

BUSINESS REPORT

Date: **4th February 2026**

Business Reference:**37765**

About the Business:

Established School Management Software – IP & Client Contracts for Sale

Established school management platform with proven recurring revenue and a strong client base of ~150 schools. Sale includes source code, intellectual property, and all existing software modules. A unique opportunity to acquire and expand a fully operational education software system.

Established School Management Software – IP & Client Contracts for Sale



Sector: **Services**

Asking Price:

R 9,500,000

Monthly Profit:

R 367,562

Asset Value:

R 9,500,000

Stock Value:

R 0

Yearly Net Profit :

R 4,410,740



Business Report

Fully describe the business's activities?

This comprehensive school management platform is an integrated administrative and academic system designed to centralise all core operations within an educational institution. It functions as a full ERP solution for schools, consolidating learner and staff records, subject and class management, attendance tracking, discipline, and timetable coordination into a unified database. This integration ensures consistent data across departments, reduces duplication of effort, and enables management to make informed decisions through accurate reporting and analytics.

The academic management tools allow educators to maintain digital markbooks, record continuous assessments, calculate term and final results, and generate exportable reports for regulatory submission. Classroom features make it easy for teachers to take registers, record incidents, track learner progress, and manage daily classroom administration efficiently and transparently.

Beyond the classroom, the platform includes comprehensive administrative and operational modules such as library and textbook control. Library and textbook modules assist with tracking inventory, loans, and returns. Parent and learner communication is facilitated through secure web and mobile portals that provide access to attendance, marks and behavioural records. Built-in SMS and email tools allow schools to send announcements, reminders, and personalised updates quickly, strengthening engagement and transparency across the school community.

The system can be deployed either on-premises or in the cloud, with mobile-friendly access and compatibility with national education data formats. Its architecture supports regulatory compliance and scalability, making it suitable for both small and large schools.

Dedicated technical support, remote assistance, and ticket-based helpdesk services currently operate through an outsourced company. However, these functions can easily be brought in-house by a new owner, creating significant additional income potential while taking direct ownership of value-added services such as technical support, quality control, and marketing activities.

The business currently maintains formal contracts with approximately 150 schools, providing ongoing service, support, and system access under defined terms. This contractual framework underpins long-term client retention and predictable recurring revenue. Overall, the platform offers schools a unified, practical solution that reduces paperwork, improves data integrity, enhances parent communication, and gives management clear oversight of every operational area within the institution.

How long has the business been established?

Since 1980

What Advertising/Marketing is carried out?

Previously, online advertising and digital marketing campaigns were used to promote the school management software, but these methods proved to be largely ineffective in reaching and engaging the intended audience. As a result, the organisation discontinued online marketing activities. Instead, the helpdesk team now focuses on scheduling in-person meetings with schools, allowing for direct presentations of the product and tailored demonstrations. This approach has been found to foster stronger relationships and provide a more effective introduction to the software than online campaigns.

Does the business have any contract work?

The business has formal contracts in place with the approximately 150 schools currently using its software. These agreements set out the terms of service, licensing, and ongoing support, ensuring stability and continuity in client relationships. The contracts provide a structured framework for renewals and maintenance, supporting predictable recurring revenue and long-term client retention.

What competition exists?

There are various other players, with D6 being their biggest competitor.

What is being sold?

The sale includes only the intellectual property and source code of the software, with the existing company (Pty Ltd) and its current programming and support staff excluded from the transaction. The purchaser will acquire full rights to the system's source code, all associated documentation, and all existing software modules, enabling independent operation, redevelopment, or commercialisation under their own structure. Comprehensive transition support will be provided by the seller, with the scope and duration of this assistance to be agreed upon prior to finalising the transaction. In addition, extensive restraint and confidentiality agreements will be concluded between the parties to ensure full protection of the buyer's interests and the integrity of the intellectual property. Notably, as there is no physical or legal binding agreement between the current owner and the help desk service provider, the buyer has the opportunity to seamlessly bring the help desk function in-house. This strategic move will result in a significant increase in revenue.

How could the profitability of the business be improved?

