Brexit Statement
Updated: 21st August 2019

Following the decision made by the UK to leave the European Union, Systems Assurance has been closely monitoring the negotiations between the UK Government and the EU. In order to ensure that Systems Assurance's UK operations are maintained to the standards you have come to expect, we have been reviewing critical processes to ensure the best possible outcome as the UK transitions away from its EU membership.

Systems Assurance Ltd Brexit preparations

Our operational reviews and Brexit preparations have been focused on:

•   The seamless movement of goods from Systems Assurance approved distributors to its Customers.

•   Minimizing supply chain constraints or delays from vendors as goods move across borders.

•   Lawful transfer of personal data.

•   Ensuring we are ready to support EU citizens employed by Systems Assurance by assisting them with new regulatory requirements.

In the event of the UK government and the EU reaching a deal which provides a transition period, the UK will remain in the customs union allowing for the continued free movement of goods between the UK and the EU. However, it is still possible that the UK government and the EU fail to reach such a deal and so the UK government has published guidance "How to prepare if the UK leaves the EU with no deal" and we have made the changes below to support our customers and vendor partners.

Updated: 15th April 2019

Deliveries to customers

Systems Assurance has worked closely with its carrier partners to minimize any potential delay in deliveries, our actions to date include:

Deliveries into Ireland

•   Increasing the number of dedicated delivery vehicles going to Ireland.

•   Continuous review of carrier delivery plans including ferry bookings.

•   Ensuring we have alternative supply routes in place; such as by air in the event of delays via sea.

•   Obtaining an Irish EORI to allow Systems Assurance Ltd to import goods into Ireland.

•   Development of a new Consolidated Commercial Invoice to minimize delays as goods move across borders.

•   Separation of deliveries to Northern Ireland.

Deliveries to the EU

• Increased capacity of our IMEX team (Import and Export) in line with the anticipated additional administrative burden of new export locations

Deliveries from vendors

Systems Assurance has reviewed potential disruptions to the supply of goods into our UK facilities, whilst this isn't the bulk of our business, this does happen. Key preparations in this area include:

• Purchase and receipt of additional inventory to cover anticipated inbound stock delays.

• Review of scheduled inbound delivery and expediting processes to ensure the required level of flexibility in accommodating disrupted deliveries.

World Trade Organisation Tariffs (WTO)

In the event that the UK leaves the EU with no agreement in place, EU goods will be treated in the same way as goods which are currently imported from elsewhere in the world, including the payment of duties. The vast majority of the products sold by Systems Assurance carry a zero tariff under WTO rules, however in the event that duties are payable Systems Assurance will unfortunately have to pass these on to its Customers.

Exports from our Sheffield Offices

Systems Assurance has worked closely with its carrier partners to minimize any potential delay in deliveries, our actions to date include:

The responsibility of importing the goods into the EU and any payment of duties and import VAT will be with Systems Assurance and our customer. Details of additional carrier paid for services including import declaration and payment of applicable tariff and import VAT are available on request.

Quotes and Orders placed prior to the UK's EU departure date

All quotations and orders are produced and accepted on the condition that any future duties and export / import costs will be paid by the customer.

Price changes

Any vendor price changes will be passed on to customers in full as normal.

Questions?

For any additional questions or queries please contact our Brexit team on consult@systemsassurance.com

Specific Customer Arrangement to aid with supply

We have over fifteen years of trading history (some over 20) with all the main distributors in the UK. Many of these distributors' product lines overlap, which gives us 25 UK distributors to source over 75% of the products we supply.

We are happy to take stock on behalf of customers for run-rate items should they wish; we would need a PO to cover the full inventory but more than happy to invoice when goods are despatched. No-one can confidently say how this will affect delivery dates on non-stock items; our distributors are confident deliveries will be manageable and only marginally affected. Our UK suppliers are vague on the full impact, probably because each of them manages over 150 different vendors.

We also have over 15 European and US distributors on our books; we supply specific customers with US & European stock as requested which will be impacted. These relationships will remain in place, so should UK distribution dry up, we have a fallback.

Over the last 10-15 years, Systems Assurance has changed our business model significantly. While procuring equipment is still very natural and easy for us (morefrom.com, morecomputers.com & morefrom.me) we have taken on significant infrastructure projects & support contracts. Cloud including Office 365, backup & Azure has also been very successful for us. This is all recurring revenue and usually paid in advance or monthly. Nearly 50% of Systems Assurance turnover is now recurring revenue, which gives us a very comfortable safety net as opposed to our position some years ago. As in 2009 (financial crash), we find ourselves in a very strong financial position to ride most storms; the company is cash rich, no debt and has a very healthy balance sheet. Many of our competitors went into administration in 2009, and those were scary times however we came out stronger with a larger piece of the scarce business there was around.

Morefrom.me is a dealer trade site which is growing in strength the more the major distributors consolidate and become pickier on their trade customers. We see this site used for parts rather peripherals, more maintenance companies rather than luxury goods, so I think it will fare well as companies buckle down and maintain more of what they already own.

MoreComputers and MoreFrom are consumer sites, we removed listings for desktops and laptops a long time ago, no margin in them. We focus more on the "must haves" for small businesses, such as toners, small printers, shredders, staplers etc.. things small businesses will always need. So, although this won't protect us from the inevitable downturn, it will certainly limit the impact.

In summary, I think we're well positioned and ready to come out the other side with a clearer landscape. The only impact I see for customers is a little longer delivery times and increased pricing in the short term.

For any further enquiries please don't hesitate to get in touch via email at consult@systemsassurance.com