

TOP 10 INDUSTRIES BY PROFIT

SUB-REGION BY TURNOVER

	2015 £'000	2014 £'000	Movement %
West	809,562	791,257	2.31%
South	493,305	439,030	12.36%
East	245,278	158,930	54.33%
North	162,233	183,143	[11.42%]



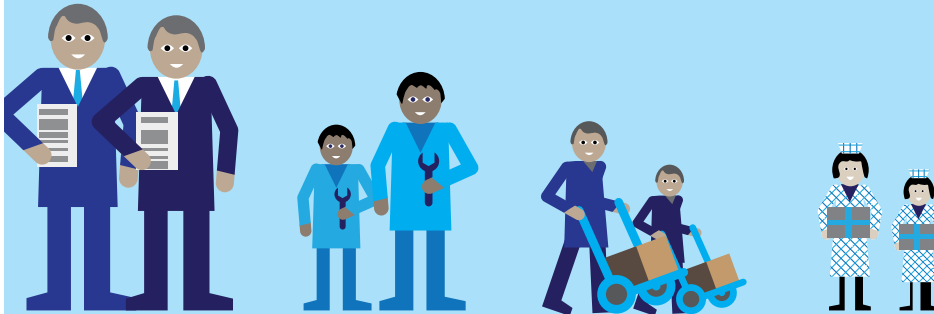
Services
2014: 5,423
2015: 5,232

Manufacturing
2014: 2,325
2015: 2,639

Wholesale
2014: 766
2015: 584

Retail
2014: 575
2015: 515

PEOPLE EMPLOYED BY SECTOR



	2015 Count	2014 Count	Movement %
Services	5,232	5,423	[3.52%]
Manufacturing	2,639	2,325	13.51%
Wholesale	584	766	[23.76%]
Retail	515	575	[10.43%]

	2015 £'000	2014 £'000	Growth/ [Decline] %
Total			
Turnover	1,710,378	1,572,359	8.78%
Profit before tax	290,680	250,793	15.90%
Number of employees	8,970	9,089	[1.31%]

Net profit up by
15.9%

Turnover up by
8.78%

Yorkshire SMEs – cautious optimism for 2015?

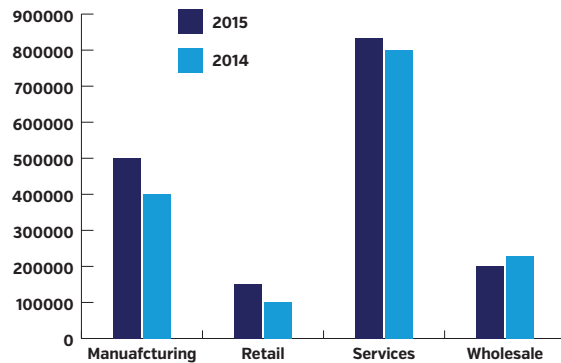
I am delighted to be able to write the forward to the fourth annual survey of the Top 100 SMEs in Yorkshire. BHP has once again worked with The Yorkshire Post in researching and presenting this informative and challenging survey.

Last year's survey looked forward to 2014 and we referred to "a time of opportunity" for the SMEs in Yorkshire. I believe that was a fair assessment at the time. However, 2014 did not turn out quite as expected and the forecast for 2015 is, I believe, for a very cautious level of optimism in the year ahead and through 2016 and 2017.

The forecast growth of in excess of 3% for the region in 2014 wasn't achieved. Similar to the national experience, Yorkshire managed just 2.6% growth overall. Economic growth for the region in 2015 is due to slip slightly from the 2014 results, once again in line with UK predictions. In 2014 the growth in the economy was assisted by households continuing to dip into their savings and this has resulted in the average household savings ratio falling. Given that in 2014 the average household earnings per head in Yorkshire measured just 87% of the UK average, one might be less optimistic about the coming year for the retail sector. A report issued very recently noted that in the North one in five retail units are unlet, compared to one in ten in the South of the country, reflecting relatively difficult retail market conditions. Our survey shows that whilst turnover in the sector has increased, this is not reflected in profitability which has declined. Current issues experienced by retailers such as Cooplands Bakery highlight the problems within this sector.

So what else does the 2015 survey tell us? It was pleasing to see that overall turnover, in terms of pound notes, was up 8.8% in the Top 100 SMEs. An increase overall of £138 million was largely represented in the Retail and Manufacturing sectors. North Yorkshire has seen a significant fall in turnover, net profits and employment, but the story is not necessarily a negative one, as two of the North Yorkshire companies featured in last year's survey have grown too large to be classified as SMEs and therefore included in this survey. Perhaps surprisingly, the East has shown the greatest percentage growth in turnover of all of Yorkshire's sub-regions; largely through the growth of its Service sector.

