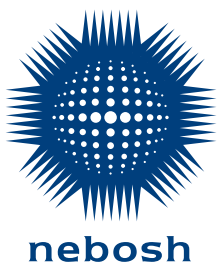




Annual Report and Financial Statements

for the year ended 31 March 2011





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**Globally recognised safety, health
and environmental qualifications**



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I became Chair of NEBOSH in the closing weeks of the year under review and I wish to start this year's Annual Report by paying tribute to my predecessor David Morris.

David steered NEBOSH through the previous nine years and made a major contribution, working with the Board of Trustees, NEBOSH's Council and the executive team, in setting our strategic direction.

The work undertaken in 2010/11 was a continuation of that strategy: to achieve growth through product development and through business development in markets outside of the UK in furtherance of NEBOSH's vision and to preserve and improve health, safety and the environment in workplaces worldwide.

In 2002 when David became Chairman, NEBOSH offered five qualifications to 13,000 candidates a year via 320 course providers. Today we offer 13 qualifications to around 35,000 candidates via 450 course providers. Our annual income has more than trebled in that time.

Perhaps the biggest single change has been in our international reach. In 2002 a tiny percentage of our assessments were taken outside of the UK. We had less than five course providers in three countries.

Today about 40% of our assessments are taken outside of the UK and we have 84 international providers permanently based in 31 countries. NEBOSH assessments were taken in 91 countries in 2010/11.

Our challenge in the coming years will be in moving NEBOSH to being a truly international organisation, serving the needs of health and safety practitioners, their employers, course providers and regulators wherever in the world they are based.

I look forward to working with the Board of Trustees, NEBOSH's Council of stakeholders and the staff in furthering NEBOSH's charitable aims. We aim to deliver our vision by raising competence in health, safety and environmental management in the workplace through a framework of qualifications, rigorous awarding procedures and promotion of high quality education.

We are aided in this mission by the many safety, health and environmental professionals who work for us as examiners; marking scripts, devising questions, evaluating question papers before they are taken by candidates and monitoring that standards are maintained over time.

We are also indebted to our accredited course providers who share their expertise in preparing candidates for NEBOSH assessments. They also assist us to develop new qualifications and revise existing ones, to ensure that our qualifications remain relevant as the world of work changes.

My heartfelt thanks go to all these people, for their continuing support and commitment.

NEBOSH is extremely proud of the achievements of the hundreds of thousands of people who have gained our qualifications.

We believe that the work they do is vital in maintaining and improving standards of health and safety across the world. The value of our qualifications goes much further than simply enhancing a career or improving the safety performance of an employer. They are valuable because they make a difference to the health, well-being and happiness of people in workplaces around the world.

Simply put, our qualifications give holders the tools to help save lives, improve health and protect the environment.



Sir Bill Callaghan – Chair



Chief Executive's Review

NEBOSH's performance in 2010/11 **demonstrated the astuteness of the decisions taken in previous years** to diversify both our range of qualifications and the international markets in which we operate.





Our UK market, which had been flat across the previous two years, showed a small decrease in candidate registrations this year, down 5% from 2009/10.

However, overall our candidate registrations increased by nearly 9.5% to 90,436 assessments. Registrations outside of the UK grew by 45% and international registrations now account for 38% of all NEBOSH assessments, up from 29% last year.

The UK economy is coming out of recession. However, just as the downturn impacted on our candidate numbers late in the cycle, the recovery similarly reaches us after other sectors.

NEBOSH's assessments fall at the end of the period of training, and often reflect purchasing decisions made the previous year.

There were indications in the final quarter of 2010/11 that candidate numbers were again on an upward trend in the UK, and in particular, enrolments on our Diploma programmes, which predict assessment registrations over the next year increased significantly over the equivalent period in 2009/10.

This gives cause for optimism for our UK markets in the next few years.

In 2010/11, NEBOSH again decided to hold accreditation, assessment and enrolment fees at the same level as the previous year.

We were mindful of the impact of the recession on our course providers, many of whom were forced to reduce the fees charged for their training. Despite our static prices, our income rose from £4,057,234 in 2009/10 to £4,608,663 in 2010/11, an increase of 13.6%.

Our net income, before investment gains, at £341,735 was slightly lower than the £396,003 achieved in 2009/10, due to planned investment in our IT systems, business continuity capability and project costs associated with outsourcing of our printing and dispatch activities to a security printer.

Nevertheless, with gains on investments, we achieved an overall increase to our reserves of £420,000 or 7.3%.



Accreditation

Last year I reported that NEBOSH had received Approved Awarding Body status from the Scottish Qualifications Authority (SQA), in addition to the equivalent status it already holds in England, Wales and Northern Ireland, SQA has a remit to regulate and accredit qualifications across the UK.

Following dialogue with the Office of the Qualifications and Examinations regulator (Ofqual) and the UK Commission for Employment and Skills (UKCES), regarding the new Qualification and Credit Framework (QCF) and after careful consideration of the implications of the planned closure of the National Qualification Framework (NQF) to vocational qualifications at the end of 2010, NEBOSH took the decision to migrate our portfolio of Ofqual accredited qualifications to the Scottish Credit and Qualifications Framework (SCQF).

For NEBOSH, national 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 assessments and in the certification of successful students.

Placing qualifications in a national framework also provides confirmation of their educational standard: for example, our National Diploma in Occupational Health and Safety is rated at honours-degree standard and meets the requirements for Graduate membership (Grad IOSH) of the Institution of Occupational Safety and Health (IOSH) and Full membership (FIIRSM) of the International Institute of Risk and Safety Management (IIRSM).

In Scotland, regulatory recognition of qualifications is a two-stage process: the qualification may simply be accredited by SQA and can additionally be assigned a credit and level value in the SCQF. Credits are based on learning hours, and the level benchmarks the standard of our qualifications in terms of the depth of knowledge and understanding.

Over the year under review we have migrated all our NQF-accredited qualifications to the SCQF. The process of submission is rigorous and includes detailed peer review of the qualification content and structure.

However, SQA's staff have been very supportive and we were pleased that regulatory scrutiny confirmed that all the submitted qualifications had been set at the appropriate level.

NEBOSH is now eligible to seek delegated powers from the SQA to assign credit and levels to our own qualifications. We are confident

that we have developed robust "credit and levelling" processes and will be applying for Delegated Credit Rating (DCR) status in 2011/12. When this is achieved we are intending to submit the remainder of our qualification portfolio, including our international qualifications, for SQA accreditation and onto the Scottish framework.

SQA conducted a detailed post-accreditation audit of NEBOSH in November 2010, including a number of monitoring visits to course providers. I am very pleased to report that no non-conformities were identified and we were allocated a low risk rating, demonstrating that we continue to meet best practice in assessing and awarding of qualifications.

NEBOSH has also worked closely with other key stakeholders to complete the Pan-Sector Health and Safety Qualifications Project led by Proskills Sector Skills Council (SSC).

This includes participating in the review of National Occupational Standards (NOS) for Health and Safety, the development of 'shared' health and safety units for the Qualification and Credit Framework (QCF) and the completion of a Pan Sector Qualifications Strategy (SQS) for Health and Safety. As the relevant SSCs, Proskills and Lantra supported NEBOSH qualifications for SQA accreditation.

"We continue to meet best practice in assessing and awarding qualifications."

Teresa Budworth – Chief Executive, NEBOSH

Chief Executive's Review

NEBOSH Qualifications

A number of qualifications, which we developed and piloted last year, were formally launched in 2010/11 and began to make a contribution to our overall registrations.

However, the **NEBOSH National General Certificate in Occupational Health and Safety** continued to be the most widely taken of all our 13 qualifications.

This qualification is mainly taken in the UK, and as previously explained the UK market was depressed during the year under review. Overall registrations were down 7% on 2009/10, (see *Figure 1*).

In contrast, the **NEBOSH International General Certificate** showed strong growth, with unit registration numbers 56% up on last year.

Both qualifications were revised in 2010/11 following our usual processes of consultation.

However, the syllabus content was subject to only minor modification and in line with our usual practice. Assessments are set to the material that is common to both the revised and the previous versions of the syllabuses for a period, so that candidates resitting units are not disadvantaged.

The **NEBOSH Certificate in Construction Health and Safety** continued to be affected by the recession in the construction sector. Registrations were down by 7% on last year (see *Figure 2*).

The decline in numbers for this qualification was not as sharp as last year when the recession started to hit. This qualification is frequently taken by people who already hold the National General Certificate. The two qualifications share a common unit of assessment, which means that those with a General Certificate only need to take two of the three units of assessment to achieve the Construction Certificate.

