



The National Examination Board in Occupational Safety and Health

Annual Report and Financial Statements for the year ended 31 March 2020

Company Number: 2698100

Charity Number: 1010444

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Registered in England and Wales

Company Number: 2698100

Registered Charity Number: 1010444

Chair's foreword

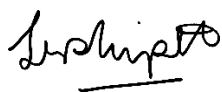
2019 was a special year for NEBOSH as it celebrated its 40th anniversary. To put those 40 years into context, we are proud that since its inception NEBOSH has awarded more than 385,000 qualifications, in over 130 countries through our network of nearly 600 Learning Partners. Quite an achievement!

We present our Annual Report at a time when the world continues to confront the challenges of the COVID-19 pandemic. Our employees have been working safely from home throughout while continuing to support our learners to gain the qualifications they have worked hard to achieve.

NEBOSH's primary response has been to expedite our plans to offer remote and online assessments. This project – which started in August with the first open book examination – enables learners for some of our units to sit their exams from a safe location of their choosing. These exams continue to uphold the same standards and rigour that people have come to expect from NEBOSH.

I would like to extend my thanks and gratitude to our employees and Board members, past and present, who have responded so positively and supportively in a challenging year.

The future may look different to what we had planned but there is an opportunity for NEBOSH, our learners, our employees and our partners to demonstrate the value that health and safety contributes to the workplace.

A handwritten signature in black ink, appearing to read 'Les Philpott', with a horizontal line underneath the name.

Les Philpott, Chair

Trustees Report

Strategic Review

NEBOSH is a charitable organisation firmly focused on saving lives, protecting people from injury and illness and supporting sustainability worldwide. We achieve this through our range of qualifications, which are designed to give learners the skills and knowledge they need to make a difference. Our network of nearly 600 Learning Partners play a pivotal role because they deliver the high-quality education that supports our learners to success.

In 2019/2020 people from 132 countries registered to take a NEBOSH qualification, emphasising the role our qualifications play in raising standards in global health, safety and environmental workplace management.

Our annual income of £9,756,000 in 2019/20, slightly higher than achieved in the previous year, along with our level of reserves, means we entered the COVID-19 period in a strong financial position. This will allow us to carry on investing in the achievement of our vision, in accordance with our not-for-profit charitable status.

Working in partnership

Partnership working has always been at the heart of NEBOSH. Our charitable status places a strong emphasis on collaboration. Whether it is through our close ties with our Learning Partners or our broader alliances, NEBOSH's core objective is always to improve understanding and further reduce health, safety and environmental risks by sharing best practice to prevent accidents and ill health.

Introducing a Learning Partner Programme

Great learning experiences equip learners to make a positive difference to health, safety and the environment in the workplace. That is why NEBOSH is committed to ensuring that our qualifications and courses offer the best learner experience by putting the needs of the learner first.

As a result, we launched the NEBOSH Learning Partner Programme. Our network of Learning Partners have been classified Gold, Silver or Bronze based on their performance against the programme's principles which are:

- Ensure all learners understand what is expected of them and what they can expect from their Learning Provider.
- Create a learning environment that is engaging and encourages interaction that is appropriate for the course and type of delivery.
- Provide accurate course materials and continually update and improve them.
- Ensure tutors are qualified, knowledgeable, competent and engaging.
- Give learners feedback on their progress and provide appropriate support.
- Review course delivery and learner feedback and action as necessary.
- We chose these principles because they represent global best practice in the provision of course tuition and support.

A new Ambassador scheme

Lord Jordan of Bournville and Louise Taggart were announced as NEBOSH Ambassadors. The aim of the scheme is for the Ambassadors and NEBOSH to jointly campaign for and influence their sectors, their governments; and their organisations to promote safer and healthier workplaces.

Chosen for their deep and long-standing interest in health and safety, our Ambassadors will support NEBOSH to achieve its charitable vision and mission. In return they gain exclusive access to NEBOSH's research and resource insights into the health, safety and environmental sector.

