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82nd ANNUAL GENERAL MEETING of the National Hair & Beauty Federation

National Hair & Beauty Federation, One Abbey Court, Fraser Road, Priory Business
Park, Bedford, MK44 3WH

AGENDA

Monday 1 July 2024 at 2pm

- 1 President's welcome - Amanda Lodge-Stewart
- 2 Notice of convening the AGM
- 3 Apologies
- 4 To receive and approve minutes of 81st Annual General Meeting (23 July 2023)
- 5 Matters arising
- 6 Board report & accounts for year ended 31 December 2023
That the Board Report and Accounts for the year ended 31 December 2023 be received.
- 7 Appointment of the auditors
That Streets LLP Chartered Accountants be and are hereby appointed auditors of the Federation for the ensuing year and that their remuneration be determined by the NHBF Board.
- 8 Installation of Board members
- 9 Chief Executive's report - Caroline Larissey
- 10 To consider any other business proposed by a member of which due notice has been given
- 11 Close of meeting



Supporting the hair, beauty
and barbering industries

MINUTES OF THE NATIONAL HAIR & BEAUTY FEDERATION ANNUAL GENERAL MEETING 2023

The 81st Annual General Meeting of Members of the National Hair & Beauty Federation was held at the Holiday Inn, Carburton St, London, W1W 5EE on Sunday 23 July 2023 at 1pm.

Present

Mandy Lodge-Stewart (President), in the Chair

Members of the NHBF Board:

Beverley Bates

Mark Coray

Kevin Huggins

Joanne Johnson

Fiona Johnston

Jamie Mettyear

Carolyn Sweeney

Richard Lambert (CEO)

1 President's welcome

The President welcomed all present and called the meeting to order.

2 Notice

Richard Lambert read the Notice convening the meeting.

3 Apologies

Apologies had been received from Samantha Cunningham.

4i Minutes of the 80th Annual General Meeting, held 29 January 2023

Mandy Lodge-Stewart went through the minutes of the 80th Annual General Meeting held on 29 January 2023, which had been previously circulated.

Beverley Bates proposed the approval of the minutes and Carolyn Sweeney seconded the proposal. The minutes were signed by the President.

5 Matters arising

There were no matters arising.

6 NHBF Board report and accounts for year ended 31 December 2022

Richard Lambert presented a brief overview of the accounts.

Mark Coray proposed the motion to approve the NHBF Board report and annual accounts. Kevin Huggins seconded the proposal. The Members were asked to vote on the proposal.

That the Board Report and Accounts for the year ended 31 December 2022 be received.

71 voted for, 0 voted against.

The item was carried. The Board Report and accounts were formally adopted. The accounts were signed by the President, Chief Executive and Carolyn Sweeney.

7 Appointment of the auditors

Carolyn Sweeney proposed the motion to reappoint the auditors, Streets LLP. Fiona Johnston seconded the motion. The Members were asked to vote on the proposal.

That Streets LLP Chartered Accountants be and are hereby appointed auditors of the Federation for the ensuing year and that their remuneration be determined by the NHBF Board.

71 voted for, 0 voted against.

The item was carried. Streets LLP were reappointed as the auditors for 2023.

8 Installation of Board members

Samantha Cunningham, Joanne Johnson and Jamie Mettyear were installed as Board members for a period of three years.

9 Chief Executive's report

Richard Lambert gave his report. He reported that while the headline figures were disappointing, with a net loss of 959 Members and a fall of £211.000 in income compared with 2021, there had been some notable highlights in 2022:

- The NHBF had achieved several lobbying successes, including the extension of the additional Restrictions Grants Scheme, support for energy bills and the forthcoming licensing scheme for non-surgical cosmetic aesthetics.
- It had continued to build its reputation as a thought leader with the publications of the research report *Careers At The Cutting Edge* and convening sector organisations to work on a sectors skills action plan.
- Director of Quality & Standards Caroline Larissey had co-ordinated the work of the steering groups working on the revision of the hair professional and barbering apprenticeship standards, which came to fruition in 2023.
- The Board agreed a new corporate strategy based around the Industry Support Programme, investing the reserve to develop new services and support for the benefit of the Member and sector community. The programme of modernisation and strategic development looked to the future to ensure that that the NHBF will be in the best place to support its Members as they begin to grow again.
- The implementation of the Governance Review was completed.
- The Federation won several awards during the year:

- The National Association Awards for National Association of the year (over 1,000 members) and Best Social Media
- The Association Excellence Award for Best New Event for the Top 100 Influencers Index launch.

10 **Any other business**

Richard Lambert advised the President that no other business had been received.

Two questions had been submitted by Members:

- *How is the NHBF going to help with the current amount of false self-employment in our industry?*

Richard Lambert said that the NHBF was working on a communications campaign with HMRC to explain the rules and highlight the importance of compliance.

- *I wish for more emphasis on the Hair and Barbering Qualification groups having more hair and barbering business owners involved and for there to be greater emphasis on pushing for T-levels to be introduced quicker.*

Richard Lambert noted that the members of the qualifications steering groups were themselves hair and barbering business owners. The NHBF had supported the delay in introducing the hair, barbering and beauty T-level because it recognised that the sector was not ready for it. It was working with the Department for Education to help prepare the sector and was planning a communications and information campaign in 2024.

11 **Close of Meeting**

Amanda Lodge-Stewart gave a short address, thanking the Board and the staff team for showing resilience through a challenging year.

She thanked everyone who had attended and formally closed the meeting.

.....
 Amanda Lodge-Stewart
 President

.....
 Date

National Hair & Beauty Federation Limited
Financial Statements
For the year ended
31 December 2023

National Hair & Beauty Federation Limited

Financial Statements

Year ended 31 December 2023

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National Hair & Beauty Federation Limited

Officers and Professional Advisers

NHBF board

M Coray
K Huggins
A Lodge-Stewart - President
C Sweeney
B Bates
F Johnston
J Mettyear
J Johnson
S Cunningham

Secretary

C Larissey - Chief Executive Officer

Registered office

One Abbey Court
Fraser Road
Priory Business Park
Bedford
MK44 3WH

Auditor

Streets Audit LLP
Chartered accountants & statutory auditor
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedfordshire
MK44 3BZ

Bankers

Lloyds
34 High Street
Bedford
Bedfordshire
MK40 1SB

National Hair & Beauty Federation Limited

NHBF Board Report

Year ended 31 December 2023

The officers present their report and the financial statements of the society for the year ended 31 December 2023.

Principal activities

The Federation is the largest organisation representing the owners of hairdressing salons, barber shops and beauty salons in Great Britain, as well as self-employed hairdressers, barbers and beauty therapists working in salons, plus educators and other parties with an interest in the sector. Membership is open to individuals, partners, directors and all those who meet the above criteria. A range of benefits and services are provided by a professional secretariat.

Constitution

The National Hair & Beauty Federation Limited is incorporated under the Co-operative and Community Benefit Societies Act 2014. It is also registered as an Employer Association with the Trade Union and Employers' Association certification offices in England and Wales and Northern Ireland.

Officers

The officers who served the society during the year were as follows:

M Coray	
K Huggins	
A Lodge-Stewart - President	
C Sweeney	
B Bates	
F Johnston	
J Mettyear	(Appointed 29 January 2023)
J Johnson	(Appointed 29 January 2023)
S Cunningham	(Appointed 29 January 2023)
I Egerton - President	(Resigned 29 January 2023)
T Robinson	(Resigned 29 January 2023)

Structure, governance and management

The Federation is governed by the Board and it conducts the general affairs of the Federation, subject to the approval of the members, as provided in the Federation rules.

