



THE ROYAL MINT®

THE ORIGINAL MAKER

Royal Mint Trading Fund

ANNUAL REPORT AND ACCOUNTS 2024-25

Presented to Parliament pursuant to section 4(6) of the Government Trading Funds Act 1973
as amended by the Government Trading Act 1990

Ordered by the House of Commons to be printed on 29 September 2025

HC 1016



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Annual Report and Accounts 2024–25

ROYAL MINT TRADING FUND

Royal Mint Trading Fund Accounting Officer is Sean Jones

THE ROYAL MINT LIMITED DIRECTORS

Chris Walton*

CHAIR OF THE BOARD

Anne Jessopp

CHIEF EXECUTIVE

Michael Davies

CHIEF FINANCIAL OFFICER

Nicola Howell

CHIEF COMMERCIAL OFFICER

Kate Barnett*

William Spencer*

Matthew Woolsey*

Lisa Montague*

Andrew Butterworth*

An Executive Director of UK Government Investments, representing the Royal Mint Trading Fund and HM Treasury as shareholder and appointed to the Board via the Nominations Committee.

*Non-Executive Directors

COMPANY SECRETARY

Christopher Inson

EXECUTIVE MANAGEMENT TEAM

Anne Jessopp

CHIEF EXECUTIVE

Michael Davies

CHIEF FINANCIAL OFFICER

Nicola Howell

CHIEF COMMERCIAL OFFICER

Leighton John

DIRECTOR OF OPERATIONS

Amanda Brady

CHIEF PEOPLE OFFICER

Sean Millard

CHIEF GROWTH OFFICER

THE ROYAL MINT MUSEUM AND ROYAL MINT MUSEUM SERVICES LIMITED DIRECTORS

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STATUTORY AUDITOR TO THE ROYAL MINT TRADING FUND

Comptroller and Auditor General

STATUTORY AUDITOR TO THE ROYAL MINT LIMITED AND THE ROYAL MINT MUSEUM GROUP

Grant Thornton UK LLP

INTERNAL AUDITOR TO THE ROYAL MINT LIMITED

KPMG LLP

The Accounts of the Royal Mint Trading Fund at 31 March 2025, together with the Certificate and Report of the Comptroller and Auditor General thereon, are prepared pursuant to section 4 (6) of the Government Trading Funds Act 1973. In continuation of House of Commons Paper No 1244 of 2017-18. Presented pursuant to Act 1973, c.63, s.4 (6).

HC 1016



The Royal Mint Limited

CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Company registration number: 6964873

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Accounting Officer's Statement

In my capacity as the Treasury's Director for Companies and Economic Security, I continue to serve as Accounting Officer for the Royal Mint Trading Fund. This report covers the operations of The Royal Mint Limited ('The Royal Mint'), the Royal Mint Museum ('the Museum'), and their subsidiaries, with these accounts consolidating their financial statements within the Trading Fund ('the Group').

The Royal Mint Trading Fund faced a challenging year in 2024–25, generating post-tax losses of £36.3 million. A significant proportion of this result relates to exceptional costs within The Royal Mint (£31.7 million), including ceasing the production of overseas circulating coins (£25.4 million) and the implementation of a right-sizing initiative (£6.1 million). It also reflects the tough trading conditions and ever-changing market landscape The Royal Mint continues to operate in, shaped by rising gold prices, volatile metal leasing rates and large shifts in consumer behaviour.

In the face of these challenges, the business has continued to pursue an ambitious transformation plan. This year marks the official launch of the innovative Precious Metals Recovery (PMR) plant, which extracts gold from electronic waste and has processed more than 1,500 tonnes of e-waste. The focus is now on the optimisation of equipment and processes, and ensuring the PMR plant generates long-term profitability. In time, this is intended to provide a more sustainable source of precious metals for the organisation.

The Royal Mint also made an equity investment of approximately 8% in its PMR partner, Excir Works Corporation (Excir), in support of its commitment to growth and innovation. This partnership underpins future plans to expand the PMR business and reinforces The Royal Mint's position as a leader in the field.

The luxury jewellery line 886 by The Royal Mint also continues to garner recognition, including a collaboration with designer Stella McCartney and a feature on the cover of British *Vogue*. This reflects

the Group's action to diversify and refine its brand to reach new customers and markets and preserve its heritage.

These steps mark important actions in the Group's transformation strategy. While I am pleased a number of staff continue to be redeployed into new areas of the organisation, I recognise the business has needed to right-size to ensure it is aligned to current and future business needs.

Amidst these new business ventures, The Royal Mint's core mission remains the assurance of an adequate supply of circulating UK coinage. In addition to fulfilling this primary function, The Royal Mint has produced a range of commemorative coins, including those celebrating *The Gruffalo's Child*, honouring Paul McCartney, and marking the 80th anniversary of D-Day. All Ministerial targets for the delivery of UK circulating and commemorative coins were achieved, as was the target for The Royal Mint to contribute an average of £4.2 million Economic Value Added ('EVA') over the past three years.

During the year, the Economic Secretary to the Treasury appointed Chris Walton as Chair of the Board. He joins the organisation at a pivotal stage in its transformation journey and will utilise his extensive experience to support the business as it works towards a more sustainable and profitable future. I look forward to working with him in achieving this. I would also like to thank Graham Love, as previous Chair, for excellently supporting The Royal Mint through the last six years.

The Royal Mint Museum has continued to make progress in achieving its charitable objectives, engaging over 3,800 students in education programmes, including Science, Technology, Engineering and Maths (STEM) initiatives aimed at encouraging female participation. The Museum's online coin collection records have more than doubled to 13,833, adding 5,178 new coin and medal images showcasing the international scope of the collection. This involved joining the Museum Data Service to enhance digital accessibility and reach new audiences.

The year ahead will be important as the Group builds on its new foundations and continues to evolve into new business areas. I look forward to seeing where the next stage takes The Royal Mint, as it strives to return to profitability at the earliest opportunity.

Sean Jones
ACCOUNTING OFFICER
25 July 2025

¹ Adjusted operating profit is the operating profit before adjusting for the impact of new businesses, IFRS 9-related items and exceptional items.



“

All Ministerial targets for the delivery of UK circulating and commemorative coins were achieved, as was the target for The Royal Mint to contribute an average of £4.2 million EVA ('Economic Value Added') over the past three years.

SEAN JONES, ACCOUNTING OFFICER

Report of the Chief Executive of The Royal Mint Limited

The Royal Mint is transforming. Over the last five years, we have diversified our business to forge a new, more sustainable future, ensuring that our 1,100-year-old organisation thrives for generations to come.



As cash use has evolved, so have we. During 2024–25, we took further significant steps in our transformation journey.

A CHALLENGING YEAR

We have reported a loss after tax of £(36.4)m for the year (2023–24: £(4.5)m). Whilst this result is disappointing, a significant proportion of this relates to exceptional costs associated with our decision to exit the overseas currency market and cease production of circulating coins for customers outside the United Kingdom, which was a necessary step in reshaping our business for the future.

Towards the end of this financial year, it was evident that we needed to make more changes to secure our future. We undertook a right-sizing initiative to simplify our ways of working and align our cost base with our strategic priorities.

Both of these business decisions were not made lightly and, whilst they have had a material short-term financial impact, they have enabled us to focus on areas where we see sustainable growth and long-term value potential.

We have and will continue to face an ever-changing market landscape. Rising gold prices and metal leasing rates, changing customer demand and increasing business costs over the last 12 months, accelerated our need to review and redefine our organisation.

In the last year, our Commemorative Coin and Collector Services businesses were directly impacted by these challenges. To streamline operations and position us for future growth, we have now merged these businesses to create our new Collect division, which will report its combined financial performance in the next financial year, 2025–26.

Sufficient stock of UK circulating coins across our banks and post offices meant that, for the first time, we received no UK coin orders from His Majesty's Treasury ('HM Treasury'). However, producing the UK's coinage remains at our core, and we will continue to support demand as required.

NEW INNOVATIONS AND OPPORTUNITIES

These challenges have also opened new avenues for innovation and growth. Using our capabilities rooted in British craftsmanship and sustainable precious metals, we have transferred skills and played a role in bringing new industries to south Wales, and the UK more broadly. I am proud of the dedication of our employees and their understanding of our future vision for The Royal Mint, many of whom have adapted to new roles and have fully embraced our transformation.

We celebrated the official launch of our pioneering Precious Metals Recovery facility, which uses world-first technology from our partner Excir to extract gold from e-waste. The gold we have recovered so far has been used across our luxury jewellery range, 886 by The Royal Mint, and showcased on the runway of Paris Fashion Week through a collaboration with Stella McCartney.



We believe in the future of The Royal Mint, driven by high performance, sustainable growth, and a culture where every individual is valued, inspired and empowered to reach their full potential.



Since then, we have strengthened our partnership with Excir, making ~8% equity investment in the Company to expand the Precious Metals Recovery business.

Our Precious Metals Investment business continues to grow, and I am delighted that 26% of our investment customers identify as women, which has increased from just 8% in 2018. There is still work to be done, but we are committed to helping close the gender investment gap – something we have demonstrated in our partnerships with Female Invest and leading financial content creators.

We also saw new product innovations in the form of a sixpence made entirely from X-ray silver. Our reclaimed and recovered X-ray silver and e-waste gold was also used to create bespoke plectrums for Paul McCartney, in celebration of his induction to our Music Legends Collection.

We delighted coin collectors as the first £1 coin bearing His Majesty King Charles III's official coinage portrait entered circulation, and the definitive 50p coin featuring the Atlantic Salmon design was crowned the rarest 50p coin in circulation.

A CLEAR VISION FOR THE FUTURE

I am proud to lead The Royal Mint through the next stage of our transformation. Over the next three years, we will focus on evolving our culture, improving the technology we use, and improving our customer experience, all whilst ensuring our cost structure supports a sustainable and successful future.

We have redefined our vision to 'being recognised globally as the trusted leader in precious metals, pioneering sustainability', and we will be launching a new People Promise and Customer Promise in the new financial year to align this vision with the needs of our people and customers.

I am delighted to welcome Chris Walton, our new Non-Executive Chair of the Board, who has joined us during this pivotal time for The Royal Mint. I would also like to extend my gratitude to Graham Love for his support over the last six years.

Driven by high performance, sustainable growth, and a culture where every individual is valued, inspired and empowered to reach their full potential, we believe in the future of The Royal Mint.

Anne Jessopp
CHIEF EXECUTIVE

Performance Report

FOR THE YEAR ENDED 31 MARCH 2025

This section encompasses the required areas of the Overview and Performance Analysis sections and the Directors' Report.

Activities

ROYAL MINT TRADING FUND

Under the Royal Mint Trading Fund Order (and the Extension and Variation) and the Coinage Act 1971, the Royal Mint Trading Fund's operations include:

- the manufacture and supply of coins, medals, seals, gifts/collectable items (other than coins) and similar articles; and
- any operation incidental or conducive to such manufacture or supply.

As described below, the Royal Mint Trading Fund's activities are primarily delivered through two subsidiary companies, The Royal Mint Limited and the Royal Mint Museum. As set out in these accounts, there is some inter-company trading between the Royal Mint Museum and The Royal Mint Limited.

Otherwise, all trading is undertaken by The Royal Mint Limited. The Royal Mint Limited owns 100% of RM Assets Limited, RM Experience Limited, Precious Metals Recycling Limited and RM Wynt Limited and has a 23.4% interest in Sovereign Rarities Limited.

The manufacture, marketing and distribution activities of The Royal Mint Limited are predominately based at one site in Llantrisant, south Wales, with some smaller selling and distribution operations located elsewhere to better support our customers.

THE ROYAL MINT LIMITED COMPANY

The Royal Mint Limited operates as a portfolio business, with five main business segments: Precious Metals Investments, Consumer, Precious Metals Recovery (PMR), Lifestyle and Currency. The Consumer portfolio includes the following segments: Commemorative Coin, Collector Services and The Royal Mint Experience (RME), whilst our gold-backed Exchange Traded Commodities (ETCs) are included within Precious Metals Investments.

THE ROYAL MINT MUSEUM

The principal activity of the Royal Mint Museum is the advancement of education of the public in the history of coinage and related artefacts and of the activities of The Royal Mint.

Structure

The Chancellor of the Exchequer is the Master of the Mint. The Royal Mint Trading Fund was established on 1 April 1975, in accordance with the Royal Mint Trading Fund Order 1975 (S.I. 1975 No. 501) and from 1 April 2002, the Royal Mint Trading Fund (Extension and Variation) (Amendment) Order 2024 No. 1094, both made under the Government Trading Funds Act 1973. As a trading fund, The Royal Mint operates on commercial lines and is required under Section 4(i) of the Government Trading Funds Act 1973 to 'manage the funded operations so that the turnover of the fund is not less than sufficient, taking one year with another, to meet outgoings which are properly chargeable to turnover'. In practice, this statutory requirement is generally taken to mean that whilst the Royal Mint Trading Fund is permitted to record an operating loss in any one financial year, this loss should be made good in subsequent years so that financial break-even is achieved.

On 1 April 1990, the Royal Mint Trading Fund became an Executive Agency under the initiative announced by the then Prime Minister in February 1988. On 31 December 2009, the trading assets and liabilities of the Royal Mint Trading Fund were vested into a subsidiary company called The Royal Mint Limited. HM Treasury remains 100% owner of the shares of The Royal Mint Limited through the Trading Fund. All assets of a historical nature were vested into a separate company, the Royal Mint Museum, limited by guarantee. The objective of the Royal Mint Museum, of which HM Treasury is the sole member, is to preserve, protect and enhance the heritage assets for future generations.

OPERATING AND FINANCIAL REVIEW

Overall revenue decreased to £1.3 billion (2023–24: £1.4 billion), due to reductions in both Consumer and Currency segments, which also contributed to a reduction in operating result before accounting for the impact of IFRS (International Financial Reporting Standard) 9-related items and exceptional items, being a loss of £15.2 million (2023–24: profit of £4.5 million). The performance of each individual business segment is discussed in more detail on the following pages.

Capital expenditure of £12.9 million (2023–24: £13.7 million) reflected our continued investment in the future, mainly across the following areas:

- the continued investment in our multi-million-pound facility to recover precious metals from electronic waste, which was commissioned during the year;
- the development of new technology to recover gold and other precious metals from e-waste in our PMR business; and
- the development and implementation costs for a new enterprise resource planning system as part of a phased implementation across the whole business in 2026–27.

Net assets decreased by £33.0 million to £119.5 million. The decrease has resulted from a loss after tax of £36.3 million relating to 2024–25 performance; this has been partially offset by a £3.2 million revaluation uplift and hedging gains of £0.1 million.

SUMMARY FINANCIAL RESULTS

	2024–25	2023–24 (restated)*
	£m	£m
Revenue		
Currency	30.3	65.6
Consumer	97.5	135.8
Precious Metals Investments	1,184.4	1,150.1
Precious Metals Recovery	0.9	-
Other	2.3	1.0
Total revenue	1,315.4	1,352.5
Operating (loss)/profit		
Currency	(9.3)	(10.8)
Consumer	8.7	25.6
Precious Metals Investments	15.7	20.3
Precious Metals Recovery	(5.3)	(4.9)
Other new businesses	(3.6)	(3.7)
Central overheads	(21.4)	(22.1)
RM Experience	-	0.1
Adjusted Operating profit	(15.2)	4.5
IFRS 9-related adjustments (note 5)	(0.3)	(0.2)
Exceptional items (note 5)	(31.7)	(6.2)
Operating (loss)/profit	(47.2)	(1.9)
Share of associate	0.2	0.2
Net finance cost	(2.8)	(3.0)
Taxation	13.5	0.4
(Loss)/profit before tax	(36.3)	(4.3)

* 2023–24 amounts relating to IFRS 9 adjustments have been restated.

Further information is provided in the financial statements.

Precious Metals Investments

The Precious Metals Investment segment, including Physical Gold Exchange Traded Commodities (ETCs), is reported independently from the wider Consumer portfolio of businesses due to its significance.

The business offers a range of precious metals investment products and services for individuals and businesses. September 2024 marked ten years of The Royal Mint selling bullion directly to consumers at live metal prices. The business continues to expand its global market share in physical and digital bullion investment products, and, during the financial year, the business delivered an operating profit before allocation of central costs of £15.7 million (2023–24: £20.3 million). Profitability was affected by a slowdown of silver sales in the US market, driven by a surplus of bullion.

Highlights

- ETC partner HANetf launched two new currency-hedged gold ETCs and closed the financial year with more than \$1.3bn in Assets Under Management across all ETC products from The Royal Mint;
- Online sales of bullion coins reached record revenues for three consecutive quarters; and
- The Royal Mint had the largest bullion coin market share of any major mint in Europe across gold, silver and platinum.

Consumer

The Consumer portfolio of businesses operates in the UK and internationally. It comprises Commemorative Coin, Collector Services and The Royal Mint Experience.

Its principal activities include:

- the design, manufacture, marketing and distribution of commemorative coins and medals;
- the operation of an award-winning, purpose-built visitor attraction;
- an authentication and valuation service for pre-decimal coins; and
- the marketing of rare and unique historic coins and associated services.

The Consumer business achieved an operating profit before allocation of central costs of £8.7 million (2023–24: £25.6 million) and delivered an overall improvement in its customer Net Promoter Score (NPS), ending with a +76 achievement (2023–24: +69).

The business faced tough trading conditions as record gold prices, coupled with higher living costs, affected customer purse share. Following several years of significant royal events, the market also suffered from collector ‘fatigue’, which impacted sales. The business is now focused on maintaining the appeal of coin collecting through lower mintages and attracting new customers through popular culture themes that engage national and international collectors.

HIGHLIGHTS

- *Commemorative Coin, including The Royal Mint Experience*
 - Achieved record sales of commemorative coins in North America, demonstrating the global appeal of British coins;
 - Released an official UK collectable 50p coin in support of TeamGB and ParalympicsGB at the Paris 2024 Olympic and Paralympic Games. All athletes received the 50p as a 'good luck' token in their kit bags;
 - 52,851 visitors to The Royal Mint Experience, which won four awards, including Group Leisure Travel 2024 Best Guided Tour, Visit Wales VAQAS Gold Status and SE Wales Tourism Awards Best Event
 - Won Tripadvisor Travellers' Choice Awards in the top 10% for fifth year in a row and achieved a year-end Tripadvisor score of 4.6.
- *Collector Services*
 - Sold more than 6,000 historic pieces marking the 80th anniversary of D-Day;
 - Engaged and supported more than 20,000 individual customers across 70 countries, providing services including the consignment of pre-decimal coins; and
 - Delivered a broad and dynamic product portfolio, offering more than 2,000 unique collectable items.

Precious Metals Recovery (PMR)

The Precious Metals Recovery (PMR) business has been developed to provide a more sustainable source of gold and other precious metals across The Royal Mint's portfolio of businesses.

In 2024, The Royal Mint's pioneering PMR facility reached final commissioning stages, officially launching in August. The facility provides high-quality gold for luxury jewellery range 886 by The Royal Mint, 'mined' from e-waste, using patented technology from Canadian clean-tech partner Excir.

As optimisation of the facility continued, the business delivered a total operating loss before allocation of central costs of £(5.3) million (2023–24: (£4.9) million).

HIGHLIGHTS OF THE YEAR

- Officially launched the new PMR facility at The Royal Mint's manufacturing site in Llantrisant, achieving global media coverage and a feature in *The New York Times*;
- Processed ~1,500 tonnes of circuit boards to generate high-quality gold for 886 by The Royal Mint core jewellery range, onboarding 110 suppliers of end-of-life technology; and
- Made an equity investment in partner Excir Works Corporation, aligning both companies' interests in future plans for the business.

Lifestyle

The Lifestyle segment was established as a new venture. It is spearheaded by sustainable, luxury jewellery brand '886 by The Royal Mint', whilst also supplying private label precious metal products to a wide range of industries including automobile, fashion, jewellery and sport.

Due to its infancy, the Lifestyle segment has not been reported in the notes to the financial statements due to its immateriality.

HIGHLIGHTS

- Collaborated with renowned fashion designer Stella McCartney for her Paris Fashion Week showcase. Bespoke pieces were made by The Royal Mint's expert craftspeople and jewellers using e-waste gold from the PMR facility;
- 886 expanded its retail presence internationally, including a pop-up in Selfridges London and within the landmark Royal Warrant Holder Fortnum & Masons; and
- 886 won Best Sustainable Innovation in Jewellery at the Country & Town House Future Icons Awards and was commended for Best Zero Waste Initiative.

Currency

As global cash use continues to decline, The Royal Mint announced its decision to exit the overseas currency market and ceased production of circulating coins for overseas customers.

The Royal Mint continues to work closely with members of the wholesale cash distribution industry to understand changing demand for UK circulating coins. The Royal Mint retains the capability to manufacture UK circulating coins on behalf of HM Treasury as required and maintains a buffer stock of coins, ensuring it is able to meet industry demand.

Focus remains on cost control and delivering operational efficiency in the Currency segment, which delivered an overall loss before IFRS 9 and exceptional items and allocation of central costs of £(9.3) million, (2023–24: £(10.8) million). This loss includes the delivery of the final overseas coin supply.

This segment will continue to provide a flexible and efficient operation for the manufacture of UK coins for the foreseeable future.

HIGHLIGHTS OF THE YEAR

- Re-skilled and re-deployed 139 employees into new and growing business areas such as PMR and jewellery making;
- Issued the first £1 coin bearing the official coinage portrait of His Majesty The King into general circulation, with nearly 3 million sent to UK banks and post offices; and
- Announced the definitive 50p depicting the Atlantic Salmon as the rarest 50p coin in circulation.

Dividends

Based on the financial result for 2024–25 and the impact on distributable reserves of recognising the costs in stopping production of overseas coins, the Royal Mint Limited Board cannot propose paying a dividend in 2025–26. No dividends were paid during the year.

FINANCIAL RISK MANAGEMENT

The Royal Mint Group's risk priorities in 2024–25 were in the following areas:

- the impact of global, geopolitical and macroeconomic events;
- maintaining the attractiveness and appeal of coins to collectors;
- cyber and physical security;
- failure to attract and retain key people, whilst developing new skillsets and capabilities;
- maintaining The Royal Mint's position as a trusted and authentic brand;
- failure to meet environmental, social and governance (ESG) targets;
- failure to deliver business plans of new ventures;
- health, safety and environmental impacts;
- financial crime and fraud; and
- exposure to high and volatile lease rates.

The Royal Mint Group's overall risk management approach is highlighted within the Corporate Governance report.

The above risks are all managed by members of the Executive Management Team with actions in place to reduce the associated inherent risk to the risk appetite that has been assessed by the Board of Directors. Each risk is reviewed by the Board as a separate agenda item at least once a year.

Financial risk management

Derivative financial instruments

The Royal Mint Group operates a prudent hedging policy and uses various types of financial instruments to manage its exposure to market risks that arise from its business operations. The main risks continue to arise from movements in commodity metal prices and exchange rates.

Metal prices

The majority of the raw materials purchased by the Royal Mint Group are metals. Prices can be subject to significant volatility and The Royal Mint seeks to limit its commercial exposure to these risks.

Currency:

Non-ferrous metals: copper, nickel and zinc are all commodities traded on the London Metal Exchange ('LME'). The business largely avoids exposure to volatility through its hedging programme. Where possible, selling prices are determined based on the market prices of metals at the date a contract or order is accepted. We seek to hedge our exposure to subsequent movements in metal prices by securing forward contracts for the sourcing of metal at the same time as the selling price to the customer is fixed.

Ferrous metals: steel is procured using pricing based on six-month contracts to try to avoid volatility over the short-term. We are continually looking at alternative strategies to protect our longer-term position for this increasingly important commodity used in our business.

Consumer

Proof coins are manufactured for sale through The Royal Mints's various sales channels. Metal costs are secured by making quarterly commitments at agreed fixed prices. Selling prices are adjusted to reflect these costs, thereby minimising the impact of fluctuations in metal prices on future transactions and cash flows. The Commemorative Coin Divisional Director agrees the level of commitment and the risk is managed to ensure that our financial performance is not exposed to significant market fluctuations in metal prices.

Precious metals

Selling prices are quoted based on the prevailing market rates of the precious metals. They are specifically purchased to satisfy each wholesale order thereby avoiding exposure to risk on metal cost by the use of consignment arrangements to provide for inventory and work-in-progress requirements.

Premiums on many of our gold products are calculated as a percentage of the gold price, and as such are subject to fluctuation.

Foreign exchange

The Group minimises its exposure to exchange rate movements by making sales and purchases via sterling-denominated contracts wherever possible. Where this is not the case, the Group reduces exposure by using forward exchange contracts.

Effects of commodity hedging

Under IFRS 9, hedge accounting rules have been adopted where appropriate. The ineffective portion of the gain or loss on the hedging instrument (as defined under the accounting rules of IFRS 9) is recorded as 'Other gains/(losses)' in the Income Statement.

The objective of the Group's hedging policy is to mitigate the impact of movements in the price of metal commodities, where appropriate, over time. For accounting purposes, the impact is reflected in different accounting periods depending on the relevant ineffectiveness assessment under IFRS 9 rules. The accounting treatment in this area is therefore not necessarily a reflection of the economic impact of the Group's hedging policy but instead represents the respective accounting impact of hedging ineffectiveness under IFRS 9. The combined impact of this, together with open forward foreign currency exchange contracts, has been highlighted separately in the Income Statement. In 2024–25, the year-end impact was a loss of £(0.3) million (2023–24: £(0.2) million loss). Financial risk management disclosures are set out in note 24 to the financial statements.

RESEARCH AND DEVELOPMENT

In an increasingly competitive market, it is critical that we stand apart from our competitors. We have continued to develop our technological capabilities and will continue to focus on technologies that can support our business and reduce the environmental footprint of our operations.

CREDITOR PAYMENT POLICY

We always seek to comply with agreed terms and 88% of invoices (2023–24: 91%) were paid within the agreed period. We will continue to work with our suppliers and further develop our internal processes and systems in order to deliver further improvement in this measure.

ASSAY

In accordance with The Royal Mint Limited's responsibilities, as detailed in the Hallmarking Act 1973, a quality assessment was carried out by The Royal Mint Limited of the Assay Offices in London, Birmingham, Sheffield and Edinburgh. As a result of this year's assessment, it was established that the metal analysis methods (assaying) and procedures of the four offices met relevant criteria.

PEOPLE

Transformation

Our transformation journey continues across people, systems, and technology:

- Significant investment in our new Enterprise Resource Planning (ERP) and Human Resources Information System (HRIS) is driving a more intuitive and efficient colleague experience.
- We launched our artificial intelligence (AI) strategy with a two-day leaders' conference. Early stage, local AI projects are already underway, with enterprise-wide initiatives set to follow.

Employee engagement

As measured in our annual business continuity survey, employee engagement was lower than in previous years, consistent with an organisation going through a period of change. Our employee engagement strategy was made up of three main components:

- Internal communications – outwardly sharing information through monthly CEO briefings, intranet posts and fortnightly internal comms newsletter. Inwardly receiving employee feedback through suggestion box, emails, and polls and survey.
- Employee roadshows – biannual face-to-face CEO briefings with functions and teams to discuss performance and strategy.
- Themed events and activities – we continued to deliver meaningful initiatives aligned with our values:
 - Our Net-Zero Festival and Carbon Literacy training earned us Bronze Carbon Literate Organisation accreditation, with Silver now in progress.
 - 'Compliance Month' launched with strong engagement, promoting integrity and safety across the business.
 - Community initiatives, including our Christmas raffle and Charity Football Festival for corporate charities 2wish and Tÿ Hafan.

Learning and Development

We've made significant strides in manager development, leadership capability and talent readiness:

- The Management Framework, attended by 400 managers, earned Institute of Leadership and Management ('ILM') Assured status, with 97.6% ready to apply their learning within 3 months.
- Our leadership team engaged in Change and Risk training, with many facilitating modules themselves.
- We hit a record 97% completion in annual reviews, and 52% of critical leadership roles now have strong succession plans in place.

Wellbeing

Our colleagues' well-being remains a core priority:

- Expanded health screening and a new Virtual GP service have improved access to care.
- With over 60 trained Mental Health First Aiders and new well-being resources distributed, we're deepening our commitment to mental health support.

SAFETY, HEALTH AND ENVIRONMENT ('SHE')

Our reputation as a trusted and authentic organisation is underpinned by our unwavering commitment to Safety, Health and the Environment ('SHE').

As our organisation evolves, so too does our approach to SHE, ensuring we remain responsible, and forward-thinking in an ever-changing landscape.

