

**2009**

Annual Report and  
Financial Statements



nebosh



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Registered in England and Wales

**Company number:** 2698100

**Registered charity number:** 1010444

**Front cover:** *(left to right)* Debbie Coldron,  
Jonathan Gomez, John Lincoln, Cheryl Wilson.

Designed by [www.supercooldesign.co.uk](http://www.supercooldesign.co.uk)

While the UK economy in general saw a downturn in 2008/09, NEBOSH saw growth in candidate registrations of more than 10% and an increase in income of 19.8%. There is no doubt that most of our growth came from the considerable efforts we have put into developing overseas markets.



Candidates from outside of the UK now account for more than 25% of all examination registrations, with the Middle East being a particularly important market for NEBOSH qualifications. We intend to maintain this focus on developing overseas markets and in particular, supporting our UK course providers who are operating in new markets.

In September 2007 we made changes to our governance arrangements to more tightly define maximum terms of office for Directors and Trustees in order that we might achieve a planned and progressive refreshing of the Board. Some of those changes came to fruition in 2008, which saw the retirement from the Board of Dr Robin Wallace OBE, after 6 years of service. Robin made a major contribution to NEBOSH particularly in his chairmanship of the Strategy Review Committee, and the Board is very grateful to him.

One of the major challenges NEBOSH has been wrestling with over this period is the change in government regulation of awarding bodies such as NEBOSH. NEBOSH has been accredited by the Qualifications and Curriculum Authority (QCA) now Ofqual for a number of years and has had its qualifications accredited on the National Qualification Framework (NQF). We see benefits in maintaining such accreditation; it means that our qualifications are eligible for funding – making them more accessible to those who are self-funding their studies – and it also gives a guarantee that we have robust and rigorous systems for setting, marking and awarding our qualifications. The NQF closes on 31 December 2010 and is being replaced by the Qualification and Credit Framework (QCF) which was launched in September 2008.

Although NEBOSH has had the option to seek supplementary recognition from Ofqual in order to accredit its qualifications on the newer QCF, we have thus far chosen not to. There is considerable uncertainty around the implications of the QCF for NEBOSH. Our main concern is that we invest much of our resources in developing new qualifications and maintaining and updating our existing ones. We receive no public funding or subsidy and need to cover these costs from the examination fees charged to students, which as a matter of policy we keep as low as possible. Accrediting our qualifications on the QCF may require us to “share” the units making up our qualifications with other awarding bodies. Another awarding body could therefore assess students against our syllabus material and award its own qualification with no mechanism for NEBOSH to recover a fee for this use of our intellectual property.

A further uncertainty around the introduction of the QCF is the cost of complying with its information technology requirements. The QCF will depend on being able to track the achievements of learners over a period of time. Each learner is therefore allocated a Unique Learner Number or ULN. In order to do this NEBOSH would need to make a considerable investment in its IT system to be able capture appropriate data and to upload students' details to the Government's database. The Government's exact requirements are not yet clear and hence no estimate of the cost can be made nor the implications for our network of course providers identified. These issues will continue to exercise NEBOSH's Board of Directors and Trustees for the next year or more.

We are extremely proud of the students who take our qualifications, both at Certificate and Diploma level. We believe that the work they do is invaluable in maintaining standards of health and safety in the UK and overseas. A competent safety professional can add real value to an organisation. All too often publicity goes to poor decisions made by the unqualified risk averse. We believe that sensible risk management is firmly embedded within the training leading to our qualifications, enabling our qualification holders to exercise appropriate judgement to safeguard people at work in a cost effective manner. The benefits of a robust qualification go further than merely enhancing the career of the person who holds it, but provides a clear benefit to all with whom they work and other people affected by work activities.

The commitment and expertise of our staff, examiners, stakeholder representatives on NEBOSH Council, volunteer panel and committee members, Field Standards Advisers and my fellow Directors and Trustees has underpinned the progress that NEBOSH has made in this period. My gratitude goes to each of them for their hard work and support. I look forward to working with them all to build a flourishing future for NEBOSH.

**David Morris** – Chairman

NEBOSH's strategy for 2008/09 was to continue to achieve growth through developing new qualifications, increasing the number of students taking our qualifications in our existing markets and developing the market for NEBOSH qualifications in selected new territories.

2008/09 was a successful year in terms of furthering our charitable objectives. Our candidate numbers increased by 10.5% overall, with the largest growth in candidates being for our two international qualifications, the International Diploma and the International General Certificate. However the Construction Certificate and the Environmental Diploma also showed strong growth.

We achieved net income of over £640,000 on a turnover of £3.9 million. The increase in income was achieved on growth in candidate numbers, because our fee level remained unchanged from the financial year 2007/08. Unfortunately the value of our investments fell in line with market conditions, but nevertheless the overall value of our reserves grew by over 5%.

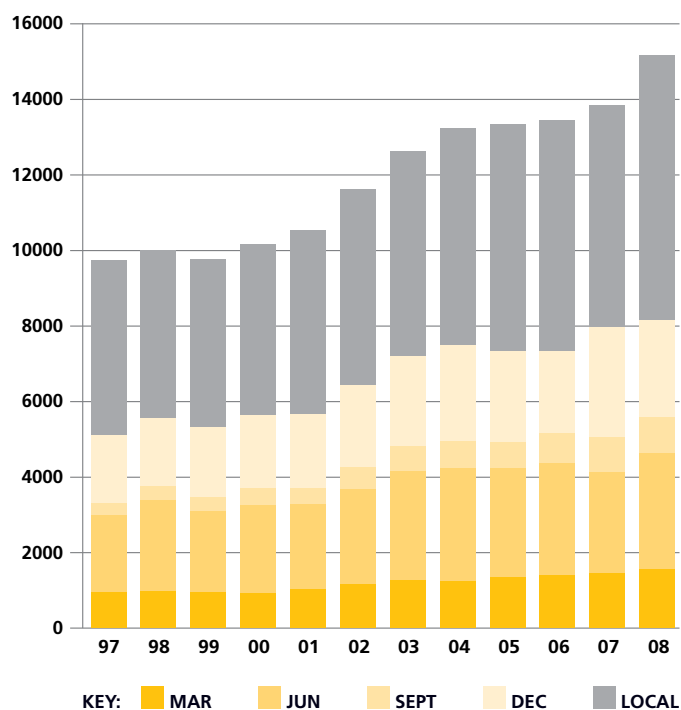
The NEBOSH Environmental Certificate, which was piloted in this period, proved more popular than we had anticipated and will be joining our permanent suite of qualifications. We are immensely grateful to the course providers who worked with us on the pilot programmes for helping to shape the final qualification and to the candidates who undertook the first examinations.

The growth in uptake of our international qualifications reflected our continued strong growth in non-UK markets. 25.6% of all NEBOSH assessments are now taken outside of the UK compared to 18.7% last year.

We continued to work on our internal processes and governance arrangements to ensure that NEBOSH is well equipped to build on our present success and deliver our strategy for consistent growth into the future.



*(Left to right)* Brett Wood, Debbie Coldron, Jonathan Gomez, John Lincoln, Cheryl Wilson and John McNeill.



**Figure 1** Candidate numbers for the NEBOSH National General Certificate by examination sitting (calendar year)

## NEBOSH Qualifications

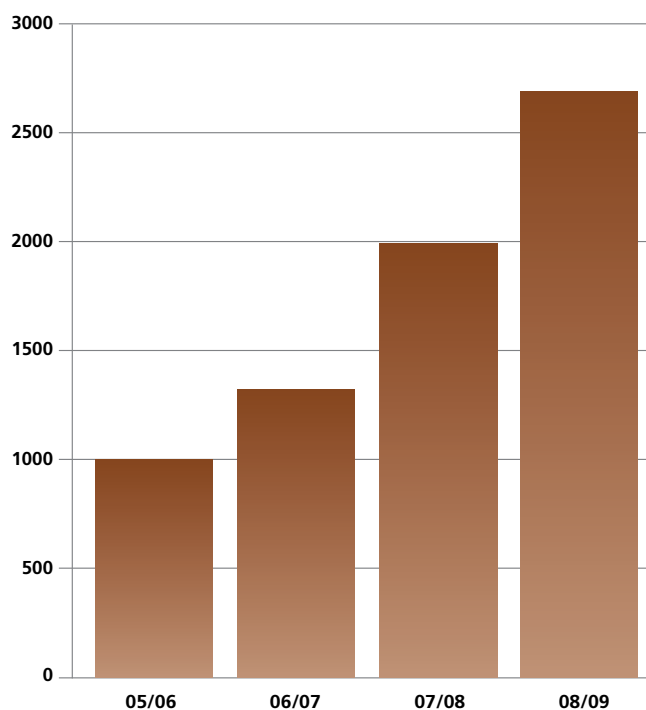
One of the main changes to NEBOSH qualifications over recent years has been the re-design of the structure of our qualifications into independently assessed units in line with UK Government requirements.

The aim is that candidates can take a flexible route in progressing through qualifications. They may choose to take the units making up a qualification all at one sitting, or to take one unit at a time, spreading their studies to fit around work and family commitments. Candidates have the choice to take an entire qualification or simply units from it to meet their individual learning needs.