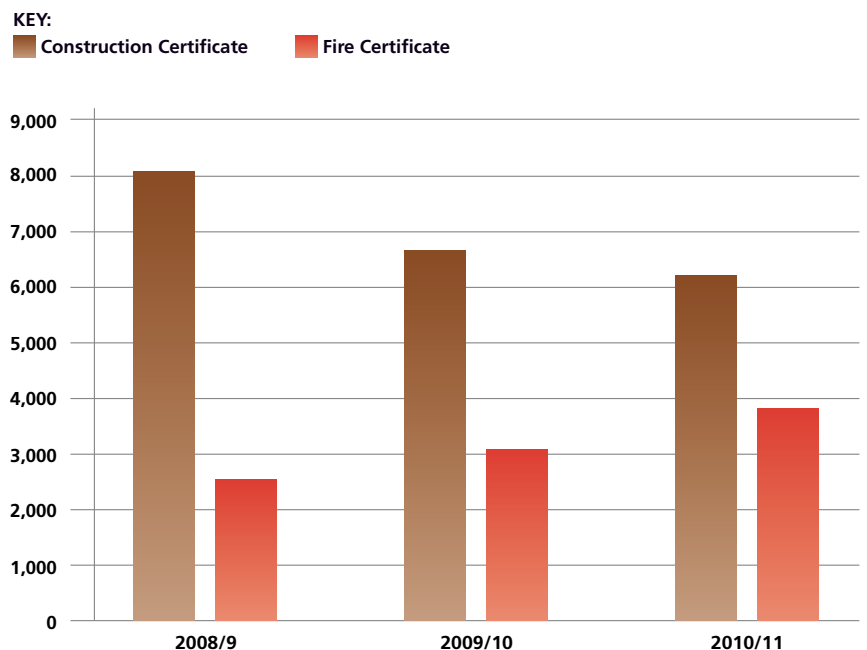
Similarly, students with a NEBOSH Diploma are exempt from one unit of assessment. In the year under review, we restructured our fees, reducing the cost for those seeking to add the Construction Certificate to their portfolio of NEBOSH qualifications.

The **NEBOSH Certificate in Fire Safety and Risk Management** continued to show growth in this period. This qualification also shares a unit of assessment with the National General Certificate entitling those holding that qualification, along with National Diploma holders, to exemption from one of the three units of assessment.

Figure 1 Unit Registrations for the National and International General Certificate over the last three years.

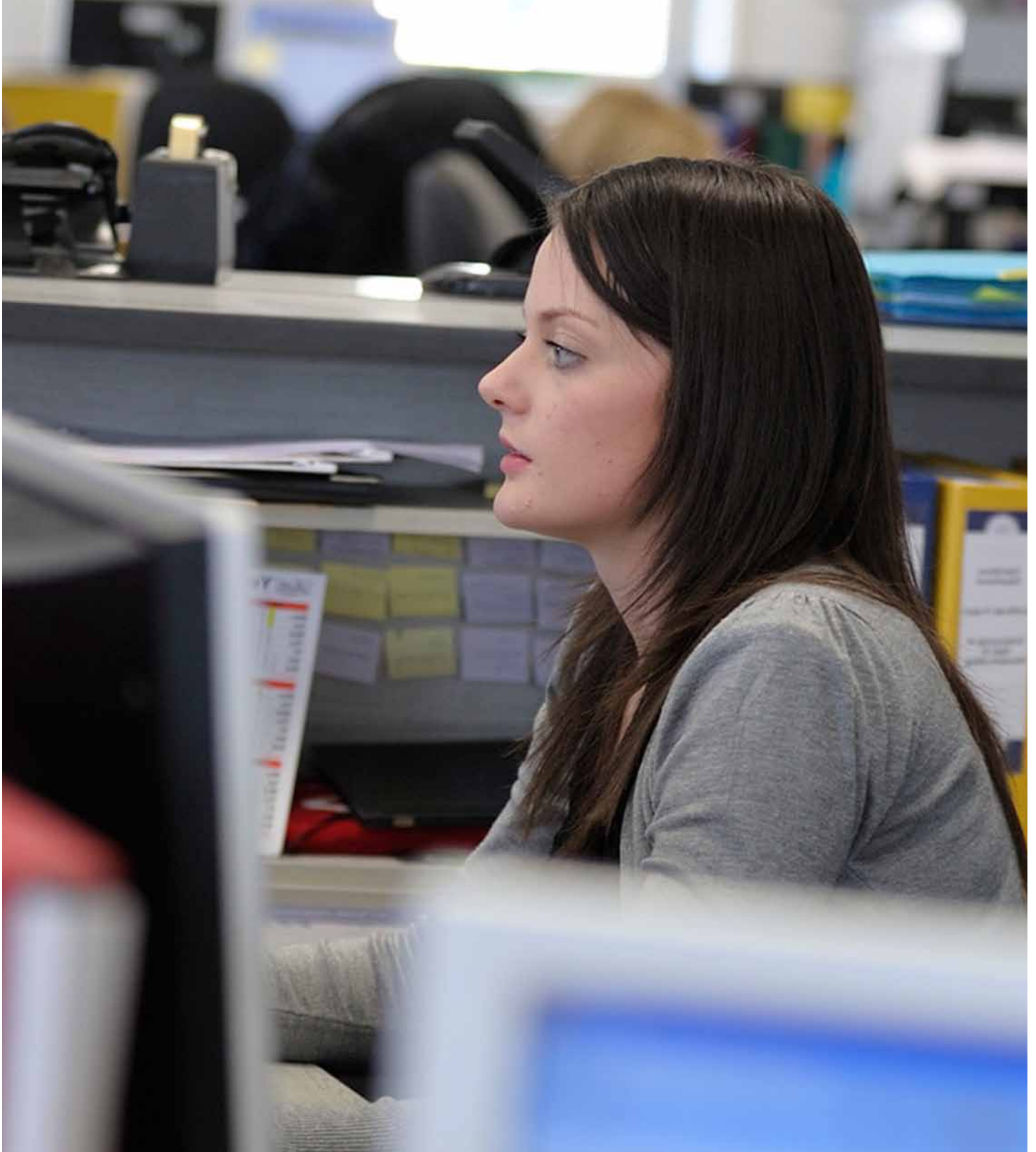


Figure 2 Unit Registrations for the National Certificates in Construction Health and Safety and Fire Safety and Risk Management over the last three years.



“A number of qualifications which we developed and piloted last year, were formally launched in 2010/11.”

Teresa Budworth – Chief Executive, NEBOSH



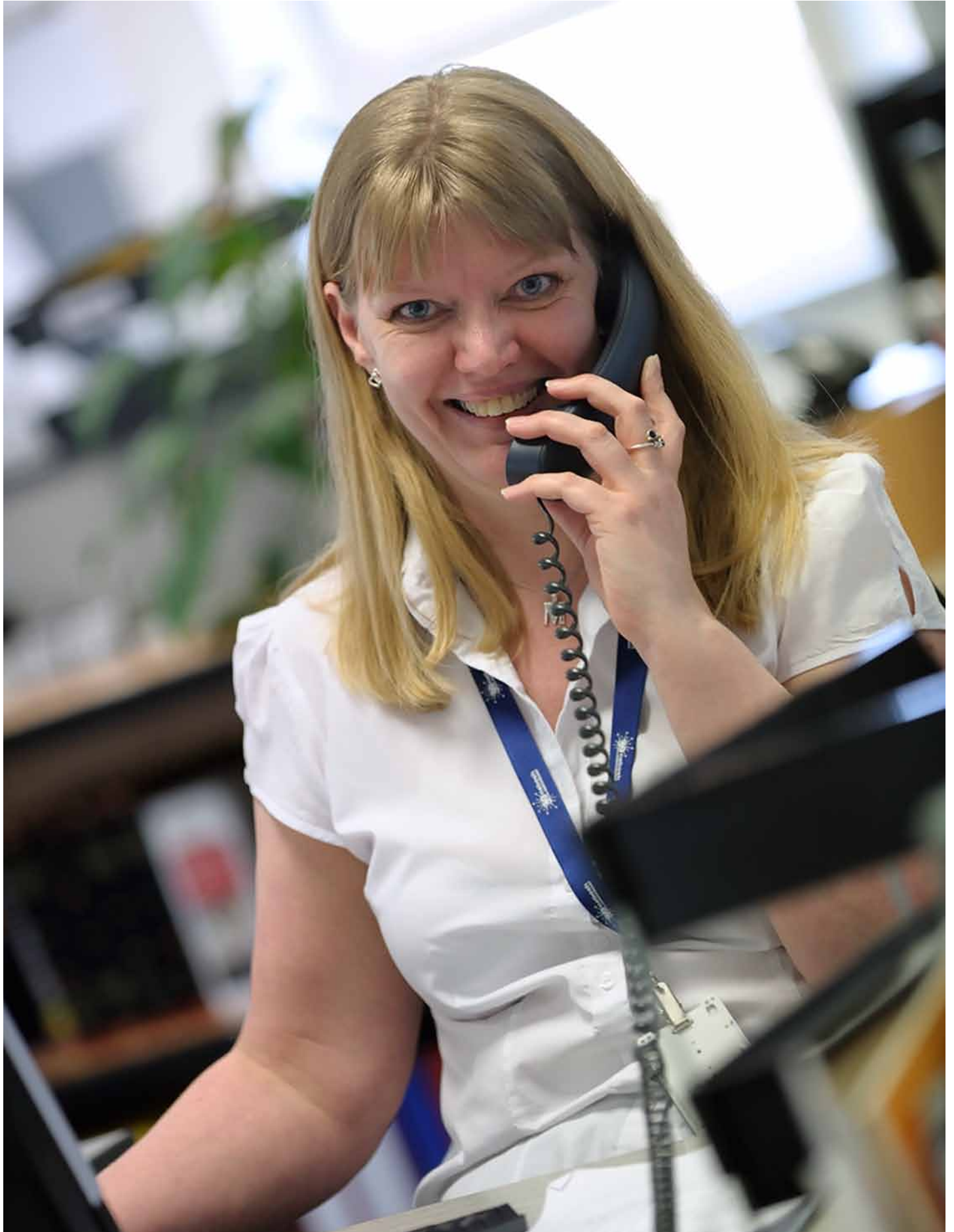
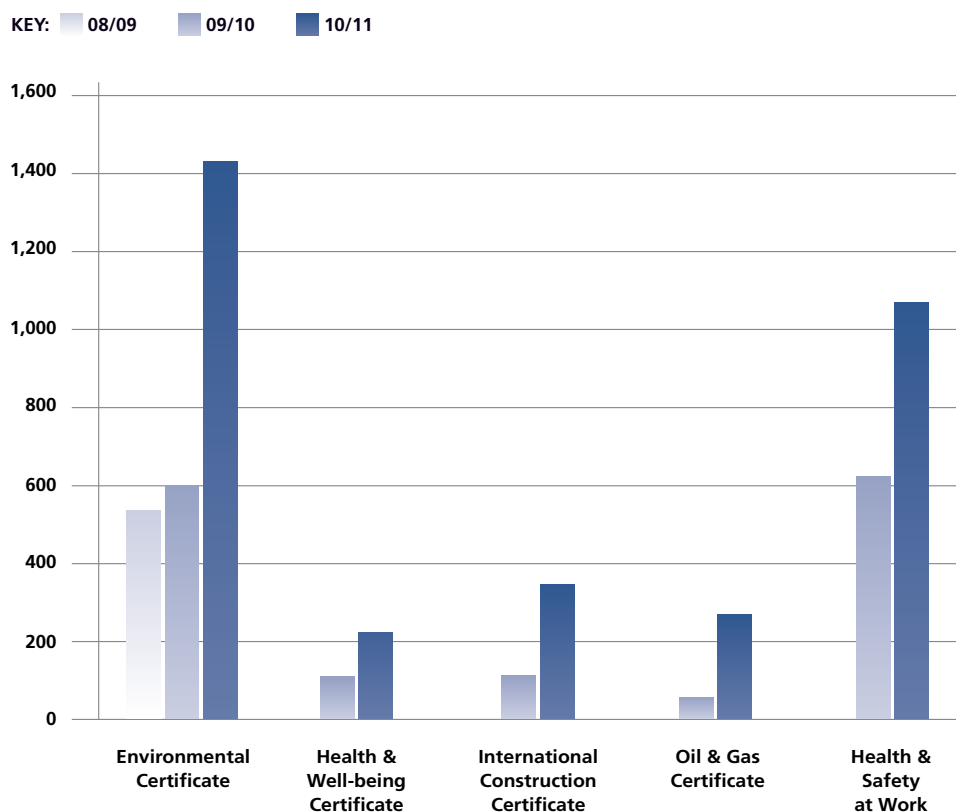