Sectors by turnover



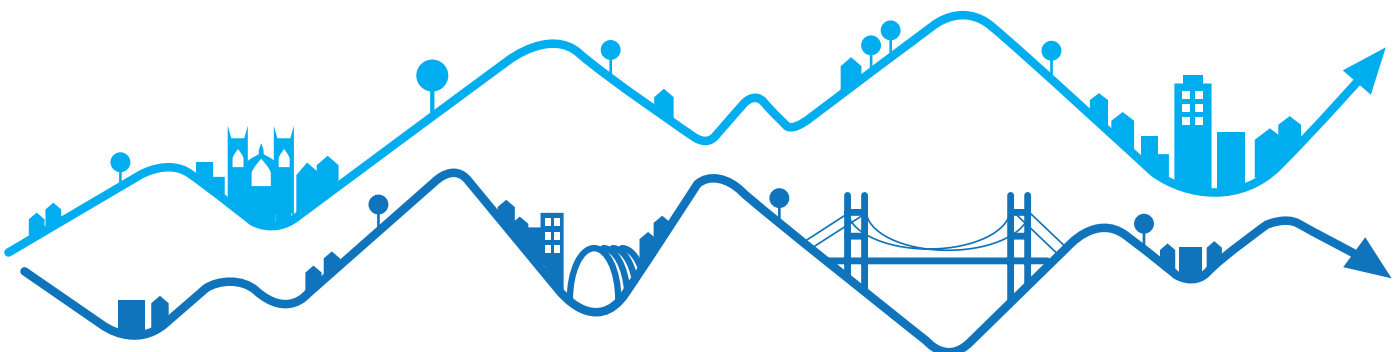
A number of towns such as Barnsley, Castleford, Chesterfield, Huddersfield, Rotherham, Scunthorpe and Wakefield have shown strong overall growth, possibly due to the rise in manufacturing and distribution outlets in these areas as they are close to the major road networks. York has shown strong turnover, net profits and employment growth. However, the other three major conurbations of Leeds, Bradford and Sheffield all fared worse in terms of turnover, with only Leeds showing an increase in net profits – within this survey the Leeds region accounting for over 16% of the profits generated for the whole of Yorkshire by these Top 100 SME companies.

It is pleasing to see industries such as Textiles and Advertising and Marketing showing growth within the representative sample. Less pleasing however that Industrial Manufacturing has fallen back and surprising that Leisure and Tourism does not even feature in this year's Top 100, despite the phenomenal success of the Tour de France.



So come on Yorkshire, let's beat the National forecasts for 2015. Hopefully initiatives such as the Growth Deals referred to in John Warner's article, and the devolving powers they may bring, will help tackle the region's transport systems, provide more housing and give a boost to employment in Yorkshire.

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LEPs – the key to continuing growth for Yorkshire businesses

Mike Jackson's review of Yorkshire's Top 100 SMEs highlights some of the changes in this year's survey. We have many successful and growing businesses within our region - interestingly, there are 46 companies new into the survey this year. As the economic recovery gains momentum it is vital that we can support the needs of such growing businesses.

To this end, the last 12 months have been a remarkable period of good news for the availability of support for growth in our region, amidst a considerable clamour around the so called "Northern Powerhouse", "HS2" and "HS3". Could this possibly be connected to the upcoming election!!

Putting cynicism to one side, the four Local Enterprise Partnerships (LEPs) in Yorkshire have received considerable largesse from the Government. In my article for this survey last year I noted that the LEPs had put forward their Strategic Economic Plans outlining their funding requests.

In response to these plans the following Growth Deals were announced in July:

- Leeds City Region [LCR] - £578m Growth Deal, £420m Transport Fund
- Sheffield City Region [SCR] - £325m Growth Deal
- York, North Yorkshire and East Riding [York] - £110m Growth Deal
- Humber - £104m Growth Deal.

Subsequently SCR received a further £25m to build upon its successful Enterprise Zones, and, in December received confirmation that it had become the second city, after Manchester, to receive significant devolved powers over skills and training, business growth, transport and housing. Let's hope that Leeds receives a similar raft of devolved powers in the near future.

Finally, in January this year the following top up Growth Deals were announced:

- LCR - £54.6m
- SCR - £30.7m
- York - £12.1m
- Humber - £9.9m.

In announcing these deals David Cameron said: "That is what Growth Deals are all about, backing local people and investing in the infrastructure, housing and skills that will drive forward local economies, create more jobs and opportunities for hard working people and supercharge all parts of our country".

Each LEP's Growth Deal has a distinct emphasis on elements of transport infrastructure, skills and training,

business support and housing, with supported sectors including advanced manufacturing, health, renewables and agritech – all of which are represented within our Top 100 SMEs.

The area of Business Support within the Growth Deals is largely to be delivered via Growth Hubs and a coordinated Access to Finance offering, incorporating further Regional Growth Funding [RGF] which has been utilised so successfully by the LEPs across our region.

What I feel is the next vital step for the Yorkshire region is for the four LEPs to work collaboratively to grow our business stock rather than competing against each other. The formation of Combined Authorities in West Yorkshire and the SCR is a step in the right direction, and it would be good to see all four LEPs combining to provide input to a significant follow on fund to Finance Yorkshire, which had fully invested its £90m fund by 31 December 2014.

It is essential that the momentum achieved in 2014 is sustained into 2015



and I look forward to this shining through in next year's Top 100 SMEs survey.