The NEBOSH Unit NGC1: Management of Health and Safety, is part of three NEBOSH Certificate level qualifications; the National General Certificate, the Certificate in Construction Health and Safety and the Certificate in Fire Safety and Risk Management. If this unit is achieved as part of any one of these three qualifications, it counts towards the assessment requirements of the other two. Hence candidates can add on units to achieve additional qualifications without being required to be examined on the same subject material more than once.

The redeveloped NEBOSH Environmental Diploma completed in 2008/09 was the last of our existing qualifications to migrate to a unitised structure. All new qualifications are being developed to this model.

The unitised structure means that it is no longer sensible for NEBOSH to measure progress only in terms of the number of candidates taking a particular qualification. We are now also measuring the number of candidates taking each unit of assessment.



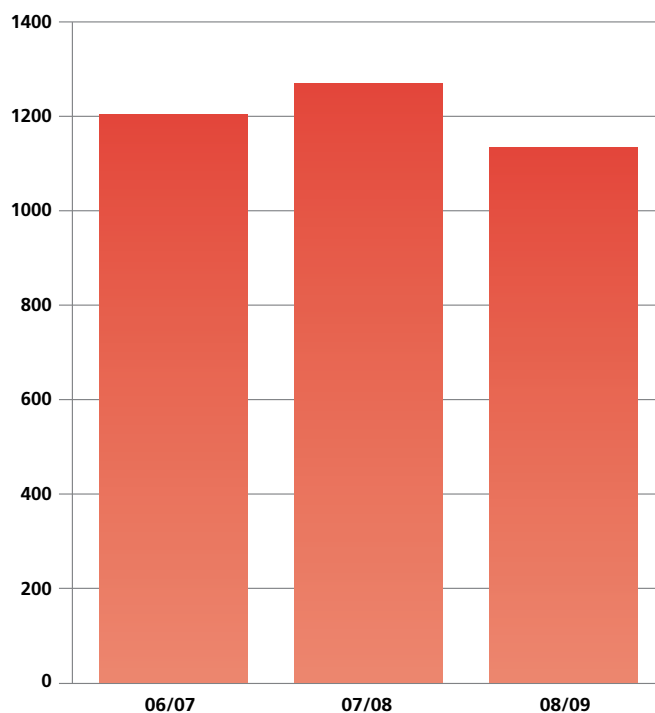
**Figure 2** Candidate numbers for the NEBOSH Construction Certificate (financial year)

The **NEBOSH National General Certificate** continues to be the most widely taken of our qualifications. Candidate numbers were high in the early part of the year as evidenced by the overall increase in candidates for the calendar year 2008 over the previous year at 15,117 (13,808 in 2007). (**Figure 1**)

However, there was a downturn in the final quarter and we ended the financial year with the number of National General Certificate unit registrations 1.6% down on the previous financial year reflecting perhaps the impact of the recession.

Demand for the **NEBOSH Construction Certificate** showed strong growth in the financial year 2007/08. This may have been as a consequence of the introduction of the unitised syllabus in December 2007, with people already holding the National General Certificate choosing to take the additional Construction units to obtain a new qualification. Further, the revised Construction Design and Management Regulations 2007 and associated Approved Code of Practice, which specifically cited the NEBOSH Certificate in Construction Health and Safety as being a suitable qualification for CDM Co-ordinators may have had an impact on the popularity of this qualification.

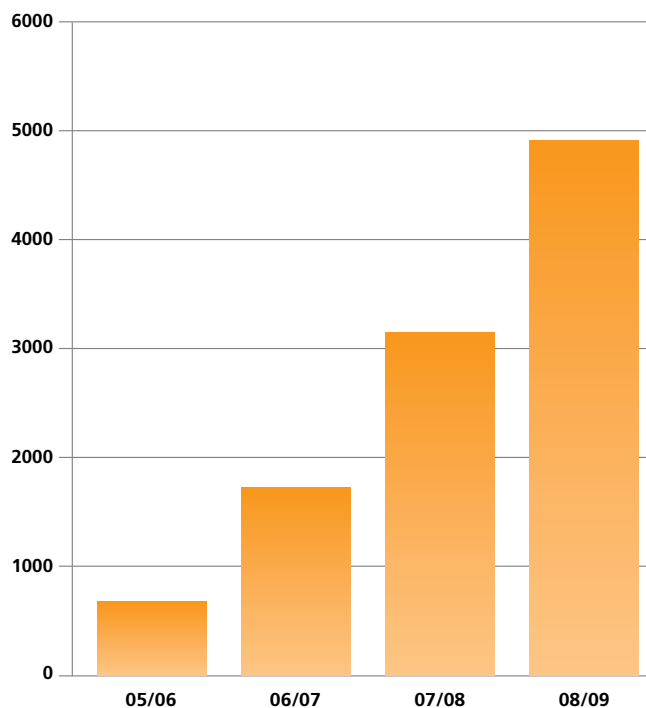
This growth continued through 2008, but showed some signs of slowing in the final quarter of the financial year, again possibly due to recession. Nevertheless, the number of unit registrations was up 30% on the previous financial year. (**Figure 2**)



**Figure 3** Candidate numbers for the NEBOSH Certificate in Fire Safety and Risk Management (financial year)

The **NEBOSH Certificate in Fire Safety and Risk Management** was launched in September 2005, and the year under review was its third full year of operation. Candidate numbers decreased slightly from the previous financial year. **(Figure 3)**

International expansion is a key element within NEBOSH's strategy. The **NEBOSH International General Certificate** has grown rapidly since its launch in 2005. In its first year, the International Certificate attracted over 600 candidates and was held in 13 countries. In this, the fourth full year of the qualification, nearly 5,000 candidates undertook this qualification in 81 countries, representing nearly 56% growth over the previous year. **(Figure 4)**



**Figure 4** Candidate numbers for the NEBOSH International General Certificate (financial year)

The **NEBOSH National Diploma** was launched in summer 2004 to replace the Two-Part Diploma following a change to the National Occupational Standards (owned by the standard setting body, ENTO), that underpin our Diploma-level qualifications.

The regulatory authorities for external qualifications in England, Wales and Northern Ireland, accredited the National Diploma at Level 6 on the National Qualifications Framework, the equivalent level to an honours degree. In England, as a QCA-accredited qualification, the Diploma is eligible for funding from the Learning and Skills Council (LSC) under section 97 of the Learning and Skills Act 2000. This means that course costs may be subsidised, assisting those students who are funding their own professional development.

We believe the National Diploma is a very attractive option for those seeking Chartered Membership (CMIOSH) of the Institution of Occupational Safety and Health (IOSH). The unitised structure means that students can progress through the qualification at a pace to fit flexibly around their existing work commitments, spreading the workload and the cost.

The number of accredited course providers has grown through the year under review and now stands at 65.

Our course providers are accredited to offer the Diploma in a variety of course formats, including day release, block release, evening only courses and distance and blended learning. Students from all over the globe are able to access the National Diploma through distance learning.

Although the majority of our course providers are based in the UK and in Ireland, courses are offered in Malaysia, the United Arab Emirates, Mauritius and Trinidad and Tobago by National Diploma course providers permanently based in those countries.

The number of new students enrolling on the National Diploma grew in 2008/09 after a slight drop the previous year and was around the same as the number of enrolments in 2006/07. (Figure 5)

Pass rates for the National Diploma have been very encouraging. Figure 6 shows the cumulative pass rate of students who enrolled in the first three years of the Diploma's operation, broken into six month cohorts based on their date of enrolment.

The overall pass rate for all students who enrolled between 1st October 2004 and 30th August 2007 and who have attempted all of the assessment units is now 84.6%.

This reflects the fact that a student has up to five years to complete each of the assessment components and achieve the qualification. During their enrolment period, they may re-take any assessment component in which they have been referred or where they wish to improve their mark to gain a higher grade in the overall qualification.

Last year we reported that 81% of the students who enrolled in the first two years of the qualification (i.e. from 1st October 2004) and had attempted all assessment components had achieved their Diploma. The pass rate for that same cohort is now 87%.

In 2007/08, we piloted an international version of our Diploma in Occupational Health and Safety. We were delighted with the response. More than 100 students enrolled on the four pilot programmes and achieved examination results which were comparable to the results of UK based students on the National Diploma. As a result of the positive response to the pilot, we decided to offer the **NEBOSH International Diploma in Occupational Health and Safety** as a permanent part of our portfolio of qualifications. In its first year of operation nearly 300 students enrolled on the International Diploma, with one of 12 accredited course providers.

Our distance learning providers make this qualification available to students all over the world, and we have course providers permanently based in the UK, Ireland, the United Arab Emirates and Singapore.

During this period we undertook a complete review of the syllabus of our **Environmental Diploma** and achieved accreditation with Ofqual at level 6. The qualification continued to grow in popularity with students as can be seen from Figure 7. Candidate numbers were nearly 29% higher than the previous financial year.

During 2008/09 we developed and piloted a level 3 environmental qualification. The **NEBOSH National Certificate in Environmental Management** attracted more than 250 students on to the pilot programmes. The NEBOSH Board decided to incorporate it into our permanent suite of qualifications in March 2009.