Figure 3 Unit Registrations for new qualifications over the last three years.



Again such students benefited from the restructuring of our fees, so that the cost of adding the Fire Certificate to their existing suite of qualifications was much reduced.

Our strategy over the last few years has been to develop our range of qualifications.

This was the third year in which we offered the **NEBOSH National Certificate in Environmental Management**, the first year being its pilot phase.

Although numbers overall are still quite small, registrations increased by 137% (see *Figure 3*).

In general we find that new qualifications take a while before numbers begin to build. We rely on our course providers to recruit students to their courses leading to our qualifications.

Developing a new course is a considerable investment and providers often want to gauge potential demand before they commit to this outlay. We are particularly grateful to those course providers who participate in piloting new qualifications where there may be no guarantee that the qualification will actually become part of our permanent qualification suite.

The four new qualifications which were launched in 2010/11 following a successful pilot last year have all shown promising growth although numbers are still relatively small.

However, in all four cases we saw growth in each successive quarter of 2010/11 which augers well for 2011/12.

The **NEBOSH Certificate in Health and Well-being at Work** is designed for managers, HR practitioners and health and safety professionals. It enables 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.

At the end of the year under review sixteen course providers were offering the qualification. NEBOSH are seeking to support them by increased marketing activity to raise awareness of the qualification.

We anticipated strong demand in the National Health Service particularly following the Boorman report. However public sector spending cuts have impacted on demand.

The launch of the **NEBOSH International Certificate in Construction Health and Safety** unfortunately coincided with a significant downturn in construction activity in parts of the Middle East.

Following the model we developed for the National versions of the General Certificate

and Construction Certificate, the International Construction Certificate shares a unit of assessment with the International General Certificate, allowing for a shorter conversion course for existing Certificate holders to achieve the new Construction variant.

Candidate numbers were beginning to rise towards the end of the year under review, perhaps corresponding to recovery in the construction industry in some of our key overseas markets.

The **NEBOSH International Technical Certificate in Oil and Gas Safety** is clearly aimed at a specific market sector, and assumes candidates will have prior knowledge or experience of general health and safety.

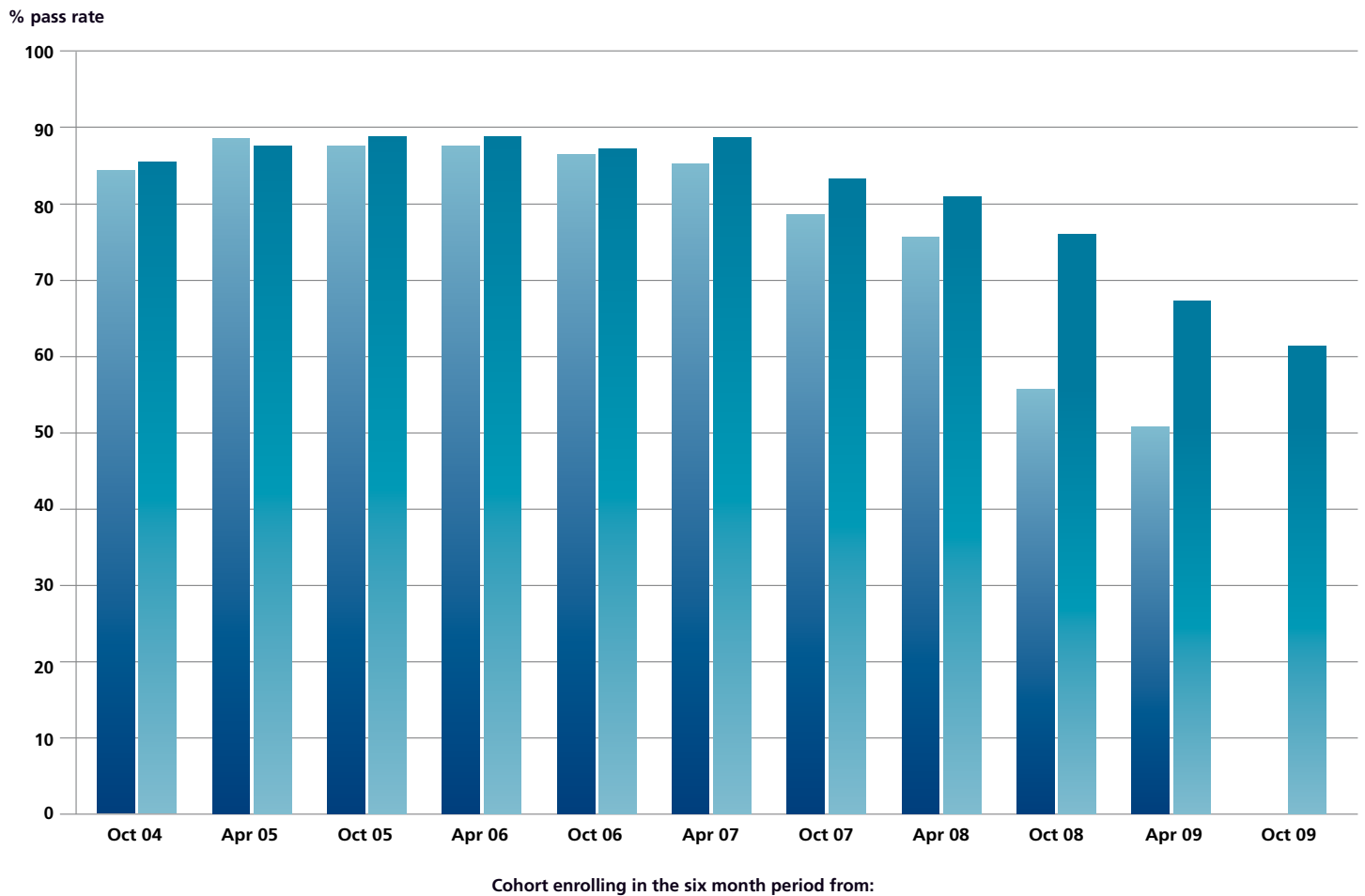
This qualification was launched part way through the year under review, with Board approval being granted in June 2010 and with first examinations available from August 2010. We are pleased with the initial demand for this specialist qualification.

The **NEBOSH Health and Safety at Work Qualification** was the largest product development project ever undertaken by NEBOSH. Our aim was to establish an introductory qualification to give a progression route on to our International General Certificate.



Figure 4 Cumulative pass rates on NEBOSH National Diploma at the end of March 2011, compared to 2010.

KEY: ■ 31 March 2010 ■ 31 March 2011



We worked with Calibrand, a software supplier based in Derby, to install a system to hold a bank of multiple choice questions in a number of languages and generate the question 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 also directly uploads 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 qualification was approved by our Board to become a permanent part of our suite of qualifications from July 2010.

In the last nine months of the year under review, more than 500 people took the Health and Safety at Work Award. From the end of this financial year, the qualification became available in Russian and Arabic, reflecting its international nature. A course book and tutor pack was also developed to assist our course providers to offer courses leading to the qualification.

The **NEBOSH National Diploma in Occupational Health and Safety** was revised in 2010 and accepted by our regulator, SQA for accreditation on the Scottish Qualification and Credit Framework. The SQA deemed it to be at the equivalent level to an honours degree and hence it maintains its status as entitling holders to Graduate membership of the Institution of Occupational Safety and Health (IOSH).

