

Manufacturers increase region's employment figures despite challenging conditions

This year's league table of the Top 50 SMEs operating in the manufacturing industry in the Sheffield City Region has 14 new entrants – most of which experienced substantial growth in turnover. Four firms outgrew the table reaching a larger business status.

The 50 companies included employ 6,824 people between them. Last year's employment figures for the companies in the table totalled 6,607, so 217 jobs have been created mainly in the Worksop, Matlock and Sheffield areas in the last year alone, which is positive news for the local economy.

Leading the new entrants for this year, and achieving second place overall in the table is Sheffield based Special Quality Alloys Limited. The firm manufactures and supplies nickel based super alloys and special steels and employs 100 people. The firm turned over £24.6 million and made £1.5 million profit before tax.

All of the firms in the Top 50 make such a valuable contribution to the region, with a combined turnover of £803 million, which is just very slightly less than last year's figure of £808 million. Unfortunately, profits made before tax this year are also down, totalling almost £58 million compared to £66 million last year.

It has therefore clearly been a challenging period for the businesses operating in manufacturing. This decrease has no doubt been fuelled by the impact of the oil and gas sector's downturn, as a high proportion of manufacturing in our region is part of the oil and gas supply chain.

Brexit has also had a negative effect on results – particularly for those businesses that import raw materials. On the flip side, those exporting may feel a slight uplift in the future – next year's results will be able to tell us more.

Topping the table this year is Matlock based Breasley Pillows Ltd. The firm has been established for over 40 years, employs 208 people, and is the UK's largest independent foam converter and bedding manufacturer. With a 0.5% turnover increase to £24.9 million, the firm climbed from its second place position last year to head the table this year.

So, despite the challenging conditions and threats of future volatilities ahead, there are some really positive stories to tell from the region's manufacturing SMEs. Whether its bedding, alloy wheels, garage doors, windows, turbocharger repair parts, chemical products, steel, cables, textiles, plastics, furniture or vehicle and engineering components - the list goes on and on - and shows what a fantastic range of SMEs we have, all working hard to manufacture much-needed products and create jobs for people in our region.



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Grant funding - what is available for manufacturers?

You have to be a manufacturer to get grants these days don't you? often heard and certainly not true, however this is a sector which should definitely not overlook the potential for grants and public sector support.

We are privileged in our region to be home to many successful manufacturing companies which support the local and UK economy and contribute significantly to UK exports. We at BHP understand the operational and financial demands faced by manufacturers who have an ongoing requirement to invest in capital (property, plant, IT), invest in keeping their products and processes ahead of the competition (research and development) and invest in their staff (recruitment, retention and training).

There are real opportunities in SCR for support in this sector and a willingness to use the funds to accelerate growth. Locally the place to start is the SCR Growth Hub (www.scrgrowthhub.co.uk) which is the central point for our region's main support schemes and we work with the Growth Hub team to support our clients in making those applications as strong as possible. The Business Investment Fund (BIF) supports capital investment/job creation projects and can support some research and development (R&D) activity, there are R&D programmes

