

# Annual Report and Financial Statements

for the year ended 31 March 2010





## *We're celebrating 30 years of NEBOSH*

[www.30yearsofnebosh.org.uk](http://www.30yearsofnebosh.org.uk)



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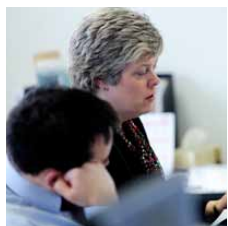
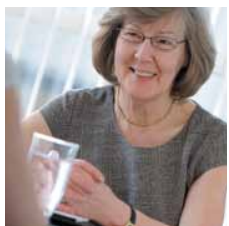


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### The year under review is the thirtieth anniversary of the founding of NEBOSH.

The first meeting to discuss the possibility of establishing an examination body to run entrance exams for the Institution of Occupational Safety and Health and the Institute of Municipal Safety Officers took place in September 1979. That led to the first NEBOSH examinations in June 1980.

**Thirty years ago, the founders of NEBOSH set out to improve health and safety in the workplace by ensuring that safety professionals had the competence, knowledge and skills to evaluate risks and determine appropriate control measures. The examinations in 1980 attracted around 200 candidates.**

Thirty years on, we now have over 30,000 candidates each year taking around 90,000 assessments in 80 countries around the world, supported by over 400 course providers. We are very proud that some 180,000 people have achieved a NEBOSH qualification.

Our portfolio of qualifications has grown too. We now have 11 qualifications, and three more in development which will launch before the end of 2010.

Our success in promoting competence in health and safety is founded on the efforts of many safety professionals, many of whom have given their time and expertise on a voluntary basis. Well over 500 people have worked as NEBOSH examiners over the years, devising questions as well as marking the scripts.

Our course providers play an invaluable role in preparing candidates for NEBOSH assessments. They also work with us as we develop new qualifications and revise existing ones, so helping us ensure that our qualifications remain relevant as the world of work changes.

The contribution made by members of the NEBOSH Council, and of the Trustees who have guided NEBOSH through the last 30 years, and in particular my predecessors as Chairman, Richard Booth, Jim Hammer, Phil Hughes and the late John Locke, has been similarly invaluable.

My heartfelt thanks go to all these people, for the roles they have played in helping make NEBOSH the success that it is today.

We are of course extremely proud of the students who take our qualifications, both at Certificate and Diploma level. We believe that the work they do is vital in maintaining and improving standards of health and safety in the UK and overseas. Advice from a competent health and safety professional adds real value to any organisation.

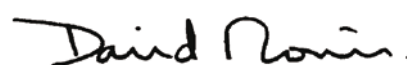
All too often, the media focuses on poor "health and safety" decisions, apparently made by risk-averse people, unqualified to deal with the reality of effective and proportionate risk management.

We know that the principles of sensible risk management that are firmly embedded within the training leading to our qualifications enable our qualification holders to exercise appropriate judgment when safeguarding people at work.

Robust qualifications go much further than merely enhancing the careers of the people who hold them. They also provide a clear benefit to everyone with whom our qualification holders work and, of course, to everyone else whose safety may be affected by work activities.

I am entering my last year as Chairman of NEBOSH. By March 2011 I will have served the maximum allowed term of nine years. I have seen much change in NEBOSH over those years and believe that I will be leaving the organisation well placed to face the challenges of the future.

The commitment, energy and expertise of our staff, examiners, stakeholder representatives on NEBOSH Council, volunteer panel and committee members, course providers and my fellow Trustees has underpinned the progress that NEBOSH has made in this year, in my term as Chairman, and over the thirty years of our existence. It is my pleasant task to thank each of them for their continuing hard work and support.



**David Morris** – Chairman



“Our course providers play an invaluable role in preparing candidates for NEBOSH assessments.”

**David Morris** – Chairman, NEBOSH

## Chief Executive's Review



**NEBOSH's strategy for 2009/10 was a continuation of our strategy over the last five years:** to continue to achieve growth through developing new qualifications and developing the market for NEBOSH qualifications in selected new markets, while seeking to increase the number of students taking our qualifications in our existing markets.



**In the financial year 2008/09, despite the recession affecting other parts of the UK economy, we managed to maintain growth in candidate numbers.**

However, we were always aware that any downturn affecting our examination registrations was likely to impact later in the cycle. NEBOSH's examinations fall at the end of the period of training, and often reflect purchasing decisions made the previous year. In the year under review we achieved growth in candidate numbers of around 4%, a significant slowing from the 10.5% growth achieved the previous year.

The slower rate of growth reflects difficult conditions in our two main markets; the UK and the Middle East, both of which showed a small decline in candidate numbers. However, the contribution of Asia, and Africa both increased significantly by 76% and 63% respectively. This growth in our target markets meant that overall our overseas candidature rose by more than 17%.

The significance of our international markets continues to grow; 29% of all NEBOSH assessments are now taken outside of the UK compared to 25.6% last year.

Income increased by 3.2% to £4.1 million reflecting the small increase in overall candidate numbers and that in recognition of the difficult trading conditions many of our course provider partners found themselves in, we chose not to raise our fees, which remained as they were at September 2006.

Our net income for 2009/10 was £396,000 a decrease of 38% on the previous year. This was due to the planned investments in new products and in particular in a software system to support multiple choice, multiple language examinations which we piloted for our new Health and Safety at Work qualification.

The recovery of the stock market meant that the value of our investments increased giving a net movement of funds of £722,453. Hence we achieved an overall increase to our reserves of 14.5%.



### Accreditation

NEBOSH operates in a highly regulated environment. Just as course providers have to be accredited with NEBOSH we have been accredited with Ofqual and its predecessor the Qualifications and Curriculum Authority, for a number of years. NEBOSH qualifications are accredited on the National Qualification Framework (NQF).

Accreditation of our qualifications and procedures with a regulator is essential. Such accreditation recognises that our qualifications are subject to stringent quality procedures and that we comply with statutory regulations in the development of syllabuses, the setting and marking of examinations and in the final award to successful students.

It also formally recognises that our NQF Level 6 Diploma qualifications are at honours degree level and hence acceptable for graduate entry to the Institution of Occupational Safety and Health (IOSH).

NQF accreditation has also enabled our public sector course providers to apply for funding from the regional branches of the Learning and Skills Council (LSC) to subsidise the costs of courses leading to our qualifications – making them more accessible to those who are self-funding their studies.

The NQF closes on 31 December 2010 and is being replaced by the Qualification and Credit Framework (QCF) which was launched in September 2008. This means that all of our existing qualifications on the NQF would no longer have accreditation after the end of 2010.

As we reported last year, although we have the option to seek to accredit our qualifications on the QCF, we have chosen not to. 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.

Despite discussions with Ofqual we have no assurances that in the long term, we would be able to retain our rights over syllabus material that we have invested considerable resource to develop and maintain.



“29% of all NEBOSH assessments are now taken outside of the UK”

**Teresa Budworth** – Chief Executive, NEBOSH



A further uncertainty around the introduction of the QCF was 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 systems to be able to capture appropriate data and to upload students' details to the Government's database.

The Government's exact requirements are still not clear and hence no estimate of the cost can be made nor the implications for our network of course providers identified.

For these reasons, we decided that seeking accreditation with the Scottish Qualifications Authority, or SQA, was the best option for NEBOSH. This has enabled us to maintain external accreditation, while not being subject to the uncertainties arising from the reform of the English, Welsh and Northern Irish systems. The impact on our course providers and students is minimal.

