure at least a proportion of revenues at or before delivery.

 (2/4) This business represents a slightly greater than average risk. It should generally be OK to proceed with the transaction, but you would be well advised to take care when offering the customer credit. In addition, you are strongly advised to use tracker to monitor the company's progress and to notify you when there are any significant changes to the circumstances of the business.

 (3/4) This business represents a low risk. You can be fairly confident that you can proceed with the transaction and offer the customer your standard credit terms. However, you may wish to add them to your tracker list so that you can be alerted if there are any significant changes.

 (4/4) This business represents a minimal risk. You can be confident that you can proceed with the transaction and if necessary, you can even offer extended terms for your continued customer management.


 No star. There is insufficient information available on this business to assign a risk rating. In the absence of this information, you would be well advised to proceed with some caution, and it may be worth obtaining trade and professional references from the customer before you extend credit terms.

Payment performance:

The main component of the level of overall risk for a business is the likely timing of payment, which is calculated from the Dun & Bradstreet Payment Performance score.

Dun & Bradstreet receive account ledgers from several hundred partners on a monthly basis and process 45 million UK trade experiences annually to match the payments to companies on the database.

A computer algorithm scores the business on its payment performance in the context of the industry in which it operates, starting with a market sector norm over a 24 month period. This means the rating can be relied on to make it easier for you to accurately weigh up the possible impact of a trading partner's cashflow on your own profits.

 (1/5) This business has a poor history of payment performance - generally paying on average 31 days or more beyond terms. You would thus be well advised to carefully monitor their account and take reasonable steps to

reduce any payment delays. In addition, you may wish to look for a proportion of revenues in advance, or to limit credit terms pending payment performance. Ensure your terms and conditions of business are clearly spelt out.

★ ★ ★ ★ ★ (2/5) This business tends to be worse than average in their payment performance - generally paying on average 16-30 days beyond terms. You may wish to monitor their account closely and to ensure that payment delays do not become significant.

★ ★ ★ ★ ★ (3/5) This business has an average payment performance - generally paying on average 6-15 days beyond terms. Your standard credit control policies should be adequate to ensure payment, but you may wish to monitor their account to ensure that payment delays do not become significant.

★ ★ ★ ★ ★ (4/5) This business has a slightly better than average payment performance - generally paying on average 1-5 days beyond terms. Your standard credit control policies should be adequate to ensure payment within terms.

★ ★ ★ ★ ★ (5/5) This business has good payment performance - generally paying promptly within terms.

No star. There is insufficient information available on this business to assign a performance rating. In the absence of this information, again you would be well advised to proceed with some caution, and it may be worth obtaining trade and professional references from the customer before you extend credit terms.

Credit Recommendation:

This represents the highest value in goods and services that Dun & Bradstreet recommends you should allow this customer at any point in time. This assumes it is a straightforward transaction with an average customer. It should not be used to decide what size contract or tender to agree with this business.

Are there any significant legal proceedings/events against this business?

Using the Dun & Bradstreet database for information on all legal notices within England, Wales, Northern Ireland and Scotland we can inform you of any details of businesses being wound up and struck off, those going into receivership, County Court Judgments and personal bankruptcies. These are all significant events and wherever a special event has been flagged up by the report, you are strongly advised to get further information and to seek guidance from your own professional advisers.

How large is the business?

If you need to know the size of a business, the report will give you an estimate of the value of sales and the number of the employees. Use this to help you assess your customers' capabilities.

Some tips on adopting a credit policy

Offering credit is, by definition, a risk. Once you have supplied the customer with the goods or services, you are relying on them to fulfil their side of the contract by paying you in full. If they refuse to pay they may very well be in breach of contract, but having to use the law for debt collection is the last thing that anyone - and particularly a smaller business - wants to have to resort to. However, in today's competitive markets virtually every company must be prepared to offer reasonable credit terms to their customers if they want to stay in business. So the aim is to reduce the risks associated with credit by controlling the credit terms you offer and by keeping a close eye on your customer's ability and willingness to pay promptly.

Control the credit terms you offer

The first step to successful credit management is to define a credit policy in which you clearly set out the standard payment terms you are prepared to offer your customers. You should communicate this clearly to all staff concerned and then whenever you close a deal with a new customer, draw their attention to your terms and conditions and have them sign a form or letter agreeing to abide by them. While this may not actually give you any significant legal advantage, it can help to prevent future problems by giving customers a clear impression that you take all matters of credit and payment very seriously.

Smaller companies may sometimes be regarded as soft targets by some customers and if you appear to be a pushover, customers may be tempted to take advantage of you. Many small companies are driven by the need for revenues and are worried that playing too hard about payment terms may ruin a sale. Whilst this is important, keep in mind that a sale is only completed once the customer has paid - until then it's just a free sample! So if the customer is put off by your mention of reasonable payment terms, they are probably not the sort of customer you want to have.

