BHP Chartered Accountants
The Star
Manufacturing Top 50
Sheffield City Region
October 2015

Resilience is key

We are delighted to present our second Manufacturing Top 50 for the Sheffield City Region (SCR). The data incorporates a wide range of manufacturing activities, including traditional engineering and manufacturing, as well as food and pet food manufacturing. It is encouraging to see so many companies engaged in advanced manufacturing and innovation. This is a key area which we must continue to push on with to achieve the ambitious growth plan set for the SCR.

Digging a little deeper into the data reveals the following headlines:

- Turnover of the Top 50 has decreased by 2.3% to £6.997 billion from £7.157 billion
- Pre-tax profits have decreased by 41.0% to £141m from £239m
- Employee numbers have increased by 1.2% to 38,805 from 38,347

A key metric for the region is the profitability of the companies located here, since this enables continual investment and growth for the local economy and brings employment opportunities to the area.

The numbers above initially suggest disappointing results, but further analysis shows this should not be the case as the majority of the fall in profitability is explained by the movement of two companies. £44m relates to an increase in the loss sustained by Tunstall Healthcare Group (due to restructuring costs and operational and market challenges). A further £49m is as a result of a reduction in the profits generated by Greencore subsidiaries located in SCR.

Despite the fall in profitability, companies in the region have continued to invest in people, as highlighted by the increase in employee numbers. This reflects a return of positivity to the economy with investment in people, plant and product development being back on the agenda.

What does the future hold for the sector? At the time of writing, a glimmer of negativity has returned with several challenges being thrown into the mix. This year has seen a significant drop in oil prices which has had an impact on those companies which form part of the supply chain to the oil and gas sector, of which there are many in SCR. More recently, the slowdown in China is creating ripples across the world with uncertainty returning to the headlines. In addition to this, the impact of exchange rates is clearly affecting the export market. I am confident that the resilience our manufacturing companies demonstrated in the downturn will put them in good stead during what we all hope to be a brief storm.

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Manufacturing Top 50 S

2015	2014	Company name	Activity
1	1	Greencore SCR subsidiaries	The manufacture and production of prepared foods.
2	2	Langley Holdings	A group engaged in the design, manufacture, maintenanc tankers & in cementitious grouts and energy.
3	4	Ballyvesey Holdings	A group engaged in the provision of haulage services, the
4	3	Outokumpu Stainless	The manufacture of stainless steel products.
5	6	Firth Rixson SCR subsidiaries	The production of drop, press, extrusion and upset forggs alloys.
6	8	Tunstall Healthcare Group	A group engaged in the marketing, service, installation, de
7	10	Wavin	The manufacture and marketing of PVC and polyethylene to the house building and construction industries.
8	11	SAPA SCR subsidiaries	The manufacture, finishing and marketing of aluminium p
9	16	Symphony Holdings	The manufacture and sale of kitchen, bedroom and bathro
10		Bridon International	The manufacture and distribution of wire, wire rope and a
11	15	H. J. Enthoven	Smelters, refiners, manufacturers and marketers of lead p
12	12	Vesuvius UK	The manufacture and sale of refractory products.
13	11	Pegler Yorkshire Group	The manufacture and sale of fittings of a non-ferrous natu
14	14	CPL Industries Group	The manufacture and sale of briquette smokeless fuels ar
15	13	A.E.S. Engineering	A group engaged in the manufacture and distribution of m
16	23	Recticel	The manufacture and fabrication of polyurethane foam ar
17	17	AMG Superalloys UK	A group engaged in the manufacture and sale of metallur
18	18	Jeld-Wen UK	The manufacture of timber windows, doors and stairs.
19	25	Eurocell Profiles	The extrusion of UPVC window and building products whi
20	21	Frank Wright	The manufacture, sale and distribution of animal feed sup transport services.
21	22	LUK (UK)	The manufacture of clutch assemblies for the agricultural
22	24	Sheffield Forgemasters International	A group engaged in the manufacture of steel ingots and f
23	28	Xtratherm UK	The sale and production of polyiso insulation products.
24	37	Kostal UK	The manufacture of electromechanical components for th
25	26	Danaher UK Industries	The manufacture of products within the environmental, in industries.
26	20	GRI Group	A group engaged in the manufacture and distribution of c
27	33	M.M.D. Mining Machinery Developments	A group engaged in the manufacture and sale of special p
28	30	New York Bakery Company	A group engaged in the manufacture and sale of bakery p
29	29	Radius Systems	A group engaged in the design, manufacture and sale of h telecoms and petrochemical applications.
30	32	Guilford Europe	The manufacture and finishing of knitted and woven textil
31	35	Bawtry Investments	A group engaged in the manufacturing of carbon products
32	34	EPC United Kingdom	A group engaged in the manufacture and marketing of inc components for the mining industry.
33	38	Sherwin-Williams Diversified Brands	The manufacture and sale of varnishes, stains and relatec
34	7	Saria	The collection, processing and sale of animal by-products of edible fats.
35		Mallinckrodt Chemical	The manufacture and sale of speciality pharmaceuticals.
36	31	William Cook Holdings	A group engaged in the manufacture of steel castings anc
37		Hickman Industries	The manufacture, process, distribution and design of engi Doorkit systems and related products.
38	42	Premdor Crosby	The manufacture and sale of doors, cubicles and windows
39	36	James Durrans & Sons	A group engaged in manufacture of mould and core coatir carbon powders and granules to various industries.
40	41	Exol Lubricants (Rotherham)	The manufacture and distribution of lubricants.
41	47	Koyo Bearings (Europe)	The manufacture sale & distribution of a range of bearing
42	39	Fresh-Pak Chilled Foods	The manufacture and supply of specialist chilled food pro
43	44	Special Steel Co.	A group engaged in the hardening, tempering and anneali quality alloys and general engineering.
44	45	Otter Controls	A group engaged in the manufacture of thermostats.
45	46	Schutz (U.K.)	The manufacture and sale of intermediate bulk liquid cont
46		Griffith Laboratories	A group engaged in the manufacture and wholesale of foc
47	43	Betafence	The manufacture and sale of wire and wire products.
48		Ancon	The manufacture and sale of stainless steel fixings and pr
49		Avdel UK	The manufacture and marketing of engineered fastening a
50		Beatson Clark	The manufacture and distribution of glass bottles and jars