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The challenges of raising finance

To achieve the growth they have, companies in the Top 100 will have needed to consider raising finance.

With the recession now firmly behind us, there are a number of funding challenges as companies switch from a cost or survival focus to a high growth focus.

The key to success is ensuring that each business has the right amount of the right finance based on their individual circumstances. Getting it wrong can result in financial difficulties at one extreme to a significant missed opportunity cost at the other.

For businesses with heavy working capital requirements Asset Based Lending ["ABL"] solutions have come

of age in the last 10 years. No longer are they purely seen as a solution for struggling companies. Instead they represent an opportunity to grow funding lines in proportion to sales growth whilst minimising cash servicing costs. Caution still needs to be exercised in deciding if they are right for you, as these funding lines reduce if trading takes a dip or if sales are lumpy.

Cashflow lending, either alongside an ABL or overdraft solution, or on a stand-alone basis, is once again relatively freely available for companies generating EBIT levels in excess of £1m. Below this level of profitability however the appetite to provide such funding is more limited and therefore fundraising remains something of a challenge.

For a number of businesses, especially those with a low level of tangible assets, it may be necessary also to explore more expensive types of finance. Such funding can include Mezzanine type loans with higher rates of interest

(but often no repayments for 5 years) to equity investments from either individual investors or private equity funding.

Regardless of your industry there should be funding available. The key thing is to make sure you get good advice early on, so that you can source the most appropriate solution for you. This advice should include considering the delicate balance between quantum, cost and the cashflow impact of the subsequent servicing costs.



