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# BRITISH HALLMARKING COUNCIL

Annual Report and Accounts  
for the year ended 31 December 2023

# Annual Report and Accounts for the year ended 31 December 2023

Presented to Parliament pursuant to Paragraph 19 of Schedule 4 of the  
Hallmarking Act 1973 as amended by the Government Resources and  
Accounts Act 2000 (Audit of Public Bodies) Order 2003

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## **OFFICERS AND PROFESSIONAL ADVISERS**

### **Chair & Accounting Officer**

Noel Hunter

### **Secretary**

Susan Green

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**BRITISH HALLMARKING COUNCIL**  
**(“The Council”, or “BHC”)**  
**REPORT 2023**

## **1. INTRODUCTION**

The Annual Report and Accounts for 2023 are drafted in accordance with the Government Financial Reporting Manual (FReM) 2023-24.

## **2. PERFORMANCE REPORT**

### **a. Overview**

#### **Statement of the Chair & Accounting Officer for the year 2023**

The UK jewellery industry comprises around 6,800 businesses, employing some 58,000 people. Precious metal jewellery generates almost £7bn of annual revenues in the UK. Hallmarking plays a key part in this significant industry, ensuring the integrity of precious metal items and giving the buyer and any subsequent owner of such items the assurance that the article is what it purports to be. The British Hallmarking Council’s (BHC’s) role in regulating hallmarking gives the assurance that consumers and industry need: regulation of hallmarking enables a level playing field in an increasingly competitive market. Jewellery purchases may be significant investments for consumers, marking important life events; this is not an elite sector but one that matters to all parts of society. It is important to keep the assurance of hallmarking strong to provide protection for consumers and for business.

As in recent years, this report is written in a context of continuing uncertainties and pressures for the jewellery industry. The impacts of the cost of living crisis, and ongoing impacts from the UK’s exit from the EU, continue. Transport costs, energy prices and staffing issues continue to affect business, including the jewellery industry. In the case of the jewellery industry these direct impacts are magnified by people cutting down on discretionary spending. The Assay Offices continue to see hallmarking numbers reducing.

Against this background it is ever more important to support growth by ensuring that businesses are operating on a level playing field. Hallmarking is the guarantee of the integrity of precious metal items and this differentiates legitimate jewellery retailers from those who ignore or are unaware of the law. Hallmarking is ever more important in the context of the growth of online sales of jewellery.

The HALO Award 2023, building on the strong foundations laid in 2022, generated an excellent, enthusiastic response from online jewellery retailers. A consistent theme amongst the entries was that hallmarking is a vital element of trust in the relationship between retailer and consumer, and adds value by giving the additional guarantee of the integrity of the precious metal used in the jewellery that they sell. Working with the National Association of Jewellers (NAJ) helped to generate excellent profile for the Award and for hallmarking amongst the jewellery industry and trade press. We look forward to 2024’s HALO Award.

The King’s Coronation commemorative mark provided opportunities for promoting hallmarking and has seen an enthusiastic take-up amongst consumers.

The BHC has been pleased to see developments with Assay Assured, the trust mark for jewellers. This excellent initiative to give consumers reassurance and information about jewellery they are buying online was originally conceived and developed by Edinburgh Assay Office. During 2023 the

four Assay Offices came together to relaunch it as a UK-wide offering. Assay Assured provided support for the HALO Award 2023.

The BHC is kept informed of developments in the International Hallmarking Convention (IHC) through reports and discussions at Council meetings. The IHC is currently reviewing the definition of a sub-office, and guidance for offsite hallmarking operations and supervisory processes. The BHC's Technical Committee has been working with the Applications Committee on how these IHC issues apply to the UK in readiness for the preparation of recommendations to the BHC.

Concerns about levels of compliance with hallmarking law continue, particularly with the continuing growth of online retail. Enforcement of hallmarking law is a key focus for the BHC and a key concern given the constraints on Trading Standards resources. Against a background of painful cuts to Trading Standards services, the Touchstone Award for Trading Standards remains an important way to maintain awareness of the importance of hallmarking. It was heartening to see a renewed level of engagement with the Award in 2023 and to present the Award to worthy winners East Riding of Yorkshire Council for a well planned and executed hallmarking enforcement project. The BHC will continue to offer support and encouragement to Trading Standards to undertake enforcement work and will run the Touchstone Award 2024 for Trading Standards.

The Assay Offices provide crucial support for hallmarking enforcement, including providing testing and education. London Assay Office is funding Operation Stamping It Out, working with WRi in the London area on programmes of visits to physical retail premises, and on assessments of jewellery websites linked to the geographical area to check for hallmarking compliance. Sheffield Assay Office has continued to carry out proactive visits to retailers to check compliance with hallmarking requirements and provide information, following up to ensure compliance.

An essential precondition to enforcement of hallmarking law is education about its requirements. The online form of Dealer's Notice, the HALO Award, the Touchstone Award and commemorative marks all provide opportunities for publicity to the BHC three key audiences: business, consumers, and Trading Standards. The BHC continues to build on progress with publicity for these initiatives.

Online sales, and particularly the large online retail platforms, continue to be an important area of focus for the BHC. In 2023 the BHC continued discussions with two major online platforms via their Trading Standards Primary Authorities.

The BHC has continued to contribute to discussions about the Digital Markets, Competition and Consumers Bill via the Department for Business and Trade and awaits developments on the final form of the legislation. Discussions have involved other bodies including the Intellectual Property Offices, the Police Intellectual Property Crime Unit, and the Chartered Trading Standards Institute (CTSI). In particular, the anticipated enhancement of powers to investigate and enforce consumer protection law will be of great importance to the Trading Standards community.

In 2019 the BHC commissioned a detailed study of the jewellery industry which provided valuable insights for the BHC's strategy and for press releases, and setting the context for working with trade bodies. Five years on, a further study has been commissioned funded by the London Assay Office and the NAJ to evaluate the market following the major events of recent years including the Covid-19 pandemic, the cost-of-living crisis, and ongoing effects of the UK's exit from the EU. This will be used for updates to the trade press and trade bodies, and to set the context for the BHC's strategy for the coming years.

Operational integrity is essential to the continued strong reputation of UK hallmarking. The Applications Committee continued to liaise with the King's Assay Master to co-ordinate activity and reduce duplication, while working with the Technical Committee on ongoing IHC developments

regarding sub-offices. The Technical Committee oversees technical consistency which is also essential to the UK's strong hallmarking reputation.

All of this work is supported by effective governance and organisation of the running of the BHC. I would like to thank all Council members for their wisdom and perspective, and their thoughtful and constructive contributions to the work of the Council. The work of the Council is highly specialised and the expertise of our members, together with their collective experience of the Council's work, is essential to its effective operation.

During 2023 the Council welcomed a new Secretary of State appointee, Fakir Osman and a London Assay Office appointee, Tom Franks. Since the end of the financial year Annie Warburton has joined as the new Clerk and CEO of the Goldsmiths' Company and Simon Meddings has joined as the new Birmingham Assay Office Chair.

The BHC was saddened by the death during the year of Chris Sellors, a highly valued member of the Council and a greatly respected industry figure. Chris leaves a lasting legacy with the BHC as the inspiration and driving force behind the HALO Award. He is sadly missed by his colleagues at the BHC.

Committee meetings continue to be held largely by virtual means, as this has proved a successful and economical way of conducting business and enabled good continuity of committee work. Full Council meetings were held face to face, with interim virtual briefings between the two main business meetings to ensure Council members remain informed and engaged.

Our good relationship with our sponsor body in government, the Department for Business and Trade (DBT), continues, particularly with Richard Sanders of the Office for Product Safety and Standards (OPSS).

Finally, I would like to thank Geraldine Swanton of Shakespeare Martineau for her professional advice on legal aspects of hallmarking and Sue Green for her diligence and efficiency in providing excellent Secretariat support.

**Noel Hunter OBE**  
**Chair & Accounting Officer**  
**25 September 2024**



## Functions of the British Hallmarking Council (“the Council”)

The Council is an Executive Non-Departmental Public Body established and governed by the Hallmarking Act 1973 (Hallmarking Act). In 2023 the reorganisation of the Department for Business, Energy & Industrial Strategy resulted in the formation of the Department for Business and Trade (DBT). DBT is now the sponsor department for the BHC and the Office for Product and Safety Standards (OPSS), the Council’s sponsoring body, is now part of DBT.

