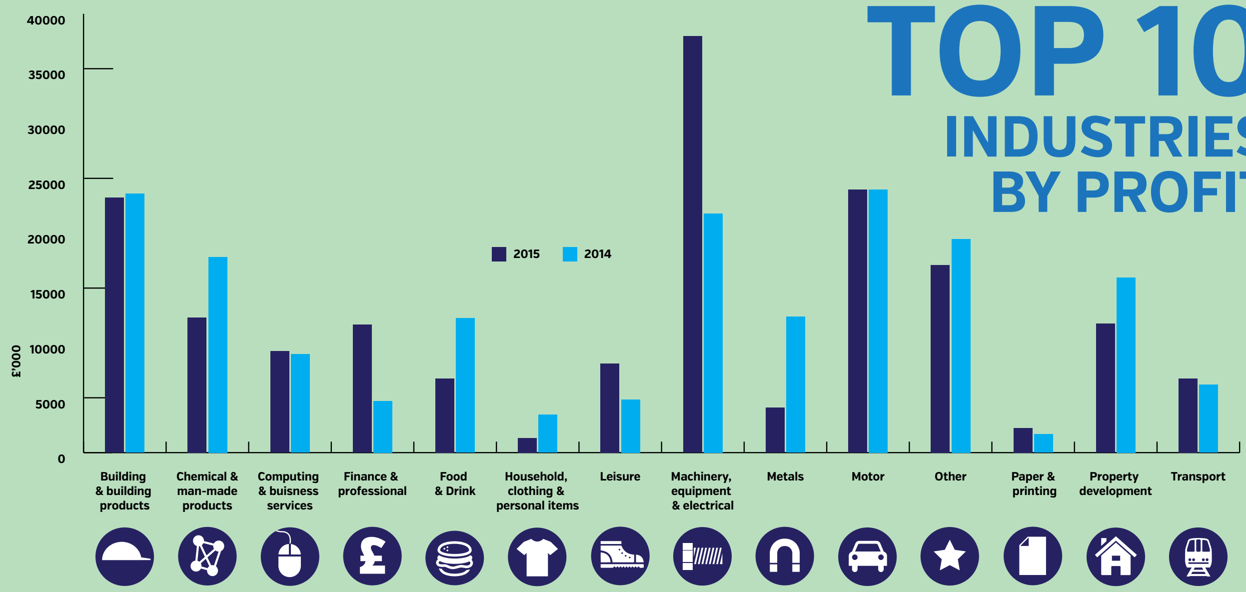
BHP Chartered Accountants

The Star

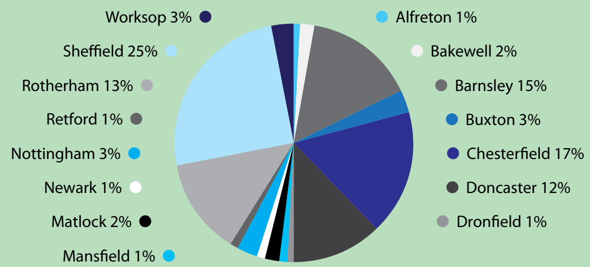
Top 100 SMEs 2015

Sheffield City Region

TOP 10 INDUSTRIES BY PROFIT



TURNOVER BY AREA



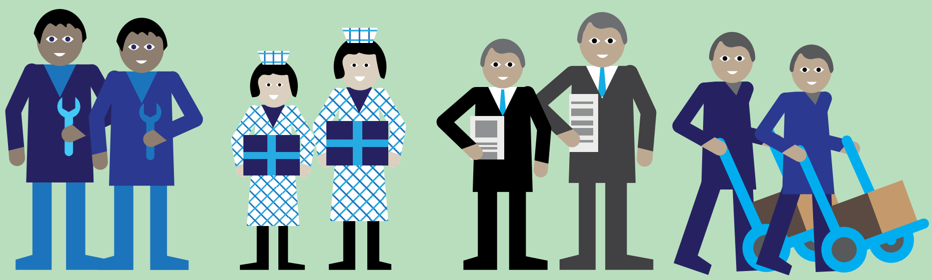
PEOPLE EMPLOYED BY SECTOR

Manufacturing
2014: 2,781
2015: 2,291

Retail
2014: 360
2015: 433

Services
2014: 4,303
2015: 4,875

Wholesale
2014: 969
2015: 929



HEADLINE STATISTICS

	2015	2014	Mvt
Total turnover	£1,538,715	£1,659,669	-7.3%
Total profit	£176,524	£177,083	-0.3%
Total no. employees	8,528	8,413	1.4%

Total turnover
£1,538,715

Total profit
£176,524

Your business is our business

BHP – Reflecting the ambitions of the Sheffield City Region

Our collaboration with Sheffield Newspapers to produce this SME survey is now in its 18th year, and we are delighted once again to demonstrate our commitment to the Sheffield City Region.

We are also proud that our own growth over these 18 years reflects the successes of similarly ambitious companies highlighted by our surveys.

Back in 1997, BHP had two offices, Sheffield and Chesterfield, employed 126 staff and was delighted to turn over almost £4.5m. In the years to 2015 we have made five mergers, opened four new offices and now have a total complement of over 300 people, with turnover approaching £18m, and we expect to be ranked within the top 40 accountants in the UK.

As a result of driving our own growth over the last 18 years we have hands on experience of the advisory skill sets required by the entrepreneurial companies in our region. We look forward to continuing to advise the largest share of these companies featured in the top 100 SMEs.

John Warner
john.warner@bhp.co.uk

Regional economic promise shines through

As we head towards the end of 2015, our survey of the Sheffield City Region's Top 100 SMEs highlights some key trends on how local business is faring in ever-challenging times. This survey strips out the largest companies in our area, focussing exclusively on SMEs.

The survey shows aggregate turnover down by 7.3%. However this has not followed through to the bottom line, where aggregate profits (before tax) remain virtually the same as last year, falling just 0.3%. Employment has seen a small increase in the year of around 1.4%, with greater increases evident in Rotherham and the more easterly areas of the region.

Delving further into the analysis, the manufacturing, services and wholesale sectors all show similar levels of profits as last year, but a marginal decrease is evident for the retail sector.

Breaking that down further, there have been significant falls in turnover, profits and employment numbers across the region's food and drink, household goods and clothing businesses. This unfortunately echoes the wider national picture.

Equally, within manufacturing, the metals and chemicals/man-made products sectors continue to experience economic struggles despite efforts to innovate, increase exports and keep a handle on power costs. However it is worth noting that the metals sector figures in this year's survey are somewhat subdued for a positive reason; two larger companies included last year have grown beyond the scope of this survey. Happily, SMEs in machinery, equipment and electrical industries show 50%-plus improvements in sales, profits and employment.

As may be expected, given the increasing numbers of cranes on the regional horizon, the property development and building-related businesses show an improved "top line", and more new entries into the table this year. However profits remain depressed, perhaps due to increased employment costs and tight competition but partly down to the effect of last year's profitable "Number 1" company outgrowing the survey criteria.

Healthier sectors include the leisure industry and the financial and professional sectors, all posting improved income and profit levels, alongside a more-than-doubling of employee numbers.

Geographically, it is perhaps surprising to see that Sheffield's contribution to the Top 100 results has diminished compared to other areas, with the improvements being mainly posted in Barnsley, Chesterfield and Doncaster, as well as the smaller towns of North Nottinghamshire.

So, a mixed picture overall but promise showing through in some key regional industries.

