



**80<sup>TH</sup> ANNUAL GENERAL MEETING  
of the National Hair & Beauty Federation**

Holiday Inn Regents Park, Carburton Street, London, W1W 5EE

**AGENDA**

Sunday 29 January 2023 at 1pm

- 1 President's welcome - Ian Egerton
- 2 Notice of convening the AGM
- 3 Apologies
- 4 To receive and approve minutes of
  - i. 79<sup>th</sup> Annual General Meeting (14 November 2021)
  - ii. Extraordinary General Meeting (13 November 2022)
- 5 Matters arising
- 6 Board report & accounts for year ended 31 December 2021

*That the Board Report and Accounts for the year ended 31 December 2021 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 officers and Board members
- 9 Chief Executive's report - Richard Lambert
- 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 2021

The 2021 Annual General Meeting of Members was held at the Holiday Inn, Carburton St, London, W1W 5EE on Sunday 14 November 2021 at 1pm.

### 1 Present

Ian Egerton (President) in the Chair  
Mandy Lodge-Stewart (Vice President)  
Members of the NHBF Board  
2 other Members  
Richard Lambert (CEO)  
Kishon Mather (Director, Finance and Administration)

### 2 President's welcome

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

### 3 Notice

Richard Lambert read the Notice convening the meeting.

### 4 Apologies

Apologies were given for Lisa Cathcart and Adrian Ball. Ian Egerton confirmed that, with the proxy votes, the quorum of 40 had been met in this meeting.

### 5 Minutes of the AGM held 13 September 2020

Ian Egerton went through the minutes of the 78<sup>th</sup> Annual General Meeting held on 13 September 2020, which had been previously circulated. Vice President Mandy Lodge-Stewart proposed the approval of the minutes and Marc McCune seconded the proposal. The minutes were signed by the President.

### 6 Matters arising

There were no matters arising.

### 7 NHBF Board report and accounts for year ended 31 December 2020

Kishon Mather presented a brief overview of the accounts. The results showed a year of further membership growth for the National Hair & Beauty Federation despite the pandemic. There was a year-end surplus due to decreased costs and an increase in the valuation of investments. There were no questions raised.

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 2020 be received.*

49 voted for, 2 voted against.

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

## 8 **Appointment of the auditors**

Ian Egerton asked Tom Robinson proposed the motion to reappoint the auditors Streets LLP. Carolyn Sweeney 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.*

48 voted for, 3 voted against.

The item was carried. Streets LLP were reappointed as the auditors for 2021.

## 9 **Installation of officers and NHBF members**

Ian Egerton was installed for his third term and final term of office as President for the year 2021/2022.

Mandy Lodge Stewart was installed for her second term of office as Vice President.

Fiona Johnston was installed as Board member for Scotland. Beverley Bates was installed as Board member for Central England. Mark Coray and Kevin Huggins were re-installed for the Wales and Eastern Counties Region respectively.

## 10 **CEO report**

Richard Lambert gave his report. He reported that Hilary Hall and the NHBF team had responded excellently to the pandemic and this had led to the growth in membership numbers. Richard had taken over as Chief Executive in October 2020 and had been tasked by the Board with building on this success.

## 11 **Change of rules**

Ian Egerton introduced the agenda item to vote on the Special Resolution to amend the Rules, with the consent of the Financial Conduct Authority, and formally proposed the motion.

Vice President Mandy Lodge-Stewart seconded the motion.

*That, with the consent of the Financial Conduct Authority, the rules of the Federation be amended as proposed.*

42 vote for, 9 voted against

The item was carried. The Special Resolution to amend the Rules, with the consent of the Financial Conduct Authority was approved.

12 **Any other business**

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

13 **Close of Meeting**

Ian Egerton closed the meeting with a short address. He explained that it had been a challenging but rewarding period to be President, and so he had decided that when he completed his final term at the next AGM, he would step down from the Board, rather than staying on as immediate past president. He thanked everyone who had attended.

.....  
Mr Ian Egerton  
President

.....  
Date



## MINUTES OF THE NATIONAL HAIR & BEAUTY FEDERATION EXTRAORDINARY GENERAL MEETING

An Extraordinary General Meeting of Members of the National Hair & Beauty Federation was held at the Holiday Inn, Carburton St, London, W1W 5EE on Sunday 13th November 2022 at 1pm.

### 1 Present

Ian Egerton (President) in the Chair  
Mandy Lodge-Stewart (Vice President)  
Members of the NHBF Board  
Richard Lambert (CEO)  
Kishon Mather (Director, Finance and Administration)

### 2 President's welcome

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

### 3 Notice convening the EGM

Richard Lambert read the Notice convening the meeting.

### 4 Apologies

Apologies were received from Carolyn Sweeney. Ian Egerton confirmed the quorum of 40 had been met for this meeting. MLS indicated that she had voted online in advance, and so could not vote in this meeting.

### 5 To vote on special resolutions

RL introduced and explained the 4 resolutions in the paper for the Members to vote on. Voting took place the resolutions.

**Resolution 1** - To allow a member nominate someone should succeed their membership if they die or go bankrupt:

To delete Rule 5.15 and insert -

***“5.14.2. An individual’s membership shall terminate when they die, and the membership of a member who is not an individual shall terminate when it ceases to exist. In the event of termination of membership by death or bankruptcy, such deceased or bankrupt member may nominate (in writing and in accordance so far as applicable with the provisions of the Act), one or more persons to become entitled at that member’s death or bankruptcy to the whole of any property in the Federation to which the Federation agrees that member was entitled at the time of their death or bankruptcy, up to a maximum of £5,000, or to such part or respective parts of that property as may be specified in the nomination. No representatives of deceased members or trustees of the property of bankrupt members or any***

*other nominees of the former member shall have any claim on any property of the Federation beyond this.”*

39 voted for, 2 voted against

**Resolution 2** - To state clearly in the rules that members can withdraw from the society and how:

To delete Rule 5.16 and insert the following new Rules -

**“5.14.3. Membership of the Federation continues automatically from year to year unless a member withdraws from membership by notice in writing to the Chief Executive or is removed from membership.**

5.15. A member may be removed from membership if the member:

- ceases to qualify for membership;
- **breaches the Federation’s Code of Conduct;**
- fails to pay the annual subscription fee appropriate to their class of membership;
- becomes insolvent;
- is guilty of conduct likely to bring the Federation into disrepute; or
- without prejudice to the above is in breach of any of the Membership Regulations.”