I am pleased to report that NEBOSH was accredited as an Awarding Body with the SQA in August 2009.

Accreditation of qualifications on the Scottish Framework has two stages. The qualification can be simply accredited. It can then additionally have a credit and level assigned to it. Our first qualification to be accredited under the new regime was our newly developed NEBOSH National Certificate in Environmental Management which achieved accreditation by SQA in January 2010.

We were delighted with the support we received from the SQA in our first steps in credit and levelling and the Environmental Certificate went on to be accredited at level 6 (the equivalent of level 3 in England) with 9 credits on the SCQF in April 2010.

During the remainder of 2010 we will be working to migrate our existing NQF qualifications on to the Scottish system.

### NEBOSH Qualifications

The **NEBOSH National General Certificate in Occupational Health and Safety** continues to be the most widely taken of our qualifications. However, candidate numbers continued on the trend identified last year with an overall decrease in the number of units taken. There is no new competition for this qualification and it is likely that the numbers have been impacted by the recession.

Our National General Certificate has been accredited at level 3 on the NQF for a number of years. In preparation for the expiry of its accreditation we undertook a review of the specification following a lengthy consultation with our course providers and other stakeholders.

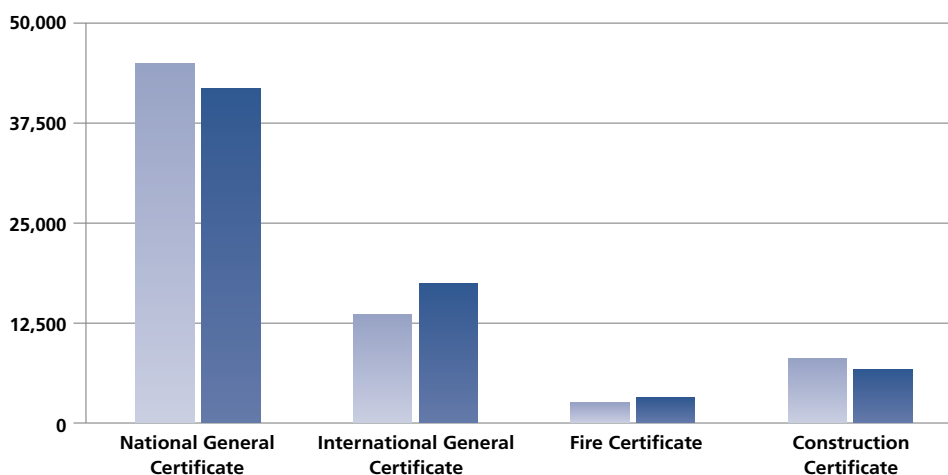
The revised specification was published at the end of the financial year under review, and will be examinable from 1st January 2011. We will be completing its reaccreditation on the SCQF during the summer of 2010.

The recession has almost certainly had an effect on candidate numbers for the **NEBOSH National Certificate in Construction Health and Safety** which has been reported as the sector worst hit by the downturn in the UK economy.

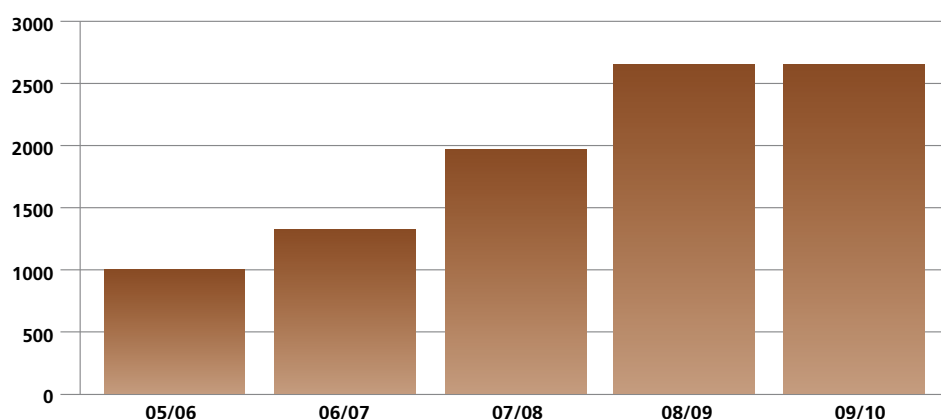
Demand for the NEBOSH Construction Certificate had showed strong growth in each of the three previous financial years, and in 2007/08 I reported the number of unit registrations to be up 30% on the previous financial year, although growth was slowing in the final quarter of that year. In the year under review, registrations were 18% down.

**Figure 1** Unit Registrations for NEBOSH Certificate Examinations

KEY: 2008/09 2009/10



**Figure 2** Candidate numbers for the NEBOSH Construction Certificate



In contrast, the **NEBOSH International General Certificate in Occupational Health and Safety** continued to grow, with candidate registrations up 28%.

As previously identified, much of the growth came from the opening up of new markets particularly in India and South Africa. However, it is still the case that the majority of candidates for this qualification are based in the Middle East.

The **NEBOSH Certificate in Fire Safety and Risk Management** also showed significant growth; up 24% on last year, although overall it remains one of our smaller qualifications representing 4% of our total candidature.

The **NEBOSH National Diploma in Occupational Health and Safety** was launched in summer 2004 and revised in 2006. The regulatory authorities for external qualifications in England, Wales and Northern Ireland, accredited the National Diploma at Level 6 on the NQF, the equivalent level to an honours degree.

The accreditation expires at the end of December 2010 as the NQF itself comes to an end. During the year under review we have been consulting widely on revisions to the National Diploma to ensure that it continues to meet the needs of safety professionals.

The completed revised syllabus will be ready for submission to the SQA in the summer of 2010 to ensure continuity of accreditation.

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.

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

Examination registrations for the National Diploma were maintained at around the same level as last year. However, new enrolments for this qualification fell sharply from 1,660 new students in 2008/09 to 1,280 in 2009/10.