Howard Ringrose
howard.ringrose@bhp.co.uk

Lisa Leighton
lisa.leighton@bhp.co.uk

A strong 2016 is on its way

Looking back at my review of the 2014 results, my article highlighted the great initiatives being brought to the region to support growth. I concluded that I was looking forward to seeing the impact from these support mechanisms in this year's Top 100. Unfortunately the impact is not yet significantly evident from the results, as my colleague Howard Ringrose notes in his article. But let's not get too doom and gloom. We need to give it time for the impact of actions taken this year to be reflected in the results.

As reported last year, the region has had great success in securing Growth Deals for the region. Building on the City Deal agreed in 2012, and additional Growth Deals in July 2014 and January 2015, Sheffield City Region (SCR) Combined Authority now finds itself in the position of reaching agreement on a Devolution Deal. Although this is subject to various conditions being met, including the election of a SCR Mayor.

This is fantastic news for the city and will enable us to accelerate the delivery of the Strategic Economic Plan. An additional £30m per year will be allocated over the next 30 years for investment into the region to boost and deliver growth. Notably, the plan calls for us to capitalise on our position as world class experts in advanced manufacturing and engineering and to develop the SCR Advanced Manufacturing Innovation District, established around the Advanced Manufacturing Park, with a view to attracting more investment and major industry to the region.

Work on the city centre is also continuing to help bolster the retail sector in the SCR. The phased development at the Moor aims to add new retail outlets, a cinema and restaurants to its offering, and is due to complete by the end of 2017. In addition, the new retail quarter should be gaining momentum as we reach the end of 2015.

Sheffield has also launched a bid to be the UK's first Outdoor City, which should increase tourism and attract people to live in the SCR. The success of this plan could significantly boost the economic potential of the SCR.

Finally, as I mentioned in my article last year, a key element of the Growth Deal funding is to develop a Growth Hub. I am pleased to say that behind the scenes, significant work is going on to develop this offering and it is expected that we will see evidence of this great initiative coming to life in 2016.