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Top 100 2015	Top 100 2014	Company name	Activity	Location	Region	Latest accounts	2015 Profit / [Loss]	2014 Profit / [Loss]	2015 Turn-over	2014 Turn-over	2015 No. of Staff	2014 No. of Staff
1		Oakgate Group PLC	Property development and investment.	Wetherby	West	31/03/2014	10,210	(3,739)	4,827	3,248	12	12
2		Harworth Estates Property Group	Property development, land regeneration and management.	Rotherham	South	31/12/2013	7,338		10,538		37	
3	27	Sovereign Health Care	Provision of health cash plan.	Bradford	West	31/12/2013	6,923	2,777	10,082	9,596	50	49
4	1	Melett	Development, manufacturing and supply of turbocharger repair parts.	Barnsley	South	31/05/2013	6,883	8,042	20,238	19,372	73	54
5	4	Glass Recycling (UK)	The recovery and treatment of waste products.	Barnsley	South	30/09/2013	6,508	4,606	20,165	12,067	60	61
6		Sewtec Holdings	Design and build of special purpose machinery to blue chip companies.	Dewsbury	West	28/02/2014	6,351	9,395	20,522	21,657	74	
7		Channon Holdings	Investment management.	Shipley	West	31/03/2014	6,205		8,462		7	
8		Tebway	Insulation contractors.	Scunthorpe	East	31/07/2013	6,048	3,433	22,580	15,556	50	
9	7	Alco Valves Group (Note 1)	The manufacture and supply of technically advanced, precision made, high integrity valve products and accessories.	Brighouse	West	31/10/2013	5,920	3,940	18,049	16,963	111	109
10	22	J.W. Crowther & Son	Excavation, plant hire and property construction.	Leeds	West	30/09/2013	5,387	2,939	11,649	8,069	46	37
11	10	EOF Holdings	Manufacturing of office furniture.	Goole	East	31/01/2014	4,927	3,665	17,244	15,271	114	108
12	43	Moorhen Holdings	Roofing and cladding material manufacturers	Chesterfield	South	30/06/2013	4,549	2,360	20,332	19,816	48	43
13		L Jackson & Co	Sale of ex-military vehicles, plant and machinery.	Doncaster	South	31/08/2013	4,486		11,159		8	
14	25	Construction Marine	Civil engineering for river, harbour and coastal works.	Leeds	West	30/09/2013	4,211	2,864	20,393	15,639	107	77
15		Hague Print Media Supplies	General commercial activity.	Normanton	West	31/12/2013	3,780		12,282		43	
16		Motormile Finance UK	Debt purchasers and collectors.	Pudsey	West	31/05/2014	3,721	1,375	13,516	7,327	72	
17	71	X-Cel Superturn (GB)	The manufacture of precision engineering components.	Sheffield	South	31/03/2014	3,698	1,866	23,484	19,073	138	114
18	21	Simply BIZ	Supply of compliance reports, and arrangement of professional indemnity insurance.	Huddersfield	West	31/12/2013	3,433	2,957	17,582	16,207	165	148
19	23	Wykeland Group	Building, property development, buildings investment and property management.	Hull	East	31/03/2014	3,414	2,938	6,442	5,478	17	16
20	28	Siddall Medical	Manufacture of healthcare products.	Halifax	West	31/12/2013	3,316	2,770	24,654	21,798	164	148
21		Lion Trackhire	Provision of temporary access solutions.	Worksop	South	31/03/2014	3,310		11,895		97	
22		A-Fax	Sale of building protection and safety products.	Elland	West	31/12/2013	3,155		12,625		91	
23		Team 17 Software	Development and publishing of computer games for the digital market.	Wakefield	West	31/12/2013	3,129	1,450	6,559	4,831	70	68
24		Gettheworldmoving	Provision of corporate health & well-being services for business.	Leeds	West	30/09/2013	3,095		10,776		70	
25	20	Hi-Level Enterprises	The wholesale of motor cycle spares and accessories.	Doncaster	South	31/12/2013	3,093	3,044	8,812	9,462	23	23
26		Grayrentals PLC	The truck and trailer contract hire, sales and repairs.	Hull	East	31/12/2013	3,092	1,333	18,634	17,310	42	36
27	14	Sirdar Holdings	Marketing and distribution of specialist yarns and textile products.	Wakefield	West	30/06/2013	3,037	3,512	21,730	21,066	129	124
28	33	Naylors Finance	Money lenders, retailers and the sale of furniture.	Wakefield	West	31/07/2013	3,025	2,659	12,428	11,989	63	60
29	54	Cathelco	Provision of iccp and anti-fouling equipment for the marine industry.	Chesterfield	South	31/03/2014	2,902	2,137	17,431	16,603	98	96
30	16	High Point Estates	Property investment and development.	Leeds	West	31/07/2013	2,860	3,242	6,975	6,861	2	4
31		Cavalier Marketing	The manufacture and supply of bathroom fittings.	Keighley	West	31/12/2013	2,760	1,431	20,307	18,391	115	115
32	49	Park House Healthcare	The manufacture and distribution of medical supplies.	Bradford	West	31/12/2013	2,727	2,215	16,155	15,495	162	152
33	90	Viscount Environmental	Specialist products and services in the energy conservation.	Castleford	West	31/05/2013	2,686	1,676	14,222	10,790	131	131
34	52	C & K Wood (U.K.)	The production and supply of eggs.	York	North	31/10/2013	2,679	2,189	18,797	14,928	7	7
35	17	Rushbond PLC	Property development and investment.	Leeds	West	30/11/2013	2,661	3,200	8,129	7,202	15	12
36		First 4 Lawyers	Advertising, marketing and other services provided to the legal sector.	Huddersfield	West	31/03/2014	2,626	2,608	13,320	13,348	13	13
37	34	Premier Technical Services Group	Maintenance, inspection, testing, and installation of permanent facade access equipment and lighting protection systems.	Castleford	West	31/12/2013	2,604	2,657	13,887	12,072	142	109
38	3	Dransfield Properties	Retail property development and investment.	Sheffield	South	30/09/2013	2,601	4,985	10,180	18,651	19	17
39		Elsham Wold Estates	Providing management and administration services.	Brigg	East	31/01/2014	2,577	1,471	19,457	16,356	60	55
40		The Skills Network	An educational service provider.	Selby	North	31/03/2014	2,577	2,544	10,573	9,325	113	82
41	89	PC Specialist	Computer assembly.	Wakefield	West	31/08/2013	2,574	1,686	24,573	17,207	41	31
42	81	Emsley Brothers	Provision of craneage services.	Harrogate	North	31/12/2013	2,573	1,803	9,012	7,794	64	60
43		B - Sporting	The retailing of sports footwear and clothing.	York	North	28/02/2014	2,544	748	33,475	24,151	101	87
44	37	Benson Park	The production of chilled meat products.	Hull	East	31/08/2013	2,525	2,130	24,595	19,073	61	52
45	44	Bramall Properties	Property investment and arable farming.	Harrogate	North	31/12/2013	2,488	2,311	4,813	4,627	5	5
46	56	Cardale Asset Management	Provision of investment management services.	Harrogate	North	30/09/2014	2,464	2,107	7,578	8,095	52	52
47	92	AL. Murad D.I.Y.	The retail of ceramic tiles, wallpaper and DIY accessories.	Leeds	West	31/03/2014	2,452	2,269	28,343	25,277	235	228
48	62	Distinction Doors Holdings	Distribution of composite doors.	Barnsley	South	31/12/2013	2,448	1,958	33,346	29,007	49	39
49	83	Stroma Developments	Quality assurance and ongoing assessment of trained energy assessors.	Castleford	West	31/03/2014	2,446	857	13,137	10,768	207	187
50		IVY Cottage (Ackton)	Other personal service activities n.e.c.	Barnsley	South	31/03/2014	2,446	2,905	5,763	6,381	180	180
51		Yorkwold Pigpro	Pig farming.	Driffild	East	28/02/2014	2,387	1,515	20,563	17,014	76	74
52	51	Laratech	Design and supply of tailored employee management and security systems.	York	North	30/11/2013	2,377	2,199	13,467	12,645	141	136
53		Can UK Holdings	Special access trade services on structures such as high rise building.	Chesterfield	South	28/02/2014	2,360	398	13,555	7,947	133	109
54	31	Reliance RG	Design, manufacture and distribution of high performance electro mechanical sub systems and specialist mechatronic components.	Huddersfield	West	31/03/2014	2,336	2,693	20,876	21,045	240	234
55		Jakto Holdings	A group engaged in haulage contractors, site clearance and excavation.	Barnsley	South	30/11/2013	2,282	598	15,743	450	57	