NHBF board's responsibilities statement

The NHBF Board is responsible for preparing the NHBF Board report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society legislation requires the NHBF Board to prepare financial statements for each financial year. Under that law the NHBF Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Co-operative and Community Benefit Society legislation the officers must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the society and the profit or loss of the society for that period.

National Hair & Beauty Federation Limited

Nhbf Board Report *(continued)*

Year ended 31 December 2023

In preparing these financial statements, the NHBF Board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The NHBF Board is responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is an officer at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the society's auditor is unaware; and
- they have taken all steps that they ought to have taken as an officer to make themselves aware of any relevant audit information and to establish that the society's auditor is aware of that information.

This report was approved by the NHBF Board on and signed on behalf of the board by:

A Lodge-Stewart - President
Committee Member

J Mettyear
Committee Member

C Larissey - Chief Executive Officer
Secretary

Registered office:
One Abbey Court
Fraser Road
Priory Business Park
Bedford
MK44 3WH

National Hair & Beauty Federation Limited

Independent Auditor's Report to National Hair & Beauty Federation Limited

Year ended 31 December 2023

Opinion

We have audited the financial statements of National Hair & Beauty Federation Limited (the 'society') for the year ended 31 December 2023 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the NHBF Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the NHBF Board with respect to going concern are described in the relevant sections of this report.

National Hair & Beauty Federation Limited

Independent Auditor's Report to National Hair & Beauty Federation Limited *(continued)*

Year ended 31 December 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The NHBF Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the society and its environment obtained in the course of the audit, we have not identified material misstatements in the NHBF Board report.

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the society has not kept proper books of account or has not maintained a satisfactory system of control over its transactions; or
- the financial statements are not in agreement with the society's books of account; or
- we fail to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Respective responsibilities of the NHBF board and independent accountant

As explained more fully in the NHBF Board's responsibilities statement, the NHBF Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the NHBF Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the NHBF Board is responsible for assessing the society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the NHBF Board either intend to liquidate the society or to cease operations, or have no realistic alternative but to do so.

National Hair & Beauty Federation Limited

Independent Auditor's Report to National Hair & Beauty Federation Limited *(continued)*

Year ended 31 December 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the society through discussions with the management committee and other management, and from our commercial knowledge and experience of the organisation and the hair and beauty sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the society, including the Co-operative and Community Benefit Societies Act 2014, taxation legislation, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

National Hair & Beauty Federation Limited

Independent Auditor's Report to National Hair & Beauty Federation Limited *(continued)*

Year ended 31 December 2023

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the society's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the management committee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the NHBF Board.
- Conclude on the appropriateness of the NHBF Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

National Hair & Beauty Federation Limited

Independent Auditor's Report to National Hair & Beauty Federation Limited *(continued)*

Year ended 31 December 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the society, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society, for our audit work, for this report, or for the opinions we have formed.

Alan Endersby ACA (Senior Statutory Auditor)

For and on behalf of
Streets Audit LLP
Chartered accountants & statutory auditor
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedfordshire
MK44 3BZ

National Hair & Beauty Federation Limited

Statement of Comprehensive Income

Year ended 31 December 2023

	Note	2023 £	2022 £
Turnover		1,459,870	1,587,862
Cost of sales		<u>316,743</u>	<u>396,352</u>
Gross profit		1,143,127	1,191,510
Administrative expenses		<u>1,550,188</u>	<u>1,608,649</u>
Operating loss		(407,061)	(417,139)
Loss on impairment or disposal of operations		–	(1)
Income from other fixed asset investments		72,731	76,486
Other interest receivable and similar income		<u>1,594</u>	<u>6,122</u>
Loss before taxation	5	(332,736)	(334,532)
Tax on loss		<u>–</u>	<u>–</u>
Loss for the financial year		<u>(332,736)</u>	<u>(334,532)</u>
Gains/(losses) on listed investments		<u>144,476</u>	<u>(432,622)</u>
Total comprehensive income for the year		<u>(188,260)</u>	<u>(767,154)</u>

The notes on pages 12 to 17 form part of these financial statements.

National Hair & Beauty Federation Limited

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	6	10,318	20,634
Tangible assets	7	286,510	301,777
Investments	8	3,138,786	3,447,421
		<u>3,435,614</u>	<u>3,769,832</u>
Current assets			
Debtors	9	132,936	128,242
Cash at bank and in hand		254,933	193,418
		<u>387,869</u>	<u>321,660</u>
Creditors: amounts falling due within one year	10	<u>323,413</u>	<u>402,696</u>
Net current assets/(liabilities)		<u>64,456</u>	<u>(81,036)</u>
Total assets less current liabilities		<u>3,500,070</u>	<u>3,688,796</u>
Net assets		<u>3,500,070</u>	<u>3,688,796</u>
Capital and reserves			
Share capital		5,065	5,531
Revaluation fund		412,259	354,143
Tangible fixed asset fund		296,827	322,411
General fund		2,785,919	3,006,711
Members funds		<u>3,500,070</u>	<u>3,688,796</u>

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the NHBF Board and authorised for issue on, and are signed on their behalf by:

A Lodge-Stewart - President
Committee Member

J Mettyear
Committee Member

C Larissey - Chief Executive Officer
Secretary

Registration number: 30905R

The notes on pages 12 to 17 form part of these financial statements.

National Hair & Beauty Federation Limited

Statement of Changes in Equity

Year ended 31 December 2023

	Share capital £	Revaluation fund £	Tangible fixed asset fund £	General fund £	Total £
At 1 January 2022	6,490	845,962	352,681	3,251,776	4,456,909
Loss for the year				(334,532)	(334,532)
Other comprehensive income for the year:					
Reallocation of 'Profit for the year' between reserves/funds	–	–	(30,270)	30,270	–
Gains/(losses) on listed investments	–	(432,622)	–	–	(432,622)
Transfers between reserves/funds	–	(59,197)	–	59,197	–
Total comprehensive income for the year	–	(491,819)	(30,270)	(245,065)	(767,154)
Cancellation of subscribed capital	(959)	–	–	–	(959)
Total investments by and distributions to owners	(959)	–	–	–	(959)
At 31 December 2022	5,531	354,143	322,411	3,006,711	3,688,796
Loss for the year				(332,736)	(332,736)
Other comprehensive income for the year:					
Reallocation of 'Profit for the year' between reserves/funds	–	–	(26,644)	26,644	–
Gains/(losses) on listed investments	–	144,476	–	–	144,476
Transfers between reserves/funds	–	(86,360)	1,060	85,300	–
Total comprehensive income for the year	–	58,116	(25,584)	(220,792)	(188,260)
Cancellation of subscribed capital	(466)	–	–	–	(466)
Total investments by and distributions to owners	(466)	–	–	–	(466)
At 31 December 2023	<u>5,065</u>	<u>412,259</u>	<u>296,827</u>	<u>2,785,919</u>	<u>3,500,070</u>

The notes on pages 12 to 17 form part of these financial statements.

National Hair & Beauty Federation Limited

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The National Hair and Beauty Federation is a Community Benefit Society and its registered office is One Abbey Court, Fraser Road, Priory Business Park, Bedford, MK44 3WH.

The Federation is principally engaged in the representation of owners of hairdressing salons, barber shops and beauty salons in the United Kingdom.

2. Statement of compliance

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Standard applicable in the United Kingdom and the Republic of Ireland and the Co-operative and Community Benefit Societies Act 2014.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the Federation.

Revenue recognition

Membership subscriptions are recognised on an accruals basis over the period of the subscription.

Insurance commission income is recognised in the income and expenditure account on an accruals basis.

All other income is recognised in the income and expenditure account on an accruals basis.

