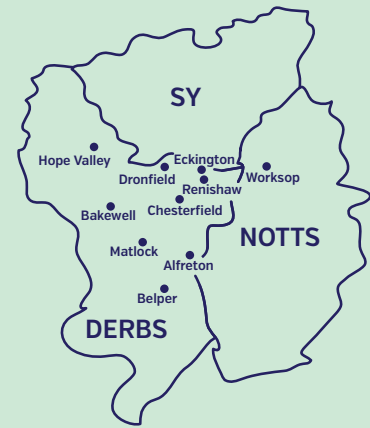
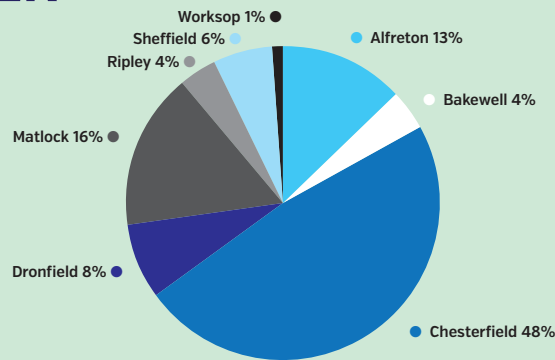


TOP 10 INDUSTRIES BY PROFIT

TURNOVER BY AREA



Manufacturing
2017: 1,454
2018: 1,522

Retail
2017: 983
2018: 1,023

Services
2017: 2,385
2018: 2,506

Wholesale
2017: 438
2018: 462

PEOPLE EMPLOYED BY SECTOR



	2018 Count	2017 Count	Movement %
Manufacturing	1,522	1,454	5%
Retail	1,023	983	4%
Services	2,506	2,385	5%
Wholesale	462	438	5%
Total	5,513	5,260	

HEADLINE STATISTICS

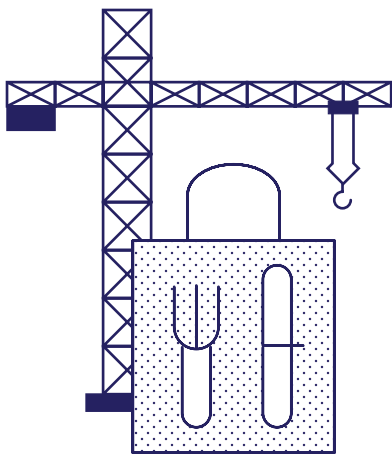
	2018 £'000	2017 £'000	Growth/ (Decline) %
Total turnover	882,827	789,525	12%
Total profit	76,025	63,861	19%

Net profit up by
19%

Turnover up by
12%

Top 50 survey reveals significant growth of region's SMEs.

The annual BHP Top 50 survey of the most profitable SMEs in North Derbyshire reveals a significant growth in revenue, profits and employee numbers – all of which is very encouraging and great news for the local economy.



There will be many new retail opportunities for shops and restaurants, which will continue to create jobs and bolster the local economy.

A significant number of jobs have been created since our last survey, with more than 5,500 people in total now being employed by the Top 50 firms, which generated a combined turnover of almost £883million and profits of just over £76million, which has soared by 19% since last year.

With 16 new companies making the table this year, three of which are in the top ten, it's clear that business is brisk across many industry sectors.

Engineering, manufacturing and design services company, Manthorpe Limited, took the top spot with a £25million turnover and profit before tax of £4.58million. Based in Ripley, Manthorpe manufactures and sells components used for insulation and ventilation, and it is the first year the company has featured in the table.

Two Matlock-based businesses that are also new to the Top 50 this year, and have achieved a top ten placing, are National Floorcoverings Group Limited which manufactures and supplies carpets and allied products, and Longcliffe Group Limited, which is a leading independent supplier of calcium carbonate, limestone powders, granules and aggregates.

The services sector continues to dominate with 23 companies that have a combined turnover of £376.5million.

In terms of turnover, the wholesale sector saw the highest increase of 25%, but its profits experienced a 4% decrease. Retail businesses had the second highest increase in turnover of 15%, and the highest increase in profits of 29%. The services sector experienced a 12% growth in turnover and a 25% increase in profits.

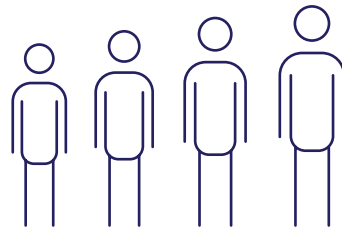
Manufacturing saw the smallest increase in turnover of just 1%, with a 16% increase in profits, so this sector will hopefully provide the biggest opportunity for future growth once there's more certainty surrounding Brexit.