We continued to work closely with the Institution of Occupational Safety and Health (IOSH) on the IOSH Open Assessment, which forms a key part of the route to Chartered Membership.

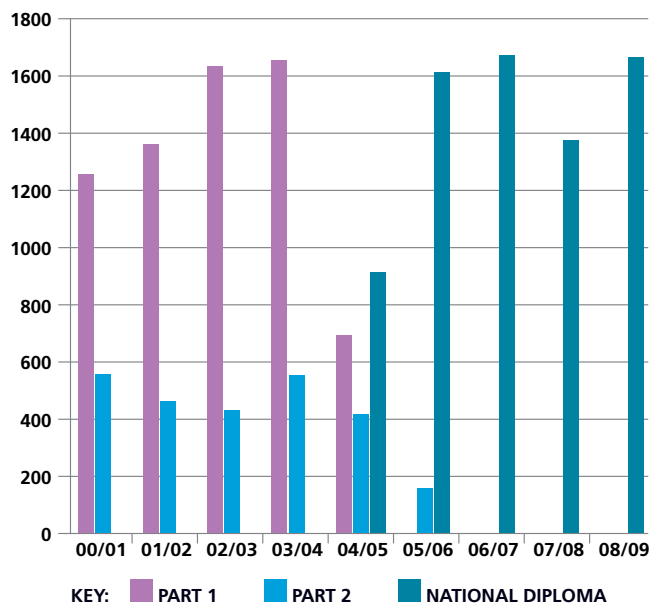


Figure 5 Number of Student Enrolments for Diploma Qualifications (financial year)

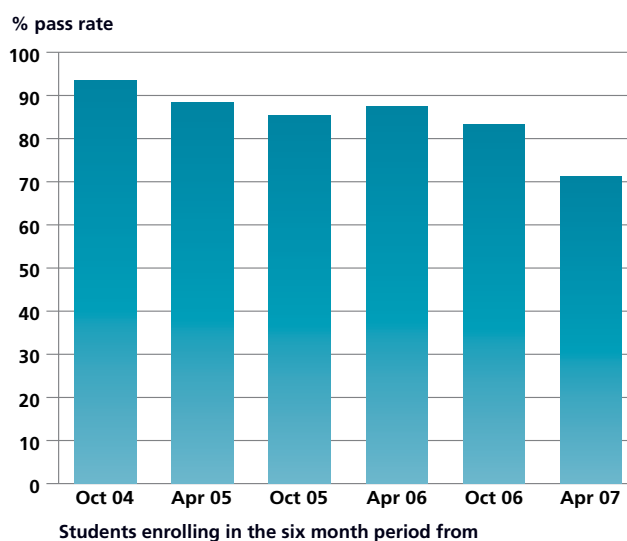


Figure 6 Pass rate on NEBOSH National Diploma

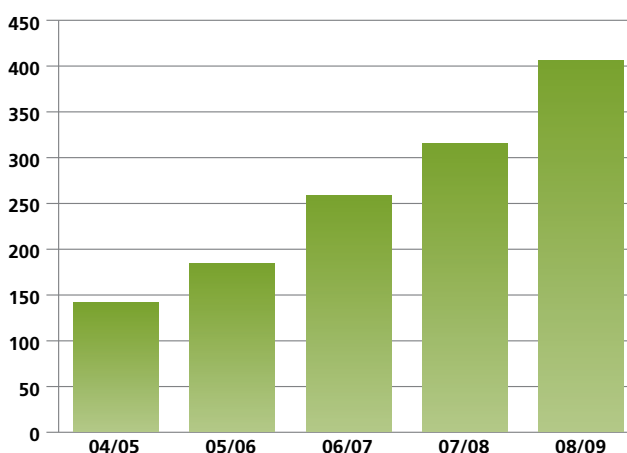


Figure 7 Candidate numbers for the NEBOSH Environmental Diploma (financial year)

## NEBOSH Congratulates its Best Candidates for the Year 2008/09



**Left to right, front row:** Alison Colebrook, Joanne Benson, David Morris – NEBOSH Chairman, Judith E Hackitt, Teresa Budworth – NEBOSH Chief Executive, Sue Scott, Kristel Blackburn. **Left to right, back row:** Gábor Piláth, Lucy Edgar, Gary Ratcliffe, Martin Wells, Andrew Doe, Jörg Ackermann, István Debreceni, Sarah Humphries.

The NEBOSH Best Candidate Awards recognise and reward the achievements of the best performing candidates for both Certificate and Diploma qualifications during the year.

The following candidates gained the highest marks in NEBOSH assessments during 2008/09:

**NEBOSH National General Certificate**

**Sarah Humphries**

Studied with: Connaught Compliance Training Services

**NEBOSH National Certificate in Construction Health & Safety**

**Alison Jane Colebrook**

Studied with: Basingstoke College of Technology

**NEBOSH International General Certificate in Occupational Health & Safety**

**Sylvester Agbadugo**

Studied with: Emirates ERM Risk Management & Consultancy (E-ERM)

**NEBOSH Certificate in Fire Safety & Risk Management**

**Andrew Doe**

Studied with: Woodward SHE Ltd

**NEBOSH National Diploma Part 2**

**Lucy Honorine Edgar**

Studied with: Aviva Risk Management Solutions UK Ltd

**NEBOSH National Diploma Unit A**

**Kristel Blackburn** and **Martin Wells**

Both studied with: West Anglia Training Association

**NEBOSH National Diploma Unit B**

**Martin Wells**

Studied with: West Anglia Training Association

**NEBOSH National Diploma Unit C**

**Sue Scott**

Studied with: Integra Training & Consulting

**NEBOSH National Diploma Unit D**

**Joanne Benson**

Studied with: The Key Consultancy Ltd

**Gary John Ratcliffe**

Studied with: RRC Training

**NEBOSH National Diploma**

**Sue Scott**

Studied with: Integra Training & Consulting

**NEBOSH National Diploma in Environmental Management**

**Mary-Clare Bushell**

Studied with: RRC Training

**NEBOSH GEMS Knowledge Test for the Alstom**

**International Environment, Health and Safety Passport**

**Jörg Ackermann, István Debreceni,**

**William Noel Mercer, Gábor Piláth**



## Charitable Activities

### Our Memorandum of Association states:

*"The objects of NEBOSH shall be the preservation of health by the promotion of high standards of health, safety and environmental protection at work in particular, but not exclusively, through study and competence in risk management."*

Our activities in the year under review were applied solely in the furtherance of these objectives, particularly in the provision of syllabuses and assessments in health, safety and environmental management and in the accreditation of providers offering courses to these syllabuses to prepare students for assessment.

As a registered charity, we at NEBOSH strongly believe that we have an additional obligation to work with other charitable organisations in promoting health and safety, particularly through education and training. Indeed this is a core value embedded in our Memorandum of Association.

NEBOSH continued to sponsor the Royal Society for the Prevention of Accidents (RoSPA) annual Occupational Health and Safety Awards. We have been a keen supporter of the awards for a number of years which we believe make a major contribution to raising standards of health and safety.

We share a vision with RoSPA that competent health and safety advice, coupled with visible committed safety leadership enables an organisation to reduce accidents and ill health in a cost effective manner. The RoSPA Awards promote good health and safety as an essential part of good business and encourage the sharing of best practice.

The 2008 Awards attracted a record number of entries from UK and overseas organisations. Members of NEBOSH staff were honoured to serve on the panel judging the sector winners and the winner of the highest award, the *Sir George Earle Trophy*. NEBOSH continued to support the work of RoSPA by membership of its National Occupational Safety and Health Committee.



**RoSPA Health & Safety Awards:** (left to right) Lord Brougham and Vaux, Deputy President, RoSPA presenting Judy Beaman, HSQ Manager, Frank Haslam Milan with a Commended in the House Building & Property Development Sector and Tom Mullarkey MBE, Chief Executive, RoSPA



**BHSEA:** (left to right) Andy Chappell, Secretary, BHSEA; Teresa Budworth, Chief Executive, NEBOSH; Ed Friend, Vice Chairman, BHSEA

We continued to waive examination fees for students from the voluntary and charity sector. In the summer of 2005, we asked our course providers if they would be prepared to provide free places on their NEBOSH National General Certificate courses to individuals working in the charitable and voluntary sectors, with NEBOSH waiving examination fees for such candidates who would apply via the Charities Safety Group (a national umbrella group for a wide variety of charitable organisations throughout the UK). The response from our course providers has continued to be extremely positive, with many more places offered than there were students to take them up. Many course providers came forward asking if NEBOSH would offer similar support to charities that were not part of the Charities Safety Group, and we were very happy to extend the same facility.

We are happy to support the work of Safety Groups UK. The organisation, established in 1947, and formerly called The National Health & Safety Groups Council, is the co-ordinating body for the network of local Occupational Health and Safety Groups located throughout the UK. Their objectives include: "to advance and promote education in all aspects of health and safety," which is an excellent fit with NEBOSH's objects. Safety Groups UK and their member groups are especially active in promoting health and safety among small and medium sized enterprises. NEBOSH staff participated in the judging of Safety Groups UK's annual Safety Awards.