The Council is funded entirely by the UK’s four Assay Offices according to a formula prescribed by the Hallmarking Act. The Council has neither staff nor premises and normally meets twice a year in Assay Offices’ premises by rotation. The statutory functions of the Council are set out in the Hallmarking Act s13 and are as follows:

- to ensure that adequate facilities for assaying and hallmarking of precious metal are available as from time to time required in the UK and supervising the activities of Assay Offices accordingly
- to take all steps appearing to be open to the Council for ensuring the enforcement of the law with respect to hallmarking
- to advise the Secretary of State with respect to all matters concerning the application of the Hallmarking Act including any matter which may be referred to the Council by the Secretary of State
- to advise the Secretary of State on: making of orders and regulations under the Hallmarking Act; amending the law as it affects hallmarking, whether directly or indirectly, including advice as to the application of some or all of the provisions of the Hallmarking Act to any metal other than gold, silver, platinum and palladium
- to fix the maximum charges for assaying and hallmarking of articles of precious metal manufactured in or intended for sale in the UK
- to advise the Secretary of State on any need for the establishment of a further Assay Office or for the closure of, or amalgamation with, another Assay Office
- to assist those enforcing the Hallmarking Act by the provision of such technical and other services of the Council as may be available, to appoint such officers as the Council considers appropriate to act as inspectors and otherwise for detecting offences and enforcing the Hallmarking Act by or on behalf of the Council, and, otherwise than in Scotland, to institute proceedings accordingly
- to authorise any Assay Office to carry on its business in whole or in part (subject to any conditions which may be specified by the Council) in such place, whether in the UK or elsewhere, as may be specified by the Council additional to the place at which the Assay Office is otherwise authorised
- to make temporary or permanent arrangements between Assay Offices whereby facilities specified in any case by the Council need not be afforded at an Assay Office but are afforded at another or others
- to issue directions or regulations to Assay Offices (all or any individual Assay Office) as to the equipment and procedures to be provided and adopted in the assaying and hallmarking precious metals and in relation to other matters on which directions/regulations may be issued by the Council under the Hallmarking Act; or
- to do anything with the Council’s statutory powers which is calculated to facilitate the discharge of any or all of its functions.

## Key risks

The Council's key risks are identified and set out in its risk register. This risk register is kept up to date and is subject to, at least, an annual discussion by the Council. Current key risks include the shortage of resources for enforcement and education and issues relating to turnover of Secretary of State-appointed members.

Issues relating to turnover of Secretary of State-appointed members of the Council include:

- Potential for loss of one or more Secretary of State-appointed members and loss of corporate knowledge and experience on the BHC's committees: the changes to the number of terms members are allowed to serve have the potential to impact on the BHC's work
- Failure to recruit members with the relevant specialist knowledge and experience: the requirements of the Hallmarking Act relating to members with experience of specific sectors allow for a range of insights but, when combined with restrictions on how many terms members may serve, present challenges in recruitment

Representations have been made on both issues.

The BHC has also given consideration to the risks of unforeseen external events leading to failure to meet objectives in light of the Covid-19 pandemic, noting that events can develop rapidly and have a major impact. Although the March 2020 pandemic action plan is no longer in operation, the BHC now considers potential emerging risks at all Council meetings and briefings.

## Performance Summary

At its meeting in October 2022 the Council provisionally approved a draft business plan summary and draft budget for 2023. The 2023 draft business plan was circulated in January 2023 and discussed and finalised at the January 2023 Council briefing. Implementation began at the start of 2023. The plan was confirmed at the Council meeting in April 2023. Progress against the business plan and budget was reviewed at its meeting in October 2023. More detail is set out in Performance measures below.

1. **Enterprise and Growth** The 2023 HALO Award for online jewellery retailers built on the success of the 2023 launch of the Award, promoting awareness of hallmarking to the jewellery industry. Alongside this, the Touchstone Award 2023 and the launch of the commemorative hallmark to mark the King's Coronation strengthened the profile of hallmarking. These activities supported growth in the industry by protecting legitimate businesses and building consumer confidence.
2. **To improve the regulation of precious metals marketed online** The E&E Committee oversaw the HALO Award and Touchstone Award, and continued its campaign of influence with online retail platforms to improve compliance with hallmarking law.
3. **To encourage risk-based and proportionate enforcement of hallmarking across Trading Standards** The BHC ran the Touchstone Award 2023, presenting the award to the Trading Standards team from East Riding of Yorkshire Council for an excellent enforcement project. The Touchstone Award assists in maintaining the profile of hallmarking enforcement in Trading Standards.
4. **Operational integrity and technical consistency** The Applications Committee continued to liaise with the King's Assay Master to co-ordinate activities. The Technical Committee continued its oversight of technical issues. The Technical Committee liaised with the

Applications Committee regarding International Hallmarking Convention (IHC) developments to its guidance on offsite (sub-office) hallmarking.

5. **Council members and Chair** New Secretary of State-appointed Council member, Fakir Osman, joined the BHC and the Education & Enforcement Committee. The new appraisal process (introduced in 2022) was continued in 2023, and alongside it the Council Effectiveness Review was used to gather feedback from members and stakeholders and inform business planning.
6. **Governance and administration** The BHC via its Secretariat continued to ensure efficient operation and compliance with governance requirements.

During the year the Council did not approve any applications for new sub-offices.

The Council fixes the maximum charges which may be made for assaying and hallmarking. These remained unchanged during 2023. The price maxima are set out in Appendix 1.

Appendix 2 sets out the numbers of articles hallmarked in the last three years, and Appendix 3 contains the number of items marked in the UK under the Convention on the Control and Marking of Articles of Precious Metal during 2023.

## **b. Performance Analysis**

### **Performance measures**

The Council measures its performance by setting itself specific objectives for each year in consultation with the OPSS. The objectives for 2023 were as follows:

#### **1. Enterprise and Growth**

*To promote hallmarking as the guarantee of the integrity of the precious metals industry, thereby supporting growth via education and protection of legitimate businesses and consumers. To promote point of sale promotion of the protection offered by hallmarking through the Dealer's Notice for physical and online retailers and to run the HALO Award 2023.*

Building awareness of the importance of hallmarking supports growth in the jewellery industry and related businesses by strengthening consumer confidence. The BHC promoted hallmarking as the guarantee of the integrity of the precious metals industry by organising the second year of the HALO Award with related publicity and by running the Touchstone Award 2023. The BHC liaised with the Lord Chamberlain's Office and the Assay Offices and publicised the commemorative mark for the King's Coronation. Discussions and reports at Council meetings kept the BHC updated on developments with the International Hallmarking Convention.

#### **2. To improve the regulation of precious metals marketed online**

*To run the HALO Award to promote hallmarking compliance within and across business; to continue partnership working with Trading Standards Primary Authorities for major online retail platforms to improve compliance with hallmarking law; to devise plans for similar approaches to other online retail platforms.*

The HALO Award 2023 built on the foundations laid in 2022 with the inaugural HALO Award. The objective of the award is to encourage and reward promotion of the importance of the hallmark to all consumers browsing and buying fine jewellery or silverware online. The top entries were of an excellent standard and joint winners were chosen. Anna Mcloughlin Fine Jewellery stood out for its creative approach to promotion of hallmarking on social media, and its certificates of provenance for fine jewellery items incorporating explanatory information on hallmarking. Harriet Kelsall

Bespoke Jewellery was chosen for being an exceptional ambassador for the behind-the-scenes skills of the jewellery trade, demonstrating excellent communication with its clients around hallmarking.

The BHC maintains a focus on online marketplaces. The UK is the third largest e-commerce market globally. The sale of products online continues to increase, as does the risk of consumers purchasing infringing products. Research indicates that many jewellery items sold do not have hallmarks or claim to be something they are not, for example a gold-plated item being incorrectly described as 18ct gold.

Research has shown that around 150,000 fake “gold” jewellery items could be listed for sale in the UK each year through online marketplaces. A third of “gold” jewellery sold online might not be hallmarked and could be fake. This causes financial detriment and anguish to consumers and discriminates against compliant retailers.

The BHC has responded by:

1. Working with the Department for Business and Trade to highlight the problems with the responsibilities and culpability of the online marketplaces facilitating transactions within the UK and across borders. Sharing data about how online retailers are interpreting the regulatory framework in a way that allows the sale of products that are not what they purport to be, for example a gold-plated item being sold as 18ct gold.
2. Working with the Primary Authorities for online platforms to explore the issues of non-compliance and encourage them to do more. Sharing results of desk-based audits of the products sold on online platforms and test purchases.
3. Feeding into the consultations and dialogue about the development of the Digital Markets, Competition and Consumers Bill to deal more effectively with the responsibilities on fulfilment houses.