With plenty of redevelopment work underway in the region, including Chesterfield Elderway and Chesterfield Waterside, there will be many new retail opportunities for shops and restaurants, which will continue to create jobs and bolster the local economy.

It's also important for SMEs to remember that there are a number of grants available from Sheffield City Region Growth Hub and D2N2 the Local Enterprise Partnership – for everything from innovation, to building digital and marketing strategies. These grants are a great way of maximising spend and will help to support even more growth of our SMEs.



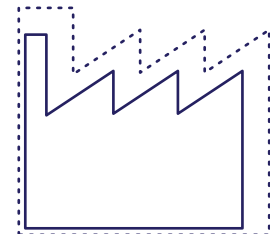
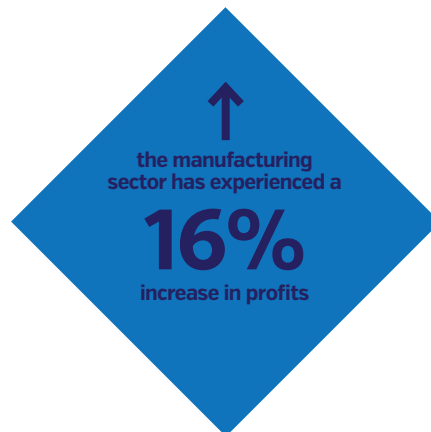
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employee numbers have risen with more than 5,500 people in total now being employed by the Top 50 firms



Retail businesses have increased their turnover by 15%



16 new companies this year with three in the top ten



Top 50 2018	Top 50 2017	Company name	Activity
1		Manthorpe	Manufacture and design services of components used for insulation and ventilation
2	8	Moorhen Holdings	Roofing and cladding material manufacturers and distributors and property trading and investment
3		National Floorcoverings Group	Manufacture and supply of carpets and allied products
4	1	Derbyshire Aggregates	Supply of rocks, stone and aggregates to the construction industry
5	2	Clee Hill Plant Holdings	Plant for hire to the civil engineering industry
6		Longcliffe Group	Quarrier's, suppliers of minerals and providers of waste management and recycling services
7	4	Moto Direct Holdings	Supply and distribution of motorcycle accessories
8	9	J. W. Sivil Holdings	Construction of commercial buildings
9	10	Capital Refractories	Manufacture and sale of refractory materials, ceramic cores and related products
10	14	Long Rake Spar Company (The)	Processing and sale of calcite spar and the merchandising of other decorative aggregates
11	3	Cathelco	Iccp and anti-fouling equipment for the marine industry through its' engineering and the manufacture & supply of process control equipment
12	7	URA Ventures	Contract hire and sale of motor vehicles and other related services
13	35	Can UK Holdings	Rope access geotechnical services & special access trade services on structures such as high rise building and bridges
14	12	Penny Hydraulics	Design, manufacture and servicing of hydraulic and electrical components and systems
15	5	Colortronic (U.K.)	Manufacturers agents connection plastics industry, and the installation maintenance of this machinery
16	27	Minorfern	Car and commercial motor spares factors
17	18	Milner Holdings (Matlock)	Sale of components for four wheel drive Japanese Vehicles
18	6	SRS Rail System (Holdings)	Specialist services to the railway industry
19		Longshaw Developments	Sheltered accommodation for residents with learning disabilities
20		Breasley Pillows (The)	Foam conversion and the manufacture of bedding
21	26	N T Killingley	Landscape gardeners, consultants and forestry contractors
22		Tennant Metallurgical Holdings	Sale and distribution of metallic ores, pure metals and ferro alloys
23	24	Plumbing Supplies Company	Wholesale of hardware, plumbing and heating equipment
24		Green Piling	Geotechnical and foundation engineering
25	15	Wcec Group	Architectural services
26	13	Datagraphic Holdings	Strategic document outsourcing through a multi channel platform
27	19	Leengate Valves	Valve retailer
28	29	Pinelog Group	Manufacture of timber leisure buildings and the ownership and operation of a holiday letting business
29		Hill Care	Residential and nursing care for the elderly
30	23	B.J.Waters (Transport)	Haulage contractors
31	34	Robinsons Caravans	Retail and repair of caravans
32		Container Components Europe	Manufacture of plastic industrial waste container lids by a process of rotational moulding
33	17	Johnson Bros (Tours)	Coach and tour operators
34	32	HR Essentials	Business consultancy and labour recruitment
35		BKJ Construction	Equipment and property rental
36		Xbite	Wholesale of entertainment leisure products
37		Asmet (UK)	Procurement, production, logistics management & supply of metallurgical consumables & specialist products to the iron, steel & aluminium industry
38	22	Cloudbass Holdings	Multimedia facilities
39		Hastings Freight Holdings	Freight transport
40	50	John Smedley	Manufacture and sale of knitwear
41	28	Owen Taylor And Sons	Wholesale and catering butchers
42	47	Kingfield Electronics	Production and assembly of electronic and electro-mechanical apparatus and sub-assemblies
43		Lubricant Holdings (Midlands)	Supply of lubricants
44	46	Weavers Close	Property and management services
45	20	UK Egg Centre	Import and export of egg products
46		CMC Chesterfield	Sale and repair of motorcycles and sale of accessories
47	37	Panache Lingerie	Wholesale and distribution of ladies undergarments and swimwear
48		Wildgoose Construction	Builders and contractors
49	11	MMD Mineral Sizing (Europe)	Sale of special purpose mining machinery and equipment
50	44	Evolution Loans	Finance providers

