



# Profit Track growers revealed

A profile of the UK's private firms with the fastest growing profits

The publication of the annual *Sunday Times* PricewaterhouseCoopers Profit Track 100 league table gave us a chance to celebrate with some of Britain's fastest growing companies. Given the extent of the financial crisis, the firms that made up this year's table are particularly notable for their continued growth during a downturn, even though their results may not yet reflect the full impact of the recession. This year's league table demonstrates that private businesses can, and do, adapt to the changing economic landscape.

This is the eleventh year of Profit Track 100, which lists the private businesses with the fastest growing profits in Britain, and PwC has been the main sponsor of the league table since its inception. The list ranks companies based on their average annual profit growth over the last three years of audited accounts, so this year's list ranks growth between 2005 and 2008 or 2006 and 2009 and highlights some of the most well known household names and emerging brands. Familiar names to have featured previously on Profit Track include Carphone Warehouse, Barbour and the smoothie maker Innocent Drinks.

## Top 10 Profit Track 100 companies

Rank in 2010	Rank in 2009	Company Activity	HQ location	Latest financial year end	Profit growth <sup>§</sup>	Latest profits <sup>‡</sup> £000	Base-year profits <sup>‡</sup> £000	Latest sales £000	Staff	Founded	Comment
1		Mayday Healthcare Medical recruitment consultancy	Central London	Sep 09	166.54%	9,704	512	56,178	87	2003	Says its offices have been open 24 hours a day for more than six years
2		Rogers Stirk Harbour + Partners Architectural and design consultancy	Central London	Jun 08	157.99%	15,142	882	38,095	199	1977	Founder Richard Rogers co-designed the Pompidou Centre in Paris
3	48	bet365 Online bookmaker	Stoke-on-Trent	Mar 09	138.29%	70,826	5,235	288,746	1,034	1974	Takes bets from customers in more than 200 countries
4		Fullwood and Bland Dairy equipment manufacturer	Shropshire	Dec 08	124.09%	6,002	533	75,614	617	1785	Celebrates its 225th anniversary in 2010
5		Ronly Group Metal, agricultural trader	North London	Dec 08	120.14%	21,080	1,976	414,428	38	1980	Exports metal and agricultural commodities to America and Asia
6		B&M Retail Discount retailer	Blackpool	Dec 08	119.55%	12,982	*1,227	255,922	3,119	1976	Opened one new store a week in 2009
7		Cath Kidston Fashion retailer	Central London	Mar 09	119.29%	5,315	504	31,294	275	1993	Sold a majority stake to private equity firm TA Associates last month
8		Southall Travel Travel agency and tour operator	West London	Mar 09	117.79%	6,793	658	152,892	39	1984	Helps more than a 1,000 people a day make travel arrangements
9		Lowell Group Loan recovery agency	Leeds	Aug 09	113.18%	24,316	2,510	46,864	369	2004	Chief executive and IT director completed the Three Peaks Challenge in 2009
10		IT Human Resources IT recruitment agency	Central London	Mar 09	111.98%	5,309	557	24,183	33	1999	Celebrated its tenth birthday in 2009 by taking staff for a weekend in Budapest

§ compound annual growth rate (CAGR) between 2005/06 and 2008/09

‡ profits = operating profit with directors' remuneration added back

\* annualised figure

## About this year's companies

- The companies on this year's league table increased their profits by an average of 68% a year over the last three years.
- They had a combined total profit of £1.4bn.
- The companies employ 97,000 people, having added more than 33,000 jobs over this period (including acquisitions).
- One third of the companies employ more than 500 staff, while just 17 had less than 50 staff.
- The companies' combined sales also grew to £2.4bn, an average increase of 20% a year.
- The profits of the 100 companies ranged from £3m to £178m.
- Two-thirds had profits of £5m or more, whilst one-third had profits of £10m or more.

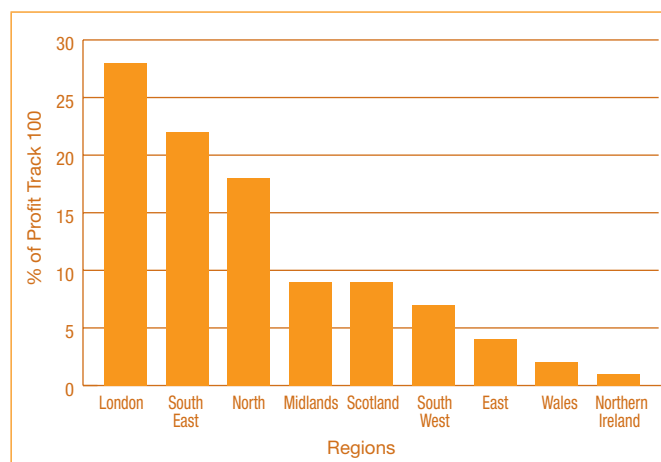
## Age of the companies

Profit Track companies are of very diverse ages, but it is interesting to note the longevity of some of the businesses: on average they were founded in 1977, giving