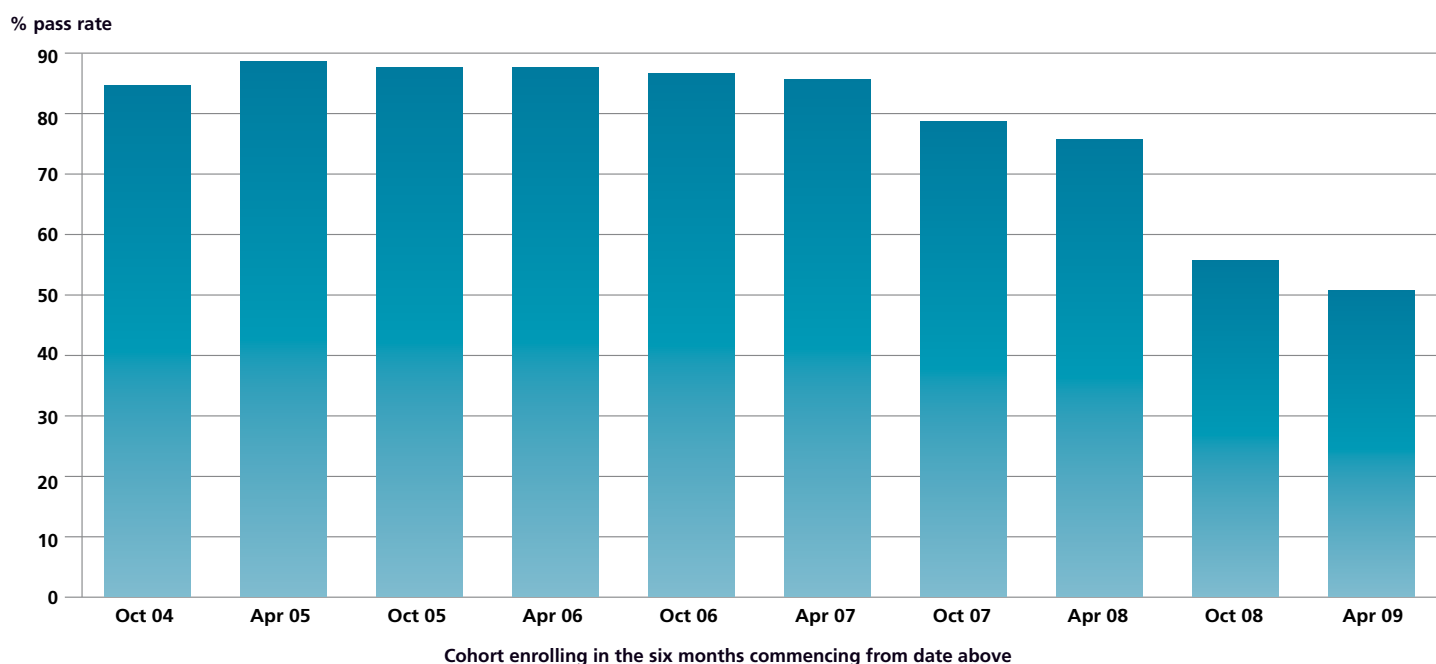
This will result in fewer registrations for assessment next year with a consequent impact on income. Again, it is our belief that enrolments were hit by the recession with investment in qualifications for employees postponed.

Pass rates for the National Diploma remain stable and encouraging. The overall pass rate for all students who enrolled between 1st October 2004 and 1st April 2009 and who have attempted all of the assessment units is now 83%.

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.

## The overall pass rate for the National Diploma is 83%

**Figure 3** Pass rates on NEBOSH National Diploma



This was the second full year in which we offered an International version of our Diploma. In its first year of operation nearly 300 students enrolled on the **NEBOSH International Diploma in Occupational Health and Safety** with one of twelve accredited course providers. This year nearly 400 students enrolled.

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 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.

The new qualification attracted nearly 300 students this year. However, the **NEBOSH Diploma in Environmental Management**, which has been growing in popularity over the last few years, grew its candidature by over 70% this year, attracting 337 new students. Assessment registrations more than doubled.

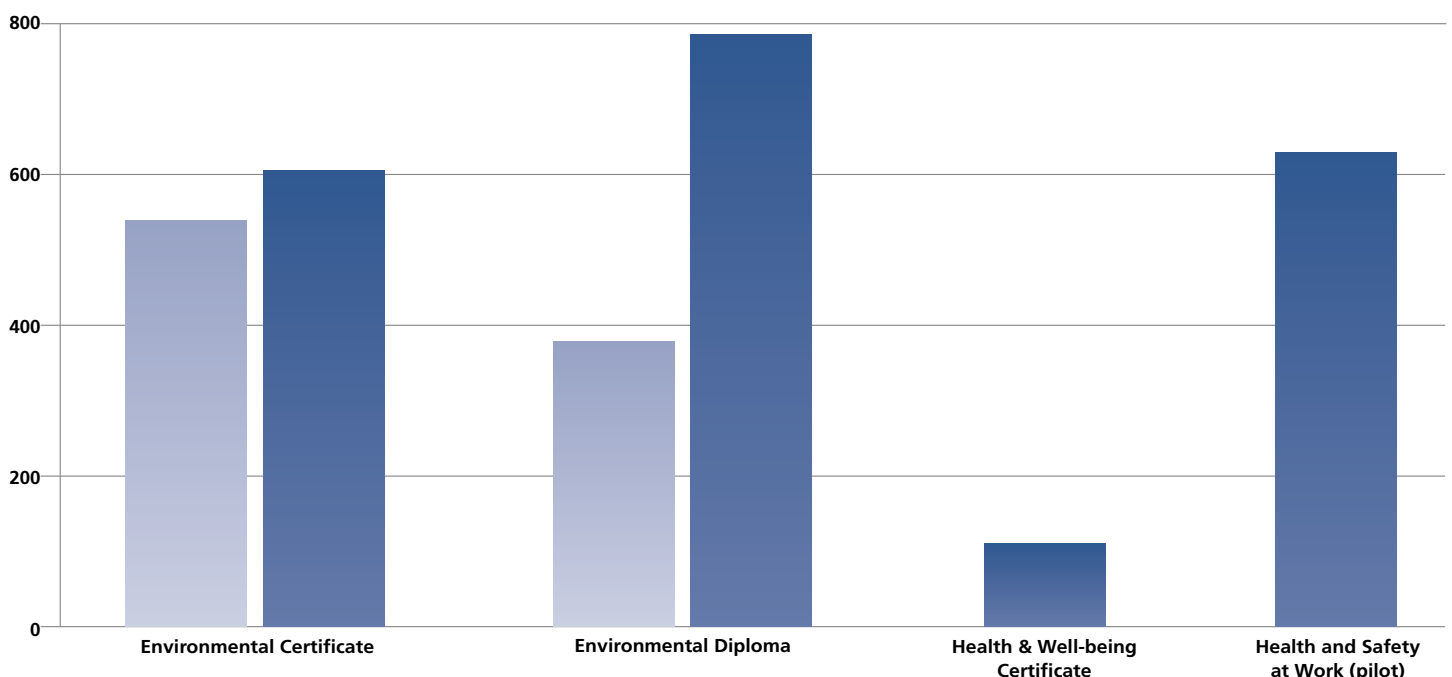
We believe that the introduction of the new Environmental Certificate has provided a progression route for some candidates on to the Diploma, but its introduction has also stimulated a greater awareness of our environmental offering. We will be continuing to promote these qualifications through 2010/11.

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. Entries for this assessment increased by 115%.

## The number of candidates taking the Environmental Diploma increased by more than 70% this year

**Figure 4** Unit Registrations on New Qualifications

KEY: 2008/09 2009/10





During 2009/10 we developed and piloted three completely new qualifications.

The **NEBOSH Certificate in Health and Well-being at Work** is designed for managers, HR practitioners and safety professionals to enable them to work more effectively with occupational health professionals and to manage absence and return to work as well as supporting people with ill-health issues within the workplace.

It was devised to complement the UK government's health at work agenda. The pilot course was well received and the Board of Trustees approved its formal launch in March 2010.

The **NEBOSH Health and Safety at Work Qualification** was the largest product development project ever undertaken by NEBOSH.

Our aim is to establish an introductory qualification which will give a progression route on to our International General Certificate. We worked with Calibrand; a software supplier based in Derby to install a system which will hold a bank of multiple choice questions in a number of languages and generate the test papers.

We worked with a security printer on design, print and despatch of all examination materials and receipt and scanning of the multiple choice answer sheets through an optical mark reader which then directly upload the candidates' marks to our database.

The third strand of this project was in-house development of our website to allow course providers to request examination sittings, register candidates, upload results from internal assessments and finally view, print and email results to candidates directly from the secure area of the NEBOSH website.