A collaborative initiative between WRi and Trading Standards in London and the Southeast, including Camden and Ealing, was launched as a pilot project to address the challenges posed by violations of the Hallmarking Act to legitimate retailers and consumers. This project, funded by London Assay Office, aims to enhance awareness, gather intelligence, and enforce regulations effectively.

As part of this endeavour, retailers have been identified and visited to receive guidance, support, and information, aimed at improving compliance with the legislation. Already, the project has yielded positive outcomes, with more retailers becoming aware of their obligation to display a Dealer’s Notice. Additionally, data has been collected on the compliance status of retailers’ online listings across three major platforms, namely Facebook Marketplace, eBay, and Amazon, revealing a total of 16,846 non-compliant listings in December 2023.

This valuable intelligence has been shared with the National Trading Standards Regional Intelligence Network to raise nationwide awareness regarding the potential risks to consumers and the industry stemming from breaches of the Hallmarking Act, particularly concerning false claims data. Notably, the project has been featured in the Journal of Trading Standards and has been extended into 2024. Funding for this initiative is provided by the London Assay Office.

Assay Offices issued “cease and desist” letters to retailers found not to be complying with the law. Sheffield Assay Office continued its programme of proactive contact with both physical and online retailers, and has now visited a total of 250 premises, uncovering a 20% non-compliance rate. These visits are followed up to ensure compliance.

### **3. To encourage risk-based and proportionate enforcement of hallmarking across Trading Standards**

*To encourage awareness and competency in hallmarking enforcement by running the Touchstone Award for Trading Standards in 2023.*

The BHC continues to publicise and promote hallmarking enforcement amongst the Trading Standards community by running and publicising the Touchstone Award, presenting it first at the Chartered Trading Standards Institute annual conference, and again at a special event at the Goldsmiths' Hall.

The BHC was delighted to present the Touchstone Award 2023 to the Trading Standards team from East Riding of Yorkshire Council. The team had carried out a thorough enforcement exercise, inspecting 42 businesses and 17 online traders, exposing traders whose goods were not compliant with the Hallmarking Act. These offences were potentially misleading consumers and also creating unfair competition for the legitimate trade. The Trading Standards team recalled stock and ensured businesses became compliant. The project was supported by Sheffield Assay Office and encompassed trade education as well as enforcement.

The BHC also presented a commendation to the BBC for an excellent explanatory piece on hallmarking on the Antiques Roadshow.

### **4. Operational integrity**

*Applications Committee: To complete the programme of five-yearly revalidations of sub-offices; to implement new protocols for applications for any new sub-offices; to continue to maintain oversight of arrangements to ensure the continued integrity of Assay Office operations including sub-offices, and work with the King's Assay Master to co-ordinate activities and avoid duplication of work.*

The Applications Committee has now revalidated all but one of the UK sub-offices. The revalidation of the final sub-office was delayed due to co-ordinating visit dates with the King's Assay Master (KAM) and the relevant Assay Office. The Applications Committee continued to liaise with the KAM to co-ordinate activities and avoid duplication.

*Technical Committee: To work with the Applications Committee on the application of current International Hallmarking Convention (IHC) work to the UK and recommendations to the BHC. To publish the new Hallmarking Guidance notes on the BHC's website on gov.uk and the Assay Offices' websites. To keep the shared wiki of hallmarking decisions under review. To maintain oversight of the XRF protocol. To maintain the schedule of potential amendments to the Hallmarking Act.*

The Technical Committee liaised with the Applications Committee regarding ongoing developments on IHC guidance on offsite hallmarking, and this work continues alongside the IHC process. The Technical Committee produced an updated version of the Hallmarking Guidance Notes and this was launched simultaneously on the BHC and Assay Offices' websites. The committee also continued with oversight of the shared wiki of hallmarking decisions; the ongoing review of the XRF protocol; and the schedule of items needing amendment in the Hallmarking Act.

### **5. Council members and Chair**

*To carry out induction of new Council members. To carry out committee inductions as appropriate. To carry out annual appraisals. To carry out the Council Effectiveness Review.*

Fakir Osman joined the BHC with effect from 1 January 2023 as a Secretary of State appointee. Tom Franks joined as an Assay Office appointee of London Assay Office. Inductions were held for new Council members. Since the end of the financial year, Annie Warburton (Clerk and Chief

Executive of the Goldsmiths' Company) and Simon Meddings (Chair of Birmingham Assay Office) have joined as Assay Office appointees.

Fakir Osman joined the E&E Committee. Rachel Holloway took over as Chair of the E&E Committee, and membership of the committee was widened to include Council members who expressed an interest in its work.

It was with great sadness that the BHC learnt of the death of Chris Sellors. Chris brought invaluable insights to both the Council and the E&E Committee and was the original inspiration and driving force behind the HALO Award.

The appraisal process was carried out in line with the new more detailed process introduced in 2022, and the Council Effectiveness Review collected and reviewed feedback from Council members and stakeholders alongside the appraisals.

## **6. Governance and administration**

*Working with NAO to issue the 2023 Annual Report and Accounts in required timescales. To review governance against requirements of the revised Framework Document. To successfully complete the DBT Partner Organisation Review.*

The Annual Report & Accounts were issued in required timescales and laid before Parliament. During the year the revised Framework Document was agreed for signature and arrangements to comply with its requirements were made, including reporting requirements and procedures. The Secretary and Chair worked with the DBT's Review Team and submitted all the required information for the DBT Partner Organisation Review. The outcome is awaited from DBT; the timescale for this is not known.

The Council's performance against the objectives above is amenable to clear measurement of the achievement of those objectives. Further, representatives of OPSS usually attend Council meetings and the Chair & Accounting Officer and Secretary meet separately with those representatives to discuss Council performance, including achievement of the specific objectives.

The Council continued to operate in accordance with its agreed process of operation with the DBT as set out in the Framework Document which was agreed and signed during 2018 and published on the BHC's website. An updated version of the Framework Document has been produced and approved, and is awaiting signature by the sponsor department DBT.

The Council continued to publish the minutes of its meetings on its website.

The Council does not itself exercise the power to enforce the Hallmarking Act. The Hallmarking Act s9(1) provides that "it shall be the duty of every Local Weights and Measures Authority to enforce the provisions of this Act within their area". This means that within each Local Authority, the Trading Standards Department has the responsibility for enforcing hallmarking legislation. Like many other activities, enforcement is subject to the financial constraints facing all local authorities. In addition, enforcement of hallmarking has to be considered along with the many other enforcement responsibilities which are the duty of the Trading Standards Service. Further, in some regions, the low quantum of fines imposed on offenders by the courts may have the effect of diminishing the deterrent value of enforcement activity. It continues to be the case, however, that enforcement activities undertaken, particularly those involving inspection of retail premises, have proved more efficient when conducted by Trading Standards Service staff in conjunction with staff from the Assay Offices. Such direct enforcement in the marketplace ensures fair trading between traders and provides important protection for consumers, essential where, without a hallmark, the

consumer is generally unable to determine the fineness of an article made from precious metal. The Assay Offices have continued to work with Trading Standards Officers over the last year.

No new sub-offices were opened during the year.

The Council via the Secretary receives numerous queries from members of the public, usually relating to the application of hallmarking law or concerns about jewellery purchased which did not appear to be hallmarked. Responses are sent to queries.

The Council has the power to consider complaints against Assay Offices which refuse to hallmark items and can issue directions in response to a complaint. The Council has a complaints procedure which was not invoked in 2023.

The expenses of the Council are covered by the Assay Offices *pro rata* to their respective turnover figures as laid down by the Hallmarking Act. Accordingly it would not be appropriate for the Council to have a permanent surplus of income over expense. The accounts for the year are included in the combined report and accounts.