40 voted for, 1 voted against

**Resolution 3** - To state clearly how the Directors are elected or appointed and how they are removed:

To delete Rule 11.3 and insert the following new Rule:

*“11.3 The President and elected directors shall be elected by the Members of the Federation. Subject to Rules 11.6 and 11.7, any Member of the Federation may stand for election as an elected Director or President. The election will be conducted via a single transferable vote process.”*

To insert the following new Rules:

*“11.4 The Board may make regulations for the conduct of elections.*

*11.5 Independent Directors shall be nominated by the Board and approved by the members at the Annual General Meeting. The Board will set out and publish its agreed process for selecting candidates to be nominated as Independent Directors.”*

40 voted for, 1 voted against

**Resolution 4** - To state clearly how the membership may remove a Director from office:

To insert the following new Rule:

*“11.14 The membership have the power to remove a Director by ordinary resolution.”*

39 voted for, 2 voted against

The items were all carried. The Special Resolutions to amend the Rules, with the consent of the Financial Conduct Authority, were approved.

6 **Any other business**

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

7 **Close of Meeting**

Ian Egerton closed the meeting.

.....  
Ian Egerton  
President

.....  
Date

**National Hair & Beauty Federation Limited**  
**Financial Statements**  
**For the year ended**  
**31 December 2021**



# National Hair & Beauty Federation Limited

## Financial Statements

Year ended 31 December 2021

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# National Hair & Beauty Federation Limited

## Officers and Professional Advisers

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### **NHBF board**

I Egerton - President  
M Coray  
K Huggins  
A Lodge-Stewart - Vice President  
A Ball  
T Robinson  
C Sweeney  
S Hall  
B Bates  
F Johnston

### **Secretary**

R Lambert - 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 2021

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The officers present their report and the financial statements of the society for the year ended 31 December 2021.

#### 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:

|                                  |                              |
|----------------------------------|------------------------------|
| I Egerton - President            |                              |
| M Coray                          |                              |
| K Huggins                        |                              |
| A Lodge-Stewart - Vice President |                              |
| A Ball                           |                              |
| T Robinson                       |                              |
| C Sweeney                        |                              |
| S Hall                           |                              |
| B Bates                          | (Appointed 14 November 2021) |
| F Johnston                       | (Appointed 14 November 2021) |
| J Cownley                        | (Resigned 14 November 2021)  |
| M McCune                         | (Resigned 14 November 2021)  |
| S Stevenson                      | (Resigned 14 November 2021)  |
| L Cathcart                       | (Resigned 14 November 2021)  |

#### 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 2021

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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:

I Egerton - President

R Lambert - 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 2021**

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### **Opinion**

We have audited the financial statements of National Hair & Beauty Federation Limited (the 'society') for the year ended 31 December 2021 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 2021 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 respective responsibilities of NHBF board and auditor 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 2021

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### 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 2021

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### Respective responsibilities of NHBF board and auditor

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 2021

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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 2021

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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 2021

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|  | Note     | 2021<br>£        | 2020<br>£        |
|--|----------|------------------|------------------|
| <b>Turnover</b>                                |          | 1,802,712        | 1,566,029        |
| Cost of sales                                  |          | <u>393,922</u>   | <u>307,657</u>   |
| <b>Gross profit</b>                            |          | 1,408,790        | 1,258,372        |
| Administrative expenses                        |          | <u>1,374,715</u> | <u>1,172,223</u> |
| <b>Operating profit</b>                        |          | 34,075           | 86,149           |
| Income from other fixed asset investments      |          | 74,657           | 62,782           |
| Other interest receivable and similar income   |          | <u>4,031</u>     | <u>9,437</u>     |
| <b>Profit before taxation</b>                  | <b>5</b> | 112,763          | 158,368          |
| Tax on profit                                  |          | <u>—</u>         | <u>—</u>         |
| <b>Profit for the financial year</b>           |          | <u>112,763</u>   | <u>158,368</u>   |
| Gains/(losses) on listed investments           |          | <u>316,539</u>   | <u>28,174</u>    |
| <b>Total comprehensive income for the year</b> |          | <u>429,302</u>   | <u>186,542</u>   |

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The notes on pages 12 to 18 form part of these financial statements.

# National Hair & Beauty Federation Limited

## Statement of Financial Position

31 December 2021

|   | Note | 2021<br>£        | 2020<br>£        |
|---|------|------------------|------------------|
| <b>Fixed assets</b>                                   |      |                  |                  |
| Intangible assets                                     | 6    | 30,951           | 23,213           |
| Tangible assets                                       | 7    | 321,730          | 339,241          |
| Investments   | 8    | 3,821,397        | 3,678,794        |
|   |      | <u>4,174,078</u> | <u>4,041,248</u> |
| <b>Current assets</b>                                 |      |                  |                  |
| Debtors   | 9    | 115,200          | 122,558          |
| Cash at bank and in hand                              |      | 681,367          | 450,310          |
|   |      | <u>796,567</u>   | <u>572,868</u>   |
| <b>Creditors: amounts falling due within one year</b> | 10   | 513,736          | 586,171          |
| <b>Net current assets/(liabilities)</b>               |      | <u>282,831</u>   | <u>(13,303)</u>  |
| <b>Total assets less current liabilities</b>          |      | <u>4,456,909</u> | <u>4,027,945</u> |
| <b>Net assets</b>                                     |      | <u>4,456,909</u> | <u>4,027,945</u> |
| <b>Capital and reserves</b>                           |      |                  |                  |
| Share capital   |      | 6,490            | 6,828            |
| Revaluation fund                                      |      | 845,962          | 744,471          |
| Tangible fixed asset fund                             |      | 352,681          | 362,454          |
| General fund  |      | 3,251,776        | 2,914,192        |
| <b>Members funds</b>                                  |      | <u>4,456,909</u> | <u>4,027,945</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:

I Egerton - President

R Lambert - Chief Executive Officer  
Secretary

Registration number: 30905R

The notes on pages 12 to 18 form part of these financial statements.