Notes on Top 50 SMEs North Derbyshire

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 £36m turnover per annum - less than £18m 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 North Derbyshire. For the purpose of this survey the following postcode areas have been used: DE4 2 - DE4 5, DE45 1, DE5 3, DE5 9, DE55 1 - DE55 2, DE55 4 - DE55 7, DE56 0 - DE56 2, S18 1 - S18 2, S18 4, S18 7 - S18 8, S20 5, S20 7, S21 1, S21 3 - S21 5, S32 1, S33 7 - S33 9, S40 1 - S40 4, S41 0, S41 7 - S41 9, S42 5 - S42 7, S43 1 - S43 4, S44 5 - S44 6, S45 0, S45 8 - S45 9, S80 4.

th Derbyshire 2018

Location	Latest accounts date	2018 Profit before Tax £000	2017 Profit before Tax £000	2018 Turnover £000	2018 No of Employees
Ripley	30/04/17	4,581	4,228	25,027	225
Chesterfield	30/06/16	4,508	1,894	28,550	64
Matlock	31/12/16	4,355	4,793	24,570	128
Bakewell	31/03/17	4,283	3,544	19,659	53
Chesterfield	31/12/16	4,079	3,402	17,971	187
Matlock	31/03/17	3,923	2,902	33,628	181
Alfreton	31/12/16	3,015	2,508	24,112	82
Dronfield	31/08/16	2,998	1,855	18,934	11
Chesterfield	30/11/16	2,815	1,815	28,011	246
Bakewell	31/03/17	2,225	1,508	20,302	68
Chesterfield	31/03/17	2,223	3,318	20,201	127
Chesterfield	31/12/16	1,888	1,916	12,437	34
Chesterfield	28/02/17	1,752	666	18,483	214
Chesterfield	30/06/17	1,578	1,543	8,082	85
Chesterfield	31/12/16	1,575	2,330	12,003	28
Chesterfield	30/04/17	1,512	913	21,762	234
Matlock	31/10/16	1,411	1,042	9,410	56
Chesterfield	30/04/17	1,401	2,311	16,104	98
Chesterfield	31/03/17	1,332	995	5,378	242
Matlock	30/04/17	1,292	226	30,794	216
Chesterfield	31/12/16	1,287	921	13,298	124
Dronfield	31/12/16	1,202	935	41,946	31
Sheffield	31/12/16	1,157	1,073	12,717	49
Sheffield	31/03/17	1,157		13,366	62
Chesterfield	30/11/16	1,148	1,329	8,017	140
Chesterfield	31/10/16	1,094	1,516	12,290	112
Alfreton	31/12/16	1,078	1,183	8,228	25
Matlock	30/10/16	976	880	12,093	267
Chesterfield	31/03/17	974	525	7,645	312
Matlock	31/03/17	969	1,116	11,591	91
Chesterfield	31/12/16	949	668	18,786	82
Chesterfield	31/03/17	909	352	7,402	49
Worksop	31/08/16	876	1,281	10,060	143
Chesterfield	31/03/17	717	694	17,767	66
Alfreton	31/12/16	681	305	8,962	8
Chesterfield	30/06/17	670	[243]	38,145	62
Dronfield	30/09/16	669	[1,215]	12,511	11
Ripley	31/03/17	656	1,161	7,885	72
Chesterfield	31/03/17	652	210	9,597	70
Matlock	31/03/17	637	413	16,912	350
Alfreton	31/01/17	618	883	16,424	144
Chesterfield	31/03/17	574	433	9,958	87
Chesterfield	31/03/17	493	231	14,302	88
Matlock	31/12/16	475	436	4,632	109
Chesterfield	31/10/16	465	1,165	39,562	10
Chesterfield	31/12/16	455	137	34,970	147
Sheffield	30/06/17	452	593	24,126	120
Alfreton	30/09/17	433	1,111	45,607	86
Alfreton	28/02/17	430	1,605	7,840	16
Chesterfield	31/12/16	423	454	769	1

