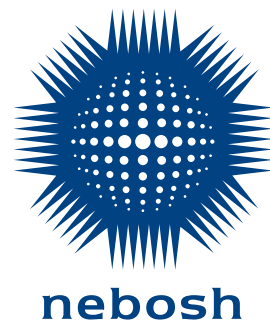
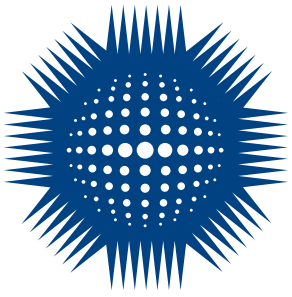


2013 Annual Report and Financial Statements





nebosh

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

**National Examination Board in
Occupational Safety and Health**

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Registered in England and Wales

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Registered charity number: 1010444

Cover: Mark Davenport – *Health and Safety Manager, Alltask Limited*

NEBOSH National General Certificate Awarded 2009 & **NEBOSH National Certificate in Construction Health and Safety** Awarded 2011

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Mandy Nichols – Group Health, Safety and Environment Manager, Nuffield Health
NEBOSH National General Certificate Awarded 2013



Alison Treacher – Health and Safety Advisor, Yusen Logistics (UK) Ltd
NEBOSH National Diploma Awarded 2009

“Most importantly it saves lives and prevents unnecessary injuries at work. This is what NEBOSH is achieving, every day, in all parts of the world.”

In my foreword to last year's Annual Report I highlighted how NEBOSH had started to **make the transition towards becoming an international body**. This year, I am pleased to report that more than half (59%) of all registrations to take NEBOSH examinations are now made outside the United Kingdom.

Our International General Certificate is not just more popular than our UK focused National General Certificate; it is now almost twice as popular.

There were over 1,600 enrolments for our International Diploma in Occupational Health and Safety this year, up by more than half (54%) on 2011/12. Now more people enrol for our International Diploma than our National Diploma.

Our reach, in various languages, is wide, with students gaining our qualifications in Europe, the Middle East, Asia, Africa, the Americas and Australasia.

Because of NEBOSH and its accredited course providers, people across the globe are acquiring vital health, safety and environmental knowledge. Perhaps more importantly, they are also learning how to apply this knowledge in a practical sense.

Application of this knowledge leads to better standards of safety, improvements in health and fewer risks in the workplace. It protects employers from prosecution, damaged reputations and significant costs.

Most importantly it saves lives and prevents unnecessary injuries at work. This is what NEBOSH is achieving, every day, in all parts of the world.

With this success in mind, I would like to thank our Board of Trustees for helping to steer our vision of raising competence in health, safety, environmental and risk management in the workplace through a framework of qualifications, rigorous awarding procedures and promotion of high quality education.

As ever, we have received invaluable support from many health, safety, environment and risk professionals who work for us as examiners. We are indebted to our accredited course providers who as well as preparing candidates for assessments, play a significant role in the development and promotion of our qualifications to our worldwide audience.

Our staff continue to show great commitment and dedication as we implement new working practices and systems. Their contribution and enthusiasm are invaluable.

This has been another record year for NEBOSH. Thank you to everyone who has played their part.



Sir Bill Callaghan
Chair

In 2012/13 we have seen record growth in candidate registrations. Overall, **registrations increased by 30,107 to 140,108**, up 27% compared with 2011/12.

Growth in registrations was again very strong in our overseas markets. International registrations grew by 56% in 2012/13 and now account for more than half (59%) of all NEBOSH assessments, up from 48% in 2011/12.

Registrations have been falling for some of our more traditional and long-standing qualifications, such as the National General Certificate and National Diploma, down 2% and 7% respectively in 2013. However, growth in the International General Certificate, International Diploma and other qualifications, has more than compensated for this slight decline.

The number of NEBOSH accredited course providers has also continued to grow, to 544, up 9% on 2011/12.

The majority of our new providers are based outside of the UK. There is a clear correlation between increasing numbers of course providers in other regions of the world and increasing numbers of candidates.

Growth in registrations led our income to grow to a record level in 2012/13, up 32% to £7,462,466, compared to £5,669,931 in 2011/12. This, together with investment gains, has meant our reserves have grown by £2,515,174.

In 2012/13, our continuing development, determination to achieve high standards and the commitment of our people and course providers has produced another record year for NEBOSH.

Our vision is one of improving health, safety and environmental management in workplaces throughout the world. As a result of our expanding international presence we are optimistic that our success and growth is set to continue.

Qualifications

NEBOSH continues to offer fourteen different qualifications in health and safety and environmental management – two Award, or introductory level qualifications for skilled workers and supervisors, nine Certificates for those beginning a career in safety or the environmental or managing these issues alongside other responsibilities and three Diplomas for those seeking a professional level qualification.

Environmental Qualifications

In 2012, the NEBOSH **Certificate in Environmental Management** was reaccredited by the Scottish Qualifications Authority, following a revision to the syllabus which made it suitable for the needs of both a UK and an international audience. It was formally launched in Dubai, in The United Arab Emirates in January 2013.

Registrations for our **National Diploma in Environmental Management** grew by 19% this year.

Environmental management is becoming increasingly relevant among health and safety professionals as employers frequently combine the disciplines into the same job role. As a result, we anticipate this steady growth for our professional level qualification will continue.

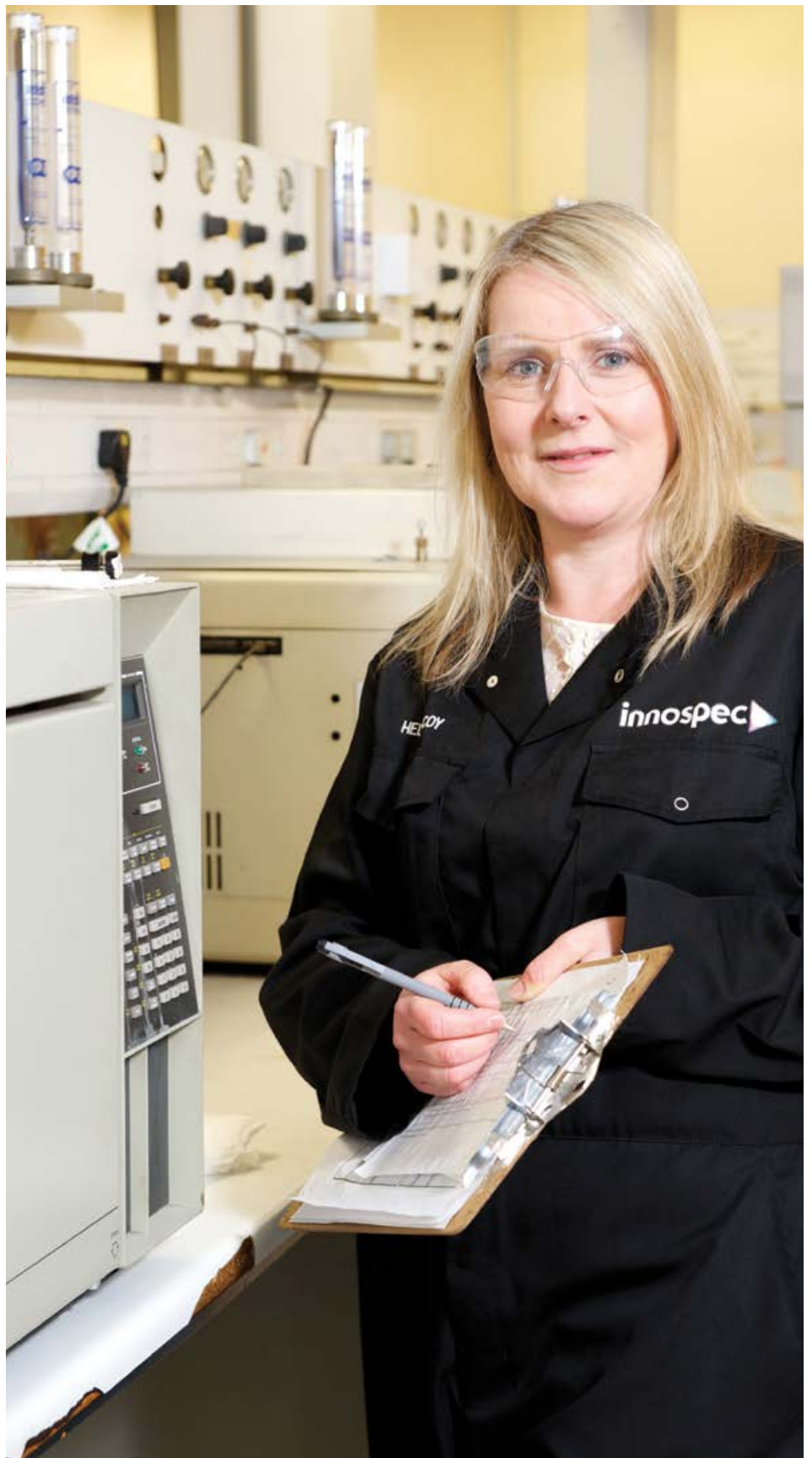
In 2012 we consulted on developing an **International Diploma in Environmental Management**, which will provide our international candidates with the same suite of professional level qualifications as in the UK. This work will continue in 2013/14.

NEBOSH environmental management qualifications are now accepted by the Chartered Institution of Water and Environmental Management (CIWEM) as meeting its membership requirements.

CIWEM support thousands of members worldwide, who have environmental responsibilities in senior management, engineering and scientific positions within the public and private sectors.

The NEBOSH Certificate in Environmental Management is accepted for CIWEM's new Technician Membership grade (TechCIWEM).

The NEBOSH National Diploma in Environmental Management fulfils the qualification requirements for non-chartered Member of CIWEM, entitling the post-nominal designation (MCIWEM). Progression to become a Chartered Environmentalist is a further opportunity.



Helen Coy – SHE Manager, Innospec Widnes Ltd

NEBOSH National Diploma Awarded 2008 & **NEBOSH National Certificate in Fire Safety and Risk Management** Awarded 2011

“The qualification has received praise for its flexibility to suit different workplaces. Being adaptable to enable tailored courses for specific vocations.”

Award Level Health and Safety Qualifications

The **Award in Health and Safety at Work** was the first NEBOSH qualification designed from its inception to be suitable for an international and UK audience.