BHP
Chartered
Accountants

Top 100 SMEs Sheff

Top 100 2015	Top 100 2014	Company name	Location	Activity	Latest accounts date	Profit before tax £000s	Profit before tax (prior year) £000s	Turnover £000s	No of Employees
1	2	Melett	Barnsley	Development, manufacture and supply of turbocharger repair parts.	31/05/2014	6,537	6,883	23,343	110
2	5	Moorhen Holdings	Chesterfield	Roofing and cladding material manufacturers and distributors / property trading and investment.	30/06/2014	5,367	4,549	24,597	50
3	4	Bolsover Cruise Club	Mansfield	Operation of a travel agency which specialises in cruise activities.	31/03/2014	4,844	4,507	8,591	104
4	6	L Jackson & Co	Doncaster	Sale of ex-military vehicles, plant and machinery.	31/08/2014	3,716	4,486	9,867	8
5	3	Glass Recycling (UK)	Barnsley	Recovery and treatment of waste products.	30/09/2014	3,556	6,508	16,514	63
6		Lion Trackhire	Worksop	Provision of temporary access solutions, predominantly through the supply of an aluminium based modular roadway system.	31/03/2014	3,310	1,886	11,895	97
7	19	Chesterfield Poultry	Chesterfield	Provision of wholesale halal poultry services.	30/06/2014	3,136	2,014	72,769	55
8	27	Walker & Son (Hauliers)	Newark	Haulage contractors and providers of storage and warehousing facilities / property development.	30/06/2014	3,126	1,800	12,464	84
9	16	Cathelco	Chesterfield	Provision of ICCP and anti-fouling equipment for the marine industry through engineering and the manufacture and supply of process control equipment.	31/03/2014	2,902	2,137	17,431	98
10	17	Derbyshire Aggregates	Bakewell	Supply of rocks, stone and aggregates to the construction industry.	31/03/2015	2,525	2,124	15,681	51
11		Nationwide Retail Systems	Barnsley	Sale of cashless catering management systems.	31/12/2014	2,453	2,024	6,031	57
12		IVY Cottage (Ackton)	Barnsley	Management of nursing homes.	31/03/2014	2,446	2,906	5,763	180
13	49	Haywood And Padgett	Barnsley	Production of wholesale bakery products.	31/10/2014	2,432	1,512	19,446	129
14	34	AEW Paddock Motors	Matlock	Retail of of vehicle spares and property development.	31/12/2013	2,427	1,713	12,878	48
15		Can UK Holdings	Chesterfield	Provision of rope access geotechnical services and special access trade services on structures such as high rise building and bridges.	28/02/2014	2,360	398	13,555	133
16	32	Thos.Winnard & Sons	Rotherham	Distribution of vehicle components.	31/12/2014	2,333	1,757	14,837	34
17	54	Hamsard 3120	Rotherham	Manufacture and sale of cable management systems.	31/12/2014	2,306	1,439	19,776	161
18	35	Buxton Consortium	Buxton	Production of periodicals, magazines and catalogues.	30/09/2014	2,248	1,668	17,614	124
19		Titan Developments	Mansfield	Joinery, manufacturing and interior contractors.	31/12/2014	2,198	842	10,536	31
20		Strawson Group Investments	Retford	Property investment.	28/02/2014	2,197	-197	2,938	5
21	24	SCX	Sheffield	Design, manufacture and maintenance of materials handling and access equipment.	31/03/2014	2,192	1,844	19,819	134
22		Paragon Property Investments	Doncaster	Property rental.	28/02/2015	2,136	1,287	32,155	122
23		J. W. Sivil Trading	Dronfield	General builders.	31/08/2014	2,133	n.a.	11,632	12