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56		Emsc (UK)	Design and sale of energy saving products, in particular voltage optimisation systems.	Sheffield	South	31/05/2013	2,267	1,548	12,780	9,897	75	72
57	91	Wooltex U.K.	Textile weaving.	Huddersfield	West	31/12/2013	2,266	1,674	16,468	13,766	61	58
58	59	Arena Group Holdings	Electronic document management and IT solutions for business.	Wakefield	West	30/09/2013	2,254	2,013	16,852	16,772	162	152
59	8	Techmotion	Provision of management services to group.	Bradford	West	30/11/2013	2,217	3,714	13,075	18,894	147	146
60		Strawson Group Investments	Property investment.	Retford	South	28/02/2014	2,197	[197]	2,938	2,723	5	5
61	73	SCX	Design, manufacture and maintenance of materials handling and access equipment.	Sheffield	South	31/03/2014	2,192	1,844	19,819	17,301	134	113
62	19	Kuusakoski	Metal merchants.	Sheffield	South	31/12/2013	2,190	3,113	25,236	32,811	20	21
63		Mosaic Print Management	Print management and design.	Leeds	West	31/07/2013	2,135	1,083	29,821	20,025	59	30
64		Holmfirth Dyers	Textile fabric dyers and finishers.	Holmfirth	West	30/09/2013	2,131	1,550	7,177	6,923	66	64
65		Delta Caravans Holdings	Manufacture and sale of caravans.	Hull	East	28/02/2014	2,120	1,260	22,417	19,460	152	152
66	12	MRC Flangeffit	The supply of stainless steel flanges, fittings and pipes.	Cleckheaton	West	31/12/2013	2,118	3,570	17,682	24,407	36	34
67		Turner & Price	Delivery of wholesale foodstuffs, the supply of hampers and gifts, ships victualling and food export consolidation.	Hull	East	31/03/2014	2,110	1,405	46,295	38,526	181	162
68	63	T.&R. Theakston	Sale of 'theakstons' branded cask, keg and bottled beer.	Ripon	North	31/12/2013	2,044	1,952	9,618	10,439	28	27
69		Beal Developments	The construction and sale of private dwellings.	Hessle	East	31/12/2013	2,033	799	22,214	16,936	87	74
70	74	Silkstone Finance	Manufacture of furniture systems.	Barnsley	South	31/01/2014	2,018	1,839	18,363	14,347	140	115
71		J.W.Sivil	General builders.	Sheffield	South	31/08/2013	2,014	997	12,847	12,036	12	10
72		Chesterfield Poultry	The provision of wholesale halal poultry services.	Chesterfield	South	30/06/2013	2,014	1,182	58,260	45,269	59	57
73	30	Aflex Hose	Manufacture and sale of PTFE products.	Sowerby Bridge	West	31/08/2013	2,013	2,890	19,018	20,232	213	203
74		G.R. Electrical Services	The manufacture of electrical switchgear and control panels.	Leeds	West	30/04/2014	1,997	1,428	10,817	10,017	42	42
75	96	Morco Products	The import and distribution of gas water heating and central heating equipment.	Beverley	West	31/03/2014	1,987	1,587	11,071	9,932	17	17
76		Carlton Main Brickworks	The manufacture and sale of bricks.	Barnsley	South	31/03/2014	1,980	1,352	12,315	9,819	67	68
77	70	Astonish Holdings	Manufacture and distribution of cleaning chemicals and materials.	Bradford	West	31/05/2014	1,979	1,888	15,382	13,636	66	58
78	36	Crompton Lamps	The manufacture, sourcing and distribution of light sources.	Bradford	West	31/12/2013	1,979	2,550	13,098	14,135	42	41
79	95	Wolf Safety Lamp Company (The)	The manufacture and sale of safety lamps.	Sheffield	South	30/06/2014	1,973	1,635	10,714	10,223	36	38
80		Dalby Offshore Services	Services to marine, oil and gas industry.	Bridlington	East	31/12/2013	1,956	866	24,837	14,959	44	57
81		Ellis Patents Holdings	Design, manufacture and marketing of cable and pipe fixings.	Malton	North	28/02/2014	1,954	1,412	7,727	6,481	66	64
82		Zenith International Freight	Freight forwarding.	Bradford	West	31/03/2014	1,954	1,162	28,410	27,309	21	20
83		Toiletry Sales Group	Manufacture, sale and distribution of healthcare products.	Wakefield	West	31/12/2013	1,928	n.a.	25,355	n.a.	61	n.a.
84		Adgm	Specialist drilling services in West Africa.	Holmfirth	West	31/12/2013	1,925	2,503	16,046	25,319	411	7
85		Oakwell Holdings	Professional football team.	Barnsley	South	31/05/2013	1,919	30	9,126	8,645	180	168
86	53	Cellhire Group	International mobile communications solutions.	York	North	30/04/2014	1,911	2,169	19,696	21,936	101	97
87		The Longwood Engineering Company (Holdings)	Engaged as screening engineers.	Huddersfield	West	30/06/2013	1,908	1,319	12,047	12,309	80	90
88	85	GGR Holdings	Engaged in an advertising agency.	Leeds	West	31/12/2013	1,884	1,758	10,482	10,244	159	143
89		Mosellic	Wholesaling of IT equipment and hardware.	Ossett	West	31/10/2013	1,879	794	7,572	2,490		
90	69	J.T.Ellis And Company	The manufacture of furniture and cabinets.	Huddersfield	West	30/06/2013	1,875	1,891	17,638	17,733	207	209
91	87	Leeds Commercial	The hire of vehicles.	Leeds	West	30/09/2013	1,864	1,741	24,742	22,436	119	110
92	40	JOE Browns	The provision of fashion and related goods.	Leeds	West	30/06/2013	1,863	2,402	18,550	20,971	79	81
93	82	Jessgrove	Sale of linings and various textile materials.	Bradford	West	31/12/2013	1,860	1,800	22,780	22,604	66	66
94		Yorkshire Repak	The inspection, packaging and quality control of glass containers and the provision of contract packing and labour services.	Barnsley	South	31/05/2014	1,853	1,466	11,670	9,271	425	354
95		Peaspring	Manufacturer, merchant and wholesaler of clothing and fabric, together with worsted spanning.	Keighley	West	31/12/2013	1,803	992	20,718	19,716	90	88
96		Nooko	Print management and marketing consultancy and brokerage and holding company.	Leeds	West	31/03/2014	1,793	1,083	10,757	13,674	61	54
97		Moloney Technologies	Sales, marketing and logistics management services to the bakery trade.	Dronfield	South	30/06/2013	1,785	1,363	55,422	53,848	59	43
98	86	Pitts Wilson	Electrical contractors and fire alarm engineers.	Bradford	West	30/06/2013	1,779	1,748	17,944	18,392	115	156
99	50	President Engineering Group	Manufacturing and sale of valves for cryogenic industrial gas and liquefied natural gas applications.	Sheffield	South	31/10/2013	1,777	2,209	21,175	19,579	116	107
100		Stage One Creative Services Companies	Providing engineering, construction and automation for live public events.	York	North	30/06/2014	1,776	1,519	27,477	16,353	103	91