Celebrating success

Our 40th anniversary.

Our 40th anniversary celebrations kicked off in style at the House of Lords in London where Lord Jordan hosted NEBOSH and its special guests. The London event was the first in a 40th anniversary roadshow which saw NEBOSH travel around the world as it celebrated with its international network.

In a show of the global reach that our charity holds, more than 1,000 people uploaded a photo to be part of a special mosaic. The mosaic features just some of the faces – the learners, Learning Partners, employers, governments and employees – that have been part of NEBOSH's history. It was on display at all of the anniversary events as well as on our website and social media.

“You are my heroes”: Annual Graduation and Awards

“You are my heroes!” That was the message from guest speaker, Louise Taggart, to Diplomates at 2019’s NEBOSH Graduation.

Workplace safety speaker and SHP’s Most Influential Award winner 2018, Louise, delivered a powerful and moving speech to more than 900 guests. She explained her ‘why’ for working in health and safety – the avoidable workplace death of her brother Michael

The Graduation celebrates those fantastic learners who have achieved a prestigious NEBOSH Diploma or Masters qualification in the past year. Among those celebrating were the winners of the NEBOSH Best Candidate Awards, recognising the achievements of the top performing candidates for Certificate and Diploma qualifications in the past year.

Over 16 countries were represented at 2019’s annual event at the University of Warwick. Attendees travelled across the world, from as far afield as China and New Zealand, to be part of the special occasion.

Our Shining Stars

NEBOSH is packed with inspirational employees. That’s why we introduced the first annual Shining Star Awards in 2019, recognising and celebrating colleagues that demonstrate our organisational values.

In a peer-to-peer selection process, over 100 nominations were received for more than 50 colleagues before a series of anonymous judging panels chose our ten eventual winners and runners up. To celebrate all of our fantastic employees and announce the award winners we hosted a special afternoon tea at the City Rooms Leicester for everyone to enjoy.

Progressing the profession

NEBOSH unveils new-look General Certificate

NEBOSH’s most popular qualifications – the NEBOSH National and International General Certificate in Occupational Health and Safety – were updated with the input of 3,000 of the sectors leading experts and organisations.

Listening to what businesses needed their managers to *know and do*, the refreshed qualifications now even better reflect the needs of today’s workplaces. The result? A

streamlined syllabus representative of the role of a real-life health and safety professional and a greater emphasis on risk management.

Held by 300,000 people worldwide and recognised by many high profile organisations – Maersk, The Football Association, Thames Water, Shell, Skanska, Nestle and the Dubai World Trade Centre amongst them – the NEBOSH General Certificates have long been considered the gold standard in health and safety qualifications.

Available through hundreds of official Learning Partners across the world, the NEBOSH General Certificate can be taken via online, face-to-face or blended learning options. Learners will gain essential skills relevant to every workplace.

A new careers guide

In early 2020 we launched *Do Something Great: Your Health and Safety Career* a special, free guide for those thinking about a career in health and safety.

The 32-page guide draws on the knowledge of 24 of the world's top health and safety thought-leaders. Their advice spans everything from: how to tell if a health and safety career is for you; what qualifications to take; and how to train whilst juggling a day job, through to what to look for in a good employer and how to get your first break. The experts also share their top tips for CVs; handling interviews; plus the role of mentors and networking in career progression.

Over 4,500 people have since downloaded the free guide and an accompanying video roundtable – available on NEBOSH's YouTube channel – has been viewed nearly 2,500 times.

Charities Safety Group

NEBOSH was delighted to continue its support of The Charities Safety Group by chairing its Fire Safety Conference in 2019.

The one-day 'Fire: From Prevention to Business Continuity' event offered a packed agenda that covers building fire safety, business continuity / disaster planning, legal perspectives, fire risk assessment in charity premises and insurance.

NEBOSH has supported the Charities Safety Group for over a decade to offer UK charities and voluntary sector organisations access to the NEBOSH National General Certificate.