Taxation

The Federation is not trading with a view to profit, but only to meet its expenses for the mutual benefit of its members. As such the Federation's only liability to corporation tax arises on investment income received in bank deposits and on activities for non-member organisations.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease terms.

National Hair & Beauty Federation Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Computer software - 3 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property - 50 years straight line

Office furniture, fittings and equipment - 4 years straight line

Computer equipment - 3 years straight line

Investments

Non-listed investments are valued at cost with provision being made for any permanent diminution in value. Listed investments and investments whose fair value can be measured reliably are stated at their fair value as at the end of the financial period. Investments in joint ventures are valued at less provision for diminution in value.

Investments in joint ventures

In accordance with applicable standards, NHBF jointly controls the joint ventures with one or more other entities. None of the entities alone can control this entity but all together can do so and decisions on financial and operating policy essential to the activities, economic performance and financial position of that venture require each venturer's consent. This joint venture has been accounted for as an investment.

National Hair & Beauty Federation Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

The Federation only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and other third parties.

Defined contribution plans

Contributions in respect of defined contribution pension schemes are charged to the income and expenditure account in the period in which they are due to the scheme.

4. Employee numbers

The average number of persons employed by the society during the year amounted to 16 (2022: 14).

5. Profit before taxation

Profit before taxation is stated after charging:

	2023	2022
	£	£
Amortisation of intangible assets	10,316	10,317
Depreciation of tangible assets	16,328	19,953
Fees payable for the audit of the financial statements	<u>13,450</u>	<u>10,500</u>

6. Intangible assets

	Computer software
	£
Cost	
At 1 January 2023 and 31 December 2023	<u>125,437</u>
Amortisation	
At 1 January 2023	104,803
Charge for the year	10,316
At 31 December 2023	<u>115,119</u>
Carrying amount	
At 31 December 2023	<u>10,318</u>
At 31 December 2022	<u>20,634</u>

National Hair & Beauty Federation Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2023

7. Tangible assets

	Long leasehold property £	Office furniture, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2023	493,789	40,945	64,186	598,920
Additions	–	1,060	–	1,060
Disposals	–	(43)	–	(43)
At 31 December 2023	<u>493,789</u>	<u>41,962</u>	<u>64,186</u>	<u>599,937</u>
Depreciation				
At 1 January 2023	198,329	39,880	58,934	297,143
Charge for the year	9,877	1,199	5,252	16,328
Disposals	–	(44)	–	(44)
At 31 December 2023	<u>208,206</u>	<u>41,035</u>	<u>64,186</u>	<u>313,427</u>
Carrying amount				
At 31 December 2023	<u>285,583</u>	<u>927</u>	<u>–</u>	<u>286,510</u>
At 31 December 2022	<u>295,460</u>	<u>1,065</u>	<u>5,252</u>	<u>301,777</u>

8. Investments

	Listed investments £	Treasurers deposit £	Unlisted investments £	Total £
Cost				
At 1 January 2023	2,939,487	507,928	7	3,447,422
Additions	1,670,469	–	–	1,670,469
Disposals	(1,601,220)	–	(1)	(1,601,221)
Revaluations	104,075	–	–	104,075
Transfers	–	(507,928)	–	(507,928)
Cash held by investment managers awaiting investment	25,969	–	–	25,969
At 31 December 2023	<u>3,138,780</u>	<u>–</u>	<u>6</u>	<u>3,138,786</u>
Impairment				
At 1 January 2023	–	–	1	1
Disposals	–	–	(1)	(1)
At 31 December 2023	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Carrying amount				
At 31 December 2023	<u>3,138,780</u>	<u>–</u>	<u>6</u>	<u>3,138,786</u>
At 31 December 2022	<u>2,939,487</u>	<u>507,928</u>	<u>6</u>	<u>3,447,421</u>

National Hair & Beauty Federation Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

8. Investments *(continued)*

Listed investments

Listed investments comprise holdings in UK Government Bonds, Corporate bonds and debt, UK and international equities and unit trusts. These investments are all listed on active markets where directly observable prices are available. The valuation of such investments is based on these available market prices.

Treasurers Deposits

Treasurers deposits comprise monies held in long term deposits accruing interest which are held for appreciation.

Investments held at valuation

In respect of investments held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Listed investments £	Treasurers deposit £	Unlisted investments £	Total £
At 31 December 2023				
Aggregate cost	2,726,519	–	6	2,726,525
Aggregate depreciation	–	–	–	–
Carrying value	<u>2,726,519</u>	<u>–</u>	<u>6</u>	<u>2,726,525</u>
At 31 December 2022				
Aggregate cost	2,585,341	507,928	6	3,093,275
Aggregate depreciation	–	–	–	–
Carrying value	<u>2,585,341</u>	<u>507,928</u>	<u>6</u>	<u>3,093,275</u>

Investments in associates and joint ventures

Priory Park Management Limited:

The investment in Priory Park Management Limited comprises six, fully paid £1 'A' shares representing 9% of the total share capital of the company. The company is responsible for the management of the common areas of the Abbey Court development where the Federation's National Operations is based.

9. Debtors

	2023 £	2022 £
Trade debtors	1,740	6,786
Other debtors	131,196	121,456
	<u>132,936</u>	<u>128,242</u>

National Hair & Beauty Federation Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

10. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	68,619	56,980
Social security and other taxes	17,953	16,086
Other creditors	236,841	329,630
	<u>323,413</u>	<u>402,696</u>

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	17,498	18,377
Later than 1 year and not later than 5 years	11,209	24,129
Later than 5 years	–	943
	<u>28,707</u>	<u>43,449</u>

12. Pension commitments

The Federation operates a defined contributions scheme. The assets of the scheme are held separately from those of the Federation in a fund administered by trustees. The pension cost charge represents contributions payable by the Federation to the fund and amounted to £67,922 (2022: £59,595). There were no amounts outstanding payable to the fund at the statement of financial position date (2022: £Nil).

13. Related party transactions

11 members (2022: 8) of the Board were reimbursed expenses of £6,397 (2022: £3,925) by the Federation in respect of travel and accommodation costs incurred in attending committee meetings held during the year.

The members of the Board are all members of the Federation and pay membership subscriptions to the Federation.

All remunerated members of the Board and certain senior employees who have authority and responsibility for planning, directing, and controlling activities of the Federation are considered to be key management personnel. Total remuneration in respect of these individuals was £453,701 (2022: £430,768).



Supporting safe, legal & profitable
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ANNUAL REPORT 2023

NATIONAL HAIR AND
BEAUTY FEDERATION



ANNUAL REPORT 2023

Statement from the Chief Executive: Navigating Challenges and Seizing Opportunities in the UK Hair and Beauty Sector

Dear NHBF Members,

As I reflect on the year 2023 and present the National Hair & Beauty Federation (NHBF) Annual Report, I am filled with a sense of pride and gratitude for your unwavering support and resilience in the face of unprecedented challenges. From a personal perspective, I had the huge honour of being recruited as the Chief Executive from my previous position of Quality and Standards Director, which will give me the opportunity to support and grow the membership offer, raise quality standards, and elevate the profile of the sector, highlighting the incredible good practice and support for mental health and wellbeing that our sector provides.

Throughout the year, we faced ongoing difficulties, including the lingering effects of the recession, rising wage costs, and high energy prices. Yet, in the midst of these challenges, our Members demonstrated remarkable determination and adaptability. Your dedication to your craft and your commitment to serving your clients have been truly inspiring.

I am pleased to report that despite a decrease in membership, we saw an improvement in retention compared to the previous year. This is a testament to the value you place on the support and resources provided by the NHBF. We took proactive steps to understand and address the key issues you faced, and we remain committed to providing you with the most current, relevant, and comprehensive support to help you navigate the sector's challenges and thrive in an ever-changing landscape.