An 'early settlement' discount of 2%-5% can be an incentive to early payment and if you are worried about cashflow, consider offering this. Many companies 'manage' their creditor's invoices purely on a cost of settlement basis, but you will need to make it attractive to your customers to settle invoices early.

As an alternative, you could apply penalties for late payment into your terms of business, but you will need to make sure these are clearly defined. For example: "Interest will be charged at 2% above your bank's base lending rate on a daily basis."

One way to avoid the implications of penalties is to add a supplement to your invoice where you offer the equivalent of a 2-5% discount on further goods or services if the customer pays promptly, say within 30 days.

How to use your customer report to reduce your risk of bad debts

For customers designated as higher risk customers, start by taking up trade references for all to whom you offer credit terms.

Make sure you draw up your terms and conditions, clearly stating the payment terms you are prepared to offer them. Have them sign these to show their acceptance.

It may be worth asking for at least a proportion of each invoice on or before delivery. Where possible, this should cover your up-front cost of goods or materials. For the highest risk customers, you may need to consider asking for payment on delivery or up-front, however it is better to introduce these credit terms into your standard business practice rather than give any customers the feeling that they have been singled out for special treatment.

Keep a close eye on your customer's ability to pay

Devise a system for keeping track of your debtors and ensure that this is consistently implemented so that you are quickly aware of any tendency to late payment. One way is to create a database using a spreadsheet or database application. Draw up a table and label columns with Business Name, Contact, Position, Date of Invoice, Amount of Work in Progress, Amount Outstanding (past the date of credit terms), then a column for taking down notes on any correspondence or telephone conversations that take place. Be specific so you know your facts.

In certain cases, particularly customers you know well but who are habitual late payers, it may be valuable to discuss the concept of invoice settlement directly. Ask their advice for structuring mutually acceptable settlement terms and for handling any delays. Having received their advice, confirm the agreed procedure in a letter, thanking them for their valuable input to improving the service you can offer.

If you are at the start of an ongoing business relationship with a new customer, negotiate a review period for after the first 3 months or so. This will give you the opportunity to confront the issue of late payment or re-negotiate to account for their credit behaviour.

Sticks and carrots

Some terms and conditions define penalties for late payment, so that interest is charged after the standard payment period - say 30 days. This may be a useful lever for payment on time, but the interest may be harder to collect. Conversely, others offer a discount for prompt payment - say within 14 days. Be careful with this approach, since customers may build the discount in to the purchase price at the point of sale, but then fail to honour their side of the bargain. You can therefore be faced with a customer who still wants to pay the discounted amount at 30 days.

What credit terms you should offer?

Average terms in force in the UK tend to be 30 days - but this doesn't mean you can't try for less, for example 7 or 10 days. Some service companies insist on billing 50% of the estimated total fee upon commencement of work, which is even better. Basically, the longer you give customers to pay, the more risk you run of experiencing cashflow shortfalls. Whatever the terms agreed, be sure to submit your bill as soon as you have delivered your side of the bargain - this means you waste no time chasing for payment. Every extra day you wait is critical. While you are hanging on for weeks for a cheque, you'll no doubt be under pressure to settle a stream of bills.

Matching credit terms to customers

Of course, not all customers represent the same degree of risk. Some will be stable companies while others may be close to failure. Similarly, some will have a history of prompt payment, while others will be habitual late payers. Clearly, you may run a significant risk if you offer the same credit terms to all types of company. You are much better able to control your risk if you have a clear idea of the stability and payment patterns of every customer and can then

establish credit terms to match. If you knew that a new customer was in a bad way, and could even go bust in the near future, you may well wish to secure payment up-front, or within a very short period before you did business with them. Similarly, if you knew that a customer was a late payer, you would closely track their account and ensure they were aware of any late payment penalties.

But just how can you get this information?

Many suppliers take up trade references on new customers in order to assess their credit rating. However, since it is the customer that supplies the references, they are unlikely to be negative. It is far better to get independent information based on real business indicators, such as past accounts, payment habits with other companies and the existence of any County Court Judgments. Remember, even long-term clients with a good payment record can go through bad times and there may be all sorts of trouble behind the scenes resulting in a change of status which you might not know about until it's too late.

Ongoing customer monitoring - Dun & Bradstreet tracker

Wouldn't it be great to have an early warning system to keep you in the picture about any developments and enable you to take evasive action if necessary?

Dun & Bradstreet have developed tracker, a free monitoring service which alerts you to changes in company details and ownership, performance indicators, latest accounts filed and other special events by email. You can register up to 50 businesses of your choice. You simply give us the names of the companies you want to track and we'll notify you at the end of each month by email, free of charge, if there have been any changes in your selected companies.

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