The pilot programme proved both popular and successful with nearly 300 students participating in the pilot programmes in Algeria, Bahrain, Libya, Vietnam, Kuwait, Dubai, Yemen, Uganda and Oman, as well as a small number in the UK. The Health and Safety at Work Qualification will be launched in 2010/11.

We believe the technology piloted on this qualification will allow us to run smaller scale bespoke versions of our Health and Safety at Work qualification. We simultaneously piloted a version for the process industry in association with Cogent, the relevant Sector Skills Council, and look forward to working on similar projects in the future.

We developed and piloted the **NEBOSH International Technical Certificate in Oil and Gas Safety**. This qualification was piloted simultaneously in Aberdeen, Abu Dhabi and Singapore. Again a positive response from course providers and prospective candidates has meant that this qualification will launch early in 2010/11.

### **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 2009/10 the qualification was delivered to over 1800 Alstom employees (more than twice as many as last year), who took the NEBOSH assessment in fourteen languages.



*Left to right, standing: Claire Jones, Rebecca Churnside, Nicola Worley, Sebastian Wilkinson, Robert Brill, Rafal Suszek, Helen McCrea, Lisa Pearson and Nina Wrightson – Chair of the British Safety Council on behalf of Darren Charles. Left to right, sitting: David Morris – NEBOSH Chairman, Kristel Blackburn, Judith Hackitt – CBE, Chair of the HSE, Teresa Budworth – NEBOSH Chief Executive.*

## NEBOSH Congratulates its Best Candidates for the Year 2009/10

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 2009/10:

### NEBOSH National General Certificate

#### **Darren Charles**

studied with British Safety Council

### NEBOSH National Certificate in Construction Safety & Health

#### **Rebecca Churnside**

Studied with Beacon Health & Safety

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

#### **Babu Rao Bhupathi**

Studied with TWI Gulf WLL

### NEBOSH Certificate in Fire Safety & Risk Management

#### **Claire Jones**

Studied with Woodward SHE Ltd

### NEBOSH Certificate in Environmental Management

#### **Helen McCrea**

Studied with BEMAC Training Ltd

### NEBOSH National Diploma Unit A

#### **Robert Brill**

Studied with West Anglia Training Association

### NEBOSH National Diploma Unit B

#### **Kristel Blackburn**

Studied with West Anglia Training Association

### NEBOSH National Diploma Unit C

#### **Lisa Pearson**

Studied with EEF Training

### NEBOSH National Diploma Unit D

#### **Nicola Worley**

Studied with RRC Training

### NEBOSH National Diploma

#### **Kristel Blackburn**

Studied with West Anglia Training Association

### NEBOSH Diploma in Environmental Management

#### **Sebastian Wilkinson**

Studied with Woodward SHE Ltd

### NEBOSH GEMS Knowledge Test for the Alstom International Environment, Health and Safety Passport

#### **Rafal Suszek**



## 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 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.

NEBOSH continued to support the work of RoSPA by membership of its National Occupational Safety and Health Committee.

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. We also worked with them to establish a group based in Leicestershire, offering our premises and facilities to accommodate the early meetings.

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 was extended into 2009/10.

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

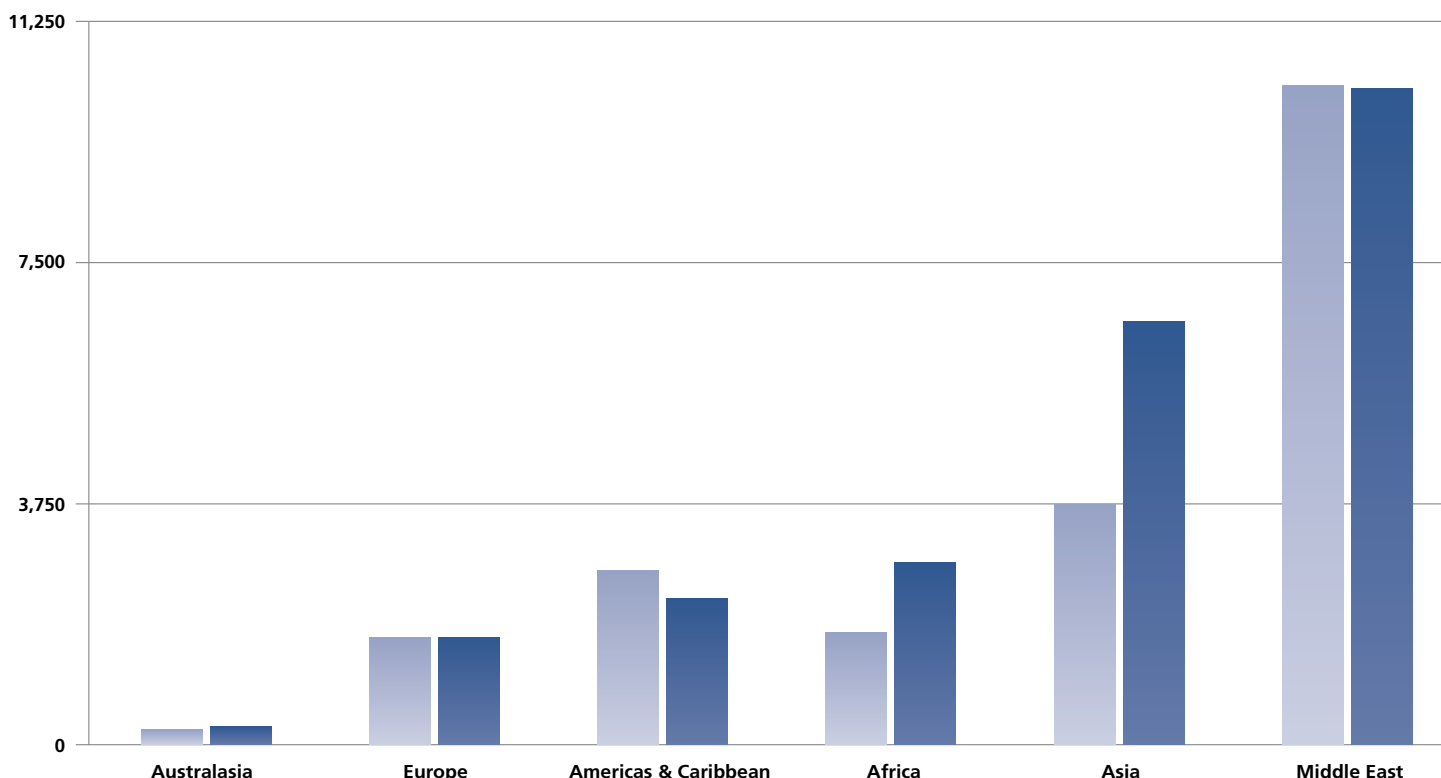
We are aware that the examination fees due to NEBOSH are a small proportion of the cost of the training programme preparing students for our assessments. However, we do retain the option for students at Certificate level (Level 3) to study independently and to take the assessments as an external candidate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

We believe it is important that our qualifications remain accessible to students who may be unwaged or who are without work due to the recession, as befits our charitable purpose.

Throughout 2009/10,  
NEBOSH continued to waive  
examination fees for students from  
the voluntary and charity sector.

**Figure 5** Registrations outside of the UK

KEY: 2008/09 2009/10



### International Development

Demand for NEBOSH qualifications outside of the UK continued to increase significantly through 2009/10. Overseas registrations were 17% higher than last year, although this was a slower rate of growth than the more than 50% growth experienced in 2008/09.