In 2023, the NHBF continued to raise standards, promote quality, and collaborate with key industry players. We offered mediation services, assisted with health and safety compliance, lobbied for a beauty-specific T Level, upskilled college lecturers, reviewed and created apprenticeship standards, campaigned for improved regulation, and engaged with a diverse range of stakeholders. These initiatives were driven by our dedication to empowering you, our Members, to deliver exceptional client services and foster innovation within the sector.

As we look ahead to 2024, we acknowledge the challenges that lie before us, including the skills crisis and the need for targeted Government support. However, I am confident that by working together and with the right support and reforms, our sector will continue to be a driving force in the UK's economic growth, contributing to thriving high streets and the wellbeing of our population.

This annual report is a celebration of your hard work, dedication, and resilience. It also highlights the crucial role that the NHBF plays in supporting and representing our sector, ensuring that your voices are heard at the highest levels of government. Moreover, it showcases the sector's invaluable contribution to the mental health and wellbeing of our communities, a role that often goes unrecognised but is more important than ever in these challenging times. Together, we will overcome the challenges we face and emerge stronger, more resilient, and better equipped to serve our communities in 2024 and beyond. Thank you for your continued trust and support.

Warm regards,

Caroline Larissey - Chief Executive

caroline.larissey@nhbf.co.uk





PUBLICATIONS

In 2023, we produced several noteworthy publications:

- In August, we released a concise report highlighting the progress made since the publication of the groundbreaking “Careers at the Cutting Edge” Skills Report in spring 2022. This report, a follow-up to the “hair, beauty and the pandemic: An industry at the sharp end” study, provided valuable insights into the challenges faced by the hair and beauty sector.
- We published a pioneering report titled “Analysis of the Trends Within the Hair & Beauty Industry by Ethnicity Across the UK,” the first of its kind in the industry. This report represents a significant step forward in the NHBF’s efforts to establish a comprehensive evidence base and gain a deeper understanding of the industry’s trends.
- Our annual industry statistics report 2022 offered a comprehensive overview of the current state of the hair, beauty, and barbering industries in the UK. The report includes data on success rates, turnover, start-up numbers, working patterns, apprenticeships, age, gender, and industry trends.
- In August, we initiated the VAT research project in collaboration with Pragmatix Advisory Ltd.

MEMBERSHIP

The NHBF demonstrated resilience and adaptability in the face of ongoing challenges in 2023. Despite a decrease in membership, we saw an improvement compared to the previous year, with the rate of membership loss nearly halving. This indicates that the NHBF’s efforts to support its Members during difficult times may have started to bear some fruit.

The NHBF took proactive steps to understand the reasons behind membership non-renewals by directly engaging with a substantial portion of those Members. This approach provided valuable insights, highlighting that financial constraints and business closures were the primary factors. We also recognised that some Members had remained who joined during the 2021 lockdown viewed membership as a short-term solution to navigate the COVID crisis.

In response to these findings, our Marketing and Membership teams conducted a comprehensive review of all Member communications and the overall Member journey. This led to the implementation of an additional regular email to lapsed Members, ensuring they remained informed about the NHBF’s activities and services. This proactive approach demonstrates the NHBF’s commitment to engaging with and supporting its Members, even during challenging times.

While recruitment remained steady for most of the year, the impact of the cost of doing business crisis in the autumn posed new challenges. However, the NHBF’s ability to adapt and implement new strategies showcases its dedication to serving its Members and the industry as a whole. As the NHBF continues to evolve and respond to the changing needs of its Members, it is well-positioned to weather future challenges and support the growth and success of its Member businesses.



MEMBER SERVICES AND SUPPORT

As part of our continuing quality assurance of Member resources, the NHBF took several significant steps to ensure the relevance, accuracy, and value of the support provided to its Members. We commenced our regular annual review of our suite of contracts and employment handbooks, collaborating with employment lawyers, to ensure the resources remain up-to-date and compliant with the latest regulations.

Furthermore, the NHBF's commercial agreements and self-employment resources underwent updates and were reviewed by commercial lawyers, providing Members with the assurance that these documents meet the highest standards of compliance. We also developed a template **Fixed Term Contract for Maternity cover** which will be added to its existing suite of **employment contracts**, offering Members an additional resource to manage their staffing needs effectively.

To enhance the Member experience and streamline communication, the NHBF made improvements to its CRM system and communication channels. We also supported Jensten in the offer of a new **Hair & Beauty salon insurance policy**, ensuring that it aligns with the NHBF code of conduct, thus providing Members with access to a trusted and industry-specific insurance solution.

In response to the King's Coronation, the NHBF provided guidance on holiday calculations, helping Members navigate the implications of this special event on their business operations. We collaborated with the CTPA to develop **AAT protocols, FAQs** and **AAT Member support materials** to assist with the introduction of the **Harmonised Allergy Alert Test (AAT)**, alongside a NHBF **Self-administered allergy alert test products factsheet** equipping our Members with the knowledge and resources needed to implement this important change in their businesses.

Lastly, the NHBF played a crucial role in the development of the Hairdressing Professional & Barbering Professional Apprenticeship Standards in England, leading to new **Apprenticeship Agreements** being available for use by our Members, demonstrating our commitment to supporting the future of the sector by investing in the training and development of new talent.

Throughout the year, the NHBF also addressed the main concerns raised by its Members. These included navigating the impact of rising energy prices and providing guidance on saving on utilities, as well as **handling client complaints** effectively. We have also provided support on holiday calculations, NMW/NLW/ Apprentices wages, maternity pay and leave, discipline, contracts and contract terms, sickness-related absence, apprenticeships, and resignations.

1,200 Members used the employment and H&S helpline during 2023

The top four issues handled by the commercial legal team were:

- Commercial contracts
- Consumer law
- Commercial property
- Miscellaneous commercial

"The NHBF ensures the relevance, accuracy, and value of resources and support for our members. We update contracts and handbooks with legal experts and Government bodies, and address key concerns like rising energy prices, client complaints, and employment matters. We actively listen to and address the issues faced by our Members, demonstrating our commitment to providing timely, relevant, and comprehensive support. The NHBF empowers Members to navigate challenges and thrive in the ever-changing landscape of the hair and beauty sector. We prioritise our Members' needs and work tirelessly to support their businesses and the industry's growth and success."

Tina Beaumont- Goddard Membership Director

tina.beaumont@nhbf.co.uk



POLICY & PUBLIC AFFAIRS

In 2023, the NHBF completed extensive campaigning on behalf of its Members and the wider sector, including:

- 9 meetings with Ministers in the Department for Business & Trade and Department for Education.
- 4 meetings with HMRC to plan a communications and education campaign raising awareness of good tax compliance and discouraging disguised employment.
- 38 letters to Ministers, including in Scotland, Wales, and Northern Ireland on a range of issues.
- 12 meetings and events attended in Parliament, including two of the All-Party Parliamentary Group on beauty, aesthetics, and wellbeing sponsored by NHBF.
- 9 submissions to Government consultations and parliamentary inquiries, including to the Low Pay Commission about wage rates.
- 19 meetings with UK Government officials and devolved administrations, plus 6 meetings with Ofgem, the energy regulator.
- 4 published State of the Industry quarterly surveys with member input (January, April, July, November).
- 2 submissions to the Chancellor ahead of the Spring Budget and Autumn Statement.
- 1 mention on the floor of the House of Commons in a debate about aesthetics regulation.
- 4 meetings with the Department for Health & Social Care (DHSC) and other key MPs.