# National Hair & Beauty Federation Limited

## Statement of Changes in Equity

Year ended 31 December 2021

|  | Share capital<br>£ | Revaluation<br>fund<br>£ | Tangible<br>fixed asset<br>fund<br>£ | General fund<br>£ | <b>Total<br/>£</b> |
|--|--------------------|--------------------------|--------------------------------------|-------------------|--------------------|
| <b>At 1 January 2020</b>                                     | 5,396              | 672,820                  | 339,584                              | 2,822,171         | 3,839,971          |
| Profit for the year  |                    |                          |                                      | 158,368           | 158,368            |
| Other comprehensive income for the year:                     |                    |                          |                                      |                   |                    |
| Reallocation of 'Profit for the year' between reserves/funds | –                  | –                        | (23,792)                             | 23,792            | –                  |
| Gains/(losses) on listed investments                         | –                  | 28,174                   | –                                    | –                 | 28,174             |
| Transfers between reserves/funds                             | –                  | 43,477                   | 46,662                               | (90,139)          | –                  |
| <b>Total comprehensive income for the year</b>               | –                  | 71,651                   | 22,870                               | 92,021            | 186,542            |
| Issue of shares  | 1,432              | –                        | –                                    | –                 | 1,432              |
| <b>Total investments by and distributions to owners</b>      | 1,432              | –                        | –                                    | –                 | 1,432              |
| <b>At 31 December 2020</b>                                   | 6,828              | 744,471                  | 362,454                              | 2,914,192         | 4,027,945          |
| Profit for the year  |                    |                          |                                      | 112,763           | 112,763            |
| Other comprehensive income for the year:                     |                    |                          |                                      |                   |                    |
| Reallocation of 'Profit for the year' between reserves/funds | –                  | –                        | (21,035)                             | 21,035            | –                  |
| Gains/(losses) on listed investments                         | –                  | 316,539                  | –                                    | –                 | 316,539            |
| Transfers between reserves/funds                             | –                  | (215,048)                | 11,262                               | 203,786           | –                  |
| <b>Total comprehensive income for the year</b>               | –                  | 101,491                  | (9,773)                              | 337,584           | 429,302            |
| Cancellation of subscribed capital                           | (338)              | –                        | –                                    | –                 | (338)              |
| <b>Total investments by and distributions to owners</b>      | (338)              | –                        | –                                    | –                 | (338)              |
| <b>At 31 December 2021</b>                                   | <u>6,490</u>       | <u>845,962</u>           | <u>352,681</u>                       | <u>3,251,776</u>  | <u>4,456,909</u>   |

The notes on pages 12 to 18 form part of these financial statements.

# National Hair & Beauty Federation Limited

## Notes to the Financial Statements

Year ended 31 December 2021

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### 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.

#### Going concern

During the year, the UK has continued to experience the pandemic of the coronavirus. Whilst there has been limited impact on the Federation, which has remained in a strong financial position, the potential effects to the Federation's members and their future prospects cannot be fully quantified. The board and senior staff are aware of this issue and remain committed to the protection of the Federation and helping member wherever possible. Accordingly the financial statements have been prepared on a going concern basis.

#### 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.

#### 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 2021

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#### 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**

The shareholding in World Hair Limited represents 50% of the total called up and fully paid ordinary share capital. In accordance with applicable standards, NHBF jointly controls the venture 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 2021

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#### 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 pension 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 15 (2020: 14).

#### 5. Profit before taxation

Profit before taxation is stated after charging:

|  | <b>2021</b>       | 2020              |
|--|-------------------|-------------------|
|  | £                 | £                 |
| Amortisation of intangible assets                      | –                 | 7,845             |
| Depreciation of tangible assets                        | 21,035            | 15,948            |
| Fees payable for the audit of the financial statements | 10,423            | 8,500             |
|  | <u>          </u> | <u>          </u> |

#### 6. Intangible assets

|   | <b>Computer<br/>software<br/>£</b> |
|---|------------------------------------|
| <b>Cost</b>                                   |                                    |
| At 1 January 2021                             | 117,699                            |
| Additions                                     | 7,738                              |
| <b>At 31 December 2021</b>                    | <u>125,437</u>                     |
| <b>Amortisation</b>                           |                                    |
| <b>At 1 January 2021 and 31 December 2021</b> | <u>94,486</u>                      |
| <b>Carrying amount</b>                        |                                    |
| <b>At 31 December 2021</b>                    | <u>30,951</u>                      |
| At 31 December 2020                           | <u>23,213</u>                      |

# National Hair & Beauty Federation Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

#### 7. Tangible assets

|                            | Long leasehold<br>property<br>£ | Office<br>furniture,<br>fittings and<br>equipment<br>£ | Computer<br>equipment<br>£ | <b>Total<br/>£</b> |
|----------------------------|---------------------------------|--|----------------------------|--------------------|
| <b>Cost</b>                |                                 |  |                            |                    |
| At 1 January 2021          | 493,789                         | 40,945   | 60,662                     | 595,396            |
| Additions                  | –                               | –  | 3,524                      | 3,524              |
| <b>At 31 December 2021</b> | <u>493,789</u>                  | <u>40,945</u>  | <u>64,186</u>              | <u>598,920</u>     |
| <b>Depreciation</b>        |                                 |  |                            |                    |
| At 1 January 2021          | 178,577                         | 36,091   | 41,487                     | 256,155            |
| Charge for the year        | 9,876                           | 2,157  | 9,002                      | 21,035             |
| <b>At 31 December 2021</b> | <u>188,453</u>                  | <u>38,248</u>  | <u>50,489</u>              | <u>277,190</u>     |
| <b>Carrying amount</b>     |                                 |  |                            |                    |
| <b>At 31 December 2021</b> | <u>305,336</u>                  | <u>2,697</u>   | <u>13,697</u>              | <u>321,730</u>     |
| At 31 December 2020        | <u>315,212</u>                  | <u>4,854</u>   | <u>19,175</u>              | <u>339,241</u>     |