Our vision is to be a resilient organisation, delivering near error-free operations even in environments where hazards and risks can be significant. Achieving this requires a deeply embedded culture where every individual takes ownership of their own safety and that of their colleagues. Our leaders actively assess emerging risks, champion continuous improvement, and drive meaningful change to safeguard our people and our environment.

As we diversify and modernise, we continue to reassess and refine our SHE systems to align with new operational realities. Compliance remains a cornerstone of our SHE strategy as we operate in accordance with all regulatory requirements.

The Royal Mint Museum

The Royal Mint Museum has continued to mature in its status as a separate charitable company and has made progress in achieving its charitable objectives.

EDUCATION AND LEARNING

- Engaged over 3,800 students through education programmes, including on-site workshops, virtual sessions and local outreach.
- Expanded educational partnerships and digital resources, including participation in STEM initiatives to encourage female participation, new online materials about King Charles III's coinage, and educational films that received over 17,000 views.
- Achieved record participation in the annual 'Coins and the Sea' short story competition with 1,221 entries (43.5% increase), whilst maintaining support for national numismatic organisations through Council memberships.

DIGITAL ENGAGEMENT

- Maintained strong online presence with 280,000 website visitors, 700,000+ page views, and over 16,000 social media followers across platforms, whilst the first season of the 'Coins and the Sea' podcast achieved 751 plays and accompanying web pages attracted more than 2,500 users.
- More than doubled the online coin collection records to 13,833 (from 6,288), adding 5,178 new coin and medal images that showcase the international scope of the collection, and joined the Museum Data Service to enhance digital accessibility and reach new audiences.
- Progressed website improvement work with OneFurther, developing new page templates to improve search engine optimisation.

COMMUNITY ENGAGEMENT

- The Reminiscence Box project achieved 309 new loans this year, surpassing 1,500 total loans since inception and reaching 1,140 different organisations across the UK, with updated content, including King Charles III definitive coins and maintaining a 9.1/10 satisfaction rating.
- Expanded public exhibitions with the 'Coins and the Sea' exhibition at the Royal Mint Experience, loaned 40 objects to the Ashmolean Museum's 'Money Talks' exhibition viewed by over 16,000 visitors, and created a special display of King Charles III's definitive coinage at the British Museum.
- Launched new initiatives including a Coins and the Sea Education Box for Scout groups developed in collaboration with the Mary Rose Trust and redesigned The Royal Mint Experience's tour.

COLLECTIONS MANAGEMENT

- Completed an intensive inventory project cataloguing all 12,284 medals, creating 8,958 new coin entries, and enhancing existing records, whilst improving storage with new medal cabinets.
- Accessioned 272 new items into the Museum collection from The Royal Mint and external sources.
- Conducted successful condition checks on Museum objects displayed at the Tower of London's Mint exhibition.

RESEARCH AND PUBLICATIONS

- Advanced the Museum's publication projects, with Graham Dyer's 'Curator's Choice' two-thirds typeset for Autumn 2025 release in partnership with the British Numismatic Society, whilst developing new research-driven online content to support the collections.
- Completed extensive research and recordings for the upcoming podcast series 'The Secret Life of Coins'.
- Handled 1,214 public enquiries (up 7.5% from previous year), maintaining service level agreements with average response times of three days for standard inquiries and 15 days for research-intensive requests, whilst authenticating 56 coins with an improved turnaround time of 35 days.

Directors

A list of current Directors of The Royal Mint Limited is shown on page 4. Andrew Mills, Graham Love and Shimi Shah resigned as Directors on 31 December 2024, 27 January 2025 and 30 June 2025 respectively. Michael Davies and Christopher Walton were appointed as Directors on 28 October 2024 and 27 January 2025 respectively.

Dr Andrew Burnett CBE was Chairman during the year but resigned on 12 June 2025. Lord Nicholas Ian MacPherson and Andrew Mills were Directors during the year but resigned on 13 June 2024 and 31 December 2024 respectively. Ms Amanda Brady was appointed as Director on 1 January 2025.

The senior manager of The Royal Mint Museum is seconded from The Royal Mint Limited.

None of the Directors have interests that conflict with their responsibilities.

Independent auditors

The Royal Mint Trading Fund's statutory auditor is the Comptroller and Auditor General. The external audit costs are set out in note 3 to the Accounts.

Every effort has been made to ensure that there is no relevant audit information of which the Royal Mint Trading Fund auditors are unaware. All the steps that ought to have been taken to make the auditors aware of any relevant audit information have been made.

Going concern

After making enquiries, including seeking assurances from the Directors of The Royal Mint Limited and the Directors of the Royal Mint Museum, the Accounting Officer has concluded that there is a reasonable expectation, based on the Group's budget and projections thereon, and taking into account reasonably possible changes in trading performances, the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Directors' third-party and pension scheme indemnity provision

As permitted by the Articles of Association, the Directors of The Royal Mint Limited have the benefit of an indemnity that is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Royal Mint Limited and Royal Mint Museum have purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors/Trustees.

Key Ministerial Targets

The Royal Mint Limited’s performance indicators are the key Ministerial targets, the details of which can be found in the following section of the report.

TARGET 1

Economic Value Added (EVA)

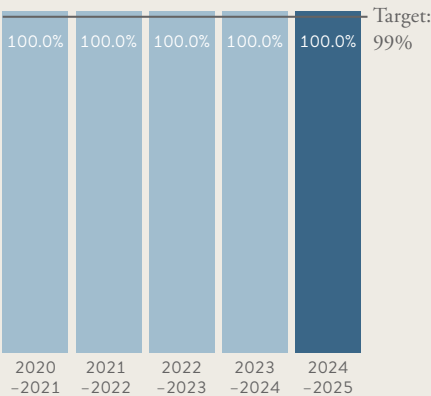
EVA is the performance metric for the Group, which is expressed as an absolute amount and calculated by reporting the amount of operating profit generated above the cost of capital. The cost of capital is calculated by multiplying the weighted average cost of capital by the average capital employed. The reported operating profit is modified to exclude IAS 19 Employee Benefits and adjustments related to IFRS 9 Financial Instruments as well as exceptional items and spend relating to investment areas that were pre-defined at the start of the year. This is measured on a three-year rolling basis, and the target increases by 5% per annum.

EVA for 2024–25 was £(10.7) million (2023–24: £10.3 million), resulting in a three-year average of £6.8 million, against an average Ministerial target of £4.2 million.

TARGET 2

UK Circulating Coin

Delivery of accepted orders from UK banks and post offices within 11 days. Actual performance during 2024–25 was 100% (2023–24: 100%) against a target of 99%.

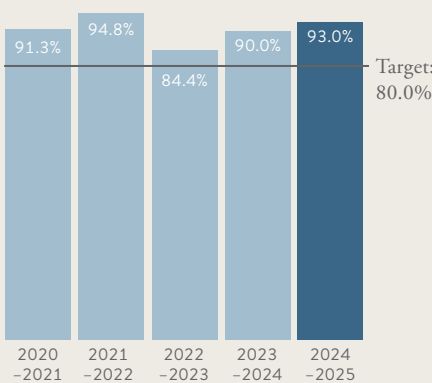


2024–25:
100%

TARGET 3

UK Consumer Coin

Delivery of orders to individual UK customers within three days, measured from the receipt of order or published due date. Actual performance during 2024–25 was 93% (2023–24: 90%) against a target of 80%.

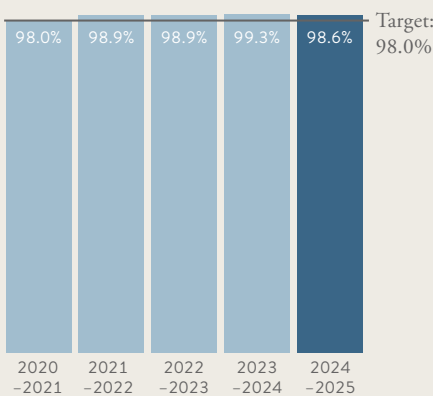


2024–25:
93.0%

TARGET 4

Medals

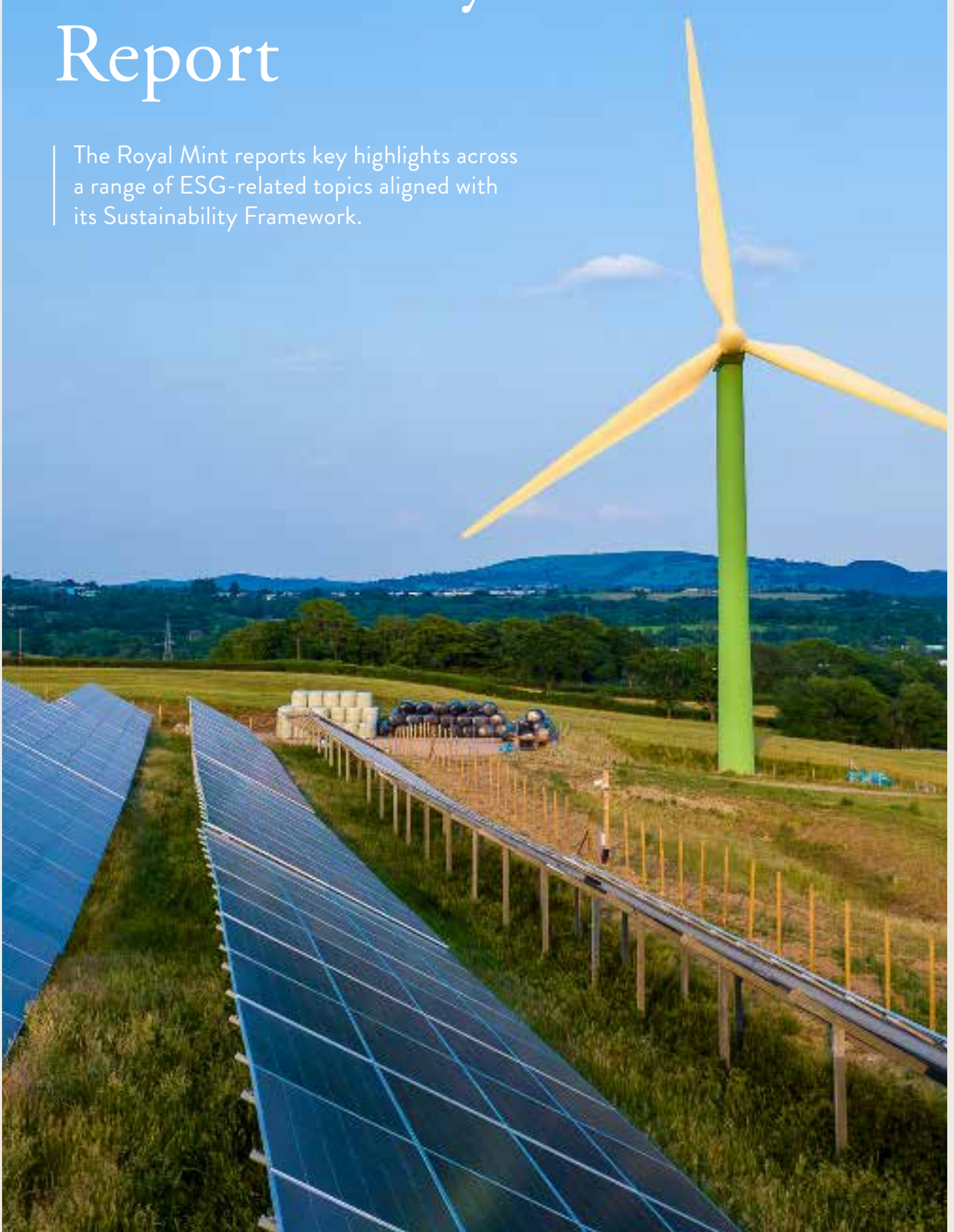
Orders delivered by the agreed delivery date. Actual performance during 2024–25 was 98.6% (2023–24: 99.3%) against a target of 98%.



2024–25:
98.6%

Sustainability Report

The Royal Mint reports key highlights across a range of ESG-related topics aligned with its Sustainability Framework.



Overview

This is the second year of reporting on climate-related financial disclosures, closely aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This information includes that required for the non-financial and sustainability information statement under the Companies Act 2006 and associated regulations. It is also the second year of reporting progress towards the organisation's net-zero targets, which were validated by the Science Based Target initiative (SBTi) in August 2023.

The Royal Mint also meets statutory reporting requirements in accordance with the Streamlined Energy and Carbon Reporting Regulation (SECR).



“Our Sustainability Report provides a snapshot of our key ESG activities throughout 2024–25. We are proud of our achievements in what has been a challenging commercial environment. Our Net Zero Programme remains a critical part of our business transformation and we’re continually looking to deliver decarbonisation initiatives that support our strategic goals. We also continue to invest in activities and programmes that support our broader sustainability commitments related to British craftsmanship, community engagement, and staff training and skills excellence – to name just a few.”

ANNE JESSOPP, CHIEF EXECUTIVE

Sustainability Framework

The Royal Mint's Sustainability Framework is built around four pillars: A Sustainable Future, Enhancing our Community, A Great Place to Work and Integrated ESG.



A Sustainable Future

Developing innovative solutions in the precious metals industry to support a circular economy, lower our carbon footprint and drive responsible sourcing practices, with a focus on:

- net-zero carbon;
- circular economy;
- product and packaging development;
- resource management; and
- responsible sourcing.



Enhancing Our Community

Reviving and showcasing British skills, craftsmanship and education in the precious metals industry, as the original maker, and proudly supporting our local and wider communities with a focus on:

- British craftsmanship;
- sustained employment;
- skills, education and aspirations; and
- community engagement.



A Great Place to Work

Creating an exceptional, future-focused environment for our teams, valuing diversity, and collaborating to provide sustainable employment and a great place to work, with a focus on:

- employee engagement;
- diversity and inclusion;
- health and well-being; and
- training and skills excellence.



Integrated ESG

Ensuring ESG topics are at the core of everything we do, driving ourselves to make a measurable difference every year, with a focus on:

- ESG governance and reporting;
- ESG upskilling and ownership;
- management systems;
- business ethics; and
- industry collaboration and leadership.

A Sustainable Future

We are committed to developing innovative solutions in the precious metals industry to support a circular economy, lower our carbon footprint and drive responsible sourcing practices.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:



HIGHLIGHTS

- Formally launched our pioneering PMR facility, in partnership with Excir, to recover precious metals from e-waste.
- Achieved 93% (2023–24: 89%) compliance with our Responsible Sourcing Policy amongst strategic suppliers and 64% (2023–24: 56%) amongst key suppliers. Continued supplier engagement via Sedex and hosted our second Responsible Sourcing Workshop to advance ESG goals.
- Partnered with Emitwise to support 57 key suppliers in improving greenhouse gas (GHG) reporting and Scope 3 emissions data quality.
- Completed research with the University of Hull and PDR (a design consultancy and applied research facility of Cardiff Metropolitan University) to identify sustainable alternatives and streamline coin capsule designs.
- Hosted a regional net-zero event with Net Zero Industry Wales and explored the potential of a local Clean Growth Hub.
- Linked infrastructure with neighbouring site FEI Foods to improve efficiency and supply low-carbon electricity via our Local Energy Centre.
- Began a multi-year partnership with Axil to boost recycling and waste recovery across operations.





Enhancing our Community

We are committed to reviving and showcasing British skills, craftsmanship and education in the precious metals industry and proudly supporting our local and wider communities.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:



HIGHLIGHTS

- Continued our partnership with Heritage Crafts, awarding four bursaries to emerging precious metal artisans and sponsoring the annual Heritage Crafts Awards to support endangered UK crafts.
- Announced the winner of The Royal Mint Museum's short story competition, with a record number of UK primary school entries.
- Hosted a Girls in STEM Day for Newbridge School students, featuring career talks, site tours, and interactive workshops to inspire future talent in science and engineering.
- Welcomed five Cardiff University students for sustainability-themed insight placements, aligned with their academic disciplines.
- Introduced our 'Give A Day' Hub to empower employees to use their volunteering leave to support official charity partners or causes close to their hearts.

A Great Place to Work

Valuing diversity, collaborating to provide sustainable employment and a great place to work, we are committed to creating an exceptional future-focused environment for our teams.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:



HIGHLIGHTS

- Expanded access to diverse learning opportunities – both online and in-person – empowering colleagues to build their skills and careers.
- Partnered with Inclusive Employers for workshops on neurodiversity, disability inclusion, psychological safety, and inclusive leadership.
- Shared parental policies during World Breastfeeding Week and marked National Inclusion Week with learning sessions.
- Continued listening to our workforce through the Best Companies Index survey, alongside regular pulse checks and focus groups.





Integrated ESG

Driving ourselves to make a measurable difference every year, we aim to ensure environment, social and governance topics are at the core of everything we do.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:



HIGHLIGHTS OF THE YEAR

- Continued compliance with ISO standards across Energy (50001), Environment (14001), Quality (9001), Occupational Health & Safety (45001), and Information Security (27001).
- For the second year, our net-zero methodology, data, and calculations underwent independent third-party verification by ClimatePartner.
- Contributed to global forums and working groups, including the International Mint Directors Association Sustainability Sub-Committee, the Organisation for Economic Co-operation and Development (OECD)

Forum on Responsible Mineral Supply Chains, and ISO draft standards development.

- Launched a Packaging Change Advisory Board (PCAB) as part of our Net Zero Programme to accelerate and oversee sustainable packaging decisions.
- Embedded a new system to better monitor and report changes in our risk profile to senior leadership and governance committees.

Accreditations, Memberships, and Other Affiliations

We are proud to hold a number of external certifications, memberships and partnerships that reflect our values and help meet our business ambitions.

DURING THE FINANCIAL YEAR, WE:

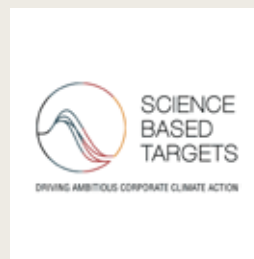
- maintained external certification for our ISO-compliant management systems related to environmental, energy, quality, occupational health and safety, and information security management;
- retained our membership to the London Bullion Market Association, whilst also joining the Singapore Bullion Market Association, and continuing our involvement with the World Gold Council and World Platinum Investment Council;
- retained formal membership with Net Zero Industry Wales and the Industry Council for Electronic Equipment Recycling;
- maintained our Level 2 Employer certification under the Disability Confident scheme; and
- continued to implement activities aligned with our net-zero targets, validated by the Science Based Targets initiative.

DURING THE FINANCIAL YEAR, WE:

Worked with a number of other organisations, on either a short-term or long-term basis, aligned with our sustainability and related business ambitions, including:

- existing partners such as Heritage Crafts, Inclusive Employers, Best Companies, Sedex, and Emitwise; and
- new collaborations such as that formed with The Carbon Literacy Project and our new corporate charity partners Tŷ Hafan and 2wish.

Examples of organisations we have formally partnered with throughout the year:





“

“As we enter 2025–26, some challenges will remain, but we are ready to start an exciting new chapter for The Royal Mint, with strategy and sustainability continuing to work hand-in-hand”.

INGA DOAK, HEAD OF SUSTAINABILITY

Climate-Related Disclosures and Performance Against Net-Zero Targets

We are committed to decarbonising our direct and indirect operations and helping to improve related performance in the precious metals industry more widely. We have set near and long-term net-zero targets, which were officially validated by SBTi in August 2023, and we remain the first sovereign mint to achieve this milestone.

We are committed to decarbonising our direct and indirect operations and helping to improve related performance in the precious metals industry more widely. We have set near and long-term net-zero targets, which were officially validated by SBTi in August 2023, and we remain the first sovereign mint to achieve this milestone.

We are working to better understand the risks and opportunities that a changing climate may bring to our business, including those related to our site operations, supply chain and customer expectations.

The following section is prepared in accordance with the Non-Financial and Sustainability Information Statement (NFSIS) required for group companies under the Companies Act 2006 and is closely aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This is our second year of reporting against these requirements. It includes a summary of climate-related risks and opportunities, the potential impact on our business and actions we are taking to respond.

We have updated our assessment to reflect warming scenarios included in the *TCFD-aligned disclosure application guidance* published by HM Treasury, which is grounded in international and national climate policy and assessment methodologies including that of the Intergovernmental Panel on Climate Change (IPCC), the Paris Agreement, and the UK Climate Change Committee (CCC). Whilst The Royal Mint is not formally in-scope of this guidance, this approach has been adopted to support best practice in, and consistency of, reporting across central government and the wider public sector. We also provide a comprehensive overview of our Scope 1, 2 and 3 GHG emissions, including performance against our SBTi-validated net-zero targets.

GOVERNANCE

Under the guidance of the Board of Directors and Audit and Risk Committee, The Royal Mint's risk management processes are overseen by the Executive Management Team. Additionally, the Audit and Risk Committee plays a pivotal role in our governance structure, reviewing on at least an annual basis, the nature and extent of risks and opportunities that The Royal Mint is willing to take to achieve its long-term strategy and strategic objectives. In this respect, the Audit and Risk Committee ensures that risks and opportunities related to sustainability, including climate, are duly considered and integrated into The Royal Mint's broader corporate governance processes.

For 2024–25, climate-related risks continue to be reported as a Principal Risk, on the basis that the risk 'failure to meet ESG targets' (with a specific focus on The Royal Mint's externally validated net-zero targets) is reported internally as a Corporate Risk to the Board, and externally as a Principal Risk and Uncertainty in The Royal Mint's published financial statements.

The Director of Operations, who is also a member of the Executive Management Team, supported by the Head of Sustainability, has overall responsibility for ensuring that key sustainability including climate-related risks are effectively managed. This includes reporting to the Board on relevant corporate risk(s), performance against net-zero targets and providing other updates on The Royal Mint's broader sustainability ambitions.

Strategy

A number of transitional and physical climate-related risks have been identified as potentially impacting The Royal Mint, in the short- (2030), medium- (2040) and long-term (2050). In doing so, guidance has been utilised from a number of sources, including the Institute of International Finance (IIF), TCFD, CDP, HM Treasury and the expertise of the Sustainability Team, as well as The Royal Mint's enterprise risk management system and associated processes.

For transitional risks, this includes consideration of policy and legal, technology, and market impacts. For physical risks, this includes event-driven acute impacts e.g. increased severity of extreme weather events, and longer term, chronic impacts, e.g. the extreme variability in precipitation and rising mean temperatures. Some of these also represent opportunities, as they relate to products and services, markets, and supply-chain resilience, and these have been identified accordingly.

A scenario analysis has been used to inform the assessment, taking both climate-related risks and opportunities into consideration. In line with guidance from HM Treasury, this scenario analysis is based on warming levels of 2°C and 4°C (refer to the table below). The 2°C scenario explores the implications of global efforts to limit warming through rapid decarbonisation, whilst the 4°C scenario considers a high-emissions pathway with more severe climate-related risks and associated mitigation and adaptation challenges.

SCENARIOS FOR THE IDENTIFICATION AND ASSESSMENT OF FUTURE CLIMATE-RELATED RISKS AND OPPORTUNITIES

Scenario	2100 Warming	SSP Alignment	Key Elements	Relevant SSP Narratives	Relevant RCP Narratives
Low Emissions (2°C scenario)	2°C or lower	SSP 1-2.6	Best-case scenario with ambitious climate action and global cooperation towards sustainability.	A world that shifts gradually towards sustainability, with a strong emphasis on human well-being, reduced inequality and environmental awareness. Investments in education, health and green technologies lead to lower resource intensity and more sustainable consumption patterns.	Strong mitigation efforts, with emissions peaking soon and rapidly declining to reach net zero around mid century. Aims to limit warming to below 2°C, with a good chance of staying close to 1.5°C.
High Emissions (4°C scenario)	4°C	SSP 3-7.0	A high-emissions scenario in a divided world with poor international cooperation, low investment in sustainability, and relatively high challenges to both mitigation and adaptation.	A fragmented world characterised by nationalism, regional conflicts, limited global cooperation, and strong barriers to trade and technology transfer. Investment in education and technological development is low, and population growth is high in developing countries. Environmental policies are weak and uncoordinated.	High GHG emissions due to continued fossil fuel use and limited climate mitigation efforts.

Defined in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), Shared Socioeconomic Pathways (SSP) represent different climate change scenarios of projected socioeconomic global changes up to 2100. The SSP Alignment numbering system used represents a merger between a Shared Socioeconomic Pathway (e.g. SSP1) with a corresponding The IPCC AR6 indicates that without a strengthening of policies, global warming of 3.2°C (with a likely range of 2.2°C to 3.5°C) is projected by 2100. This projection is based on policies implemented by the end of 2020.

^{1w}Aligning with HM Treasury guidance on selection of climate scenario analysis reference periods as follows: short (2030) being near-term reference period 1, medium (2040) being near-term reference period 2, and long (2050) term being the mid-century reference point.

At a business-wide level, The Royal Mint’s Risk Universe (Profile) identifies the different types of risks that could affect operations and delivery of strategic objectives. Risks are categorised as Level 0 (e.g. Financial, Non-Financial and Strategic), Level 1 (e.g. Market, People, Sustainability) and Level 2 (e.g. Interest Rate, Key Person and Climate Resilience). Each Level 1 risk has an agreed description, risk appetite and Executive risk owner. This information is reviewed at least annually and in the event of major internal or external change.

Nominated risk owners are responsible for identifying, assessing and monitoring risks relevant to their area of accountability. Once identified, risks are assessed by the respective risk owner, and a score allocated based on impact and probability, in accordance with a pre-agreed matrix. This assessment is based on a position without controls in place (gross risk) and considered with controls in place (net risk). The risk owner is responsible for identifying and documenting relevant control measures and managing the risk to remain within acceptable levels. As of 2024–25, these details are recorded in SureCloud, an online risk management application used by individual risk owners and the central Risk Team for the management, monitoring and reporting of business risks.

Risk Management

An overview of key climate-related risks and opportunities arising in connection with The Royal Mint’s operations are presented in the table below. This includes the type of risk or opportunity (physical or transitional), specific risk/opportunity area and associated description. An assessment across both short- (2030), medium- (2040) and long-term (2050) time frames, as well as two different climate-related scenarios (2°C and 4°C) are also included. For each time frame and warming scenario, an assessment of the likelihood of the risk or opportunity occurring and the impact it would have on the business has been considered and presented as an overall rating of low, medium or high. For risks specifically, a low rating is more favourable than a medium or high, but the opposite applies for opportunities where a high rating is more favourable than a medium or low.

We continue to implement several different strategies to address the risks and opportunities documented, including:

- **business continuity plans** addressing unplanned disruptions to site and supply chain operations;
- targeted plans for **decarbonising on-site energy use**, including both technological and operational solutions as well as driving industry collaboration and leadership;
- active **engagement with key and strategic suppliers** to increase accuracy of carbon accounting and identify decarbonisation opportunities;
- ongoing **market research** into customer expectations and wider consumer behaviour, utilising a range of metrics and insight solutions;
- participation in **cross-industry working groups**, including on the definition of recycled gold and associated implications for carbon accounting; and
- continued development of **sustainable sourcing strategies** and related plans, including those related to precious metals as well as other strategically important materials such as product packaging.