Key focus areas included:

- VAT smoothing mechanism project outline
- Public Affairs campaign: further shaping of policies and case studies
- Sector Skills Action Plan: updates based on the Careers at the Cutting-Edge report

In 2023, the NHBF secured:

- £4,000+ in funding for the revised level 2 Hairdressing Professional & Barbering Professional Apprenticeship standards.
- Support on energy bills through the Energy Bills Discount Scheme until March 2024.
- Continuation of business rates support in England from 2023 into 2024-25, through a 75% discount on business rates, freeze to the multiplier, and reform of transitional relief.

The NHBF also met with various government officials and organisations to discuss issues such as modern slavery, collective rights management, skills shortages, and net zero strategies. We also submitted responses and proposals to consultations, committees, and the Spring Budget and Autumn Statement. Additionally, Rosina and Caroline attended numerous events, conferences, and meetings to discuss supporting SMEs growth, plastic packaging policies, and shaping advice and guidance for the hair and beauty sector.



DEVOLVED ADMINISTRATIONS

We have liaised with and provided input for the Welsh Government's consultation on Special Procedures. In addition, we submitted a response to the House of Commons Scottish Affairs Committee's inquiry into how Scottish industry and sectors have recovered from the Covid-19 pandemic and lockdowns, which included recommendations for further support for apprenticeships. Furthermore, we received a response letter from Graeme Dey MSP, the Higher Education Minister in Scotland, addressing concerns about apprenticeships, a collaborative effort with Willie Rennie MSP.

BEAUTY, AESTHETICS AND WELLBEING ALL PARTY PARLIAMENTARY GROUP

The NHBF has been actively engaged with the Beauty, Aesthetics and Wellbeing (BAW) APPG to support the sector in two key areas: aesthetic non-surgical cosmetic treatments and social prescribing.

In the area of aesthetic non-surgical cosmetic treatments, the NHBF has been working to shape and follow up on plans for implementing the proposed licensing regime, based on recommendations from the aesthetic non-surgical cosmetic treatments report. The NHBF provided draft parliamentary questions to the Co-Chairs of the APPG regarding the timing and direction of the consultation on licensing non-surgical cosmetic treatments and the risk of bias towards the medical sector.

In the area of social prescribing, the NHBF has been working with the BAW APPG to promote the value of therapies in supporting the UK's health, based on recommendations from the complementary therapies inquiry report. This report aimed to build understanding of the value of therapies to the UK's economy and society, consider how complementary therapies can play a role in supporting everyone's health and taking pressure off the NHS, evaluate the skills gaps and training needs in the industry, consider how to ensure the sustainability and viability of businesses and jobs in the sector, and review potential government or policy interventions that could support the sector.

In November 2023, the Menopause APPG and Beauty and Wellbeing APPG held a collaborative session to discuss social prescribing, menopause, and complementary therapies, highlighting the growing recognition of the potential benefits of complementary therapies in supporting women's health and the role that social prescribing can play in increasing access to these therapies.

Additionally, an apprenticeships drop-in event sponsored by NHBF and hosted by the APPG, where MPs could meet beauty apprentices, was well attended by MPs who were impressed by the training, education, and learner involvement. This event showcased the importance of apprenticeships in the beauty industry and highlighted the need for continued support and investment in this area.

“By building on our policy wins in 2023, our evidence-based policy making and ability to represent the sector effectively, the NHBF aims to continue to be a leading voice in 2024 and beyond. Through expert sector-specific research, collaboration with industry partners, a focus on sustainability and skills, with targeted engagement, we will continue to drive positive change and ensure that the hair and beauty sector thrives in a challenging landscape. Our commitment to our Members and the wider sector will guide us as we seize opportunities and work hard to lobby for a more positive business environment for all those involved in this dynamic sector”.

Rosina Robson Policy and Public Affairs Director

rosina.robson@nhbf.co.uk



QUALIFICATIONS AND STANDARDS

HAIR AND BEAUTY MEDIATION SERVICE

The NHBF's Hair and Beauty Mediation Alternative Dispute Resolution (ADR) service offers a constructive and efficient way to resolve conflicts between consumers and traders. The Chartered Trading Standards Institute (CTSI) recently praised the service's effectiveness following its annual audit.

The 2022-23 report highlights an impressive 80% compliance rate with ADR outcomes and an average dispute resolution timeframe of just 9 weeks. NHBF Members also benefit from a complimentary guide on effectively handling customer complaints, empowering professionals to strengthen client relationships and maintain a positive reputation.

PRIMARY AUTHORITY

As a result of the new partnership with East Surrey and Woking Council, we have been collaborating through the Primary Authority Partnership with Members to maintain compliance with health and safety regulations via our Health and Safety toolkits, while promoting best practices in health and safety.

T-LEVELS

The NHBF successfully lobbied for changes to the Government's proposed Hairdressing, Barbering and Beauty Therapy (HBBT) T Level. Following feedback from industry professionals and the NHBF, the Government has decided not to introduce the combined HBBT T Level. Instead, they will develop a T Level specifically for the beauty sector, with an emphasis on science, and a progression into aesthetics, which could be introduced after 2025. The decision to focus on a beauty-specific T Level aligns with the preferences of salon owners, who prefer learners to enter the industry through existing apprenticeships.

The NHBF has also supported the upskilling of college lecturers by providing Education and Training Partnership (ETP) workshops. These Industry Insights Workshops focused on sector development, good practice, and standards, ensuring that educators are well-equipped to deliver high-quality training that meets the evolving needs of the sector.



QUALIFICATIONS AND STANDARDS

APPRENTICESHIPS

We have been actively working to support and promote apprenticeships within the hair and beauty sector. Through collaboration with employers via the hair and beauty professional apprenticeship steering groups (trailblazer group), the NHBF has been supporting the review and creation of new apprenticeship standards in England, specifically the Hairdressing Professional level 2 and Barbering professional at level 2. With the support of key employers, we provided robust evidence to support the uplift in funding for level 2 apprenticeships.

The Government has recognised the importance of these efforts by announcing significant funding increases for apprenticeships. The Level 2 Hairdressing Professional standard received a 57% increase (from £7,000 to £11,000), while the Level 2 Barbering apprenticeship has seen a 28% increase (from £7,000 to £9,000). These funding boosts will help to attract more apprentices and support their training.

“I would like to thank you for your ongoing commitment to supporting those in the hair and beauty sector to develop the skills they need, and for the role the National Hair and Beauty Federation plays in the sector’s ongoing contribution both to the economy and to the wellbeing of many people.”

Robert Halfon MP, Parliamentary Under-Secretary for Skills, Further and Higher Education



The NHBF is also supporting the review of the Level 3 Advanced and Creative Hair Professional Standard apprenticeship to ensure it meets employer needs and supports progression from Level 2.

To support the Beauty apprenticeship progression route, we have been supporting the steering group to implement the Holistic and wellbeing standard at level 3 and scoping for progression to a level 4 standard. Alongside the development of a new game-changing Skin rejuvenation standard at level 5 being developed as a progression route into aesthetics, combining medical and beauty training.

The NHBF remains committed to working with the Government through the Department for Education and the Institute for Apprenticeships to ensure that education and training in the sector meet the needs of both learners and employers. By fostering strong partnerships and investing in apprenticeships, the NHBF is helping to secure a bright future for the hair and beauty sector across the UK.

QUALIFICATIONS AND STANDARDS

AESTHETICS, REGULATION AND THE JOINT COUNCIL COSMETIC PRACTITIONERS

Caroline, a JCCP trustee and a key representative of the beauty sector, has been a lone voice with limited influence in advocating for the industry within the JCCP. Despite this challenge, she has attended all JCCP board meetings to continue pushing for recognition and change.