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Top 50 Manufact

2017	2016	Company name	Activity
1	2	Breasley Pillows Limited(The)	Foam conversion and the manufacture of bedding
2		Special Quality Alloys Limited	Manufacturers and suppliers of nickel based superalloys and special steels
3	7	Jigsaw Foods Limited	Manufacture and cryogenic freezing of sauces and condiments
4	15	Novoferm UK Holdings Limited	Manufacture and sale of garage doors
5	4	Melett Limited	Development, manufacture and supply of turbocharger repair parts
6	13	Libra Speciality Chemicals Limited	Manufacture and distribution of chemical products
7		The Abbey Group UK Limited	Production, treatment and forging of steel
8	9	Robinson Healthcare Group Limited	Manufacture & distribution of personal hygiene, healthcare & veterinary products
9	11	CMD Limited	Manufacture and sale of cable management systems
10	17	OSL Group Holdings Limited	Manufacture and factoring of components & services of fire & security
11		Solpro Manufacturing Limited	Manufacture of electrical contacts, goldsmiths and jewellers
12		X-Cel Superturn (GB) Limited	Manufacture of precision engineering components
13	18	Cathelco Limited	Provision of ICCP and anti-fouling equipment for the marine industry
14	10	A.T.C. Manufacturing Limited	Manufacture, processing and distribution of textile products
15	12	SCX Limited	Design, manufacture and maintenance of materials handling and access equipment
16	6	C.W.Fletcher & Sons,Limited	Manufacture of precision components mainly for aeronautical & nuclear industries
17	8	Griffingold Limited	UPVC window manufacture
18	16	Compass Engineering Limited	Structural engineers
19	14	IFA Metals International Limited	Manufacture of high integrity forged products
20	44	Robson Handling Technology Limited	Design, manufacture & installation of material handling plant & steel fabrications
21	20	Direct Trade (Yorkshire) Limited	Manufacture and distribution of UPVC window frames, doors and conservatories
22	25	Nenplas Holdings Limited	Manufacture and distribution of extruded plastic products
23	43	Teampartner Limited	Production and sale of popcorn and confectionery items
24	22	John Smedley Limited	Manufacture and sale of knitwear
25	24	TGW (Holdings) Limited	Machine knife manufacturers and factors
26	21	Drishaun Holdings Limited	Manufacture & assembly of electrical enclosures and the supply of industry sensing products
27	23	Sash UK Limited	Manufacture of UPVC doors, windows and conservatories
28	27	David Nieper Limited	Manufacture and sale of lingerie
29		Dearneside Fabrications Limited	Metal fabricators
30	39	Icon Aerospace Technology Ltd	Manufacture and sale of natural and synthetic elastomeric polymer components
31	35	Jepson Holdings Limited	Manufacture of vehicle number plates and signs
32	31	Charles Thompson (UK) Limited	Design manufacture of process plant equipment, general engineers & fabricators
33	36	Rotor Clip Limited	Supply of retaining rings
34		Kingfisher Lighting Limited	Manufacture, fabrication and wholesale of products and acting as lighting consultants for the external environment
35		Wright Brothers Ind. Services Limited	Engineering
36	48	Tinsley Bridge Limited	Manufacture and sale of stabiliser bars for the European truck market
37	42	Metalliform Holdings Limited	Manufacture and sale of educational and office furniture & spectator seating
38		Baldwin & Francis Limited	Development and manufacture of flameproof and industrial electrical equipment
39	26	Thos.Winnard & Sons Limited	Distribution of vehicle components
40		A1 Sheet Metal Flues Limited	Manufacture and installation of stainless steel flues for commercial use
41	30	Massey Truck Engineering Limited	Manufacture and repair of commercial vehicle bodies
42		Panel Systems Limited	Fabrication of panel components which are used in a range of markets including the furniture, leisure, building and food industries
43		Castlegate 263 Limited	Manufacture of upvc double glazing
44	38	Wolf Safety Lamp Company Limited(The)	Manufacture and sale of safety lamps
45		Titan Developments Limited	Joinery manufacturers and interior contractors
46	50	Furniss And White (Foundries) Limited	Manufacture and sale of castings
47	41	Advanced Engineering Techniques Limited	Laser engineers, component producer and fabricator
48		Harvest Healthcare Limited	Manufacture & distribution of pressure therapy and patient handling products
49	32	Europa Engineering Group Limited	Lifting materials & mechanical handling, structural fabrication, general engineering
50		Thornhill Heat Exchangers Limited	Plate heat exchangers and the manufacture of rubber gaskets

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 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 • with a manufacturing SIC code listed on FAME