We believe the National Diploma is a very attractive option for those seeking Chartered membership of 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.

Pass rates for the National Diploma remain stable and encouraging. The overall pass rate for all students who enrolled between 1 October 2004 and 1 October 2009 and who have attempted all of the assessment units is now 85%. 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. Overall pass rates, and the change over the last year is shown in *Figure 4*.

Chief Executive's Review

Last year I reported that new enrolments for the National Diploma had fallen sharply from the same period last year, and anticipated that this would impact on assessment registrations in the year under review. In fact registrations fell by 11.5%. However, this year enrolments rose significantly and were around 8% higher than last year, perhaps a sign that we are emerging from recession (see Figure 5). We should see registrations make a corresponding recovery in 2011/12.

This was the third 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 more than 800 students enrolled with one of twenty two accredited training organisations. Assessment registrations were 39% up on 2009/10.

Pass rates on the International Diploma are tending to lag behind those of the National Diploma (see Figure 6). We are also finding that international students tend to spread their studies and assessments over a longer period, perhaps reflecting the higher proportion of these students that are studying in their own time through distance learning.

The International Diploma syllabus was undergoing review at the end of the financial year 2010/11 and the revised specification should be released mid 2011/12.

We continued to work 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 were slightly fewer than last year.

Alstom

We have worked with Alstom for a number of years delivering a "safety passport" qualification specifically developed for the Global Field Service Network of Alstom Power Service.

This year we worked with them and our IT partners, to develop a bespoke online registration system to replace their in-house administration of this qualification. The new system allows Alstom staff to request a passport examination in any of 14 languages anywhere in the world.

Figure 5 New enrolments on National and International Diploma over the last three years.

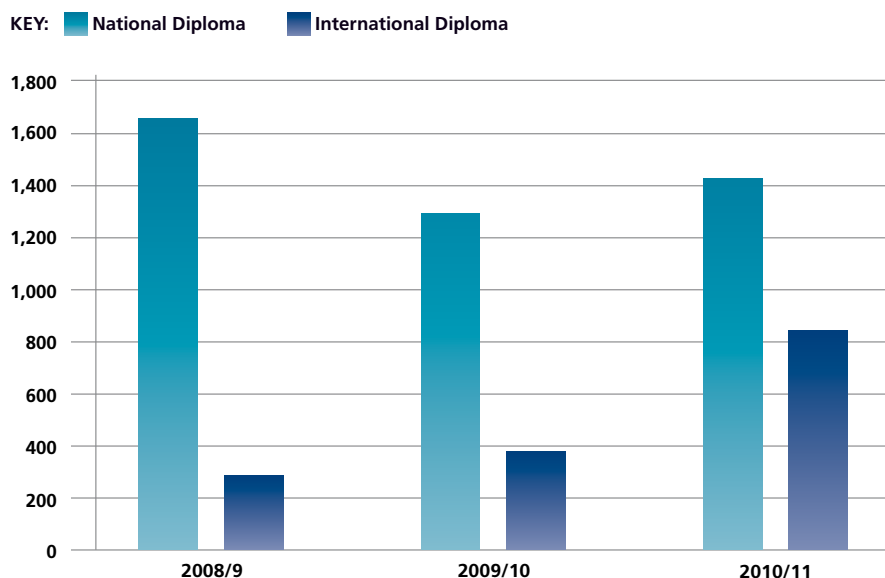
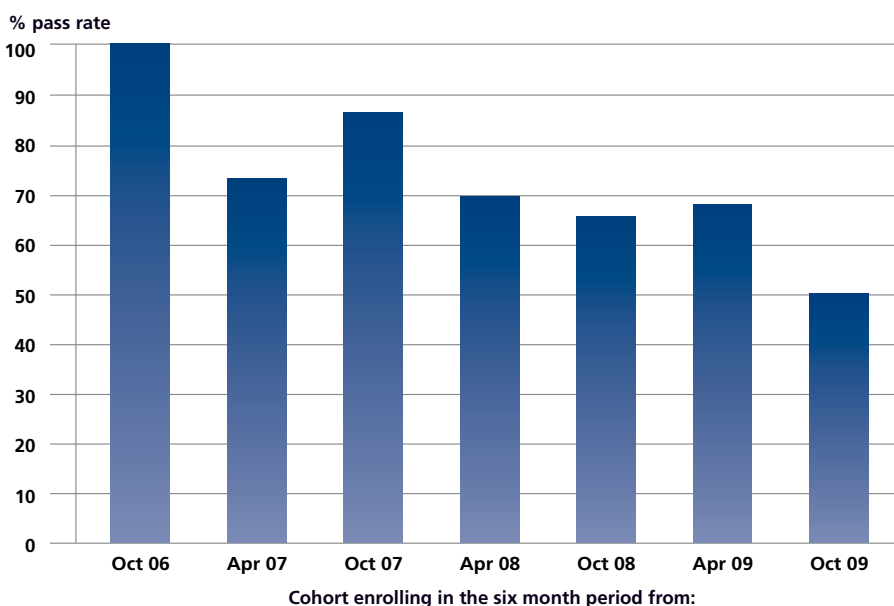
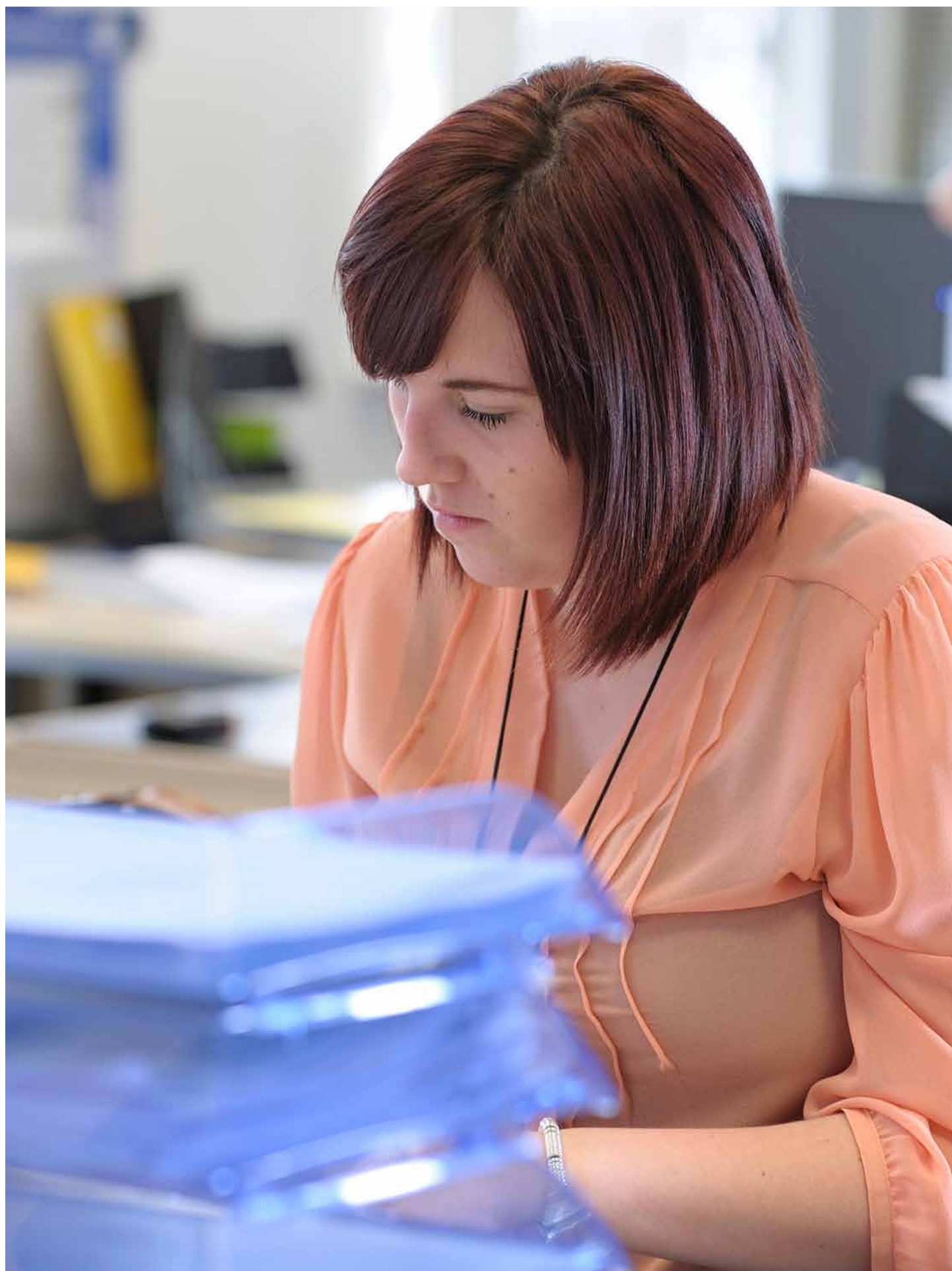


Figure 6 International Diploma Pass Rates







*Left to right front row: Caroline Brown, Kerri Ford, Sir Bill Callaghan, Judith E Hackitt CBE, Teresa Budworth, Andrea Bishop and Lisa Pearson
Left to right middle row: John Riches, Melanie Eaves, Doha Mohamed Abdou Matar, Rhian Newton, Lisa Meehan, Stuart Rhee
Left to right back row: John Paling, Anthony Whittaker, Robert Brill and Jan Scholten*