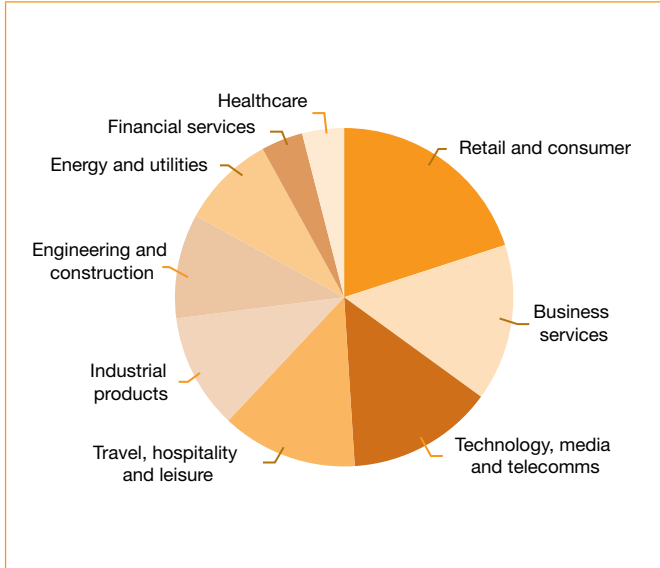
an average age of 33. The oldest business was dairy equipment manufacturer Fullwood & Bland which can trace its roots back 225 years. The youngest company this year was Scotland-based energy services provider Global Energy Group, founded in 2005.

## Regional breakdown

Most of the business are based in London and the South East, although all the UK's regions are represented.



## Industry breakdown



**“The other thing that Profit Track does is to create networks of like-minded people. The entrepreneurs themselves love the opportunity to network with their peers at the awards event and over the years it has become an ever-increasing club of some of the most successful entrepreneurial businesses. Both of the entrepreneurial businesses featured in this edition of *Private Business* magazine, Hotel Chocolat and 99p Stores, have featured on one or more of the Fast Track league tables – so there is a huge network of private businesses out there that get to meet and share their experiences and ideas.”**

Despite the recession, the retail and consumer sectors are the most represented, accounting for 20% of the companies, and include well known names such as retailer Cath Kidston, fashion retailer White Stuff, bed company Dreams and pet food manufacturer Butcher’s Pet Care.



Suzi Woolfson, Assurance Private Business Leader, presents commendation award to managing director Iain Martin and f

The next largest sector is business services with 15 companies, including the number one company Mayday Healthcare, technical services provider Moody International and queue control specialist Tensator. Technology, media and telecoms accounts for a further 14%, which is double the number compared to last year, including gaming website company King.com and film/TV producer Tinopolis.

A further 13 companies are in the transport, hospitality and leisure industries, including Le Caprice, which owns The Ivy, and Merlin Entertainments, last year’s number one company whose portfolio includes The London Eye, Warwick Castle and Alton Towers.

Almost a fifth of the companies operate in, or are associated with, the oil, gas or energy-related industries, reflecting rising demand and higher prices over the last three years.

Counter cyclical companies that do well in a recession, such as discount retailers Poundland and loan recovery companies, are also well-represented in this year’s list.



the PwC Profit Track 100 'Ones to recognise' special founder and chairman Nick Jenkins of Moonpig.com

This year there are fewer engineering and construction companies, with a drop from 25 last year to 10 this year, a statistic which is beginning to reflect the impact of the recession on this sector.

## Ownership

As in previous years, almost half of the companies (43%) have majority ownership by an entrepreneur or the founder of the company. Private equity firms have a majority stake in a further 23% of the companies; for example, Northern Ireland company Survitec, which went through a secondary buyout backed by Warbug Pincus earlier this year. Nineteen of the companies, such as construction company Wates are family-owned businesses; i.e. they are owned or run by at least the second generation of the founder.

When asked why PwC sponsors Profit Track, Suzi Woolfson, PwC Assurance partner for private business, says: "We sponsor it because we are passionate about working with private businesses. I first became involved

"So many private businesses and people that I meet still think that PwC is focused on the top end of the market, but the reality is that our work with private businesses like those on Profit Track accounts for around a third of PwC's business. If our Private Business practice were an independent firm it would be one of the largest in the UK. Profit Track is also a barometer, identifying some of the larger companies of tomorrow; for example, Carphone Warehouse was featured on the very first Profit Track league table in 2000 and is now a FTSE 250 company and a household name."

eleven years ago and PwC's work with entrepreneurial business was less well known in those days, but I have always worked with these kind of family-owned or entrepreneurial private businesses throughout my career at PwC. I love the thrill of working with businesses of all shapes and sizes and all the different people I meet."

We are always interested to hear from anyone who thinks they may fit the criteria for inclusion in the league table or to be considered for the Ones to Recognise, which identifies those who are achieving sustained growth but do not quite make it onto the final 100 and, therefore, deserve recognition.

If you think that you might qualify for Profit Track or any other of the Fast Track league tables get in touch with us or nominate your company at [www.fasttrack.co.uk](http://www.fasttrack.co.uk)

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