SUMMARY OF MODELLED SCENARIOS FOR FUTURE CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risk Type	Risk Area	Description of Impact	Warming Scenario	Short Term (2030)	Medium Term (2040)	Long Term (2050)
Transition Risks						
Policy and Legal	Carbon pricing mechanisms	Emerging and future regulations include carbon pricing mechanisms, which impact the buying and/or selling costs of affected products/services. For example, exposure to the EU or UK-based Carbon Border Adjustment Mechanism (CBAM) could impact the price of metals (e.g. steel) and also potentially other products (e.g. packaging) imported by The Royal Mint or its suppliers.	2°C	L	M	H
			4°C	H	H	H
Technology	Unsuccessful investment in new technologies	To decarbonise its Scope 1 and 2 emissions, The Royal Mint will likely need to further invest in new technology. This may include novel approaches to established technologies such as battery storage or investment in developing technologies such as those using green hydrogen. Similar challenges will exist in decarbonising Scope 3 emissions where investment in plant, equipment and other infrastructure is required, either by The Royal Mint directly or within its supply chain.	2°C	M	M	L
			4°C	H	H	M

Note: H: High, M: Medium, L: Low

Risk Type	Risk Area	Description of Impact	Warming Scenario	Short Term (2030)	Medium Term (2040)	Long Term (2050)
Transition Risks						
Market	Access to lower carbon products/services.	Scope 3 emissions currently comprise >95% of The Royal Mint’s total GHG emissions, with emissions from precious metals (particularly gold) making the most significant contribution. There is the risk that an inability to access recycled gold and silver in a commercially viable way will directly impact The Royal Mint’s ability to consistently decarbonise in this area.	2°C	H	H	M
			4°C	H	H	M
	Uncertainty in market signals.	Insights into markets and customer profiles specific to The Royal Mint, coupled with cost-of-living uncertainty, and the consumer ‘intention-action’ gap, make it increasingly difficult to predict commercially viable propositions.	2°C	H	M	L
			4°C	H	H	M
Physical Risks						
Acute	Increased severity of extreme weather events such as droughts, floods, heatwaves, coldwaves and wildfires.	The Royal Mint's largely operates from a single site in Llantrisant, South Wales and localised extreme weather events could lead to operational downtime, hinder transportation routes, delay deliveries and limit access to essential materials. Similar risks are anticipated across The Royal Mint's supply chain, with certain goods and services potentially facing heightened exposure due to supplier location, continuity of operations and The Royal Mint's ability to access alternative sourcing options.	2°C	L	M	M
			4°C	M	H	H
Chronic	Longer-term shift in climatic patterns.	Persistent shifts in climate patterns may lead to recurring disruptions that impair operations, limiting The Royal Mint’s capacity to recover fully before subsequent events occur. Such effects are also likely to be felt by The Royal Mint's supply chain.	2°C	–	M	L
			4°C	L	H	M
Transition Opportunities						
Products and services	Shift in consumer preferences	Just as uncertainty in market signals is a potential risk, there is also evidence to suggest consumers increasingly favour lower-carbon products and services. This is particularly apparent in the Gen Y and Gen Z demographic.	2°C	M	M	L
			4°C	H	H	M
Markets	Development of new revenue streams from new/emerging environmental markets and products.	As climate change events drive increasing awareness and acceptance of related impacts – across different stakeholder groups – The Royal Mint is able to explore further activities, products and services that build on its position as a leader in sustainable precious metals.	2°C	H	M	M
			4°C	H	H	M
Resilience	Increased reliability, climate-resilience of supply chain.	The Royal Mint is able to work with targeted suppliers to support their investment in lower emissions technology and other initiatives that support more climate-resilient operations. This will not only help decarbonise The Royal Mint’s Scope 3 emissions but also realise other potential benefits such as higher supplier production and lower waste volumes, quicker lead-in times, more reliable delivery schedules, etc.	2°C	L	M	H
			4°C	M	M	H

Note: H: High, M: Medium, L: Low

Metrics and Targets

(Scope 1, 2 and 3 Emissions)

OUR NET-ZERO AMBITION

Against a current baseline year of 2021–22, our goal is to achieve net-zero GHG emissions across the value chain by 2050, with near-term targets set for 2030. Specifically, by 2030, we aim to achieve a 42% reduction in absolute Scope 1 and 2 GHG emissions and a 25% reduction in absolute Scope 3 GHG emissions. By 2050, we aim to achieve a minimum 90% reduction across organisation-wide Scope 1, 2 and 3 emission sources.

This year marks the second formal reporting period for The Royal Mint since achieving SBTi validation. The methodology, data and calculations used to report performance against our net-zero targets (and summarised in the table on page 34), has been verified without bias, by ClimatePartner, an independent third-party specialising in GHG accounting. The verification was completed based on the principles of limited assurance engagement as outlined in the International Standard on Assurance Engagement (ISAE) 3000 (Revised) issued by the International Auditing and Standards Board. This opinion can be made available on request. Further information on the methodology adopted for reporting performance against net-zero targets is also provided in the Notes to the Sustainability Report (refer page 36).

DECARBONISATION STRATEGY

For 2024–25, we continued to implement our formal Net Zero Programme, which is part of a broader portfolio of vision-critical transformation projects. The overall programme continues to be managed by the Head of Sustainability with support from a dedicated project manager and overseen by the Director of Operations. Designed to address specific aspects of our own operations as well as our supply chain, we continued to deploy specific decarbonisation and enabling workstreams, which for 2024–25, included a particular focus on energy use, precious metals sourcing, supplier emissions, and employee engagement. Each workstream is led by a nominated business representative (collectively representing the Net Zero Working Group), with formal progress reporting and programme governance via regular Executive-Level Steering Committee meetings. Formal programme performance, including progress against net-zero targets, is reported to the Board on at least an annual basis.



The Royal Mint has developed science-based decarbonisation targets, validated by SBTi, with the aim of becoming net zero by 2050. Prioritising direct reductions in our Scope 1, 2 and 3 GHG emissions, we commit to;

BY 2030

42% reduction

in absolute Scope 1 and 2 GHG emissions.

25% reduction

in absolute Scope 3 GHG emissions.

BY 2050

90% reduction

as a minimum, across organisation-wide Scope 1, 2 and 3 emissions.



Organisational GHG Footprint and Performance Against Targets

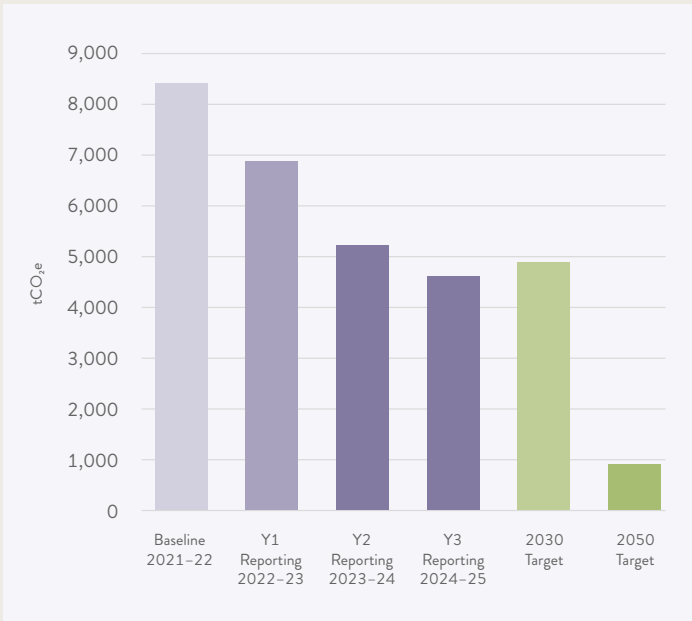
The following table provides a summary of The Royal Mint's organisational GHG footprint (also referred to as Corporate Carbon Footprint) and forms the basis of the verification process completed by ClimatePartner (refer to page 35). The methodology used to calculate emissions follows the GHG Protocol. Further details on specific accounting inclusions, exclusions and assumptions are provided in the Notes to Sustainability Report

Scope	Emission Category	Baseline 2021-22		Y1 Reporting 2022-23		Y2 Reporting 2023-24		Y3 Reporting 2024-25		Change from Baseline
		tCO ₂ e	% Share	tCO ₂ e	% Share	tCO ₂ e	% Share	tCO ₂ e	% Share	
Scope 1 and 2	Natural Gas	3,351	40	2,601	38	2,272	43	1,829	40	45%
	Fugitive GHG Emissions	0	0	0	0	0	0	0	0	0%
	Company Cars (Diesel/Unleaded)	1	0.01	1.56	0.02	0.31	0.01	0.50	0.01	60%
	Diesel Use On-site	23	0.27	12	0.17	12	0.22	2.51	0.05	89%
	Grid Electricity	5,093	60	3,507	51	1,604	30	1,469	32	71%
	Renewable Generation (Solar PV)	0	0	0	0	0	0	0	0	0%
	Renewable Generation (Wind Turbine)	0	0	0	0	0	0	0	0	0%
	Renewable Generation (CHP)	0	0	797	12	1,400	26	1,314	28	>100%
		8,468		6,919		5,288		4,616		45%
Scope 3	Water Treatment	17	0.00%	11	0.00%	9	0.00%	3	<0.5%	82%
	Natural Gas (CHP)	0	0.00%	3,121	0.20%	3,813	0.61%	3,973	1.51%	>100%
	Waste	130	0.01%	123	0.01%	87	0.00%	22	<0.5%	83%
	Business Travel	299	0.03%	565	0.04%	510	0.00%	399	<0.5%	34%
	Employee Commuting	354	0.00%	395	0.00%	352	0.00%	269	<0.5%	24%
	Leased Assets: Utilities	0	0.00%	1.38	0.00%	2.22	0.00%	2.54	<0.5%	>100%
	Investments: Utilities	1.48	0.00%	1.35	0.00%	1.45	0.00%	8.15	<0.5%	>100%
	Purchased Goods and Services	96,512	8.91%	115,719	7.37%	96,977	16%	75,548	29%	22%
	Capital Goods	982,468	91%	1,448,360	92%	517,585	83%	181,100	69%	82%
	The Royal Mint's Operational and Transit Packaging	158	0.01%	287	0.02%	98	0.02%	83	<0.5%	47%
	The Royal Mint Experience Gifts	0.03	0.00%	0.03	0.00%	0.04	0.00%	0.01	<0.5%	63%
	Transmission and Distribution	451	0.04%	321	0.02%	139	0.02%	130	<0.5%	71%
	Well-to-tank (WTT)	2,206	0.20%	2,094	0.13%	1,541	0.25%	1,380	0.5%	37%
		1,082,597		1,570,998		621,113		262,918		76%
Total		1,091,064		1,578,357		626,401		267,533		
		Baseline		Y1 Reporting		Y2 Reporting		Y3 Reporting		
		Scope 1	3,375	Scope 1	2,614	Scope 1	2,284	Scope 1	1,832	46%
		Scope 2	5,093	Scope 2	4,304	Scope 2	3,004	Scope 2	2,783	45%
		Scope 3	1,082,597	Scope 3	1,570,998	Scope 3	621,113	Scope 3	262,918	76%

In terms of performance against targets, at the end of 2024–25 (Reporting Year 3), when compared against 2021–22 (the Baseline Year)²:

- there was a 46% overall decrease in emissions in **Scope 1 and 2**; and
- there was a 76% overall decrease in emissions in **Scope 3**.

SCOPE 1 AND 2



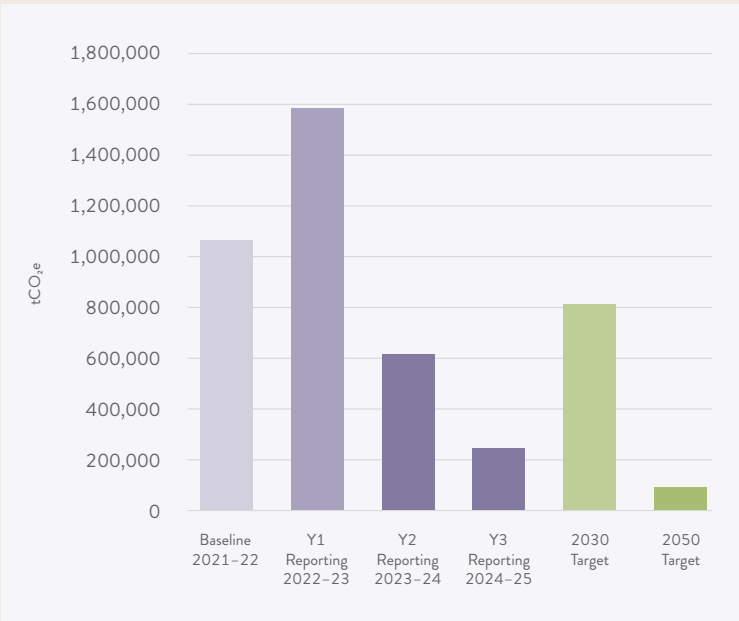
Scope 1 and 2

Almost all (>99%) of The Royal Mint’s Scope 1 and 2 GHG emissions arise from on-site energy use. Total emissions were slightly less than the previous year (with a 13% year-on-year reduction) and are tracking ahead of our near-term (2030) net-zero targets.

We continue to explore opportunities to reduce energy use, for example through process improvements and investment in more energy efficient equipment. This year, changes in business activity, particularly winding down of the overseas circulating coin business, has also contributed to an overall decrease in energy demand. However, the Local Energy Centre (LEC), now in its second year of operation, continues to provide a critical source of renewable and lower carbon electricity, with a favourable impact on GHG emissions performance.

Our biggest challenge this year has been ensuring the efficient operation of the Combined Heat and Power plant (CHP) within a changing site energy profile. However, a novel, long-term solution has been identified through the supply of excess (lower carbon, cost-effective) electricity to a neighbouring business – and will come into effect in early 2025–26.

SCOPE 3



In Scope 3

Whilst The Royal Mint reports under 13 different Scope 3 categories, the majority of emissions (>97%) arise from two categories: Capital Goods (comprising key precious and base metal purchases) and Purchased Goods and Services (comprising all other goods and services purchased).

Total emissions are significantly less than the previous year and have surpassed the required reduction for our near-term (2030) targets, whilst also tracking well against our long-term (2050) net-zero target. This continues to be influenced in part by elevated trading conditions in the baseline year, and a difficult trading year in the current reporting period. However, it is also attributed to the sourcing of higher proportions of recycled gold (and silver) by our key suppliers that has significantly reduced our related GHG emissions (reported within Capital Goods). We have also improved supplier emissions data (reported within Purchased Goods and Services) through our partnership with Emitwise – and whilst improving data quality does not inherently translate into emissions reductions, it is an important step in understanding supplier-specific impact and emissions hotspots.

For other categories reported, emissions when compared to the previous year are mostly lower (e.g. those associated with water treatment, waste, business travel, employee commuting, operational and transit packaging, and gifts sold in the gift shop at The Royal Mint Experience) and this largely reflects the slower trading year. Transmission and Distribution and well-to-tank emissions are also lower, in part influenced by reductions in energy use within Scope 1 and 2. There have been increases in emissions associated with utilities use within our one leased asset and two investment holdings. Notwithstanding these trends within certain Scope 3 categories, these changes have no material impact when considered against total Scope 3 emissions.

²In 2025–26, we plan to re-baseline our corporate carbon footprint following our exit from the overseas currency market – ensuring our targets reflect current and expected future operations, whilst also taking the opportunity to update calculation methodologies and emissions factors where relevant.

Notes to the Sustainability Report

METHODOLOGY ADOPTED FOR REPORTING PERFORMANCE AGAINST NET-ZERO TARGETS.

The methodology used for calculating GHG emissions and subsequent net-zero performance reporting follows the GHG Protocol Corporate Accounting and Reporting Standard Revised Edition 2004 and related Standards and Guidance (hereafter referred to as the GHG Protocol). Unless otherwise stated, conversion factors followed that provided in the UK Government GHG Conversion Factors for Company Reporting (hereafter referred to as the Department for Environment, Food & Rural Affairs (DEFRA) Guidelines).

APPROACH

An internal operating procedure is maintained to provide a record of and consistent approach to the calculation of relevant Scope 1, 2 and 3 emissions.

A specialist carbon consultancy (Capstone Consultancy) was originally engaged to support the development of baseline year emissions and subsequent net-zero targets, which were validated by SBTi in August 2023.

Reporting Year 1 (2022–23) and Year 2 (2023–24) emissions were calculated in-house, and subject to successful independent verification (based on the principles of limited assurance) as part of the 2023–24 annual reporting cycle. This approach has also been followed for Reporting Year 3 (2024–25). Refer to page 33 for further information.

SCOPE 3 CATEGORIES REPORTED

The following Scope 3 emission categories have been identified as being material to our operations with related emissions reported accordingly:

Category 1: purchased goods and services

Category 2: capital goods

Category 3: fuel- and energy-related activities

Category 5: waste generated in operations (see also exclusions below)

Category 6: business travel (see also exclusions below)

Category 7: employee commuting

Category 8: upstream leased assets

Category 12: end-of-life treatment of sold products; and

Category 15: investment.

KEY ASSUMPTIONS AND MODELLING IN CALCULATING SPECIFIC SCOPE 3 EMISSIONS

Category 1: Purchased Goods and Services

A spend-based methodology has been primarily applied but an increasing number of supplier specific information has also been used. Emissions from downstream and upstream transportation and distribution are included in the ‘Purchased Goods and Services’ category as this is currently calculated using spend-based data. Our aim is to use more activity-based and consumption data with a view to separate out these emissions into their respective categories in the future.

Category 2: Capital Goods

A quantity (mass-based) methodology has been applied for precious and base metal products sourced from specific key and strategic suppliers. In apportioning the percentage of recycled precious metals received, this was based on data reported by each relevant supplier. Conversion factors were obtained from industry averages, reports commissioned by The Royal Mint and supplier-specific information. In terms of the definition of mined and recycled gold (and silver), which is relevant to the allocation of specific emission factors, there is ongoing debate within the precious metals industry on this subject and The Royal Mint has been actively engaged in these discussions. The position taken for GHG accounting purposes can be made available on request.

Category 6: Business Travel

For relevant data where spend only data was available (e.g. hire cars), fuel use based on a 50/50 (petrol/diesel assumption) split was modelled. For taxis and public transport, a £/passenger km assumption was applied following the Welsh Public Sector Net Zero Carbon Reporting Guide. For flights, where spend only was available, a £-spent conversion factor was applied following DEFRA Guidelines.

Category 7: Employee Commuting

In the absence of employee-specific information regarding commuting preferences, commuting assumptions followed the Welsh Public Sector Net Zero Carbon Reporting Guide.

Category 8: Upstream Leased Assets

Energy use associated with the lease of retail space in Burlington Arcade, London, for the 886 by The Royal Mint boutique store was extrapolated from utility bills available for the first six months of the financial year.

Category 12: End-of-life Treatment of Sold Products

For Operational and Transit Packaging, weight data used was calculated based on packaging specifications, and a disposal scenario was assumed whereby 100% of all packaging materials entered the commercial waste stream through the most likely disposal route.

For gifts sold in The Royal Mint Experience's on-site shop, weight data was calculated by direct weighing of indicative items, and a disposal scenario was assumed whereby 100% of all materials entered the commercial waste stream through the most likely disposal route.

For 2024, updated DEFRA waste disposal conversion factors were applied to both packaging and gift items. These figures are significantly lower than those used in 2023, following DEFRA's identification of an error in the 2023 methodology.

Category 15: Investments

The Royal Mint continued to hold a ~23% shareholding and representation on the Board of Directors of Sovereign Rarities Limited, a UK-based dealer and auctioneer of historic and modern coins. The company operates from a leased office location in London occupying 1,403 square feet. Electricity is the only utility used. Annual energy consumption was estimated based on occupied floor area and guidance provided in CIBSE (Chartered Institution of Building Services Engineers) Benchmarks, Guide F.

In December 2024, The Royal Mint purchased an ~8% shareholding and representation on the Board of Directors Excir Works Corporation, a Canadian clean-tech company that has developed proprietary technology to recover gold from printed circuit boards (e-waste). The company operates from office and warehousing space in two adjacent buildings in Calgary, occupying a total of 26,808 square feet. Utilities used are mains electricity and natural gas. Annual energy consumption was reported by Excir based on actual usage for the period January 2024 to December 2025, and GHG emissions calculated using guidance published by the Business Development Bank of Canada (BDC). Emissions were then apportioned to The Royal Mint based on the level and period of shareholding.

EXCLUSION OF SPECIFIC SCOPE 3 SUB-CATEGORIES

The following Scope 3 sub-categories are currently excluded from reporting:

Category 5: Waste Generated in Operations (Wastewater Treatment)

Emissions from mains water and water treatment has been excluded based on the following considerations:

- On-Site water treatment:
 - Our operations involve treating a mix of river-abstracted water and mains water on-site before releasing it back; and
 - Due to the lack of exact quantities of mains water and river-abstracted water being treated, it is challenging to accurately account for the associated emissions.
- Avoidance of double counting:
 - To prevent double counting, we decided to only account for the water treated on-site through the Water Treatment Plant lines 24 and 25; and
 - This approach ensures that some, albeit not all, of the mains water and river-abstracted water is considered, avoiding the potential for double counting in our emissions inventory.
- Mains supply conversion factor:
 - The mains supply conversion factor provided by the UK Government is based on the average power used by water companies to supply freshwater across the UK. Since the power for the pumping equipment is already included in our electricity consumption (Scope 2), reflecting this again in our emissions calculations would lead to potential duplication and overestimation.

Category 6: Business Travel (Hotel Stays)

Emissions from hotel stays have been excluded based on the following considerations:

- this is an optional reporting category under the GHG Protocol; and
- based on our existing emissions profile, hotel stays are likely to have an immaterial impact on our organisational GHG emissions footprint.

Statutory Reporting

The Royal Mint operates from a single site that is regulated under Environmental Permitting Regulations 2016 (and the Control of Major Accident Hazards Regulations 2015 (COMAH)).

From an environmental management perspective, we continue to monitor our performance related to management of resources on-site, including energy consumption, water use and waste generation.

Specific details for the last five years are provided below, including information required to comply with the Streamlined Energy and Carbon Reporting (SECR) regulations April 2019.

ACCREDITATIONS

The Royal Mint holds the following International Organization for Standardization standards:

- ISO 14001 (2015) Environmental Management System; and
- ISO 50001 (2018) Energy Management System.



ENERGY CONSUMPTION AND CO₂e EMISSIONS

During 2024–25, the use of energy continued to be a significant scope 1 (direct GHG emission) and scope 2 (caused indirectly) impact of The Royal Mint’s operation. The Royal Mint continually explores opportunities to improve energy efficiency throughout its activities and supply chain. This includes process improvements, pursuing alternative means of energy generation, investment in more energy efficient equipment, and the development of innovative technologies.

ENERGY USE AND COSTS

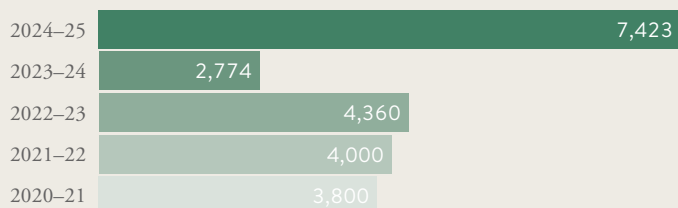
Year	Electricity Consumption (gigawatt hours)	Gas Consumption (gigawatt hours)	Energy Costs (£'000)
2024–25	18	10	3,286
2023–24	21	12	4,212
2022–23	25	14	7,622
2021–22	24	19	3,550
2020–21	26	20	3,881

During 2024–25, The Royal Mint received electrical energy from a number of sources:

- a local combined heat and power (CHP) plant;
- grid generated electricity; and
- the remainder from solar and wind turbines directly supplying The Royal Mint site.

EMISSIONS INTENSITY RATIO

The emissions intensity ratio The Royal Mint uses is that within its Environmental Permit and agreed with Natural Resources Wales and is energy use per tonne of Circulating Coin. This is the last reporting year that this will be a valid emissions intensity ratio.



The energy consumption figures include both consumed grid energy (electrical and natural gas), Renewable from wind and solar and the CHP Plant's generated electrical energy.

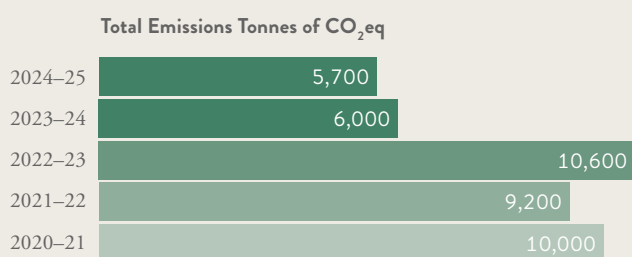
The significant increase in the 'Energy consumption per tonne Circulating Coin' figure is due to lower tonnage through the plants and the introduction of new energy consuming processes that are not associated with coin production.

Based on the 2024 GHG reporting – Conversion factor for electricity and gas, the CO₂e emissions for this and previous years is as per the following tables.

TOTAL EMISSIONS OF CO₂e (TONNES)

Total emissions for 2024–25 were 5,700 tonnes of CO₂e

There was a slight reduction in total emissions through the continuing turning off of plant no longer in operation and greater use of electricity supplied by renewables and electrical energy supplied by a combined heat and power ('CHP') plant

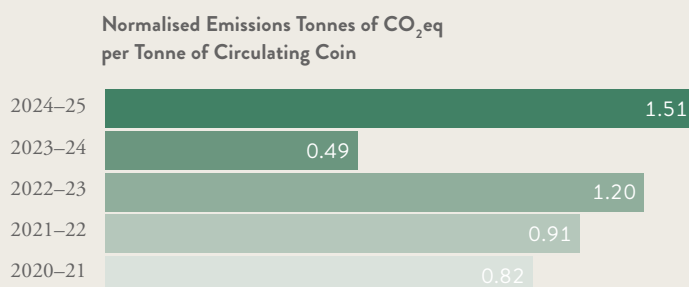


NORMALISED EMISSIONS TONNES OF CO₂e PER TONNE OF CIRCULATING COIN

For 2023–24, normalised tonnage was 0.49 CO₂e per tonne of Circulating Coin.

The emissions per tonne of circulatory coin is the current normalising factor that is used, as determined by The Royal Mint's environmental permit. This has been greatly impacted by reduction in volume of circulatory coin production.

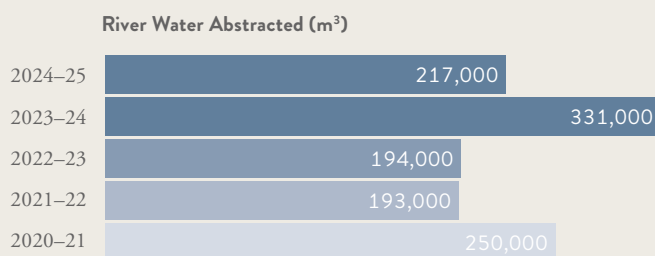
It is recognised that a new normalising factor(s) will be used in the future as the nature of The Royal Mint's operational changes.



WATER CONSUMPTION

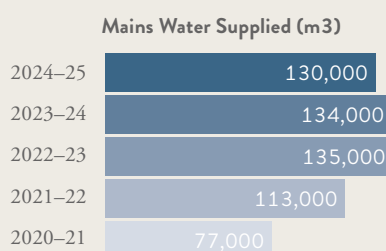
Large volumes of water are consumed within the coin manufacturing process and as such The Royal Mint uses both potable (mains) and abstracted water in its processes. The Royal Mint continues to review its processes to identify opportunities to reduce water consumption, but the site also experiences issues with aging infrastructure and leaks do occur, which are repaired as quickly as they can be identified and located.

WATER ABSTRACTED (RIVER WATER) m³

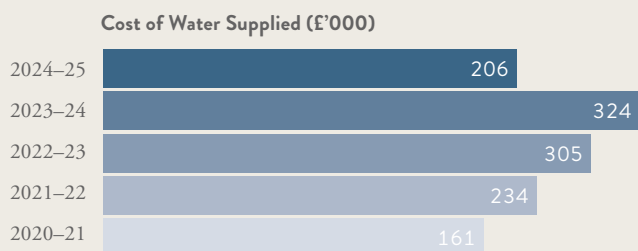


During 2024–25, 15,000 m³ of the abstracted river water was returned to the river a few hundred metres downstream from the abstraction point.

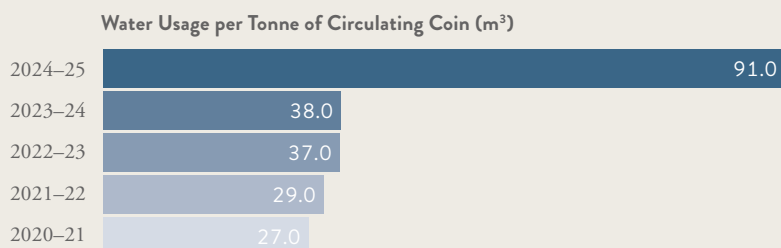
WATER SUPPLIED (MAINS WATER) m³



COST OF MAINS SUPPLIED WATER



WATER USAGE PER TONNE OF CIRCULATING COIN



The significant increase in the ‘Water Usage per Tonne of Circulating Coin m³’ during 2024–25 is due to lower tonnage through the plants and the introduction of new processes that are not associated with coin production.

This is the last year that this will be a valid key performance indicator.

WASTE

Year	Hazardous Waste (Tonnes)	Non-Hazardous Waste (Tonnes)	Recycled/Recovery (Tonnes)
2024–25	2,317	2,336	3,263
2023–24	3,100	3,957	4,022
2022–23	3,300	5,707	5,724
2021–22	3,295	5,966	5,979
2020–21	3,049	6,789	7,440

The waste figures are calculated from data supplied by internal weighing and information supplied by The Royal Mint’s principal waste contractors as of 23 April 2025.

The removal of processes and the introduction of new processes have changed the nature of the waste streams generated. The decline in volume is expected to continue but in the short term there may be an increase in the volume as plant is decommissioned.