#### 8. Investments

|   | Listed<br>investments<br>£ | Treasurers<br>deposit<br>£ | Unlisted<br>investments<br>£ | <b>Total<br/>£</b> |
|---|----------------------------|----------------------------|------------------------------|--------------------|
| <b>Cost</b>   |                            |                            |                              |                    |
| At 1 January 2021                                       | 2,957,431                  | 721,356                    | 7                            | 3,678,794          |
| Additions   | 523,337                    | –                          | –                            | 523,337            |
| Disposals   | (477,082)                  | (219,371)                  | –                            | (696,453)          |
| Revaluations  | 206,200                    | –                          | –                            | 206,200            |
| Cash held by investment managers<br>awaiting investment | 109,519                    | –                          | –                            | 109,519            |
| <b>At 31 December 2021</b>                              | <u>3,319,405</u>           | <u>501,985</u>             | <u>7</u>                     | <u>3,821,397</u>   |
| <b>Impairment</b>                                       |                            |                            |                              |                    |
| <b>At 1 January 2021 and<br/>31 December 2021</b>       | <u>–</u>                   | <u>–</u>                   | <u>–</u>                     | <u>–</u>           |
| <b>Carrying amount</b>                                  |                            |                            |                              |                    |
| <b>At 31 December 2021</b>                              | <u>3,319,405</u>           | <u>501,985</u>             | <u>7</u>                     | <u>3,821,397</u>   |
| At 31 December 2020                                     | <u>2,957,431</u>           | <u>721,356</u>             | <u>7</u>                     | <u>3,678,794</u>   |



# National Hair & Beauty Federation Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

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#### 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<br>investments<br>£ | Treasurers<br>deposit<br>£ | Unlisted<br>investments<br>£ | <b>Total<br/>£</b> |
|----------------------------|----------------------------|----------------------------|------------------------------|--------------------|
| <b>At 31 December 2021</b> |                            |                            |                              |                    |
| Aggregate cost             | 2,473,442                  | 501,985                    | 7                            | 2,975,434          |
| Aggregate depreciation     | —                          | —                          | —                            | —                  |
| <b>Carrying value</b>      | <u>2,473,442</u>           | <u>501,985</u>             | <u>7</u>                     | <u>2,975,434</u>   |
| <br>                       |                            |                            |                              |                    |
| At 31 December 2020        |                            |                            |                              |                    |
| Aggregate cost             | 2,212,960                  | 721,356                    | 7                            | 2,934,323          |
| Aggregate depreciation     | —                          | —                          | —                            | —                  |
| <b>Carrying value</b>      | <u>2,212,960</u>           | <u>721,356</u>             | <u>7</u>                     | <u>2,934,323</u>   |

# National Hair & Beauty Federation Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

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#### 8. Investments *(continued)*

##### 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.

World Hair Limited:

The investment in the joint venture company represents one ordinary, fully paid £1 share in World Hair Limited. This represents 50% of the total called up and fully paid ordinary share capital of the company. The company, which is registered in England and Wales, attends to national and international artistic matters and prepares competition and seminar teams for activity inside and outside Great Britain.

At 31 December 2021, the aggregate of share capital and reserves of World Hair Limited, as shown in the company's financial statements, amounted to £4,970 (2020: £5,354) and the deficit for the year ended 31 December 2021 was £384 (2020: surplus of £1,788). M Coray and A Lodge-Stewart, who were members of the Board during 2021, were also directors of World Hair Limited during the year.

During the year, the board approved the closure of World Hair Limited with the company ceasing trade after the year end.

The federation's share of the joint venture's net assets at 31 December 2021 was as follows:

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | £            | £            |
| Share of assets      |              |              |
| Current assets       | 4,867        | 5,059        |
| Share of liabilities |              |              |
| Due within one year  | (2,245)      | (2,245)      |
| Due after one year   | (137)        | (137)        |
| Share of net assets  | <u>2,485</u> | <u>2,677</u> |

#### 9. Debtors

|               | 2021           | 2020           |
|---------------|----------------|----------------|
|               | £              | £              |
| Trade debtors | 14,271         | 7,956          |
| Other debtors | <u>100,929</u> | <u>114,602</u> |
|               | <u>115,200</u> | <u>122,558</u> |

# National Hair & Beauty Federation Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

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#### 10. Creditors: amounts falling due within one year

|                                 | <b>2021</b>    | 2020           |
|---------------------------------|----------------|----------------|
|                                 | <b>£</b>       | £              |
| Trade creditors                 | 68,821         | 136,932        |
| Social security and other taxes | 15,966         | 14,983         |
| Other creditors                 | 428,949        | 434,256        |
|                                 | <u>513,736</u> | <u>586,171</u> |

#### 11. Operating leases

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

|  | <b>2021</b>   | 2020          |
|--|---------------|---------------|
|  | <b>£</b>      | £             |
| Not later than 1 year                        | 17,547        | 18,529        |
| Later than 1 year and not later than 5 years | 14,607        | 32,158        |
|  | <u>32,154</u> | <u>50,687</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 £60,376 (2020: £84,513). There were no amounts outstanding payable to the fund at the statement of financial position date (2020: £4,979).

#### 13. Related party transactions

8 members (2020: 10) of the Board were reimbursed expenses of £1,898 (2020: £4,356) by the Federation in respect of travel and accommodation costs incurred in attending committee meetings held during the year.

The Federation trades with ICO Management Services Ltd in which board member I Egerton is a director. Total purchases for the year were £nil (2020: £848).

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 £382,854 (2020: £402,057).



Supporting the hair, beauty  
and barbering industries



# Annual Report 2021



## NHBF Annual Report 2021

The re-imposition of lockdown and enforced closure of salons across the UK in December 2020 prompted us to re-assess our plans for 2021. It was evident from the reactions we received in the early weeks and from the data we gathered that the NHBF had to prioritise supporting its Members and itself through 2021.

The Management Team re-assessed our plans and, with the support of the Board, agreed a short-term operational strategy which focused on three core objectives:

- Securing an emergency financial relief package from Government
- Developing and implementing a plan to support re-opening and recovery
- Increase member retention to more than 85%

We succeeded in the first of these. Our success in the second and third was more limited during 2021, but much of what was proposed and worked on during the year now forms part of the Industry Support Programme, which will launch in 2022.

## Coronavirus

The main focus of the early months of the year was on supporting Members through the lockdown and campaigning in coalition with the British Beauty Council, BABTAC and the UK Spa Association for additional support from the government.

We had already commissioned an economic analysis of the sector to support the tax reform campaign. When the research undertaken in December 2020 and January 2021 showed that many businesses within the sector had already drained their reserves and were increasingly uncertain of surviving to reopen, the project was redirected towards making the case for a similar VAT reduction to that already given to the hospitality sector.