**Signed**

**Noel Hunter**  
**Chair and Accounting Officer**  
**25 September 2024**

### 3. ACCOUNTABILITY REPORT

#### a. Corporate Governance Report

The Council members who have served at any time during the year are as follows:

Neil Carson (left the Council in June 2023)

Ken Daly

Tom Franks (joined the Council in July 2023)

Patrick Fuller

Joanna Hardy

Rachel Holloway

Noel Hunter, Chair & Accounting Officer

Russell Jeans (left the Council in February 2024)

Sarah Langley

Tom Murray

Fakir Osman

Gay Penfold

Isobel Pollock-Hulf

David Reddaway (left the Council in April 2023)

Chris Sellors (deceased September 2023)

Vanessa Sharp

Matthew Sibley

John Stirling

Charles Turner

Gary Wroe

New Council members post year end:

Annie Warburton joined the Council in January 2024.

Simon Meddings joined the Council in February 2024.

#### **Duties of Council members**

The function of the British Hallmarking Council is set out in the Hallmarking Act 1973. Individually Council members contribute to the fulfilment of that function through their participation at meetings - usually twice a year. In addition, Council members attend briefing meetings and may serve on committees and on working parties to consider various topics from time to time.

There are five standing Committees of the Council:

- Applications Committee, made up of Council members, to deal with individual applications by Assay Offices for permission to open a sub-office
- Technical Committee, made up of the four Assay Masters who are not members of the Council
- Joint Assay Office Committee (JAOC), made up of the four Assay Masters, the Assay-Office-appointed members of the Council and the Chair of the Council
- Education and Enforcement Committee, made up of members of the Council and with one Assay Office representative contributing
- Remuneration Committee, made up of three members of the Council.

Information about the Chair & Accounting Officer and other members of the Council, together with their category of membership, is provided at page 27. The Hallmarking Act Schedule 4 provides that the Council should consist of no fewer than 16 and no more than 19 members. Ten members are appointed by the Secretary of State and six are appointed by the Assay Offices, with a provision



for two co-opted members. There are no individual members who have authority or responsibility for directing or controlling the Council's activities during the year. The Chair has a casting vote (Hallmarking Act, Schedule 4 para 12). Council members are required to act in accordance with the Cabinet Office's Model Code of Practice for Members of Public Bodies insofar as this does not conflict with the Hallmarking Act. Further details are provided in the Governance Statement at page 15. The Council has no employees.

### **Disclosure of Council members' interests**

All members complete declaration-of-interest forms. Members who are appointed by the Assay Offices declare an interest accordingly. One Council member is a member of the Finance Audit and Risk Committee of the Worshipful Company of Goldsmiths. There are no company directorships or other significant interests which are likely to conflict with the discharge of Council membership.

The register of Council members' interests is open to inspection by the public by prior appointment with the Secretary at the Offices of Shakespeare Martineau.

### **Payment policy**

The British Hallmarking Council adheres to the principles of the Better Payment Practice Code ('BPPC') as set out below:

- Agree payment terms at the outset of a deal and stick to them;
- Explain payment procedures to suppliers;
- Pay bills in accordance with any contract agreed with the supplier or as required by law; and
- Tell suppliers without delay when an invoice is contested, and settle disputes quickly.

The BPPC target is to pay all undisputed supplier invoices within 30 days, unless other payment terms have been agreed.

This target was achieved in relation to 93% (2022: 88%) of invoices by value. There was a delay in obtaining a revised invoice from the payroll provider as the original invoice showed an incorrect payer, together with some some authorised Shakespeare Martineau invoices being received late. Invoices were settled by Faster Payment Service (FPS) and batch paying was in operation.

### **Personal data and whistleblowing**

The Council is registered as a data controller under number **Z3489143**. There have been no personal data loss incidents during the year 2023.

The Council has no employees or workers within this reporting period and hence the Public Interest Disclosure Act 1998 does not apply to it. There have, in any event, been no incidents analogous to whistleblowing during 2023. However, the Council received legal advice following this reporting period (March 2024) during the recruitment process to appoint a new Secretary, to confirm that the Secretary should be an employee of the Council. The Council will therefore be introducing HR policies to include whistleblowing in the next reporting period.

### **Statement of Accounting Officer's responsibilities year ended 31 December 2023**

Under the Hallmarking Act 1973 (as amended), the Secretary of State with the approval of the Treasury, has directed the British Hallmarking Council to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the

British Hallmarking Council and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departure in the financial statements;
- prepare the financial statements on a going-concern basis; and, unless it is inappropriate to do so.
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer for the former Department for Business, Energy & Industrial Strategy (BEIS) (now succeeded by the DBT) designated the Chair of the Council, Noel Hunter, as Accounting Officer of the British Hallmarking Council with effect from 7 April 2017. The declarations in this document are made by Noel Hunter, as Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the British Hallmarking Council's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the British Hallmarking Council's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

## **b. Governance Statement Year Ended 31 December 2023**

### **Scope of responsibility**

As Accounting Officer I have responsibility for maintaining a sound system of internal control that supports the achievement of the British Hallmarking Council's policies, aims and objectives, whilst safeguarding the public funds and Council assets for which I am personally responsible, in accordance with the responsibilities assigned to me in "Managing Public Money".

My appointment as Accounting Officer was confirmed by the Council's sponsoring Department (at the time, BEIS), on 7 April 2017. The appointment letter sets out the specific responsibilities of the Accounting Officer in respect of internal control matters.

On 28 April 2022 the Council adopted (insofar as it does not conflict with the Hallmarking Act) the Code of Conduct for Board Members of Public Bodies (version June 2019) which is the successor version to the Code of Conduct for Board Members of Public Bodies issued in 2011 and previously adopted by the Council. This includes responsibilities for me as Chair of the Council and in addition my responsibilities as Accounting Officer include overall management of the Council, its procedures and financial matters.

## Governance structure

The composition of the Council is determined by the Hallmarking Act 1973 Schedule 4. The maximum number of members is nineteen and the minimum is sixteen. Ten members are appointed by the Secretary of State, at least three of whom have experience of consumer protection, four of whom are engaged in trading or manufacture of precious metal, and the others are of independent status. Six members of the Council are Assay Office appointees, two from the Birmingham and London Assay Offices and one each from the Sheffield and Edinburgh Assay Offices. Two further members are co-opted to the Council and such members are usually recommended by the Sheffield and Edinburgh Assay Offices. The assay masters and other employees of the four Assay Offices are entitled to attend and speak at Council meetings but may not vote.

The Council normally meets twice a year, usually in April and October. Members' attendance or non-attendance is noted at each meeting and documented in the minutes.

There are five committees.

The **Applications Committee** is made up of no fewer than three and no more than four Secretary of State-appointed members of the Council. Its remit is to consider applications by the Assay Offices to set up sub-offices or otherwise engage in off-site hallmarking (eg on customers' premises or overseas) and to make recommendations accordingly to the Council. Hence, while the Council grants or refuses applications with respect to setting up sub-offices in accordance with the Hallmarking Act 1973 s13(2)(e), responsibility for the administration of the approvals scheme has been delegated to the Applications Committee. The Applications Committee has issued criteria and protocols for setting up sub-offices, as well as for component and off-shore marking, all of which were approved by the Council. In April 2012, the Council further delegated authority to the Applications Committee to consider applications for temporary sub-offices, in accordance with the Council's powers of delegation under the Hallmarking Act 1973 Schedule 4 para 15. In October 2012, the Council accepted the Applications Committee's recommendation (i) to apply to applications for sub-offices overseas the current control process for new UK sub-offices/component marking and (ii) to apply the control processes in (i) to existing sub-offices. The Applications Committee provides a report of its activities at each meeting of the Council. The Applications Committee operates in accordance with Standing Orders which were substantially revised in 2018 and incorporated new Principles Governing the Approval of Sub-offices. The integrity of hallmarking remains a priority for the Council. The Council, with the Applications Committee, continues to work in consultation with the King's Assay Master to review oversight of operations to ensure the continued integrity of assay operations including sub-offices. In addition, the Applications Committee is working with the King's Assay Master with the aim of co-ordinating processes and avoiding duplication. The Applications Committee receives and considers annual reports on sub-offices, and should be kept informed of any changes made to premises or significant changes to procedures at sub-offices so that their impact can be considered. A programme for the new system of five-yearly revalidations of sub-offices was developed and all but one of the current sub-offices have been visited, their operations reviewed and the sub-offices revalidated. The Applications Committee plans to carry out the revalidation process for the other sub-office during 2024.