The NHBF continues to actively campaign to improve standards and regulations in the beauty and aesthetics industries. We have been working with Governments in England and Wales to advocate for their fair licensing of businesses offering certain aesthetic (non-surgical cosmetic) procedures. The aim is to ensure minimum standards for premises, hygiene, and infection control. The NHBF is also advocating for a level playing field, academic progression, and access to accredited qualifications and standards for practitioners. Furthermore, the NHBF is campaigning for recognition of the robust qualifications and training available within the beauty and aesthetic industries, an agreed framework for Continual Professional Development, and for these to be requirements for both licensing and salon insurance.

EMPLOYER BEST PRACTICE GROUP

The Employer Best Practice (EBP) Expert Working Group (EWG) was established to define best practices in salon/barbershop employment and management, make employment attractive compared to self-employment, and support business owners in achieving best practices.

The group focused on assessing the employer salon model's sustainability, developing attractive career paths, identifying best practices from other industries, defining exemplary salon employer characteristics, and proposing support for owners and managers. Through a well-structured work programme and dedicated efforts, the group achieved its objectives, providing recommendations that reflect NHBF Members' needs and contribute to the sector's sustainability and growth. employment and management, contributing to the sector's sustainability and growth.

BEAUTY INDUSTRY GROUP (BIG)

We have been actively supporting the **Beauty Industry Group (BIG)** in 2023 through various initiatives focused on education and training, as well as providing guidance to support a licensing scheme for aesthetics.

Founded in 2019, BIG aims to collaborate with beauty industry organisations to raise the sector's profile, address challenges, and promote its economic contribution. The group focuses on defining the "beauty sector," establishing career pathways, ensuring professional competence and consumer safety, and promoting the well-being of beauty professionals.

In terms of education and training, the NHBF has been working with members of the **BIG Education and Training group** to identify clear career pathways and progression routes for professionals in the beauty sector, ranging from level 2 to level 7.

Ensuring that standards, qualifications, progression routes, and Continuous Professional Development (CPD) meet industry standards through education and awareness campaigns, including the creation of industry factsheets.

Additionally, the NHBF has been supporting BIG's Licensing Task and Finish group, which has been working collaboratively to create a detailed proposal for a licensing scheme aimed at ensuring public safety in the aesthetics industry.



RELATIONS WITH OTHER ORGANISATIONS AND WIDER STAKEHOLDERS

Throughout 2023, we have actively engaged with various stakeholders and organisations to support its policy, standards and quality activities, Members and their businesses. The NHBF has contributed to events with the Association of Convenience Stores (ACS), participated in meetings with the Independent Retailers Confederation (IRC) and the Federation of Small Businesses (FSB), and attended events such as the Cosmetics, Toiletries & Perfumery Association (CTPA) Sustainability Summit and the Trade Association Forum (TAF) Best Practice Exchange. Additionally, the NHBF chaired a panel session on supporting SMEs to grow alongside representatives from the FSB and the Association of Independent Professionals and Self-Employed (IPSE).



The NHBF has also collaborated with industry stakeholders, developed sector resources, and attended numerous sector meetings and challenges. These include meetings with the Hairdressing Personal Care Cross-Sector Associations Group, and liaising with organisations such as the Kings College London's Belong Study, SKCIN (a skin cancer charity), Green Salon Collective, City and Guilds Advisory Boards.

Furthermore, the NHBF has participated in various events and initiatives, such as a breakfast briefing and networking event organised by Davines, Education and Training Foundation Partnership 'webinars, George House Trust HIV roundtable, T Level Ambassador program, Apprenticeship Ambassador meetings, the DfE Employer support fund and numerous industry Awards events. The NHBF also attended the opening of L'Oreal's new headquarters and academy, women in science, engaged with the British Institute and Association of Electrolysis (BIAE), and participated in the Personal Care Compliance Forum.

"In 2023, the NHBF demonstrated its commitment to raising standards, promoting quality, and collaborating with key industry players through various initiatives. These included offering mediation services, helping Members maintain health and safety compliance, lobbying for a beauty-specific T Level, upskilling college lecturers, reviewing and creating apprenticeship standards, campaigning for improved regulation in beauty and aesthetics, establishing the Employer Best Practice Expert Working Group, supporting the BIG, and engaging with diverse range of stakeholders. We remain dedicated to elevating the sector by fostering innovation, embedding standards and quality and empowering the Member businesses to deliver exceptional client services".

Caroline Larissey Quality and Standards Director
Caroline.larissey@nhbf.co.uk



DIGITAL MARKETING

The NHBF's communications and marketing team continues to be a beacon of support for our Members and the wider sector. Through our engaging website, informative blog posts, timely newsletters, and active social media presence, we have consistently provided valuable insights, updates, and resources to help businesses navigate the challenges of 2023. Our 'Shine On' campaign has not only refreshed our marketing materials but also reinforced our commitment to empowering our Members with the tools they need to thrive. By highlighting the benefits of NHBF membership, such as access to expert advice, industry-specific resources, we aim to attract new Members and strengthen our Membership offer.

BUSINESS HUB

We successfully launched the new **BIG**, which is intended to be a place where businesses can go to get instant information and resources on topics such as energy saving, sustainability, specialist guides and tips on how to take on apprentices. The aim is that the hub will evolve over time, giving our Members and non-members the support they need to succeed.



SALONFOCUS:

Throughout 2023, each edition of "salonfocus" featured specific themes and articles. The Spring edition focused on T Levels and introduced the new President and Board Members to the membership. The Summer edition highlighted managing a business and the Autumn edition included articles on cyber-security, allergy alert testing, and neurodiversity. Lastly, the Winter edition focuses on six points to help the industry, advocating for a fairer tax system and government support.

"In 2023, the NHBF demonstrated its unwavering commitment to supporting its Members and the hair and beauty sector through impactful marketing, public relations, and industry event participation. The launch of the NHBF Business Hub and the "Fighting back" campaign, along with a strong social media presence and the successful Top 100 Influencers Index event, exemplified the NHBF's dedication to empowering businesses, promoting industry growth, and celebrating the sector's trailblazers".

Samantha Turner-Meyern
Digital Marketing Director
samantha.turner-meyern@nhbf.co.uk





PUBLIC RELATIONS

The NHBF has achieved a wide range of media coverage across various platforms in 2023, including:

- Multiple features on Sky News, ITN News, BBC Breakfast, and BBC Radio
- Numerous mentions in regional print, online, and broadcast media

TRADE PUBLICATIONS

NHBF has been featured in leading trade publications:

- Creative Head: 13 features
- Hairdressers Journal (HJ): 28 features
- Professional Hairdresser: 9 features
- Professional Beauty: 17 features
- The Salon Magazine: 22 features

NATIONAL PRINT MEDIA

NHBF has also gained exposure in national print media:

- The Daily Mail: 1 feature
- The Mail on Sunday: 2 features
- The Herald on Sunday: 1 feature

The extensive media coverage demonstrates NHBF's growing influence and reputation within the hair and beauty industry. By maintaining a strong media presence, alongside the continuing engagement of SLBPR, the NHBF aims to drive positive change, support Members, and ensure the sustained growth and success of the sector.



WEBSITE

We have been working diligently to enhance our online processes for joining, renewing, and reinstating memberships. Our goal is to provide a seamless and intuitive user experience on our website, making it easy for Members to access information and manage their accounts.

We have implemented several key updates, including a redesign of our homepage, improvements to our “About Us” page, and a revamped “Member Benefits” section. These enhancements aim to streamline navigation, foster a deeper connection with our Members, and highlight the exclusive perks and resources available to our community.