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. Data accessed from FAME on 13 February 2018.

Alternative exit options

A strategy to realise the capital value built up in a business is essential for all owners, no matter the size of the company.

There are a breadth of options available to realise capital value – the most recognised being a trade sale or a sale to a management buy-out team. But there are other choices too – a middle ground which doesn't necessarily involve a full exit and therefore may appeal to owners at different stages of the business lifecycle.

One such option might be for a business owner whose company is on a strong growth path to de-risk their personal position. They could realise, in cash, some of the value they have built up in the company whilst at the same time retaining a significant shareholding to allow them to benefit from any uplift in future value.

Another scenario could involve the retirement of a business partner or family member. This could be achieved by sourcing an investor who is keen to support the transaction, as well as the future direction of the business with both finance and expertise. This might also afford an opportunity to incentivise members of the second tier management team, by bringing them into the equity.

There is a significant amount of private capital available looking for a 'good home'. Thus, for SMEs like those in the Top 50, there are plenty of opportunities. The capital available comes in many different forms and can be used to support an ever-growing range of possible transactions, now more so than ever before. It's therefore a good time to explore the routes available by working with corporate finance and tax advisors to help put in place structures which provide a successful outcome for the shareholders.

Some business owners may be reluctant to engage with providers of capital as it means bringing in a third party, but in our experience, many such providers are patient, intelligent investors who work hard to support the investee company. They generally provide oversight and strategic assistance as well as opening up their network to the business owner to support growth and business development. This route isn't right for everyone, but there is often a suitable solution out there, and finding the right individuals to be involved with your business is as important as finding the right capital solution.



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A tax efficient way to share and share alike

With the UK preparing for Brexit, many business owners and SMEs are naturally considering how they will be affected by the challenges and opportunities that lie ahead.

One certainty during such periods of uncertainty, is that it's vital to tie top talent into a business because so often, it's ultimately people that make the difference, helping to set a company apart from its competitors.

One of the best ways of locking the best people in, and indeed attracting new talent, is by dangling the carrot of shares in the business, or offering a share option incentive, which enables an employee to buy a certain number of shares at a fixed price, at a future date.

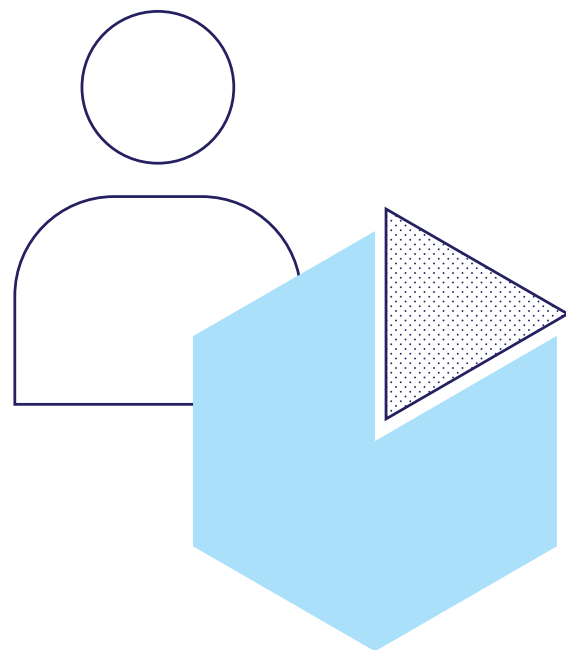
There are various tax efficient ways of doing this, with one of the most popular share option incentives being the Enterprise Management Incentive (EMI) scheme. This is a tax favoured HMRC arrangement, specifically for smaller trading companies with growth potential and it can offer significant tax and National Insurance Contributions (NIC) savings for both employers and employees. As part of the scheme, key people can be granted EMI options, over shares worth up to £250,000 at any time. Companies can grant EMI options up to a total value of £3million.