SCOPE ANALYSIS

Tonnes of CO ₂ e		2020–21	2021–22	2022–23	2023–24	2024–25
Scope 1	Natural gas usage (heating and furnaces)	3,730 ₁	3,350 ₁	2,610 ₁	2,270 ₁	1,800 ₁
	Use of vehicles owned by The Royal Mint	1	1.2	16	0.3	0.5
	Fugitive emissions (e.g. air conditioning and refrigeration leaks)	186	0	0	0	0
Scope 2	Electricity usage (grid and CHP)	5,420 ₂	5,000 ₂	6,940 ₂	2,990	2,780
Scope 3	Electricity transmission	470 ₁	430 ₁	320 ₁	140	130
	Business travel	32	299	565	510	528
	Water supply	14 ₁	20 ₁	24 ₁	24	20
	Water treatment (off-site)	13 ₁	13 ₁	8 ₁	9	3
	Waste disposal	149	135	123	86	22

NOTES TO SCOPE ANALYSIS REPORTING AND DATA

The above datasets are calculated to comply with the Streamlined Energy and Carbon Reporting (SECR) regulations. Emission scopes and scope categories, data sources and calculation methodologies are consistent with previous years. This includes reporting against a more limited set of Scope 3 categories, retrospective updating of conversion factors, which are revised by the UK Government year-on-year, and some rounding of numbers. As such, some datasets may vary slightly to that reported for formal net-zero performance reporting. From 2025–26, all datasets used for SECR purposes, will be updated to reflect that used in net-zero performance reporting, which will correspond with the five years of data required for SECR, but will also be timely given the use of a new emissions intensity ratio for SECR purposes.

The fugitive emissions from air conditioning and refrigeration leaks figure have been calculated from any losses/removal identified during the six-month routine maintenance inspections undertaken and multiplied by the global warming potential of the gas replaced. The 2020–21 figure was the result of leaks totalling 92kg of refrigerant gas from two pieces of equipment on site.

Data collection is taken from records of meter readings for gas, electricity, mains supplied water and abstracted water.

The figures reported from 2021–22 for 'Use of vehicles owned by The Royal Mint' and 'Business travel' have been modified to the methodology and figures reported in the net-zero performance-reporting submission.

For this report, The Royal Mint has used the UK Government Conversion Factors 2024 Condensed Set for Most Users V1.1; this data remains valid until 10 June 2025.

The UK electricity factor is prone to fluctuate from year to year as the fuel mix consumed in UK power stations (and auto-generators) and the proportion of net-imported electricity changes. These annual changes can be large as the factor depends very heavily on the relative prices of coal and natural gas as well as fluctuations in peak demand and renewables. Given the importance of this factor, the explanation for fluctuations will be presented here henceforth.

In the 2019 GHG Conversion Factors, there was a 10% decrease in the UK Electricity CO₂e factor compared to the previous year. In the 2020 update, the CO₂e factor decreased (compared with 2019) again by 9%. In the 2021 update, the CO₂e factor again decreased by 9% (in comparison to the 2020 update). The above decreases are all due to a decrease in coal use in electricity generation and an increase in renewable generation.

In the 2024 update, the UK Electricity CO₂e factor has remained at a similar level to the 2023 update.

The CHP plant Electricity CO₂e factor as supplied by Infinite Renewables (the service provider) is 0.1386kg CO₂ per kWh of energy supplied.

Group Financial Summary

	2024-25 £'000	2023-24 (restated)* £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
UK revenue	658,108	355,898	557,341	463,676	441,222
Overseas revenue	657,252	996,564	1,320,823	939,824	615,739
Total revenue	1,315,360	1,352,462	1,878,164	1,403,500	1,056,961
Operating (loss)/profit before IFRS 9-related items and exceptional items	(15,202)	4,541	17,947	18,283	13,177
IFRS 9-related items	(346)	(189)	1,443	312	843
Exceptional items	(31,705)	(6,248)	(5,211)	(426)	(788)
Operating (loss)/profit	(47,253)	(1,869)	14,179	18,169	13,232
Share of associate	232	179	415	663	593
Net interest charge	(2,830)	(3,005)	(1,470)	(645)	(918)
(Loss)/profit before tax	(49,851)	(4,722)	13,124	18,187	12,907
Taxation	13,555	457	(2,717)	(4,812)	(2,694)
(Loss)/profit after tax	(36,296)	(4,265)	10,407	13,375	10,213
Net assets	119,503	152,476	153,158	132,892	112,516
Operating (loss)/profit before IFRS 9-related items and exceptionals/sales	(1.2)%	0.3%	1.0%	1.3%	1.2%
Operating (loss) profit/sales	(3.6)%	(0.1%)	0.8%	1.3%	1.3%

* IFRS 9-related items have been restated for 2023/24. Further information is provided in the financial statements.

The Royal Mint Advisory Committee

The Committee, which operates independently of The Royal Mint Limited, and whose full title is the Royal Mint Advisory Committee on the Design of Coins, Medals, Seals and Decorations, was established in 1922 with the personal approval of George V.

The purpose of the Committee is to raise the standard of numismatic and medallic art, ensuring designs meet high standards of decency and good taste. The Committee advises the Chancellor of the Exchequer (in her capacity as Master of the Royal Mint) and The King on matters of design with respect to circulating and commemorative coins, official medals, seals and decorations. It is charged on behalf of HM Treasury and other government departments with the recommendation of new designs for United Kingdom coins, official medals, seals and decorations.

The Committee is designated a Non-Departmental Public Body ('NDPB') and its membership is regulated by the Office for the Commissioner of Public Appointments ('OCPA'). It is chaired by Baroness Stuart of Edgbaston. Details of the work of the Committee, its members and meetings are published on the website of the Royal Mint Museum.

During the year there were six meetings, all of which were held in person:

- Wednesday, 15 May 2024, Buckingham Palace
- Tuesday, 16 July 2024, Cutlers' Hall
- Tuesday, 17 September 2024, Cutlers' Hall
- Tuesday, 19 November 2024, Cutlers' Hall
- Wednesday, 22 January 2025, Goldsmiths' Hall
- Thursday, 20 March 2025, The Art Workers' Guild

Over the course of the reporting year, the Committee examined designs for 55 themes (2023–24: 30). A guiding principle underpinning the Committee's discussions is the encouragement of technical innovation in the production of coins and medals.

SUB-COMMITTEE ON THE SELECTION OF THEMES

The Sub-Committee examines proposals for the programme of commemorative and circulating coins to be issued in forthcoming years, making recommendations to the Chancellor of the Exchequer. An important consideration for the Sub-Committee in selecting themes is that, where possible, they reflect modern British life, as well as celebrating the history and culture of the country. It is chaired by Baroness Stuart and includes three members of the main Committee, as well as representatives from HM Treasury and The Royal Mint.

There were three meetings of the Sub-Committee on the selection of themes for new UK coins, which were held online:

- Monday, 1 July 2024
- Wednesday, 4 September 2024
- Friday, 7 March 2025

COMMEMORATIVE COINS

The Committee typically examines designs about a year to 18 months in advance of their being issued, which means, necessarily, a number of projects that came before the Committee during the reporting year relate to coins that will be released later in 2025–26 (and beyond). Designs for the themes set out below were recommended by the Committee and are now in the public domain:

- The Battles of Lexington and Concord, crown
- Music Legends – John Lennon, crown
- HMS *Belfast*, £2
- Britannia, Proof coin range
- Six Decades of 007, crown
- 200 Years of the Modern Railway, £2
- Harry Potter, 50p
- Ice Age Giants, 50p
- Stories of the Second World War, 50p
- The Sovereign
- Queen Elizabeth The Queen Mother, crown
- The Royal Tudor Beasts, crown
- 150 Years of Liberty London, crown
- St George and the Dragon, ounce range
- The Great Seal of the Realm
- 80th Anniversary of Victory in Europe (VE) Day, 50p

MEMBERSHIP

Members serve for an initial term of five years, with the option being available for them to serve for a further five-year term, subject to Ministerial approval. Officials at HM Treasury provide essential support in ensuring all aspects of the appointment process conform to the relevant guidance.

Three members came to the end of their terms: Mrs Blondel Cluff, Mr Hughie O'Donoghue and Professor Jane Ridley.

Membership of the Committee, and supporting advisors, at 31 March 2025 (with dates of appointment):

Rt Hon Baroness Gisela Stuart of Edgbaston

CHAIR

(March 2021)

Mr Adam Dant

ARTIST

(November 2023)

Ms Alexandra Harris

ART HISTORIAN

(November 2023)

The Rt Hon Lord Benyon GCVO

LORD CHAMBERLAIN (EX OFFICIO)

(November 2024)

Lieutenant Colonel Mike Vernon

COMPTROLLER OF THE LORD CHAMBERLAIN'S DEPARTMENT

(September 2014) Deputises for Lord Parker

Mr David White

GARTER PRINCIPAL KING OF ARMS (EX OFFICIO)

(July 2021)

Dr Shailendra Bhandare

NUMISMATIC CONSULTANT TO THE COMMITTEE

(September 2021)

Mrs Anne Jessopp

CHIEF EXECUTIVE OFFICER OF THE ROYAL MINT LIMITED

Ms Nicola Howell

CHIEF COMMERCIAL OFFICER OF THE ROYAL MINT LIMITED

Ms Caroline Webb

CHIEF MARKETING OFFICER OF THE ROYAL MINT LIMITED

Dr Kevin Clancy

SECRETARY TO THE COMMITTEE

Mr Lee Jones

TECHNICAL ADVISER TO THE COMMITTEE

Sean Jones

ACCOUNTING OFFICER

10 September 2025

Accountability Report

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under section 4(6) of the Government Trading Funds Act 1973 HM Treasury has directed the Royal Mint Trading Fund to prepare a statement of accounts ('the Accounts') for each financial year 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 Royal Mint Trading Fund's state of affairs at the year-end and of its Consolidated Income Statement and Consolidated and Trading Fund Statements of Comprehensive Income, Changes in Equity 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 HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable 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 departures in the financial statements; and
- prepare the financial statements on the going-concern basis, unless it is inappropriate to presume that The Royal Mint will continue in operation.

HM Treasury has appointed Sean Jones as Accounting Officer of the Royal Mint Trading Fund. 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 Royal Mint Trading Fund's assets, are set out in *Managing Public Money* published by the HM Treasury.

So far as the Accounting Officer is aware, there is no relevant audit information of which the Royal Mint Trading Fund's auditors are unaware, and he has taken all the steps that he ought to have taken by liaising with his predecessor and delegated authorities, to make them aware of any relevant audit information and to establish that the Royal Mint Trading Fund's auditors are aware of that information.

The Accounting Officer takes personal responsibility for the Annual Report and accounts and the judgements required for determining that as a whole it is fair, balanced and understandable; which the Accounting Officer can confirm.

Corporate Governance Report

GOVERNANCE FRAMEWORK

HM Treasury is the owner of the Royal Mint Trading Fund.

The Accounting Officer has responsibility for maintaining a sound system of internal control that supports achievement of the Trading Fund's policies, aims and objectives, whilst safeguarding public funds and the Fund's assets, in the responsibilities assigned to the Accounting Officer in *Managing Public Money*. These responsibilities have been carried out via delegated authority:

- to the Board of Directors of The Royal Mint Limited, a wholly owned subsidiary of the Royal Mint Trading Fund, which is the operating entity under which the Royal Mint Trading Fund trades. The remainder of this statement refers to the Internal Control processes within The Royal Mint Limited Group incorporating its subsidiary companies;
- to the Trustees of The Royal Mint Museum, a separate company limited by guarantee of which HM Treasury is the sole member, which is a registered charity that is responsible for the heritage assets transferred at vesting; and
- to UK Government Investments ('UKGI'), which has been delegated shareholding responsibilities to manage HM Treasury's day-to-day shareholding relationship with The Royal Mint Limited on behalf of HM Treasury' Ministers..

Quarterly shareholder meetings take place between the Accounting Officer, UKGI, HM Treasury and The Royal Mint Limited, providing a forum to review The Royal Mint Limited's performance, risks and opportunities and any objectives set out in the business plan.

CORPORATE GOVERNANCE COMPLIANCE

The Royal Mint Limited's Board of Directors supports high standards of governance and, in so far as is practical given its size and status, has, together with HM Treasury and UKGI, continued to develop the governance of the business in accordance with the UK Corporate Governance Code where appropriate. The Royal Mint Limited complied with the 'Corporate Governance in Central Government Departments, Code of Good Practice' in so far as it is relevant. In particular, The Royal Mint Limited has maintained an appropriate Board composition, in line with statutory obligations.

THE BOARD AND ITS COMMITTEES

During the year, the Board of Directors of The Royal Mint Limited comprised the Chair of the Board, six Non-Executive Directors and four Executive Directors (the Chief Executive, Chief Financial Officer, Managing Director of Currency and Chief Commercial Officer). The Board met nine times in 2024–25 (2023–24: ten times). Attendance by members at the Board and Committee meetings is set out below in relation to how many meetings they attended whilst in office:

	Board	Audit Committee	Remuneration Committee	Nominations Committee
Anne Jessopp	9	4*	4*	4*
Andrew Mills	6/6	N/A	N/A	N/A
Nicola Howell	9	N/A	N/A	N/A
Michael Davies	5/5	2/2*	N/A	N/A
Graham Love	7/7	3/3*	4*	3/3
Christopher Walton	3/3	1/1*	0/0*	2/2
William Spencer	9	4	N/A	4
Shimi Shah	8	N/A	4	4
Andrew Butterworth	9	4	4	4
Kate Barnett	9	4	N/A	4
Matthew Woolsey	9	4	N/A	4
Lisa Montague	9	N/A	4	4
Number of meetings	9	4	4	4

*Attended the Committee by invitation, not as members

All Non-Executive Directors are considered independent upon appointment, with the exception of Andrew Butterworth who has a seat on the board as a representative of HM Treasury as shareholder. He is also a member of the Audit Committee, Remuneration Committee and Nominations Committee.

Andrew Mills and Graham Love resigned as Directors on 31 December 2024 and 27 January 2025 respectively. Shimi Shah resigned on 30 June 2025.

Michael Davies and Christopher Walton were appointed as Directors on 28 October 2024 and 27 January 2025 respectively.

THE ROLE OF THE BOARD OF THE ROYAL MINT LIMITED

The Board's role is to provide entrepreneurial leadership of The Royal Mint Group to enhance and preserve long-term shareholder value in line with HM Treasury policy and within a framework of prudent and effective controls that enables risk to be assessed and managed.

The roles and responsibilities of the Board are to:

- develop the future strategy of the business required to realise the strategic objectives;
- review, as appropriate, the strategic objectives and agree them with the shareholder;

- ensure a three-to-five-year plan is in place in order to realise the strategic objectives;
- ensure that the necessary management structure, financial and human resources are in place in order to achieve the agreed plan;
- determine the risk appetite of the organisation in furtherance of achieving the strategic objectives and ensure there is a robust, ongoing process to identify and appropriately manage strategic and significant operational risks;
- regularly review objectives and management performance against the annual plan and associated business KPIs;
- ensure the Royal Mint Group operates with appropriate values and standards and ensure that its obligations to its shareholders and others are understood and met;
- review, approve or propose strategic investment in line with investment authority limits as agreed with the shareholder;
- ensure that the Royal Mint Group operates at all times within applicable laws and regulations and within an appropriate procedural framework; and
- ensure that the board fulfils its duties in the Memorandum and Articles of Association of the Company, functions and any frameworks that may be agreed with the shareholder.

High quality information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. At each Board meeting, the Directors receive a report from the Chief Executive covering all areas of the business along with financial information detailing performance against budget/latest forecast. A rolling agenda also ensures the Board receives formal papers, inter alia, on the annual budget and Annual Report. All Directors have access to independent professional advice, at The Royal Mint Limited's expense, if required.

The Board reviews its effectiveness in a number of ways, including commissioning external reviews and conducting internally facilitated reviews in line with good corporate practice. During the year, an external review of the Board was performed by Socia Limited, an independent governance consultancy with no other connection to The Royal Mint. The evaluation included structured interviews with all Board members and a representative from HM Treasury, observation of Board and committee meetings, and a review of key governance documentation. The review noted that the Board takes its responsibilities seriously and operates in a highly professional manner, and has guided the Group through a period of significant transformation. As the business is now moving from a phase of innovation to one of delivery, the review made a number of recommendations aimed at strengthening the Board's effectiveness during this period of change and an action plan has already been developed to implement those recommendations. The next external review is scheduled for 2028.

The Board values the varied contribution that the diverse nature of the Board members brings and is supportive of the principle of boardroom diversity, of which gender is an important but not the only aspect. It is considered that the ratio of men to women should be at most 75:25 and our Board exceeded this during the year at 50:50, based on attendance in 2024–25.

AUDIT AND RISK COMMITTEE OF THE ROYAL MINT LIMITED

The Audit and Risk Committee comprises no fewer than three independent Non-Executive Directors. The Committee invites the Chairman, Chief Executive, Chief Financial Officer, Director of Corporate Finance, Financial Controller, Chief Risk Officer and senior representatives of both the internal and external auditors to attend meetings. The Board deems Andrew Butterworth independent for the purposes of the Audit Committee, whilst the Chair of the Audit Committee has recent and relevant financial experience.

The Audit Committee monitors and reviews the effectiveness of the internal control systems, accounting policies and practices, financial-reporting processes, risk-management procedures, as well as the integrity of the financial statements. It also closely monitors and oversees the work of the internal auditors as well as ensuring the external auditors provide a cost-effective service and remain objective and independent. It has provided assurance to the Board by giving scrutiny to the Annual Report and financial statements, reviewing the results of work carried out by the internal and external audit, supporting the development of the risk assurance approach and monitoring key risks and issues significant to the Group.

REMUNERATION COMMITTEE OF THE ROYAL MINT LIMITED

The Committee comprises no fewer than three Non-Executive Directors and meets at least twice a year. Remuneration decisions are guided by a Remuneration Framework, which was agreed with HM Treasury at the time of The Royal Mint Limited's vesting and subsequently updated and approved by HM Treasury in

May 2020. The Committee's primary role is to determine, in reference to this framework, the remuneration and performance-related incentive schemes of the Directors and Executive Management Team, subject to the consent of UKGI if applicable. The Terms of Reference for the Committee are available on The Royal Mint Limited's website, and the Remuneration Report is set out on page 52.

NOMINATIONS COMMITTEE OF THE ROYAL MINT LIMITED

The Nominations Committee comprises all Non-Executive Directors and meets as and when necessary. The Committee works with UKGI to appoint Board members on the following basis:

- the Chairman is appointed by the HM Treasury Minister on advice from HM Treasury and UKGI, in consultation with the Chief Executive and the Nominations Committee;
- the Chief Executive appointment is approved by the HM Treasury Minister, on advice of the Chairman, HM Treasury and UKGI and in consultation with the Nominations Committee; and
- the Nominations Committee in consultation with UKGI and with UKGI's consent makes other Board appointments.

The Nominations Committee ensures that all Board recruitment seeks to build on this diversity and all roles are recruited using both advertisements and search.

EXECUTIVE MANAGEMENT TEAM OF THE ROYAL MINT LIMITED

The Chief Executive has primary responsibility for the day-to-day management of the business. She discharges her responsibilities through an Executive Management Team, whose membership is made up of the Executives leading the main functions of the business. The Executive Management Team formally meets on a regular basis and no fewer than ten times a year.

The roles and responsibilities of the Executive Management Team are:

- the implementation of the plan and efficient operation of the business;
- the development and subsequent implementation of a long-term strategy in conjunction with the Board;
- the development of an annual budget, for approval by the Board;
- the approval of capital expenditure over £150,000 and major contracts that don't require Board approval;
- monitor the risk profile in line with Board's risk appetite, oversee a risk management culture and a framework of effective controls;
- the development and implementation of performance improvement programmes;
- the establishment, maintenance and development of operating procedures; and
- with reference to the Remuneration Committee, develop remuneration systems for staff, including performance-related pay.

THE ROYAL MINT MUSEUM

The Royal Mint Museum, as a charitable company, is governed by its Memorandum and Articles of Association, which provide for the appointment and reappointment of Trustees. The creation of an independent Museum was initiated to give long-term security to the collection, to establish a clear educational and charitable remit, and to enable the Museum to expand the services it offers through external funding.

The Trustees are noted on page 4. During the reporting year 2023–24, the Trustees met on four occasions. They have the authority to appoint new Trustees and to direct the use of the Museum's financial and other resources. New appointments are made after a process of placing advertisements, and prospective candidates are selected based on the skill gaps within the existing Board of Trustees who are interviewed by a panel of Trustees. Trustees are appointed for an initial term of three years, renewable for a maximum of two further three-year terms. New Trustees undergo an induction to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. Meetings of the Trustees are attended by members of the Museum's management team, in particular the Director of the Royal Mint Museum, and members of the financial support team, who present papers on their areas of responsibility.

The Trustees exercise oversight and supervision of all the Museum's main functional areas, including finance, fundraising, acquisition and disposal, education and publication programmes, exhibitions, collections management, conservation and the activities of the Museum Services company.

The Trustees decide on the strategy for the Museum. The implementation of the strategy and the operational management is delegated to the Director of the Royal Mint Museum and his colleagues.

RISK MANAGEMENT

Under the guidance of the Board of Directors and Audit Committee, The Royal Mint Group's risk-management processes are undertaken by the Executive Management Team. They focus on the identification and management of the key risks that could affect the achievement of The Royal Mint Group's policies, aims and strategic objectives.

The Board of Directors set the risk appetite for The Royal Mint Group and, as part of its oversight process, has input into the procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.

The Executive Management Team is responsible for overseeing the effective establishment and maintenance in operation of a management framework that evaluates and manages risk, which the team perform on a monthly basis as part of their review mechanism.

The Royal Mint Group's risk management framework and practice aim to follow guidance issued by HM Treasury. Together with a series of operational risk registers covering each of the areas they are responsible for, the Executive Management Team reviews the risk profile and maintains a register of key corporate risks. Updated regularly, these registers evolve as new risks are identified and formally elevated to the risk register.

The Royal Mint Group's Principal Risks and Uncertainties have been assessed as those which would threaten its business model, future performance, solvency or liquidity and reputation. This assessment has considered emerging risks and movement in established Principal Risks and Uncertainties. In 2024–25, these were in the following areas:

RISK MANAGEMENT

The Royal Mint Group's Principal Risks and Uncertainties have been assessed as those which would threaten its business model, future performance, solvency or liquidity and reputation. This assessment has considered emerging risks and movement in established Principal Risks and Uncertainties. In 2024–25, these were in the following areas:

	Risk	Change	Impact	Mitigation
1.	The impact of global, geopolitical and macroeconomic events.	↑	Geopolitical events may impact business financial/operational performance through the introduction of new customer or supplier sanctions/tariffs, loss of overseas markets or logistic challenges for supply chain.	Close monitoring of sanctions/tariffs and supply chain management. Financial strategies.
2.	Maintaining the attractiveness and appeal of coins to collectors.	→	The societal move from coin usage may also lead to a reduction in demand for commemorative coins and other products from The Royal Mint.	The strategic plan for diversification provides for alternative and growing income streams.
3.	Cyber and physical security.	↑	Loss of consumer or employee data could lead to financial crime and present both a reputational and financial impact from losses and potential fines. Overall risk levels have continued to increase due to evolution of cybercrime methods. Any security breach could impact strategic performance and impact The Royal Mint's reputation.	Cyber and physical security controls are in place and are reviewed and tested regularly.
4.	Health, safety and environmental impacts.	→	Any breach of The Royal Mint's regulatory or legal obligations in health and safety, compliance with environmental permits or the operation of an upper-tier COMAH site may have financial, reputational or legal impacts.	Security, health and safety and environmental controls are embedded and regularly tested. External regulators such as Natural Resources Wales carry out inspections, and the COMAH status is overseen by the Competent Authority.
5.	Failure to attract and retain key people, whilst developing new skillsets and capabilities.	→	Failure to attract, motivate and retain employees, particularly in areas where new or additional skills are required, could negatively impact strategic growth plans to diversify into new business areas.	Recruitment processes, training and development plans, and succession planning.
6.	Maintaining The Royal Mint's position as a trusted and authentic brand.	→	The Royal Mint's trusted and historic brand may not be perceived as attractive in newer markets, which may adversely impact strategic growth plans.	Alignment of brand strategy with prioritised launch plans for new businesses and markets.
7.	Failure to meet ESG targets.	→	A commitment to near- (2030) and long-term (2050) decarbonisation targets has been made. The Royal Mint's strategic commitment to be a leader in sustainable precious metals could be impacted by a failure to meet the committed reductions.	External validation of ESG targets and process by credible third parties as applied to The Royal Mint's net-zero targets.
8.	Failure to deliver business plans of new ventures.	↑	Any reduction in the ability of new ventures to scale and contribute investment will impact the strategic growth plan.	Regular monitoring of business performance against strategic business plans.
9.	Financial crime and fraud,	↑	Distress and inconvenience to our customers. Reputational and financial impact from losses and potential fines.	Financial crime including anti-money laundering controls are in place.
10.	Exposure to high and volatile lease rates.	↑	Market conditions could impact metal prices and strategic business plans.	Regular monitoring of rates and providers. Hedging strategy.

INTERNAL CONTROL

The system of internal control 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 risks to the achievement of The Royal Mint Group's policies, aims and objectives. It is also designed to evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place throughout the year and up to the date of approval of the Annual Report. It accords with HM Treasury guidance and the UK Corporate Governance Code where appropriate.

The system of internal control is based on a framework of regular management information, administrative procedures, including the segregation of duties, and a system of delegation and accountability.

In particular, it includes:

- comprehensive budgeting systems with an annual operating plan and budget that is reviewed and agreed by the Board of Directors;
- regular reviews by the board of periodic and annual reports, which indicate performance against the budget and latest forecast;
- setting targets and KPIs to measure financial and other performance;
- risk management framework as detailed below;
- clearly defined capital investment control guidelines; and
- formal physical and information security arrangements.

Executive Directors provide annual written confirmation in relation to the effectiveness of the system of internal control in their area of responsibility.

There were no lapses of data security in the year that were reportable to the Information Commissioner's Office.

INTERNAL AUDIT

The Royal Mint Group operates internal audit arrangements to standards defined in the Public Sector Internal Audit Standards. During 2024–25, KPMG LLP undertook this function on The Royal Mint Group. Its annual audit plan and the results of its audit, including recommendations for improvement, are presented to the Audit and Risk Committee. It also provides an independent opinion on the adequacy of The Royal Mint Group's system of internal control. KPMG LLP assessed the effectiveness of The Royal Mint's control framework as 'Moderate' for 2024–25.

The Royal Mint Trading Fund is also audited by the Government Internal Audit Agency ('GIAA'), an executive agency of HM Treasury. The team operates to agreed Public Sector Internal Audit Standards and complies with procedures and standards set by the GIAA. The internal audit reports provide an independent and objective opinion on the process underpinning the preparation of and provision of assurance over the 2024–25 consolidated annual accounts. On the basis of evidence obtained during 2024–25, a substantial level of assurance was provided to the Accounting Officer. Where applicable, the internal audit report includes recommendations agreed with management for improvement to address identified areas of risk or control enhancement.

THE ROYAL MINT MUSEUM

The Museum is governed by a Board of Trustees that met four times during 2024–25 (2023–24: four times). The Trustees have identified the major risks to which the Museum is exposed with the policy objective being to minimise the impact on the Museum. Risks have been individually assessed based on likelihood and impact under the headings of assets, operations and finance. Control measures have been identified for each of the risks to mitigate them to what is judged to be an acceptable level.

Key principal risks are:

- inadvertent damage to the collection – storage and conservation is a high priority for Trustees as detailed above in Trustees' report;
- breach of security of collection, mitigated by regular review and upgrade of process and facilities;
- inadequate knowledge, mitigated by succession planning and staff training; and
- the Trustees consider the organisation's exposure to price risk, credit risk, liquidity risk and cash flow risk is very low. The Trustees continue to review and manage all financial risks.

ARMS-LENGTH BODIES

The Royal Mint Advisory Committee is an associated arms-length body. The Committee's activities in the year are summarised on page 40.

LOSSES AND SPECIAL PAYMENTS (AUDITED)

Realised foreign exchange losses of £nil were incurred during the year that require disclosure in accordance with *Managing Public Money* (2023–24: £nil losses). There have been no special payments during the current or prior year.

CONCLUSIONS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of Internal Control. My review is informed by the work of the internal auditors of The Royal Mint Limited and comments made by the external auditors in their management letters and other reports. In addition, I have received assurance statements from the Chief Executive for The Royal Mint Limited and the Chair of the Trustees of the Royal Mint Museum confirming both The Royal Mint Limited and the Royal Mint Museum have effective governance, risk management and assurance arrangements in place as described in this statement.