The research report changed the tone of the conversation. The newly created Personal Care Services team within the Department for Business, Energy & Industrial Strategy (BEIS) was able to use it to strengthen the sector's claims within Government. Following a meeting with the Treasury, we were advised to shift our call towards more immediate funding support, as they pointed out that a VAT cut would be little use to businesses which could not trade and were running out of cash. This ultimately led to the sector being included in those eligible for the higher level of Restart Grants and re-opening in April, a month earlier than most other retail-based sectors.

Having developed relationships with all four governments across the UK, the coalition used these links to shape the guidance around re-opening as each country set its own respective rules. We succeeded in persuading the Scottish Government to amend the requirements for wearing face coverings to allow clients to remove them for facial treatments. We also pressed the case for continuing business rates relief and the moratorium on commercial evictions, which eventually led to a revised code of practice on managing commercial leases and new legislation to require unresolved disputes over rent arrears from COVID closures to be subject to binding independent arbitration.

As our concerns grew around the impact of COVID on apprenticeship recruitment, training and retention, we sought to alert the Beauty Aesthetics and Wellbeing All-Party Parliamentary Group (BAW APPG), the Education and Skills Funding Agency (ESFA) and the Institute for Apprenticeships and Technical Education (IfTAE), but struggled to engage Education Ministers directly.

We provided advice and information to Members through the year as the restrictions and regulations changed, using every communication channel at our disposal.

When the Omicron surge in December caused business to fall away in the weeks before Christmas, we ran three snap polls to gauge the impact to reinforce the need for more support. The Chancellor responded by topping up and extending the Additional Restrictions Grant.



## Aesthetics

The BAW APPG produced a report on non-surgical cosmetic aesthetics which was greatly influenced by the NHBF's policy positions.

We supported the passage of the Botulinum Toxin and Cosmetic Fillers (Children) Act 2022 and worked with a consortium of organisations co-ordinated by the Chartered Institute of Environmental Health to secure an amendment to the Health and Care Bill to introduce a regulatory regime governing non-surgical cosmetic aesthetics.

We decided to reduce our funding to the All-Party Group on the grounds that, while it was right the NHBF should have provided the seedcorn funding to start it, now that the group was well-established, the other industry bodies should also share the cost.

## Other Policy Work

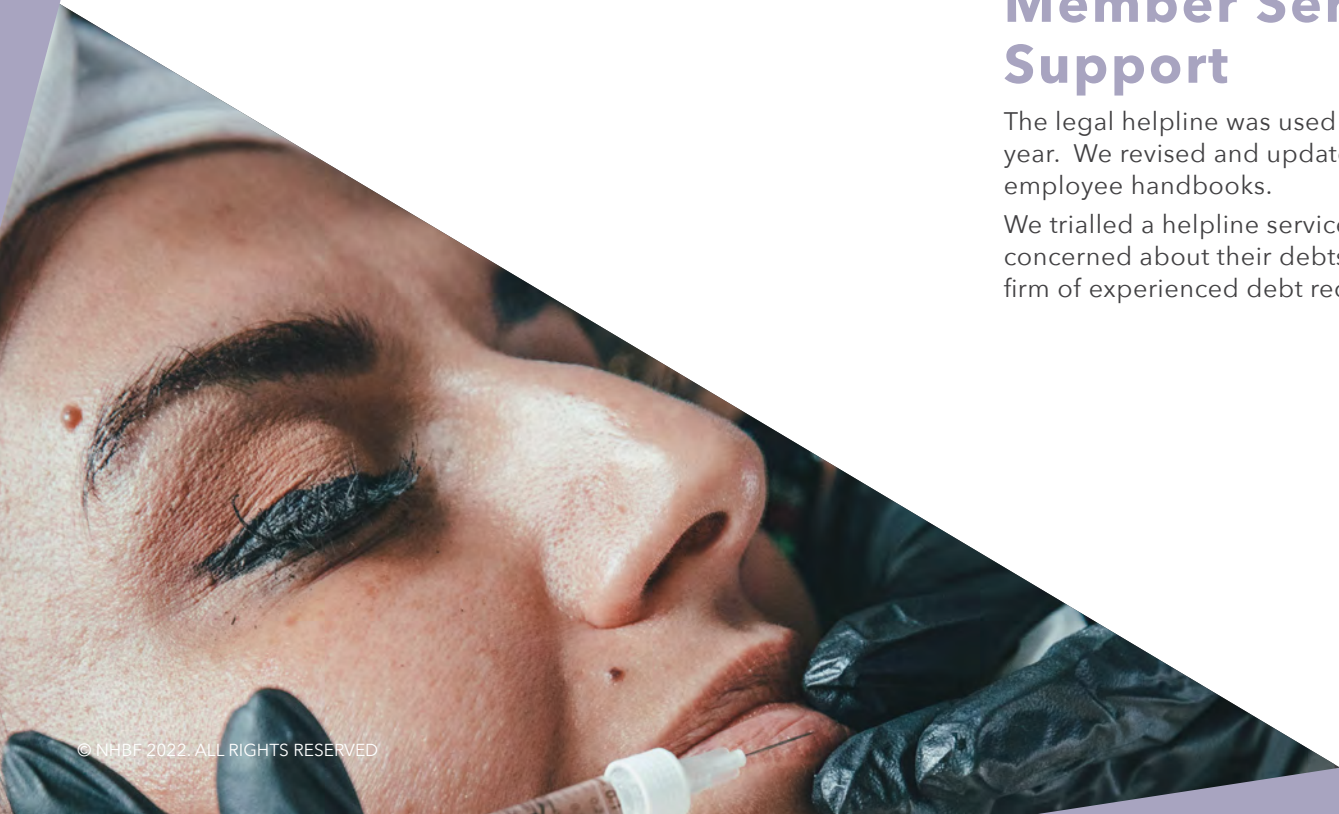
We undertook our regular annual engagement with the Low Pay Commission as it considered its recommendations for the National Minimum Wage (NMW) and National Living Wage (NLW), giving both written and oral evidence, gathering data via a survey and bringing together a group of Members to speak directly to Commissioners.

We also organised a series of visits by MPs and MSPs to salons in their local constituency during the summer.

## Member Services and Support

The legal helpline was used extensively throughout the year. We revised and updated our suite of contracts and employee handbooks.

We trialled a helpline service for Members who might be concerned about their debts through **Cromwell Seymour**, a firm of experienced debt recovery advisers.