The first ever NEBOSH Health and Safety at Work (HSW) assessment in the Mandarin language took place this year in Shenzhen, China. As well as English, the Health and Safety at Work assessment can also be taken in Russian and Arabic.

Our main Award was only officially launched around two years ago in 2010/11, but is already now our third most popular qualification.

Registrations for the Health and Safety at Work qualification totalled 7,166 this year, up by 2,169 compared to 2011/12 (see *Figure 1*). This is almost seven times the number recorded in 2010/11.

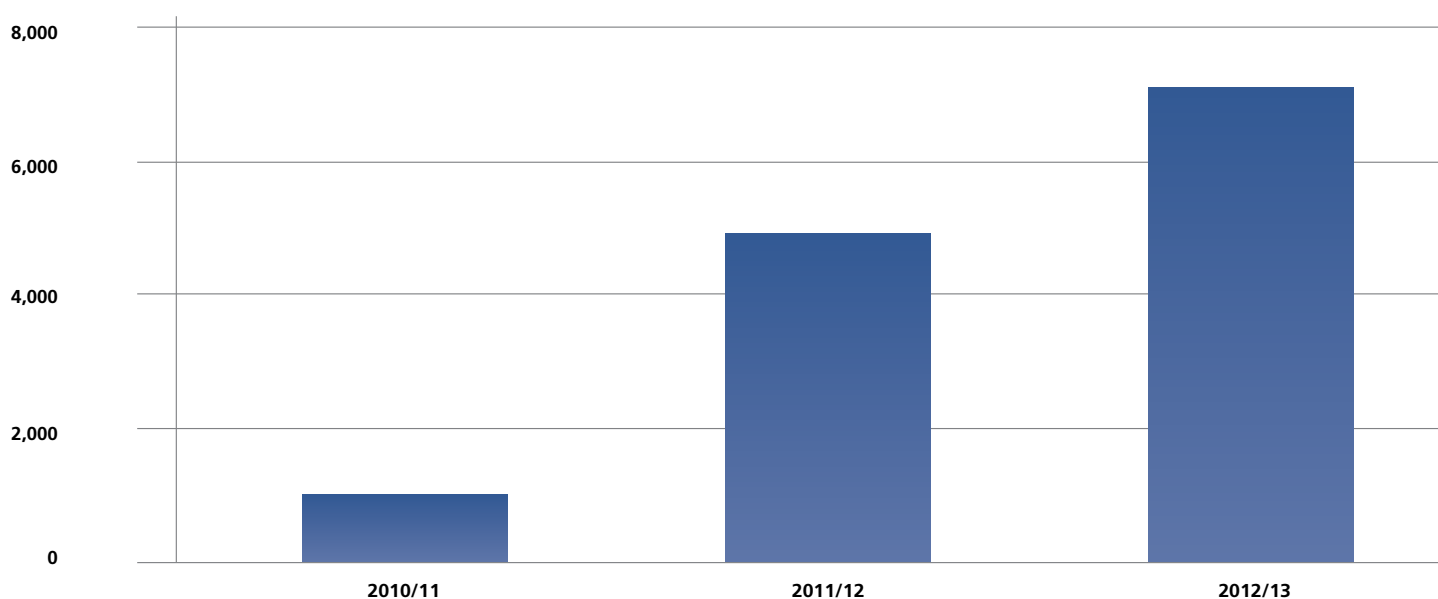
NEBOSH now has a firmly established introductory level qualification that provides a progression route on to our International and National General Certificates. The qualification is internationally relevant and can benefit almost any role in any type of workplace.

Several employers, including Hampshire Fire and Rescue Services in the UK, have been involved in the development of bespoke courses leading to our Health and Safety at Work qualification.

The qualification has received praise for its flexibility to suit different workplaces. Being adaptable to enable tailored courses for specific vocations is proving to be a key differentiator for Health and Safety at Work as an introductory level health and safety qualification.

Our other Award level qualification, the **Award in Health, Safety and Environment for the Process Industries**, is also helping to improve standards and knowledge in the international chemical, pharmaceutical, nuclear, oil and gas, petroleum and polymer industries.

Figure 1 Unit registrations for the Health and Safety at Work Qualification over the last three years





Martyn Green – *Manufacturing Manager Heating and Stockyard, Tata Steel*
NEBOSH National General Certificate Awarded 2010

Chief Executive's Review

Health and Safety Certificates

We have traditionally had UK and international versions of our most popular qualifications. However, our aim is, where appropriate, to design our qualification range to meet the requirements of a multi-national audience.

We have found that safety and health practitioners based within the United Kingdom, who work for a multi-national or global organisation are increasingly seeking to take the international versions of our qualifications or add them to their portfolio of NEBOSH qualifications.

We recognise that there will always be a demand for UK based practitioners to develop an understanding of UK legislation and the European Union legal framework which underpins it in many cases. Hence in 2012 we consulted on merging the technical units of our National and International General Certificate qualifications, while leaving the units dealing with legal issues separate.

This is an exciting development. We have long built our qualifications around units so that students could study additional technical units and achieve additional NEBOSH qualifications.

For example Unit NGC1 – Management of Health and Safety is common to three of our qualifications, and can be counted towards achievement of a NEBOSH **National General Certificate in Occupational Health and Safety**, as well as the NEBOSH National Certificate in Construction Health and Safety and the NEBOSH National Certificate in Fire Safety and Risk Management.

The new syllabus developments mean that those holding a National Certificate, will be able to study for one additional unit – IGC1 International Management of Health and Safety – and achieve both the National and International versions of their qualifications.



Joel Nedamo – Quality and Control Manager, Venues Infrastructure Health and Safety, Dubai World Trade Center
NEBOSH International Diploma Awarded 2011

The detailed work of re-designing our syllabuses was completed in early 2013, with the first examinations to the new specification planned for January 2014.

Registrations for the National General Certificate fell slightly this year, down by less than 2% compared to 2011/12 (see *Figure 2*).

Despite having been surpassed by the International version in terms of annual registrations, the National General Certificate remains the NEBOSH qualification that most people hold.

Our annual NEBOSH Jobs Barometer research, which each year examines the level of demand for qualifications in UK job advertisements for health and safety management positions, shows that the National General Certificate remains highly relevant to UK employers. Almost three quarters (74%) of employers insist that applicants hold either the National General Certificate or the NEBOSH National Diploma in Occupational Health and Safety.

In 2012/13 there were 64,989 registrations to sit units of the NEBOSH International General Certificate in Occupational Health and Safety, compared to 40,809 in 2011/12, an increase of 59%.

For every one registration for the National General Certificate there are now almost two for the International General Certificate (see *Figure 2*).

Launched just eight years ago, the International General Certificate has grown rapidly year on year and is now by far our most popular qualification.

Moideen Kasim Kallatra became the 20,000th person to achieve our International General Certificate. He passed with distinction. Moideen, who is from Kumbala in India and works as a business development manager for an engineering company, received a commemorative salver to mark the occasion, in October 2012.

Making our qualifications available in languages other than English has also been a theme for 2012/13. Our International General Certificate in Health and Safety has been examined in the Russian language for many years.

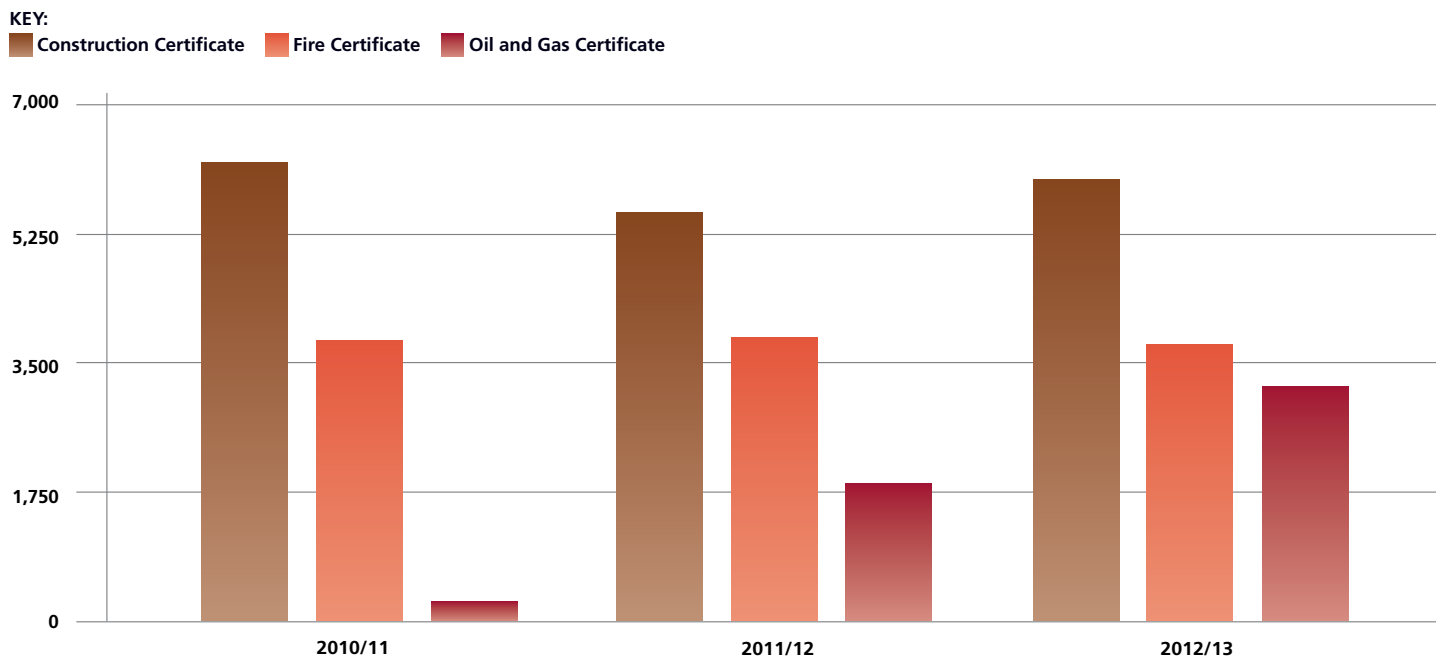
In October 2012, an Arabic language version of the International General Certificate was launched at the 8th Annual HSE Forum in Energy in Doha, Qatar. In its various forms, Arabic is spoken by around 280 million people, making it one of the most commonly used languages in the world.

This was shortly followed in December 2012 by a Turkish language version of the International General Certificate.