Overseas registrations accounted for 29% of all examinations and assessments taken in this period, compared to 25.6% of such registrations in 2008/09 and 18.6% in 2007/08.

The majority of examinations and assessments outside of the UK were taken in the Middle East. However, the fastest rate of growth was experienced in Asia and Africa.

The number of course providers permanently based outside of the UK increased from 50 providers based in 22 countries in March 2009, to 57 providers based in 24 countries. Newly accredited training providers set up NEBOSH courses in China and Indonesia. They joined our previously established providers in Australia, Bahrain, Cyprus, Egypt, France, India, Ireland, Jersey, Jordan, Kazakhstan, Malaysia, Malta, Mauritius, New Zealand, Oman, Qatar, Russia, Saudi Arabia, South Africa, 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 Algeria, Azerbaijan, Bahrain, India, Ireland, Mauritius, Oman and Qatar, 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.





### Communications

In 2009/10 we made a major investment in our website to continue on our journey to make it one of our primary communication channels with both course providers and existing and prospective students.

I have already described the work we undertook as part of the project to develop and launch our Health and Safety at Work Qualification, utilising the website for booking of examinations sittings, registration of candidates and notification of results.

Feedback from those course providers participating in the pilot programme was hugely positive. Our plans for the forthcoming financial year include extending this facility across our other qualifications.

We believe we can reap some significant improvements in the customer service extended to our course providers from this development. It will enable us to reduce the interval between the closing date for entries and standard examination dates. It should streamline course providers' processes for enrolling and registering students and enable them to manage their student data more easily.

We continued to hold an annual course providers meeting, based in Leicester in June, and again we held a series of regional events in the UK in November and December 2009 and in Dubai in January 2010.

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.

An important project to improve the reliability of internal (i.e. course provider marked) assessments was carried out in 2009. While we have always carried out internal moderation of batches of internal assessments from all course providers, we have now improved our processes to ensure that we moderate samples from every individual assessor.

The starting point was to post out a single National General Certificate Practical Application to all accredited course providers with a request that all of their internal assessors mark a copy and return it to NEBOSH. We were hence able to evaluate the performance of all assessors, and offer additional training and support where marking was out of line with the standard.

This process will be repeated in 2010/11 when the revised Certificate Practical Application format and marking scheme is introduced as part of the new specification developed this year.

### Events

Lord Brougham & Vaux CBE hosted an evening reception at the House of Lords to celebrate the thirtieth anniversary of the founding of NEBOSH.

Over 140 distinguished guests, including MPs and Lord McKenzie of Luton, then the Minister responsible for health and safety, listened to John Rimington CB, former Director General of the HSE, outlining what had changed in health and safety, over the last thirty years.

John congratulated NEBOSH on its thirtieth birthday and said the major change over this period was the emergence of Health and Safety as a profession. He praised NEBOSH for their contribution to this development.

To showcase the achievements of NEBOSH students over the thirty years of our existence we launched a micro-site: [www.30yearsofnebosh.org.uk](http://www.30yearsofnebosh.org.uk)

The site features case studies revealing the stories behind some of our successful candidates; things they've achieved, places they've been and what their NEBOSH qualifications have meant to them. We hope these stories will inspire people to gain further NEBOSH qualifications, or maybe sit their exams for the first time.

Those achieving their Diploma's in 2009/10 celebrated at the Graduation ceremony held in June 2010 at the University of Warwick. More than 1,200 people attended to see over 350 Diplomates congratulated by our Guest of Honour, Judith Hackitt, Chair of the Health and Safety Executive.

NEBOSH was invited to participate in a number of high profile international safety events this year. I presented a paper on competence and human reliability at NOSHCON in South Africa in August 2009, and also spoke on the same topic at Intersec in Dubai in January 2010. In February 2010 I was invited to chair the Occupational Health and Wellbeing stream of the American Society of Safety Engineers (ASSE) Middle East Chapter, Annual Conference held in Bahrain.

In the UK, NEBOSH exhibited at the Health and Wellbeing Exhibition at the NEC (March 2010), IOSH Conference and Exhibition in Glasgow (March 2010), the Safety and Health Expo at the NEC, Birmingham (May 2009), and the Government sponsored Health and Wellbeing Conference in London (December 2009).

We also exhibited at Intersec in Dubai in January 2010. As with previous years, the level of interest from potential students has been very high at these events.





### People

In October 2009, Barry Wilkes, our Development Manager decided to take up an opportunity to move to a key role in skills development closer to his home town. Barry made an enormously valuable contribution to NEBOSH in his time with us. His replacement, Teresa Kirby had worked for NEBOSH for some five years in the standards department responsible for preparing and supervising marking of examinations and latterly as Barry's deputy in product development.

We continued to invest in additional development resource to match our ambition to offer a wider range of health and safety, environmental and risk management qualifications and to ensure that our qualifications maintain their position as relevant and respected across all industry sectors.

A further addition to the Management Team this year was Debbie Hudson. Debbie was previously Executive Assistant working closely with me in the Chief Executive's Department. After a year as Customer Services Manager, an interim appointment covering a colleague's maternity leave, Debbie has now moved to the Operations Department where she will be project managing the outsourcing of print and dispatch of examination materials.

The Accreditation Department has expanded to incorporate two Accreditation Advisors. They replace the field standards advisers who previously monitored course providers. The Accreditation Advisors will be working directly with our course providers supporting them through new accreditations and promulgating best practice in teaching of courses leading to our qualifications.

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 2009/10 a successful year for NEBOSH.

I would also like to thank our Chairman, David Morris and the Board of 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*

**Teresa Budworth** – Chief Executive

**The Trustees have pleasure in presenting** their report and audited financial statements for the year ended 31 March 2010.

## 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.

## Chief Executive Officer

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

## Secretary

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

## Registered Office

**NEBOSH**  
Dominus Way  
Meridian Business Park  
Leicester LE19 1QW

## Auditors

**Baker Tilly UK Audit LLP**  
St Philips Point  
Temple Row  
Birmingham B2 5AF

## Bankers

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

## Solicitors

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

## Trustees

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

**Mr David Morris** MSc CMIOSH FRSA  
Chairman

**Mr Geoffrey Donnelly** MA BSc (Hons) CDir  
Vice Chairman from 1 October 2009  
*Independent Trustee*

**Mr Anthony Cheesman** BSc (Hons)  
PgDipOSH CMIOSH  
Vice Chairman to 30 September 2009  
Reappointed 1 October 2009  
*Representing Private Sector Course Providers*

**Dr Edward Ferrett** BSc (Hons) CEng  
CMIOSH  
*Representing Public Sector Course Providers*

**Mrs Katharine Grimshaw**  
*Independent Trustee*

**Mr Ken W James** MA OBE  
*Independent Trustee*

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

**Miss Christine Miles** MBA  
Resigned 18 May 2009  
*Independent Trustee*

**Mr Brian Nimick** MSc  
Appointed 1 October 2009  
*Independent Trustee*

**Dr Michael Sanderson** CEng CSci  
*Independent Trustee*

**Mrs Gill Tweedale-Sexton** CMIOSH  
Dip2OSH MIIRSM  
Reappointed 1 October 2009  
*Representing Private Sector Course Providers*



Mr David Morris



Mrs Teresa Budworth



Mr Peter Ryan



*Mr Geoffrey Donnelly*



*Mr Anthony Cheesman*



*Dr Edward Ferrett*



*Mrs Katharine Grimshaw*



*Mr Ken James*



*Mr Bryan McCracken*



*Mr Brian Nimick*



*Dr Michael Sanderson*



*Mrs Gill Tweedale-Sexton*



### 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 2010 (2009: 25 members), each of whom has undertaken to contribute £1 in the event of NEBOSH being wound up.