In 2008, the Birmingham Health Safety and Environmental Association (BHSEA), which is a member group of Safety Groups UK approached us to work with them on a scholarship programme for employees of small businesses (50 employees or less) based in the West Midlands.

Applications were invited to an open competition for a free place on the NEBOSH National General Certificate in Occupational Health & Safety. In addition, members of BHSEA could exclusively apply for a scholarship to take the NEBOSH Certificate in Construction Health and Safety.

Successful applicants in each case had their course fees paid for by BHSEA and their examination fee waived by NEBOSH. In addition the Institution of Occupational Safety and Health (IOSH) offered each candidate Affiliate membership free for one year.

The Health and Safety Executive (HSE) estimate that the rate of fatalities in small workplaces is double that of larger workplaces (200 workers or more). We believe that it is vital that all organisations, especially smaller businesses, have access to professional health and safety training and were pleased to work with BHSEA on this initiative. The scheme was very popular and is to be extended for a further year.

NEBOSH also needed to step in to assist a small number of National Diploma students who had not completed their assessment units before their course providers made the difficult decision to withdraw from their NEBOSH accreditation. Often this was due to loss of key staff which made it impossible for the course provider to continue to support their existing students.

In two cases NEBOSH paid for an independent tutor to assist the students in their final assessment preparations and arranged alternative examination venues as required. We believe it is important that our qualifications remain accessible to students when these unfortunate circumstances arise, as befits our charitable purpose.

NEBOSH aims to keep its fees as low as possible, and for the second consecutive year the Board of Directors and Trustees decided that fees would not increase.

We are aware that the examination fees due to NEBOSH are a small proportion of the cost of the training programme preparing students for our assessments. However, we do retain the option for students at Certificate level (Level 3) to study independently and to take the assessments as an external candidate with one of our accredited course providers acting as an examination centre.

## Alstom

**We continued to work closely with Alstom to deliver the qualification specifically developed for the Global Field Service Network of Alstom Power Service.**

Alstom have a global environmental, health and safety (EHS) management system. To support the implementation of the system, the company have developed a mandatory training programme and safety passport scheme designed for their field service employees and focusing on areas of EHS that are specifically appropriate for the industry sector in which Alstom Power Service operates.

Participants in this training need to take and pass an examination set and verified by NEBOSH before they are issued with the Alstom safety passport.

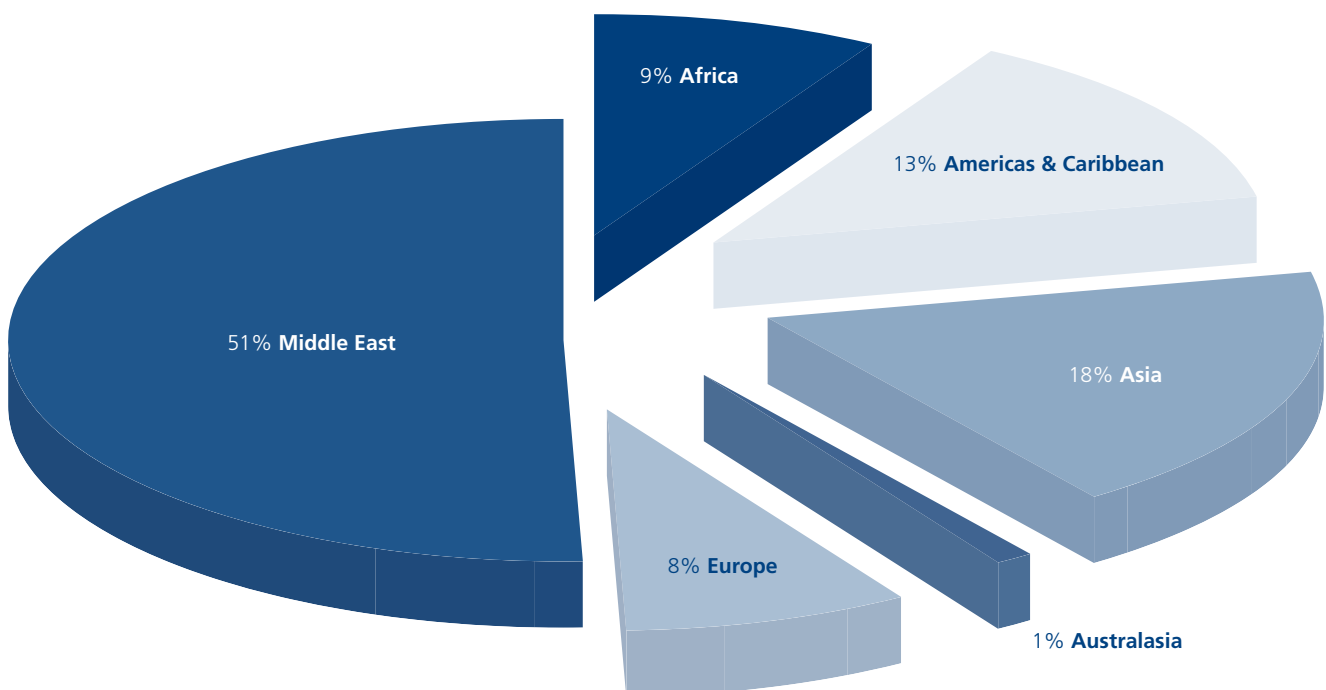
In 2008/09 the qualification was delivered to nearly 900 Alstom employees, who took the NEBOSH assessment in eleven languages.

## International Development

**Demand for NEBOSH qualifications outside of the UK increased significantly through 2008/09. Overseas registrations were more than 50% higher than last year and accounted for 25.6% of all examinations and assessments taken in this period, compared to 18.6% of such registrations in 2007/08.**

The majority of examinations and assessments outside of the UK were taken in the Middle East as can be seen from **Figure 8**.

In 2007/08, we piloted an international version of our Diploma in Occupational Health and Safety. The qualification formally joined NEBOSH's portfolio of qualifications in 2008/09 and in its first full year of operation attracted nearly 300 new students, joining the 100 that enrolled during the pilot phase.



**Figure 8** Locations at which students sat examinations/assessments outside the UK (financial year)



**International Diploma launch:** (left to right) Mr Yasser A.Rahim, Gulf Petrochemical Industries Company (GPIC); Teresa Budworth, NEBOSH Chief Executive; Mr Abdul Rahman Jawahery, General Manager, GPIC

The International General Certificate continued to grow strongly through this period as has been discussed.

The number of course providers permanently based outside of the UK increased from 32 providers based in 14 countries in April 2008, to 50 providers based in 22 countries in March 2009. Newly accredited training providers set up NEBOSH courses in Egypt, Jordan, New Zealand, Qatar, Russia, Saudi Arabia and South Africa. They joined our previously established providers in Australia, Bahrain, Cyprus, France, Germany, India, Ireland, Kazakhstan, Malaysia, Malta, Mauritius, Oman, Singapore, Trinidad & Tobago, and the United Arab Emirates.

Of course, NEBOSH accredited course providers are not restricted as to where they can deliver training leading to our qualifications, and our distance learning providers make training available to students all over the world.

In the year under review, NEBOSH examinations were taken in 81 countries and we were pleased to be joined by NEBOSH Diplomates from Hungary, Switzerland, Bahrain, Mauritius, Qatar and Hong Kong as well as from all corners of the UK at our annual Graduation Ceremony.

Our international development work will continue and the focus remains on seeking to understand the issues in international markets so that we can support course providers operating outside of the UK, removing barriers to working internationally and explaining our qualifications to Government Departments and major employers.

Further we seek to work with overseas organisations, governments and employers to ensure that we develop health and safety qualifications which meet their needs and provide a real stimulus to safeguarding people at work around the world.

## Accreditation

**NEBOSH operates in a highly regulated environment. Just as course providers have to be accredited with NEBOSH, so we have to maintain accreditation with Ofqual (previously part of the Qualifications and Curriculum Authority – QCA). (A reciprocal agreement exists between Ofqual in England, and its equivalent organisations, DCELLS in Wales and CCEA in Northern Ireland; when one of them recognises an awarding body, they all approve it.)**

Accreditation of our qualifications and procedures with Ofqual has many advantages. In the UK – and increasingly worldwide – Ofqual accreditation is recognised as a badge of quality, adding value to any qualification.

At the most practical level, our accredited qualifications are eligible for funding, enabling our course providers to apply for funding from the regional branch of the Learning and Skills Council (LSC) to offer courses leading to these qualifications. Internationally, it allows our qualifications to retain their highly regarded professional status.

In the year under review, NEBOSH was subject to one of the periodic, post-accreditation monitoring visits from Ofqual. The Ofqual team reviewed all aspects of our operation, including our corporate governance and the procedures for developing qualifications and for setting and marking of assessments and making the final award to students.

We were very pleased with the Ofqual auditors' report. They identified four conditions where we need to make improvements, but the actions to address three of these had already been planned. This compares to twenty seven conditions which were imposed at their previous visit in 2004. The Ofqual report on NEBOSH will be available on their web site: [www.ofqual.gov.uk](http://www.ofqual.gov.uk) in due course.