Figure 2 Unit registrations for the National and International General Certificate over the last three years



Figure 3 Unit registrations for Specialist Certificates over the last three years



Specialist Certificates

Last year registrations for the NEBOSH **National Certificate in Construction Health and Safety** fell by 11%. This year we are delighted to report a turnaround, with registrations increasing by 7% to 5,901 (see *Figure 3*).

While registrations are still not at the level they were a few years ago, we are encouraged by this as it may be an early and tentative sign of recovery for the construction sector, which has been in recession for several years now in the UK.

2012/13 was the third full year in which we offered the NEBOSH **International Certificate in Construction Health and Safety**. Registrations continue to grow steadily for this relatively new qualification, up by a third this year.

Although it has a modest number of registrations compared to other NEBOSH qualifications, we are reasonably satisfied with the performance so far given the global downturn in construction.

Growth is slightly better than last year, which again makes us hopeful of a slight recovery for this industrial sector in our international regions.

In early 2013 we made a small modification to the syllabus of the NEBOSH **National Certificate in Fire Safety and Risk Management**, to match the important competency criteria for fire risk assessors published by the Fire Risk Assessment Competency Council. Registrations are 3% down on last year having fallen from 3,746 in 2011/12 to 3,631.

We are yet to see a significant uptake of the new NEBOSH **International Certificate in Fire Safety and Risk Management**, which was launched last year.

Several high profile oil and gas industry disasters in recent years appear to have led to a demand for higher safety standards in many international regions including more qualified personnel.

Launched in 2010/11, the NEBOSH **International Technical Certificate in Oil and Gas Operational Safety** is proving very popular worldwide. Registrations have grown by 67% to 3,237 this year, which is more than 12 times the number of registrations recorded in its official launch year (see *Figure 3*).

The NEBOSH **National Certificate in the Management of Health and Well-being at Work** continues to attract low numbers of candidates. We believe the impact of spending cuts in the UK public sector and the knock-on effect on training budgets is proving to be a barrier to growth.



Darren Brunton – Managing Director, KB Associates Pte Ltd.

NEBOSH National General Certificate Awarded 1999 & NEBOSH International Technical Certificate in Oil and Gas Operational Safety Awarded 2008

“The NEBOSH International Technical Certificate in Oil and Gas Operational Safety is proving very popular worldwide. Registrations have grown by 67% to 3,237 this year.”

Health and Safety Diplomas

Enrolments for the international variant of our health and safety Diploma are now exceeding those for our UK National Diploma for the first time.

Enrolments on the **NEBOSH International Diploma in Occupational Health and Safety** increased this year to 1,619 (see *Figure 4*). This is an important milestone for our professional level qualifications and highlights that NEBOSH is now a truly international vocational qualifications body.

Pass rates for the International Diploma continue to fall short of those achieved for our National Diploma (see *Figure 5*). International students are spreading their studies and assessments over longer periods,

a reflection of the higher proportion of those students who study in their own time, and at their own expense through distance learning.

We are also conscious that the majority of International Diploma students are not taking assessments in their first language. In these circumstances the cumulative pass rate of 64% is encouraging. The cumulative pass rate is the percentage of students that have attempted all four assessment tasks at least once, that have now achieved an International Diploma.

Although enrolments fell by 93 this year to 1,285, the **NEBOSH National Diploma in Occupational Health and Safety** remains the most sought after professional level health and safety qualification in the UK.

Deemed by the Scottish Qualifications Authority to be at an equivalent standard to an honours degree, it entitles holders to Graduate membership of the Institution of Occupational Safety and Health (IOSH) and is an attractive option for those seeking Chartered Membership of IOSH.

Pass rates for the National Diploma remain stable, with a cumulative pass rate of 88%. Overall pass rates and the change over the last year is shown in *Figure 6*.

While many Diploma students do initially find their degree-level studies a challenge, the evidence is clear that where students persist, the overwhelming majority do succeed, and greatly value their achievement.

Figure 4 New enrolments on National and International Diploma over the last three years.

KEY: ■ National Diploma ■ International Diploma

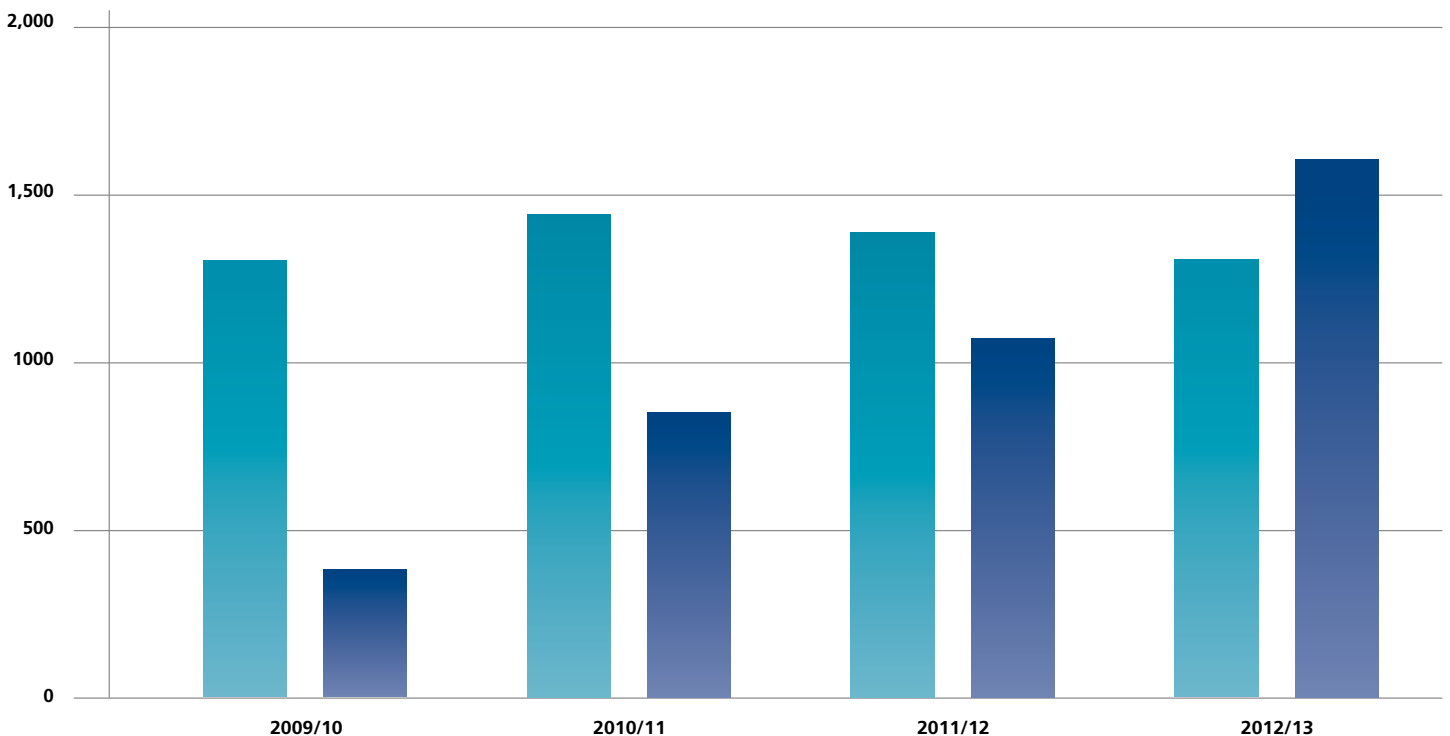


Figure 5 Cumulative pass rates on NEBOSH International Diploma at the end of March 2013.