A significant opportunity for increased profitability lies in bringing the outsourced helpdesk and support function in-house. At present, portions of key revenue streams — including school licensing fees — are shared with the outsourced provider. By internalising this function, the new owner could retain a much larger share of recurring income while gaining full control over client support, quality assurance, and service delivery. Although this would increase operating expenses related to staffing and infrastructure, the net benefit is expected to be substantial. In addition, several other revenue streams linked to system support, maintenance, and client engagement could be expanded and better monetised under direct management.

Give a breakdown of staff/ functions/ length of service?

The sale includes only the intellectual property and source code of the software; the existing in-house programming and support staff will remain with the company and are not part of the transaction. The purchaser will need to provide their own resources to manage and maintain the software. This could include existing staff from the purchaser's own company who are capable of taking over programming and development responsibilities. Comprehensive transition support will be provided by the seller, with the scope and duration agreed upon prior to closing, to ensure a smooth handover of the system and full operational control over the intellectual property.

When does the current lease end?

The programming staff operate remotely, performing their development and support duties off-site rather than from a physical office on a daily basis.

What are the main assets of the business?

The sale includes only the intellectual property and associated assets of the software platform. This comprises the full source code, all existing software modules and functionality, related technical documentation necessary for system operation and development, and the approximately 150 contracts currently in place with schools using the system. Ownership of the intellectual property rights is fully transferred to the purchaser, enabling independent operation, redevelopment, or commercialisation of the platform. As part of the handover, the seller will provide comprehensive transition support, with the scope and duration agreed upon prior to closing, to ensure a smooth transfer of knowledge and system control.

Strengths?

Long-established software with decades of development experience, giving it strong domain knowledge and credibility.
Comprehensive platform covering academic, administrative, library, and communication modules in one integrated system.
Approximately 150 active school contracts, providing a stable recurring revenue base.
Intellectual property ownership (full source code and documentation) included in the sale.
Parent and learner portals, as well as integrated communication tools (SMS/email), enhance stakeholder engagement.
Flexibility of deployment: supports on-premises and cloud-based operation, mobile access, and integration with national education reporting systems.
Transition support from the seller ensures continuity and knowledge transfer.

Weaknesses?

Current programming and support staff are not included in the sale; the buyer will need to provide development and support resources.
Some operational functions, such as helpdesk support, are outsourced, which may limit direct control until brought in-house.
The platform may require onboarding or training for new staff unfamiliar with the system.

Opportunities?

Bringing outsourced helpdesk and support in-house could increase profitability and provide direct control over service quality.
Additional revenue streams could be developed through enhanced technical support, maintenance packages, or quality control services.
Potential to expand client base beyond the current 150 schools, leveraging modular, scalable architecture.

Threats?

Transition risk if new development and support staff are not adequately trained or experienced. Reliance on school contracts means that client retention is critical; losing major clients could impact revenue.

What is the reason for the sale?

The owner is selling the software platform to focus on developing a new software system for a separate business opportunity, which currently demands their full attention. As a result, the owner is seeking a buyer who can take full control of the platform, its intellectual property, and the existing client base.

Why is this a good business?

This opportunity allows a buyer to acquire a fully developed, revenue-generating school management software platform with an established client base of approximately 150 schools. The sale includes the full intellectual property and source code, enabling the purchaser to operate, enhance, or commercialise the system independently. The platform is comprehensive, covering academic, administrative, library, and communication modules in a single integrated solution, which reduces the need for schools to use multiple systems and strengthens client retention.

Recurring revenue from existing contracts provides a stable income foundation, while several operational improvements — such as bringing outsourced helpdesk support in-house — present clear opportunities to increase profitability. Additionally, the modular and scalable architecture of the system allows the new owner to expand the client base or introduce new products and services, offering growth potential. The seller will provide comprehensive transition support, ensuring a smooth handover of knowledge and system operation. Overall, the combination of a mature software platform, a stable recurring revenue stream, transferable intellectual property, and tangible opportunities for operational add-ons makes this a compelling acquisition for an individual or company with the technical capability to manage and grow the platform.