The **Technical Committee's** remit is to consider and make recommendations to the Council regarding the interpretation and application of the provisions relating to the technical aspects of hallmarking as set out in the Hallmarking Act 1974 Schedules 1 and 2; to consider and make recommendations on any specific, technical matters referred to it by the Council; and to make decisions on such technical matters within its remit as are specifically delegated to it by the Council. The Technical Committee, whose members are the four Assay Masters, reports to the Council at

its April and October meetings. Its Standing Orders were updated during 2018. The Technical Committee continued to review the database of technical decisions and how these decisions are made, recorded, communicated and monitored between the Assay Offices. The Hallmarking Guidance Notes were revised and the new edition published by the Assay Offices and the BHC. The Technical Committee liaised with the Applications Committee regarding ongoing developments on IHC guidance on offsite hallmarking, and this work continues alongside the IHC process.

The remit of the **Joint Assay Offices Committee** (JAOC) is to make recommendations to the Council regarding the discharge of its statutory powers and duties under the Hallmarking Act, in particular with regard to enforcement, advising the Secretary of State, potential amendments to the Hallmarking Act and any strategic matters specifically referred to it by the Council. During 2023 the JAOC worked on strategic issues facing the Council, including Assay Assured, international trade and IHC developments, and enforcement planning.

The role of the **Education & Enforcement** (E&E) Committee is to work with Trading Standards, the Assay Offices and the industry to increase awareness and enforcement activity; increase consumer understanding; to deliver the Touchstone Award and develop it for the future. The committee is made up of Secretary of State-appointed and Assay Office Council members and one Assay Master provides input. The E&E Committee reports to the April and October Council meetings. Its work is carried out in the context of concerns regarding the continuing decrease in Trading Standards resources and the increase in online sales of jewellery. In 2023 the BHC presented the Touchstone Award to the Trading Standards team from East Riding of Yorkshire Council, recognising a well-planned and thorough enforcement exercise involving 42 physical and 17 online retailers, exposing traders who were not compliant with the Hallmarking Act. The 2023 HALO Award went to joint winners Anna Mcloughlin Fine Jewellery and Harriet Kelsall Bespoke Jewellery, two very different businesses each demonstrating excellent standards and methods of bringing hallmarking to the attention of consumers browsing or buying online. The E&E Committee continued to work with a major online platform, working on continued improvements and potential innovations to help prevent non-compliant listings and with providing information for consumers, and continued discussions with a second major online retail platform via its Primary Authority. In the latter half of the year, the committee oversaw a concerted effort to understand the magnitude of the challenges facing the industry. Enforcement resources are severely depleted as Trading Standards resources are reduced by 50%, according to the Chartered Trading Standards Institute. Online trade continues to grow and alongside that there is an exponential rise in imported products, including fake items. The pressure of inflation and the cost of living continues to present a challenging time for UK consumers and the UK economy. The E&E Committee is advising the Council about possible options including strategic areas to direct its activities.

The Council at its meeting on 3 October 2019 agreed to establish a **Remuneration Committee** to oversee remuneration of the Chair & Accounting Officer and Secretary and oversee fees paid to external advisers. An initial committee composed of two Secretary of State appointed members and one Assay Office representative was established. Standing Orders and an initial set of recommendations for Council were approved by the Council. The Remuneration Committee made recommendations relating to the Chair & Accounting Officer and Secretary's remuneration in 2020; these recommendations were implemented with effect from January 2022. The Remuneration Committee did not meet in 2023.

Following the major review of governance undertaken in 2018 new Standing Orders were put in place for the Council and all committees. These were revised during the Covid-19 pandemic in 2020 to allow for virtual meetings to be held. They remain under review to ensure that they are current. The Governance Overview Document for Council members was maintained up to date and available for Council members through a shared facility and this document forms the core of the induction manual produced for new Council members which is provided as part of the induction

process. In addition, working groups were convened to support the Secretariat's work on a medium-term governance review project, and to provide recommendations on the process for the appointment of future Chairs.

## **Review of Council performance**

The BHC's appraisals system was comprehensively revised in 2022 and the new system continued to be conducted by me as Chair in 2023. Council members were assessed on their strategic contribution to the BHC's objectives and priorities, their individual contributions on committees, working groups or projects, and on compliance with standards for Board Members of Public Bodies insofar as these are consistent with the Hallmarking Act. A key element of the appraisal meetings was the feedback from members on the effectiveness of the Council. Feedback from Council members was collated with feedback from stakeholders for a Council Effectiveness Review which was shared with Council members to inform business planning and actions. The process of appraisals and the Effectiveness Review will continue to be operated annually.

## **Risk and the purpose of the system of internal control**

The process by which the Council identifies and sets out key risks is noted above on page 7, where the risks relating to turnover of Secretary of State-appointed members and risks from external events are described, together with related actions.

The Council has in place a system of internal control, for the year ended 31 December 2023 and up to the date of approval of the annual accounts, which accords with Treasury guidance. It is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risk to the achievement of Council policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

## **Capacity to handle risk and the risk and control framework**

The Council is a small organisation and internal control procedures have been designed with that in mind. The following arrangements are in place, which demonstrate the Council's capacity to handle the risks to its operations:

- Council meetings, which I attend as Accounting Officer and Chair, are held twice a year to discuss the activities of the Council and to review or assess the impact of existing and proposed legislation, together with relevant government policy, on the Council. Interim briefings between the two main meetings assist with keeping Council members up to date. Representatives from the Assay Offices regularly attend Council meetings.
- As Chair and Accounting Officer, I monitored Council-related matters and appraised Council members accordingly. I also liaised regularly with the Assay Offices to keep up to date with issues relevant to hallmarking.
- As Chair and Accounting Officer I have been in frequent contact with the OPSS to ensure that there is a proper flow of information and government policies affecting the Council are appropriately implemented.
- The annual budget is approved by the Council. Shakespeare Martineau LLP prepares and maintains accounting records under my supervision and any payments made to that firm for all services provided are approved by me and disclosed separately in the financial statements. Invoices for payment to this firm are supported by detailed narratives of

expenditure. Statements of Time Spent for Secretariat services provided by Sue Green were supported by a breakdown of time spent and were approved by me.

- Actual expenditure is reviewed in comparison with the annual budget by the Council and is approved by the Council when the statement of accounts is approved.
- The Council does not have an internal audit function or audit committee but the Council will consider matters which have an impact on internal control and the financial statements. This arrangement is considered sufficient for the size and extent of the Council's operations. A Governance Working Group was convened in 2022 as an advisory group reporting to the Council on governance matters, including risk management, governance and internal control.
- Assay Offices are required annually to issue viability statements indicating their ability to provide hallmarking services for the next twelve months, and by implication, to generate income to apply to the Council's costs.
- The Council has no staff or assets and hence its contractual arrangements and related payments are minimal. The vulnerability of the Council to fraud is therefore correspondingly low. Any payments to third parties are approved by the Chair & Accounting Officer and Secretary and are made to known contacts. Payments made to Shakespeare Martineau LLP are, as already indicated, supported by detailed narratives and approved by me. Statements of Time Spent for Secretariat services from Sue Green are supported by a breakdown of time spent and are approved by me.

## **Review of effectiveness**

As Accounting Officer I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of Council members who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports, including the results of the Royal Mint inspections. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Council and a plan to address weaknesses and ensure continuous improvement of the system is in place.

A copy of the latest Corporate Statement 2024 summarising the Council's Business Plan for this year and its achievements in 2023 will be available on the Council's website.

<https://www.gov.uk/government/collections/british-hallmarking-council-corporate-statements>

In accordance with the Macpherson Review, I confirm that, in view of the processes outlined above, the Council has a quality assurance framework in place which is used for all business-critical models. Given its constitution, size and the nature of its functions, the Council has not considered it appropriate or proportionate to publish separately a list of business-critical models.

The Council complies with the Functional Standards issued by the Cabinet Office in 2020 where applicable.

### **c. Remuneration report (audited)**

There were no staff employed by the Council during 2023 (none in previous years). However having received advice in relation to statutory office-holders and National Insurance the BHC operates a payroll for the purposes of paying the Chair & Accounting Officer and Secretary.

I am a Fellow of the Chartered Trading Standards Institute, and of the Royal Society of Arts. I am also a Vice President of the Chartered Trading Standards Institute.