NEBOSH Congratulates its Top Candidates for the Year 2010/11

The following candidates gained the highest marks in NEBOSH assessments during 2010/11:

NEBOSH National General Certificate in Occupational Health & Safety

Mr John Paling

Studied with Forth Valley College
of Further Education

NEBOSH National Certificate in Fire Safety & Risk Management

Mrs Rhian Newton

Studied with Deeside College

NEBOSH International General Certificate in Occupational Health & Safety

Mrs Doha Mohamed Abdou Matar

Studied with Dubai Integrated Safety
Solutions Center (Dissc)

NEBOSH National Certificate in Construction Health & Safety

Mr Anthony Whittaker

Studied with CCS Training Ltd

NEBOSH National Certificate in Environmental Management

Mr Stuart Rhee

Studied with West Anglia Training Association

NEBOSH International Certificate in Construction Health & Safety

Mr Jan Scholten

Studied with Santia Training Services

NEBOSH National Certificate in the Management of Health & Well-being at Work

Miss Caroline Brown

Studied with EEF Training

NEBOSH International Technical Certificate in Oil & Gas Operational Safety

Mr John Riches

Studied with Humberside Offshore Training
Association Ltd



NEBOSH National Diploma Unit A

Mrs Andrea Bishop

Studied with University of Bolton

NEBOSH National Diploma Unit B

Miss Kerri Victoria Ford

Studied with Stoke on Trent College

NEBOSH National Diploma Unit C

Mr Anthony West

Studied with Integra Training & Consulting

NEBOSH National Diploma Unit D

Mr James Mark Johnson

Studied with Integra Training & Consulting

NEBOSH National Diploma Overall

Mr Robert Brill

Studied with West Anglia
Training Association

Mrs Lisa Pearson

Studied with EEF Training

**NEBOSH International Diploma
in Occupational Health & Safety**

Ms Lisa Meehan

Studied with TWI Middle East FZ LLC

**NEBOSH National Diploma
in Environmental Management**

Ms Melanie Eaves

Studied with Aviva Risk Management
Solutions UK Ltd

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

Domonkos Medgyesy

Sin-Yeong Choo

Chief Executive's Review



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 further support the awards by our staff participating in the judging process. The RoSPA Awards promote good health and safety as an essential part of good business and encourage the sharing of best practice. The awards scheme as a whole gives organisations a road map and an incentive to improve their management 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.

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

We continued to waive assessment 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 assessment fees for candidates who 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. Fourteen students undertook NEBOSH qualifications under this scheme in 2010/11.

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 continue to support the work of Safety Groups UK. The organisation, established in 1947, and formerly called The National Health and 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.

In 2010/11 NEBOSH sponsored a series of seminars on “Moving Goods Safely” which reinforced the HSE campaign on this topic.

Our staff participated in the Management Committee of Safety Groups UK, and in the judging of the Safety Groups UK annual Safety Awards. We also continued our support to the fledgling group based in Leicestershire, offering support in devising their programme of events.

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

We are aware that the assessment 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 to study independently and to take the assessments as an external candidate with one of our course providers acting as an examination centre.

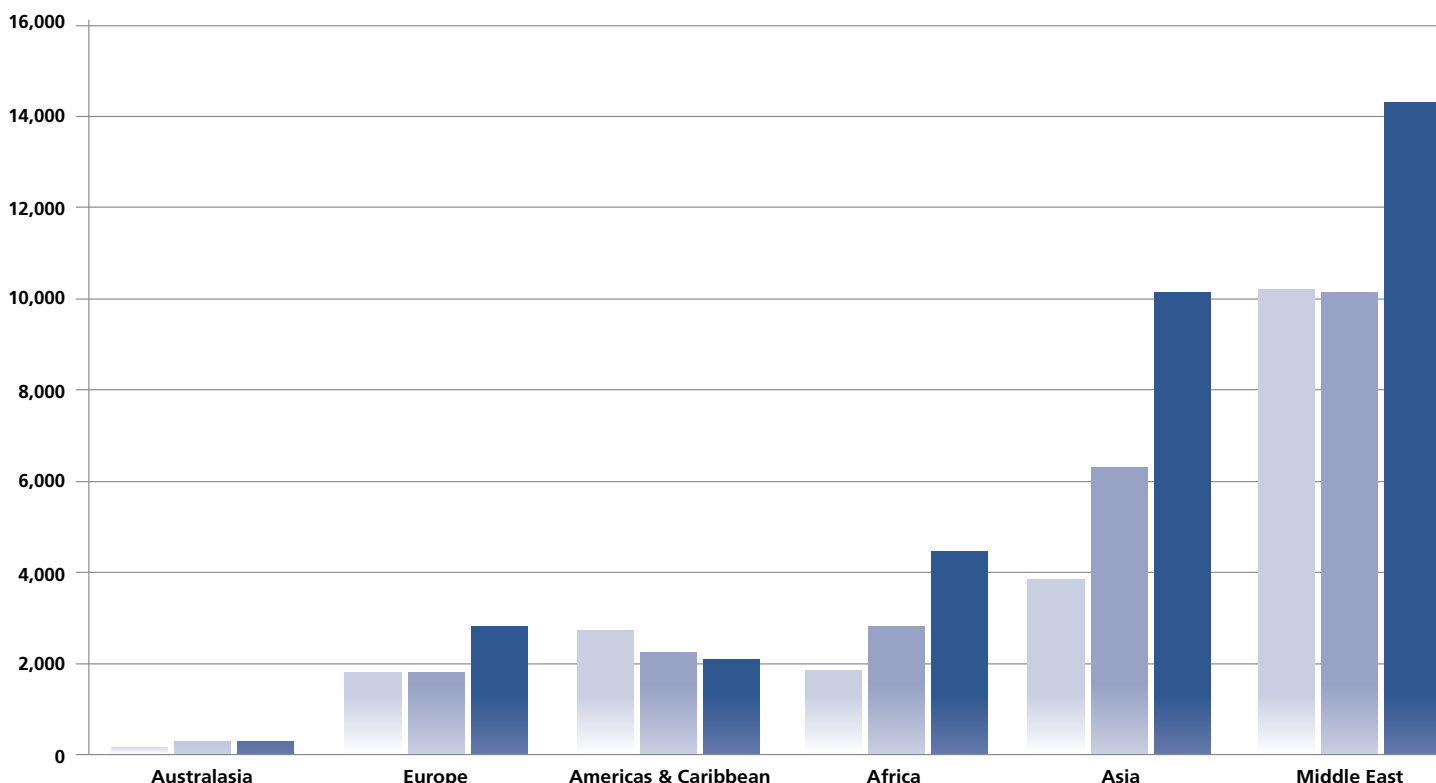
We believe it is important that our qualifications remain accessible to students who may not be earning for whatever reason, as befits our charitable purpose.

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

Teresa Budworth – Chief Executive, NEBOSH

Figure 7 Assessment Registrations outside of the UK over the last three years.

KEY: 08/09 09/10 10/11



International Development

Registrations outside of the UK grew by 45% and international registrations now account for 38% of all NEBOSH assessments, up from 29% last year. The rate of growth is significantly higher than last year, particularly in the Middle East (see Figure 7).

Confidence certainly seems to be building again in the Middle East, which accounts for 41% of our non-UK market. It remains to be seen what the impact of the current unrest affecting some parts of the Middle East and North Africa will have on our registrations next year. However, the majority of our students in the Middle East are based in the United Arab Emirates.

The number of course providers permanently based outside of the UK increased from 57 providers based in 24 countries in March 2010, to 78 providers based in 31 countries.

Newly accredited training providers set up NEBOSH courses in Algeria, Azerbaijan, Brunei, Iran, Kuwait, Nigeria and the Philippines.

They joined our previously established providers in Australia, Bahrain, China, Cyprus, Egypt, France, India, Indonesia, Ireland, Jersey, Jordan, Kazakhstan, Malaysia, Malta, Mauritius, New Zealand, Oman, Qatar, Russia, Saudi Arabia, South Africa, Singapore, Trinidad and Tobago, and the United Arab Emirates.

Overall, NEBOSH assessments were taken in 91 countries in the year under review.

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.

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



Communications and Services to Course Providers

NEBOSH has experienced a sustained period of growth over the last few years. Our challenge in 2010/11 was to consider how we could improve the service we offer to both our students and course providers and how we can guarantee the quality of that service as we continue to grow.

In 2010/11, we continued our planned investment in our IT systems. We had already successfully established an interface on our website that course providers were using for booking of examination sittings, registration of candidates and notification of results for our Health and Safety at Work Qualification. Work continued over 2010/11 to extend this service to our other qualifications.

By the end of the year under review, the facility was being piloted with a number of course providers for our Certificate level qualifications. In fact by the end of the financial year 20% of Certificate registrations were being made online by course providers on the pilot project. The response back from course providers has been extremely positive. It streamlines course providers' processes for enrolling and registering

students and enables them to manage their student data more easily. We intend to roll it out across all of our Certificate course providers in 2011/12.

A further innovation that we originally undertook as part of the introduction of the Health and Safety at Work Qualification was using a security printer to produce our examination packs.

From September 2010, our "standard date" Certificate examination packs have been produced by our security print partner Linney Group, who have also received back the completed scripts from course providers and despatched them to examiners.

Working with Linney Group has given us the opportunity to introduce improved tracking of scripts. All examination material produced by them is personalised to the candidate, with a unique bar code, allowing it to be scanned at despatch and receipt back from the course provider. Of course this has required changes to the way in which invigilators working for our course providers operate, to ensure that the right candidate receives the right answer booklet on examination day.