KEY: 31 March 2011 31 March 2012 31 March 2013

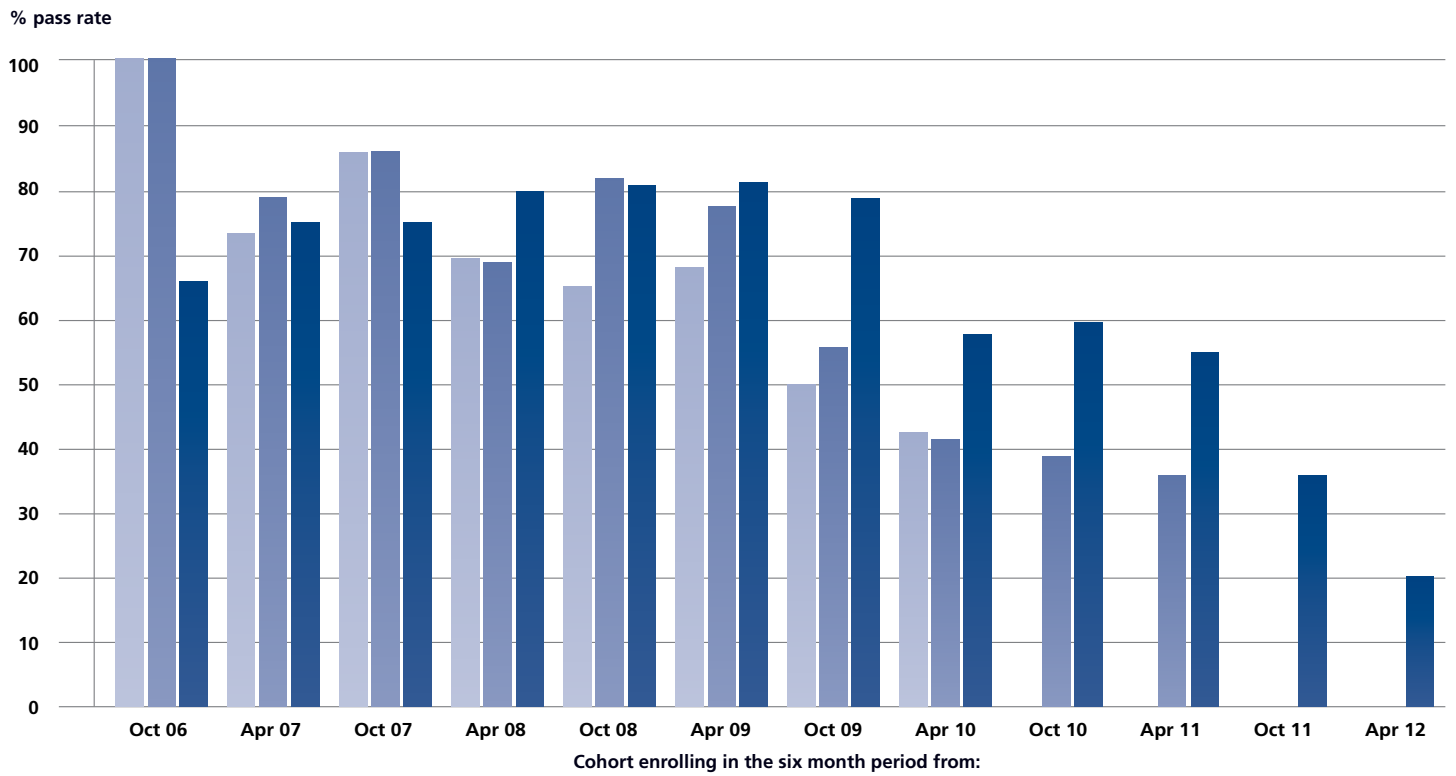
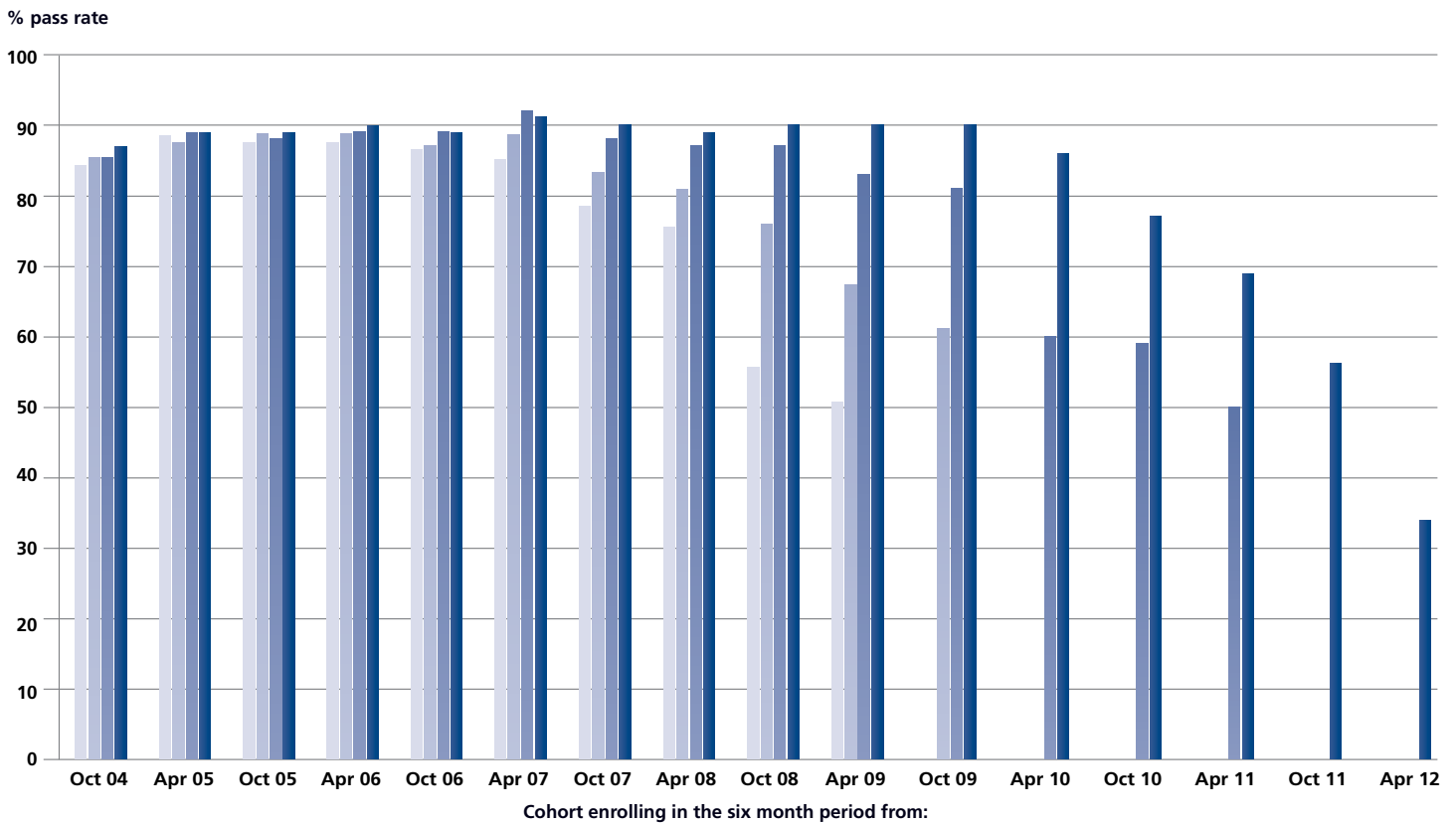


Figure 6 Cumulative pass rates on NEBOSH National Diploma at the end of March 2013

KEY: 31 March 2010 31 March 2011 31 March 2012 31 March 2013



Chief Executive's Review





NEBOSH Top Candidates for the Year 2012/13

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

International General Certificate in Occupational Health & Safety **Ehinomen Lisabel Ibojememen**

Studied with Sydney Gateway Ltd

National General Certificate in Occupational Health & Safety

Jessica Roberts

Studied with Bridgend College

International Diploma in Occupational Health & Safety

Stephanie Cunningham

(joint winner)

Studied with SQT Training Ltd

International Diploma in Occupational Health & Safety

Kevin Marley *(joint winner)*

Studied with SQT Training Ltd

National Diploma in Occupational Health & Safety

Andrea Bishop

Studied with University of Bolton

National Diploma Unit A

Aaron Smith

Studied with North Nottinghamshire College

National Diploma Unit B

Sarah Martin

Studied with Phoenix Health and Safety

National Diploma Unit C

Michael Maloney

Studied with Stoke on Trent College

National Diploma Unit D

Jacqueline Delap

Studied with Integra Training & Consulting

National Diploma in Environmental Management

Jason Jones

Studied with Cambio

Certificate in Environmental Management

Anthony Novotny

Studied with Deeside College

National Certificate in Construction Health & Safety

Emily Owens

Studied with The Building Safety Group Ltd

National Certificate in Fire Safety & Risk Management

Alastair Horton

Studied with Deeside College

International Technical Certificate in Oil and Gas Operational Safety

Neil Van Kalles

Studied with KBA Training Centre Pte Ltd

Accreditation

Accreditation of our qualifications and procedures with a regulator is vital. It 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 awarding qualifications to successful students.

Since 2009, NEBOSH has had Approved Awarding Body status from the Scottish Qualifications Authority (SQA). The SQA has a remit to regulate and accredit qualifications across the UK.

We have found SQA Accreditation to have clear, consistent and robust processes in place including a rigorous approach to course provider monitoring and credit and levelling of qualifications.

The previous qualification framework on which NEBOSH qualifications were accredited, Ofqual's National Qualification Framework, or NQF, was due to close in December 2010, and although Ofqual ultimately decided to leave it open, all our nationally-accredited qualifications were migrated on to the Scottish Credit and Qualifications Framework (SCQF) from January 2011. NEBOSH was then in the anomalous position of being an Ofqual Accredited Awarding Organisation, but without any qualifications on its frameworks.

Further reform of the regulatory regime in England, Wales and Northern Ireland meant that early in 2012 we had a clear choice to make; between submitting a Statement of Compliance with Ofqual's new "General Conditions of Recognition" or formally surrendering our recognition with Ofqual, the Welsh Government and CCEA (the Northern Ireland regulator).

Submitting the Statement of Compliance would have meant that all of our qualifications were then subject to Ofqual regulation.

Following discussions with Ofqual and SQA Accreditation, NEBOSH's Board of Trustees gave this matter very careful consideration, supported by informed legal advice regarding our regulatory position.

We were confident that we could meet Ofqual's requirements, because we are committed to exceeding minimum legal standards and achieving best practice in our awarding operations.

However, we value the partnership we have developed with SQA Accreditation, and on a practical level, there are incompatibilities between the two regulatory regimes. For example, we would have had to issue at least three different versions of qualification parchments to successful students in England, Scotland and those sitting their examinations outside the UK.

At the present time, continued accreditation by SQA is the most sensible choice for NEBOSH. Hence we chose to surrender our Ofqual recognition at the end of May 2012.

NEBOSH will continue to monitor regulatory developments in England, Wales and Northern Ireland with the aim of re-applying for awarding body recognition with Ofqual, the Welsh Government and CCEA should that become appropriate in the future.

SQA also revised its regulatory requirements during 2012. It regulates approved awarding bodies and their accredited qualifications according to the SQA Accreditation Regulatory Principles (2011). These high-level principles were introduced on 1 April 2012 and took full effect from 1 April 2013, replacing the Awarding Body Criteria (2007).

We welcomed the opportunity to formally review our processes to ensure they met best practice and confirmed our compliance with the new Principles by the end of the financial year.



Rajesh Kapil – *Construction Director, Al-Futtaim Carillion*
NEBOSH National General Certificate Awarded 2009



Claire Jones – *Construction EHS Improvements Manager, Sellafield Limited*

NEBOSH National General Certificate Awarded 1995, **NEBOSH National Certificate in Construction Safety and Health** Awarded 2005, **NEBOSH National Diploma** Awarded 2007, **NEBOSH National Certificate in Fire Safety and Risk Management** Awarded 2009 & **NEBOSH National Certificate in Environmental Management** Awarded 2010

Charitable Activities

As a registered charity, we have made a commitment to working with other charitable organisations in promoting health and safety, particularly through education and training. This is a core value embedded in our Memorandum of Association, which 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.”

Charities Safety Group

Each year we work with the Charities Safety Group (CSG) to support individuals from the charitable and voluntary sectors who are studying for their NEBOSH National General Certificate.

NEBOSH waives its fees for these individuals and our course providers provide free places to candidates who apply through the CSG. One UK charity that applied to CSG in 2012/13 was Self Unlimited, which supports people with learning disabilities, helping them find work, a home, meet people and live the kind of life they want. The charity's HR Director, Jeanette Potts, took on responsibility for health and safety in 2012, but had a significant knowledge gap to fill.

Jeanette successfully applied to CSG for a scholarship. Thanks to her own hard work and the support and tutorship she received from course provider OMS, she went on to pass her NEBOSH National General Certificate with distinction. The knowledge she has gained is already making a significant difference for her employers. For a charity like Self Unlimited, every penny counts. Any money saved can be put back in to support people with learning disabilities.