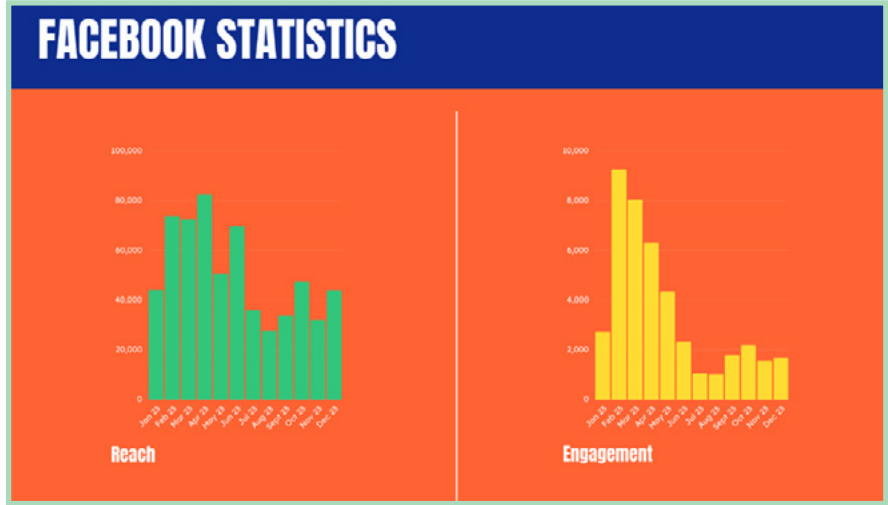
Thank you for your support as we work to provide you with an exceptional online experience. We look forward to unveiling more exciting developments in the near future.

SOCIAL MEDIA

NHBF’s social media presence experienced notable growth and engagement in 2023 through a strategic mix of lifestyle content and timely industry updates. We shared team photos from events like Professional Beauty and Salon Smart, along with engaging reels and carousels. Posts about trending topics such as the Oscars, World Book Day, Spring trends, Women in Science, and a BBC interview also resonated well with followers.

Key highlights from the year included Rosina attending the Sustainability Summit and Caroline announcing new funding for Hairdressing and Barbering. Caroline’s inclusion in the top 100 Women Power List for Trade Organisations further solidified NHBF’s position as a leading industry voice. We also featured a Member salon celebrating the King’s Coronation and collaborated with the Department of Health and Social Care to promote Mental Health Awareness Week. Pride Month was celebrated with posts, including a blog about pronouns, and Black History Month was honoured by spotlighting black business owners in the industry, generating high engagement.

The diverse range of content, spanning informative industry news and relatable lifestyle posts, proved successful in enhancing NHBF’s social media presence and fostering audience engagement throughout 2023. By staying current with trends and events while showcasing our involvement in key initiatives and the recognition of its leadership, NHBF effectively connected with its followers and strengthened its online community.



AWARDS, EXHIBITIONS AND SECTOR EVENTS

In 2023, we actively participated in several notable exhibitions, sector events, and awards in the beauty and hair industry. Our journey began with the Professional Beauty exhibition at the ExCel in London on March 5-6, where we led two-panel discussion sessions focusing on futureproofing your business. We also engaged in a lunchtime networking session at Salon Smart in March to connect with industry professionals.

In October, we contributed to panel discussions at Salon International on topics such as self-employment, staying legal and safe when running a business from home or renting a space, future-proofing your business, and the importance of training and awareness for hair inclusion, particularly in the context of textured hair. HMRC speakers provided valuable input during these sessions.

At Pro Beauty North in September, our panel discussions covered similar themes, including self-employment, legal and safety aspects of running a business, the impending switch to digital telephone booking systems in 2025, making tax digital, and the latest tips on effectively marketing your business. Throughout the year, we also attended Olympia Beauty and the Modern Barber awards to stay abreast of the latest trends and innovations.



A highlight of the year was the T Levels Celebratory Recognition Event, where Caroline spoke with Robert Halfon, the Secretary of State for Skills, Further and Higher Education, and Lord Sainsbury about the Government's technical education reforms, providing valuable insights into the future direction of education and training in the sector.

In addition to these events, we were involved in wider sector support activities. Caroline participated in a film shoot organised by Sodexo, promoting the quality of hair and beauty training in prisons to raise awareness among employers and encourage them to consider employing ex-offenders. We also attended the Salon Life event in Manchester to further engage with the industry community.

Lastly, the NHBF was asked to take part in the final stages of The Apprentice, with episodes filmed in September 2022 and broadcast in March 2023. Caroline provided a detailed briefing to the production team ahead of the semi-final, as there were two hair-related businesses in contention. Richard was invited to be in the audience for the final as an industry expert, although his question to the contestant did not make the final edit.



TOP 100 INFLUENCERS INDEX

Our Top 100 Influencer 2023 event celebrated the efforts of individuals who have been instrumental in promoting and shaping the hair and beauty sector on social media. The event, held at St. John's Church in Hyde Park, London, brought together over 100 professionals from the industry.

This was our third annual Top 100 Influencer Index, acknowledging visionaries, trendsetters, and trailblazers propelling the sector forward. The index celebrates diverse voices, skills, knowledge, and exceptional contributions across various aspects of the sector.

Hairdressing influencer and hairstylist Chloe Swift secured the top spot, rising from 13th place in 2022 and 9th in 2021. The top 20 influencers were revealed live at the event, including beauty therapists, nail artists and technicians, also secured spots in the top 20.

The event serves as a platform for networking, collaboration, and knowledge sharing, fostering a sense of community and encouraging the exchange of ideas to drive innovation and growth within the sector. As the hair and beauty industry evolves, the role of influencers in shaping trends, educating consumers, and promoting products and services will continue to grow in significance.

Congratulations to all the influencers who made it to the Top 100 Influencer Index 2023, and a special thank you to Chloe Swift for her outstanding contributions to the hair and beauty sector. We look forward to seeing the continued impact of these trailblazers in the years to come.



INDUSTRY SUPPORT PROGRAMME AND DIGITAL TRANSFORMATION PROJECT

Our Industry Support Programme (ISP) is a game-changing initiative that showcases the NHBF's dedication to providing exceptional Member experiences. Born from insights gained through Employer Best Practice group, member surveys, industry reports, and the post-Covid skills crisis, the ISP aims to revolutionise how the NHBF serves its Members through its website and CRM database.

The ISP has been instrumental in shaping the NHBF's strategy, which focuses on four key areas: supporting business recovery and tackling the skills crisis, providing engaging content, connecting the sector and improving its understanding among Government and society, and building a stronger NHBF. The Board's approval and investment in this strategy demonstrate their confidence in its potential to drive meaningful change.

The digital transformation project is a testament to the NHBF's commitment to innovation. By partnering with We Are MC2 and selecting Wattle as the new CRM/Membership SaaS provider, the NHBF is poised to deliver enhanced Member experiences and streamlined processes.

FINANCE

Our finance processes have undergone a positive transformation as part of the NHBF's overall continuous improvement efforts. The accounting system has also been modernised and streamlined, leveraging the power of Xero's digital solution. This transition has brought increased efficiency and accuracy to both the day to day operational financial processes and strategic forward planning.

In November, a re-budget was carefully crafted to align with the NHBF's objectives and Key Results (OKRs). The NHBF's commitment to financial transparency and accountability was further demonstrated through the successful completion of the 2023 audit, conducted by Streets during February 2024. The audit process went smoothly, with no accounting corrections required, showcasing the strength and integrity of the NHBF's financial practices.

These improvements in the accounting department and overall financial processes demonstrate the NHBF's dedication to maintaining the highest standards of fiscal responsibility while effectively serving its Members and stakeholders.