The change has also allowed us to introduce limited "on the day" entry for candidates where an error has meant that they were not registered for the examination. This will be particularly significant when the new system is extended to Diploma examinations early in 2011/12.

The changes to examination registration processes and use of an external printer have had a huge impact on the way in which we work. We have taken the opportunity to review all of our processes associated with preparation of examination packs and streamline processes wherever possible.

Considerable modifications have been made to our examinations database in order that we can provide the data to the security printer in a format that they can use effectively. This work will continue into 2011/12 as the changes are extended across all of our qualifications. In particular we will be working to reduce the time taken to process, mark and issue results for our "local" or "on-demand" assessments.

Chief Executive's Review





Events

After nine years as NEBOSH Chairman, the maximum term allowed by our Articles of Association, David Morris retired in March 2011.

A reception was held at the Hilton Hotel in Leicester to which all course providers and those who had served with David on NEBOSH Council or on the Board of Trustees were invited.

David was presented with a mantle clock (pictured above) and a book of photographs to commemorate his time in office.

The celebration of NEBOSH's 30th Anniversary year extended to August 2010. We included a hospitality area in our stand at Safety and Health Expo at the NEC in May 2010, inviting past and prospective students to come and meet with us over refreshments.

We continued to develop our micro-site at www.30yearsofnebosh.org.uk to showcase the achievements of past NEBOSH students. We felt the site was a valuable resource, in particular the case studies revealing the stories behind some of our successful candidates and what their NEBOSH qualifications have meant to them.

We therefore migrated the content to a new micro-site www.historyofnebosh.org.uk to which we have continued to add material.

Those achieving Diplomas in 2010/11 celebrated at the Graduation ceremony held in June 2010 at the University of Warwick. More than 1,200 people attended to see over 360 Diplomates congratulated by our Guest of Honour, Judith Hackitt, Chair of the Health and Safety Executive.

In the UK, NEBOSH exhibited at the Health and Wellbeing Exhibition at the NEC (March 2011), IOSH Conference and Exhibition in London (March 2011), the Safety and Health Expo at the NEC, Birmingham (May 2010), and the Government sponsored Health and Wellbeing Conference in London (December 2010).

We also exhibited at Intersec in Dubai in January 2011. As with previous years, the level of interest from potential students has been very high at these events.

We continued to hold an annual course providers' meeting, based in Leicester in June and again we held a regional event in Dubai in January 2011, which included elements of the workshops which are popular with UK based providers.

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

Chief Executive's Review



Newly appointed Trustees, Andrew Cort and David Lewis with Chief Executive Teresa Budworth

“David Morris will continue his association with NEBOSH and has been appointed by the Board to Chair our Qualifications and Technical Council.”

Teresa Budworth – Chief Executive, NEBOSH

People

The most significant change for NEBOSH in 2010/11 was the change of Chair. Some years ago, the Board of Trustees at one of their periodic reviews of corporate governance, introduced maximum terms of office for Trustees and the Chair of the Board of Trustees.

David Morris, having served the maximum term allowed under our Articles of Association stood down in March 2011.

The search for a new Chair began a year earlier and we were delighted that Sir Bill Callaghan, a former Chair of the Health and Safety Commission accepted the role. Sir Bill was confirmed in the post by a resolution at NEBOSH's Annual General Meeting in September 2010, allowing a handover period between the incoming and outgoing Chairs.

David Morris will continue his association with NEBOSH and has been appointed by the Board to Chair our Qualifications and Technical Council: the body of stakeholders responsible for ensuring that our syllabuses are technically sound and for scrutinising our qualification awarding processes.

We were also delighted that RoSPA chose to recognise David's long-standing contribution to health and safety in both his work for NEBOSH and for the HSE and latterly the Office of Rail Regulation by presenting him with their Distinguished Service Award in May 2010.

In September 2010, Dr Ed Ferrett, a long-serving member of the Board and former Vice-Chair also retired. We are particularly grateful to Ed for stepping up as Acting Chair in the period immediately before David Morris's appointment.

Ed will also be continuing his involvement with NEBOSH as a member of the Qualifications and Technical Council.

I have already described some of the changes we implemented through 2010/11 to our IT systems giving us a better platform for communication with both students and course providers and improving the service we offer to our customers while allowing for scaling up, as we continue to grow the number of students we help to gain health, safety and environmental qualifications.

The database system we use to process examination registrations and generate results has been in use at NEBOSH since 2006. The company that supplied it are not introducing any new releases to this product which means it is becoming increasingly obsolete and difficult to support.

We were mindful that a new strategy for IT was required for NEBOSH to ensure that we took advantage of new technology to improve our service to our students and to our course providers. It was apparent at the start of the year that we did not possess the skills in-house to guide us on this journey.

We worked with an external IT consultancy to devise a new IT strategy, which the NEBOSH Board of Trustees approved in June 2010. We then, with the assistance of our external partners, recruited a new IT team led by Clare Bonsall. Clare and her team will be implementing the IT strategy assisted by the external consultancy as required.

2010/11 was a period of significant change for NEBOSH as we continued to strive to deliver a better service to our students and course providers.

I am personally extremely grateful to the management team and the staff at NEBOSH who have embraced the changes we are making to ensure we are in the best possible shape to meet the challenges of the future.

I would also like to thank our new Chair, Sir Bill Callaghan, our previous Chairman, David Morris and the Board of Trustees, all of whom give their time to support NEBOSH without any remuneration.

Their wise counsel, support and, when appropriate, constructive challenge is invaluable in steering NEBOSH to achieve our vision: to preserve and improve health, safety and the environment in workplaces worldwide.



Teresa Budworth – Chief Executive

The Trustees have pleasure in presenting their report and audited financial statements for the year ended 31 March 2011.

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 CFIO SH C.Dir

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:

Sir Bill Callaghan MA BA (Oxon.)
Chair from 22 March 2011

Mr David Morris MSc CMIO SH FRSA
Chairman to 21 March 2011

Mr Geoffrey Donnelly MA BSc (Hons) CDir
Vice Chair
Independent Trustee

Mr Anthony Cheesman BSc (Hons)
PgDipOSH CMIO SH
Representing Private Sector Course Providers

Mr Andrew Cort MPhil BSc (Hons) MRINA
FIOD CEng
Appointed 1 February 2011

Dr Edward Ferrett BSc (Hons) CEng
CMIO SH
Representing Public Sector Course Providers
Retired 30 September 2010

Mrs Katharine Grimshaw
Independent Trustee
Resigned 6 September 2010

Mr Ken W James MA OBE
Independent Trustee

Mr David Lewis MBA LL.B (Hons)
Independent Trustee
Appointed 1 February 2011

Mr Bryan McCracken BEng (Hons) MA
Dip2OSH CMIO SH AIEMA
Representing Public Sector Course Providers
Resigned 30 April 2011

Mr Brian Nimick MSc
Independent Trustee

Dr Michael Sanderson CEng CSci
Independent Trustee
Resigned 12 December 2010

Mrs Gill Tweedale-Sexton CMIO SH
Dip2OSH MIIRSM
Representing Private Sector Course Providers

Mr Colin Willis BA (Hons) Dip NEBOSH
Grad IO SH AIFL
Representing Public Sector Course Providers
Appointed 1 October 2010