In my opinion, the system of internal control was effective throughout the financial year and remains so on the date I sign this statement.

Sean Jones

ACCOUNTING OFFICER

September 2025

Remuneration and Staff Report

INTRODUCTION

The Accounting Officer of the Royal Mint Trading Fund and the Trustees of the Royal Mint Museum receive no remuneration in connection with their respective roles within the Royal Mint Trading Fund.

REMUNERATION COMMITTEE OF THE ROYAL MINT LIMITED

The Committee's primary role is to determine, within the bounds of the Directors' Remuneration

Framework agreed with the shareholder, the remuneration and performance-related incentive schemes of the Executive Management Team, subject to the consent of UKGI and HM Treasury ministers, if required. The Secretary to the Committee is the Chief People Officer and the Chief Executive is invited to attend the Committee. Directors do not take part in any decisions affecting their own remuneration.

REMUNERATION POLICY

The Royal Mint Group's policy is to maintain levels of remuneration such as to attract, motivate and retain executives of a high calibre who can contribute effectively to the successful development of the business.

EXECUTIVE MANAGEMENT TEAM

At 31 March 2025, the team was made up of seven roles: Chief Executive, Chief Financial Officer, Chief Commercial Officer, Director of Operations, Chief People Officer, Chief Marketing Officer and Chief Growth Officer.

EXECUTIVE MANAGEMENT TEAM'S TERMS, CONDITIONS AND REMUNERATION

The remuneration package of members of the Executive Management Team consists of the following elements:

i. Basic salary

The basic starting salary of a member of the Executive Management Team is determined as part of the recruitment and selection process. Thereafter it is subject to annual review and regular external benchmarking as required by the Remuneration Framework.

ii. Short-Term Incentive Plan (STIP)

At the start of the year, the Remuneration Committee agreed the targets for the STIP for 2024–25. The purpose is to recognise and reward outstanding performance against planned business targets, with a strong focus on Economic Value Added ('EVA') and operating profit. STIP awards are disclosed and accrued in the year they are earned. The maximum amount it was possible to earn for 2024–25 was 33% of basic salary for the Chief Executive and 30% of basic salary for the other members of the Executive Management Team.

iii. Long-Term Incentive Plan (LTIP)

The LTIP is in place to reward and recognise achievement of the strategic and sustainable development of the business. Targets relate to EVA and EBITDA ('Earnings Before Interest, Tax, Depreciation and Amortisation') and combine single and three-year timescales. The maximum amount it is possible to earn under each LTIP scheme is 33% of the basic salary for the Chief Executive and 25% for the other members of the Executive Management Team.

LTIP awards are disclosed and accrued in the year they are earned. Amounts are paid in the year following the conclusion of each three-year scheme.

There were three LTIP schemes operating during 2024–25. One started in 2022–23 and concluded in 2024–25 and any amount earned will be paid in 2025–26; the second started in 2023–24 and any amount earned will be paid in 2026–27. The third started in 2024–25 and any amount earned will be paid in 2027–28.

iv. Pension scheme

All members of the Executive Management Team who joined after 1 January 2010 are members of The Royal Mint Group Personal Pension Plan, a defined contribution scheme.

All members of the Executive Management Team, who joined prior to 1 January 2010, were members of Prudential Platinum Pension – The Royal Mint Limited Scheme, a defined benefit pension scheme. The Prudential Platinum scheme was closed for additional contributions on 31 March 2015 and all members of the Executive Management Team who were members of the Prudential Platinum scheme at 31 March 2015 decided to accept a Cash Equivalent Transfer Value ('CETV') into their private personal schemes. From 1 April 2015, all Executive Management Team members, who joined prior to 1 January 2010, have accrued benefits into the Civil Service Pension Scheme.

v. Discretionary benefits allowance

Any allowance paid is non-consolidated, non-pensionable and is not used for the basis of Incentive Plan calculations: payments are included within remuneration below.

The following sections provide details of the salaries, pension entitlements and fees of the Board members and Executive Management Team.

The 2024–25 targets set by the Remuneration Committee in April 2024 were not met, so no amounts were earned under the STIP or under the single year timescale of the LTIP. The amounts earned under the LTIP in the following table reflect the achievement over the three-year timescales within the plan.

vi. Compensation for loss of office

Following the Group's strategic decision to exit the overseas currency market, the role of Managing Director of the Currency business was made redundant. As a result, Andrew Mills received a severance package comprising six months' salary as compensation for loss of office.

REMUNERATION AND INCENTIVE PLANS (AUDITED)

Executive Management Team of The Royal Mint Limited	Total remuneration 2024-25 £'000	Remuneration before incentives 2024-25 £'000	STIP amounts earned 2024-25 £'000	LTIP amounts earned 2024-25 £'000	Pension benefits 2024-25 £'000
Anne Jessopp	413	266	-	22	125
Michael Davies	188	168	-	-	20
Andrew Mills	251	121	-	-	130
Leighton John	215	138	-	9	68
Nicola Howell	209	177	-	11	21
Sean Millard	181	161	-	10	10
Caroline Webb	161	144	-	-	17
Amanda Brady	166	143	-	6	17

Board members during the year were Anne Jessopp, Michael Davies, Andrew Mills and Nicola Howell. Andrew Mills resigned as a Director and left the business on 31 December 2024. The full-year equivalent under normal circumstances was £292,000.

Michael Davies became a member of the Executive Team in May 2024 and was appointed as Statutory Director on 28 October 2024. His remuneration in the table above covers the period from May 2024. The full-year equivalent under normal circumstances was £203,000

REMUNERATION AND INCENTIVE PLANS (AUDITED)

Executive Management Team of The Royal Mint Limited	Total remuneration 2023-24 £'000	Remuneration before incentives 2023-24 £'000	STIP amounts earned 2023-24 £'000	LTIP amounts earned 2023-24 £'000	Pension benefits 2023-24 £'000
Anne Jessopp	364	249	-	20	95
Andrew Mills	221	154	-	9	58
Leighton John	191	132	-	8	51
Nicola Howell	194	164	-	10	20
Sean Millard	164	147	-	8	9
Huw Lewis	154	149	-	-	5
Caroline Webb	156	137	-	6	13
Amanda Brady	150	131	-	3	16

No non-cash benefits-in-kind were provided during the year.

Pension benefits in the tables above represent the actuarially assessed increase in pension benefits at retirement age arising due to in-year service, calculated as per Finance Act 2013 rules. The real increases exclude increases due to inflation, contributions made by the individual, or any increase or decreases due to a transfer of pension rights.

For the Directors who are not members of a defined benefit pension scheme, the pension benefits included in the tables above reflect the employer contributions made during the year. Nicola Howell, Michael Davies, Sean Millard, Caroline Webb and Amanda Brady are members of The Royal Mint Personal Pension Plan, a defined contribution scheme.

PAY MULTIPLES (AUDITED)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid Director in their organisation and the remuneration of the employees at the 25th, 50th and 75th percentile of the organisation's workforce. The 50th percentile is also known as the median, the midpoint of our range of salaries. For the purpose of this disclosure, the remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include pension contributions or the Cash-Equivalent Transfer Value ('CETV') of pensions. To keep comparisons consistent, it also does not include compensation for loss of office or any one-off or special additional payments. Using this basis, in 2024–25 the remuneration of the highest-paid director of The Royal Mint Limited was £288,445 (2023–24: £269,398) and the average remuneration (excluding the highest-paid director) was £42,683 (2023–24: £44,513).

RATIO OF THE REMUNERATION OF THE HIGHEST-PAID DIRECTOR TO THE REMUNERATION OF THE WORKFORCE AS A WHOLE:

Year	25th percentile pay ratio	Median (50th percentile pay ratio)	75th percentile pay ratio
2024–25	9.3	7.4	5.9
2023–24	9.0	7.2	5.8

PAY AND BENEFITS OF EMPLOYEES AT THE 25TH, 50TH AND 75TH PERCENTILE OF PAY AND BENEFITS OF THE WORKFORCE:

Year	25th percentile pay ratio		Median (50th percentile pay ratio)		75th percentile pay ratio	
	Total pay and benefits	Salary component of pay and benefits	Total pay and benefits	Salary component of pay and benefits	Total pay and benefits	Salary component of pay and benefits
2024–25	£30,911	£30,911	£39,228	£39,228	£48,854	£48,854
2023–24	£30,032	£30,032	£37,639	£37,639	£46,254	£46,254

Average % change in the remuneration of the workforce as a whole from 2023–24 to 2024–25 (excluding highest-paid director)		Percentage change in the remuneration of the highest-paid director from 2023–24 to 2024–25	
Salary and allowances	Performance pay and bonuses	Salary and allowances	Performance pay and bonuses
(4.4)%	190.1%	7.1%	7.1%

The changes in the pay ratios compared to the previous year's pay ratios are consistent with our expectations. The Chief Executive was the highest-paid director in 2024–25. The salary and allowances reflect the change in the nature of our workforce to meet evolving business needs.

PENSION BENEFITS ACCRUED (AUDITED)

The table should be read in the context of the notes below.

	Accrued pension at pension age as at 31 March 2024 £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31 March 2024 £'000	CETV at 31 March 2023 £'000	Real increase in CETV
Anne Jessopp	60–65	5–7.5	1,116	915	102
Andrew Mills	55–60	5–7.5	816	863	55
Leighton John	20–25 plus lump sum of 35–40	2.5–5 plus lump sum of 0–2.5	409	337	48

Information on the defined benefit pension scheme is provided in note 17.

CETV is the actuarially assessed capitalised value of the pension scheme benefit accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits from the scheme. A CETV is a payment made by a pension scheme to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme.

The figures include the value of any pension benefit in another scheme or arrangement that the member has transferred to the Civil Service pension arrangement. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax that may be due when pension benefits are taken.

The real increase in CETV reflects the increase that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee, including the value of any benefits transferred from another pension scheme or arrangement, and uses common market valuation factors for the start and end of the period.

EMPLOYMENT AGREEMENTS

All permanent members of the Executive Management Team covered by this Annual Report hold open-ended appointments; their notice periods are six months.

Early termination (other than for misconduct or persistent poor performance) would result in the individual receiving compensation in line with the relevant redundancy scheme.

NON-EXECUTIVE DIRECTORS' TERMS, CONDITIONS AND FEES (AUDITED)

All Non-Executive Directors apart from Andrew Butterworth are appointed by The Royal Mint Limited with approval of UKGI. Either party can terminate their engagement upon giving three months' notice.

The Non-Executive Directors receive an annual fee. The Chair of the Board's fee is agreed by HM Treasury ministers. The fees of other Non-Executive Directors are agreed by the Nominations Committee and subsequently consented by UKGI.

	2024-25 £'000	2023-24 £'000
Graham Love	39	47
Christopher Walton	16	-
William Spencer	25	25
Shimi Shah	23	23
Kate Barnett	20	20
Matthew Woolsey	20	20
Lisa Montague	20	20

Christopher Walton was appointed on 27 January 2025 and Graham Love resigned on the same day. The total full year equivalent for Christopher Walton was £65,000 and for Graham Love was £47,000.

In addition, Non-Executive Directors are reimbursed for reasonable travel and subsistence expenses claimed in the performance of their duties and the total amount paid to the Non-Executive Directors (gross of tax and national insurance) in 2024-25 was £6,000 (2023-24: £9,000).

Andrew Butterworth received no fees from The Royal Mint Limited.

Staff costs (audited)

TOTAL GROUP STAFF COSTS

	2024-25 £'000	2023-24 £'000
Wages and salaries		
Staff with a permanent contract	35,637	39,036
Other staff	1,174	1,471
	36,811	40,507
Social security costs		
Staff with a permanent contract	3,773	4,018
Other staff	130	158
	3,903	4,176
Other pension costs		
Defined benefit:		
Staff with a permanent contract	2,399	2,573
Defined contribution:		
Staff with a permanent contract	2,629	2,934
Other staff	108	121
	5,136	5,628
	45,850	50,311

AVERAGE NUMBER EMPLOYED

The monthly average number of people, including Directors, employed during the year:

	2024-25 Number	2023-24 Number
Production		
Staff with a permanent contract	381	466
Other staff	9	9
	390	475
Sales and Marketing		
Staff with a permanent contract	217	246
Other staff	10	11
	227	257
Administration		
Staff with a permanent contract	154	162
Other staff	7	5
	161	167
	778	899

DIRECTORS' EMOLUMENTS

	2024-25 £'000	2023-24 £'000
Aggregate emoluments excluding long-term incentive scheme	895	870
Aggregate amounts receivable under long-term incentive scheme	33	40
Contributions under defined contribution pension scheme	40	25
Highest-paid Director:		
Total amounts of emoluments and amounts receivable under long-term incentive scheme	288	269
Accrued defined benefit pension at year-end	63	52
Accrued lump sum at year-end	1,116	915

Retirement benefits accrued to two Executive Directors under a defined benefit scheme during the year (2023-24: two).

EXIT PACKAGES

The Royal Mint Limited ran a voluntary release scheme and made some involuntary redundancies during the year, whereby departing employees received a one-off payment. The employees who had left, or had signed agreements to leave, The Royal Mint Limited by the end of March 2025 are summarised below and the costs are included within the total restructuring costs in Note 5.

	2024–25	2024–25	2023–24	2023–24
Exit package cost band	Number of Leavers	£'000	Number of Leavers	£'000
<£10,000	24	158	1	9
£10,000–£25,000	28	516	8	114
£25,000–£50,000	96	3,375	53	1,850
£50,000–£100,000	68	4,668	6	366
£100,000–££150,000	9	1,133	1	110
Total number of exit packages	225*	9,850	69*	2,449

*In 2024–25, there were 119 leavers associated with the business restructuring (2023–24; nil), 106 leavers associated with ceasing to make overseas coins (2023–24; 62) and nil other leavers (2023–24; 7).

STAFF COMPOSITION

The number of people employed at 31 March 2025 was 679 (2024: 846). Of these employees, 434 were male and 245 were female (2024: 555 male, 291 female). The Royal Mint Museum Group itself has no employees (2024: nil). The Board of Directors of The Royal Mint Limited at 31 March 2025 comprised five male directors and five female (2024: five male, five female). The Trustees and Directors of The Royal Mint Museum at 31 March 2025 comprised of three male and three female (2024: six male, two female).

STAFF POLICIES

The Royal Mint Limited has an employee handbook available on its intranet site that covers staff policies such as recruitment, behaviours at work, pay and benefits, holidays, absence from work, travel and subsistence and equal opportunities. Policies are reviewed and updated regularly, and staff are notified through email communications and team briefings when changes are made.

EQUALITY, DIVERSITY AND INCLUSION (EDI)

We are committed to creating an inclusive workplace that values diversity across our workforce. We have implemented a Disability and Neurodiversity Policy, which is regularly reviewed and updated to ensure it remains effective. Disclosure of a disability or neurodiversity is entirely voluntary; however, we encourage employees to share information to ensure that the appropriate support and reasonable adjustments can be provided. Throughout all stages of recruitment and employment, we focus on the skills, qualifications and experience of candidates and employees. 0.51% of our employees identify as disabled or neurodivergent.

We're proud of progress made through our current EDI Strategy, with more to come:

- We exceeded our targets for women in STEM (Science, Technology, Engineering and Maths) roles and supported and participated in key awareness events, including Pride Cymru, Inclusion Week, and Neurodiversity Week; and
- A new EDI Strategy will be co-designed with our people in the coming year to build on this momentum.

SICKNESS ABSENCE

The annual sickness absence rate for 2024–25 was 3.9% which was consistent with 2023–24 (3.9%).

STAFF TURNOVER

Voluntary staff turnover percentage during the year was 4.6 % (2024: 11.3%). This excluded any staff leavers under the formal consultation process.

STAFF CONSULTANCY

Staff consultancy expenditure of £138,602 was incurred during the year (2023–24: £24,904) which was associated with advice provided to employees leaving under the formal consultation process.

Sean Jones

ACCOUNTING OFFICER

September 2025

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

OPINION ON FINANCIAL STATEMENTS

I certify that I have audited the financial statements of the Royal Mint Trading Fund and its Group for the year ended 31 March 2025 under the Government Trading Funds Act 1973.

The financial statements comprise the Royal Mint Trading Fund and its Group's:

- Statements of Financial Position as at 31 March 2025;
- Consolidated Income Statement, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows for the year ended 31 March 2025; and
- the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group 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 Royal Mint Trading Fund and its Group's affairs as at 31 March 2025 and its loss for the year then ended; and
- have been properly prepared in accordance with the Government Trading Funds Act 1973 and HM Treasury 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 (2024)*. 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 2024. I am independent of the Royal Mint Trading Fund and its Group 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 Royal Mint Trading Fund and its Group'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 Royal Mint Trading Fund and its Group'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.

OTHER INFORMATION

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. 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 and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Trading Funds 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 HM Treasury directions issued under the Government Trading Funds Act 1973;
- the information given in the Performance and Accountability Reports 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 Royal Mint Trading Fund and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance 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 Royal Mint Trading Fund and its Group 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 and Staff 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 ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 Royal Mint Trading Fund and its Group 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 statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973; and
- assessing the Royal Mint Trading Fund and its Group'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 Accounting Officer intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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 Government Trading Funds 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 Royal Mint Trading Fund and its Group's accounting policies;
- inquired of management, the internal auditors of the Royal Mint Limited and those charged with governance, including obtaining and reviewing supporting documentation relating to the Royal Mint Trading Fund and its Group'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 Royal Mint Trading Fund and its Group's controls relating to the Royal Mint Trading Fund and its Group's compliance with the Government Trading Funds Act 1973, and *Managing Public Money*;
- inquired of management, the internal auditors of the Royal Mint Limited and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team, including significant component audit teams, 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 Royal Mint Trading Fund and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Royal Mint Trading Fund and its Group's framework of authority and other legal and regulatory frameworks in which the Royal Mint Trading Fund and its Group operate. 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 Royal Mint Trading Fund and its Group. The key laws and regulations I considered in this context included Government Trading Funds Act 1973, *Managing Public Money*, Companies Act 2006, employment law 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;
- enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- reviewed minutes of meetings of those charged with governance and the Board,; and internal audit reports;
- addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- issued component audit instructions to the external auditor of the Royal Mint Limited and reviewed the component auditor's work, including in relation to journals, estimates, significant transactions that are unusual or outside the normal course of business, revenue recognition, and other significant areas.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members, including the component audit team, 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. This description forms part of my certificate.

OTHER AUDITOR'S RESPONSIBILITIES

I am required to obtain sufficient appropriate audit evidence 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

September 2025

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

Statements and Notes

Consolidated Income Statement

FOR THE YEAR ENDED 31 MARCH 2025

		Before IFRS 9-related items and exceptionals 2024–25 £'000	IFRS 9-related items (note 5) 2024–25 £'000	Other exceptionals (note 5) 2024–25 £'000	Total 2024–25 £'000	Before IFRS 9-related items and exceptionals 2023–24 (restated*) £'000	IFRS 9-related items (note 5) 2023–24 £'000	Other exceptionals (note 5) 2023–24 £'000	Total 2023–24 (restated*) £'000
	Notes								
Revenue	2	1,315,360	-	-	1,315,360	1,352,462	-	-	1,352,462
Cost of sales		(1,278,310)	248	(26,182)	(1,304,244)	(1,295,541)	(175)	(2,305)	(1,298,021)
Gross profit		37,050	248	(26,182)	11,116	56,921	(175)	(2,305)	54,441
Administrative expenses		(14,147)	-	(3,318)	(17,465)	(13,985)	-	(3,943)	(17,928)
Selling and distribution costs		(38,445)	-	(2,205)	(40,650)	(39,247)	-	-	(39,247)
Other (losses)/gains	22	340	(594)	-	(254)	852	(14)	-	838
Operating (loss)/profit	3	(15,202)	(346)	(31,705)	(47,253)	4,541	(189)	(6,248)	(1,896)
Finance income	6	945	-	-	945	617	-	-	617
Finance costs	6	(3,775)	-	-	(3,775)	(3,622)	-	-	(3,622)
Share of profit of associate accounted for using the equity method	10	232	-	-	232	179	-	-	179
(Loss)/profit before tax		(17,800)	(346)	(31,705)	(49,851)	1,715	(189)	(6,248)	(4,722)
Taxation	7				13,555				457
(Loss)/profit for the financial year					(36,296)				(4,265)
Loss)/profit attributable to: HM Treasury					(36,296)				(4,265)

* Comparative figures for IFRS 9-related items have been restated; see note 1.30 for details.

The notes on pages 67 to 101 form part of the financial statements.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024-25 £'000	2023-24 (restated)* £'000
(Loss)/profit for the financial year		(36,296)	(4,265)
Other comprehensive (expense)/income:			
<i>Items that may be reclassified to profit or loss:</i>			
Losses on cash flow hedges		(1)	(258)
Hedging gains/(losses) reclassified to profit or loss		99	96
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements for defined benefit scheme	17	85	1,002
Deferred tax on remeasurements for defined benefit scheme	16	(21)	(251)
Revaluation	8,9	3,160	8,717
Other comprehensive income for the period, net of tax		3,322	9,306
Total comprehensive (loss)/income for the year		(32,974)	5,041
Total comprehensive (loss)/income attributable to:			
HM Treasury		(32,974)	5,041

* Details of the restatement can be found in note 1.30.

Royal Mint Trading Fund

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2025

	2024-25 £'000	2023-24 £'000
Profit for the financial year	-	3,932
Other comprehensive income	-	-
Total comprehensive income for the year	-	3,932
Total comprehensive income attributable to: HM Treasury	-	3,932

The notes on pages 67 to 101 form part of the financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

	Public Dividend Capital £'000	Revaluation Reserve £'000	Retained Earnings £'000	Hedging Reserve £'000	Heritage Assets Reserve £'000	Total Equity £'000
At 1 April 2024 (restated)*	5,500	18,886	66,495	(81)	61,676	152,476
Movements in the year:						
Loss for the financial year	-	-	(36,296)	-	-	(36,296)
Other comprehensive income/(expense)	-	2,360	64	98	800	3,322
Total comprehensive income/(expense) for the year	-	2,360	(36,232)	98	800	(32,974)
Cost of hedging transferred to inventory	-	-	-	1	-	1
At 31 March 2025	5,500	21,246	30,263	18	62,476	119,503

	Public Dividend Capital £'000	Revaluation Reserve £'000	Retained Earnings £'000	Hedging Reserve £'000	Heritage Assets Reserve £'000	Total Equity £'000
At 1 April 2023 (restated)*	5,500	17,099	73,941	(79)	54,746	151,207
Movements in the year:						
Profit for the financial year	-	-	(4,265)	-	-	(4,265)
Other comprehensive income/(expense)	-	1,787	751	(162)	6,930	9,306
Total comprehensive income/(expense) for the year	-	1,787	(3,514)	(162)	6,930	5,041
Cost of hedging transferred to inventory	-	-	-	160	-	160
Transactions with owners – dividends	-	-	(3,932)	-	-	(3,932)
At 31 March 2023	5,500	18,886	66,495	(81)	61,676	152,476

* Details of the restatement can be found in note 1.30.

The notes on pages 67 to 101 form part of the financial statements.

Royal Mint Trading Fund

Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

	Public Dividend Capital £'000	Profit and Loss Account £'000	Total £'000
At 1 April 2024 and 31 March 2025	5,500	53,819	59,319
At 1 April 2023	5,500	53,819	59,319
Movements in the year:			
Profit for the financial year	-	3,932	3,932
Total comprehensive income for the year	-	3,932	3,932
Transactions with owners – dividends	-	(5,058)	(5,058)
At 31 March 2024	5,500	53,819	59,319

The notes on pages 73 to 112 form part of the financial statements.

Consolidated and Company Statements of Financial Position

AS AT 31 MARCH 2025

	Notes	Company 2025 £'000	Company 2024 (restated)* £'000	Company 2023 £'000
Non-current assets				
Property, plant and equipment	8	77,701	87,473	83,778
Heritage assets	9	64,457	63,512	56,285
Intangible assets	10	28,875	19,516	11,862
Deferred tax asset	16	3,457	-	-
Investment in associate	24	8,343	2,793	2,763
Retirement benefit surplus	17	8,246	7,779	6,484
TOTAL NON-CURRENT ASSETS		191,079	181,073	161,172
Current assets				
Inventories	11	52,728	56,399	95,835
Derivative financial instruments	23	235	891	1,166
Current tax asset	7	4,373	1,749	898
Trade and other receivables	12	21,950	26,925	38,000
Cash and cash equivalents	21	8,391	11,140	8,002
TOTAL CURRENT ASSETS		87,677	97,104	143,901
Current liabilities				
Borrowings	13	(766)	(663)	(12,651)
Other liabilities	24	(346)	(1,672)	-
Trade and other payables	14	(109,338)	(95,641)	(128,449)
Provision for liabilities and charges	15	(3,468)	-	-
Derivative financial instruments	23	(61)	(439)	(833)
TOTAL CURRENT LIABILITIES		(113,979)	(98,415)	(141,933)
NET CURRENT ASSETS		(26,302)	1,311	1,968
Non-current liabilities				
Borrowings	13	(26,452)	(11,336)	(2,062)
Other liabilities	23	(15,938)	(5,427)	-
Accruals and deferred income	14	(805)	(958)	(1,112)
Deferred tax liability	16	-	(8,044)	(8,215)
Provision for liabilities and charges	15	(2,079)	(1,521)	(544)
NET ASSETS		119,503	152,476	151,207
Equity				
Public dividend capital		5,500	5,500	5,500
Revaluation reserve		21,246	18,886	17,099
Retained earnings		30,263	66,495	73,941
Hedging reserve		18	(81)	(79)
Heritage assets reserve		62,476	61,676	54,746
TOTAL EQUITY		119,503	152,476	151,207

* Comparative figures for derivatives financial instruments and retained earnings have been restated – see note 1.30 for further details.

The notes on pages 67 to 101 form part of the financial statements.

Sean Jones

ACCOUNTING OFFICER

September 2025

Royal Mint Trading Fund

Statement of Financial Position

AS AT 31 MARCH 2024

	Notes	Company 2025 £'000	Company 2024 £'000
Non-current assets			
Investments	24	59,319	59,319
TOTAL NON-CURRENT ASSETS		59,319	59,319
Current assets			
Loan to group undertaking	12	25,000	10,000
TOTAL CURRENT ASSETS		25,000	10,000
Current Liabilities			
Loan from National Loans Fund	13	(25,000)	(10,000)
TOTAL CURRENT LIABILITIES		(25,000)	(10,000)
NET ASSETS		59,319	59,319
Equity			
Public dividend capital		5,500	5,500
Retained earnings		53,819	53,819
TOTAL EQUITY		59,319	59,319

The notes on pages 67 to 101 form part of the financial statements.

Sean Jones

ACCOUNTING OFFICER

September 2025

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024-25 £'000	Group 2023-24 Restated* £'000
Cash flow from operating activities			
(Loss)/profit before tax		(49,851)	(4,722)
Depreciation on non-current assets	3a	17,888	7,851
Amortisation on non-current assets	3a	4,738	4,376
Gain on disposal of assets		(7)	-
Impairment		945	-
Finance income	6	(945)	(617)
Finance cost	6	3,775	3,622
Cash-flow hedges		377	(122)
Share of associate	24	(232)	(180)
Changes in operating assets and liabilities:			
Difference between pension charge and cash contribution	17	(198)	21
Inventory	11	3,671	39,436
Trade and other receivables		3,831	10,688
Trade and other payables		14,507	(32,508)
Provisions	15	4,026	977
Cash generated from operations		2,525	28,822
Net tax paid		553	(429)
Interest paid		(2,811)	(2,675)
Net cash generated from operating activities		267	25,718
Cash flow from investing activities			
Acquisition of property, plant and equipment	8	(6,064)	(8,475)
Proceeds from disposal of property, plant and equipment	8	779	-
Acquisition of intangible assets	10	(5,989)	(5,356)
Acquisition of heritage assets	9	(158)	(297)
Purchase of minority interest investment	24	(5,485)	-
Interest received		564	303
Dividends received	24	167	150
Net cash used in investing activities		(16,186)	(13,675)
Cash flow from financing activities			
Drawdown of borrowings	13	15,000	10,000
Repayments of borrowings	13	(127)	(12,121)
Drawdown of precious metals facilities		425,198	174,519
Repayment of precious metals facilities		(425,787)	(177,198)
Principal lease payments	21	(1,222)	(744)
Dividends paid		-	(3,932)
Net cash received from/(used in) financing activities		13,062	(9,476)
Net movement in cash and cash equivalents		(2,857)	2,567
Cash and cash equivalents at the start of the year	21	11,140	8,002
Effects of exchange rate changes on cash and cash equivalents	21	108	571
Cash and cash equivalents at end of year	21	8,391	11,140

* The drawdown and repayments of the precious metals facilities were previously netted from the movement in trade and other payables within 'Cash flow from operating activities'. These have been disclosed separately within 'Cash flow from financing activities' in 2024-25 and the comparatives have been restated to be on a consistent basis.

