

Azets founder Connolly lines up backers for £1.5bn accountancy firm bid

One of the most prominent figures in Britain's professional services industry is lining up private equity backing for a £1.5bn offer for the accountancy firm he co-founded.

Sky News understands that John Connolly, the former chief executive of Deloitte's UK firm, is working with TowerBrook Capital Partners and Warburg Pincus on a bid for Azets.

Mr Connolly, who chairs a number of privately held businesses, including the TowerBrook-backed US accounting firm Eisner Advisory Group, is also the former chairman of the FTSE-100 companies Amec Foster Wheeler and G4S.

He founded Cogital Group, which later became Azets, in 2016, but stepped down following an earlier sale process in 2019.

More from Business



Cost of living: Workers suffer record pay slump in face of rocketing inflation



What must happen for prices to return to normal? Where has Brexit money gone? Why are bills cheaper in France? Your cost of living questions answered



Cost of living: Household food bills rocket at fastest rate in more than a decade, research shows

City sources said he regarded Azets as “unfinished business” and was expected to front a serious offer for the company.

Hg, the private equity firm, has hired investment bankers at JP Morgan to oversee an auction of Azets, although a process is unlikely to get underway until next year.

Advertisement

Bankers regard a price range of between £1.2bn and £1.5bn as realistic.

Azets claims to be the largest provider of business-critical services such as accounting work, payroll and tax to small and medium-sized businesses in northern Europe.

In total, it boasts more than 100,000 SME customers.

The company trades under a number of brands, including Blick Rothenberg, which formed part of a 2016 merger that saw Hg become a shareholder in the business.

Since then, it has made a string of acquisitions to bolster its presence in several countries.

The group's rebranding under the Azets name took place in 2020.

Preparations for a sale are taking place against a backdrop of accelerating structural change in the accountancy world, with EY proposing a global separation of its audit and consulting businesses.

Mr Connolly could not be reached for comment on Tuesday.