Sir Bill Callaghan



Mrs Teresa Budworth



Mr Peter Ryan



Mr Anthony Cheesman



Mr Geoffrey Donnelly



Mr Andrew Cort



Mr Ken James



Mr David Lewis



Mr Bryan McCracken



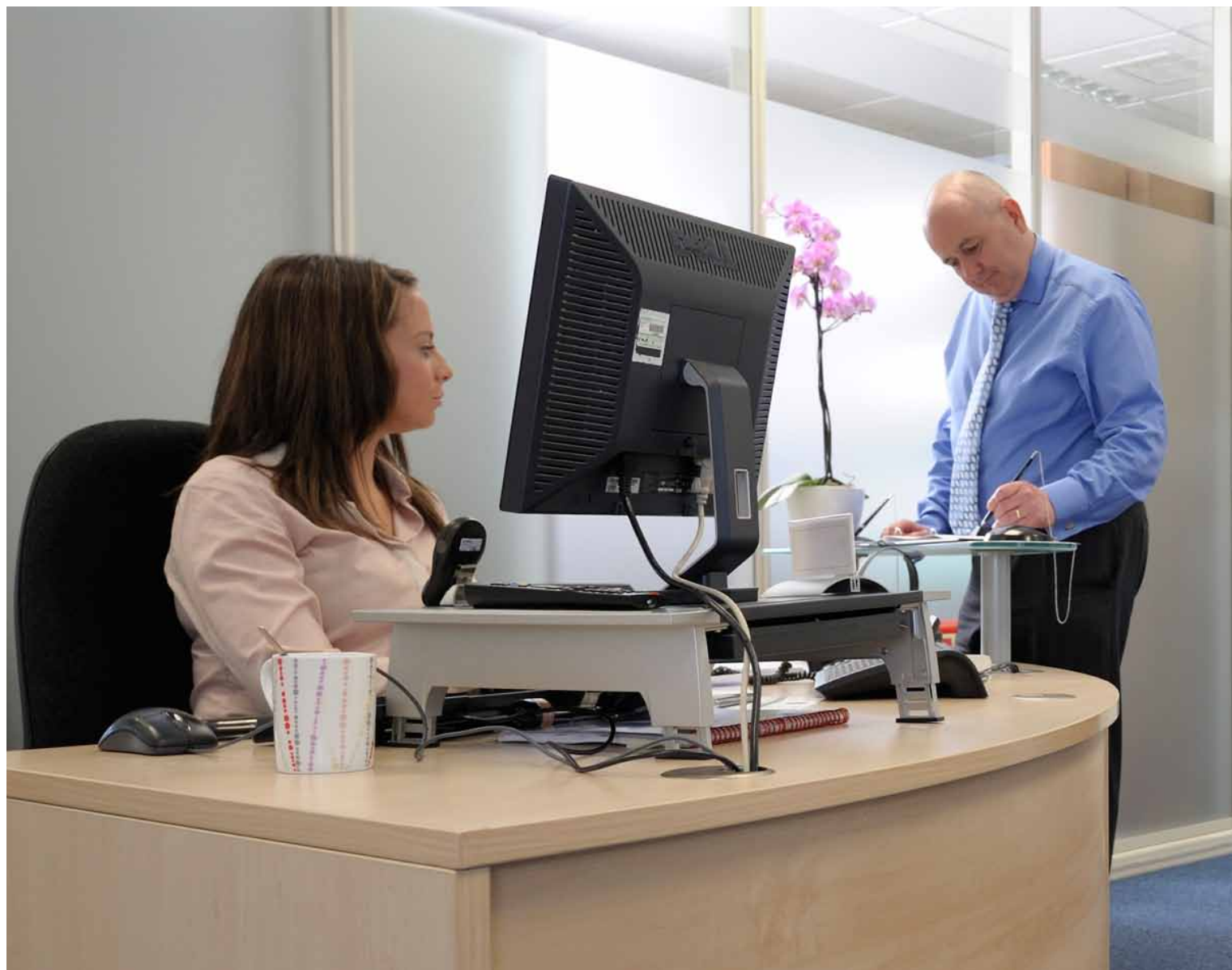
Mr Brian Nimick



Mrs Gill Tweedale-Sexton



Mr Colin Willis



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 1 September 2010. NEBOSH is registered as a charity with the Charity Commission.

There were 24 registered members as at 31 March 2011 (2010: 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 Chair of NEBOSH Council is appointed as a Trustee and serves as Chair of the Board of Trustees. The Chair 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 and safety, environmental management or assessment methodology.

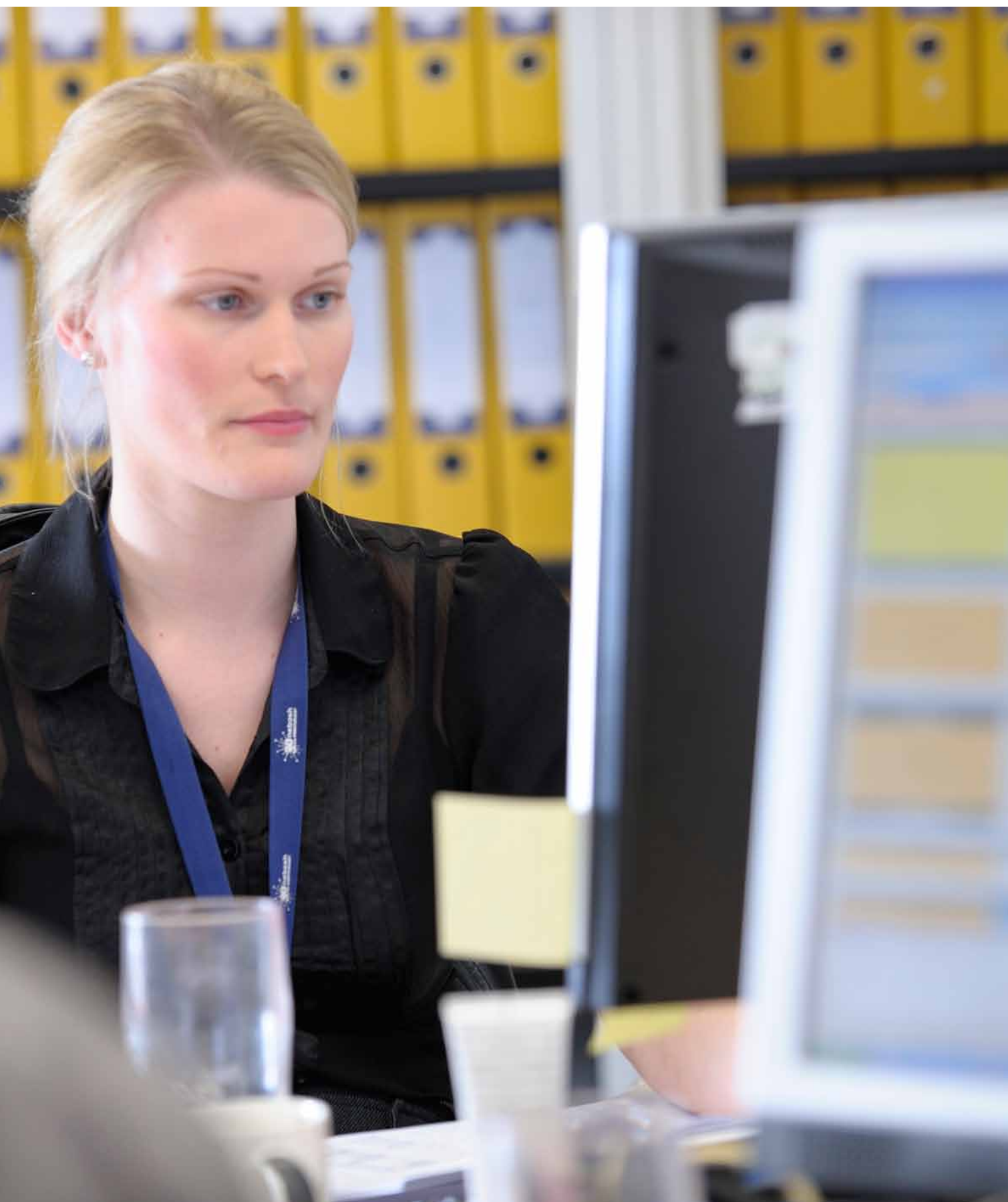
A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of NEBOSH. To facilitate effective operations, the Chief Executive Officer has delegated authority for all operational matters.

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:

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 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;

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, environmental and related risk management qualifications;

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;

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

Achievements and Performance

Details of significant activities, achievements and performance for 2010/11 are provided in the Chief Executive's Report.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Financial Review

Income rose from £4,057,234 in 2009/10 to £4,608,663 in 2010/11, **an increase of 13.6%**. Income from registration and examination fees, grew by 11.1% without any increase in fee rates.

The registrations and examination fees income growth has been achieved through a strong performance of the international qualifications and 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 £77,789 (2010: £326,450), at 31 March 2011 our reserves stood at £6,141,526 (2010: £5,722,002).

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 months' 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 especially for the charity sector, meets their requirements for income and capital growth.

It is our aim in the long term that approximately 70% (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 30% (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.

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 recommendations 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 twelve months' annual resources expended. The Reserves Policy is reviewed annually in March.

At 31 March 2011, the charity had £4,236,989 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:

select suitable accounting policies and then apply them consistently;

observe the methods and principles in the Charities SORP;

make judgments and estimates that are reasonable and prudent;

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

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

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

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.

Donations

No charitable or political donations were made during the year (2010: £Nil).

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 7 September 2011.

Signed on behalf of the Trustees:



Sir Bill Callaghan – Chair

26th July 2011



Independent Auditors' Report

To the Members of the National Examination Board in Occupational Safety and Health

We have audited the financial statements of National Examination Board in Occupational Safety and Health for the year ended 31 March 2011 on pages 38 to 46.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor

As explained more fully in the Statement of Trustees' responsibilities set out on pages 34-35, the Trustees who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website: www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the Companies Act 2006.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

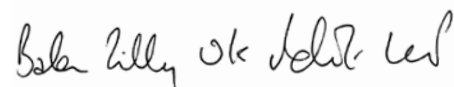
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of Trustees' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit.



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

26th July 2011



Statement of Financial Activities

(including Income and Expenditure Account)

For the year ended 31 March 2011

	Notes	Total Funds 2011 (£)	Total Funds 2010 (£)
Incoming resources			
Incoming resources from generated funds:			
Activities for generating funds		28,585	29,456
Investment income	2	65,463	52,585
		94,048	82,041
Incoming resources from charitable activities:			
Operations of Examination Board	3	4,514,615	3,975,193
Total incoming resources		4,608,663	4,057,234
Resources expended			
Costs of generating funds:			
Costs incurred by fund raising activities		30,820	30,102
Charitable activities:			
Operations of Examination Board	4(a)	4,137,530	3,545,297
Governance Costs	4(b)	98,578	85,832
Total resources expended		4,266,928	3,661,231
Net incoming resources before other recognised losses being net income for the year		341,735	396,003
Unrealised gains on investments	9	77,789	326,450
Net movement of funds in year		419,524	722,453
Reconciliation of funds			
Total funds brought forward		5,722,002	4,999,549
Total funds carried forward	16	6,141,526	5,722,002

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 2011 (£)	Total Funds 2010 (£)
Fixed Assets			
Tangible assets	8	1,904,537	1,921,102
Investments	9	4,018,386	3,878,719
		<u>5,922,923</u>	<u>5,799,821</u>
Current Assets			
Stock	10	7,116	18,525
Debtors	11	495,282	244,986
Cash at bank and in hand	12	633,763	373,253
		1,136,161	636,764
Creditors			
Amounts falling due within one year	13	(917,558)	(664,583)
Net Current Liabilities			
		(218,603)	(27,819)
Total Assets Less Current Liabilities		6,141,526	5,772,002
Creditors			
Amounts falling due after one year	14	–	(50,000)
Net Assets		6,141,526	5,722,002
Represented by:			
Funds			
Unrestricted:			
General	16	6,141,526	5,722,002
Accumulated Fund		6,141,526	5,722,002

The Financial Statements on pages 38 to 46 were approved and authorised for issue by the Trustees on 26th July 2011 and were signed on their behalf by:



Bill Callaghan – Chair
of the Board of Trustees



Geoffrey Donnelly – Vice Chair
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 2006. 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:

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:

Freehold land	Nil
Freehold buildings	2% on cost
Fixtures and fittings	10% on cost
Office equipment	10% / 25% on cost
Computer equipment	20% / 25% / 33% on cost
Motor vehicles	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. Long term investments are classified as fixed assets. Short term investments are classified as current assets.