"I am grateful for the opportunity to contribute to the improvements in our accounting and financial processes. By adopting digital solutions and streamlining our operations, we have made significant strides in managing our finances more effectively. The successful audit outcome is a reflection of the collective efforts of everyone involved, and I am looking forward to presenting the auditors' report to the Board."

Sarah Pigden
Finance Director
sarah.pigden@nhbf.co.uk



NHBF STAFF

The NHBF team has seen some exciting changes and developments in 2023, with new staff members joining and bringing fresh perspectives and skills.

Yvonne Doffour started as Digital Assistant in January, and has been contributing positively to the team's digital initiatives. Richard Blissett also joined as a specialist digital project manager in February, overseeing the digital transformation projects, as part of the Industry Support Programme (ISP) on a fixed term contract. His expertise will undoubtedly help drive the NHBF's digital growth.

Although the team bid farewell to some members like Tom Shelston (Industry Support Programme Consultant), Kishon Mather (Finance Director), Karen Robertson (Finance Administration), and Helen King (Finance Director), their contributions during their time at NHBF are greatly appreciated. We welcomed James Husband (Finance Administration), as an Interim Finance Officer from January to April, ensuring a smooth transition. Sarah Pigden joined NHBF in May, initially as Interim Finance Officer and later becoming the permanent Finance Director, bringing stability to the financial department.

In June, Richard Lambert announced his intention to stand down as Chief Executive in September. The senior management team worked diligently with him to ensure a seamless transition of responsibilities until the new Chief Executive took up the post. The board conducted a thorough recruitment process, engaging Elwood Attfield as the recruitment agent. After reviewing over 100 applications and conducting interviews, Caroline, the previous Director of Quality and Standards at the NHBF, was appointed as the new Chief Executive, starting her role on 1 November 2023. Caroline Larissey has also been invited to join the board of the Federation of Holistic Therapists, a vice President.

The staff also participated in various training and development opportunities, such as First Aid training, an employment law seminar, and training on the PartnerNest platform. Team members attended the Memberwise Network Membership Solutions Day and the Memberwise Digital Excellence conference, gaining valuable insights into best practices in member communications, engagement, and digital technology.





THE NHBF BOARD

In January 2023, Amanda Lodge Stewart was elected President, bringing her leadership and vision for the organisation. The following candidates were elected as Board Members, each contributing their unique expertise and perspectives:

- Samantha Cunningham (Shine Southampton)
- Joanne Johnson (Bliss Hair Design, Ashton-under-Lyne)
- Jamie Mettyear (Mettyear's Day Spa, Herne Bay)
- Carolyn Sweeney (Creations, Chichester)

The newly elected board members, alongside the existing members, have been actively involved in guiding the NHBF throughout 2023. With their diverse backgrounds and experience in the sector, they have provided strategic direction and support to the executive team. The board has been instrumental in overseeing the recruitment process for the new Chief Executive and ensuring a smooth transition of leadership. They have also been focusing on governance matters, reviewing and updating policies and procedures to ensure compliance and best practices.

The board's commitment and dedication to the NHBF have been crucial in navigating the challenges and opportunities of the year.

Overall, the NHBF team and board have shown resilience, adaptability, and a commitment to growth and improvement throughout 2023. The new staff members have brought fresh energy and expertise, while the existing team members continue to develop their skills and contribute to the NHBF's success. With a strong leadership team in place, an engaged board, and a focus on digital transformation and member engagement, NHBF is well-positioned for a bright future.



As we reflect on 2023, I am proud of the growth, change, and resilience demonstrated by the NHBF. Our unwavering commitment to championing the needs of our Members and the sector has been at the forefront of our efforts.

Throughout the year, we have welcomed new staff members who have brought fresh perspectives and skills to the NHBF, while bidding farewell to others who have made valuable contributions during their tenure. Our focus on digital transformation and member engagement has been a key priority, ensuring that we can better serve you and meet the evolving needs of our sector.

The board has provided strategic guidance and support to navigate the challenges and opportunities faced by our sector. We have been instrumental in overseeing the recruitment of our new Chief Executive, Caroline Larissey, and ensuring compliance and best practices.

As we move forward, I am committed to working alongside the board and the senior management team to drive the NHBF towards success. We will continue to champion your needs, provide valuable resources and support, and advocate for the interests of our sector at all levels.

Your continued support and trust in the NHBF are invaluable to us. Together, let us embrace change, tackle challenges head-on, and seize opportunities to build a stronger, more vibrant sector.

The NHBF is here for you, and we will continue to be your voice and your partner in success.

Amanda Lodge Stewart President, NHBF
president@nhbf.co.uk



FINANCIALS 1

National Hair & Beauty Federation Limited **Summarised Income and Expenditure Account** for the year ended 31 December 2023.

INCOME	2023 £	2022 £		2023 £	2022 £
Members fees	1,337,683	1,451,209	Operating Surplus / (Deficit) for the year	(332,736)	(334,532)
Insurance commission	47,596	52,218	Realised / (losses) on listed investments		
Sales to members	10,964	16,025	Corporation tax	-	-
Competition and event income	10,238	4,267	Total recognised gains relating to the year	-	-
Magazine advertising and sponsorship income	31,117	45,240	Re-analysis of unpaid share capital from previous years	-	-
Investment income and interest receivable	74,326	82,607	Unrealised gains on listed investments	144,476	(432,622)
Other income	22,273	18,903	Net movement in funds	(188,260)	(767,154)
Total income	1,534,196	1,670,469	Issue / (withdrawal) of shares	(466)	(959)
EXPENDITURE			Balance brought forward at 1 January 2023	3,688,796	4,456,909
Direct membership services	370,687	467,257	Balance carried forward at 31 December 2023	3,500,070	3,688,796
Meeting costs	31,472	19,920			
Affiliation fees and subscriptions	14,711	16,733			
Competition and event costs	26,915	23,148			
Publicity and promotional costs	288,033	322,625			
Honoraria	9,466	9,053			
Staff costs	726,903	672,235			
Premises and office equipment costs	104,359	107,778			
Administration costs	261,324	350,572			
Irrecoverable VAT	33,062	15,680			
Total expenditure	1,866,931	2,005,001			
Surplus / (Deficit) before exceptional items	(332,736)	(334,532)			

The Income and Expenditure Account and Balance Sheet have been extracted from the audited financial statements for the year ended 31 December 2023. If you wish to have a copy of the full Financial Statements please visit www.nhbf.co.uk or contact us on **01234 831965**.

FINANCIALS 2

National Hair & Beauty Federation Limited **Summarised Financial Position** for the year ended 31 December 2023

	2023 £	2022 £
FIXED ASSETS		
Intangible assets	10,318	20,634
Tangible assets	286,510	301,777
Investments	3,138,786	3,447,421
	3,435,614	3,769,832
CURRENT ASSETS		
Debtors	132,936	128,242
Short term bank deposits and cash at bank	254,933	193,418
	387,869	321,660
CREDITORS		
Amounts falling due within one year	(323,413)	(402,696)
Net current assets	64,456	(81,036)
Total net assets	3,500,070	3,688,796
Represented by: Capital, funds and reserves		
Capital, funds and reserves		
Share capital	5,065	5,531
Income & expenditure account	2,785,919	3,006,711
Designated funds		
Revaluation fund	412,259	354,143
Tangible and intangible fixed assets fund	296,827	322,411
Regions and networking groups fund	-	-
Total capital, funds & reserves	3,500,070	3,688,796

REPORT OF THE AUDITOR

The auditor's report on the full accounts for the year ended 31 December 2023 was unqualified.

Streets Auditors LLP
Statutory Auditor, Chartered Accountants
Wyboston, Bedfordshire

Date: 24 May 2024



NHBF

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