The notes on pages 67 to 101 form part of the financial statements.

Royal Mint Trading Fund Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024-25 £'000	2023-24 £'000
Cash flow from investing activities			
Dividends received from The Royal Mint Limited		-	3,932
Movement in loans		(15,000)	(2,000)
Net cash generated from investing activities		(15,000)	1,932
Cash flow from financing activities			
Dividend paid		-	(3,932)
Movement in loans		15,000	2,000
Net cash used in financing activities		15,000	(1,932)
Net movement in cash and cash equivalents			
Cash and cash equivalents at the start of the year		-	-
Cash and cash equivalents at the end of the year		-	-

The notes on pages 67 to 101 form part of the financial statements.

Notes to the Financial Statements

NOTE 1 PRINCIPAL ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the 2024–25 Government Financial Reporting Manual (FReM). The accounts have been prepared under a direction issued by HM Treasury under the Government Trading Funds Act 1973. The accounting policies contained in the FReM apply International Financial Reporting Standards 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 Royal Mint Trading Fund for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. They have been applied consistently unless otherwise stated in dealing with items that are considered material to the accounts.

1.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New standards, amendments and interpretations

The Group has applied the following amendments for the first time for its annual reporting period commencing 1 April 2024:

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 *Leases*; and
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures – Supplier Finance Arrangements*.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been issued but are not mandatory for the Group's 31 March 2025 reporting period and have not been early adopted. These include *IFRS 18 Presentation and Disclosure in Financial Statements*, which was issued in April 2024 and replaces IAS 1. IFRS 18 introduces changes to the structure of the Income Statement, including defined subtotals and requirements to disclose management-defined performance measures. Whilst the Group is still assessing the full impact, the standard is expected to affect the presentation and disclosures in the financial statements rather than recognition or measurement of transactions.

The Group does not expect the adoption of any other new standards to have a material impact on the financial statements in the current or future reporting periods.

There are no other IFRS or IFRSIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

1.3 SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of The Royal Mint Limited.

1.4 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in sterling, which is the Group's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end of exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement, except when deferred in equity as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'Finance income or cost'. All other foreign exchange gains and losses are presented net in the Income Statement within 'Other gains/(losses)'.

1.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are included at fair value to the business as follows:

The valuation is based upon the following:

- (land and buildings are stated at valuation. Values are assessed at least every five years by external independent valuers; and
- (plant and machinery are stated at their cost uprated by indices published by the Office for National Statistics where the cumulative movement is material to the financial statements.

The land and buildings valuation is also reviewed with sufficient regularity to ensure that the fair value does not differ materially from the carrying amount. Fair value is assessed on the basis of open market value except in the case of specialised buildings, which are based on depreciated replacement cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserves in equity. Decreases that offset previous increases of the same asset are charged against revaluation reserves directly in equity; all other decreases are charged to the Income Statement. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the Income Statement and depreciation based on the asset's original cost is transferred from 'revaluation reserves' to 'retained earnings'.

NOTE 1 CONTINUED

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Depreciation is calculated on a straight-line basis so as to charge the depreciable amount of the respective asset to income over its expected useful life. The useful lives of assets are as follows:

	Years
Freehold land and buildings (including integral features)	Up to 50
Plant and machinery	Up to 20

No depreciation is provided in respect of land, payments on account or assets in the course of construction.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within 'Other gains/(losses)' in the Income Statement.

HERITAGE ASSETS

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. Heritage assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental and historic associations.

The Group has introduced a programme of valuation as follows:

Assets donated to The Royal Mint Museum on vesting

An update to previous valuations was performed at 31 March 2025 with an increase in value resulting in an increase in the heritage assets reserve.

No meaningful valuation is possible with respect to master tools and dies for which cost information is unavailable.

No valuation with respect to architectural plans, film reels, tapes and glass negatives is to be undertaken as their significance in relation to valuation is not judged sufficiently high to warrant expenditure on obtaining a valuation.

Assets acquired since vesting

Heritage assets acquired since the formation of the Museum company have been capitalised to the Statement of Financial Position at initial cost. Donated heritage assets are recorded at estimated valuation at the date of donation unless this is not practicable, in which case the appropriate disclosures are made of the nature and the extent of these donations.

1.6 INTANGIBLE ASSETS

Intangible assets

Directly attributable costs are recognised as an intangible asset where the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits;
- the existence of a market or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during development.

Payments on account and assets under the course of construction

Internal costs capitalised are those direct employee costs involved in the design and testing of IT systems. These costs are initially held within assets in the course of construction within intangible assets before being transferred to software within intangibles. Other costs included in this category relate to capital projects not yet completed.

Goodwill on associate

Goodwill is recognised in respect of the excess contribution paid for the acquisition of an interest in an associate company over the fair value of the share of net assets acquired.

Software

IT system, online website and licences for computer software are amortised on a straight-line basis over a period of between three and eight years.

Development costs

Research costs are expensed as incurred. Capitalised development costs are direct employee and other costs relating to technology for commercial production. Development costs are amortised when commercial production begins over the expected useful life of the technology and before then are held within assets in the course of construction within intangible assets.

Software

Internal costs capitalised are those direct employee costs involved in the design and testing of new software.

Patents

Patents acquired by the Group are amortised on a straight-line basis over a period of eight to ten years.

IP Licences

Licence fees are capitalised when the criteria for recognition as an intangible asset are met. Any licence fees payable before the recognition criteria are met are expensed as incurred. On initial recognition, the intangible asset and a corresponding liability are measured as the present value of the future licence fees payable over the expected term of the licence. Future licence fees are discounted at the Group's incremental borrowing rate (the interest rate that management considers the Group would incur to borrow a similar amount over a similar term and with similar security).

Where an option exists to extend the licence beyond an initial term, the expected term of the licence includes the extension period only if it is reasonably certain that the extension option will be exercised. Where an early termination option exists, the expected term of the licence does not include the period beyond the termination option unless it is reasonably certain that the termination option will not be exercised. The likelihood that extension or termination options will be exercised is regularly assessed.

Contingent payments related to a licence such as royalties, profit-sharing and bonus payments are not capitalised and are recognised as an expense as incurred.

1.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

1.8 FINANCIAL ASSETS

Financial assets are recognised when the Group becomes party to the contracts that give rise to them and are classified as financial assets at fair value through the Income Statement or loans and receivables, as appropriate. Financial assets are classified at initial recognition and, where allowed

and appropriate, this designation is re-evaluated at each financial year-end. When financial assets are recognised, initially, they are measured at fair value, being the transaction price plus directly attributable transaction costs.

All standard purchases and sales of financial assets are recognised on the trade date, being the date a commitment is made to purchase or sell the asset. Standard transactions require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

The subsequent measurement of financial assets depends on their classification, as follows:

- i. financial assets at fair value through the Income Statement – financial assets classified as held for trading and other assets designated as such on inception are included in this category. Derivatives, including separated embedded derivatives, are classified as held for trading unless they are designated as effective hedging instruments where movements in fair value are recognised through Other Comprehensive Income. Assets are carried in the Statement of Financial Position at fair value with gains or losses recognised in the Income Statement.
- ii. financial assets at amortised cost are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. They are initially measured at fair value and subsequently held at amortised cost.

1.9 IMPAIRMENT OF FINANCIAL ASSETS

An assessment is carried out at each balance sheet date whether a financial asset or group of financial assets is impaired.

Assets carried at amortised cost – if there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cashflows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss shall be recognised in administration costs.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the Income Statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Impaired debts are derecognised when their outcome is certain.

1.10 TRADE RECEIVABLES

Trade receivables are recognised at the original invoice amount and carried at amortised cost less an allowance for any identified impairment. The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk and the days past due. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. Receivables are written off when there is no possibility of collection. The impairment allowance is established when there is objective evidence that amounts due under the original terms of the transaction will not be collected. The impairment is charged to the Income Statement and represents the difference between the carrying amount and the recoverable amount. Balances are written off when the probability of recovery is assessed as remote. Impaired debts are derecognised when their outcome is certain.

NOTE 1 CONTINUED

1.11 FINANCIAL LIABILITIES

(a) Interest-bearing loans and borrowings

Obligations for loans and borrowings are recognised at commencement of the related contracts and are measured initially at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost. Borrowing costs are recognised in the Income Statement in the year in which they are incurred.

(b) Financial liabilities at fair value through the statement of comprehensive income

Financial liabilities at fair value through the Consolidated Income Statement include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

Derivatives, including separated embedded derivatives, are classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Statement of Comprehensive Income.

1.12 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to reduce exposure to risks associated with movements in foreign currency rates and metal prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of forward metal contracts is determined by reference to current forward metal contracts with similar maturity profiles.

Forward contracts for the purchase of Precious Metals are accounted for as derivatives as they do not meet the criteria under IFRS9 to qualify for the 'own use' exemption.

For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is formally designated and documented at its inception. This documentation identifies the risk-management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and its effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective in offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the reporting period for which they were designated.

For the purpose of hedge accounting, hedges are classified as cash flow hedges, when hedging exposure to variability in cash flows is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in the Consolidated Income Statement within 'Other gains/(losses)'. Amounts taken to equity are transferred to the Consolidated Income Statement when the hedged transaction affects the Consolidated Income Statement in Cost of Sales, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the Consolidated Income Statement in 'Other gains/(losses)'. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs and are transferred to the initial carrying amount of a non-financial asset or liability as above. If the related transaction is not expected to occur, the amount is taken to the Consolidated Income Statement in 'Other gains/(losses)'.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the Consolidated Statement of Comprehensive Income in 'Other gains/(losses)'.

Contracts are reviewed at initiation to assess if they contain an embedded derivative and are then accounted for where relevant.

1.13 INVENTORIES

Inventories are stated at the lower of cost and estimated net realisable value, after due allowance for obsolete or slow-moving items. Cost includes all direct expenditure and attributable overhead expenditure incurred in bringing goods to their current state under normal operating conditions. The first-in, first-out or an average method of valuation is used. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

1.14 CASH AND CASH EQUIVALENTS

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

1.15 TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the original invoice amount (fair value) and subsequently measured at amortised cost using the effective interest method.

1.16 CURRENT AND DEFERRED TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the year-end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the date of the Statement of Financial Position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group falls within the scope of the OECD's Pillar Two global minimum tax rules, as its consolidated annual revenue exceeds the €750 million threshold. The UK enacted legislation implementing the Pillar Two framework in July 2023, which is effective for the Group for the first time in this financial year. However, it does not have any additional financial impact, as the Group is already subject to an effective tax rate above the 15% minimum.

1.17 EMPLOYEE BENEFITS

(a) Pension obligations

The Royal Mint Limited operates defined benefit and defined contribution pension schemes that cover all of the Group. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. A defined contribution plan is a pension plan under which The Royal Mint Limited pays fixed contributions into a separate entity. The Royal Mint Limited has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the

current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The surplus recognised in the Statement of Financial Position in respect of defined benefit pension plans is the fair value of plan assets less the present value

of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognised past service costs. The scheme will benefit from a refund of surplus assets assuming gradual settlement of the scheme's liabilities. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds, which are denominated in the currency in which the benefits will be paid and have terms to maturity approximating to the terms of the related pension liabilities. A pension asset is recognised to the extent that it is recoverable. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs, and gains/(losses) on curtailment or settlement are recognised in income on occurrence.

For defined contribution plans, The Royal Mint Limited pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Royal Mint Limited has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

As explained in note 17, employees who were members of The Royal Mint Limited's defined benefit scheme were given the opportunity to join the Civil Service Pension Scheme at 31 March 2015. This is made up of the Principal Civil Service Pension Scheme ('PCSPS') and the Civil Servant and Other Pension Scheme ('CSOPS') and subsequently the Alpha scheme. These are multi-employer plans and are accounted as if they are defined contribution schemes as The Royal Mint cannot determine its share of the underlying assets and liabilities.

(b) Profit-sharing and incentive schemes

The Group recognises a liability and an expense for profit-sharing and incentive schemes, based on a formula that takes into consideration the profit attributable to The Royal Mint Limited's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.18 PROVISIONS

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated. Provisions are not recognised for future operating losses.

1.19 REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax (VAT), returns, rebates and discounts.

The Group sells directly to customers and to wholesale providers. In both instances, revenue is recognised when control has passed to the buyer which is generally on delivery of the goods and services supplied during the year and dependent on the terms of trade within the contract except in the case of 'bill and hold' arrangements, where revenue is recognised when the following requirements are satisfied:

- the reason for the bill-and-hold arrangement is substantive;
- the product is identified separately as belonging to the customer;
- the product is ready for physical transfer to the customer; and
- the entity does not have the ability to use the product or to direct it to another customer.

For charged licences, storage fees and ETC revenue is recognised on delivery of the service.

Within the Precious Metals business, customers can enter into bullion 'buy-back' transactions whereby they sell physical and digital products to the Group, who then sell the equivalent ounces immediately on to the bank. As the Group is deemed to be the agent in this transaction, the revenue is recognised net of costs and is recognised at the point at which the sale of the precious metal ounces has completed.

No significant element of financing is deemed present, because the sales are paid either in advance of despatch or in some instances with a credit term of 30 days, which is consistent with market practice. A receivable is recognised when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

For the sale of Precious Metals, the Group is considered the Principal from the perspective of the end consumer and therefore sales and costs are recognised on a gross basis within revenue and cost of sales respectively.

For the sales of our Consumer products, it is the Group's policy to sell its products to the end customer with a right of return within 14 days. Therefore, a refund liability is recognised within provisions in respect of these returns. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). As the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

1.20 LEASES

The Group leases equipment and vehicles. Rental contracts are typically made for fixed periods of one month to seven years but may have extension options.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for

consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - the Group has the right to operate the asset; or
 - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset are determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group's incremental borrowing rate is the rate that it would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognised the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Precious metals leases

The Group enters into precious metal lease arrangements, whereby the counterparty retains the risks and rewards of ownership of the metal until the Group exercises its right to purchase the metal. These arrangements do not meet the definition of a lease under IFRS 16 because:

- the precious metals available under these leases are fungible commodities rather than non-fungible or specifically identified assets;
- the Group does not have the right to control the use of a specified asset during the lease term; and

NOTE 1 CONTINUED

- the Group does not have an obligation to purchase the metals under the lease agreements.

As a result, neither the physical metal nor the associated leases are recognised on the Group or Company's Statement of Financial Position.

1.21 GRANTS

Government capital grants are treated as deferred income and released to the Income Statement in accordance with the expected useful life of the related assets.

1.22 EXCEPTIONAL ITEMS

Government capital grants are treated as deferred income and released to the Income Statement in accordance with the expected useful life of the related assets.

Revenue grants received on a cost-reimbursement basis are recognised as other income in the same period as the related eligible expenditure. These grants are recoverable through the submission of claims after the expenditure has been incurred, ensuring the grant income is matched to the costs it is intended to compensate.

1.23 DIVIDEND DISTRIBUTION

Dividends in relation to Public Dividend Capital are recognised as a liability in the financial statements in the year to which they relate. Dividends which relate to The Royal Mint Limited's performance are recognised in the financial statements in the year in which the dividends are approved by the entity's shareholders.

1.24 INVESTMENTS

The investments in subsidiary undertakings are carried at cost.

Investments in associates are accounted for using the equity method of accounting. Under this method, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in the Income Statement, and its share of movements in other comprehensive income of the associate in other comprehensive income.

Where the Group's share of losses in an associate exceeds its interest in the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued unless the Group has a legal or constructive obligation to make further payments.

The carrying amount of investments in associates includes goodwill identified on acquisition, net of any accumulated impairment losses. Goodwill on associate is recognised in respect of the excess contribution paid for the acquisition of an interest in an associate company over the fair value of the share of net assets acquired.

Other investments are recognised initially at fair value, including transaction costs where the investment is not classified at fair value through profit or loss (FVTPL). Subsequent measurement depends on the classification of the investment:

- investments at FVTPL: these are measured at fair value, with changes in fair value recognised in the Income Statement;

- investments at FVOCI: these are measured at fair value, with changes in fair value recognised in other comprehensive income, unless impaired or derecognised; and
- investments at an amortised cost: where the business model is to hold the investment to collect contractual cash flows, and those cash flows represent solely payments of principal and interest, the investment is measured at amortised cost using the effective interest method, less any loss allowance for expected credit losses.

Purchases and sales of investments are recognised on the trade date — the date on which the Group commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

1.25 CONSOLIDATION ACCOUNTING POLICY

Subsidiaries are all entities over which the Royal Mint Trading Fund has the power to govern the financial and operating financial policies generally accompanying a shareholding of more than one half of the voting rights.

Associates, which are entities over which the Company has significant influence but not control, are accounted for under the equity method of accounting which presents the share of the result for the period since acquisition within 'Other gains/(losses)' in the Consolidated Income Statement and the share of the net assets in the Consolidated Statement of Financial Position.

After the transfer of assets and liabilities from the Royal Mint Trading Fund to The Royal Mint Limited, the ultimate beneficial owner continues to be HM Treasury, on behalf of HM Government. The transaction is therefore exempt from IFRS 3 (revised): Business Combinations. Predecessor accounting has been used to account for the acquisition of The Royal Mint Limited and the identified assets and liabilities recorded at book value.

1.26 GOING CONCERN

These accounts have been prepared on the going-concern basis. The Group considers the appropriateness of adopting the going-concern basis annually by assessing the future performance of the business against the available facilities. This takes into account the nature, rates and tenures of the respective facilities and uses the latest available financial forecast information for a period of at least 12 months from when the financial statements are authorised for issue. In addition to this base-case assessment, the Group tests the sensitivity of adopting the going concern basis to changes in assumptions; these risks are taken from a variety of sources, notably the Executive Risk Committee. For each assessed risk, a plausible downside scenario is tested and recorded and a reverse stress test is performed and evaluated as to the likelihood of such a scenario arising. All scenarios are modelled gross of any mitigating actions. Further details are included in the Corporate Governance report.

After making enquiries, including seeking assurances from the Directors of The Royal Mint Limited and the Directors of the Royal Mint Museum and reviewing latest business plans, the Accounting Officer has concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence. The Group therefore continues to adopt the going-concern basis in preparing its Consolidated Financial Statements.

1.27 CRITICAL ACCOUNTING JUDGEMENTS

In the preparation of the financial statements, management is required to make judgements in applying the Group's accounting policies. These judgements, which are separate from estimates, have a significant impact on the amounts recognised in the financial statements. Areas involving a higher degree of judgement, or where the accounting treatment is particularly complex or subjective, are outlined below.

(a) Precious metals sales

Management has exercised judgement in determining whether the Group acts as a principal or an agent in its precious metals sales. This assessment is critical in determining whether revenue should be recognised on a gross or net basis. In making this determination, the Group considers whether it controls the stock before they are transferred to the customer and the Group has concluded that it acts as a principal, as it assumes the significant risks and rewards associated with the inventory purchase. This includes taking ownership of the metals before adding a premium to the sale price before selling to the customer. As such, revenue is recognised on a gross basis, reflecting the total consideration received from customers.

(b) Impairment of non-financial assets

The Group assesses whether there have been any impairment indicators at the end of each reporting period whenever events or circumstances indicate that the carrying amount may not be recoverable. When value in use calculations are undertaken because an impairment indicator is in place, management estimate the expected future cash flows from the asset or cash-generating unit ("CGU") and choose a suitable discount rate in order to calculate the net present value of those cash flows. Key assumptions are disclosed in note 8.

(c) Identifying CGUs

Management has exercised judgement in identifying the Group's CGUs. Based on an assessment of how cash inflows are generated and monitored, the Group has identified two CGUs: one comprising all activities linked to the UK Coin contract, and a second representing the PMR business.

In determining the composition of the CGUs, management considered the high level of interdependence across the Currency, Consumer, and Precious Metals Investments operating segments. These segments share significant common assets, infrastructure, and resources, and are commercially underpinned by the UK Coin contract and associated rights. Accordingly, these activities are treated as a single CGU. Further information is provided in note 8 of the financial statements.

(d) Excir IP licence

The Group entered into an intellectual property (IP) licence agreement with Excir in March 2021. At that time, it was considered that the criteria for recognising the licence as an intangible asset had not been met as the technical feasibility and commercial viability of the technology had yet to be demonstrated. Therefore, the licence fees payable to Excir were initially recognised as an expense as incurred. Once feasibility and viability had been determined, there was a commitment to pay monthly licence fee payments to Excir from thereon, and therefore the criteria for recognising the licence as an intangible asset was judged to have been met and an intangible asset was recognised at an initial cost of £8,414,000, being the present value of the licence fees payable over the remainder of the expected term of the licence. A discount rate of 6.4% was applied, being the interest rate that management considered

the Group would have incurred to borrow the amount of the future licence fees over the remainder of the expected term of the licence. A corresponding liability was recognised within other liabilities on the face of the Statement of Financial Position.

On 1 April 2024, certain amendments to the Group's technology licence agreement with Excir became effective. In particular, the minimum term of the licence was extended to 31 March 2039, and the profile of the licence fees was changed such that lower licence fees are payable during the first nine years and higher annual licence fees are payable thereafter. The liability for licence fees was remeasured as the present value of the amended licence fees payable over the minimum term of the licence discounted at 6.4%. As a result, the carrying amount of the liability increased by £8.65 million to £15.75 million and a corresponding increase in the carrying amount of the licence to £16.12 million. The revised carrying amount of the licence is being amortised over its minimum term. The amended licence agreement provides for profit-sharing and other contingent payments to Excir in place of the royalties that were payable under the original licence agreement. Any such payments are recognised as an expense as they are incurred.

1.28 KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Pension benefits

The present value of the pension obligations depends on several factors that are determined on an actuarial basis using a number of assumptions. The key assumptions used in determining the net cost (income) for pensions include the discount rate and life expectancies. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year, taking into consideration the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Key assumptions are disclosed in note 17.

1.29 OTHER ACCOUNTING ESTIMATES AND ASSUMPTIONS

(a) Inventory

Provision is made for those items of inventory where the net realisable value is estimated to be lower than cost or goods are obsolete. Net realisable value is based on both historical experience and assumptions regarding future selling values and is consequently a source of estimation uncertainty.

(b) Property, plant and equipment

The determination of asset lives for depreciation purposes is reviewed on a regular basis. Assessing the useful economic life of an asset is based on management estimate taking into account historical experience, wear and tear, the impact of technological change and trends in societal behaviour. Consequently, this represents a source of estimation uncertainty.

(c) Restructuring provisions

Restructuring costs are recognised as soon as there is a present obligation resulting from a past event, and a reliable estimate of costs can be made. Determining whether an obligation exists is a key judgement for deciding when to record a restructuring accrual or provision. A constructive obligation for a restructuring is determined to have arisen when there is a detailed formal plan specifying the business or part of a business concerned, and the Company has created a valid expectation in those affected that it will carry out the plan by either starting to implement the plan or announcing its main features to those affected by it. Following the announcement in April 2024 of the closure of the overseas currency operations, the Company operated a voluntary leave scheme during 2024–25, offering employees an opportunity to exit the business and receive a one-off payment. The costs associated with the voluntary departure of those employees were charged as incurred during 2024–25. During February 2025, the Company announced another restructure, and a formal consultation process was started for affected employees following the announcement. Employee termination fees were accrued at 31 March 2025.

1.30 PRIOR PERIOD RESTATEMENT – RESTATEMENT OF ACCOUNTING TREATMENT FOR PRECIOUS METAL FORWARD CONTRACTS

During the current year, the Group undertook a review of its accounting for its precious metals forward contracts previously recognised as derivative financial

instruments under IFRS 9. As a result of this review, the Group has concluded that separate contracts previously accounted for as standalone derivatives should, in substance, be treated as a single unit of account.

The revised accounting treatment arises from the fact that:

- the contracts were entered into at the same time and in contemplation of one another;
- the contracts were with the same counterparty;
- they relate to the same underlying risk exposure; and
- there is no apparent economic or business purpose for structuring the transactions separately that could not have been achieved through a single instrument.

Taking these factors into account, the Group determined that the combined arrangement does not meet the definition of a derivative financial instrument. The restatement reflects a clarification of the accounting treatment based on further analysis of the contractual terms and their economic substance.

As a result of this reassessment, the Group has restated its comparative financial information for the year ended 31 March 2024. The impacts of the restatement are summarised below:

IMPACT ON CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At as 31 March 2024	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Derivative financial assets	3,744	(2,853)	891
Derivative financial liability	(511)	72	439
Retained earnings	(69,276)	2,781	(66,495)

At as 31 March 2023	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Derivative financial assets	3,118	(1,952)	1,166
Derivative financial liability	(834)	1	(833)
Retained earnings	(75,892)	1,951	(73,941)

IMPACT ON CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2024	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Cost of sales	1,299,973	(1,952)	1,298,021
Other Losses/(Gains) - net	(3,620)	2,782	(838)
Loss before tax	3,892	830	4,722

NOTE 2 SEGMENTAL REPORTING

The Group has determined business segments based on reports reviewed by the Board of The Royal Mint Limited that are used to make strategic decisions. The Board reviews the business from a product perspective as each segment offers products for different purposes and serves different markets.

The following table presents revenue, operating profit and certain asset and liability information regarding the Group's business segments for the years ended 31 March. Whilst being established as divisions, Collector Services and The Royal Mint Experience are included in the Consumer results, whilst the ETC business is included within Precious Metals. Due to the growing size of our PMR business, and in line with internal reporting to the chief operating decision-maker, this business is disclosed separately this year (and prior-year figures restated as required to be on a consistent basis). Other new ventures and the Group's subsidiaries are currently unallocated due to immateriality.

A. ANALYSIS BY CLASS OF BUSINESS 2024-25

	Currency £'000	Consumer* £'000	Precious Metals £'000	Precious Metals Recovery £'000	Total segments £'000	Unallocated £'000	Total £'000
Segment revenue	30,252	97,542	1,184,364	924	1,313,082	2,278	1,315,360
Depreciation and amortisation	3,486	2,554	792	1,220	8,052	1,559	9,611
Operating (loss)/profit before IFRS 9 and exceptional items and allocation of central costs	(9,285)	8,709	15,744	(5,307)	9,861	(25,063)	(15,202)
IFRS 9 and exceptional items	(26,821)	(2,402)	(994)	(663)	(30,880)	(1,171)	(32,051)
Allocation of central costs	(5,646)	(6,675)	(2,852)	(460)	(15,633)	15,633	-
Operating (loss)/profit	(41,752)	(368)	11,898	(6,430)	(36,652)	(10,601)	(47,253)
Segment assets and liabilities:							
Non-current assets	27,432	97,922	247	42,291	167,892	23,187	191,078
Current assets	11,627	22,388	23,807	7,863	65,685	21,992	87,677
Current liabilities	(7,432)	(8,692)	(31,832)	(2,299)	(50,255)	(63,724)	(113,979)
Non-current liabilities	(2,079)	(805)	-	(15,938)	(18,822)	(26,452)	(45,274)
Net assets/(liabilities)	29,548	110,813	(7,778)	31,917	164,500	(44,997)	119,503
Other segmental information:							
Property, plant and equipment additions	814	199	1	5,061	6,075	1,289	7,364
Heritage assets additions	-	158	-	-	158	-	158
Intangible assets additions	-	3	-	8,647	8,650	5,544	14,194

ANALYSIS BY CLASS OF BUSINESS 2023–24

	Currency £'000	Consumer* £'000	Precious Metals (restated)** £'000	Precious Metals Recovery £'000	Total segments £'000	Unallocated £'000	Total £'000
Segment revenue	65,603	135,742	1,150,099	-	1,351,444	1,018	1,352,462
Depreciation and amortisation	5,627	2,771	937	945	10,280	1,947	12,227
Operating (loss)/profit before IFRS 9 and exceptional items and allocation of central costs	(10,821)	25,623	20,317	(4,854)	30,265	(25,724)	4,541
IFRS 9 and exceptional items	(6,931)	-	-	-	(6,931)	494	(6,437)
Allocation of central costs	(3,150)	(7,156)	(4,892)	(818)	(16,016)	16,016	-
Operating (loss)/profit	(20,902)	18,467	15,425	(5,672)	7,318	(9,214)	(1,896)
Segment assets and liabilities:							
Non-current assets	33,861	95,709	381	23,426	153,377	27,696	181,073
Current assets	33,166	25,893	11,236	-	70,295	26,809	97,104
Current liabilities	(17,722)	(14,015)	(11,032)	(2,783)	(45,552)	(52,863)	(98,415)
Non-current liabilities	(1,288)	(1,192)	-	(5,427)	(7,907)	(19,379)	(27,286)
Net assets/(liabilities)	48,017	106,395	585	15,216	170,213	(17,737)	152,476
Other segmental information:							
Property, plant and equipment additions	1,539	559	56	3,883	6,037	3,730	9,767
Heritage assets additions	-	297	-	-	158	-	158
Intangible assets additions	-	2	-	8,414	8,416	3,614	12,030

The unallocated net assets/(liabilities) comprise cash at bank and in hand, overdraft, borrowings, central stock items, current and deferred tax assets/(liabilities) along with receivables and payables balances which are not specifically attributed to a segment.