Notes on Top 100 SMEs Yorkshire

Note 1 Included in the survey as Xamol Limited in 2014

Figures compiled by BHP Chartered Accountants using latest published financial information at the time of carrying out this survey filed at Companies House and financial data provided by Bureau van Dijk's Fame. To qualify for inclusion, businesses must: • be an independent company OR the ultimate holding company of a UK group • be an SME, i.e. meets two of the following measures – less than 250 employees – less than £25.9m turnover – less than £12.9m gross assets • not be a charity, academy, Limited Liability Partnership or listed Public Limited Company • be up-to-date filing accounts at Companies House • have a registered or primary trading address in Yorkshire and Humberside. NOTE: Due to the way in which regions are allocated in Fame, some neighbouring towns to the region have also been included in this survey. For financial periods of more than or fewer than 52 weeks, the figures have been annualised on a pro-rata basis. Private company information can be incomplete: in preparing this table every reasonable effort has been made to ensure that no qualifying companies have been omitted. In certain circumstances the compilers of the table have made exceptions to the qualification criteria and their decision is final. Nominations for next year's table are welcome at info@bhp.co.uk.

Review by Region

Lisa Stocks, The Yorkshire Post



North

These are exciting times for The Skills Network as the private training provider explores new markets.

The Selby company, which is the second most profitable SME in North Yorkshire with pre-tax profits of £2.58m, supports employers, educators and learners.

It has enjoyed regular expansion, with its ability to identify new opportunities in the education and training market fuelling this growth. Along with a strong foothold in the traditional distance learning market, 18 months ago the company started to target corporate clients. Mick Cox, chief executive of The Skills Network, who established the company with business partner Eliot Grant, chief operating officer, commented: "It's a really exciting time," adding 15 months ago the SME also set out its first international strategy.

"That allowed us to break into new markets; it's been incredible the amount of interest we have had with people abroad, for instance in North America, Malaysia, the Gulf State, West African nations; the interest in UK based qualifications has been fantastic."

The Skills Network started in 2009 and employed five people. Thanks to its success the company now employs a workforce of over 600, with 113 full-time people in Yorkshire.

Mick adds: "We are only successful because of the quality of staff within the organisation. We have taken people from all walks of life, from varying backgrounds, and have brought them into the company. Over the years we have trained them to a really high standard, which has been one of the key reasons for our continued growth."

Topping the region's table is C&K Wood, an SME based in York involved in the production and supply of eggs. This company has seen its pre-tax profits grow from £2.19m in 2014 to £2.68m in this year's table, with turnover growing from £14.9m to £18.79.

A notable absence from The Top 100 table is Econ Engineering, a manufacturer of winter maintenance fleets based in Harrogate. This company, which last year ranked at sixth overall and the most profitable SME in North Yorkshire, is now too big to meet the BHP SME criteria.