RoSPA Awards

For many years we have been the headline sponsor of the annual Royal Society for the Prevention of Accidents (RoSPA) Occupational Health & Safety Awards. We believe the awards make a significant contribution to raising standards of health and safety. Companies who are starting out on a programme to improve their safety arrangements can use the awards to map out priorities for improvement, and mark their progress. The sector winners, through RoSPA, share their good practice and leave a learning legacy for the benefit of others. Our support for the awards does much to raise their profile in places of work, and hence helps more organisations to benefit from improved health and safety.

Early in 2012 we renewed sponsorship arrangement for the RoSPA Awards until 2014. We also offer our support with NEBOSH personnel sitting on the judging panel.

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

Safety Groups UK

There are more than 70 occupational health and safety "groups" located throughout the UK that provide local forums for meetings, networking and co-operation between employers, health and safety inspectors and trade unions. These groups can be especially useful in helping small businesses get to grips with health and safety issues.

Safety Groups UK is the co-ordinating body for these groups, providing regional groups with useful and timely information, speakers for events, financial support and more.

NEBOSH has provided financial support for Safety Groups UK activities and perhaps more importantly has offered the help of some of its personnel. For example, NEBOSH Accreditation Advisor, Ian Cooke is a member of Safety Groups UK's management committee. Ian is also a key player in the Leicestershire regional group LOSHA (Leicestershire Occupational Safety and Health Association).

This year our support helped Safety Groups UK with the production of their DVD 'Health Risks at Work'. It is designed to help small businesses recognise and control hazards to their workers' health arising from work.

We believe it will also be useful to those teaching this subject to NEBOSH students. Hard copies of the DVD are available from Safety Groups UK, and the six sections of the DVD are available to view on NHS Health Scotland's YouTube channel.

Contribution to National Standards

National Occupational Standards (NOS) set out measurable performance outcomes to which an individual is expected to work in a given occupation. Developed by employers and other stakeholders across the UK, NOS set out the skills, knowledge and understanding required to perform competently in the workplace. NOS can be used to support human resource management and development activities. NOS are also used in the UK as the basis for vocational qualifications.

NEBOSH sits on both the Steering and Working Party for the health and safety NOS.

In 2012 NEBOSH contributed expertise to the working party reviewing the health and safety NOS. This year the group completed its work on updating the NOS by identifying areas which are not covered and developing appropriate NOS. This has ranged from NOS covering the content of a health and safety induction process, to a more specific NOS in behavioural safety aimed at anyone wishing to implement a behavioural safety programme in a workplace.

NEBOSH contributes to the British Standards Institute's (BSI) work in developing and maintaining health and safety management system standards via membership of its HS/001 Occupational health and safety management committee. The main activity this year has been in considering the need to review OHSASA 18001 and 18004 in light of the HSE's changes to HSG65. The committee has also been supporting BSI's intention to propose OHSAS 18001 to ISO, to be developed into an ISO standard.

NEBOSH was a member of the Competency Council for Fire Risk Assessors which has in 2012 produced two documents to assist employers in their duties to carry out suitable and sufficient fire risk assessments: 'Competency Criteria for Fire Risk Assessors' and 'a guide to choosing a competent fire risk assessor.'

International Development

In 2012/13 we have achieved several key milestones in our international development.

Perhaps the most significant for NEBOSH was that the number of international registrations exceeded those from the UK for the first year ever. By the end of 2012/13, international registrations accounted for 59% of the total for the year.

Last year, our International General Certificate overtook our National General Certificate in terms of registrations for the first time. The gap has now widened even further. Also for the first time this year, registrations for our International Diploma in Occupational Health and Safety overtook those for the National Diploma.

Total registrations from outside the UK grew by 56% in 2012/13.

The number of international accredited course providers has also grown significantly in 2012/13, up from 119 at the start of the year to 163 by the end, a rise of 37%. Around ten years ago we

had just five course providers in three countries outside the UK. In 2012/13, NEBOSH assessments took place in 111 different countries worldwide.

The Middle East is our largest overseas market. It accounted for 34,182 registrations this year, up by 51% on 2011/12. Asia, which is our second largest overseas market, also enjoyed significant growth. Registrations increased from 18,261 last year, to 30,260 this year, a rise of 66%.

Registrations also grew in all of our other overseas regions. Africa was up 32% and the Americas & Caribbean rose by 50%. We were delighted by significant increases in registrations from Europe, up 118% on 2011/12, as well as in Australasia, where we saw an increase of 113% (see Figure 7).

We will continue to develop our understanding of diverse markets through our expanding international team at NEBOSH.

Working closely with overseas government departments and major employers is helping us to break down barriers to working internationally and raise awareness of our range of qualifications.

Our contribution to improving knowledge, awareness and professionalism in health, safety and environmental management at an international level is becoming more significant each year, as more people take our qualifications.

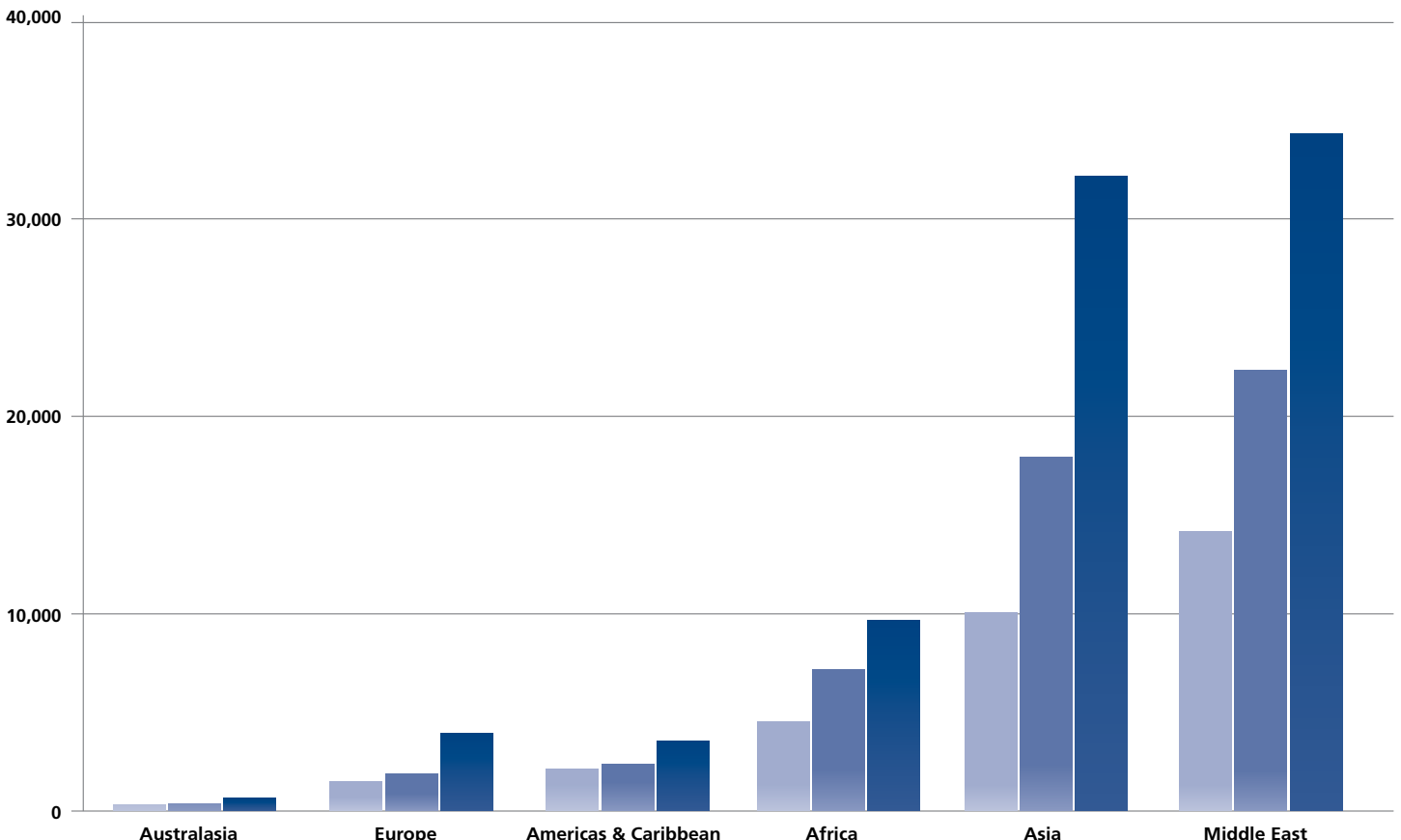
We are proud of this, not only for the success it brings to our organisation, but also for what it means in terms of safeguarding people and their futures around the world.

Customer Service

Growth is important to NEBOSH. However, it is also essential that we ensure maximum efficiency of our operations and provide the highest possible standards of customer service to course providers, students and other stakeholders.

Figure 7 Assessment registrations outside of the UK over the last three years

KEY: 2010/11 2011/12 2012/13



Information Technology

Investment in IT continues to be a major priority for us. Online registration through our website and the Course Providers Interface (CPI) now accounts for three quarters of all assessment registrations and has been well received. Training programmes are available to course provider staff and our Customer Service Team has also delivered training face to face at course providers' premises, when needed.

Progress has continued with our largest ever internal and external project – the replacement of our Affiliate Database System. Currently this

database stores information on course providers, students and qualifications, and is central to our operations. Our new system will completely modernise the way we do things. For example it will provide external access to course providers through a brand new website, so they can manage profiles and extract management information more quickly and easily. We are also aiming to take time out of our processes, to achieve quicker issue of results and qualification parchments to students, while maintaining our quality control processes to ensure the accuracy of marking.

In depth discussions with other awarding bodies have helped to guide our approach, with considerable time and effort being put into due diligence, consultation, testing and building confidence both internally and externally. We are now close to the point of choosing our preferred supplier and will soon be able to demonstrate aspects of the new system in operation. Phased implementation will follow.



Patil Sachin – Assistant Manager, HSE, Mumbai International Airport Pvt Ltd
NEBOSH International General Certificate Awarded 2012

“The number of international registrations exceeded those from the UK for the first year ever. By the end of 2012/13, international registrations accounted for 59% of the total for the year.”

Chief Executive's Review

Delivery of Examination materials

Outsourcing of printing and despatch of examination materials for all on-demand assessments to an external security printer was completed with effect from all examination closing dates after 7 January 2013.