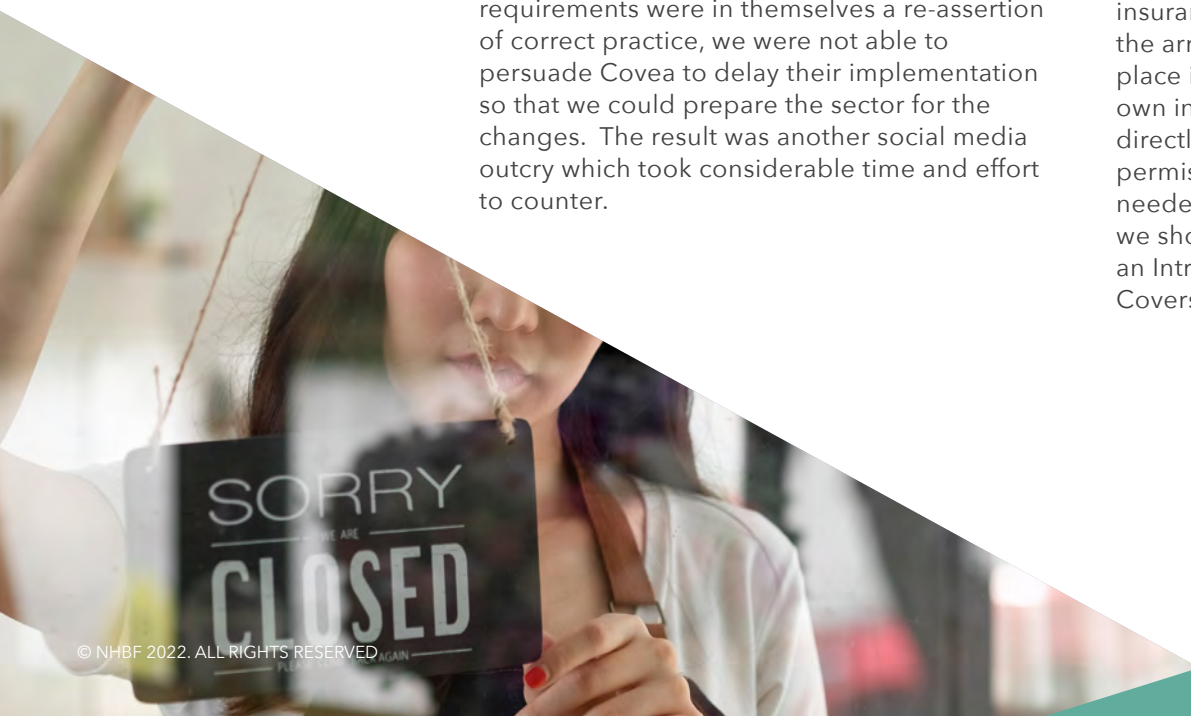
## Insurance

The NHBF came under considerable criticism because its recommended insurance policy would not accept business interruption claims relating to closures because of the pandemic, even after the Supreme Court test case ruling in December 2020. The underwriter, Covea, informed us that it had reviewed the policy terms in the light of the ruling and maintained that they were not required to change their stance. We took independent legal advice which in turn confirmed that this was correct and would be almost impossible to challenge.

Alongside the business interruption issue, Covea also insisted on introducing new requirements for allergy alert testing and staff having the appropriate training or level of supervision to wash clients' hair. While the requirements were in themselves a re-assertion of correct practice, we were not able to persuade Covea to delay their implementation so that we could prepare the sector for the changes. The result was another social media outcry which took considerable time and effort to counter.

The renewed emphasis on allergy alert testing by the insurance providers prompted considerable interest in the re-published allergy alert guide and led to increased sales. We worked with the Cosmetic, Toiletries and Perfumery Association (CTPA) to agree a common industry protocol, but the product manufacturers proved reluctant to commit themselves to sign up to it.

The Financial Conduct Authority was prompted to investigate whether the NHBF had been acting beyond its registered permissions for insurance activities. These dated from before the arrangement with Coversure was put in place in 2007, when the NHBF acted as its own insurance broker, arranging insurance directly for Members. When we reviewed the permissions, we realised that we no longer needed them and agreed with the FCA that we should withdraw them and re-register as an Introducer Approved Representative under Coversure's permissions.





## Qualifications, Standards and Training

Director of Quality & Standards Caroline Larissey attended numerous meetings with the IfATE and ESFA throughout the year to provide industry insight via our Intermediary organisation ambassador role, for both the regular work of developing education and training in hair, beauty and aesthetics and to seek ways to address the issues which emerged during the COVID lockdowns.

After a huge amount of development work, numerous meetings and agreement by all parties, the end-point assessment (EPA) dispensations for apprentices stuck in gateway as a result of COVID-19 were agreed by the IfATE and Ofqual, but their implementation was delayed by the IfATE and the EPAOs. By the time they were implemented, salons had re-opened and the normal EPAs resumed. We had anticipated this, and had argued that an extension to the apprentices caught in this way would have been preferable.

We recommended that the dispensation should be removed once salons were open for business as normal, but they were retained for contingency purposes.

We continued to raise our concerns through the year, running a campaign in the summer around "shaping the future of the industry", which addressed several themes including:

- Perception of apprenticeships and a move to self-employment
- Salons are unable to afford to take older learners due to having to pay the higher rate of NMW
- The impact of the increase in NMW for apprentices
- Introduction of the T level
- The need to focus more on "Job ready" competency-based training and education programmes (Apprenticeships/SVQs), with prerequisites and a reduction in VTQs (Vocational technical) "preparation for work" qualifications.
- Specific COVID related barriers.





## Apprenticeship standard development

Caroline worked on the development of the following standards:

| STANDARD  | PLANNED SUBMISSION DATE | PLANNED PUBLICATION |
|---|-------------------------|---------------------|
| HAIRDRESSING PROFESSIONAL LEVEL 2                 | January 2022            | May/June 2022       |
| BARBERING PROFESSIONAL LEVEL 2                    | January 2022            | May/June 2022       |
| ADVANCED BARBERING PROFESSIONAL LEVEL 3           | March 2022              | July/Aug 2022       |
| ADVANCED WELLBEING AND HOLISTIC THERAPIST LEVEL 4 | September 2022          | January 2023        |
| AESTHETIC PRACTITIONER LEVEL 5                    | January 2022            | May/June 2022       |

## Events

The continued uncertainty around events made it impossible to plan events properly and so we decided not to run any in 2021.