Collectively, the 11 North Yorkshire SMEs in the Top 100 table employ 781 people, have pre-tax profits of £25.39m and a turnover of £162.23m.

South

With 27 listings in the Top 100, these SMEs have a collective turnover of £493m, a profit of £81m and employ 2,348 people.

Top of the region's table is property development company Harworth Estates, which comes in at second overall. Second is Melett, which last year topped the table and this year takes its place at number four.

Based at Zenith Park, Barugh Green, Barnsley, Melett is a market leader in turbocharger parts. Established in 1995, Melett was bought by current managing director Ian Warhurst and his wife in 2002. Since then, it has grown to a workforce of over 150 and has opened manufacturing facilities in China and the UK, and sales and distribution facilities in Poland, Latin America and the US.

Melett has said it is actively targeting the US where it has seen trade increase by more than 50% in the last 12 months. This trend is forecast to continue as vehicle manufacturers follow the fashion to downsize engine capacity in order to reduce carbon emissions while retaining power.

Third in the South of the region table, and fifth overall, is Glass Recycling UK, in Barnsley. Accounts filed to September 2013

show that the company's turnover has leapt from £12m as reported in the 2014 table to £20.2m, with profit increasing from £4.6m to £6.5m.

There are three absences from the top 10 list for the South of the region. Lazarus Properties, in Doncaster and which ranked second in the 2014, has dropped out of the Top 100 altogether. PR Marriott Drilling, in Chesterfield last year, at number 18, slips out of the table owing to a loss making year. The third is Robinson Health Care Group. While the company, based in Sheffield, made a profit, this was not enough to include it in the table.

Newcomers into the top 10 most profitable SMEs in South Yorkshire are Harworth Estates, Lion Trackhire in Worksop, which provides temporary roadways, pedestrian walkways and flooring for events such as Leeds and Reading Festivals and the Humber Bridge half marathon, and L Jackson & Co.

This Doncaster company specialises in the sale of ex Army trucks, vehicles, plant and equipment as released from service by the British Ministry of Defence and EU/Nato military forces.

East

Striving to excel has paid dividends for one SME. Tebway started in 1983 as cavity wall and loft installation installers, later developing its own system, Polypearl. Improving its product to be 60% better than standard cavity wall installation has seen increased profits as a direct result of Ofgem's recognition of its enhanced performance.

This dedication to excellence has seen the Scunthorpe company's profits double, from £3.4m in 2014 to £6m in 2015, with turnover increasing from £15.6m to £22.6m. A newcomer to the list, it is the most profitable SME in East Yorkshire, and eighth overall.

Taking about the obstacles the company has come up against, Ian Tebb, managing director of Tebway Group of Companies, said: "The biggest challenge we faced was convincing installers to make the capital investment required to switch supplier, which meant they had to change their installation equipment. However those who did change all reported positive feedback.

"Going forward, the biggest challenge we now face is to convince Government that they should create the opportunity for better performing products to be scored differently to standard products within the Energy Company obligation, which is set down in the Energy Act."

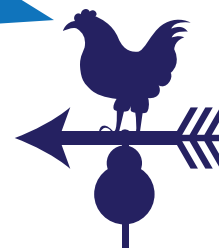
He added: "Tebway's past success has come from being innovative and always looking at improving the performance of their products. However, if there is no mechanism within the Energy Conservation Schemes to provide a reward that is pro-rata to performance then our future looks bleak."

The second most profitable SME in East Yorkshire is EOF Holdings, in Goole, which is ranked eleventh overall. Accounts filed in January 2014 showed the Goole company to have a turnover of £17.2m in the 2015 table, up from £15.3m in 2014 and profits of £4.9m compared to £3.7m in 2014.

Third is property development company Wykeland, based in Hull, which sees an increase in turnover from £5.5m in 2014 to £6.4m in 2015 and profits rise from £2.9m in 2014 to £3.4 in 2015.

Collectively, the 11 East Yorkshire SMEs in the Top 100 list made a profit of £33.2m and a turnover of £245m and employ 884 people.

These 51 SMEs generated pre-tax profits of £151m



West

The West of the region is home to the majority of the SMEs in the Top 100 list, with a total of 51.

Six of these SMEs feature in the top 10 of the table, up from four last year.

Topping the table is property development company Oakgate, which is the most profitable SME in Yorkshire overall, followed by Sovereign Health Care.

The Bradford-based company, established in 1873, is one of the UK's leading health care cash plan providers.

Sovereign was twenty-seventh in the ranking last year, but this year is the second most profitable SME in the West, and third overall in the table.

A spokesman for the organisation said: "In 2014 Sovereign exceeded sales and financial targets generating premium income of over £10.2m and a technical surplus of £1.3m. Astute management of investments saw reserves grow to over £53m.

"Last year over £820,000 was donated to local good causes," he said, adding that the Bradford company remains focused on the long-term sustainability of the schemes and the company, to ensure it remains independent.

Third in West Yorkshire is Sewtec Holdings in Dewsbury. The company posted pre-tax profits of £6.35m and a turnover of £20.5m.

