

Bradford's Top 50 SMEs turnover another successful year

Overall turnover and profitability of Bradford's Top 50 SMEs has increased, according to this latest research, which is very positive news for those businesses and the local economy as a whole.

The Top 50 table includes businesses across a vast range of industries from manufacturing to retailers and service business to wholesalers. Building products and construction firms, property companies and haulage businesses sit alongside farming, health and beauty, office furniture and food companies, showcasing what a great cross-section of businesses we have operating here in Bradford and the surrounding area.

Each year the makeup of the league table changes, and this year there are 15 new companies and 15 companies that have fallen out of the Top 50, which means we should be cautious in making direct comparisons between the years. However, generally all of the sectors have performed better than the previous year, and indeed have achieved growth rates of almost double the national average.

In total, turnover increased from £646 million to over £679 million and profitability before tax increased from £46 million to over £61 million, with the service and manufacturing industries contributing the largest amounts to the grand totals respectively.

A new entrant topped the table this year – Skipton Properties. The firm of property developers was

closely followed in second place by brewing and pub management group Timothy Taylor & Co, which is also a new entrant. Of the remaining eight within the top 10, five are manufacturing businesses, two are service businesses and one is a retail business.

Profitability across all sectors has increased significantly this year. The figures analysed related to the first half of 2016, where the strength of the dollar and euro allowed businesses to import at lower than predicted prices, so it's important to note that this effect will no doubt be reversed in the second part of 2016 and the first quarter of 2017.

Between the Top 50 SMEs, almost 6,000 people are employed – most of whom are in the services sector. What is a surprise is the overall drop in employment numbers however, which has mainly been seen in the manufacturing sector with a reduction of 497 jobs. This may have been driven by the move to automation and lean manufacturing methods, and this trend is likely to continue as employment levels reach capacity within this sector, as many economists believe. However, the service, wholesale and 'other' sectors all reported growing employee numbers which is encouraging.

Following the election results and with Brexit looming, business will no doubt be cautious about what the future holds. However, what these figures show is that as a region, we have strong resilient business people who have demonstrated in the past their flexibility, and ability to adapt to whatever is thrown at them.

This tenacity is borne out by their drive to adapt and change so that they can deliver excellent results, which is evidenced by the successes of the businesses within this year's top 50 SMEs league table. What is also clear is that the entrepreneurial spirit and drive to succeed will continue amongst these impressive Bradford businesses as they continue to grow and prosper.