### Communications

**In 2008/09 we continued to develop the NEBOSH web site as one of our primary communication channels with both course providers and existing and prospective students. The NEBOSH web-shop was redeveloped and re-launched to make it clearer and easier to use.**

We added an events management function to allow course providers to easily book on to our workshops and to attend events such as the annual course providers' meeting. We also used the events management function to handle bookings of our Diplomates to attend the annual graduation ceremony. The new function has worked very well and we have had very positive feedback from users.

We intend to use our web site to speed up the issue of examination results to students and to their course providers, which is especially significant for those based overseas. A small scale trial was held during this period, and a priority for the next financial year will be the further development of this function leading to its full launch in due course.

We continued to hold an annual course providers' meeting, based in Leicester in June, and again we held a series of regional events in November and December 2008. These events focused on consultation on the changes we must make to align our National General Certificate with the revised National Occupational Standards.

Workshops for course providers continued to be popular, with many welcoming the opportunity to learn more about the processes of setting and marking examinations and what the examiners and assessors are really looking for, in order that they may better advise their students and prepare them for assessment.

For the first time, a course providers meeting was held outside the UK. Nineteen representatives from course providers based in the Middle East met at Nakheel's training centre in Dubai. All agreed that they found it very helpful to have the opportunity to discuss various aspects of delivery of NEBOSH courses and also to network with each other. I would like to thank Nakheel for their hospitality and generosity in hosting this event.



Sharon Ricketts and Raymond Wilson



Dee and Tony Rose



(Left to right) Mrs Claire Maguire, Miss Chantelle Sword, Mrs Muriel Millichap

## Events

**The highlight for many of NEBOSH's staff, course providers and Diploma students is the annual Graduation Ceremony. Those achieving their Diplomas in 2008/09 celebrated at a ceremony held in July 2009 at the University of Warwick. More than 1,200 people attended to see 360 Diplomates congratulated by our Guest of Honour, Judith Hackitt, Chair of the Health and Safety Executive.**

In January 2009 we held the formal launch of our International Diploma at the World Trade Centre in Dubai. More than 80 representatives of Professional Institutions, Course Providers, employers and enforcing organisations attended the event. NEBOSH's Middle East Ambassador, Mr Abdul Rahman Jawahery made a speech to the assembled guests in which he stressed the importance of prioritising spending on health and safety during a recession to avoid the impact on a company's bottom line caused by accidents.

NEBOSH was also invited to participate in a number of key events. I was delighted to be invited to present a paper at the Third Arab Health and Conference which was jointly hosted by the International Labour Organisation, the Arab Labour Organisation and the Government of the Kingdom of Bahrain. Held in Manama, Bahrain in November 2008, more than 600 delegates attended to hear papers by speakers from Bahrain, United Arab Emirates, Libya, Yemen, Egypt, Tunisia, Syria, Oman and the UK. My paper entitled "Safety leadership: actions for the Board of Directors to achieve excellence in safety and health" was later revised and published in the Safety and Health Practitioner.

David Morris presented a paper on "*The Role of Safety Qualifications in Enhancing Safety Performance*" at the International Fertilizer Association's Global Safety Summit in Bahrain in March 2009. During his visit to the Kingdom, David met with the Prime Minister and other government officials to discuss health and safety issues affecting the region.



**IFA Global Safety Summit, Bahrain, March 2009:** (left to right) His Highness Shaikh Khalifa bin Salman Al Khalifa, Mr Abdul Rahman Jawahery and David Morris of NEBOSH.

In the UK, NEBOSH exhibited at the Safety and Health Expo at the NEC, Birmingham (May 2008), the Health and Wellbeing Exhibition at the NEC (March 2009) and the IOSH Conference and Exhibition in Liverpool (March 2009). We also exhibited at Intersec in Dubai in January 2009. As with previous years, the level of interest from potential students has been very high at these events.

## People

**In the summer of 2008, Chris Webb, our Accreditation Manager decided to return to teaching and consultancy work. The work of Chris's department had grown substantially in line with the increase in the number of both students and course providers, such that the Accreditation Manager's role needed to become full time.**

We are very grateful to Chris for all his work for NEBOSH over many years, as an examiner, chair of the Accreditation Panel and for the last four years as a key member of the management team. Chris is continuing to support us by working as a Field Standards Adviser mentoring new course providers.

We are also immensely grateful for his support to his replacement, Matthew Powell-Howard. Matthew has been with NEBOSH for three years as a Standards Officer responsible for setting Diploma level examinations. Matthew has spent his first six months in post continuing the work that Chris started on revising our accreditation processes.

Our aim is to make accreditation as straightforward as possible, so it is very clear to course providers exactly what we expect from an accredited training centre delivering a course leading to a NEBOSH qualification. We are supporting the new processes with a Course Providers Handbook which aims to provide detailed guidance to both administrators and tutors.

NEBOSH has continued to grow during this period; not just in candidate numbers, but in the staff required to ensure that we continue to offer high standards of service to our clients; both students and their course providers. We continued to invest in additional development resource to match our ambition to offer a wider range of health and safety and risk management qualifications and to ensure that our qualifications maintain their position as relevant and respected across all industry sectors.

I would like to express my heartfelt appreciation for all the hard work and dedication shown by the managers and staff, examiners and panel members in making 2008/09 a successful year for NEBOSH.

I would also like to thank our Chairman, David Morris and the Board of Directors and Trustees, all of whom give generously of their time without any remuneration. Their wise counsel, support and, when appropriate, constructive challenge is invaluable in steering NEBOSH to its goal; to be the leading global provider of health and safety qualifications.

**Teresa Budworth** – Chief Executive

## 12 Report of the Directors and Trustees

for the year ended 31 March 2009

The Directors and Trustees have pleasure in presenting their report and audited financial statements for the year ended 31 March 2009.

### Legal Status and Constitution

The National Examination Board in Occupational Safety and Health (hereafter referred to as NEBOSH) is a company registered in England (no. 2698100) limited by guarantee and having no share capital.

NEBOSH is a registered charity (No. 1010444). As a charity, the company is exempt from corporation tax.

### Registered Office

Dominus Way  
Meridian Business Park  
Leicester LE19 1QW

### Auditors

**Thomas May & Co**  
Allen House  
Newarke Street  
Leicester LE1 5SG

### Bankers

**National Westminster Bank plc**  
5 The Parade  
Oadby  
Leicester LE2 5BB

### Solicitors

**Harvey Ingram LLP**  
20 New Walk  
Leicester LE1 6TX

### Chief Executive Officer

**Mrs Teresa Budworth** BSc (Hons) Dip IoD MBA MIRM CFOSH

### Secretary

**Mr Peter Ryan** BSc (Hons) FCCA

### Directors and Trustees

The Directors and Trustees serving during the year and since the year end were as follows:

**Mr David Morris** MSc CMIOSH FRSA  
Chairman

**Dr Edward Ferrett** BSc (Hons) CEng CMIOSH  
Vice Chairman to 30 September 2008  
*Representing Public Sector Course Providers*

**Mr Anthony Cheesman** BSc (Hons) PgDipOSH CMIOSH  
Vice Chairman from 1 October 2008  
*Representing Private Sector Course Providers*

**Mr Geoffrey Donnelly** MA BSc (Hons) CDir  
Reappointed 1 October 2008  
*Independent Director*

**Mrs Katherine Grimshaw**  
Appointed 1 October 2008  
*Independent Director*

**Mr Ken W James** MA OBE  
Appointed 1 October 2008  
*Independent Director*

**Mr Bryan McCracken** BEng (Hons) MA Dip2OSH CMIOSH AIEMA  
Appointed 1 October 2008  
*Representing Public Sector Course Providers*

**Miss Christine Miles** MBA  
Resigned 25 May 2009  
*Independent Director*

**Mr Chris Minta** MBA BA (Hons)  
Resigned 18 May 2008  
*Representing Public Sector Course Providers*

**Dr Michael Sanderson** CEng CSci  
Reappointed 1 October 2008  
*Independent Director*

**Mrs Gill Tweedale-Sexton** CMIOSH Dip2OSH MIIRSM  
*Representing Private Sector Course Providers*

**Dr Robin Wallace** OBE CEng FIMechE  
Term of office ended 30 September 2008  
*Independent Director*



**Top row:**  
Mr David Morris, *left*  
Dr Edward Ferrett, *centre*  
Mr Anthony Cheesman, *right*

**Second row:**  
Mr Geoffrey Donnelly, *left*  
Mrs Katherine Grimshaw, *right*

**Third row:**  
Mr Ken James, *left*  
Mr Bryan McCracken, *centre*  
Miss Christine Miles, *right*

**Fourth row:**  
Dr Michael Sanderson, *left*  
Mrs Gill Tweedale-Sexton, *right*

**Fifth row:**  
Mrs Teresa Budworth, *left*  
Mr Peter Ryan, *right*

## 14 Report of the Directors and Trustees

for the year ended 31 March 2009

### Structure, Governance and Management

#### Governing document

NEBOSH, a company limited by guarantee, is governed by its Memorandum and Articles of Association dated 5 March 1992. An amended version of the Memorandum of Association was adopted by Special Resolution passed at the Annual General Meeting, dated 4 September 2007. An amended version of the Articles of Association was adopted by Special Resolution passed at the Annual General Meeting, dated 16 September 2008. It is registered as a charity with the Charity Commission.