#### Appointment of Trustees

The 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 Trustee and serves as the Chairman of the Board of 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 Trustees are elected from NEBOSH Council to represent institutions of further education and two Trustees to represent private sector programme organisers. Each Trustee 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 Trustees, the Annual General Meeting may elect up to five other Trustees. Each Trustee 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 Trustees**

A formal induction process exists for new 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 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 Trustees, who meet quarterly. They are guided by the NEBOSH Council on matters related to policy and direction of the charity.

The Trustees may delegate any of their powers to sub-committees. Sub-committees have been established to cover Audit, Nominations to the Board of 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 Trustees, key stakeholders and those appointed for their expertise in health, safety and assessment methodology.

A Chief Executive Officer is appointed by the 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.

#### **Risk Assessment**

The major risks to which NEBOSH is exposed have been systematically reviewed and recorded in a risk register.

The 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 Trustees, and reviewed by all 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 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:

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**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;**

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**to set and mark examinations or other systems of assessment leading to NEBOSH's qualifications, 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;**

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

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

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**and to establish syllabuses related to NEBOSH's qualifications.**

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### Strategies for achieving NEBOSH's Objectives

NEBOSH achieves its objectives by:

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**publishing syllabuses for health and safety and related risk management qualifications ;**

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

---

**setting and marking examinations;**

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

---

**maintaining accreditation as an awarding body with Ofqual (formerly the Qualifications & Curriculum Authority)**

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### Achievements and Performance

Details of significant activities, achievements and performance for 2009/10 are provided in the Chief Executive's Report.

**Income rose from £3,930,701 in 2008/09 to £4,057,234 in 2009/10, an increase of 3.2%.**

**Income from registrations and examination fees grew by 6% without any increase in fee rates. This increase more than offset the 57% reduction in income from investments.**

The registrations and examination fees income growth have been achieved through; a strong performance of the international qualifications, the maturing of the recently launched products but with some decline or levelling off in the growth of our established qualifications.

NEBOSH continues to attract course providers accredited to offer NEBOSH qualifications.

After taking into account investment gains, both realised and unrealised, of £326,450 (2009: losses of £398,435), at 31 March 2010 our reserves stood at £5,722,002 (2009: £4,999,549).

## Investment Policy

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

The 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 Trustees have considered the most appropriate policy for investing surplus funds and have found that a pooled fund of specialised unit trusts designed specially 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 stock market volatility the 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 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 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 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 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 Trustees consider that, in order to continue the current level of activity, the free reserves should equate to approximately nine month's annual resources expended. The Reserves Policy is reviewed annually in March. At 31 March 2010, the charity had £3,800,900 of free reserves which equates to one year's annual resources expended based on current levels of expenditure. This level is considered appropriate at the present time due to planned project costs and the volatility of our investments.

## Trustees' Responsibilities

*(in relation to these financial statements)*

The Trustees (who are also directors of The National Examination Board in Occupational Safety and Health for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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**select suitable accounting policies and then apply them consistently;**

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**observe the methods and principles in the Charities SORP;**

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**make judgments and estimates that are reasonable and prudent;**

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**state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;**

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**prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.**

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The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

In so far as the Trustees are aware:

---

**there is no relevant audit information of which the charitable company's auditor is unaware; and**

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**the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.**

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#### **Donations**

No charitable or political donations were made.

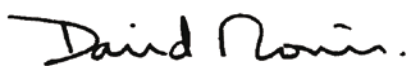
#### **Policy on Payment of Creditors**

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 re-appoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditors will be proposed at the Annual General Meeting, to be held on 2 September 2010.

Signed on behalf of the Trustees:



**David Morris** – Chairman

23rd July 2010



## We have audited the financial statements of The National Examination Board in Occupational Safety and Health for the year ended 31 March 2010.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditors

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you in accordance with those Acts.

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 United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993.

We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Trustees, the Chairman's Review and the Chief Executive's Review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

### 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 judgments made by the 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 misstatement, 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 of the state of the charitable company's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

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the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

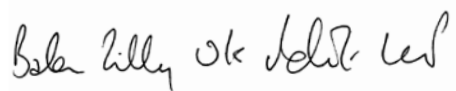
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the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993; and

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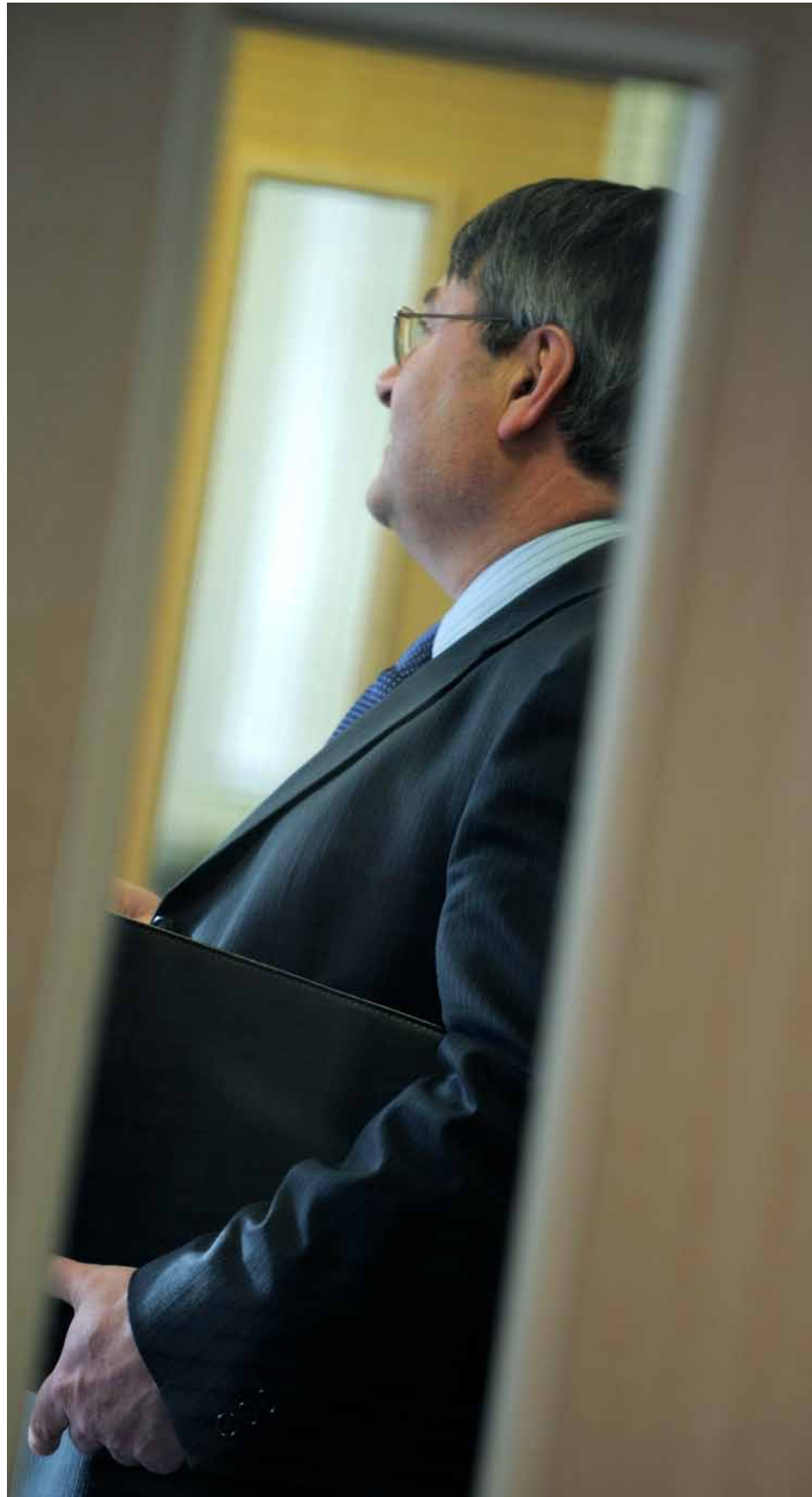
the information given in the Report of the Trustees is consistent with the financial statements.