**Profit up
33% to
over £61m**



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Top 50 SMEs

2017 Rank	2016 Rank	Company name	Activity
1		Skipton Properties	Property developers
2		Timothy Taylor & Co	Brewing and pub management
3	1	Paw (Holdings)	Structural engineers
4	3	Astonish Holdings	Manufacture and distribution of cleaning chemicals and materials
5	10	Peaspring	Manufacture, merchant & wholesale of clothing and fabric
6		Retra Holdings	Design and distribution of beauty products and chemists' sundries
7	8	Dennis Baldwin Group	Manufacture, maintenance and hire of steam producing boilers
8	4	Styrene Packaging & Insulation	Polystyrene packaging and insulation products manufacturers
9		Zenith International Freight	Freight forwarding
10	19	Mobili Office	Office furniture sales
11		D&M Middleton	The manufacturing vehicle matting
12		Bulloughs Cleaning Services	The provision of contract cleaning services
13	32	Town Head Farm Products	Dairy farmers & processors of bulk milk for supply to retailers
14	28	Bull Brand	The supply and production of tobacco products
15	12	Sonic Megastore	Electrical appliances and consumer electronics
16	16	Midas Paper Converters	Manufacture of till rolls and related products
17	7	T L Dallas Group	Insurance brokers
18	14	Info Supplier	Manufacture and supply of office filing and furniture systems
19	17	Tailormade Design	Design sourcing and sale of greeting cards and associated products
20	18	Northern Paper Board	The provision of paper, board and fabric merchants
21	21	Techmotion	General engineers, gear specialists, engine re-manufacturers
22		Rfpg Holdings	Food and confectionery products wholesale
23	11	Spellman & Walker Direct	Commercial printing & graphic design
24		Narang Group	Sale of textiles, electrical and plumbing goods and beers
25	35	Nat Flex Group	Manufacture and distribution of packaging materials
26	20	Folding Sliding Doors	Manufacture of folding sliding doors
27	25	Manor Coating Systems (Holdings)	Manufacture and supply of paint and related liquid coatings
28		Park Homes (UK)	The provision of nursing home care services
29	40	Bermer Building Company	Building contractors
30	27	Thomas Fattorini (Holdings)	Manufacturer of badges and insignia
31		JBA Group	Consulting engineers, scientists and environmentalists
32	22	Universal A. V. Services	Retail of audio-visual equipment
33	31	King Cole	The distribution of hand knitting yarns and associated products
34	45	Expect Distribution	Haulage & transport contractors involved in pallet delivery
35	24	Bunton Plant Hire	Renting of construction and civil engineering activities
36	33	The Label Makers	The printing of labels
37		Best Fresh Food Services	Wholesale of food and drinks
38		Hollings	Production of quality animal treats supplied to a wide range of customers
39		Caterleisure Services	Catering, bar and retail services
40		Stangs	Design and production of a wide range of commercial printing
41	38	Merritt & Fryers	The operation of a motor vehicle garage and petrol station
42	39	Whitakers Chocolates	The manufacture and distribution of chocolates
43	30	Bower Green	The provision of warehousing, haulage, shipping and forwarding
44		Clays of Addingham	Construction, managing properties and farming
45	29	Surefreight (International)	Road haulage and Freight forwarding
46	46	Joda Holdings	Haulage and storage
47	48	Delifresh	The wholesale of food produce
48	49	E P E International	A distributor of premium small domestic appliances
49	47	Victor Manufacturing	The manufacture and distribution of commercial catering equipment
50	34	Marpak Extrusions	Polymer extrusion

Notes on Top 50 SMEs

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 the BD postcode.

Bradford 2017

Location	Latest accounts date	2017 Profit before tax £000's	2016 Profit before tax £000's	2017 Turnover £000's	2017 No of Employees
Crosshills	6/30/2016	4,547	1,084	20,178	57
Keighley	9/30/2015	2,830	2,388	21,334	109
Skipton	9/30/2015	2,695	28	15,881	73
Bradford	5/31/2016	2,646	2,436	16,353	73
Keighley	12/31/2015	2,556	1,622	25,038	104
Silsden	12/31/2016	2,253	280	17,495	49
Keighley	12/31/2015	2,144	1,755	13,376	110
Bradford	5/31/2016	1,986	2,209	16,739	97
Bradford	3/31/2016	1,928	2,277	33,574	25
Skipton	12/31/2015	1,785	1,178	11,528	57
Cleckheaton	5/31/2016	1,723	1,223	9,611	60
Skipton	8/31/2016	1,684	1,440	15,086	1,455
Skipton	3/31/2016	1,402	743	12,265	65
Keighley	4/30/2016	1,391	774	20,446	12
Bradford	1/31/2016	1,363	836	14,758	53
Bradford	9/30/2015	1,362	1,245	15,334	81
Bradford	12/31/2015	1,300	1,791	7,884	99
Bradford	8/31/2015	1,271	1,136	19,389	120
Bradford	3/31/2016	1,169	1,185	13,038	62
Skipton	2/29/2016	1,126	1,181	11,447	22
Bradford	11/30/2015	1,023	1,066	4,785	69
Bradford	5/31/2016	980	417	9,395	26
Bradford	12/31/2015	972	1,491	11,707	100
Bradford	12/31/2015	967	240	28,070	114
Bradford	12/31/2015	948	725	12,765	46
Bradford	12/31/2015	945	1,089	7,079	77
Shipley	11/30/2015	940	534	10,580	76
Bradford	3/31/2016	919	1,022	7,190	340
Bradford	4/30/2016	863	603	13,629	45
Skipton	12/31/2015	840	796	7,551	121
Skipton	10/31/2015	819	548	23,702	416
Bradford	12/31/2015	812	1,018	12,364	90
Skipton	6/30/2016	794	746	8,907	35
Bradford	11/30/2016	785	548	22,154	225
Bradford	3/31/2016	783	989	9,116	78
Bradford	10/31/2015	731	239	7,040	66
Bradford	10/31/2016	721	43	6,959	
Skipton	3/31/2016	708	455	6,976	61
Bradford	10/31/2015	652	911	9,159	188
Keighley	3/31/2016	641	34	10,374	141
Skipton	9/30/2015	638	632	8,494	57
Skipton	12/31/2015	629	604	10,811	131
Bradford	7/31/2016	624	752	10,985	76
Skipton	3/30/2016	624	520	2,200	
Bradford	3/31/2016	600	758	18,432	74
Keighley	12/31/2015	558	529	8,111	107
Bradford	9/30/2015	558	522	22,352	136
Bradford	9/30/2016	517	491	16,649	44
Bradford	4/2/2016	493	526	8,866	103
Shipley	12/31/2015	473	729	12,187	24