24	15	Kuusakoski	Sheffield	Metal merchants.	31/12/2014	2,036	2,190	27,667	21
25	26	Silkstone Finance	Barnsley	Manufacture of kitchen furniture.	31/01/2014	2,018	1,839	18,363	140
26	43	Liberty Group Holdings	Sheffield	Manufacture, sale and hiring out of site cabins and related equipment.	30/06/2014	2,017	1,565	8,835	68
27	61	Carlton Main Brickworks	Barnsley	Manufacture and sale of bricks.	31/03/2014	1,980	1,352	12,315	67
28	20	Wolf Safety Lamp Company (The)	Sheffield	Manufacture and sale of safety lamps.	30/06/2014	1,973	1,635	10,714	36
29	98	Evolution Funding	Chesterfield	Financial brokerage and car sales.	31/12/2014	1,963	892	24,388	n.a
30		Charles Pugh (Holdings)	Nottingham	Wholesale and fitting of vehicle automotive glass.	31/07/2014	1,929	2,451	24,353	244
31	62	URA Ventures	Chesterfield	Contract hire and sale of motor vehicles and other related services.	31/12/2014	1,854	1,722	12,113	29
32	52	Yorkshire Repak	Barnsley	Inspection, packaging and quality control of glass containers and the provision of contract packing and labour services.	31/05/2014	1,853	1,466	11,670	425
33	78	Europa Engineering Group	Sheffield	Operation of lifting materials and mechanical handling, structural fabrication and general engineering activities.	31/03/2015	1,804	826	14,083	127
34	31	Drishaun Holdings	Sheffield	Manufacture and assembly of electrical enclosures and the supply of industry sensing products.	31/12/2013	1,765	2,436	16,666	112
35	9	Dransfield Properties	Sheffield	Retail property development and investment.	30/09/2014	1,765	2,601	13,497	19
36		Carver Engineering Services	Doncaster	General engineering and fabrications.	31/03/2014	1,764	3,589	7,124	49
37	79	Direct Trade (Yorkshire)	Doncaster	Manufacture and distribution of UPVC window frames, doors and conservatories.	31/03/2014	1,760	1,069	15,801	154
38		Sheffield City Taxis	Sheffield	Taxi operation.	31/03/2014	1,751	1,055	7,226	n.a
39		Tours Abroad Group	Rotherham	Specialist holidays tour operator and wholesaler.	31/12/2014	1,750	1,399	32,789	112
40	86	Moto Direct Holdings	Alfreton	The supply and distribution of motorcycle accessories.	31/12/2014	1,722	1,030	19,674	67
41		C. Soar & Sons (UK)	Barnsley	Dismantling and recycling of electrical plant equipment.	30/06/2014	1,674	2,172	8,553	39
42		Go Green	Doncaster	Waste management brokers.	31/12/2014	1,670	991	17,139	57
43	36	Acorn Industrial Services Group	Rotherham	Supply of industrial bearings.	31/12/2013	1,658	1,057	19,417	87
44		MPH Solicitors	Sheffield	A solicitors' practice.	30/04/2014	1,648	1,527	4,109	28
45	46	Capital Refractories	Chesterfield	Manufacture and sale of refractory materials, ceramic cores and related products.	30/11/2014	1,647	1,545	22,967	202
46	14	TGW (Holdings)	Sheffield	Machine knife manufacturers and factors.	31/03/2014	1,623	2,217	14,482	174
47	42	Robinson Healthcare Group	Worksop	Manufacture, marketing and distribution of personal hygiene, healthcare and veterinary products and medical devices.	30/06/2014	1,578	1,568	20,956	166
48	44	FME Property Solutions	Sheffield	Property maintenance.	31/03/2014	1,557	1,739	11,517	101
49		Emsc Global	Sheffield	Design, manufacture and sale of energy saving products.	31/05/2014	1,546	n.a.	11,364	76