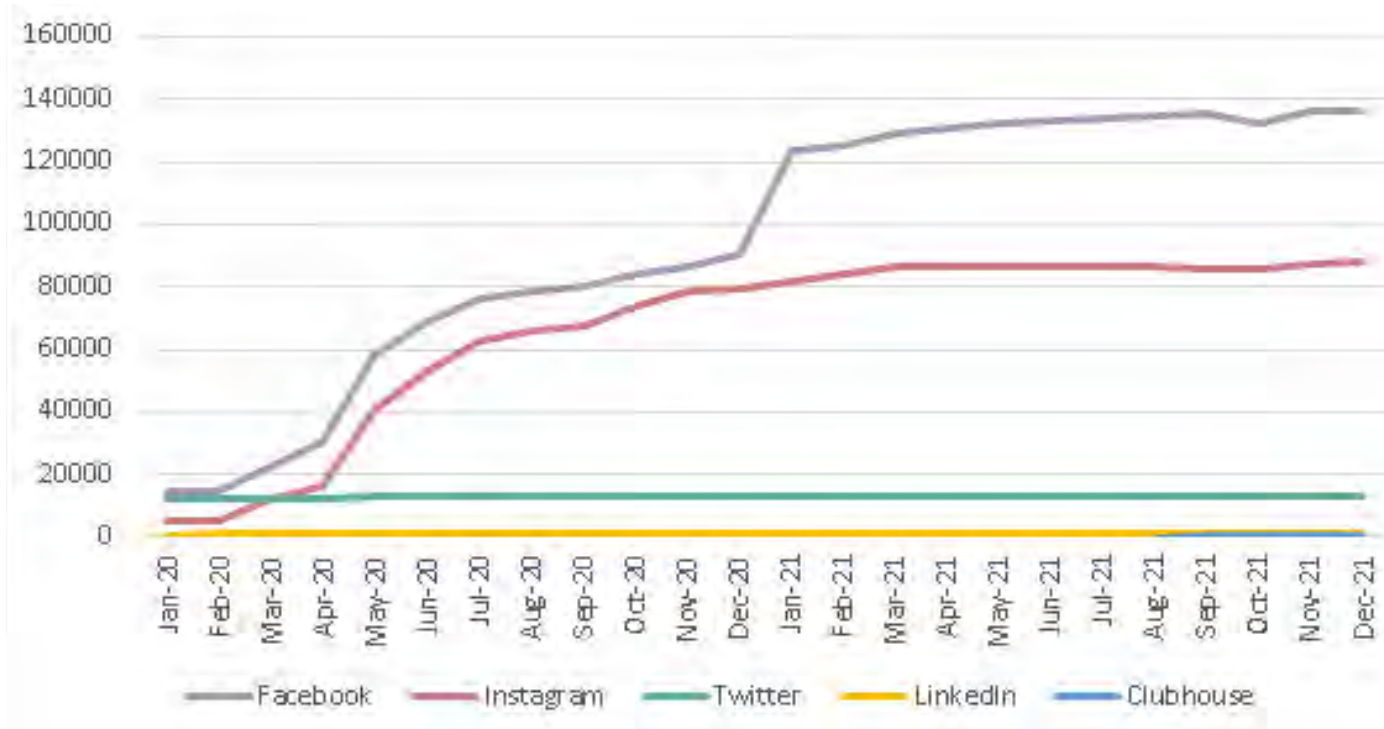
Instead, we sponsored the business stages or programmes at Salon International, Professional Beauty and Barberfest, as well as sponsoring award categories at the British Hairdressing Business Awards and Professional Beauty. This enabled us to continue the relationships we had already established, promote the brand to raise awareness and focus our efforts on reinforcing the NHBF's role as a business support organisation.

## TOP 100 INFLUENCER INDEX

We launched the inaugural Top 100 Hair & Beauty Professional Influencers Index in November. The Index was based on an independent analysis of a list of more than 200 nominees, all of whom were either professionally qualified or had been working in a salon for at least five years. The results were rolled out over the course of a week through our social media channels, with the Top 20 presented at a live-streamed event. We saw a leap in social media engagement and interaction in the weeks either side of the launch.



## NHBF SOCIAL MEDIA FOLLOWING GROWTH 2020- 2021



|                  | 31 DECEMBER 2020 | 31 DECEMBER 2021 | GROWTH |
|------------------|------------------|------------------|--------|
| <b>FACEBOOK</b>  | 90,208           | 136,415          | 51%    |
| <b>INSTAGRAM</b> | 79,845           | 87,829           | 10%    |
| <b>TWITTER</b>   | 13,192           | 13,252           | 0.5%   |
| <b>LINKEDIN</b>  | 990              | 1,200            | 21%    |
| <b>CLUBHOUSE</b> | -                | 526              | -      |



## Webinars and Clubhouse

We continued the webinar programme in the early months of the year, but found that audience numbers fell away once salons re-opened. We therefore suspended the programme and reconsidered if there were more effective ways to engage with our audience.

We began a weekly Clubhouse room in March, hosted by **Ian Egerton** and **Steph Stevenson**, which has steadily built its audience and popularity.

## Awards

The NHBF was recognised in several industry awards

### National Association Awards

- Best Membership Organisation (1,000-10,000 members)
- Best Social Media
- Best Covid Response - Silver Award

### Association Excellence Awards

- Best COVID Response - Bronze Award

### National COVID Response Awards

- Best Communication During Covid-19

## Staff

**Tori Priestley** spent 2021 on maternity leave. Lucy Watson-Smith covered her role as Interim Director of Marketing

**Deborah Bennison**, Marketing Content Writer, left in April and was replaced by Farooq Ali in May.

**Victoria Brownlie**, Director of Policy & Public Affairs, left in July and was replaced by Rosina Robson.

**Tom Shelston** joined as a consultant working on the Industry Support Programme from September.

The staff team followed the Government's guidance to work from home and worked remotely for most of the year. Once we were permitted to return to office working, we established a flexible policy where each individual agreed with their line manager the appropriate place for them to work on any given day. This hybrid approach appears to be working successfully.