As Chair of the Council until 31 December 2023 I was paid an honorarium of £20,000 per annum (£20,000 in 2022). This honorarium has been paid at this level in line with Remuneration Committee recommendations since 1 January 2022. The formal duties of the Chair are set out in the Hallmarking Act 1973 and include conducting meetings of Council and liaising with the Secretary of State. As Chair I do not have set hours of work, nor a target for total hours of work. My remuneration was originally set by the Council on the basis of a recommendation by an informal committee of Council members. It is now kept under review by the Remuneration Committee. The Chair is elected by the Council. At a Special Council Meeting on 22 September 2022 the Council resolved to reappoint me as Chair from 7 April 2023 for a term of three years (or any shorter period as the Council may subsequently agree with the Chair).

Members of the Applications Committee are paid £75 per hour for work connected with sub-office applications and the payment is usually made by the Assay Office submitting the relevant application.

Secretariat services are provided by Sue Green, an independent contractor providing secretariat services. The Secretary is appointed by the Council for an undefined period. The amount charged in respect of secretariat services varies from year to year in accordance with the time spent. With effect from 1 January 2022 the Secretary was paid for secretariat services on an agreed charging rate of £344.50 per day in line with Remuneration Committee recommendations.

In 2023 the amount for Legal and Secretariat costs and expenses was £50,261 plus VAT including legal advice from Shakespeare Martineau and Secretariat services provided by Sue Green. In 2022 the amount was £40,551 plus VAT.

#### **Off-payroll arrangements**

During 2018 advice was taken by the BHC and it was concluded that the roles of Chair and Secretary are deemed to be statutory office-holders and that accordingly Employers National Insurance was payable and a payroll needed to be operated for payment to both the Chair and the Secretary. This was put into operation with effect from 6 April 2018.

Accordingly there are no off-payroll arrangements in place.

The number of new engagements during the period was zero.

#### **d. Going Concern**

The British Hallmarking Council remains a going concern. This is confirmed by the provision of a viability report from each of the four Assay Offices indicating that they have sufficient funds to provide hallmarking services for 2024 and by inference, to fund the expenses of the Council. OPSS as the sponsor team within the DBT have indicated that they have no reason to believe ministers will withdraw support for the hallmarking regime for the foreseeable future. The BHC remains a statutory body under the Hallmarking Act and there are no indications that this statute will be withdrawn or repealed.

#### **e. Parliamentary Accountability: regularity of expenditure (audited)**

The Council's expenses are estimated at its April meeting each year in accordance with the Hallmarking Act 1973 (Schedule 4 paragraph 18(1)). The expenses incurred are met out of the

contributions paid by the four Assay Offices in accordance with the allocations prescribed by Hallmarking Act 1973 Schedule 4 paragraph 18(2). The Hallmarking Act 1973 (Schedule 4 paragraph 20) permits the payment of travelling and/or subsistence and/or other allowances to members or to any member of a committee. The Council's Standing Orders provide that members' reasonable travelling, hotel and other out-of-pocket expenses incurred in the proper performance of Council-related activities will be reimbursed.

Members are required to submit all expenses claims to the Secretary for approval and to support those claims with receipts.

The Council may pay to the Chair such remuneration as it sees fit (Hallmarking Act 1973 (Schedule 4 paragraph 20)). With effect from 1 January 2022 the honorarium was increased from £18,000 to £20,000 per annum in line with recommendations of the Remuneration Committee.

The Hallmarking Act 1973 (Schedule 4 paragraph 21) further permits the appointment of the Secretary on such terms as to remuneration as the Council sees fit. Under the payroll system which is now in operation Sue Green submits Schedules of Time Spent for approval before payment. With effect from 1 January 2022 the rate for the remuneration of the Secretary was increased from a daily rate of £325 to £344.50 in line with recommendations of the Remuneration Committee.

There have been no instances of irregular payments.

There have been no losses and special payments, gifts, fees and charges, or remote contingent liabilities that need reporting.

#### **f.     Auditors**

The statement of accounts has been audited by the Comptroller and Auditor General. The auditors are appointed under statute and report to Parliament. The audit fee for the year ended 31 December 2023 is £6,000 (2022: £4,000). No other services were provided.

**Signed**

**Noel Hunter  
Chair & Accounting Officer**

**Date: 25 September 2024**



#### **4. THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT**

##### **OPINION ON FINANCIAL STATEMENTS**

I certify that I have audited the financial statements of the British Hallmarking Council for the year ended 31 December 2023 under the Hallmarking Act 1973.

The financial statements comprise the British Hallmarking Council's:

- Statement of Financial Position as at 31 December 2023;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Hallmarking Council's affairs as at 31 December 2023 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Hallmarking Act 1973, and Secretary of State directions issued thereunder.

##### **OPINION ON REGULARITY**

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

##### **BASIS FOR OPINIONS**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the British Hallmarking Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, I have concluded that the British Hallmarking Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Hallmarking Council'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the British Hallmarking Council is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## **OTHER INFORMATION**

The other information comprises the information included in the Annual Report, but does not include the financial statements nor my auditor's certificate. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **OPINION ON OTHER MATTERS**

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Hallmarking Act 1973.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Hallmarking Act 1973; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## **MATTERS ON WHICH I REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the British Hallmarking Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the British Hallmarking Council or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **RESPONSIBILITIES OF THE COUNCIL AND ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS**

As explained more fully in the Statement of Council and Accounting Officer's Responsibilities, the Council and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Hallmarking Council from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the Hallmarking Act 1973;
- ensuring that the annual report, which includes the Remuneration Report, is prepared in accordance with Secretary of State directions made under the Hallmarking Act 1973; and
- assessing the British Hallmarking Council'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 Council and the Accounting Officer anticipates that the services provided by the British Hallmarking Council will not continue to be provided in the future.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My responsibility is to audit, certify and report on the financial statements in accordance with the Hallmarking Act 1973.

My 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 a certificate that includes my 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.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

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

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Hallmarking Council's accounting policies.
- inquired of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Hallmarking Council's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Hallmarking Council's controls relating to the British Hallmarking Council's compliance with the Hallmarking Act 1973 and Managing Public Money;
- inquired of management and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Hallmarking Council for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals and complex transactions. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Hallmarking Council's framework of authority and other legal and regulatory frameworks in which the British Hallmarking Council operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Hallmarking Council. The key laws and regulations I considered in this context included Hallmarking Act 1973, Managing Public Money and tax legislation.

### **Audit response to identified risk**

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Council;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

### **Other auditor's responsibilities**

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

### **REPORT**

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**

**Date 30 September 2024**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## 5. MEMBERS OF THE COUNCIL

The members of the Council who served during the year were:

### Chair & Accounting Officer

**Noel Hunter OBE** is a Fellow of the Chartered Trading Standards Institute, and of the Royal Society of Arts. He is also a Vice President of the Chartered Trading Standards Institute. He is Chair of the Consumer Code for Home Builders and immediate past Chair of the Myton Hospices. He is an Independent member of the Disciplinary Tribunal for Propertymark. He took over the role of BHC Chair from 7 April 2017. At a Special Council Meeting on 22 September 2022 the Council resolved to reappoint Noel as Chair for a further term of 3 years with effect from 7 April 2023.

### Members appointed by DBT:

**Ken Daly** is the Trading Standards National Co-ordinator for Scotland, employed by SCOTSS, a charitable organisation of Scottish Chief Officers. He is a former Head of Trading Standards in the City of Dundee, and a Fellow of the Chartered Trading Standards Institute.

**Patrick Fuller** is a former chairman of one of the largest manufacturing jewellery companies in the UK and is past president and chairman of three trade associations including the National Association of Jewellers. He is a previous member of the British Hallmarking Council from the late 1990's. He is Liveryman of the Goldsmiths' Company and Freeman of the City of London.

**Joanna Hardy** is an Independent Fine Jewellery Specialist, an author, jewellery presenter on the BBC Antiques Roadshow, lecturer, Fellow of the Gemmological Association and Trustee, Liveryman and Court Assistant of the Goldsmiths' Company.

**Rachel Holloway** is the CEO of Partners for Reform and specialises in the management of change, the improvement of governance and training. She holds membership of the Chartered Management Institute and the Association of Coaching. Rachel has worked in senior roles both internationally for the Organisation for Economic Cooperation and Development, for the UK civil service and a Trade Association.

**Sarah Langley** is a Chartered Trading Standards Practitioner. Sarah is currently Managing Director of Consumer Code for New Homes. A Chartered Trading Standards Institute approved Code in the new build sector.

**Fakir Osman** is Head of Trading Standards for the Heart of the South West, a Trading Standards Practitioner and Fellow of the Chartered Trading Standards Institute. His interest are particularly in the hallmarking of Asian Jewellery.