Notes on Top 100 SMEs Sheffield City Region
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 per annum - less than £12.9m gross assets • not be a charity, academy, Limited Liability Partnership or listed Public Limited Company • be up-to-date in filing accounts at Companies House • be based in Sheffield City Region

field City Region 2015

BHP Chartered Accountants

Top 100 2015	Top 100 2014	Company name	Location	Activity	Latest accounts date	Profit before tax £000s	Profit before tax (prior year) £000s	Turnover £000s	No of Employees
50		History & Heraldry Holdings	Rotherham	Gift distributor.	31/12/2013	1,540	n.a.	20,729	99
51		Magna Colours Holdings	Barnsley	Supplier of chemicals, dyestuffs, inks and auxiliaries to the textile industry.	30/04/2014	1,536	1,054	7,240	29
52	38	Ceramica Impex	Doncaster	Import and distribution of ceramic tiles.	30/09/2014	1,527	1,617	17,937	20
53	11	Jakto Holdings	Barnsley	Haulage contractors, site clearance and excavation.	30/11/2014	1,521	2,282	12,263	55
54	48	Clee Hill Plant Holdings	Chesterfield	Provision of plant for hire to the civil engineering industry.	31/12/2013	1,515	1,003	13,848	164
55	12	Heavy Duty Parts	Retford	Supplying parts to commercial vehicle operators.	31/12/2013	1,503	2,270	6,607	19
56	77	Warwick Ward (Machinery)	Barnsley	Dealers in plant and machinery.	30/09/2014	1,439	1,077	20,494	58
57	57	Designer Contracts	Chesterfield	Supply and installation of carpets and household decorations to the building trade.	31/10/2014	1,396	1,374	29,942	198
58		OSL Group Holdings	Sheffield	Manufacture and factoring of components and services in the markets of fire and security.	31/12/2014	1,380	150	17,615	142
59	56	Westdale Services	Doncaster	External rendering, general construction & property refurbishment.	31/01/2014	1,376	2,678	13,840	40
60	60	OCF	Sheffield	Sale of high performance computer and storage solutions.	31/03/2014	1,357	884	22,359	31
61	21	David Nieper	Matlock	Manufacture and sale of lingerie.	31/03/2014	1,339	1,936	14,680	228
62	53	MB Group (UK)	Sheffield	Advertising and marketing agencies.	30/04/2014	1,311	1,442	14,520	103
63		Bartec Auto ID	Barnsley	Development and manufacturing of tyres.	31/05/2014	1,301	1,021	8,545	63
64	69	Lidget Compton	Barnsley	Manufacture and erection of pre-cast concrete products.	31/03/2014	1,274	1,175	8,001	60
65	74	Prime Focus Management	Sheffield	Data processing, hosting and related activities.	31/05/2014	1,262	1,210	6,044	n.a
66	73	Riggott And Company	Newark	Road marking and painting.	31/10/2014	1,237	1,125	6,989	70
67		Dialogue Group	Sheffield	Provision and management of interactive mobile communication services.	31/07/2014	1,226	122	20,210	55
68	59	Furniss And White (Foundries)	Sheffield	Manufacture and sale of castings.	31/03/2014	1,222	1,357	14,250	131
69	94	Extrudakerb (Maltby Engineering)	Doncaster	Civil engineering sub-contractors.	31/03/2015	1,221	925	17,404	79
70	66	Riverside Motors Holdings	Barnsley	Motor dealers.	31/12/2013	1,219	911	51,149	95
71		Willmark	Nottingham	Property development.	31/08/2014	1,216	47	6,883	n.a
72	18	Ward Hi-Tech	Sheffield	Supply, installation, training and servicing of computer numerically controlled (CNC) machine tools.	31/03/2014	1,206	2,039	11,211	31
73	41	Chesterfelt Holdings	Chesterfield	Manufacture and trade of roofing membranes and ancillary products.	30/11/2014	1,195	1,577	8,653	34