*Includes transactions, assets and liabilities of The Royal Mint Museum, notably heritage assets of £64.5 million (2024: £63.5 million).

**2023–24 figures have been restated; see note 1.30 for details

B. GEOGRAPHICAL ANALYSIS OF REVENUE

Revenue by destination is set out below:	2024–25 £'000	2023–24 £'000
United Kingdom	658,108	355,898
Germany	67,284	116,879
Rest of Europe	142,545	105,388
United States of America	285,344	584,280
Rest of Americas	10,232	7,060
Asia	67,594	112,651
Africa	1,849	34,959
Rest of the World	82,404	35,347
	1,315,360	1,352,462

During 2024–25, there were no customers (2023–24: one customer, £191.8 million) that represented in excess of 10% of revenue.

NOTE 3A OPERATING PROFIT/(LOSS)

	2024-25 £'000	2023-24 £'000
Operating profit/(loss) is stated after charging/(crediting):		
Depreciation and amortisation charges	22,626	12,227
Gain on disposal	(6)	-
Impairment	945	-
Research and development	3,159	847
Commodity hedges gain	(594)	(14)
Foreign exchange gain	(46)	(288)
Precious metal lease arrangement fees	3,371	3,781
Exceptional items (note 5)	31,705	6,248
Auditors' remuneration:		
Audit of these financial statements (NAO)**	60	46
Audit of subsidiaries	222	211
Non-audit fees	7	77

*2023-24 figures have been restated; see note 1.30 for details.

**These fees are paid by The Royal Mint Limited.

NOTE 3B LEASES RECOGNISED IN THE INCOME STATEMENT UNDER IFRS 16

	2024-25 £'000	2023-24 £'000
The Income Statement shows the following amounts relating to leases:		
Depreciation of right-of-use assets		
Plant and machinery	1,039	587
Interest expense (included in finance costs)	184	151
Expense relating to short-term leases (included in administrative expenses)	806	825
Expense relating to low-value leases (included in administrative pensions)	99	96

NOTE 4 REMUNERATION AND EMPLOYMENT

Details of the salary and pension entitlements of members of the Executive Management Team are included in the Remuneration and Staff Report.

	2024-25		2023-24	
TOTAL STAFF COSTS	£'000	£'000	£'000	£'000
Wages and salaries				
Staff with a permanent contract	35,637		39,036	
Other staff	1,174		1,471	
		36,811		40,507
Social security costs				
Staff with a permanent contract	3,773		4,018	
Other staff	130		158	
		3,903		4,176
Pension costs				
Defined benefit:				
Staff with a permanent contract	2,399		2,573	
Defined contribution:				
Staff with a permanent contract	108		2,934	
Other staff	121		121	
		5,136		5,628
		45,850		50,311

NOTE 4 CONTINUED

AVERAGE NUMBER EMPLOYED

The monthly average number of people, including directors, employed during the year:	2024-25		2023-24	
	Number	Number	Number	Number
Production				
Staff with a permanent contract	381		466	
Other staff	9		9	
		390		475
Sales and Marketing				
Staff with a permanent contract	217		246	
Other staff	10		11	
		227		257
Administration				
Staff with a permanent contract	154		162	
Other staff	7		5	
		161		167
		778		899

DIRECTORS' EMOLUMENTS OF THE ROYAL MINT DIRECTORS

The Museum Trustees and the Accounting Officer did not receive remuneration from the Group.	2024-25	2023-24
	£'000	£'000
Aggregate emoluments excluding long-term incentive scheme	895	870
Aggregate amounts receivable under long-term incentive scheme	33	40
Contributions under defined contribution pension scheme	40	25
Highest-paid Director:		
Total amounts of emoluments and amounts receivable under long-term incentive scheme	288	269
Accrued defined benefit pension at year-end	63	52
Accrued lump sum at year-end	1,116	915

The Museum Trustees and the Accounting Officer did not receive remuneration from the Group.

Retirement benefits accrued to two Executive Directors under a defined benefit scheme during the year (2023-24: two).

NOTE 5 A) IMPACT OF IFRS 9 HEDGING INEFFECTIVENESS AND OPEN FOREIGN EXCHANGE CONTRACTS

The Group has highlighted separately on the face of the Income Statement the total impact of the profit or loss on open foreign exchange contracts and hedging ineffectiveness under IFRS 9 at the year-end.

In accordance with the Group's accounting policy the hedge accounting rules under IFRS 9 have been adopted where appropriate. The ineffective portion of the gain or loss on the hedging instrument (as defined under the accounting rules of IFRS 9) is recorded in the Income Statement within 'Other gains/(losses)'.

The objective of the Group's hedging policy is to mitigate the cash flow impact of movements in the price of metal commodities where appropriate over time, the ineffectiveness impact of which for accounting purposes will be seen in different accounting periods depending on the relevant assessment under IFRS 9 rules.

The accounting treatment in this area is therefore not necessarily a reflection of the economic impact of the Group's hedging policy but represents the respective accounting impact of hedging ineffectiveness under IFRS 9.

B) OTHER EXCEPTIONAL ITEMS

	2024-25	2023-24
	£'000	£'000
Restructuring costs	6,100	-
Currency restructuring costs	4,730	2,560
Accelerated depreciation	13,015	1,382
Impairment	-	1,018
Onerous contracts	-	1,288
Decommissioning costs	7,691	-
Legal costs	169	-
Exceptional charge	31,705	6,248

NOTE 5 CONTINUED

Restructuring costs: following a business review, a formal consultation process was started in March, with affected employees confirmed by the end of March and leaving between March and June, with individual termination payments.

Currency restructuring costs: these relate to the exit of staff from the Currency business through a process that enabled staff to request to leave and receive a one-off payment.

Decommissioning costs: decommissioning costs were incurred or provided for in relation to the strategic decision to exit the currency overseas market.

Accelerated depreciation: following the decision to exit the overseas currency market, the assets associated with manufacturing overseas coins were written off on a straight-line basis by the end of the anticipated production life, resulting in accelerated depreciation of £13.0 million during 2024–25 (2023–24: £1.4 million).

Impairment: the Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable. During 2023–24, stores and spares items associated with the fixed assets used to manufacture overseas coins were impaired by £1.0 million.

Onerous contracts: during 2023–24, £1.3 million was provided for the onerous element of committed overseas contracts within the Currency business.

The split of exceptionals is summarised below:

	Cost of sales 2024–25	Admin expenses 2024–25	Selling and distribution 2024–25	Group 2024–25
Restructuring costs	3,231	1,032	1,837	6,100
Currency restructuring costs	2,705	1,883	142	4,730
Decommissioning costs	7,231	234	226	7,691
Accelerated depreciation	13,015	-	-	13,015
Legal cost	-	169	-	169
Exceptional charge	26,182	3,318	2,205	31,705

	Cost of sales 2023–24	Admin expenses 2023–24	Selling and distribution 2023–24	Group 2023–24
Currency restructuring costs	-	2,560	-	2,560
Accelerated depreciation	-	1,383	-	1,383
Impairment	1,018	-	-	1,018
Onerous contracts	1,287	-	-	1,287
Exceptional charge	2,305	3,943	-	6,248

NOTE 6 FINANCE (INCOME)/COSTS

	2024–25 £'000	2023–24 £'000
Interest income on pension plan liabilities	(381)	(314)
Other finance income	(564)	(303)
Finance income	(945)	(617)
Interest and finance charges for lease liabilities not at fair value through profit and loss	3,775	3,622
Finance costs	3,775	3,622
Net finance costs	2,830	3,005

NOTE 7 TAXATION

The Royal Mint Limited has been liable to taxation from 1 January 2010. The Royal Mint Trading Fund is not subject to taxation.

ANALYSIS OF TAX CHARGE IN YEAR	2024–25 £'000	2023–24 £'000
UK corporation tax:		
Current year		-
Adjustments in respect of prior years	(2,033)	(35)
Deferred tax:		
Current year	(12,916)	(564)
Adjustments in respect of prior years	1,394	142
Taxation (credit)/charge	(13,555)	(457)

The tax charge for the year differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK (2024–25: 25%, 2023–24: 25%):

	2024–25 £'000	2023–24 (restated)* £'000
Loss before tax	(49,851)	(4,722)
Profit before tax multiplied by the standard rate of corporation tax of 25% (2023–24: 25%)	(12,463)	(1,181)
Effects of:		
Income not taxable	(153)	(113)
Expenses not deductible for tax purposes	(874)	252
Depreciation in respect of ineligible assets	574	478
Adjustments in respect of prior years	(639)	107
Taxation credit for year	(13,555)	(457)

* 2023–24 loss before tax have been restated – see note 1.30 for details.

In addition to the amount charged to the Income Statement, a deferred tax charge relating to actuarial gain on defined benefit pension schemes of £21,000 (2023–24: £251,000) has been charged directly to the Consolidated Statement of Comprehensive Income.

CURRENT TAX ASSET / (LIABILITY)	2025 £'000	2024 £'000
UK corporation tax	4,373	1,749

NOTE 8 PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED

	Freehold land £'000	Buildings £'000	Payments on account and assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Valuation						
At 1 April 2024	4,875	22,126	21,564	160,889	4,452	213,906
Additions	-	-	5,953	27	1,384	7,364
Transfers	-	847	(6,771)	5,924	-	-
Reclass	-	(487)	(980)	1,467	-	-
Disposals	-	-	-	(6,954)	-	(6,954)
Revaluation	-	(185)	-	6,146	-	5,961
At 31 March 2025	4,875	22,301	19,766	167,499	5,836	220,277
Depreciation						
At 1 April 2024	-	-	-	123,527	2,906	126,433
Charge for year	-	1,218	-	2,646	1,039	4,903
Accelerated depreciation	-	260	-	12,725	-	12,985
Disposals	-	-	-	(6,195)	-	(6,195)
Impairment	-	-	-	848	-	848
Revaluation	-	(1,478)	-	5,080	-	3,602
At 31 March 2025	-	-	-	138,631	3,945	142,576
Net book value at 31 March 2025	4,875	22,301	19,766	28,868	1,891	77,701

	Freehold land £'000	Buildings £'000	Payments on account and assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Valuation						
At 1 April 2023	4,332	21,476	13,778	156,419	4,458	201,006
Additions	-	-	9,732	35	-	9,767
Transfers	-	751	(1,946)	1,195	-	-
Disposals	-	-	-	-	(6)	(6)
Impairment	-	-	(66)	(1,129)	-	(1,195)
Revaluation	-	(101)	-	3,240	-	3,139
At 31 March 2024	4,875	22,126	21,564	160,889	4,452	213,906
Depreciation						
At 1 April 2023	-	-	-	114,909	2,319	117,228
Charge for year	-	1,207	-	6,059	587	7,853
Revaluation	-	(1,207)	-	2,559	-	1,352
At 31 March 2024	-	-	-	123,527	2,906	126,433
Net book value at 31 March 2024	4,875	22,126	21,564	37,362	1,546	87,473

NOTE 8 CONTINUED

Land and buildings are stated at either open market current use valuation or depreciated replacement cost where this is more appropriate for specialised buildings (The Royal Mint Experience building and our vault). A full valuation of land and buildings was carried out at 31 March 2025 by Lambert Smith Hampton in accordance with the guidelines set out in the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

The Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable or for any assets that are not being amortised, such as assets in the course of construction.

The Group uses the value-in-use method to estimate the recoverable amount of the related CGU and compares this to the remaining related tangible and intangible fixed assets. Management have identified there are two CGUs: one represents cash flows associated with the UK Circulating coin contract and the second represents the PMR business. Two separate assessments have been performed at the balance sheet date.

UK Circulating Coin

The value in use of the CGU is measured using cash inflows associated with the UK Coin contract that terminates in 2028. Whilst the process to award a new contract will be subject to Public Procurement principles, the Directors believe it to be reasonable to assume that The Royal Mint will be able to continue to generate cash inflows for this CGU post-2028. The impairment assessment has assumed cash inflows up to 2033. These cash inflows were compared to asset values of £47.3 million (2024: £87.8 million).

The discount rate for the UK Circulating Coin CGU of 8% (2024: 8%) has been determined by using a weighted average cost of capital adjusted for a risk factor. The recoverable amount is 140% (£74.7 million) higher than the net book value of the assets related to the UK Circulating Coin CGU (2024: 28% greater). A range of downside sensitivities have been modelled for the CGU, but given the size of the headroom, no reasonable sensitivity would result in an impairment.

Precious Metals Recovery (PMR)

The value in use is determined by using cash inflows for the PMR business projected over the remaining 24 years estimated useful lives of the related assets. The option to extend current technology licence with Excir is assumed to be exercised on termination of the existing agreement (after 14 years) for the remaining ten years of the impairment assessment. Cash inflows are based on the latest budget and medium-term plan (that has been extended with no growth beyond the fifth year) to the end of the projected useful life. These cash inflows were compared to asset values of £43.0 million (2024: £20.1 million).

The discount rate used for the PMR CGU of 10% (2024: 8%) has been determined by using a weighted average cost of capital adjusted for an additional risk factor to reflect the novelty of the PMR CGU. The recoverable amount is 68% (£29.1 million) higher than the net book value of assets relating to Precious Metals Recovery (2024: 84% greater). Downside scenarios, including 30% slower ramp-up of the operational performance of the plant, a reduction of gold prices of up to 50% and increasing the discount rate to 15% have been modelled and the recoverable amount remains above the net book value of assets for each scenario. For noting, each 1% increase in discount rate reduces the recoverable value by £5m. Based on the modelling and downside scenarios, no impairment charge has been made during the year.

NOTE 9 HERITAGE ASSETS

CONSOLIDATED

	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
Cost					
At 1 April	63,512	56,285	50,074	45,687	38,181
Additions:					
At valuation	156	289	191	357	378
At purchase cost	2	8	20	30	28
Disposal	(13)	-	-	-	-
Revaluation	800	6,930	6,000	4,000	7,100
At 31 March	64,457	63,512	56,285	50,074	45,687
Net book value at 31 March	64,457	63,512	56,285	50,074	45,687
Net book value at 1 April	63,512	56,285	50,074	45,687	38,181

THE COLLECTION

Heritage assets are accounted for in accordance with the accounting policy set out in note 1. On vesting, the Museum inherited a significant collection of different types of heritage assets, including coins, medals, seals, banknotes, minting and scientific equipment, drawings, paintings, sculptures, books, photographs and films.

The Trustees' intention is to obtain valuations for those parts of the collection that are readily accessible and for which there is an established market. They agreed a plan extending over five years that was concluded in 2015–16. Work in connection with the valuation has been carried out by the auctioneers Morton & Eden and numismatic book specialist Douglas Saville. Valuations have been sought for coins and medals, the library, seal counterparts, trial plates, drawings and artwork and plaster models. An update of the valuation was performed as at 31 March 2025 by Morton & Eden and the value of the collection increased by £0.8 million.

It has been decided by the Trustees that no valuation will be sought for the extensive collection of master tools and dies held by the Museum. For legal and security reasons, there has never been a meaningful market for coinage tools and to seek to establish a valuation could therefore be regarded as a specious exercise. With respect to architectural plans, films, reels, tapes, photographs and glass negatives, their significance is not judged sufficiently high to warrant expenditure of obtaining valuations from external consultants.

The collection forms a remarkable record of one of the oldest continuously operating organisations in the world. Many of the items are unique, standing as an insight into the evolution and ongoing activities of The Royal Mint. The collection can be seen as forming two broad categories.

- Material relating to the working of The Royal Mint as an institution and a manufacturer. The equipment, including coinage tools dating back to the medieval period, is not represented in any other collection in the UK to the same scale and diversity.
- Material relating to coins, medals and seals produced by The Royal Mint. The collection of coins and medals reflects the practice of items coming into the collection direct from the factory and consequently contains large numbers of trial and experimental pieces that are not represented in any other museum either in the UK or elsewhere.

The Museum aims to maintain the condition of the collection by housing it within air-conditioned premises and specially designed cabinets. Items from the collection are on public display in various temporary and permanent exhibitions, whilst the remaining collection is held at the Museum's premises on The Royal Mint site. The collection is managed by the Museum's Director in accordance with policies approved by the Trustees. With respect to acquisition, authorisation levels have been set for the Museum Director and the Trustees of the Museum, and the circumstances in which the acquisition of an item will be referred to HM Treasury are noted; provisions dealing with proof of ownership of acquired items also form part of the policy. The authorisation levels at which items might be disposed of mirrors that specified for acquisition. The policy, moreover, details the precise criteria that would need to be met if an item were to be disposed of. The Museum is currently in the process of cataloguing the collection.

NOTE 10 INTANGIBLE ASSETS

CONSOLIDATED

	Payments on account and assets in the course of construction £'000	Software £'000	IP licences £'000	Patents £'000	Development costs £'000	Total £'000
Cost						
At 1 April 2024	4,517	24,109	8,414	1,947	952	39,939
Additions	5,544	3	8,647	-	-	14,194
Transfers	(1,313)	1,313	-	-	-	-
Disposals	-	(10)	-	-	(952)	(962)
At 31 March 2025	8,748	25,415	17,061	1,947	-	53,171
Amortisation						
At 1 April 2024	-	17,074	945	1,452	952	20,423
Amortisation for year	-	3,448	1,065	195	-	4,708
Accelerated amortisation	-	30	-	-	-	30
Disposals	-	(10)	-	-	(952)	(962)
Impairment	-	97	-	-	-	97
At 31 March 2025	-	20,639	2,010	1,647	-	24,296
Net book value at 31 March 2025	8,748	4,776	15,051	300	-	28,875

Amortisation charges of £3,352,000 (2023–24: £4,164,000) and £191,000 (2023–24: £212,000) are included within administration expenses and cost of sales respectively.

The Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable or for any assets that are not being amortised such as assets in the course of construction. There have been no such events this year to indicate any impairment.

	Payments on account and assets in the course of construction £'000	Software £'000	IP licences £'000	Patents £'000	Development costs £'000	Total £'000
Cost						
At 1 April 2023	3,206	21,804	-	1,947	952	27,909
Additions	3,614	2	8,414	-	-	12,030
Transfers	(2,303)	2,303	-	-	-	-
At 31 March 2024	4,517	24,109	8,414	1,947	952	39,939
Amortisation						
At 1 April 2023	-	13,838	-	1,257	952	16,047
Amortisation for year	-	3,236	945	195	-	4,376
Disposals	-	-	-	-	-	-
At 31 March 2024	-	17,074	945	1,452	952	20,423
Net book value at 31 March 2024	4,517	7,035	7,469	495	-	19,516

NOTE 11 INVENTORIES

CONSOLIDATED	2025 £'000	2024 £'000
Metal inventory	22,590	27,147
Work in progress (excluding metal)	12,356	10,901
Stores and packing materials	5,269	5,251
Finished goods	12,513	13,100
	52,728	56,399

Inventories recognised as an expense in the year are recorded within cost of sales. Movement in the inventory provision during the year was a decrease of £3.5 million (2023–24: decrease of £4.0 million). The amount of inventories written down to net realisable value during the year was £0.4 million (2023–24: £1.0 million).

The Group enters into precious metal arrangements whereby the lessor retains the risks and rewards of the metal until such time as the Group purchases the metal. The value of the physical metal is not recorded in the Statement of Financial Position. Inventory held in this regard amounted to £838.1 million at 31 March 2025 (2023: £823.1 million). Fees under these arrangements are recognised within cost of sales.

NOTE 12 TRADE AND OTHER RECEIVABLES

CONSOLIDATED	2025 £'000	2024 £'000
Trade receivables	17,915	21,964
Loss allowance for expected credit losses	(1,086)	(580)
Short-term investments	-	300
VAT recoverable	745	1,400
Prepayments and accrued income	4,230	3,841
Amounts owed by related parties	146	-
	21,950	26,925

Included within the receivables are the following:	2025 £'000	2024 £'000
UK government bodies	48	379
Other government bodies	-	17
	48	396

The carrying value of the Group's trade and other receivables are denominated in the following currencies:	2025 £'000	2024 £'000
Pounds sterling	13,617	11,788
US dollars	7,111	13,643
Euros	1,222	1,494
	21,950	26,925

A provision is made for Consumer receivables based on expected credit losses for all trade receivables. The movement in provision for impairment in receivables is shown below:

Movement in provision for impairment in receivables:	2025 £'000	2024 £'000
At 1 April	(580)	(332)
(Provided)/utilised in the year	(506)	(248)
At 31 March	(1,086)	(580)

TRADING FUND	2025 £'000	2024 £'000
Loan to group undertaking	25,000	10,000

The amount drawn down from the National Loans Fund is passed on to The Royal Mint Limited; see note 13 for further detail.

NOTE 13 BORROWINGS

	Consolidated		Trading Fund	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Lease obligations less than one year	631	528	-	-
Loans less than one year	135	135	-	-
Borrowings less than one year	766	663	-	-

	Consolidated		Trading Fund	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Lease obligations greater than one year	1,259	1,016	-	-
Loans greater than one year	25,193	10,320	25,000	10,000
Borrowings greater than one year	26,452	11,336	25,000	10,000

NOTE 13 CONTINUED

The Royal Mint Trading Fund has a revolving credit facility from the National Loans Fund, which has a limit of £36.0 million (2024: £36.0 million), of which £25.0 million was drawn down at 31 March 2025 (2024: £10.0 million). Further details are provided within note 21.

In addition, the Group has a fixed-term loan of which £328,000 was outstanding at 31 March 2025 (2024: £455,000); £135,000 is due in less than one year (2024: £135,000) and the remaining balance of £192,000 is due in more than one year (2024: £320,000). The Group also has an overdraft facility of £20 million, which was not used at the balance sheet date.

NOTE 14 TRADE AND OTHER PAYABLES CONSOLIDATED

	2025 £'000	2024 (* restated) £'000
Trade payables	8,400	9,639
Other payables	53,582	55,645
VAT payable	-	7
Payments received on account	9,728	13,048
Taxation and social security	1,210	1,221
Accruals and deferred income	35,062	16,081
Amounts owed to related parties	1,356	-
	109,338	95,641

	2025 £'000	2024 £'000
Included within the payables are the following:		
UK government bodies	3,091	2,960
Public Corporations and Trading Funds	47	76
	3,138	3,036

The £805,000 of accruals and deferred income within non-current liabilities relate to a grant received from the Welsh Government in relation to the construction of The Royal Mint Experience (2023–24: £958,000).

Other payables include amounts due from inventory financing obligations that are typically paid within five months.

NOTE 15 PROVISION FOR LIABILITIES AND CHARGES CONSOLIDATED

For the sales of our Consumer products, it is the Group's policy to sell its products to the end customer with a right of return within 14 days. Therefore, a returns provision is recognised in respect of these returns.

	Decommissioning provision £'000	Onerous contracts £'000	Returns provision £'000	Total £'000
At 1 April 2024	-	1,288	233	1,521
Provided in year	5,195	-	352	5,546
Utilised in year	-	(1,288)	(233)	(1,521)
At 31 March 2025	5,195	-	352	5,546

	Onerous contracts £'000	Returns provision £'000	Total £'000
At 1 April 2023	-	544	544
Provided in year	1,288	211	1,499
Utilised in year	-	(522)	(522)
At 31 March 2024	1,288	233	1,521

	Less than one year £'000	Between one and two years £'000	Between two and five years £'000	Over five years £'000
The profile of settlement is set out below:				
At 31 March 2025 – Group and Company	3,468	2,079	-	-
At 31 March 2024 – Group and Company	1,508	13	-	-

NOTE 16 DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is provided in full on temporary differences under the liability method using a tax rate of 25% (2024: 25%).

	2025 £'000	2024 £'000
Liability at 1 April	8,044	8,215
Movements on deferred tax were:		
(Credited)/charged to the Income Statement	(11,522)	(422)
Charged to Statement of Comprehensive Income	21	251
(Asset)/liability at 31 March	(3,457)	8,044

Movements in deferred tax liability were:

DEFERRED TAX (ASSETS)/LIABILITIES

	Assets £'000	Liabilities £'000	2025 Net £'000	Assets £'000	Liabilities £'000	2024 Net £'000
Accelerated tax depreciation	-	8,595	8,595	-	7,732	7,732
Derivative instruments	-	44	44	-	833	833
Retirement benefit obligation	-	1,999	1,999	-	1,887	1,887
Tax losses	(14,046)	-	(14,046)	(2,287)	-	(2,287)
Other	(49)	-	(49)	(121)	-	(121)
Deferred tax (asset)/liability	(14,095)	10,638	(3,457)	(2,408)	10,452	8,044

	Accelerated tax depreciation £'000	Derivative instruments £'000	Retirement benefit obligations £'000	Tax losses £'000	Other £'000	Total £'000
At 1 April 2024	7,732	833	1,887	(2,287)	(121)	8,044
Charged/(credited) to the Income Statement	863	(789)	91	(11,759)	72	(11,522)
Charged to Statement of Comprehensive Income	-	-	21	-	-	21
At 31 March 2025	8,595	44	1,999	(14,046)	(49)	(3,457)

Deferred tax charged to Statement of Comprehensive Income during the year was:

	2024-25 £'000	2023-24 £'000
Remeasurements on defined benefits schemes	21	251

ANALYSIS OF DEFERRED TAX LIABILITY

	2025 £'000	2024 £'000
Deferred tax (asset)/liability after 12 months	(3,457)	8,044

The deferred tax at 31 March 2025 has been calculated based on the rate of 25% that was substantively enacted at the balance sheet date (2024: 25%). The deferred tax asset has been recognised as the Group is confident that future profits will arise against which the asset will be utilised.

NOTE 17 RETIREMENT BENEFIT SCHEMES

Defined contribution scheme

The Royal Mint Limited Group operates a defined contribution scheme for employees who have joined the organisation since 1 January 2010 via The Royal Mint Limited Personal Pension Plan ('GPP'). The related pension assets are held in trustee-administered funds separate from the Group. The total cost charged to the Income Statement of £2,737,469 (2023–24: £3,055,000) represents contributions payable to the scheme by the Group at rates specified in the plan rules.

Defined benefit scheme

Defined benefit pension arrangements have been amended as set out below:

Prior to 1 January 2010	Employees were members of the Civil Service Pension Scheme, an unfunded defined benefit scheme.
1 January 2010 (vesting)	New contributions to the Civil Service Pension Scheme ceased. Prudential Platinum Pension – The Royal Mint Limited Scheme ('RMLS'), a funded defined benefit pension scheme was created. All existing employees become members of the new RMLS. As part of the vesting process employees were given the option to transfer deferred benefits from the Civil Service Pension Scheme into RMLS.
31 March 2015	RMLS was closed for additional contributions on 31 March 2015 and members were given the option to join the Principal Civil Service Pension Scheme ('PCSPS') or the Civil Servant and Other Pension Scheme ('CSOPS'), unfunded defined benefit pension schemes, or to join GPP, a defined contribution scheme for future accrual. 21 members opted to join GPP, with the remainder opting to join PCSPS or CSOPS.
From 1 April 2015	Members of RMLS had until August 2015 to decide what to do with their deferred benefits held within RMLS from the following options: i. remain in RMLS; ii. transfer into PCSPS or CSOPS; or iii. transfer into a defined contribution scheme (at CETV). The majority of staff opted to transfer into a defined contribution scheme and only 1% opted to transfer into PCSPS or CSOPS.

In the Alpha scheme, employee contributions are salary-related and range between 4.6% and 8.05%, with a member building up a pension based on pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.32% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases, members may opt to give up (commute) the pension for a lump sum up to the limits set by the Finance Act 2004. Retirement age is linked to the state pension age.

Whilst Alpha is a defined benefit scheme, it is accounted for by the Group as a defined contribution scheme as the Group cannot determine its share of the underlying assets and liabilities due to it being a multi-employer unfunded defined benefit pension scheme. The cost of benefits is met by monies voted by Parliament each year.