**Gay Penfold** is the former Centre Manager of the Jewellery Industry Innovation Centre at the School of Jewellery, Birmingham City University. She is experienced in working in partnership with industry to deliver innovative new technology initiatives. She is Chairman of the Benevolent Society and a Freeman of the Goldsmiths' Company and the City of London.

**Isobel Pollock-Hulf** is Chair of Programme Expert Group (PEG) for Digital covering Data, Quantum, Electromagnetics and Time at the National Physical Laboratory. She is a Visiting Professor in Engineering Design at the University of Leeds. She was previously Chair of the National Measurement and Regulation Office Steering Board. She is Past Master of the Worshipful Company of Engineers and Past President of the Institution of Mechanical Engineers.

**Chris Sellors** (deceased) was Managing Director of C W Sellors Fine Jewellery, a second-generation family business, having founded the company in 1979 with a focus on jewellery design and manufacture using British gemstones.

**Vanessa Sharp** is a solicitor, and an independent non-executive director of a number of private companies, chairing and/or participating in conduct, risk and governance, and audit committees. She is a Freeman of the Goldsmiths' Company and a member of its finance and risk committee. Vanessa is a trustee of the Charity Create Arts and a practising jeweller and silversmith.

#### **Assay Office Representatives (London):**

**Sir David Reddaway KCMG MBE** was Chief Executive and Clerk of the Goldsmiths' Company until 28 April 2023. His successor **Anne-Christina Warburton** has joined since the end of the accounting period, on 16 January 2024.

**Neil Carson OBE** was the Chairman of the Goldsmiths' Company Assay Office Management Board until 30 June 2023.

**Tom Franks** was appointed as Chairman of the Goldsmiths' Company Assay Office Management Board with effect from 18 July 2023.

#### **Assay Office Representative (Sheffield):**

**Charles Turner DL** is Chairman of the Sheffield Assay Office. He is Managing Director of Durham-Duplex, a machine knife, hand knife and industrial blade manufacturer. He also chairs "Made in Sheffield", which promotes Sheffield's manufacturing industries.

#### **Assay Office Representatives (Birmingham):**

**Russell Jeans** was Chairman of Birmingham Assay Office until January 2023 and has been replaced by **Simon Meddings** as Chairman of Birmingham Assay Office.

**Gary Wroe** is a Warden of the Birmingham Assay Office with over 30 years' experience working at Hockley Mint Ltd, a manufacturing jeweller. Gary is active on a number of boards to develop and promote the jewellery industry and is a Liveryman of the Worshipful Company of Goldsmiths.

#### **Assay Office Representative (Edinburgh):**

**Tom Murray** is Deacon of the Incorporation of Goldsmiths in Edinburgh. He is the founding director of Charityflow, a Trustee of the Scottish National War Memorial and is the Purse Bearer to the Lord High Commissioner.

#### **Co-Opted Members:**

**Matthew Sibley** is the Law Clerk to and on the Executive board of the Sheffield Assay Office, a solicitor and strategic business consultant in Sheffield, a charity trustee and a non-executive director.

**John Stirling** is Law Clerk to the Edinburgh Assay Office and a solicitor in Edinburgh.

**Assay Masters (entitled to attend but not members of the Council):**

**Will Evans** is General Manager of the London Assay Office.

**Douglas Henry** is Assay Master of the Birmingham Assay Office.

**Ashley Carson** is Assay Master at the Sheffield Assay Office.

**Scott Walter** is Assay Master at the Edinburgh Assay Office.

**The Office for Product and Safety Standards**

In addition, members of OPSS, the sponsor body, attended Council meetings.



## APPENDIX 1

### THE BRITISH HALLMARKING COUNCIL

#### MAXIMUM CHARGES

The following charges are the maximum charges fixed by the Council for assaying and hallmarking articles of precious metal:

	<b>Maximum £</b>
Platinum Platinum Articles (including Second Hand)	25.00
Gold Gold Articles (including Second Hand)	25.00
Palladium Palladium Articles (including Second Hand)	25.00
Silver Silver Articles (including Second Hand)	25.00

#### **Non-statutory services**

The Council does not set maximum prices for non-statutory services provided by the Assay Offices. For example, deep laser hallmarks, "Early Hall", "1 hr service", are subject to individual Assay Office's charges.

**APPENDIX 2**

NUMBERS OF ARTICLES DEALT WITH BY ALL THE ASSAY OFFICES FOR 2021, 2022 AND 2023

<b>QUARTER</b>	<b>ALL ARTICLES -1000 UNITS</b>			<b>GOLD ARTICLES -1000 UNITS</b>			<b>SILVER ARTICLES - 1000 UNITS</b>			<b>PLATINUM ARTICLES – SINGLE UNITS</b>			<b>PALLADIUM ARTICLES – SINGLE UNITS</b>		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
<i>FIRST</i>	1,783	2,600	1,242	770	1,005	560	927	1,502	638	85,136	92,381	44,058	1,032	601	779
<i>SECOND</i>	1,752	2,273	1,681	775	916	812	888	1,253	787	87,938	102,009	80,863	887	1,542	1,089
<i>THIRD</i>	2,282	2,612	2,481	932	1,058	1,095	1257	1,451	1,279	92,401	102,544	105,700	1,087	1,085	1,420
<i>FOURTH</i>	2,201	2,263	3,272	1,038	1,034	1,393	1073	1,139	1,767	89,268	89,330	111,359	1,063	710	1,135
<b>TOTAL</b>	8,018	9,748	8,676	3,515	4,013	3,860	4,145	5,345	4,471	354,743	386,264	341,980	4,069	3,938	4,423

**PERCENTAGE FIGURE FOR THE ABOVE TOTALS FOR EACH ASSAY OFFICE**

<b>OFFICE</b>	<b>ALL ARTICLES 2023</b>	<b>GOLD ARTICLES 2023</b>	<b>SILVER ARTICLES 2023</b>	<b>PLATINUM ARTICLES 2023</b>	<b>PALLADIUM ARTICLES 2023</b>
<i>London</i>	24.6	33.8	15.4	41.0	49.6
<i>Birmingham</i>	24.2	29.3	18.7	39.4	14.9
<i>Sheffield</i>	20.0	27.7	13.8	14.1	32.7
<i>Edinburgh</i>	31.2	9.2	52.1	5.5	2.8

## APPENDIX 3

**CONVENTION ON THE CONTROL & MARKING OF ARTICLES  
OF PRECIOUS METAL**

**UNITED KINGDOM  
YEAR TOTAL 2023**

	<b><i>GOLD</i></b>	<b><i>SILVER</i></b>	<b><i>PLATINUM</i></b>	<b><i>PALLADIUM</i></b>	<b><i>TOTALS</i></b>
<b><i>London</i></b>	570,662	334,667	71,860	1,753	978,942
<b><i>Birmingham</i></b>	277,270	268,757	47,193	65	593,285
<b><i>Sheffield</i></b>	562,405	368,374	13,766	429	944,974
<b><i>Edinburgh</i></b>	153,970	252,771	11,300	1	418,042
<b><i>TOTAL</i></b>	<b>1,564,307</b>	<b>1,224,569</b>	<b>144,119</b>	<b>2,248</b>	<b>2,935,243</b>

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE**  
for the year ended 31 December 2023

	Note	2023 £	2022 £
<b>Income</b>			
Income on Activities	5	100,065	86,556
<b>Expenditure</b>			
Operating Expenditure	6	(100,404)	(86,574)
<b>Net operating expenditure</b>		(339)	(18)
Interest receivable		339	18
Net expenditure for the year		-	-

**Statement of Changes in Taxpayers Equity**

	2023 £	2022 £
Balance at 1 January	-	-
Net expenditure	-	-
Balance at 31 December	-	-

The notes on pages 36-40 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION  
as at 31 December 2023**

	Note	2023 £	2022 £
<b>Current assets:</b>			
Trade and other receivables	7	7,325	9,210
Cash and cash equivalents	8	37,124	40,125
		<hr/>	<hr/>
Total current assets		<b>44,449</b>	<b>49,335</b>
<b>Current liabilities:</b>			
Trade and other payables	9	44,449	49,335
		<hr/>	<hr/>
Total current liabilities		<b>44,449</b>	<b>49,335</b>
Assets less liabilities		<hr/>	<hr/>
		-	-
Reserves		<hr/>	<hr/>
		-	-

The notes on pages 36-40 form part of these accounts.