74	90	Community Training Services	Sheffield	Provision of professional training services.	31/07/2014	1,195	983	6,097	125
75	87	Underwood Meat (Holdings)	Rotherham	Catering butchers and meat distributors.	31/10/2014	1,181	1,015	43,648	196
76		Griffingold	Sheffield	UPVC window manufacture.	31/12/2014	1,169	568	18,965	192
77		Turbine Efficiency Group	Doncaster	Gas turbine industry supply and service.	31/12/2014	1,162	112	12,464	61
78	70	Rotherham Healthcare Holdings	Rotherham	Specialist residential care facility.	31/12/2013	1,159	521	4,328	174
79		Wilson Field Group	Sheffield	Recovery and insolvency services.	31/08/2014	1,135	152	7,876	94
80		Transdek U.K.	Doncaster	Design and supply of mechanical handling, conveying and lifting equipment to the transport, distribution and other industries.	31/12/2014	1,134	385	7,646	n.a
81		Milner Off Road	Matlock	Sale of components for four wheel drive Japanese vehicles.	31/10/2014	1,131	706	9,137	57
82		Thistledown Developments	Nottingham	Property development and the management of health clubs.	31/08/2014	1,118	483	5,757	196
83		P&D Specialist Services (Holdings)	Chesterfield	Electrical contractors.	30/04/2014	1,110	n.a.	8,821	31
84		Galaxy Insulation And DRY Lining (Holdings)	Sheffield	Distribution of insulation materials and associated products.	31/12/2014	1,106	558	11,343	n.a
85		A.E.Spink	Doncaster	Builders' and plumbers' merchants and ironmongers.	30/11/2014	1,089	535	18,318	69
86		Nikken Kosakusho Europe	Rotherham	Retail of precision tooling equipment and accessories and the distribution of 'nikken products'.	31/12/2014	1,084	1,286	15,646	82
87	75	D R Baling Wire Manfacturers	Sheffield	Manufacturers of baling wire.	31/12/2014	1,062	1,085	6,730	20
88		SRS Rail System (Holdings)	Chesterfield	Provision of specialist services to the railway industry.	30/04/2014	1,057	486	8,048	66
89	83	Selden Research	Buxton	Manufacture of chemical cleaning products.	31/03/2014	1,056	-672	24,648	158
90	84	Elmsdale Estates	Sheffield	Property development and investment.	31/12/2013	1,056	751	3,797	25
91	95	Whirlowdale Trading Company	Rotherham	Manufacture, repair and distribution of pallets, packing cases, doors and other wood related products.	31/03/2014	1,049	918	18,124	90
92	30	Strawson Group Developments	Retford	Property development.	28/02/2014	1,028	1,766	7,253	16
93	91	Long Rake Spar Company (The)	Bakewell	Processing and sale of calcite spar and the merchanting of other decorative aggregates.	31/03/2014	1,011	974	13,105	57
94	97	Leonard Tomlinson	Doncaster	Operation of petrol stations and the provision of auctioneer services.	31/03/2014	1,009	893	6,656	47
95		Mirage Cigarettes	Sheffield	Importation and sale of electronic cigarettes.	31/07/2014	999	565	3,193	n.a
96	88	E. E. Blyth & Co	Worksop	Trading in metals and minerals.	31/03/2014	996	989	17,681	62
97	89	Chesterfield Motor Company	Sheffield	Motor dealers.	31/12/2013	987	568	36,261	79
98	80	Colortronic (U.K.)	Chesterfield	Manufacturer of equipment for use in plastic processing.	31/12/2013	983	1,067	7,353	24
99		Norton Finance Group	Rotherham	Advancing secured and unsecured loans throughout the UK and related services.	30/04/2015	979	417	13,296	239
100	71	Evolution Power Tools	Sheffield	Design and distribution of power tools and a property development project.	31/12/2013	978	1,132	23,196	74