Notes on Top 50 Manufacturing Companies
Research finalised 08/09/2015. Figures compiled by Barber Harrison & Platt 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. Figures compiled under the following criteria: • Independent company or ultimate holding company based within the Sheffield City Region (SCR) OR the collated subsidiaries within the SCR of a holding company based outside the SCR. • Publically quoted companies have been excluded. • Company is up-to-date in filing accounts at Companies House. • For the purposes of this survey the Sheffield City Region includes the following postcode areas: S1 - S99, DE55, DN1 - DN12, NG16, DN22, NG19, DE4, NG20, DE6, NG22, DE45, SK17.
• Manufacturing companies have been obtained using the follow UK SIC code: All Codes: 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 64202

Sheffield City Region 2015

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	Location	Latest accounts	Turnover £'000	Profit before tax £'000	No. of Employees
	Chesterfield	30/09/14	1,051,303	77,781	8,295
nance and repair of mechanical handling equipment, process plant, road	Retford	31/12/14	604,817	78,107	4,093
, the manufacture of trailers and the sale of vehicles.	Doncaster	30/09/14	561,170	3,284	2,582
	Sheffield	31/12/13	462,800	(11,800)	575
rggs in all types of alloy carbon steels, nickel bas titanium and other special	Sheffield	30/09/13	226,566	18,624	992
n, development and manufacture of telecare, hospital systems.	Doncaster	30/09/14	215,241	(171,075)	2,950
lene pipe extrusions and plastic mouldings and the supply of plastic products	Doncaster	31/12/13	160,223	11,429	914
um profiles.	Alfreton	31/12/13	98,554	4,498	326
athroom furniture.	Barnsley	31/12/14	154,188	5,836	1,174
nd associated products, associated design and research.	Doncaster	31/12/13	153,020	11,388	712
ead products.	Matlock	31/12/13	150,309	2,488	285
	Chesterfield	31/12/13	149,351	7,899	382
nature.	Doncaster	31/12/13	146,317	7,593	271
ls and the provision of ceramic welding services for operators of coke ovens.	Sheffield	31/03/14	143,900	16,700	484
of mechanical seals and engineered sealing systems.	Rotherham	31/12/14	142,014	19,126	1,694
m and associated products.	Alfreton	31/12/13	110,208	(4,533)	629
allurgical products.	Rotherham	31/12/13	108,108	(1,041)	262
.	Sheffield	31/12/13	106,548	(11,086)	1,101
which are marketed under the 'Eurocell' trade mark.	Alfreton	31/12/14	104,735	12,611	435
l supplements and associated products and the provision of haulage and	Ashbourne	31/12/13	102,970	5,996	186
ural tractor and motor car industries.	Sheffield	31/12/13	101,542	1,942	342
nd forged and cast components.	Sheffield	30/06/13	100,092	1,556	779
s.	Chesterfield	31/12/13	96,665	1,279	122
or the motor industry.	Rotherham	31/12/13	93,497	(4,591)	640
al, industrial control, power quality, mechanics, hand tools and aerospace	Sheffield	31/12/14	92,625	2,730	547
of chemicals.	Sheffield	31/12/14	92,004	7,219	128
cial purpose mining machinery and other equipment.	Alfreton	28/02/14	86,465	7,681	230
ery products.	Mexborough	31/12/13	86,393	(2,814)	611
e of high integrity polyethylene and pvc pipe systems for use in gas, water,	Alfreton	31/12/13	64,398	(1,139)	381
textile products.	Alfreton	31/12/13	79,203	4,028	424
ducts and sale of aluminium foil.	Doncaster	31/03/14	71,409	(4,059)	394
of industrial explosives, speciality chemicals and specialised products and	Alfreton	31/12/14	70,683	698	227
ated products for the trade and DIY markets.	Sheffield	31/12/13	66,904	(243)	293
ucts, the provision of services to the by-products industry and the wholesale	Doncaster	31/12/13	65,595	(300)	88
als.	Chesterfield	30/09/14	62,599	2,378	11
s and other engineering components and assemblies.	Sheffield	31/03/14	61,071	2,493	736
engineered tiimber floor & roof systems, MDF architectural mouldings, internal	Barnsley	31/07/14	60,327	3,742	376
dows.	Barnsley	31/12/13	59,609	4,337	397
oatings, recarburisers and coal dust for green sand foundries and the supply of	Sheffield	31/12/13	58,586	4,414	184
	Rotherham	31/12/13	58,559	2,948	37
rings.	Barnsley	31/03/14	57,261	(7,129)	357
products to major retailers and the food service industry.	Barnsley	31/12/13	55,673	873	395
nealing of steel, steel testing, the manufacture and stockholding of special	Sheffield	31/05/14	54,950	5,528	289
	Buxton	31/12/13	54,487	3,345	912
containers.	Worksop	31/12/13	51,835	5,817	118
of food ingredients.	Alfreton	30/09/14	50,899	3,047	282
	Sheffield	31/12/13	49,048	(2,578)	210
nd products for structural concrete to the construction industry.	Sheffield	31/12/14	48,380	8,243	347
ing and assembly systems.	Sheffield	31/12/13	47,565	3,946	271
d jars for the pharmaceutical, food and drink industries.	Rotherham	31/12/14	45,952	2,016	335