A bumper RoSPA Awards

For the fourteenth year, NEBOSH returned to sponsor the annual RoSPA Awards. Why? Because our vision and mission are fundamentally the same; making the world safer through education and knowledge. It's an ambitious aim. But with the support and work of organisations – like those who win a RoSPA Award – it's gets closer to being achieved – step by step

We received nearly 2,000 entries from more than 30 countries in 2019. The real heroes, of course, are the people behind these achievements. Their dedication and passion are the driving force for excellence and inspire others to save lives and protect people from harm.

At NEBOSH we are proud of the work that we do. The people who achieve our qualifications – and I'm sure there are a few who work for award-winning organisations – help ensure everyone goes home safely at the end of the day. A significant number of our learners are based in Middle Eastern countries so we were delighted to attend RoSPA's new Dubai celebrations as well.

Financial Review

Income for the year was £9.8m, 10% growth on the previous year. Our overseas markets continued to expand from 2018/19 to 2019/20, demonstrating the impact of our strategy of driving growth in our international and UK markets from new and existing products.

Expenditure for the year grew due to continued investment in a range of strategic projects (£12.2m in 2019/20 compared to £10.3m in 2018/19). The project to upgrade our I.T, infrastructure has now been aborted and will not incur any further expenditure. Capitalised costs relating to this project have also been fully written down. We continued to invest in our organisation (average full time staff increased from 110 to 118 this year), and in multiple projects (£2.7m in 2019/20 compared to £1.3m in 2018/19). Due to this continuing investment, the company experienced a net cash outflow of £1.2m from operating activities. Investments totalling £3.0m were sold during the year to fund these activities.

Investments were severely impacted due to the COVID-19 pandemic and the subsequent market crash on the 23rd March 2020 as the national lockdown was announced. After taking into account investment gains and (losses), both realised and unrealised of £28k (2019: £1.5m) the fair value of investments was £11.9m at the year end (2018: £14.9m). Since the year end the performance of investments has improved significantly and the fair value of investments now exceed the valuation before the market crash in March 2020.

A planned deficit of £2.4m was recorded for the year. The balance sheet remains resilient with reserves of £14.1m, with investments representing £11.9m of the reserves. Cash held at the year-end has increased by £100k to just over £1.2m which meets our short term operating needs. The investments include £264k cash held as a short term deposit.

The reserves include designated funds of £190k for both development work and strategic investment.

Net current assets of £682k are detailed on the balance sheet at the year end, however there is an additional £264k held in a deposit account as part of the investment fund which can be accessed at short notice to cover current liabilities.

Financial key performance indicators that the Trustees consider include performance against budget, and registrations against each qualification. The outcome of these KPIs was as expected – in line with budget.

The Charity has undertaken a detailed exercise to forecast the ongoing financial impact of coronavirus (Covid-19) on its future liquidity out to March 2023. This has included modelling several 'downside' scenarios, such as the continuing absence of assessments and the effect of the poor economic climate on Learning Partners and Learners and other income streams.

In parallel the Charity has reassessed its operations and business plans and undertaken an extensive cost reduction exercise as well as taking advantage of government support, such as the Coronavirus Job Retention Scheme.

As a result of the continued lockdowns across the world and the stop-start suspension of assessments, the Charity has and continues to develop digital versions of its key qualifications to enable remote assessments.

Having reviewed the strategic risks facing the Charity, as well as the cash flow forecast model and the expected level of cash and investments, the Trustees consider there are sufficient reserves held at 31 March 2020 to manage those risks and achieve the revised business plan.

The Trustees believe that the Charity has adequate resources to fund its activities for the foreseeable future. Accordingly, the Trustees are of the view that the Charity is a going concern.

Investment Policy

After giving due consideration to the Charity's financial position, the Trustees have decided that its investment assets, which comprise its surplus reserves, should be split between two portfolios: short term reserves required to meet the Charity's short term needs to be held on deposit providing immediate access, and those funds which can be invested for the longer term and are likely to include a mixture of equities, fixed interest and other investments to achieve a balance between capital growth and sustainable income. During the year funds were drawn down to support cash expenditure on strategic projects.