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. The latest set of filed accounts (at the time of the search) has been used. Where this set has been included within previously published surveys these accounts have been omitted.

Nominations for next year's table are welcome at info@bhp.co.uk.

M&A in the Sheffield City Region

Mergers & Acquisitions (M&A) are firmly back on the corporate agenda and their impact on the business landscape of the Sheffield City Region (SCR) is clear to see.

The last year has seen many of SCR's best known businesses involved in some form of M&A, whether as a buyer or as a seller.

In November the US metal technology group Alcoa completed its acquisition of Firth Rixson for a reported $3 billion. This transaction is indicative of the current appetite of large US corporates to flex their financial muscle abroad and we can expect to see more Sheffield businesses sell out to our voracious transatlantic cousins.

On the buy-side, serial acquiror SIG has taken advantage of improving marketing conditions in the construction products sector, making five acquisitions in the last year. Other acquisitive Sheffield businesses include biotechnology specialist Benchmark Holdings which completed three acquisitions over six months, two of which were outside of the UK. Benchmark is closely followed in the acquisition stakes by healthcare and automation software developer Servelec which itself sealed two deals. Both Servelec and Benchmark floated on the stock exchange in Q4 of 2013 and are good examples of companies using the public markets to support acquisition strategies.

Finally, it would be remiss of me not to mention BHP's own recent M&A activity which in April saw us merge with Clough & Company to cement our position as the largest independent firm of accountants and business advisors in Yorkshire.

So what is driving the M&A push amongst SCR's businesses? For many large corporates it's a combination of shareholder pressure for growth and substantial sums of unutilised cash on the balance sheet. Within the SME space we are increasingly seeing shareholders seeking to capitalise on favourable market conditions and exploring a potential sale of their business. A good proportion of these are owners who would ideally have sold earlier but held back whilst they navigated the downturn.

Looking forward it is likely that the signage of more iconic Sheffield businesses like Firth Rixson will be replaced by that of overseas acquirors. However our region's businesses are already ably demonstrating the appetite and ambition to build through acquisition. It is therefore with confidence that I expect the SCR flag to continue to be planted across the UK and beyond.