There were 25 registered members as at 31 March 2009 (2008: 25 members), each of whom has undertaken to contribute £1 in the event of NEBOSH being wound up.

#### Appointment of Directors and Trustees

The Directors and Trustees are elected by all the members at the Annual General Meeting; the members constitute an advisory committee known as NEBOSH Council.

The Chairman of NEBOSH Council is appointed as a Director and serves as the Chairman of the Board of Directors and Trustees. The Chairman is appointed for a term of three years and may be re-appointed for two further terms of three years before retiring from office.

Two Directors are elected from NEBOSH Council to represent institutions of further education and two Directors to represent private sector programme organisers. Each Director appointed on this basis serves a term of two years and may be re-appointed for two further terms before retiring from office.

On the recommendation of the Directors, the Annual General Meeting may elect up to five other Directors. Each Director is appointed for a term of three years, and may be re-appointed for one further term of three years before retiring from office.

#### Induction and Training of Directors and Trustees

A formal induction process exists for new Directors and Trustees. The programme includes familiarisation with the role of NEBOSH in health and safety competence, our charitable objects, structure and governance and the role and responsibilities of a charity trustee.

Additional briefings are arranged from time to time for both Directors and Trustees and other members of NEBOSH Council on key issues which may impact on the work of NEBOSH or their role.

#### Organisation

The affairs of NEBOSH are managed by the Directors and Trustees, who meet quarterly. They are guided by the NEBOSH Council on matters related to policy and direction of the charity. The Directors may delegate any of their powers to sub-committees.

Sub-committees have been established to cover Audit, Nominations to the Board of Directors and Trustees, Remuneration, Investment and Strategy Review.

Technical aspects of the examination board's work are overseen by a Qualifications and Technical Council which includes in its membership Directors and Trustees, key stakeholders and those appointed for their expertise in health, safety and assessment methodology.

A Chief Executive Officer is appointed by the Directors and Trustees to manage the day-to-day operations of NEBOSH. To facilitate effective operations, the Chief Executive Officer has delegated authority for all operational matters.

#### Connected Charity

The Institution of Occupational Safety and Health, registered charity (No. 1096790), nominates up to three members of NEBOSH Council. The registered office of the Institution of Occupational Safety and Health is The Grange, Highfield Drive, Wigston, Leicester LE18 1NN.

#### Risk Assessment

The major risks to which NEBOSH is exposed have been systematically reviewed and recorded in a risk register. The Directors and Trustees are confident that sufficient steps have been and are being taken to reduce and manage those risks. The risk register is reviewed by the Audit Committee on behalf of the Directors and Trustees on a quarterly basis, and reviewed by all Directors and Trustees annually.



## Objectives and Activities

### Objects

The objects of NEBOSH shall be the preservation of health by the promotion of high standards of health, safety and environmental protection at work in particular, but not exclusively, through study and competence in risk management.

In setting our objectives, aims and planning our activities, the Directors and Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance for charities whose aims include the advancement of education and the guidance for those charities that charge fees.

### Aims

NEBOSH's aims are:

to encourage the provision, in collaboration with other organisations, of facilities for training and education of people throughout their careers in safety and health;

to promote appropriate and uniform qualifications and standards of examinations in safety and health as affected by work activities and seek to co-ordinate international standards;

to assist in the development of facilities to enable those intending to pursue careers which involve responsibilities for health and safety of those affected by work activities to acquire appropriate qualifications;

to provide qualifications based on examinations or other systems of assessment to be used in association with their other requirements as a basis for membership of professional bodies concerned with safety and health of those affected by work activities; and to provide other qualifications to meet the needs of employment and the requirements of safety and health legislation;

to set and mark examinations or other systems of assessment leading to NEBOSH's qualification, to authorise other organisations to set and mark examinations or other systems of assessment leading to NEBOSH's qualifications and to establish conditions for such authorisation;

to form, where appropriate, part of a national framework of vocational qualifications;

to issue evidence of NEBOSH's awards of qualifications to successful candidates; and

to establish syllabuses related to NEBOSH's qualifications.

### Strategies for achieving NEBOSH's Objectives

NEBOSH achieves its objectives by:

publishing syllabuses for health and safety and related risk management qualifications at level 3 and 6 on the National Qualifications Framework;

accrediting course providers to run courses preparing candidates for assessment for NEBOSH qualifications;

setting and marking examinations;

issuing Unit Certificates and Qualification Parchments to candidates successful in assessment; and

maintaining accreditation as an awarding body with Ofqual (formerly the Qualifications and Curriculum Authority).

### Achievements and Performance

Details of significant activities, achievements and performance for 2008/9 are provided in the Chief Executive's Report.

Income rose from £3,281,151 in 2007/08 to £3,930,701 in 2008/09, an increase of 19.8%.

**Income and Costs**

**The income growth has been achieved without increasing our fees and growth has been achieved across all sources of income.**

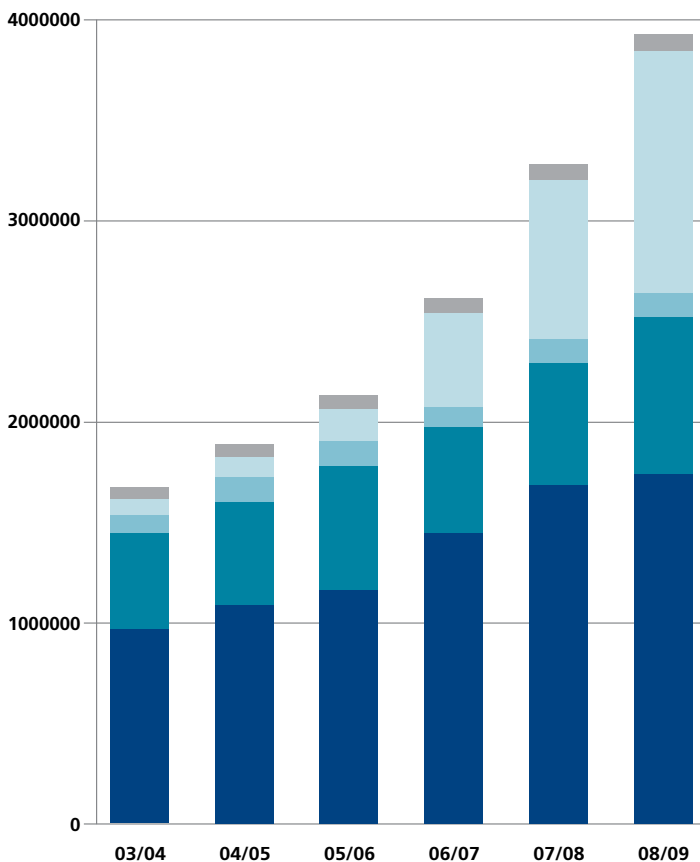
Income from our established qualifications continues to grow but the major growth has come from our international qualifications and qualifications launched in the last 18 months.

The numbers of course providers accredited to offer NEBOSH qualifications continued to increase.

NEBOSH have renewed their sponsorship of the RoSPA Awards for a further three years at an annual cost of £50,000.

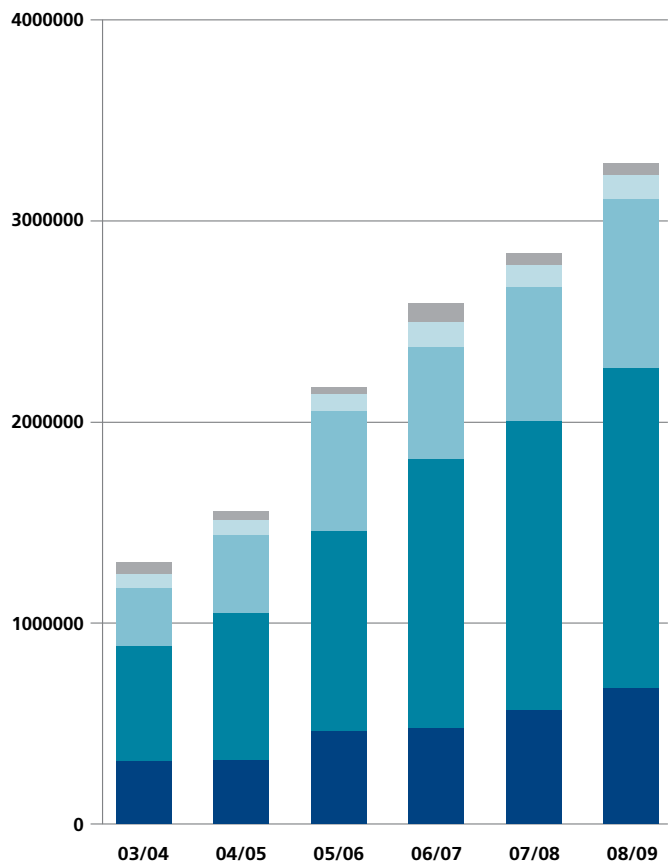
Under the Statement of Recommended Practice, it is necessary to accrue the full three years costs in the financial year 2008/09. Thus the total amount charged due to this commitment is £150,000.