Outsourcing of standard date assessments was completed in 2011/12. Standard date assessments take place on fixed dates, and numbers are set well in advance. On-demand is more fluid and flexible, and assessments can potentially take place on any day of the year.

We now have consistency of processes across standard date and on-demand examinations. In addition, this provides us with greater ability to track on-demand scripts at all stages along with increased operational capacity to meet the needs of growing candidate numbers. Well done to our Assessment Delivery Department for managing this change.

Integrity of Examinations

During 2012/13 we have revised procedures to improve the detection, prevention and deterrence of malpractice in examinations. NEBOSH qualifications are held in high esteem throughout the world.

Our examinations are seen as a thorough and robust test of both knowledge and an ability to apply that knowledge.

Employment and salary prospects are greatly enhanced for those holding a NEBOSH qualification.

Unfortunately, that does provide an incentive for some individuals to try to obtain our qualifications by any means. Hence it is vital that we protect our reputation through vigilance against examination malpractice.

The number of examination inspections has been increased, and through our partnership with the British Council and other reputable organisations we are able to inspect examinations across the globe. Although we do very occasionally uncover non-compliance, in almost all cases we find that our course providers take examination conduct extremely seriously.

Examination day inspections are not our only means of detecting malpractice. Careful checking of examination scripts has on a few occasions revealed similarities between candidates' answers to an extent where it is reasonable to assume that they had access to unauthorised materials at the time their examination script was written.

In such cases the malpractice could only have occurred with consent, connivance or negligence by the course provider in the conduct of the examination. Investigations of examination script similarities during 2012/13 led to the removal of accreditation from four course providers and declined reaccreditation for another.

Where a member of a course provider's staff has been involved with malpractice, they are also subject to a ban on taking our qualifications themselves or being part of the team at a NEBOSH accredited course provider. We will always report any such individual to their professional body's ethics committee where they have breached that body's code of conduct.

Although some students at affected examination sittings may not themselves have cheated, we cannot guarantee the integrity of that sitting so we are obliged to void the results of all. This may seem very harsh on those honest students, but it is necessary to safeguard not only NEBOSH's reputation, but also the reputation of students who have worked hard to obtain their qualification.

Additional sanctions are placed on students whose examination scripts clearly show that they have copied answers; usually a ban on taking any NEBOSH qualifications for a period of several years.

In some territories we have always insisted that our examination sittings are invigilated by the British Council to give assurance that there is no malpractice.

From Autumn 2013 we will be insisting upon the use of British Council for all examinations in India and Pakistan to give further assurance that students achieving our qualifications have done so by fair means

Customer Feedback

In 2012/13 we carried out extensive market and customer satisfaction research with the help of Pye Tait Consulting.

NEBOSH would like to thank the 100 course providers and 50 employers from the UK and overseas who took part in this research.

The findings are extremely valuable to us as an organisation and will help to steer many aspects of our future strategy.

The research revealed our brand is a key strength. NEBOSH is highly regarded and respected for its qualifications.

The research showed our reputation has been growing in recent years and it is essential we continue to protect our brand. The development of new, more specialist and sector specific qualifications is also valued, as is our flexibility in facilitating examinations on any day of the year and allowing course providers to tailor their teaching material to meet the needs of a specific client company.

Nine out of ten students and employers who hold our qualifications would recommend NEBOSH to others. This goes beyond the normal benchmark for vocational qualifications, which at best is usually around seven out of ten. Customer satisfaction and communications are also rated very highly. Opportunities to make greater use of information technology has been highlighted as an area to consider improving.

This important work will help us to develop both in the short and long-term. We are delighted with the majority of the findings, but we never rest on our laurels and will continue to seek improvements. The findings of the research will be fully communicated to course providers and other stakeholders during 2013/14.

“Nine out of ten students and employers who hold our qualifications would recommend NEBOSH to others.”



Lisa Pearson – Group Health and Safety Manager, Hallmark UK

NEBOSH National General Certificate Awarded 2003 & **NEBOSH National Diploma** Awarded 2010



Mohammed Al Isa – Fire & Safety Supervisor, Gulf Petrochemical Industries
NEBOSH National Diploma Awarded 2011

Communications and Events

NEBOSH has continued to embrace social media as a key two-way communication tool for students, employers, course providers and other stakeholders.

Our Facebook page is particularly popular, with our “likes” increasing from just over 1,000 to over 4,300 during 2012/13. Facebook is particularly suited to our international audience.

We also produce Twitter feeds, have a channel on YouTube for video communications and provide updates via LinkedIn and Google+. In addition, we continue to regularly communicate using more traditional methods, through media releases and our student and employer, course provider and NEBOSH Council newsletters.

This year we have attended several events throughout the world to promote our organisation and our range of qualifications. In the UK these have included:

Safety & Health Expo, at Birmingham's National Exhibition Centre in May 2012

TCDL Virtual Exhibition, December 2012

IESTA, London, January 2013

IOSH Conference and Exhibition, London, February 2013

Overseas, we exhibited or made presentations at the following:

IOSH Middle East Conference, Muscat, Oman, April 2012

The International Fertiliser Association (IFA) Regional Conference in Tashkent, Uzbekistan, April 2012

National Seminar and Exhibition on Safety Security and Occupational Hazards, Cochin, India, April 2012

First National Occupational Safety and Health Conference and Exhibition, Manama, Kingdom of Bahrain, May 2012

OSH Africa Expo, Johannesburg, South Africa, June 2012

Buildsafe South Africa, Johannesburg,

South Africa, June 2012

International Network of Safety and Health Practitioner Organisations (INSHPO), Moscow, Russian Federation, June 2012

OS+H Asia 2012 The Regional Forum for Safety and Health, Singapore, September 2012

6th China International Occupational Safety & Health Exhibition and China International Forum on Work Safety, Beijing, China, September 2012

8th HSE Forum in Energy, Doha, Qatar, October 2012

OSH India Expo, Mumbai, India, October 2012

OPITO Safety & Competence Conference 2012, Abu Dhabi, November 2012

IOSH International Health and Safety Symposium, Dublin, November 2012

IFSEC & OSH Expo Arabia, Riyadh, Kingdom of Saudi Arabia, December 2012

Intersec, Dubai, United Arab Emirates, January 2013

Safety Institute of Australia (SIA) National Safety Convention, Melbourne, Australia, March 2013

We received positive feedback from course providers following their UK Annual Meeting, which was held in July 2012 at Warwick University. Presentations and workshops were rated highly by those attending. Two thirds (66%) said organisation of the event was “excellent”, while the remaining 34% described it as “good”. These are important gatherings and are an excellent opportunity for us to listen to the views of course providers and understand their needs.

Similar positive feedback was also received following the International Course Provider Meetings held in Dubai, UAE and Mumbai, India in January 2013. Among the presentations given at these meetings were the findings of our ‘Students Perspective’ research. Our survey,

among 1,123 successful Certificate level students, revealed that course provider reputation was “very important” when it came to selection by students, cited by 31% of those polled. A quarter (25%) mentioned location, while 11% cited study method and 11% availability of dates. Only 6% mentioned cost.

We have also continued to run workshops for course providers at our Leicester office, covering practical assessments for various qualifications and preparing students for examinations.

In June 2012, 328 NEBOSH Diploma students from all around the world came together to celebrate their success at our annual Graduation Ceremony held at Warwick University. Our guest of honour was Lawrence Waterman, Head of Health and Safety for the Olympic Delivery Authority.

Lawrence personally congratulated those who had passed their NEBOSH International, National or Environmental Diploma.

Diplomates travelled to the event from countries such as Azerbaijan, Ghana, Kuwait, Mauritius, Singapore, Trinidad and Tobago, Nigeria and the United Arab Emirates, as well as all parts of the United Kingdom. Candidates who had gained the highest marks in NEBOSH Certificate and Diploma examinations were also presented with special awards.

In January 2013, we officially launched our revised internationalised Certificate in Environmental Management at an evening reception at the Jumeirah Emirates Towers in Dubai, UAE.

CIWEM (The Chartered Institution of Water and Environmental Management) President Paul Hillman was in attendance, as we also announced our partnership with CIWEM at this event.

We were grateful for the support of our Ambassador, His Excellency Abdulrahman Jawahery from Bahrain and also honoured by the attendance of Dr Ali Salem Al Alili, Director of Occupational Health and Safety from the UAE's Ministry of Labour.

Chief Executive's Review

People

At the heart of every organisation are its people. This year we have achieved record numbers of registrations, our financial strength has improved further and our international presence and reputation has grown even further.

So much of this is as a result of the continuing commitment and dedication of our people.

I include those who share their expertise and give something back to the profession by serving as Examiners, Principal Examiners, Examination Inspectors and Panel or Council Members. I am proud to have all of them as my colleagues.

Ian Coombes was appointed to the NEBOSH Board of Trustees after Anne Gibbs stepped down having accepted a role on the permanent staff of NEBOSH. Anne's appointment meant she was no longer eligible to serve as a trustee representing course providers. Ian Coombes was one of the first NEBOSH Examiners and has previously served as a director of NEBOSH. He is Managing Director of training and consultancy providers ACT Associates.

Derrick Farthing and Gail Burfitt were also appointed to the NEBOSH Board of Trustees.

Derrick has a strong business background. He currently serves as Chairman of the Energy Institute (EI) Power Utilities Committee and as vice chair of EI's Science and Technology Advisory Committee. Derrick replaced Brian Nimick as an Independent Trustee of NEBOSH, at the expiry of his three year term of office in September 2012.

Gail Burfitt represents Public Sector Course Providers on the NEBOSH Board. Gail is Health and Safety Commercial Training Manager at Bridgwater College in Somerset. As well as managing staff and developing courses at the College, she delivers training and is responsible for marketing. Before working in education Gail served in HM Prison Service.

Our Ambassadors; His Excellency Abdulrahman Jawahery, David Eves and Ed Ferrett continue to do sterling work representing NEBOSH. We are particularly indebted to His Excellency Mr Jawahery for his assistance with our Arabic qualifications. In 2012 he was awarded the prestigious RoSPA Distinguished Service Award for his contribution to health and safety in Bahrain, in the Gulf Region and in the petrochemical and fertiliser industries.

As a result of rapid growth in demand for our qualifications, NEBOSH created a number of new posts in 2012/13, in particular within the Standards Team who are responsible for supervising the setting and marking of assessments, in the IT team and in the Assessment Delivery Department.