uring SMEs 2017

Location	Latest accounts	Turnover £'000	Profit before Taxation £'000	No of Employees	Total Assets £'000
Matlock	4/30/2016	24,923	226	208	7,749
Sheffield	5/31/2016	24,661	1,562	100	25,917
Mansfield	5/31/2016	24,132	1,354	177	8,726
Sheffield	12/31/2016	23,388	821	266	9,564
Barnsley	5/31/2016	23,352	2,759	182	20,506
Sheffield	12/31/2016	22,931	2,524	50	13,363
Sheffield	10/31/2016	22,274	6,221	178	49,063
Worksop	6/30/2016	22,038	2,737	174	13,121
Rotherham	12/31/2015	21,979	4,923	169	32,112
Sheffield	12/31/2016	21,538	1,689	193	11,144
Sheffield	12/31/2015	20,693	-748	113	16,130
Rotherham	3/31/2016	20,336	1,153	163	17,612
Chesterfield	3/31/2016	20,203	3,318	124	24,701
Barnsley	12/31/2016	20,053	1,218	204	33,959
Sheffield	3/31/2016	19,727	2,630	143	17,969
Sheffield	12/31/2016	19,560	345	184	12,640
Sheffield	12/31/2016	18,607	1,844	190	6,473
Barnsley	12/31/2015	17,684	2,755	52	10,254
Sheffield	3/31/2016	17,306	636	121	11,915
Sheffield	6/29/2016	17,140	-943	133	12,393
Doncaster	3/31/2016	16,929	615	177	7,462
Ashbourne	5/31/2016	16,596	2,406	148	11,445
Worksop	12/31/2015	16,510	1,218	102	7,434
Matlock	3/31/2016	15,916	413	354	12,640
Sheffield	3/31/2016	15,593	-130	174	14,351
Sheffield	12/31/2015	15,406	100	118	10,019
Barnsley	9/30/2016	15,082	659	153	9,252
Matlock	3/31/2016	14,961	759	249	11,831
Sheffield	3/31/2017	14,231	2,714	103	8,255
Retford	9/30/2016	13,521	1,982	211	10,086
Sheffield	6/30/2016	13,121	982	75	13,640
Mexborough	3/31/2017	12,948	84	165	14,535
Sheffield	12/31/2015	12,259	-511	144	10,119
Mansfield	3/31/2017	12,127	1,202	67	4,876
Worksop	12/31/2015	12,002	-16	146	4,341
Sheffield	9/30/2016	11,633	-2,923	94	5,996
Barnsley	6/30/2016	11,630	650	131	5,047
Sheffield	3/27/2016	11,601	257	68	4,659
Rotherham	12/31/2015	11,514	1,321	32	10,711
Newark	12/31/2015	11,456	337	137	6,546
Sheffield	9/30/2016	11,381	899	100	6,655
Sheffield	12/31/2016	11,276	738	65	3,890
Mansfield	10/31/2016	11,025	225	128	2,263
Sheffield	6/30/2016	10,638	1,915	38	11,643
Mansfield	12/31/2015	10,623	1,918	31	9,083
Sheffield	3/31/2016	10,450	659		5,553
Barnsley	10/31/2016	10,382	33	164	7,278
Rotherham	5/31/2016	10,324	188	69	6,669
Sheffield	3/31/2016	10,117	1,631	110	5,998
Barnsley	12/31/2015	9,699	584	147	6,209

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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Grant funding - what is available for manufacturers? (continued)

via the universities (Sheffield Innovation Programme), a significant training 'pot' through Skills Bank along with export support through the Department of International Trade. Nationally there is a central hub for R&D support (www.gov.uk/government/organisations/innovate-uk) which has schemes specifically for the manufacturer.

So there are many schemes and then there are the hoops to jump through and then there's the paperwork and

the jargon where to start? An early discussion with an experienced advisor can identify any key issues upfront (are you too big, too small, wrong postcode, doing the wrong thing,) and help identify the different schemes which are specifically relevant to you. It may be that you are a small autonomous subsidiary of a large international group - group size can impact on the support available but does not necessarily exclude you. The key is to have a clear strategy for what you want to do and then match

the relevant schemes to your plan and present it in the best way. Having someone who knows the 'rules' can save you time, give you the best chance of success and let you get on with the day job!

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How to benefit employees without adding to the wage bill

As typical employee pay increases over the last few years have been generally low, many employers are exploring ways of giving their employees more, without necessarily adding to the wage bill - which comes with a 13.8% Employer NIC charge.

Introducing a Pension Salary Sacrifice arrangement will reduce employers' NIC costs and will also benefit employees. The sacrifice reduces the amount of NIC payable, which results in a modest net pay increase and there is no effect on the amount of pension savings. From April 2018, the minimum rate of auto enrolment contributions goes up, so any employee currently paying a 1% pension contribution will see a threefold rise in their auto enrolment pension contributions. Employer minimum contributions will rise from 1% to 2% and a pension salary sacrifice will temper some of that cost.

Childcare is always a concern for parents. If you have a childcare voucher scheme in place, businesses should make sure everyone is aware of it as from April next year, all voucher schemes close to new

entrants. Those in the scheme will still be able to benefit from tax and NIC savings of up to £892 a year though and there is still time to open a new scheme.

Health benefits are a great way of giving employees peace of mind as well as looking after their welfare. These usually come with a benefit in kind attached, but by the time the employee has reclaimed an eye test or dental check-up for example, their savings outweigh the tax cost. These kind of packages often provide additional benefits too.

Any rewards for hard work tend to be taxable, either as salary or a benefit in kind; but something many businesses overlook is that they can make use of the Long Service Award. It has to be for service of over 20 years, with no previous award in the last 10 years, but this award can be up to £50 per year of service, and is tax free. It can't be paid in cash, but gifts and gift vouchers are acceptable.

The key to employee benefits is making sure the benefit matches the workforce's needs. If they don't use it, forget about it, or don't even know

it's there in the first place, then it's been a waste of time. One way of addressing this is to run a staff survey to see what employees really want. It could be something as simple as a better brand of coffee or biscuits in the canteen!

Finally - Christmas! It's always best to keep gifts trivial, a gift or voucher under £50 per employee is tax free, but not if it's in cash. The taxman certainly doesn't down tools for the festive season!



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