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**Paul Oxtoby (Senior Statutory Auditor)**

For and on behalf of BAKER TILLY UK  
AUDIT LLP, Statutory Auditor, Chartered  
Accountants, St Philips Point, Temple Row,  
Birmingham B2 5AF

23rd July 2010



# Statement of Financial Activities (including Income and Expenditure Account)

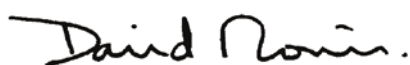
## For the year ended 31 March 2010

	Notes	Total Funds 2010 (£)	Total Funds 2009 (£)
<b>Incoming resources</b>			
<b>Incoming resources from generated funds:</b>			
Activities for generating funds		29,456	25,792
Investment income	2	<u>52,585</u>	<u>121,941</u>
		<b>82,041</b>	<b>147,733</b>
<b>Incoming resources from charitable activities:</b>			
Operations of Examination Board	3	<b>3,975,193</b>	3,782,968
<b>Total incoming resources</b>		<b>4,057,234</b>	3,930,701
<b>Resources expended</b>			
<b>Costs of generating funds:</b>			
Costs incurred by fund raising activities		<b>30,102</b>	25,403
<b>Charitable activities:</b>			
Operations of Examination Board	4(a)	<b>3,545,297</b>	3,193,169
<b>Governance Costs</b>	4(b)	<b>85,832</b>	71,022
<b>Total resources expended</b>		<b>3,661,231</b>	3,289,594
<b>Net incoming resources before other recognised losses being net income for the year</b>		<b>396,003</b>	641,107
<b>Unrealised gains/(losses) on investments</b>	9	<u><b>326,450</b></u>	<u>(398,435)</u>
<b>Net movement of funds in year</b>		<b>722,453</b>	242,672
<b>Reconciliation of funds</b>			
Total funds brought forward		<b>4,999,549</b>	4,756,877
<b>Total funds carried forward</b>	16	<b>5,722,002</b>	4,999,549

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

	Notes	Total Funds 2010 (£)	Total Funds 2009 (£)
<b>Fixed Assets</b>			
Tangible assets	8	1,921,102	1,877,574
Investments	9	3,878,719	3,291,318
		<u>5,799,821</u>	<u>5,168,892</u>
<b>Current Assets</b>			
Stock	10	18,525	21,997
Debtors	11	244,986	179,718
Cash at bank and in hand	12	373,253	259,532
		<u>636,764</u>	461,247
<b>Creditors</b>			
Amounts falling due within one year	13	(664,583)	(530,590)
<b>Net Current Liabilities</b>		<u>(27,819)</u>	<u>(69,343)</u>
<b>Total Assets Less Current Liabilities</b>		5,772,002	5,099,549
<b>Creditors</b>			
Amounts falling due after one year	14	(50,000)	(100,000)
<b>Net Assets</b>		5,722,002	4,999,549
<b>Represented by:</b>			
<b>Funds</b>			
Unrestricted:			
General	16	5,722,002	4,999,549
<b>Accumulated Fund</b>		5,722,002	4,999,549

The Financial Statements on pages 30 to 38 were approved and authorised for issue by the Trustees on 23rd July 2010 and were signed on their behalf by:



David Morris – Chairman  
of the Board of Trustees



Geoffrey Donnelly – Vice Chairman  
of the Board of Trustees

## 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 Trustees 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.

### Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

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**Activities for generating funds include sponsoring income for specified events and is recognised in the period in which the event is held.**

---

**Income from charitable activities includes fee income. Fee income represents fees receivable for the provision of examination and accreditation. Income receivable against certain examination schemes has been deferred where it relates to the provision of services not yet undertaken. The income received which does not relate to the current financial year is deferred to subsequent years.**

---

**Investment income is recognised on an accruals basis.**

---

### Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. The following specific policies are applied to particular categories of expenditure:

---

**Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in activities that raise funds.**

---

**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. Provision is made for obsolete and slow-moving items.

### Investments

Investments are stated at market value. Movements in the valuation of investments are included within gains and losses in investment assets in the Statement of Financial Activities.

### 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. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.



## 2 Investment Income

	2010 (£)	2009 (£)
COIF investment income	51,911	116,500
Bank interest received	<u>674</u>	<u>5,441</u>
	<u>52,585</u>	<u>121,941</u>

## 3 Incoming Resources from Charitable Activities

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

	2010 (£)	2009 (£)
Income from Assessments	3,202,512	3,057,225
Income from Course Providers	705,076	642,788
Income from Publications	<u>67,605</u>	<u>82,955</u>
	<u>3,975,193</u>	<u>3,782,968</u>

## 4a Operations of Examination Board

	Assessments £	Course Providers £	Publications £	Total 2010 (£)	Total 2009 (£)
<b>Costs directly allocated to activities</b>					
Staff costs	957,976	386,810	17,809	<b>1,362,595</b>	1,277,558
Other costs	1,107,608	125,967	5,142	<b>1,238,717</b>	976,130
<b>Support costs allocated to activities</b>					
Chief Executive's department	149,644	32,928	3,157	<b>185,729</b>	143,021
Marketing and development	142,905	50,905	18,273	<b>212,083</b>	276,352
Finance and office administration	347,446	42,890	9,828	<b>400,164</b>	378,652
Assessment administration/logistics	44,379	11,094	–	<b>55,473</b>	66,045
Setting and quality of assessments	38,794	13,114	4,387	<b>56,295</b>	58,315
Accredited centre administration	<u>3,424</u>	<u>30,817</u>	–	<u>34,241</u>	<u>17,096</u>
	<u>2,792,176</u>	<u>694,525</u>	<u>58,596</u>	<u>3,545,297</u>	<u>3,193,169</u>

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

# Notes to Financial Statements

## 4b Governance Costs

	2010 (£)	2009 (£)
<b>Governance includes the following costs:</b>		
Meeting expenses	15,705	20,873
Chief Executive's department	46,432	35,755
Audit, legal and other costs	<u>23,695</u>	<u>14,394</u>
	<b><u>85,832</u></b>	<b><u>71,022</u></b>

## 5 Net Incoming Resources is Stated After Charging

	2010 (£)	2009 (£)
Depreciation on owned assets	110,188	119,516
Loss on disposal of assets	17,368	8,052
Auditors' remuneration – for audit services	11,750	4,200
– for other services	–	4,800
Operating lease rentals – plant and machinery	14,431	2,183
Trustee indemnity insurance	<u>3,311</u>	<u>3,145</u>

## 6 Employees

	2010 (£)	2009 (£)
<b>Staff costs consists of:</b>		
Wages and salaries	1,443,849	1,280,697
Principal examiners	6,500	6,869
Social security	150,282	136,182
Temporary staff	76,213	77,826
Pension costs	<u>104,137</u>	<u>86,386</u>
	<b><u>1,780,981</u></b>	<b><u>1,587,960</u></b>

## 6 Employees (continued from previous page)

The number of employees whose emoluments (salaries and benefits in kind) in excess of £60,000 for the year fell within the following bands:

	2010 (No.)	2009 (No.)
£80,000 to £89,999	1	1

During the year the charity paid money purchase pension contributions in respect of the above higher paid individual amounting to £7,178 (2009: £7,003).