Whatever role our permanent staff members perform, they are all part of one dedicated and hard-working team who work together with the aim of saving lives and protecting people's health and safety.

One example of the dedication shown by our staff is their willingness to open our Leicester office in the UK an hour earlier to help improve our service to Course Providers. Members of staff have often arrived earlier during examination times. From 1 April 2013 they were available from 8.00am every morning on weekdays.

Finally, I would like to thank our management team and the staff at NEBOSH, and also express my gratitude to our Chair, Sir Bill Callaghan and the Board of Trustees, all of whom give their time to support NEBOSH without any remuneration.

Together we have made fantastic progress once again this year.

NEBOSH is an international organisation we can all be proud of; one that is achieving great success in preserving and improving health, safety and the environment in workplaces throughout the world.



Teresa Budworth
Chief Executive



Cheryl Gardiner – Health and Safety Advisor, Thames Water

NEBOSH National Certificate in Construction Health and Safety Awarded 2010 & **NEBOSH National Certificate in Fire Safety and Risk Management** Awarded 2013

“... they are all part of one dedicated and hard-working team who work together with the aim of saving lives and protecting people’s health and safety.”

Report of the Trustees

The Trustees have pleasure in presenting their report and audited financial statements for the year ended 31 March 2013.

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 CFIOH 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 Shakespeares 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 BA (Oxon) MA
Chair

Mr David Lewis MBA LL.B (Hons)
Vice Chair
Independent Trustee

Mrs Gail Burfitt GradIOSH Cert.Ed
Representing Course Providers
Appointed 1 October 2012

Mr David Carrick Dip2OSH, CMIOSH
Representing Course Providers
Resigned 31 July 2012

Mr Ian Coombes CMIOSH CSPA
Representing Course Providers
Appointed 1 February 2013

Mr Andrew Cort MPhil BSc (Hons) MRINA
FIOD CEng
Independent Trustee

Mr Derrick Farthing BSc CEng FIIRSM
FIMechE FEI MIoD
Independent Trustee
Appointed 1 October 2012

Mrs Anne Gibbs BA (Hons) CMIOSH
Representing Course Providers
Resigned 31 December 2012

Mr Ken W James MA OBE
Independent Trustee

Mr Brian Nimick MSc
Independent Trustee
Term of office ended 30 September 2012

Mrs Gill Tweedale-Sexton CMIOSH
Dip2OSH MIIRSM
Representing Course Providers

Mr Mike Weaver MSc CPFA
Independent Trustee

Mr Colin Willis BA (Hons) Dip NEBOSH
Grad IOSH
Representing Course Providers



Sir Bill Callaghan



Mrs Teresa Budworth



Mr Peter Ryan



Mr David Lewis



Mrs Gail Burfitt



Mr Ian Coombes



Mr Andrew Cort



Mr Derrick Farthing



Mr Ken W James



Mrs Gill Tweedale-Sexton



Mr Mike Weaver



Mr Colin Willis

Report of the Trustees



Alastair Horton – Business Fire Safety Compliance Officer, North Wales Fire and Rescue Service, Denbighshire County Safety Office
NEBOSH National Certificate in Fire Safety and Risk Management Awarded 2012

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 13 September 2012. NEBOSH is registered as a charity with the Charity Commission.

There were 24 registered members as at 31 March 2013 (2012: 24 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.

Four Trustees are elected from NEBOSH Council to represent accredited course providers. 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, its 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.

Third Party Indemnity Provision for Trustees

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the charitable company.

Risk Management

The Trustees are responsible for overseeing the establishment and implementation of a sound framework for management of risk by NEBOSH. The Trustees have a formal policy on the Management of Risk which is reviewed annually. The significant risks to NEBOSH include those which threaten our reputation for integrity in the awarding of our qualifications, the political volatility of some of the regions where a high proportion of our candidates are based and the impact of economic uncertainty and recession on the uptake of health, safety and environmental qualifications.

Risk management is an inherent part of the strategy review process and is considered in the formulation of the annual business plan.

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 three times per year by the Audit Committee on behalf of the Trustees, and reviewed by all Trustees annually.

Corporate governance arrangements in place to minimise strategic risks are reviewed by our Internal Auditors biennially.

Report of the Trustees

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 and environmental management;

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 and environmental 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 the Scottish Qualifications Authority (SQA).

Achievements and Performance

Details of significant activities, achievements and performance for 2012/13 are provided in the Chief Executive's Report.



Jo-Anne Baur – Operating Department Practitioner, Nuffield Health
NEBOSH National General Certificate Awarded 2013

Financial Review

Total income for the year 2012/13 increased to **£7,462,466** from **£5,669,931** in 2011/12. This represented an increase of 32% in the year.



Brad Pettman – Logistics Senior Safety Advisor, Royal Mail
NEBOSH National General Certificate Awarded 2011

Income from registrations and on demand examinations continued to grow with overseas examinations dominating the income growth.

There has also been an increase in the number of new NEBOSH course providers accredited and an increase in the number of qualifications offered by existing NEBOSH accredited course providers.

Investments also performed well during the year. After taking into account unrealised investment gains of £495,088 (2012: £24,428), at 31 March 2013 our reserves stood at £9,888,264 (2012: £7,373,090).

Investment Policy

After giving due consideration to the Charity's financial position, the Trustees have decided the investment portfolio should be separated into two accounts. This allows performance to be better measured and reflects the long term aim that approximately 70% (with an agreed tolerance of +/- 10%) of surplus funds are invested in a balanced fund (which may 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 +/- 10%) is placed on short term deposit providing immediate access.

The investment objective for the long term investments is to achieve a balance between generating sufficient income to support the on-going activities of NEBOSH whilst maintaining the real capital value of the investments over the long term. The investment objective for the cash deposits is security of capital with easy access and an attractive rate of interest. The Trustees review the charity's investment policy annually.

The Charity's Investment Portfolio is entrusted to CCLA, an investment management company solely for not-for-profit organisations, with an investment management agreement. The Trustees have asked CCLA to adopt a benchmark of RPI+4% over rolling 5 year periods for long term performance measurement and to use an appropriate composite benchmark for reviewing annual performance.

Portfolio Review Services have 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 the light of plans to continue to develop charitable activities and manage risks, reserves should equate to between no less than 9 months and no more than 18 months annual resources expended.

The Reserves Policy is reviewed annually in March. At 31 March 2013, the charity had £8,132,908 of free reserves which equates to 18 months annual resources expended 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.

In addition, NEBOSH operates solely in the field of education in health, safety and environmental management, which is sensitive to fluctuations in demand caused by political and economic factors. The Trustees have borne in mind that NEBOSH has no income or prospect of financial support other than that derived from its own fees and charges.

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 (2012: £Nil).

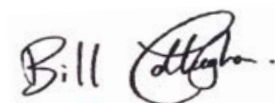
Policy on Payment of Creditors

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 12 September 2013.

Signed on behalf of the Trustees:



Sir Bill Callaghan – Chair

25th July 2013

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 2013 on pages 39-49.

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 page 37, 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 2013 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 matter prescribed by 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

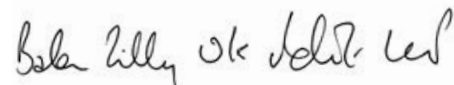
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

the charitable company 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, St Philips Point,
Temple Row, Birmingham B2 5AF

25th July 2013

Statement of Financial Activities

39

(including Income and Expenditure Account)

For the year ended 31 March 2013

	Notes	Total Funds 2013 (£)	Total Funds 2012 (£)
Incoming resources			
Incoming resources from generated funds:			
Activities for generating funds		27,349	36,142
Investment income	2	<u>143,388</u>	<u>94,904</u>
		170,737	131,046
Incoming resources from charitable activities:			
Operations of Examination Board	3	7,291,729	5,538,885
Total incoming resources		7,462,466	5,669,931
Resources expended			
Costs of generating funds:			
Costs incurred by fundraising activities		29,351	24,650
Charitable activities:			
Operations of Examination Board	4(a)	5,316,262	4,348,295
Governance Costs	4(b)	96,767	89,850
Total resources expended		5,442,380	4,462,795
Net incoming resources before other recognised gains being net income for the year		2,020,086	1,207,136
Unrealised gains on investment assets	9	<u>495,088</u>	<u>24,428</u>
Net movement of funds in year		2,515,174	1,231,564
Reconciliation of funds			
Total funds brought forward		7,373,090	6,141,526
Total funds carried forward	15	9,888,264	7,373,090

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

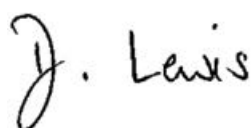
Balance Sheet 31 March 2013

	Notes	2013 (£)	2012 (£)
Fixed assets			
Tangible assets	8	1,755,356	1,829,877
Investments	9	7,467,121	5,334,712
		<u>9,222,477</u>	<u>7,164,589</u>
Current assets			
Stock	10	7,602	17,784
Debtors	11	728,553	729,491
Cash at bank and in hand	12	1,217,177	508,438
		<u>1,953,332</u>	1,255,713
Creditors			
Amounts falling due within one year	13	<u>(1,287,545)</u>	<u>(1,047,212)</u>
Net current assets			
		<u>665,787</u>	<u>208,501</u>
Total assets less current liabilities being net assets			
		9,888,264	7,373,090
Represented by:			
Funds			
Unrestricted:			
General	15	9,888,264	7,373,090
Total Funds			
		9,888,264	7,373,090

The Financial Statements on pages 39 to 49 were approved and authorised for issue by the Trustees on 25th July 2013 and were signed on their behalf by:



Bill Callaghan – Chair
of the Board of Trustees



David Lewis – Vice Chair
of the Board of Trustees

31 March 2013

	Notes	2013 (£)	2012 (£)
Net cash flow from operating activities	19a	2,278,703	1,150,327
Returns on investments and servicing of finance			
COIF investment income		142,008	93,870
Bank interest receivable		<u>1,380</u>	<u>1,034</u>
		143,388	94,904
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(113,334)	(87,158)
Sale of tangible fixed assets		37,303	8,500
Purchase of investments		<u>(1,637,321)</u>	<u>(1,291,898)</u>
		(1,713,352)	(1,370,556)
Management of liquid resources			
Withdrawal from short term deposits		–	100,000
Increase/(decrease) in cash in the year	19b	708,739	(25,325)
Reconciliation of net cash flow to movement in net funds		2013 (£)	2012 (£)
Increase/(decrease) in cash in the year		708,739	(25,325)
Cash inflow from decrease in liquid resources		–	(100,000)
Change in net funds resulting from cash flows being movement in net funds in the year		708,739	(125,325)
Net funds at 1 April		508,438	633,763
Net funds at 31 March	19b	1,217,177	508,438

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.

