

Title: How we find the top 200 companies in Nottinghamshire

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Preparation of the Nottingham Posts' Top 200 companies list provides a great opportunity to take the pulse of the local economy, identify our best performing companies and think about the changing shape of the business community in Nottinghamshire. A thriving business sector capable of providing quality jobs for local people, attracting the best talent and competing with the best of the international competition will be key as City and County strive for a positive post-Brexit future.

This year, the Top 200 list has been researched by members of the Department of Economics at Nottingham Business School. The business data used to compile the list is principally sourced from the FAME database kindly supplied by Bureau Van Dijk. This is supplemented from other publicly available sources of business information where necessary.

To be eligible for inclusion in the Top 200, companies must be active, not dormant or in receivership. They must also have reported accounts for 2016 or 2017 – the latest available are used for the listing. We use reported accounts for the last two years in order to take account of legitimate differences in the timing of reporting by companies. Finally, companies must have a registered office in Nottinghamshire and report accounts locally. Applying these three criteria produces a long list of some 125,000 organisations currently operating in Nottingham and Nottinghamshire. This list includes registered companies operating in the public sector such as housing associations, school academy trust and other community interest companies because they are seen as increasingly significant economic entities with a growing local presence. Additionally their legal form is such that they meet our eligibility criteria for inclusion in the list.

This long list of organisations is then ranked by annual turnover in the most recent reported year for each company. There are other measures of company performance that could be used in a ranking of this kind, turnover is preferred here for reasons of consistency with previous years and because it is a simple measure of company scale and significance that can be tracked over time.

The final step in the process is to deal with the complexity of ownership structures in the modern corporate world. In general our approach is to use consolidated group accounts where the ultimate owners of companies are based in Nottinghamshire. If an ultimate owner is not based locally, but a subsidiary is and reports independent accounts locally, this is also sometimes included. The complexity of ownership structures in large groups can make this process challenging. A prominent group in this year's listing is Pendragon which has no fewer than 188 subsidiaries. Similarly Boots has 952 companies in its corporate group. It is inevitable therefore that there will be the odd instance of error, omission or duplication in the list. For this we can only apologise and hope that the compilers of next year's list do a better job.

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