Sewtec is one of five companies who have made it into West Yorkshire's top 10 SMEs despite not making an appearance in the Top 100 in 2014. The others are Oakgate, Hague Print Media Supplies Limited, in Normanton, and Motormile Finance UK Limited in Pudsey.

Shiple Investment Management company Channon Holdings Limited, which comes in at seventh overall in the Top 100, was incorporated in March 2013.

Absences from this year's Top 100 include FTL Seals Technology, based in Leeds where BHP research shows in June 2013 shares transferred to IDEX UK Investment Limited. The Global Ultimate Owner of the company at the year end of December 2013 is the USA company IDEX Corporation. Xamol, based in Brighouse and which featured as seventh over all in last year's table, is now listed as Alco Valves Group Limited.

In total, these 51 SMEs generated pre-tax profits of £151m and a turnover of £809.6m. Collectively, they employ 4,957 people.

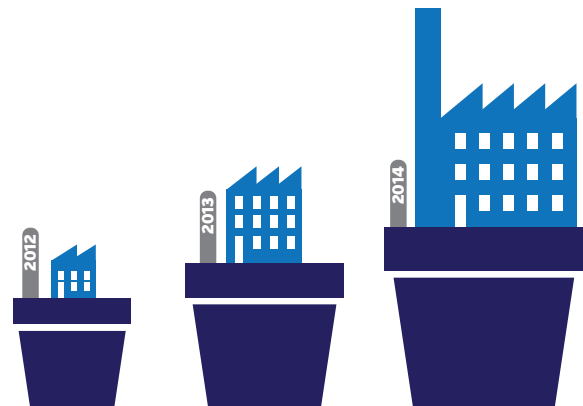
Achieving growth

Congratulations to all the companies featuring in this year's Top 100 survey. Inclusion in this survey demonstrates a level of success in overcoming many of the myriad of barriers which exist to growth and positive change. These barriers might include macroeconomic, financial, cultural and regional factors – not to mention the ever present dangers of internal politics! Inertia is a constant challenge.

In order to make a positive change which will drive business growth, it is essential to consider all of these barriers and plan to overcome them, taking financial, cultural, leadership, commercial and taxation issues into consideration. In doing this, you will be forced to evaluate your future plans, which will invariably raise issues around succession planning, exit strategies and how you can ensure you grow at the right pace to prevent overstretching the business. Success will depend on how well change is managed.

Succession planning does not mean preparing for imminent retirement. It means planning to extract value out of your business. There are HMRC approved structures which enable majority shareholders to access cash and capital at a low tax rate whilst still remaining connected with the company. Majority shareholders can utilise available company reserves and have the ability to withdraw further funds at a later date. This can be achieved at a tax rate of 10% rather than costly higher dividend tax rates of 30%. This platform for succession also provides other directors (and in family businesses, the next generation) with access to equity and the ability to make their mark, drive growth and generate value.

In my experience, the barriers to such change are less likely to be financial or legal and more likely to be driven by personal concerns, perhaps around loss of control, achieving proper value, potential divorces in the next generation etc. Solutions can be found. Starting share values can be minimal. Control can be commercially and legally preserved. Assets can be protected



from divorce of the younger generation in a family company and inheritance tax mitigated for anyone extracting value.

However, this is not just a numbers game. Not all of the commercial impacts of change management fit on a spreadsheet. Staff reaction to change and new leadership can affect value, profit and the harmony of the workplace. Directors' skill sets in communication, time-management, leadership and board meetings are all tested. Any gaps which have been papered over by the controlling hand of a strong exiting shareholder will be exposed.



If you are considering growing to the next level in the Top 100, or looking to enter it for the first time, there's a lot to think about, so make sure you get the right advice.

David Mitchell
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Corporation tax planning for companies

With the levels of profit achieved by the companies in the survey, tax becomes a substantial cost. Like any other cost to the business, the magnitude and timing of payment of the tax needs careful managing. Pre-year end planning is key.

The rate of corporation tax drops to 20% for all UK companies from 1 April 2015, regardless of size or number of associated companies. For those companies with a year end on or before 31 March 2015, it is worthwhile considering accelerating tax allowable deductions in order to obtain tax relief at the higher rate and delay payment of tax. For example, the following deductions can be achieved without accelerating the payment:

- Review stock and debtors to identify any specific items that can

be provided for, such as obsolete stock or irrecoverable debtors and document as appropriate.

- Issue redundancy notices before the end of the period to ensure a tax deduction for those costs not yet incurred
- Minimize any bonuses to be paid relating to the period prior to the year end to demonstrate an obligation to pay the bonuses
- Consider any deductions that may be available on the exercise of employee share options

In addition, with the Annual Investment Allowance which currently gives 100% relief for up to £500,000 of expenditure on qualifying plant and machinery being relegated to £25,000 from 1 January 2016, careful consideration to the timing of

capital expenditure is critical.

Also, consider the availability of research and development allowances which offer very generous reliefs, and are available to a surprisingly vast number of industries.

With the ever changing horizon of the availability of reliefs from corporation tax, it is critical to keep in close contact with your tax adviser, in particular with regard

to matters that need attention prior to the company's year-end.



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