After taking into account investment losses, both realised and unrealised, of £398,435 (2008: losses of £109,836), at 31 March 2009 our reserves stood at £4,999,549 (2008: £4,756,877).



KEY:  
 Certificate  
 Diploma  
 Investments  
 Other awards  
 Publications

Figure 9 Sources of income



KEY:  
 Direct costs  
 Staff  
 Admin  
 Depreciation  
 Premises

Figure 10 Analysis of costs

## Investment Policy

**The Directors and Trustees have the power to invest in such assets as they think fit.**

The Directors and Trustees have given authority to hold cash with our bankers to meet up to two month's cash requirements, with any excess cash either deposited on a short-term arrangement for up to two months or transferred to the investment deposit fund.

The Directors and Trustees have considered the most appropriate policy for investing surplus funds and have found that a pooled fund of specialised unit trusts designed for the charity sector, meets their requirements for income and capital growth.

It is our aim in the long term that approximately 50% (with an agreed tolerance of +/- 5%) of surplus funds are invested in a balanced fund (which will be a mixture of equities, fixed interest and other investments) which offer medium to long term value and are appropriate for capital growth and sustainable income.

The other 50% (with an agreed tolerance of +/- 5%) is placed on short term deposit, again on a pooled basis through our investment managers, to earn a high rate of interest while providing immediate access.

In light of the stock market volatility, the Directors and Trustees have approved that the cash deposit percentage of investments should be increased to 60% (with an agreed tolerance of +/- 5%). Once the volatility has diminished the Directors and Trustees will seek to approve reverting to the overall policy percentage of 50% (with an agreed tolerance of +/- 5%).

AON has been appointed by the Directors and Trustees to conduct regular monitoring of the performance of our investment managers.

Our strategy is reviewed on a regular basis. Furthermore, an Investment Committee has been established to advise the Directors and Trustees on the investment policy and make recommendation regarding the investment portfolio.

A representative from the investment managers may be invited to a Board meeting as required.

## Reserves Policy

**The Directors and Trustees have a standing policy whereby the unrestricted funds not committed or invested in tangible assets (the free reserves) should be available to meet anticipated resources expended and provide funding to expand our range of qualifications.**

The Directors and Trustees consider that, in order to continue the current level of activity, the free reserves should equate to approximately one year's annual resources expended.

The Reserves Policy is reviewed annually in March.

### Directors' and Trustees' Responsibilities in relation to these Financial Statements

Company Law requires the Directors and Trustees to prepare, each financial year, financial statements which give a true and fair view of the state of affairs of the charity and of the net movement of resources of the charity for that period.

In preparing the financial statements the Directors and Trustees are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Directors and Trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the charity to enable them to ensure that the financial statements comply with the Charities Act 1993 and Companies Act 1985.

They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's Directors, we certify that:

so far as we are aware, there is no relevant audit information of which the Company's auditors are unaware; and

as the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### Donations

No charitable or political donations were made.

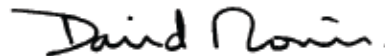
### Policy on Payment of Creditors

It is the policy to abide by the terms of payment agreed with its suppliers, either their standard terms or special terms where agreed beforehand.

### Auditors

A resolution to appoint auditors will be proposed at the Annual General Meeting, to be held on 2 September 2009.

Signed on behalf of the Directors and Trustees:



David Morris – Chairman

10 July 2009

We have audited the financial statements of NEBOSH for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the Notes to the Financial Statements.

These financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and the accounting policies set out therein.

This report is made solely to the members of NEBOSH, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to NEBOSH members those matters we are required to state to them in an auditors' report and no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NEBOSH and its members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective Responsibilities of the Directors and Trustees and the Auditors

**The Directors' and Trustees' responsibilities for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' and Trustees' Responsibilities.**

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Chairman's Review, Chief Executive's Review, Report of the Directors and Trustees and the Financial Review is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Chairman's Review, Chief Executive's Review, Report of the Directors and Trustees and the Financial Review and consider the implications for our report if we become aware of any apparent mis-statements within it.

## Basis of Audit Opinion

**We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors and Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.**

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion:

-----  
**the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure in the year then ended;**

-----  
**the financial statements have been properly prepared in accordance with the Companies Act 1985; and**

-----  
**the information given in the Chairman's Review, Chief Executive's Review, Report of the Directors and Trustees and the Financial Review is consistent with the Financial Statements.**

*Thomas May & Co.*

**Thomas May & Co**

Chartered Accountants and Registered Auditors  
Allen House, Newarke Street, Leicester LE1 5SG

**10th July 2009**

## 20 Statement of Financial Activities

For the year ended 31 March 2009

	Notes	Total Funds 2009 (£)	Total Funds 2008 (£)
<b>Incoming resources</b>			
<b>Incoming resources from generated funds:</b>			
Activities for generating funds		25,792	27,300
Investment income	2	<u>121,941</u>	<u>118,870</u>
		<b>147,733</b>	146,170
<b>Incoming resources from charitable activities:</b>			
Operations of Examination Board	3	<b>3,782,968</b>	3,134,981
<b>Other incoming resources:</b>			
Profit on disposal of freehold property		–	174,781
<b>Total incoming resources</b>		<b>3,930,701</b>	3,455,932
<b>Resources expended</b>			
<b>Costs of generating funds:</b>			
Costs incurred by fund raising activities		25,403	25,916
<b>Charitable activities:</b>			
Operations of Examination Board	4(a)	<b>3,193,169</b>	2,734,660
<b>Governance Costs</b>	4(b)	<b>71,022</b>	77,219
<b>Total resources expended</b>		<b>3,289,594</b>	2,837,795
<b>Net incoming resources before other recognised losses</b>		<b>641,107</b>	618,137
<b>Realised loss on investments</b>		–	<u>(2,953)</u>
<b>Net income for the year</b>		<b>641,107</b>	615,184
<b>Unrealised loss on investments</b>	9	<u>(398,435)</u>	<u>(106,883)</u>
<b>Net movement of funds in year</b>		<b>242,672</b>	508,301
<b>Reconciliation of funds</b>			
Total funds brought forward		<b>4,756,877</b>	4,248,576
<b>Total funds carried forward</b>	16	<b>4,999,549</b>	4,756,877

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

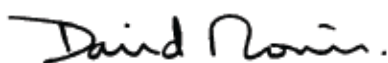
# Balance Sheet

31 March 2009

21

	Notes	Total Funds 2009 (£)	Total Funds 2008 (£)
<b>Fixed Assets</b>			
Tangible assets	8	<b>1,877,574</b>	1,920,247
Investments	9	<b>3,291,318</b>	2,976,451
		<b><u>5,168,892</u></b>	<u>4,896,698</u>
<b>Current Assets</b>			
Stock	10	<b>21,997</b>	20,431
Debtors	11	<b>179,718</b>	114,830
Cash at bank and in hand	12	<b>259,532</b>	115,625
		<b>461,247</b>	250,886
<b>Creditors</b>			
Amounts falling due within one year	13	<b><u>(530,590)</u></b>	<u>(390,707)</u>
<b>Net Current Liabilities</b>			
		<b><u>(69,343)</u></b>	<u>(139,821)</u>
<b>Total Assets Less Current Liabilities</b>			
		<b>5,099,549</b>	4,756,877
<b>Creditors</b>			
Amounts falling due after one year	14	<b>(100,000)</b>	–
<b>Net Assets</b>		<b>4,999,549</b>	4,756,877
<b>Represented by:</b>			
<b>Funds</b>			
Unrestricted:			
General	16	<b>4,999,549</b>	4,756,877
<b>Accumulated Fund</b>		<b>4,999,549</b>	4,756,877

Approved by the Directors and Trustees on 10th July and signed on their behalf by:



**D Morris**  
Chairman of the Board of Directors and Trustees



**A Cheesman**  
Vice Chairman of the Board of Directors and Trustees

## 22 Notes to the Financial Statements

31 March 2009

### 1 Accounting Policies

#### Basis of Preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### Cashflow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cashflow statement on the grounds that the charity is small.

#### Fees Receivable

Fees are received on varying dates throughout the year and are recognised as income at the date of the examination to which they relate.

#### Resources Expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

---

**Costs of generating funds are those costs associated with the voluntary income.**

---

**Charitable activities include expenditure associated with the setting and marking of examination papers, accreditation of training course providers and publication of syllabuses, past papers and examiners' reports, and include both the direct costs and support costs relating to these activities.**

---

**Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with long term strategy and constitutional and statutory requirements.**

---

**Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. staff costs by the time spent and other costs by their usage.**

---

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

<b>Freehold land</b>	Nil
<b>Freehold buildings</b>	2% on cost
<b>Fixtures and fittings</b>	10% on cost
<b>Office equipment</b>	10% / 25% on cost
<b>Computer equipment</b>	25% / 33% on cost
<b>Motor vehicles</b>	25% on cost

#### Stocks

Stocks which comprise printed and other materials are stated at the lower of cost and net realisable value.

#### Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

#### Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against resources arising as incurred.

#### Pension Costs

Contributions in respect of the pensions for staff are charged against resources arising for the year in which they are payable to the scheme.

#### Funds Structure

All funds are unrestricted income funds.