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 on a straight line basis over the lease term.

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. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

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.

Liquid resources

Liquid resources include sums on short term deposits with recognised banks.

2 Investment Income

	2011 (£)	2010 (£)
COIF investment income	65,011	51,911
Bank interest received	<u>452</u>	<u>674</u>
	<u>65,463</u>	<u>52,585</u>

3 Incoming Resources from Charitable Activities

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

	2011 (£)	2010 (£)
Income from Assessments	3,469,139	3,202,512
Income from Course Providers	991,688	705,076
Income from Publications	<u>53,788</u>	<u>67,605</u>
	<u>4,514,615</u>	<u>3,975,193</u>

4a Operations of Examination Board

	Examinations £	Course Providers £	Publications £	Total 2011 (£)	Total 2010 (£)
Costs directly allocated to activities					
Staff costs	975,772	343,869	7,712	1,327,353	1,160,369
Direct examination board costs	820,901	331,225	2,771	1,154,897	979,333
Support costs allocated to activities					
Staff costs	538,288	153,875	8,345	700,508	705,252
Premises costs	55,428	15,844	859	72,131	62,932
Office administration	135,841	38,832	2,106	176,779	171,432
Travel	29,515	8,437	458	38,410	34,284
Legal and professional	78,658	22,485	1,220	102,363	100,422
Marketing	132,522	37,883	2,055	172,460	95,190
Computing	200,756	57,388	3,113	261,257	126,037
Depreciation	<u>100,949</u>	<u>28,858</u>	<u>1,565</u>	<u>131,372</u>	<u>110,044</u>
Support costs total	<u>1,271,957</u>	<u>363,602</u>	<u>19,721</u>	<u>1,655,280</u>	<u>1,405,594</u>
Total	<u>3,068,630</u>	<u>1,038,696</u>	<u>30,204</u>	<u>4,137,530</u>	<u>3,545,297</u>

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

Notes to Financial Statements

4b Governance Costs

	2011 (£)	2010 (£)
Governance includes the following costs:		
Meeting expenses	19,366	15,705
Chief Executive's department	52,261	46,432
Audit, legal and other costs	26,951	23,695
	<u>98,578</u>	<u>85,832</u>

5 Net Incoming Resources is Stated After Charging (crediting)

	2011 (£)	2010 (£)
Depreciation on owned assets	113,985	110,188
(Surplus)/loss on disposal of assets	(613)	17,368
Auditors' remuneration – for audit services	12,300	11,750
Operating lease rentals – plant and machinery	14,743	14,431
Trustee indemnity insurance	<u>3,390</u>	<u>3,311</u>

6 Employees

	2011 (£)	2010 (£)
Staff costs consists of:		
Wages and salaries	1,535,995	1,443,849
Principal examiners	6,500	6,500
Social security	170,124	150,282
Temporary staff	149,466	76,213
Pension costs	109,287	104,137
	<u>1,971,372</u>	<u>1,780,981</u>

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:

	2011 (No.)	2010 (No.)
£60,000 to £69,999	1	–
£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 £12,651 (2010: £7,178).

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

	2011 (No.)	2010 (No.)
Chief Executive and marketing departments	9	8
Finance and office administration	14	14
Assessment administration / logistics	15	14
Setting, marking and accreditation	14	12
	<u>52</u>	<u>48</u>

7 Trustees' Emoluments

The Trustees of NEBOSH received no remuneration for their services.

During the year, travel, accommodation and incidental expenses amounting to £11,769 were reimbursed to 11 Trustees (2010: £13,755 to 9 Trustees).

8 Tangible Fixed Assets

	Freehold land and buildings (£)	Fixtures and fittings (£)	Office equipment (£)	Computer equipment (£)	Motor vehicles (£)	Total (£)
Cost						
At 1 April 2010	1,678,450	160,834	112,880	310,726	74,877	2,337,767
Additions	–	1,035	6,284	40,069	72,720	120,108
Disposals	–	–	(15,397)	(22,270)	(14,996)	(52,663)
At 31 March 2011	<u>1,678,450</u>	<u>161,869</u>	<u>103,767</u>	<u>328,525</u>	<u>132,601</u>	<u>2,405,212</u>
Depreciation						
At 1 April 2010	113,295	53,970	61,024	164,816	23,560	416,665
Charge for year	30,213	16,207	15,005	46,596	23,965	131,986
Disposals	–	–	(15,397)	(22,270)	(10,309)	(47,976)
At 31 March 2011	<u>143,508</u>	<u>70,177</u>	<u>60,632</u>	<u>189,142</u>	<u>37,216</u>	<u>500,675</u>
Net book value						
At 31 March 2011	<u>1,534,942</u>	<u>91,692</u>	<u>43,135</u>	<u>139,383</u>	<u>95,385</u>	<u>1,904,537</u>
At 31 March 2010	<u>1,565,155</u>	<u>106,864</u>	<u>51,856</u>	<u>145,910</u>	<u>51,317</u>	<u>1,921,102</u>

Notes to Financial Statements

9 Investments

	Market value at 01/04/10 (£)	Transfers in/deposits received (£)	Disposals at carrying value (£)	Net gain/ (loss) on valuation (£)	Market value at 31/03/11 (£)
COIF deposit account	2,332,737	61,878	(1,201,334)	–	1,193,281
COIF income share account	804,471	645,271	–	24,861	1,474,603
COIF fixed interest fund	96,720	77,484	–	(2,574)	171,630
COIF property fund	48,138	–	–	936	49,074
COIF accumulation units fund	<u>596,653</u>	<u>478,579</u>	<u>–</u>	<u>54,566</u>	<u>1,129,798</u>
	<u>3,878,719</u>	<u>1,263,212</u>	<u>(1,201,334)</u>	<u>77,789</u>	<u>4,018,386</u>
			2011 (£)		2010 (£)
Historical cost			<u>3,692,603</u>		<u>3,630,725</u>

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

10 Stock

	2011 (£)	2010 (£)
Examination printed stock	4,992	12,065
General stationery	<u>2,124</u>	<u>6,460</u>
	<u>7,116</u>	<u>18,525</u>

11 Debtors

	2011 (£)	2010 (£)
Fees receivable	351,515	90,226
Prepayments and accrued income	<u>143,767</u>	<u>154,760</u>
	<u>495,282</u>	<u>244,986</u>

12 Cash at Bank and in Hand

	2011 (£)	2010 (£)
Bank current and business reserve accounts	533,263	272,753
Short term deposits	100,000	100,000
Cash balance	<u>500</u>	<u>500</u>
	<u>633,763</u>	<u>373,253</u>

13 Creditors: Amounts Falling Due Within One Year

	2011 (£)	2010 (£)
Trade creditors	49,613	113,588
Taxation and social security	44,342	41,471
Other creditors including RoSPA sponsorship	50,000	50,000
Accruals	377,815	324,721
Deferred income –		
Assessment fees and course provider fees received in advance	<u>395,788</u>	<u>134,803</u>
	<u>917,558</u>	<u>664,583</u>

Deferred income comprises assessment fees and course provider fees received in advance

	2011 (£)
Movement on deferred income:	
Deferred income brought forward	134,803
Released in year	(134,803)
Deferred in year	<u>395,788</u>
Deferred income carried forward	<u>395,788</u>

14 Creditors: Amounts Falling Due After One Year

	2011 (£)	2010 (£)
Other creditors – RoSPA sponsorship	<u>–</u>	<u>50,000</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.

	2011 (£)	2010 (£)
Contributions payable by the charity for the year	<u>109,287</u>	<u>104,137</u>

Notes to Financial Statements

16 Reconciliation of Movement in Funds

	At 01/04/10 (£)	Incoming resources (£)	Outgoing resources (£)	Investment gains (£)	At 31/03/11 (£)
Unrestricted funds					
General fund	<u>5,722,002</u>	<u>4,608,663</u>	<u>(4,266,928)</u>	<u>77,789</u>	<u>6,141,526</u>

17 Financial Commitments

At 31 March 2011, the charity had annual commitments under non-cancellable operating leases as follows:

	2011 (£)	2010 (£)
Expiring within 2-5 years	<u>14,977</u>	<u>14,352</u>

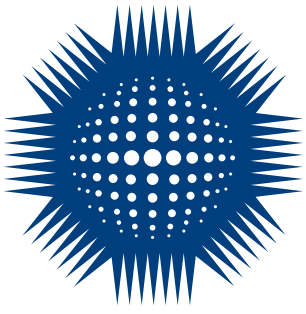
18 Related Party Transactions

Four Trustees received £11,607 during the year in their capacity as examiners, (2010: 3 Trustees received £15,363 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 2011, the charity had no contractual capital commitments (2010: £Nil).



neboosh

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