The fact Income Tax and NIC is not usually payable on EMI options is a key tax advantage and a corporation tax deduction, equivalent to the amount of gains realised by employees, may be available subject to meeting the necessary conditions. However, 10% Capital Gains Tax is payable on disposal of the shares if Entrepreneurs' Relief applies.

It's important to note EMI schemes relate to ordinary shares that are non-redeemable and fully paid up. The company must also operate mainly within the UK, not be a subsidiary of another company, have fewer than 250 full time employees and gross assets of £30 million or less, when the EMI options are granted. EMI options also cannot be granted to employees who already control 30% or more of the company's ordinary share capital.

Qualifying companies can grant EMI options to any number of employees, as long as they work at least 25 hours per week, or for at least 75% of their total working time. The option must be exercised within a 10 year period and can commonly be subject to performance conditions being met, during an exit of the company, or at another agreed point.

For both employers and employees that meet the criteria and seek expert advice in executing EMI schemes, they offer plenty of flexibility and are a tried and tested way of incentivising, rewarding and retaining top talent.

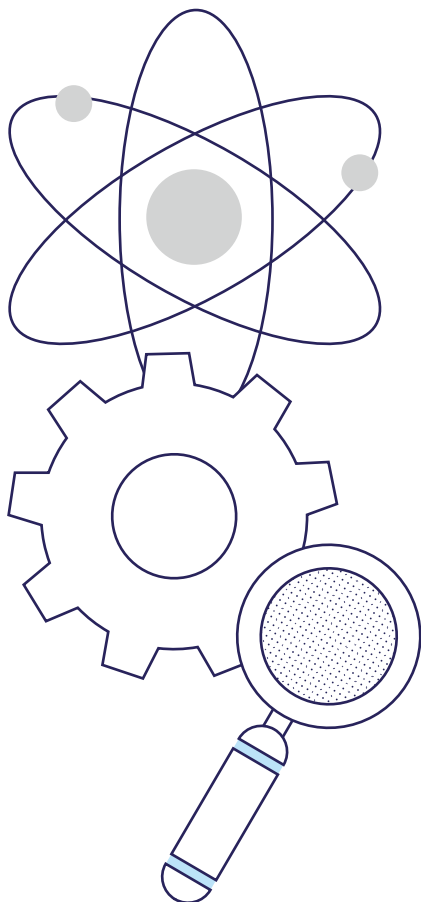


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Think you don't do R&D? Think again!

Research & Development (R&D) tax relief for Limited Companies in the UK was first introduced by HMRC in 2000 and many companies have previously missed opportunities to claim this generous tax relief.

From our experience, businesses have preconceptions that they 'don't do' R&D, or that it's such a small investment that it's not worth making a claim, but often it's surprising how much a claim can be worth. Others are put off because they believe it's only heavily scientific or technological projects that qualify - but that is simply not the case. As experts in R&D tax credit claims, BHP take a 'step back' to really focus clients on thinking about what R&D they carry out without even realising.



It is a common misconception that R&D claims are only associated with hi-tech industries which is again not the case. As well as innovation on new products, claims can be made for modifying existing products, processes or systems. Whatever sector a company operates in, if a challenge has arisen when trying to resolve technological or scientific uncertainties, there is a possibility of making an R&D claim.

A company can save a further 26% of qualifying R&D spend where the company is profitable, on top of original expenditure, this is a Corporation Tax saving of 46% of R&D expenditure. Furthermore, where a company is loss making, a repayment can be claimed back from HMRC which is worth up to 33% of qualifying expenditure.

The incentive of R&D is to encourage innovation amongst UK businesses and at BHP we have a hugely successful track-record of working with companies to ensure they take full advantage of all the relief available to them.

The qualifying expenditure covers the cost of staff working on R&D projects, expenses relating to materials and equipment as well as costs for subcontractors that have assisted with such projects. Even R&D projects that have been unsuccessful are eligible for the relief.

With the introduction of a more generous R&D scheme for large companies and increasing awareness amongst companies and advisors of the scope of R&D relief available, the number of companies claiming R&D tax relief increased by 20% in 2016. The total R&D relief claimed in 2016 was £2.9bn, of which £1.3bn was paid to SMEs.

At BHP we welcome the opportunity to talk to businesses about exactly what they do in order to identify any qualifying R&D activity. Our aim is to make it easier for clients in a wide range of sectors to benefit from R&D tax relief.



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