The total cost charged to the Income Statement of £2,400,000 (2023–24: £2,573,000) represents contributions payable to the scheme by the Group. As noted above, RMLS was closed for additional contributions on 31 March 2015. The disclosures below relate to the residual RMLS in relation to deferred pensioners who left their benefits in the scheme and current pensioners.

Employer contributions expected to be paid for the year ended 31 March 2026 are £1,831,000.

RMLS scheme

The Royal Mint Limited participates in Prudential Platinum Pension - The Royal Mint Limited, a funded defined benefit pension scheme in the UK. The sub-scheme is administered within a trust that is legally separate from The Royal Mint Limited. The scheme will benefit from a refund of surplus assets assuming gradual settlement of the scheme's liabilities. There is an independent trustee who acts in the interest of the sub-scheme and all relevant stakeholders, including the members and The Royal Mint. The trustee is responsible for the investment of the sub-scheme's assets.

This sub-scheme provides pensions and lump sums to members on retirement and to their dependants on death. Members who leave service before retirement are entitled to a deferred pension.

Risks

The residual RMLS poses a number of risks to the Group, including longevity risk, interest rate risk, inflation risk and salary risk. The trustee is aware of these risks and uses various techniques to control them. The trustee has a number of internal control policies, including a risk register, which are in place to manage and monitor the various risks they face.

NOTE 17 CONTINUED

Actuarial valuation

The residual RMLS is subject to regular actuarial valuations, which are usually carried out every three years. The last was carried out with an effective date of 31 December 2022. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures which are determined using best estimate assumptions.

Details of valuation assumptions

An accounting valuation of the RMLS assets and liabilities for financial reporting purposes was carried out on 31 March 2025 by independent actuaries Xafinity Consulting. The liabilities have been valued using the projected unit method, taking into account benefits to 31 March 2015 when the scheme closed with allowance for future salary increases or future price inflation for members of the Platinum scheme.

The principal actuarial assumptions used were:	2025	2024
Discount rate	5.80%	4.90%
Price inflation RPI	2.90%	3.00%
Price inflation CPI (pre-2030)	1.90%	2.00%
Price inflation CPI (post-2030)	2.70%	2.80%
Revaluation of deferred pensions: benefits accrued before 01/02/2014	2.90%	3.00%
Revaluation of deferred pensions: benefits accrued after 01/02/2014 (pre-2030)	1.90%	2.00%
Revaluation of deferred pensions: benefits accrued after 01/02/2014 (post-2030)	2.70%	2.80%
Increase to pensions in payment: benefits accrued before 01/02/2014	2.90%	3.00%
Increase to pensions in payment: benefits accrued after 01/02/2014 (pre-2030)	2.00%	2.10%
Increase to pensions in payment: benefits accrued after 01/02/2014 (post-2030)	2.70%	2.80%

	2025	2024
Mortality assumption – male pre- and post-retirement	121% S4PxA / 106% S4DxA CMI 2023 1.65% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 20% 2022 weighting 20% 2023 weighting	113% SAPS S3PMA CMI 2022 1.25% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 0.0% 2022 weighting
Mortality assumption – female pre- and post-retirement	107% S4PxA / 118% S4DxA CMI 2023 1.20% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 20% 2022 weighting 20% 2023 weighting	106% SAPS S3PFA CMI 2022 1.25% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 0.0% 2022 weighting
Future expected lifetime of current pensioner at age 65		
Male aged 65 at year-end	85.3	85.8
Female aged 65 at year-end	88.4	88.7
Future expected lifetime of future pensioner at age 65		
Male aged 45 at year-end	87.1	87.1
Female aged 45 at year-end	89.8	90.2

The discount rate reflects the yield on the AA-rated corporate bonds of equivalent currency and term of liabilities as the Scheme. The rate of inflation has been obtained by reference to the difference between the yields on long-term conventional and index-linked government bonds, and all RPI-linked pension increases in payment have been assessed with reference to the inflation assumption.

Amounts recognised in the Statement of Financial Position:	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Fair value of plan assets	19,534	21,501	20,428	23,173	22,695
Present value of plan liabilities	(11,288)	(13,722)	(13,944)	(21,577)	(24,635)
Net defined benefit asset/(liability)	8,246	7,779	6,484	1,596	(1,940)

NOTE 17 CONTINUED

Amounts recognised in the Income Statement:	2024-25 £'000	2023-24 £'000
Service cost:		
Administration expenses	51	40
Net interest expense	(381)	(314)
Amounts (credited)/charged to the Income Statement	(330)	(274)

Remeasurements of the net (asset)/liability:

(Gain)/loss on scheme assets (excluding amounts included in interest expense)	2,725	(375)
(Gain)/loss arising from changes in financial assumptions	(2,621)	(733)
Gain arising from changes in demographic assumptions	(243)	(92)
Experience loss/(gain)	54	198
(Credit)/charge recorded in other comprehensive income	(85)	(1,002)
Total defined benefit (credit)/charge	(415)	(1,276)

	2025 £'000	2024 £'000
Fair value of assets at beginning of year	7,779	6,484
Movements in year:		
Administration expenses paid	52	19
Administration expenses charge	(51)	(40)
Net interest credit	381	314
Re-measurement gains/(losses):		
Actuarial gains arising from changes in financial assumptions	2,621	733
Actuarial gains/(losses) arising from changes in demographic assumptions	243	92
Return on scheme assets (excluding amounts included in interest expense)	(2,725)	375
Other experience items	(54)	(198)
Net scheme asset at end of year	8,246	7,779

Changes in the present value of assets over the year:	2025 £'000	2024 £'000
Fair value of assets at beginning of year	21,501	20,428
Movements in year:		
Return/(loss) on scheme assets (excluding amounts included in interest expense)	(2,725)	375
Interest income	1,046	984
Administrative expenses paid	52	19
Benefits paid	(289)	(265)
Administration expenses	(51)	(40)
Scheme assets at end of year	19,534	21,501

Actual return on assets over the year was £1,679,000 (2023-24: loss of £1,359,000).

NOTE 17 CONTINUED

	2025 £'000	2024 £'000
Changes in the present value of liabilities over the year:		
Scheme liabilities at beginning of year	13,722	13,944
Movement in year:		
Interest cost	665	670
Re-measurement (gains)/losses:		
Actuarial gains arising from changes in financial assumptions	(2,621)	(733)
Actuarial (gains)/losses arising from changes in demographic assumptions	(243)	(92)
Other experience items	54	198
Benefits paid	(289)	(265)
Scheme liabilities at end of year	11,288	13,722

	2025 £'000	2024 £'000
The split of the scheme's liabilities by category of membership is as follows:		
Deferred pensioners	8,964	11,024
Pensions in payment	2,324	2,698
	11,288	13,722
Average duration of the scheme's liabilities at the end of the period (years)	20	22

	2025 £'000	2024 £'000
The major categories of scheme assets are as follows:		
Return seeking		
UK Equities	-	-
Overseas Equities	-	-
Diversified Growth Fund	4,404	4,262
	4,404	4,262
Debt instruments		
Corporates	-	-
Index-linked	15,130	17,239
	15,130	17,239
Total market value of assets	19,534	21,501

The equity and debt instruments are all unquoted, with the exception of the Index-linked debt instruments, which are quoted. The diversified Growth Fund is akin to equity investments.

The scheme has no investments in the Group or in property occupied by the Group.

The Royal Mint Limited expects to meet the cost of administrative expenses for the scheme during year ending 31 March 2026.

Sensitivity of the liability value to changes in the principal assumptions

If the discount rate was 0.1% higher (lower), the scheme liabilities would decrease by £217,000 (increase by £223,000) if all the other assumptions remained unchanged.

If the inflation assumption was 0.1% higher (lower), the scheme liabilities would increase by £220,000 (decrease by £215,000). In this calculation, all assumptions related to the inflation assumption have been appropriately adjusted, that is the salary, deferred pension and pension in payment increases. The other assumptions remain unchanged.

If the salary increase assumption was 0.1% higher (lower), the scheme liabilities would not change if all the other assumptions remain unchanged as the scheme is closed to future accrual.

If life expectancies were to increase (decrease) by one year, the scheme liabilities would increase by £351,000 (decrease by £377,000) if all the other assumptions remained unchanged.

NOTE 18 CAPITAL COMMITMENTS

	2025 £'000	2024 £'000
Commitments in respect of contracts – tangible assets	233	1,020
Commitments in respect of contracts – intangible assets	2,794	1,390
	3,027	2,410

NOTE 19 OPERATING LEASE COMMITMENTS

	2025 £'000	2024 £'000
Operating lease rentals due on leases expiring:		
Less than one year	13	55
Between one and five years	162	273
	175	328

The operating commitment note is no longer relevant under IFRS 16. However, as the exemption has been taken for short-term leases (lease contracts less than one year) and leases of which the underlying asset is of low value, these continue to be disclosed here as 'operating leases'.

NOTE 20 RELATED PARTY TRANSACTIONS

Ultimate parent and other government bodies

The Royal Mint Trading Fund is an executive agency and trading fund. Since vesting, The Royal Mint Limited, as a subsidiary of the Royal Mint Trading Fund, is a company wholly owned by HM Treasury.

HM Treasury is regarded as a related party. It has both an ownership and a customer role. The Royal Mint Trading Fund is effectively owned by the Crown, with the Chancellor of the Exchequer holding the title of Master of the Mint. In practice, the Economic Secretary to the Treasury, reporting to Parliament, acts as owner on a day-to-day basis. The operation of the shareholding interest has been delegated to UKGI, which is responsible for oversight of the Royal Mint Trading Fund's objective of delivering a commercial return on capital employed and provision of relevant advice to the Exchequer Secretary. HM Treasury also contracts the Royal Mint Limited as a customer, under a contract, for the manufacture and distribution of UK circulating coins.

The Royal Mint Limited has a revolving credit facility from the Royal Mint Trading Fund, whereby the amount drawn down from the National Loans Fund is passed on to The Royal Mint Limited. This revolving credit facility has a limit of £36.0 million (2024 £36.0 million), of which £25.0 million was drawn down at 31 March 2025 (£10.0 million at 31 March 2024). This facility is arranged through specific utilisation requests for durations of no more than 180 days.

In addition, the Royal Mint Trading Fund has had a number of transactions with UK Government departments. Balances with other government bodies are set out in notes 12 and 14.

Associates

The Royal Mint Limited also has an associate company with which it has transactions to buy and sell historic coins.

1. The Royal Mint Limited's purchases from Sovereign Rarities Limited were £3,539,944 (2023–24: £3,529,947) and the amount outstanding at 31 March 2025 was £41,147 (2024: £125,540);
2. The Royal Mint Limited's sales to Sovereign Rarities Limited were £3,024,356 (2023–24: £5,749,515) and the amount outstanding at 31 March 2025 was £145,593 (2024: £708,172); and
3. The Royal Mint Limited received a dividend from Sovereign Rarities Limited of £167,667 (2023–24 £150,000).

Management

During the year, none of the Board members, members of the key management staff or other related parties have undertaken any material transactions with the Royal Mint Trading Fund. Total sales of £14,110 were made to management during the year on an arm's length basis.

Remuneration of key management staff

Key management are considered to be members of the Executive Management Team of The Royal Mint Limited. Remuneration of key management staff is set out in the table below:

	2024-25 £'000	2023-24 £'000
Salaries and other short-term employee benefits	1,376	1,327
Post-employment benefits	243	224
	1,619	1,551

Salaries and other employee benefits includes remuneration, STIP and LTIP amounts earned; further details can be found within the Remuneration Report.

NOTE 21 ANALYSIS OF NET DEBT

CONSOLIDATED	At 1 April 2024 £'000	Non-cash changes £'000	Cash flow £'000	At 31 March 2025 £'000
Cash at bank and in hand	11,140	108	(2,857)	8,391
Obligations under lease	(1,544)	(1,568)	1,222	(1,890)
Loans	(10,455)	-	(14,873)	(25,328)
	(859)	(1,460)	(16,508)	(18,827)

NOTE 22 OTHER GAINS/(LOSSES) – NET

	2024-25 £'000	2023-24 £'000
Foreign exchange forward contracts (loss)/gain	(601)	235
Ineffectiveness of commodity hedges	7	(249)
Loss from IFRS 9 related items – net	(594)	(14)
Foreign exchange gain	46	288
Operational gains associated with ETC	141	411
Release of grant income	153	153
Other (losses)/gains – net	(254)	838

* Comparative figures have been restated – see note 1.30 for details

In October 2024, the Group extended its offering of financial services listed products with the launch of three new currency-hedged ETCs (Exchange Traded Commodities), with all three products being backed by physical Gold custodied by The Royal Mint.

Gold is traditionally quoted in US dollars meaning most gold products have exposure to gold in US dollars unless they are hedged. In currency hedged products, any movements in the hedge currency against the dollar is mitigated, leaving the investor solely exposed to the gold price quoted in US dollars.

The ETC product portfolio now consists of the following:

1. The Royal Mint Responsibly Sourced Physical Gold ETC, trading with ticker code RMAU is currently listed on the UK (LSE), French (EuroNext), German (Xetra), Italian (Borsa Italiana), Mexican (BMV) and Polish (GPW) stock exchanges
2. The Royal Mint Responsibly Sourced Physical Gold GBP Hedged ETC, trading with the ticker code RMPH is currently traded on the UK (LSE) stock exchange
3. The Royal Mint Responsibly Sourced Physical Gold EUR Hedged ETC, trading with the ticker code RMEH is currently traded on the German (Xetra) and Italian (Borsa Italiana) stock exchanges; and
4. The Royal Mint Responsibly Sourced Physical Gold CHF Hedged ETC, trading with the ticker code RMCH is currently traded on the Zurich (SIX) stock exchange.

All four products were launched in conjunction with HANetf Limited (a specialist white label ETF company). HANetf Limited established the 'issuer', which is an Irish special purpose vehicle called HANetf ETC Securities plc. HANetf Limited acts as the manager of the 'issuer' and is responsible for the day-to-day operation of the 'issuer', including ongoing maintenance, oversight and operations of the ETC.

As part of our Cooperation and Services agreement with HANetf Limited, the Group receives a brand licensing fee for the use of The Royal Mint logo and intellectual property for the ETC. The brand licensing fee is the balance of the total expense ratio (TER), which is a measure of the total cost of a fund to the investor) remaining after the deduction of all other fees and expenses and costs relating to the ETC.

NOTE 23 FINANCIAL INSTRUMENTS

	2025 £'000	2024 (restated)* £'000
Derivative asset		
Foreign currency fair value	221	792
Commodity fair value	14	99
	235	891
Derivative liability		
Foreign currency fair value	16	88
Commodity fair value	45	351
	61	439

* Comparative figures have been restated – see note 1.30 for details.

FINANCIAL RISK MANAGEMENT

The main risk exposures arising from the Group's activities are currency, commodity price, interest rate, credit and liquidity. These risks arise in the normal course of business and are managed by the finance department through a combination of derivative and other financial instruments. The risk management programme seeks to limit the adverse effects on financial performance.

CURRENCY RISK

The Group publishes its financial statements in sterling and conducts business internationally resulting in exposure to foreign currency risk, primarily with respect to the euro and US dollar. The Group's risk management policy is to enter into forward contracts for all anticipated foreign currency cash flows (mainly in relation to sales contracts), where the future settlement date is the forecast payment date. Hedge accounting is not followed for foreign currency forward contracts.

	Contract amount 2025 £'000	Average forward rate 2025	Fair value 2025 £'000	Contract amount 2024 £'000	Average forward rate 2024	Fair value 2024 £'000
Forward contract – sell £/buy EUR Maturing in less than 1 year	220	1.1898	-	1,723	1.1648	(6)
Forward contract – sell £/buy USD Maturing in less than 1 year	1,401	1.2879	(3)	2,159	1.2677	6
Forward contract – buy £/sell USD Maturing in less than 1 year	9,930	1.2663	147	31,978	1.2385	513
Maturing in more than 1 year	-	-	-	3,469	1.2267	85
	9,930	1.2663	147	35,447	1.2326	598
Forward contract – buy £/sell EUR Maturing in less than 1 year	1,399	1.1285	61	7,821	1.1502	89
Maturing in less than 1 year	-	-	-	979	1.1255	16
	1,399	1.1285	61	8,800	1.1379	105

NOTE 23 CONTINUED

SENSITIVITY ANALYSIS

The movements shown below largely result from foreign exchange gains/losses on translation of US dollar and or euro denominated trade payables and receivables. The first table below shows the impact of a 10% decrease in sterling and the second table the impact of a 10% increase in sterling against other currencies on the balances of financial assets and liabilities as at 31 March.

	Closing exchange rate 2025	Effect on net earnings of a 10% decrease 2025 £'000	Closing exchange rate 2024	Effect on net earnings of a 10% decrease 2024 £'000
Euros	1.1971	119	1.1693	160
US dollars	1.2954	766	1.2625	1,775
		885		1,935

	Closing exchange rate 2025	Effect on net earnings of a 10% increase 2025 £'000	Closing exchange rate 2024	Effect on net earnings of a 10% increase 2024 £'000
Euros	1.1971	(97)	1.1693	(131)
US dollars	1.2954	(627)	1.2625	(1,452)
		(724)		(1,583)

COMMODITY PRICE RISK

The Group, by the nature of its business, is exposed to movements in prices of the following commodities – nickel, copper, zinc, gold, silver and platinum. In regard to base metals (nickel, copper and zinc), the Group uses commodity futures to hedge against price risk movements. All commodity futures contracts hedge a projected future purchase of raw materials, which are then closed out at the time the raw material is purchased. Commodity hedges are held in the Statement of Financial Position at fair value to the extent they are deemed effective under IFRS 9, ineffective portions of hedges are recognised in the Income Statement.

The open commodity hedges as at 31 March are:

	Tonnes 2025	Value at average price 2025 £'000	Fair value 2025 £'000	Tonnes 2024	Value at average price 2024 £'000	Fair value 2024 £'000
Cash-flow hedges:						
Copper futures –						
GBP denominated contracts:						
Maturing in less than 1 year	-	-	-	75	530	-
Nickel futures –						
GBP denominated contracts:						
Maturing in less than 1 year	-	30	(30)	96	1,500	(216)
Maturing in more than 1 year	-	-	-	18	286	(36)
	-	30	(30)	114	1,786	(252)

NOTE 23 CONTINUED

The tables below show the impact a 10% decrease/increase in commodity prices would have on the balances of financial assets and liabilities at 31 March.

	Closing price/tonne 2025 £	Effect on net earnings of a 10% decrease 2025 £'000	Effect on equity of a 10% decrease 2025 £'000	Closing price/tonne 2024 £	Effect on net earnings of a 10% decrease 2024 £'000	Effect on equity of a 10% decrease 2024 £'000
Copper	7,467	-	-	6,905	(43)	(10)
Nickel	12,132	-	-	13,075	(236)	83
		-	-		(279)	73

	Closing price/tonne 2025 £	Effect on net earnings of a 10% increase 2025 £'000	Effect on equity of a 10% increase 2025 £'000	Closing price/tonne 2024 £	Effect on net earnings of a 10% increase 2024 £'000	Effect on equity of a 10% increase 2024 £'000
Copper	7,467	-	-	6,905	63	(10)
Nickel	12,132	-	-	13,075	44	110
		-	-		107	100

INTEREST RATE RISK

The Group has exposure to interest rate risk, arising principally in relation to the National Loan Fund ('NLF') loans, cash held at bank and precious metal arrangements.

Cash held at bank and overdrafts are subject to interest rate risk where the risk is primarily in relation to movements in interest rates set by the Bank of England. Precious metal lease arrangements are subject to fee payments. The arrangements have floating rates of interest that gives exposure to interest rate risk.

The interest rate risk that arises from the above is deemed not to have a significant effect on income and operating cash flows, so no financial instruments are utilised to manage this risk.

If interest rates had increased/decreased by 10% it would have had the following effect on interest payable:

	2025 £'000	Effect on net earnings of a 10% change 2025 £'000	2024 £'000	Effect on net earnings of a 10% change 2024 £'000
Loans	25,328	181	10,455	81

CREDIT RISK

Exposures to credit risks are a result of transactions in the Group's ordinary course of business. The major risks are in respect of:

1. trade receivables; and
2. counter parties:
 - a) cash and cash equivalents.
 - b) financial instruments.

These risks are managed through policies issued by the Board of Directors.

NOTE 23 CONTINUED

Currency receivables

Currency receivables are in general governments, central banks and monetary authorities. Credit risk is minimised by aiming to have down-payments upon contract signature with remaining balances secured against letters of credit. Overdue balances are as follows:

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Currency receivables:				
2025	302	694	564	1,526
2024	-	-	172	-

Consumer wholesale

Wholesale customers purchasing non-bullion products are set credit limits based on available financial information. If no information is available a zero-credit limit is set, and goods must be paid for in advance of despatch. Credit limits are regularly monitored and reviewed. If the wholesale customer purchases bullion products the bullion is purchased specifically for the customer's order and is payable within 48 hours; coins are only despatched when payment is received. The table below shows overdue outstanding balances as at 31 March.

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Wholesale trade receivables:				
2025	4	1	-	14
2024	3	-	-	13

Consumer coin business to consumer

Orders taken via the internet are paid for prior to despatch using major credit/debit cards. Orders taken via the call centre for new customers are payable in advance, existing customers are given credit limits based on their purchasing history. Overdue balances are monitored by reference to their statement status (Status 0 = no missed payments, Status 1 = missed one payment, Status 2 = missed two payments and Status 3 = missed three or more payments). The table below shows outstanding balances as at 31 March.

	Statement 0 status £'000	Balance overdue statement 1 status £'000	Balance overdue statement 2 status £'000	Balance overdue statement 3 status £'000
Business to Consumer receivables:				
2025	2,180	57	44	83
Expected loss allowance at 31 March 2025	-	(11)	(20)	(83)
2024	2,951	160	16	63
Expected loss allowance at 31 March 2024	-	(32)	(7)	(63)

Precious Metals Investment

The bullion is purchased specifically for the customer's order and is payable within 48 hours. Bullion is only despatched when payment is received.

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Precious Metal trade receivables:				
2025	12	158	53	254
2024	173	10	40	349

NOTE 23 CONTINUED

Counter-party risk

The Group purchases and sells derivative financial instruments from/to A, Aa-, BBB rated banks.

The maximum exposure to credit risk is limited to the carrying value of financial assets on the Statement of Financial Position as at the reporting date. For 2025, the amount is £14,183,000 (2024: £20,595,000). Based on historical experience and the low level of default, the credit quality of financial assets that are neither past due or impaired is considered to be very high.

HIERARCHY DISCLOSURE UNDER IFRS7

The fair value of financial instruments is based on mark to market information and considered to be at Level 2 in terms of the hierarchy measurement requirements of IFRS 7:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

CAPITAL MANAGEMENT AND LIQUIDITY RISK

The Group's objectives in managing capital are to safeguard its ability to continue as a going concern and provide returns to its shareholder. This is reviewed on a regular basis in the context of available facilities. The Group monitors capital by reviewing the Average Capital Employed ('ACE') of The Royal Mint Limited during the year. The ACE is calculated based on all assets and liabilities on the balance sheet, excluding defined benefit liability and any interest-bearing debt. The average is calculated over 13 months, incorporating both the opening and closing balance sheet position in the calculation. The ACE for the year ended 31 March 2025 was £99.9 million (2024: £116.7 million).

Liquidity risk is the risk that the Group may not be able to settle or meet its obligations on time or at a reasonable price. The Group's finance department is responsible for management of liquidity risk, which includes funding, settlements, related processes and policies. The Group manages liquidity risk by maintaining adequate reserves and monitoring actual

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining year at 31 March to the contractual maturity date.

At 31 March 2025	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	25,058	-
Lease liabilities	873	620	904	-
Other liabilities	1,353	1,431	4,293	19,504
Derivative financial instruments	61	-	-	-
Trade and other payables*	107,975	-	-	-

At 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	10,185	-
Lease liabilities	800	426	785	178
Other liabilities	1,470	1,200	3,600	2,400
Derivative financial instruments**	440	-	-	-
Trade and other payables*	94,260	-	-	-

* excluding non-financial liabilities

** Comparative figures for derivatives have been restated – see note 1.33 for details

Other liabilities included above relate to the licence fees payable to Canadian clean-tech Excir Works Corp for technology to be utilised in our PMR business in the recovery of gold and other precious metals from e-waste.

Capital risk

The management does not have any responsibility as regards capital risk or with regard to capital structure.

NOTE 23 CONTINUED

Fair values

Set out in the following table is a comparison by category of fair values of financial instruments recognised in the financial statements at 31 March.

Fair value of cash and cash equivalents, trade receivables and payables are deemed to be approximately their book value due to their short-term maturity.

Fair value of commodity hedges is calculated as the present value of the estimated future cash flows. The fair value of foreign exchange forward contracts is determined using forward exchange rates at the date of the Statement of Financial Position.

CATEGORIES OF FINANCIAL INSTRUMENTS

The table below identifies the carrying values and fair values at 31 March for each category of financial assets and liabilities. There is no significant difference between the carrying value and fair value in either year.

	Carrying value 2025 £'000	Carrying value 2024 £'000
Assets as per the Statement of Financial Position:		
Derivatives used for hedging	14	99
Trade and other receivables	16,829	21,684
Derivatives at fair value through profit and loss	221	792
Cash and cash equivalents	8,391	11,140
Liabilities as per the Statement of Financial Position:		
Borrowings	(27,218)	(11,999)
Other liabilities	(16,284)	(7,099)
Derivatives used for hedging	(45)	(351)
Derivatives at fair value through profit and loss	(16)	(89)
Trade and other payables	107,975	94,259

*Comparative figures for derivatives have been restated – see note 1.30 for details

NOTE 24 INVESTMENTS

Trading Fund	2025 £'000	2024 £'000
Investments in subsidiaries at 31 March	59,319	59,319
Ownership		
Subsidiaries		
The Royal Mint Limited and its subsidiaries (RM Assets Limited, RM Experience Limited, Precious Metals Recycling Limited and RM Wynt Limited)		100%
The Royal Mint Museum		100%
	2025 £'000	2024 £'000
Capital and reserves:		
The Royal Mint Limited Group	33,501	73,744
The Royal Mint Museum Group	4,425	4,354
(Loss)/profit for the year:		
The Royal Mint Limited Group	(37,625)	(3,710)
The Royal Mint Museum Group	70	277

The Royal Mint Services Limited has been excluded on the grounds of immateriality.

NOTE 24 CONTINUED

Group	2025 £'000	2024 £'000
Investments in associate	2,858	2,763
Other investment – (FVOCI)	5,485	-
Total investments	8,343	2,763

Investment in associate

On 1 June 2017, The Royal Mint Limited acquired a 23.4% interest in an associate company, Sovereign Rarities Limited. Sovereign Rarities is also incorporated and domiciled in the UK and its principal activity is acting as a historic coin dealership. Its address is 2nd Floor, 17–19 Maddox Street, London, W1S 2QH.

The fair value of the consideration was £1,000,000 and the fair value of net assets acquired was £539,000 resulting in a notional goodwill balance of £461,000.

	2025 £'000	2024 £'000
Opening balance at 1 April	2,793	2,763
Share of profit for the year	232	180
Dividends received during the year	(167)	(150)
Closing balance at 31 March	2,858	2,793

At 31 March, Sovereign Rarities had the following:

	2025 £'000	2024 £'000
Fixed Assets	347	71
Stock	10,203	11,025
Debtors	730	285
Cash	223	-
Current Assets	11,156	11,310
Liabilities	(1,257)	(1,416)
Net Assets	10,246	9,965

The Royal Mint Limited's share of net assets (23.4%)	2,397	2,332
Goodwill arising on acquisition	461	461
Total value of investment in associate	2,858	2,793

Other investments

On 3 December 2024, the Group acquired an 8.3% equity interest in Excir Corporation, a privately held company incorporated in Canada, for a total purchase price of CAD 9.1 million. The investment was translated to £5.1 million at the exchange rate prevailing on the transaction date.

The investment has been designated as measured at fair value through other comprehensive income (FVOCI), as the Group intends to hold the investment for the long-term and does not hold it for trading.

As at 31 March 2025, the fair value of the investment approximates cost. No fair value gain or loss has been recognised in other comprehensive income during 2024/25.

	2025 £'000	2024 £'000
Initial purchase price translated at acquisition rate	5,107	-
Capitalised transaction costs	378	-
Fair value adjustment (including FX)	-	-
Closing balance at 31 March	5,485	-

NOTE 25 AUTHORISATION FOR ISSUE

The accounts were authorised to be issued on the date they were certified by the Comptroller and Auditor General.



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