The financial statements on pages 33-35 were approved by the Council on 25<sup>th</sup> April 2024 and were signed on its behalf by:

**Signed**

**Noel Hunter  
Accounting Officer  
25 September 2024**

**STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net operating cost		-	-
(Increase) / Decrease in trade and other receivables	7	1,885	420
Increase / (Decrease) in trade and other payables	9	(4,886)	11,636
		<hr/>	<hr/>
<b>Net cash inflow /(outflow) from operating activities</b>		<b>(3,001)</b>	<b>12,056</b>
		<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>(3,001)</b>	<b>12,056</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at the beginning of the period</b>	8	<b>40,125</b>	<b>28,069</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>	8	<b>37,124</b>	<b>40,125</b>
		<hr/>	<hr/>

The notes on pages 36-40 form part of these accounts.

## **NOTES TO THE BRITISH HALLMARKING ACCOUNTS**

### **1. PREPARATION OF ACCOUNTS**

The statement of accounts of the British Hallmarking Council has been prepared in a form directed by the Secretary of State with the consent of the Treasury in accordance with the Hallmarking Act 1973 (as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2003). This was set out in an Accounts Direction letter dated 21 January 2004 from the former Department of Trade and Industry which requires the annual accounts to show a true and fair view of the income and expenditure and cash flows for the financial year and the state of affairs at the year end and further requires the accounts to be prepared in accordance with the Government Financial Reporting Manual and other guidance which the Treasury may issue from time to time and any other specific disclosures required by the Secretary of State.

### **2. STATEMENT OF ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the 2023/24 Government Financial Reporting Manual (FReM) by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the British Hallmarking Council for the purpose of giving a true and fair view has been selected. The particular policies adopted by the British Hallmarking Council have been applied consistently in dealing with items that are considered material to the accounts.

#### **2.1 Account Convention**

These accounts have been prepared under the historical cost convention.

#### **2.2 Income**

The activities of the Council are funded by the Assay Offices. Charges are levied in proportion to the relevant sales of the Assay Offices in the previous financial year, net of any other income received, such as income from notices. Occasional amounts are also received for specific projects that aim to promote and safeguard hallmarking. The Council receives a small income from a non-Assay Office in relation to a contribution to the Touchstone Award, which takes place annually.

Revenue is recognised when the Council sets its budget for the forthcoming year and the Council receives the prior year's hallmarking income figures for each Assay Office. Each Assay Office is then allocated a corresponding percentage of the budget as its contribution to the Council for the following year. This is payable in twelve monthly instalments as agreed with the Assay Offices the Council has agreed to invoice monthly, with 30 days terms attached.

## 2.3 VAT

Expenditure is recognised net of recoverable Value Added Tax. Amounts due to, or from HM Revenue and Customs in respect of VAT are included in payables, or receivables within the statement of financial position.

## 2.4 Financial Instruments

### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank, which is available for immediate withdrawal.

### *Trade and other receivables*

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less any allowance for irrecoverable amounts.

### *Trade and other payables*

Trade and other payables are measured at amortised cost, which equates to nominal value.

### *Financial income and financial expense*

Financial income/expense is recognised in the Statement of Comprehensive Net Expenditure on an accruals basis.

The Council and Assay Offices have very low credit risk and there is no expected credit loss to recognise as at 31 December 2023.

## 3. ANALYSIS OF NET EXPENDITURE BY SEGMENT

Hallmarking is the Council's only segment of activity; as such financial results are as shown on the Statement of Comprehensive Net Expenditure.

## 4. STAFF NUMBERS AND RELATED COSTS

No staff were employed by the Council during 2023 (2022: Nil) (see Remuneration Report on page 19). Under the Hallmarking Act 1973 Schedule 4 paragraphs 20 and 21 the BHC may pay the Chair & Accounting Officer and Secretary such remuneration as they see fit. The Chair & Accounting Officer and Secretary are now paid via a payroll operated for the BHC but are not employees of the Council. No pension payments were made to either the Chair & Accounting Officer or Secretary.



## 5. INCOME

Income is analysed as follows:-

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Contributions from Assay Offices:-		
Birmingham	21,916	21,232
Edinburgh	31,289	21,194
London	27,459	25,695
Sheffield	18,401	17,435
Contributions from National Association of Jewellers:-		
Touchstone Award	1,000	1,000
	<b>100,065</b>	<b>86,556</b>

The contribution shown from the National Association of Jewellers was in relation to the Touchstone Award for Trading Standards, which occurs annually. This is a prestigious award funded by the Assay Offices in collaboration with the National Association of Jewellers which recognises innovative activity in relation to hallmarking enforcement, education or information.

## 6. OPERATING EXPENDITURE

	2023	2022
	£	£
Chair & Accounting Officer's remuneration & Employer NIC	21,505	21,593
Chair & Accounting Officer's expenses	2,190	772
Council members' expenses	4,211	1,173
Audit fee	6,000	4,000
Legal and Secretarial costs and expenses	50,261	40,551
HALO awards & marketing	1,680	4,256
Other professional charges	6,655	10,672
Other expenses	7,902	3,557
	<b>100,404</b>	<b>86,574</b>

Shakespeare Martineau LLP have provided legal, secretarial and accounting services to the Council since its formation on terms agreed from time to time. During the year, Shakespeare Martineau LLP were engaged to provide book-keeping services for £3,850 (2022: £3,850), and to provide accounts preparation services

for £2,150 (2022: £2,150). During 2023 a Secretariat was in operation, with Susan Green providing secretarial services as an external contractor.

Save for the Chair & Accounting Officer's remuneration, and an allowance of £75 per hour paid to the members of the sub-Offices' Applications Committee, no payments are made to Council members in respect of their time, although they are reimbursed for their travelling expenses.

## 7. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade Receivables	6,338	8,444
Prepayments	987	766
	<b>7,325</b>	<b>9,210</b>

Under IFRS 9, trade and other receivables are measured at amortised cost. In line with the FReM, the simplified approach will be adopted and any loss allowances will be recognised at an amount equal to expected lifetime credit losses.

As at 31 December 2023, the December invoices had only recently been issued and had not been settled. It is confirmed that as at the date of signature of the Annual Report and Accounts the full trade receivables outstanding as at 31 December 2023 have been settled in full.

## 8. CASH AND CASH EQUIVALENTS

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance at 1 January	40,125	28,069
Net change in cash and cash equivalent balances	(3,001)	12,056
	<b>37,124</b>	<b>40,125</b>
Balance at 31 December	37,124	40,125
The following balances at 31 December were held at Lloyds Bank Plc	37,124	40,125

## 9. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2023 £	2022 £
<b>Trade payables amounts falling due within one year:</b>		
Trade payables	30,335	35,038
Other payables	9,096	8,754
VAT, other taxation and social security	5,018	5,543
	<b>44,449</b>	<b>49,335</b>

Trade and other payables are recognised in the period in which related money, goods or services are received or when a legally enforceable claim against the Council is established, or when the corresponding assets or expenses are recognised.

Of the £30,335 trade payables, the amount due to be credited back to the Assay Offices is £30,335 (2022: £35,315).

## 10. RELATED-PARTY TRANSACTIONS

The Council recharges expenditure in-year to the four Assay Offices. The total recharge income due from each Assay Office is based on the office's share of total assay office turnover multiplied by expenditure (less interest income), the amounts of these transactions are disclosed in note 5. The Chair is paid an honorarium by the Council, as set out in the Remuneration Report on page 19.

## 11. EVENTS AFTER THE REPORTING PERIOD

In accordance with the requirements of IAS 10 "Events after the reporting period", post Statement of Financial Position events are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the same date as the date of the Certificate and Report of the Comptroller and Auditor General.

There are two events for reporting after the period. The first is regarding legal advice received in March 2024 that the newly appointed Secretary should be regarded as an employee of Council. The new contractual terms for the Secretary now include provision for sick pay, rolled-up holiday pay, termination notice and pension provision. The Council will be introducing HR policies to support the Secretary's role as an employee, and the ARA for the next reporting period will reflect these changes and include a fair pay statement.

The second event was the resolution of the fee query with the NAO regarding full cost recovery of the Council's audit fee, which was outstanding at the time of this report. The conclusion of discussions has seen an agreement to stage full cost recovery, which resulted in an uplift to the 2023 fee from £4000 to £6000.

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