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% / 25% 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

	2013 (£)	2012 (£)
COIF investment income	142,008	93,870
Bank interest receivable	<u>1,380</u>	<u>1,034</u>
	<u>143,388</u>	<u>94,904</u>

3 Incoming Resources from Charitable Activities

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

	2013 (£)	2012 (£)
Income from Assessments		
UK	2,420,472	2,357,063
Outside UK	<u>3,121,118</u>	<u>1,841,107</u>
	5,541,590	4,198,170
Income from Course Providers		
UK	670,246	727,472
Outside UK	<u>967,852</u>	<u>504,412</u>
	1,638,098	1,231,884
Income from Publications		
UK	38,829	42,807
Outside UK	<u>73,212</u>	<u>66,024</u>
	112,041	108,831
Total	<u>7,291,729</u>	<u>5,538,885</u>

Notes to Financial Statements

4a Operations of Examination Board

	Examinations £	Course Providers £	Publications £	Total 2013 (£)	Total 2012 (£)
Costs directly allocated to activities					
Staff costs	1,225,468	440,417	14,133	1,680,018	1,417,031
Direct examination board costs	1,236,025	422,513	3,086	1,661,624	1,104,752

	Examinations £	Course Providers £	Publications £	Total 2012 (£)	Total 2011 (£)
Support costs allocated to activities					
Staff costs	668,629	197,647	13,518	879,794	817,073
Premises costs	58,535	17,304	1,183	77,022	67,438
Office administration	114,037	33,709	2,306	150,052	194,073
Travel	32,033	9,469	648	42,150	41,032
Legal and professional	158,199	46,764	3,198	208,161	147,637
Marketing	165,348	48,877	3,343	217,568	140,070
Computing	183,878	54,355	3,718	241,951	268,266
Depreciation	120,018	35,477	2,427	157,922	150,923
Support costs total	<u>1,500,677</u>	<u>443,602</u>	<u>30,341</u>	<u>1,974,620</u>	<u>1,826,512</u>
Total	<u>3,962,170</u>	<u>1,306,532</u>	<u>47,560</u>	<u>5,316,262</u>	<u>4,348,295</u>

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

4b Governance Costs

	2013 (£)	2012 (£)
Governance includes the following costs:		
Meeting expenses	15,646	17,573
Chief Executive's department	58,764	46,623
Audit, legal and other costs	22,357	25,654
	<u>96,767</u>	<u>89,850</u>

5 Net Incoming Resources is Stated After Charging (Crediting)

	2013 (£)	2012 (£)
Depreciation on owned assets	157,922	150,923
Surplus/(loss) on disposal of assets	(7,370)	2,395
Auditors' remuneration – for audit services	13,560	13,200
Operating lease rentals – plant and machinery	32,112	27,957
Trustee indemnity insurance	4,112	3,638
Foreign currency exchange losses	66	–

6 Employees

	2013 (£)	2012 (£)
Staff costs consists of:		
Wages and salaries	1,903,304	1,641,977
Principal examiners	17,267	4,875
Social security	196,921	172,760
Temporary staff	199,241	203,503
Pension costs	<u>142,706</u>	<u>119,246</u>
	<u>2,459,439</u>	<u>2,142,361</u>

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

	2013 (No.)	2012 (No.)
£60,000 to £69,999	2	2
£80,000 to £89,999	1	1
£90,000 to £99,999	–	–
£100,000 to £109,999	1	–

During the year the charity paid money purchase pension contributions in respect of the above higher paid individual amounting to £26,108 (2011: £18,391)

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

	2013 (No.)	2012 (No.)
Governance, finance and office administration	17	17
Qualification development, assessment administration / logistics, setting, marking and accreditation	<u>43</u>	<u>37</u>
	<u>60</u>	<u>54</u>

Notes to Financial Statements

7 Trustees' Emoluments

The Trustees of NEBOSH received no remuneration for their services.

During the year, travel, accommodation and incidental expenses amounting to £7,046 were reimbursed to 12 Trustees (2012: £8,361 to 11 Trustees).

8 Tangible Fixed Assets

	Freehold land and buildings (£)	Fixtures and fittings (£)	Office equipment (£)	Computer equipment (£)	Motor vehicles (£)	Total (£)
Cost						
At 1 April 2012	1,678,450	164,426	103,131	372,042	151,655	2,469,704
Additions	–	8,154	5,520	29,934	69,726	113,334
Disposals	–	–	–	–	(79,435)	(79,435)
At 31 March 2013	<u>1,678,450</u>	<u>172,580</u>	<u>108,651</u>	<u>401,976</u>	<u>141,946</u>	<u>2,503,603</u>
Depreciation						
At 1 April 2012	173,720	84,070	74,103	243,692	64,242	639,827
Charge for year	30,212	17,570	11,795	59,325	39,020	157,922
Disposals	–	–	–	–	(49,502)	(49,502)
At 31 March 2013	<u>203,932</u>	<u>101,640</u>	<u>85,898</u>	<u>303,017</u>	<u>53,760</u>	<u>748,247</u>
Net book value						
At 31 March 2013	<u>1,474,518</u>	<u>70,940</u>	<u>22,753</u>	<u>98,959</u>	<u>88,186</u>	<u>1,755,356</u>
At 31 March 2012	<u>1,504,730</u>	<u>80,356</u>	<u>29,028</u>	<u>128,350</u>	<u>87,413</u>	<u>1,829,877</u>

9 Investments

	Market value at 01/04/12 (£)	Transfers in/deposits received (£)	Disposals at carrying value (£)	Net gain/ (loss) on valuation (£)	Market value at 31/03/13 (£)
COIF deposit account	1,685,179	537,321	–	–	2,222,500
COIF income share account	1,756,566	–	–	216,819	1,973,385
COIF global equity account	491,977	–	–	72,650	564,627
COIF fixed interest fund	180,516	–	–	3,777	184,293
COIF property fund	48,153	–	–	(3,324)	44,829
COIF accumulation units fund	<u>1,172,321</u>	<u>1,100,000</u>	–	<u>205,166</u>	<u>2,477,487</u>
	<u>5,334,712</u>	<u>1,637,321</u>	–	<u>495,088</u>	<u>7,467,121</u>
			2013 (£)		2012 (£)
Historical cost			<u>6,621,822</u>		<u>4,984,500</u>

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

10 Stock

	2013 (£)	2012 (£)
Examination printed stock	2,728	15,291
General stationery	545	1,663
Publications	<u>4,329</u>	<u>830</u>
	<u>7,602</u>	<u>17,784</u>

11 Debtors

	2013 (£)	2012 (£)
Fees receivable	517,885	558,027
Prepayments and accrued income	<u>210,668</u>	<u>171,464</u>
	<u>728,553</u>	<u>729,491</u>

Notes to Financial Statements

12 Cash at Bank and in Hand

	2013 (£)	2012 (£)
Bank current and business reserve accounts	1,216,432	507,643
Cash balance	<u>745</u>	<u>795</u>
	<u>1,217,177</u>	<u>508,438</u>

13 Creditors: Amounts Falling Due Within One Year

	2013 (£)	2012 (£)
Trade creditors	107,899	30,053
Taxation and social security	62,047	53,469
Accruals	487,977	376,569
Deferred income –		
Assessment fees and course provider fees received in advance	<u>629,632</u>	<u>587,121</u>
	<u>1,287,545</u>	<u>1,047,212</u>

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

	2013 (£)
Movement on deferred income:	
Deferred income brought forward	587,121
Released in year	(587,121)
Deferred in year	<u>629,632</u>
Deferred income carried forward	<u>629,632</u>

14 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.

	2013 (£)	2012 (£)
Contributions payable by the charity for the year	<u>142,706</u>	<u>119,246</u>

15 Reconciliation of Movement in Funds

	At 01/04/12 (£)	Incoming resources (£)	Outgoing resources (£)	Investment gains (£)	At 31/03/13 (£)
Unrestricted funds					
General fund	<u>7,373,090</u>	<u>7,462,466</u>	<u>(5,442,380)</u>	<u>495,088</u>	<u>9,888,264</u>

16 Financial Commitments

At 31 March 2013, the charity had annual commitments under non-cancellable operating leases as follows:

	Plant and machinery	
	2013 (£)	2012 (£)
Expiring within 2-5 years	<u>32,112</u>	<u>32,112</u>

17 Related Party Transactions

2 Trustees received £3,071 during the year in their capacity as examiners, (2012: 3 Trustees received £10,980 in their capacity as examiners).

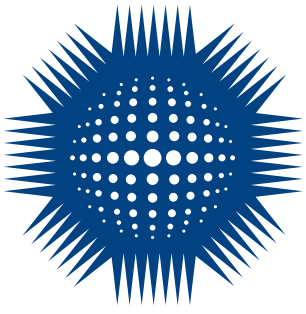
No other transactions with related parties were undertaken which are required to be disclosed under Financial Reporting Standard 8.

18 Capital Commitments

As at 31 March 2013, the charity had no contractual capital commitments (2012: £Nil).

19 Notes on the cash flow statement

a	Reconciliation of net incoming resources to net cash flow from operating activities		2013 (£)	2012 (£)
Net incoming resources		<u>2,020,086</u>	<u>1,207,136</u>	
Investment income		(143,388)	(94,904)	
Net incoming resources before revaluation and investment income		<u>1,876,698</u>	<u>1,112,232</u>	
Depreciation (note 8)		157,922	150,923	
Surplus/(loss) on disposal of tangible fixed assets		(7,370)	2,395	
Decrease/(increase) in stock		10,182	(10,668)	
Decrease/(increase) in debtors		938	(234,208)	
Increase in creditors		240,333	129,653	
Net cash inflow from operating activities		<u>2,278,703</u>	<u>1,150,327</u>	
b	Analysis of changes in net funds		1 April 2012 (£)	Cash flows (£)
Bank current and reserve accounts and cash in hand	508,438	708,739	1,217,177	
Net movement in funds	508,438	<u>708,739</u>	<u>1,217,177</u>	



nebosh

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