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

	2010 (No.)	2009 (No.)
Chief Executive and marketing departments	8	7
Finance and office administration	14	12
Assessment administration / logistics	14	14
Setting, marking and accreditation	12	10
	<u>48</u>	<u>43</u>

## 7 Trustees' Emoluments

The Trustees of NEBOSH received no remuneration for their services.

During the year, travel, accommodation and incidental expenses amounting to £13,755 were reimbursed to 9 Trustees (2009: £15,223 to 11 Trustees).

## 8 Tangible Fixed Assets

	Freehold land and buildings (£)	Fixtures and fittings (£)	Office equipment (£)	Computer equipment (£)	Motor vehicles (£)	Total (£)
<b>Cost</b>						
At 1 April 2009	1,678,450	160,020	110,237	179,563	76,431	2,204,701
Additions	–	814	2,643	132,601	35,026	171,084
Disposals	–	–	–	(1,438)	(36,580)	(38,018)
<b>At 31 March 2010</b>	<b><u>1,678,450</u></b>	<b><u>160,834</u></b>	<b><u>112,880</u></b>	<b><u>310,726</u></b>	<b><u>74,877</u></b>	<b><u>2,337,767</u></b>
<b>Depreciation</b>						
At 1 April 2009	83,083	37,849	46,238	136,095	23,862	327,127
Charge for year	30,212	16,121	14,786	30,159	18,910	110,188
Disposals	–	–	–	(1,438)	(19,212)	(20,650)
<b>At 31 March 2010</b>	<b><u>113,295</u></b>	<b><u>53,970</u></b>	<b><u>61,024</u></b>	<b><u>164,816</u></b>	<b><u>23,560</u></b>	<b><u>416,665</u></b>
<b>Net book value</b>						
<b>At 31 March 2010</b>	<b><u>1,565,155</u></b>	<b><u>106,864</u></b>	<b><u>51,856</u></b>	<b><u>145,910</u></b>	<b><u>51,317</u></b>	<b><u>1,921,102</u></b>
At 31 March 2009	<u>1,595,367</u>	<u>122,171</u>	<u>63,999</u>	<u>43,468</u>	<u>52,569</u>	<u>1,877,574</u>

# Notes to Financial Statements

## 9 Investments

	Market value at 01/04/09 (£)	Transfers in/deposits received (£)	Disposals at carrying value (£)	Net gain/ (loss) on valuation (£)	Market value at 31/03/10 (£)
COIF deposit account	2,071,786	260,951	–	–	<b>2,332,737</b>
COIF income share account	632,321	–	–	172,150	<b>804,471</b>
COIF fixed interest fund	96,666	–	–	54	<b>96,720</b>
COIF property fund	43,023	–	–	5,115	<b>48,138</b>
COIF accumulation units fund	<u>447,522</u>	<u>–</u>	<u>–</u>	<u>149,131</u>	<u><b>596,653</b></u>
	<u>3,291,318</u>	<u>260,951</u>	<u>–</u>	<u>326,450</u>	<u><b>3,878,719</b></u>
			<b>2010 (£)</b>		2009 (£)
<b>Historical cost</b>			<b><u>3,630,725</u></b>		<u>3,369,774</u>

All of the above investments are held primarily to provide an investment return for the charity.

## 10 Stock

	2010 (£)	2009 (£)
Examination printed stock	<b>12,065</b>	17,892
General stationery	<u><b>6,460</b></u>	<u>4,105</u>
	<u><b>18,525</b></u>	<u>21,997</u>

## 11 Debtors

	2010 (£)	2009 (£)
Fees receivable	<b>90,226</b>	104,832
Prepayments and accrued income	<u><b>154,760</b></u>	<u>74,886</u>
	<u><b>244,986</b></u>	<u>179,718</u>

## 12 Cash at Bank and in Hand

	2010 (£)	2009 (£)
Bank current and business reserve accounts	372,753	259,032
Cash balance	<u>500</u>	<u>500</u>
	<b><u>373,253</u></b>	<b><u>259,532</u></b>

## 13 Creditors: Amounts Falling Due Within One Year

	2010 (£)	2009 (£)
Trade creditors	113,588	33,461
Taxation and social security	41,471	39,308
Other creditors including RoSPA sponsorship	50,000	50,000
Accruals and deferred income	324,721	240,603
Deferred income – Assessment fees received in advance	<u>134,803</u>	<u>167,218</u>
	<b><u>664,583</u></b>	<b><u>530,590</u></b>

*Deferred income comprises assessment fees received in advance*

	2010 (£)	
Movement on deferred income:		
Deferred income brought forward	167,218	
Released in year	<b>(167,218)</b>	
Deferred in year	<u>134,803</u>	
Deferred income carried forward	<b><u>134,803</u></b>	

## 14 Creditors: Amounts Falling Due After One Year

	2010 (£)	2009 (£)
Other creditors – RoSPA sponsorship	<u>50,000</u>	<u>100,000</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.

	2010 (£)	2009 (£)
Contributions payable by the charity for the year	<u>104,137</u>	<u>86,386</u>

## 16 Reconciliation of Movement in Funds

	At 01/04/09 (£)	Incoming resources (£)	Outgoing resources (£)	Investment gains (£)	At 31/03/10 (£)
<b>Unrestricted funds</b>					
General fund	<u>4,999,549</u>	<u>4,057,234</u>	<u>(3,661,231)</u>	<u>326,450</u>	<u><b>5,722,002</b></u>

## 17 Financial Commitments

At 31 March 2010, the charity had annual commitments under non-cancellable operating leases as follows:

	2010 (£)	2009 (£)
Expiring within 2-5 years	<u><b>14,352</b></u>	<u><b>14,352</b></u>

## 18 Related Party Transactions

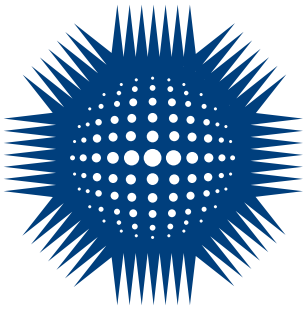
Three Trustees received £15,363 during the year in their capacity as examiners, (2009: 3 Trustees received £6,417 in their capacity as examiners).

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

## 19 Capital Commitments

As at 31 March 2010, the charity had no contractual capital commitments (2009: £Nil).





**nebosh**

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