## 2 Investment Income

	2009 (£)	2008 (£)
COIF investment income	116,500	109,660
Bank interest received	<u>5,441</u>	<u>9,210</u>
	<b><u>121,941</u></b>	<b><u>118,870</u></b>

## 3 Incoming Resources from Charitable Activities

The income was primarily from the operations of the examination board.

	2009 (£)	2008 (£)
Income from Assessments	3,057,225	2,518,941
Income from Course Providers	642,788	540,433
Income from Publications	<u>82,955</u>	<u>75,607</u>
	<b><u>3,782,968</u></b>	<b><u>3,134,981</u></b>

## 4a Operations of Examination Board

	Assessments £	Course Providers £	Publications £	Total 2009 (£)	Total 2008 (£)
<b>Costs directly allocated to activities</b>					
Staff costs	932,751	327,595	17,212	<b>1,277,558</b>	1,112,877
Other costs	842,301	125,798	8,031	<b>976,130</b>	762,175
<b>Support costs allocated to activities</b>					
Chief Executive's department	115,583	24,302	3,136	<b>143,021</b>	99,660
Marketing and development	177,629	77,304	21,419	<b>276,352</b>	180,083
Finance and office administration	318,729	48,210	11,713	<b>378,652</b>	439,096
Assessment administration/logistics	52,838	13,207	–	<b>66,045</b>	61,990
Setting and quality of assessments	40,638	13,575	4,102	<b>58,315</b>	52,873
Accredited centre administration	<u>1,709</u>	<u>15,387</u>	<u>–</u>	<b><u>17,096</u></b>	<u>25,906</u>
	<b><u>2,482,178</u></b>	<b><u>645,378</u></b>	<b><u>65,613</u></b>	<b><u>3,193,169</u></b>	<b><u>2,734,660</u></b>

Support costs are allocated on a basis consistent with the use of resources.

## 24 Notes to the Financial Statements

### 4b Governance Costs

	2009 (£)	2008 (£)
<b>Governance includes the following costs:</b>		
Meeting expenses	20,873	16,918
Chief Executive's department	35,755	37,220
Audit, legal and other costs	14,394	23,081
	<u>71,022</u>	<u>77,219</u>

### 5 Net Incoming Resources Before Transfers is Stated After Charging

	2009 (£)	2008 (£)
Depreciation on owned assets	119,516	108,686
<b>Auditors' remuneration</b>		
Audit	4,200	4,000
Other	4,800	4,500

### 6 Staff Costs

	2009 (£)	2008 (£)
Wages and salaries	1,280,697	1,163,097
Principal examiners	6,869	8,000
Social security	136,182	114,016
Temporary staff	77,826	68,530
Pension costs	86,386	84,149
	<u>1,587,960</u>	<u>1,437,792</u>

#### The number of employees whose emoluments (salaries and benefits in kind) fell within the following bands:

£80,000 to £89,999	1	1
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During the year the charity paid money purchase pension contributions in respect of the above higher paid individual amounting to £7,003 (2008: £6,734).

#### The average number of full time equivalent employees during the year was as follows:

	2009 (No.)	2008 (No.)
Chief Executive and marketing departments	7	7
Finance and office administration	12	12
Assessment administration / logistics	14	13
Setting, marking and accreditation	10	9
	<u>43</u>	<u>41</u>

## 7 Trustees' Emoluments

During the year, travel, accommodation and incidental expenses amounting to £15,223 were reimbursed to 11 Trustees (2008: £14,608 to 8 Trustees).

In addition, 3 Trustees received £6,417 during the year in their capacity as examiners (2008: 2 Trustees received £3,008 in their capacity as examiners).

The other Directors and Trustees of NEBOSH received no remuneration for their services.

## 8 Tangible Fixed Assets

	Freehold land and buildings (£)	Fixtures and fittings (£)	Office equipment (£)	Computer equipment (£)	Motor vehicles (£)	Total (£)
<b>Cost</b>						
At 1 April 2008	1,678,450	164,904	93,525	172,003	53,998	2,162,880
Additions	–	–	30,428	11,232	43,235	84,895
Disposals	–	(4,884)	(13,716)	(3,672)	(20,802)	(43,074)
<b>At 31 March 2009</b>	<b><u>1,678,450</u></b>	<b><u>160,020</u></b>	<b><u>110,237</u></b>	<b><u>179,563</u></b>	<b><u>76,431</u></b>	<b><u>2,204,701</u></b>
<b>Depreciation</b>						
At 1 April 2008	52,871	22,408	43,963	96,295	27,096	242,633
Charge for year	30,212	16,261	14,361	41,992	16,690	119,516
Disposals	–	(820)	(12,086)	(2,192)	(19,924)	(35,022)
<b>At 31 March 2009</b>	<b><u>83,083</u></b>	<b><u>37,849</u></b>	<b><u>46,238</u></b>	<b><u>136,095</u></b>	<b><u>23,862</u></b>	<b><u>327,127</u></b>
<b>Net book value</b>						
<b>At 31 March 2009</b>	<b><u>1,595,367</u></b>	<b><u>122,171</u></b>	<b><u>63,999</u></b>	<b><u>43,468</u></b>	<b><u>52,569</u></b>	<b><u>1,877,574</u></b>
At 31 March 2008	<u>1,625,579</u>	<u>142,496</u>	<u>49,562</u>	<u>75,708</u>	<u>26,902</u>	<u>1,920,247</u>

## 26 Notes to the Financial Statements

### 9 Investments

	Market value at 01/04/08 (£)	Transfers in/deposits received (£)	Disposals at carrying value (£)	Net gain/ (loss) on valuation (£)	Market value at 31/03/09 (£)
COIF deposit account	1,358,484	813,302	(100,000)	–	<b>2,071,786</b>
COIF income share account	871,808	–	–	(239,487)	<b>632,321</b>
COIF fixed interest fund	96,276	–	–	390	<b>96,666</b>
COIF property fund	60,890	–	–	(17,867)	<b>43,023</b>
COIF accumulation units fund	<u>588,993</u>	<u>–</u>	<u>–</u>	<u>(141,471)</u>	<u><b>447,522</b></u>
	<u>2,976,451</u>	<u>813,302</u>	<u>(100,000)</u>	<u>(398,435)</u>	<u><b>3,291,318</b></u>
			<b>2009 (£)</b>		2008 (£)
<b>Historical cost</b>			<u><b>3,369,774</b></u>		<u>2,656,472</u>

### 10 Stock

	2009 (£)	2008 (£)
Examination printed stock	<b>17,892</b>	13,599
General stationery	<u><b>4,105</b></u>	<u>6,832</u>
	<u><b>21,997</b></u>	<u>20,431</u>

### 11 Debtors

	2009 (£)	2008 (£)
Fees receivable	<b>104,832</b>	72,013
Prepayments and accrued income	<u><b>74,886</b></u>	<u>42,817</u>
	<u><b>179,718</b></u>	<u>114,830</u>

## 12 Cash at Bank and in Hand

	<b>2009 (£)</b>	2008 (£)
Bank current and business reserve account	<b>259,032</b>	115,125
Cash balance	<u>500</u>	<u>500</u>
	<b><u>259,532</u></b>	<b><u>115,625</u></b>

## 13 Creditors: Amounts Falling Due Within One Year

	<b>2009 (£)</b>	2008 (£)
Trade creditors	<b>33,461</b>	22,764
Deferred Income – Assessment fees received in advance	<b>167,218</b>	131,740
Taxation and social security	<b>39,308</b>	34,487
Accruals and deferred income	<b>240,603</b>	161,575
Other creditors including RoSPA sponsorship	<u>50,000</u>	<u>40,141</u>
	<b><u>530,590</u></b>	<b><u>390,707</u></b>

Deferred income is released to income in the following financial year.

## 14 Creditors: Amounts Falling Due After One Year

	<b>2009 (£)</b>	2008 (£)
Other creditors – RoSPA sponsorship	<u>100,000</u>	<u>–</u>

## 15 Pension Contributions

The charity contributes to a money purchase Group Personal Pension Scheme with Standard Life. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	<b>2009 (£)</b>	2008 (£)
Contributions payable by the charity for the year	<u>86,386</u>	<u>84,149</u>

## 28 Notes to the Financial Statements

### 16 Reconciliation of Movement in Funds

	At 01/04/08 (£)	Incoming resources (£)	Outgoing resources (£)	Investment losses (£)	At 31/03/09 (£)
<b>Unrestricted funds</b>					
General fund	<u>4,756,877</u>	<u>3,930,701</u>	<u>(3,289,594)</u>	<u>(398,435)</u>	<u><b>4,999,549</b></u>

### 17 Financial Commitments

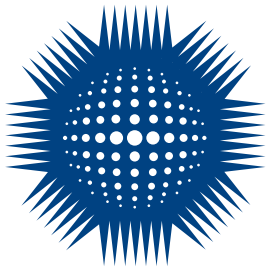
The charity has the following annual commitments in respect of computer support contracts which are not provided for in the financial statements.

	2009 (£)	2008 (£)
Expiring within 1 year	<u>—</u>	<u>11,868</u>

### 18 Related Party Transactions

No transactions with related parties were undertaken which are required to be disclosed under Financial Reporting Standard 8.





**nebosh**

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