Don Gray
don.gray@bhp.co.uk

The keys to business growth

David Mitchell
david.mitchell@bhp.co.uk

Congratulations to those who made this year's Top 100 SMEs, with many new additions!

High growth creates many non-financial challenges. Here are my top tips for SMEs currently pursuing growth plans and for those wishing to do so in the future.

Firstly, focus on your people. Growth creates recruitment opportunities and fresh challenges. Many industries have a shortage of skilled labour and the recovery from recession has created an increase in demand and labour movement. Employee engagement has therefore been tested, with employees voting with their feet where they feel companies are not creating an engaging atmosphere. Businesses who "do" will win the battle for retaining and attracting new staff to accommodate growth.

Secondly, make sure your operations are slick. Growth creates the desire and requirement for companies to increase their capital expenditure, and to invest in infrastructure and IT. Research & Development, innovation and efficiency in production are vital to ensure profitable growth. New sites, better machines, more sophisticated technology solutions are all aimed at driving growth in shareholder returns.

Thirdly, pay attention to sales. With our help, many of our clients have grown into new markets through diversification, export and product development. Many will have optimised their sales plan and process, tapping into the potential for growth in market share. Simplicity, clarity and execution are key to sales development, and a strategic approach to the execution phase is critical.

In our experience, as we see with our consulting clients, a distinguishing feature of ambitious companies is their attitude to risk. All the growth challenges summarised above carry risk, including the need for funding either from shareholder funds or bank/private equity sources. The enterprise value of the company is leveraged in some shape or form to grow it further.

For companies considering growth we begin by questioning whether the shareholders have the appetite for it. In the personal estate of the major shareholders the company may well be (and invariably is) the most valuable asset. The recession is not a too distant memory.

Once again, well done to all of the companies featured in the Top 100 SMEs. True entrepreneurs take calculated risks, with proper planning and the right commercial consulting advice. We enjoy working with clients like you.

"Back To The Future"

Film buffs amongst you will know that 21 October 2015 was the date that Marty McFly and the enigmatic Emmet Brown travelled forward to in the second of the Back to The Future films.

Whilst I am unfortunately old enough to remember 1985, it would be interesting to climb into the same DeLorean and travel back in time - I am sure that an SME in 1985 would have many of the same characteristics as those shown in our Top 100 list – entrepreneurial, owner managed, many family owned and all with the drive, passion and personal enthusiasm that sets a successful SME apart from their corporate "big brother" PLCs.

What will have changed significantly in those thirty years is the tax planning landscape and opportunities that now face those companies in our Top 100.

- Who would have thought, for example, that strategic tax planning in 2015 would be framed by discussions about morality and paying the "right" amount of tax? The evangelical Margaret Hodge has much to answer for.
- Who would have thought that we would have an independent Bank of England giving certainty regarding interest rates and investment decisions, and a base rate of 0.5% for over six years?
- Corporation tax in 1985 was at a rate of 35% - the current rate is 20% irrespective of size of company and will fall to 18% by 2020. Given that the Top 100 SMEs made profits before tax of over £176 million, that's an additional £30 million available for innovation and investment in plant and machinery.
- Innovation and investment are now recognised as the key to growth and this has been supported for many years by the enhanced tax relief available on qualifying Research & Development expenditure and by the Annual Investment Allowance (AIA) – both not available in 1985. The AIA reduces to £200,000 from 1 January 2016 so business owners should use it whilst they can.
- Personal tax rates were high in 1985, but so were corporation tax rates. In 2015 the discrepancy between company and personal tax rates means that effective remuneration planning can generate significant tax savings, even with the changes to taxation of dividends in 2016.
- And finally, who would ever have thought that tax advantaged share schemes such as the Employee Shareholder Scheme or the Enterprise Management Incentive Scheme would be the mainstream of incentivising and retaining key employees?

1.21 gigawatts, Great Scott, Marty!

Chris Humphreys
chris.humphreys@bhp.co.uk