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.

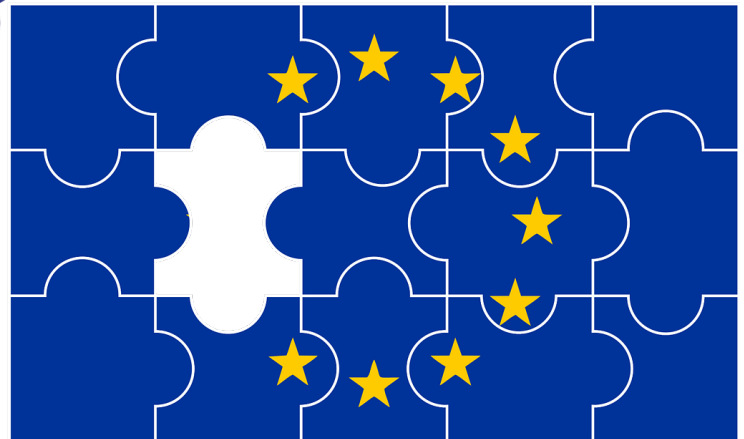
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What does Brexit mean for the region's Top SMEs?

With the triggering of Article 50, Brexit is a reality. What comes next?

Many SME businesses face uncertainty as to what Brexit will mean; some are very concerned about the future of their business, while others envisage great opportunities and growth potential. SME business owners may agree that their key people will be vital in making the most of out of Brexit, whatever the respective levels of optimism.

What are some of the current shares and share option incentives that will help retain key people and keep them focussed?



Share option incentives

Enterprise Management Incentive (EMI) scheme: the most tax advantageous share option scheme. Capital Gains Tax (CGT) rules should apply with the potential for the employee to qualify for Entrepreneurs Relief (ER) - the 10% CGT rate - on a future sale of shares.

Unapproved share option scheme: not tax efficient. However, it may be the only choice where the SME business owner does not want to issue shares and prefers share options, but the conditions are not met for the more favourable EMI scheme. Income Tax and NIC charges would apply based on market value at the date of exercise. The top rate of Income Tax is 45% compared to potentially 10% with EMI, so the tax advantage of the EMI scheme over the unapproved share option scheme can be hugely significant.

Shares

Growth share plan: this is an issue of a new class of share in a SME company designed to meet specific circumstances. It allows the key person to acquire shares at minimal cost but to participate only in the future growth in the company. Shares may be forfeited should the key person leave the company. CGT rules apply with the potential for ER on a future sale of the shares.

Nil paid / partly paid share plan: this is an issue of a new class of share in an SME designed to meet specific circumstances. It allows the key person to subscribe for new shares at their market value but where the purchase price is paid at a later date [eg: this may typically be at the time of a future exit]. Part payment for shares may be made upfront (the business owners may prefer to see the key person put in some 'hurt money') with the balance being paid

on unspecified future dates. CGT rules should apply with the potential for the employee to qualify for ER.

As ever, no two situations are the same, and therefore seeking advice from your specialist tax advisor is always recommended.



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