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 company has 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

Momentum required to support Sheffield City Region's manufacturing ambitions

BHP is delighted to have worked with *The Star* on our second survey of the top 50 manufacturing companies in the Sheffield City Region (SCR).

Last year I highlighted advanced manufacturing, a fundamental part of the region's Strategic Economic Plan, as SCR's key economic differentiator. Our manufacturing base continues to develop and politicians still talk about the "Northern Powerhouse" and its potential. Progress has not been smooth though. The fall in oil and gas prices has impacted on its supply chain - critical to manufacturing in our region. The announcement of closures and job losses at Tata Steel are a further sign that we can take nothing for granted.

Over the next 12 months there must be visible momentum in the proposed initiatives to build upon our reputation for expertise in advanced manufacturing, especially:

i) Coordination of public and private sectors (via the LEP and the Combined Authority) to maximise powers released under the devolution programme – elected mayor or not!

ii) Establishment of the vision and delivery programme for the Advanced Manufacturing Innovation District. The base is in place with the Advanced Manufacturing Research Centre (AMRC) at the Advanced Manufacturing Park, and now also at Sheffield Business Park with the Factory of the Future, and the positive movements on the Advanced Wellbeing Research Centre (AWRC) at the Olympic Legacy Park.

iii) Focus inward investment activities on our reputation for advanced manufacturing, from research to production, targeting OEMs and their related supply chain that can deliver significant growth and job opportunities. Incentives available in our Enterprise Zones can play a key role in such initiatives.

iv) Continue to work closely with our universities which are key to developments at the AMRC and AWRC. The Faculty of Engineering at the University of Sheffield is another major asset to manufacturing in the SCR.

v) Progress on the key objectives in the SCR Growth Plan, including:
- increase the number of local companies exporting through an Export Centre of Expertise
- operationally establish the Growth Hub and Access to Finance Centre of Excellence
- establish a Skills Bank based on the needs of local employers, continued support for University Training Colleges and apprenticeship schemes.

If momentum can be created in the above initiatives, the SCR has a one off opportunity to market the undoubted assets we have and to position ourselves as the centre of UK manufacturing.

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Taxing times

With an overall drop in profits across the Top 50, in part caused by the margins of manufacturing companies being squeezed, it is clear that ensuring tax charges are minimised will be even more important.

Whilst the manufacturing sector has been a focus for government over the last few Budgets, the recent changes brought few specific incentives for the manufacturing sector. Although the permanent fixing of the Annual Investment Allowance at £200,000 from 2016 onwards provides welcome certainty, it does represent a significant drop from the current £500,000, impacting particularly on plant intensive manufacturers. Companies looking to invest in their infrastructure should ensure they maximise the current higher limit while it still applies.

On top of this, unwelcome EU attention was brought to the patent box regime and whilst changes are still to be confirmed, it looks likely that qualifying patents will be restricted to just those where the Research & Development (R&D) has been carried out in the UK. The relief is still available in its current form and existing qualifying patents will be subject to grandfathering rules, so the scheme is certainly not dead and it is well worth looking at making claims for any existing patents.

R&D tax relief continues to be generous but, looking at the statistics, is still apparently unclaimed by a large amount of qualifying businesses. Any manufacturer which improves its production process or is innovating new or improved products is likely to qualify and should consider a claim.

Not unexpectedly, many of the companies rising up the chart are in, or suppliers to, the property and construction sector. It will be interesting to see how the Chancellor's recent raid on residential landlords will affect the housing market and impact on this growth over the next year.

The table shows a small increase in the number of employees across the Top 50. Initiatives like the apprenticeship program and reduction in National Insurance for under 25s may help employers in recruiting the next generation of manufacturers although the introduction of a National Living wage is likely to increase costs across the sector.

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