## THE NHBF BOARD (FROM NOVEMBER 2021)

**Ian Egerton**  
NHBF president

**Mandy Lodge-Stewart**  
NHBF vice president

**Adrian Ball**  
South west region

**Mark Coray**  
Welsh region

**Beverley Bates**  
Central England region

**Kevin Huggins**  
Eastern counties region

**Susan Hall**  
North east region

**Mandy Lodge-Stewart**  
Yorkshire region

**Fiona Johnston**  
Scotland

**Tom Robinson**  
East Midlands region

**Carolyn Sweeney**  
Southern region

Joseph Cownley completed his final term and stood down at the AGM. Marc McCune was not re-elected. Lisa Cathcart resigned in November.



## Governance Review

The Board agreed to commission a review of the NHBF's governance in November 2020. Andrew Chamberlain of Consort Strategy was engaged to undertake the review. The report of the review and its recommendations was accepted in March and an implementation programme agreed in May. A new suite of Board policies and protocols were adopted in July. A re-draft of the Federation's Rules was agreed at the Annual General Meeting (AGM) in November. The implementation programme will continue in 2022.

In accordance with the new Rules, the Board will transition over the next few years to a maximum of nine Members and introduce appointed independent directors to sit alongside those elected from the Membership.

# Financials 1

National Hair & Beauty Federation Limited **Summarised Income and Expenditure Account** for the year ended 31 December 2021

| <b>Income</b>  | <b>2020 £</b>    | <b>2019 £</b> | <b>Income</b>   | <b>2020 £</b>    | <b>2019 £</b> |
|--|------------------|---------------|---|------------------|---------------|
| Members fees   | <b>1,625,207</b> | 1,364,963     | <b>Operating surplus for the year</b>                   | <b>112,763</b>   | 158,368       |
| Commissions  | <b>98,498</b>    | 111,395       | Realised (losses) on listed investments                 | <b>20,245</b>    | (99,794)      |
| Sales to members                                     | <b>27,812</b>    | 27,412        | Corporation tax   | -                | -             |
| Competition and event income                         | <b>42</b>        | 2,752         | <b>Total recognised gains relating to the year</b>      | -                | -             |
| Magazine advertising and sponsorship income          | <b>37,973</b>    | 27,472        | Re-analysis of unpaid share capital from previous years | -                | -             |
| Investment income and interest receivable            | <b>78,688</b>    | 72,219        | Unrealised gains on listed investments                  | <b>296,294</b>   | 127,968       |
| Other income   | <b>13,180</b>    | 32,035        | <b>Net movement in funds</b>                            | <b>429,302</b>   | 186,542       |
| <b>Total income</b>                                  | <b>1,881,400</b> | 1,638,248     | <b>Issue of shares</b>                                  | <b>(338)</b>     | 1,432         |
| <b>Expenditure</b>                                   |                  |               | <b>Balance brought forward at 1 January 2021</b>        | <b>4,027,945</b> | 3,839,971     |
| Direct membership services                           | <b>378,913</b>   | 295,081       | <b>Balance carried forward at 31 December 2021</b>      | <b>4,456,909</b> | 4,027,945     |
| Meeting costs  | <b>14,516</b>    | 11,168        |   |                  |               |
| Affiliation fees and subscriptions                   | <b>18,046</b>    | 12,878        |   |                  |               |
| Competition and event costs                          | <b>36,086</b>    | 24,994        |   |                  |               |
| Publicity and promotional costs                      | <b>263,286</b>   | 225,753       |   |                  |               |
| Honoraria  | <b>8,875</b>     | 8,787         |   |                  |               |
| Staff costs  | <b>730,594</b>   | 651,875       |   |                  |               |
| Premises and office equipment costs                  | <b>124,753</b>   | 120,685       |   |                  |               |
| Administration costs                                 | <b>176,270</b>   | 106,185       |   |                  |               |
| Irrecoverable VAT                                    | <b>17,343</b>    | 22,474        |   |                  |               |
| Insurance premium tax                                | -                | -             |   |                  |               |
| <b>Total expenditure</b>                             | <b>1,768,637</b> | 1,479,880     |   |                  |               |
| <b>Surplus for the year before exceptional items</b> | <b>112,763</b>   | 158,368       |   |                  |               |

The Income and Expenditure Account and Balance Sheet have been extracted from the audited financial statements for the year ending 31 December 2021, which will be presented to the 2022 AGM. For a copy of the full Financial Statements please visit [www.nhbf.co.uk](http://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 2021

|  | 2020<br>£        | 2019<br>£ |
|--|------------------|-----------|
| <b>Fixed assets</b>                                |                  |           |
| Intangible assets                                  | <b>30,951</b>    | 23,213    |
| Tangible assets                                    | <b>321,730</b>   | 339,241   |
| Investments  | <b>3,821,397</b> | 3,678,794 |
|  | <b>4,174,078</b> | 4,041,248 |
| <b>Current assets</b>                              |                  |           |
| Debtors  | <b>115,200</b>   | 122,558   |
| Short term bank deposits and cash at bank          | <b>681,367</b>   | 450,310   |
|  | <b>796,567</b>   | 572,868   |
| <b>Creditors</b>                                   |                  |           |
| Amounts falling due within one year                | <b>(513,736)</b> | (586,171) |
| <b>Net current assets</b>                          | <b>282,831</b>   | (13,303)  |
| <b>Total net assets</b>                            | <b>4,456,909</b> | 4,027,945 |
| <b>Represented by: Capital, funds and reserves</b> |                  |           |
| <b>Capital, funds and reserves</b>                 |                  |           |
| Share capital                                      | <b>6,490</b>     | 6,828     |
| Income & expenditure account                       | <b>3,251,776</b> | 2,914,192 |
| <b>Designated funds</b>                            |                  |           |
| Revaluation fund                                   | <b>845,962</b>   | 744,471   |
| Tangible and intangible fixed assets fund          | <b>352,681</b>   | 362,454   |
| Regions and networking groups fund                 | -                | -         |
| <b>Total capital, funds &amp; reserves</b>         | <b>4,456,909</b> | 4,027,945 |

## Report of the Auditor

The auditor's report on the full accounts for the year ended 31 December 2021 was unqualified.

Streets Auditors LLP  
Statutory Auditor, Chartered Accountants  
Wyboston, Bedfordshire

**Date: 21 March 2022**





**NHBF**

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