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. CCLA are leaders in ethical and responsible investment with a highly respected team of specialists dedicated to this area. Responsible investment: environmental, social and governance (ESG) is built into CCLA's investment process as the firm believes high standards in these areas are important contributors to the sustainability of income flows and their assessment is an integral factor in the investment decisions. The Trustees have asked CCLA to adopt a benchmark of CPI+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. A representative from the investment managers may be invited to a Board meeting as required.

Investment Performance

CCLA look to meet NEBOSH's investment objectives with a holding in the COIF Charities Investment Fund. To 31st March 2020 over the last five years the fund has achieved a return of 7.60% per annum. Over the last year the fund has achieved returns of 0.6% against an appropriate composite benchmark of -6.45%. Up until the third quarter investments had performed strongly showing a return of 22.43% over the last 12 months to the end of December 2019, however the value of investments fell by more than 10% on the 23rd March 2020 following the announcement of the national lockdown due to the Coronavirus pandemic resulting in a reduction of -11.31% in the quarter and a depressed annual performance.

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 expenditure. The Reserves Policy is reviewed annually in March.

At 31 March 2020, the charity had £12.4m of free reserves, after a deduction of £190k designated by the Trustees for further development of the Charity's infrastructure, which equates to 12 months annual expenditure based on future levels of expenditure. The Trustees believe that this level of reserves is appropriate at the present time due to planned project costs and the potential 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 significant income or prospect of financial support other than that derived from its own fees and charges.

Donations

Charitable donations of £6.7k were made in the year (2019: £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.

Policy on Benefits Payable to Key Management Personnel

The key management personnel of the Charity are those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the charity. Salary for key management personnel is set by the Trustees considering factors including inflation and occasionally benchmarking against similar organisations.

Governance Report

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

Dr Chris Payne

Appointed 1st November 2020

Company Secretary

Mrs Laura Wise

Registered Office

NEBOSH
Dominus Way
Meridian Business Park
Leicester LE19 1QW

Auditors

RSM UK Audit LLP
Chartered accountants
St Philips Point
Temple Row
Birmingham B2 5AF

Bankers

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

Investment Managers

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

Trustees

The Trustees serving during this period were as follows -

Mr Les Philpott MSc CPFA FRSA

Chair

Independent Trustee

Appointed on 17 September 2020

Mr Ian Marchant BSc MBA CEng FIMMM

Vice Chair – appointed 21 September 2020

Independent Trustee

Term of office commenced on 1 June 2020

Dr Bill Nixon BSc (Hons) PhD

Chair

Independent Trustee

Resigned on 17 September 2020

Professor Mariane Cavalli MBA M.E.d BA (Hons) PGDip(CE) Cert.Ed(FE) FCMI FRSA

Vice Chair

Independent Trustee

Resigned on 09 April 2020

Mrs Joy Smith FCIPD MBA

Vice Chair – appointed 17 April 2020

Independent Trustee

Resigned on 22 September 2020

Mr David Morgan MA (Oxon) MBA

Independent Trustee

Resigned on 21 July 2020

Interim CEO appointed July 2020 – Resigned September 2020

Mrs Sharon Affleck BSc (Hons)

Independent Trustee

Term of office commenced on 1 October 2019

Resigned on 20 September 2020

Mr Satish Mathur BA FCA

Independent Trustee

Term of office commenced on 1 June 2020

Mr Andrew Johnson BSc (Hons) FIOD

Independent Trustee

Term of office commenced on 1 June 2020

Mr Narendra Misra ACA

Independent Trustee

Term of office commenced on 1 June 2020

Resigned on 23 September 2020

Maggie Galliers CBE BA PGCE

Independent Trustee

Term of office commenced on 30 November 2020

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.

The current Articles of Association incorporating the Memorandum of Association were adopted by Special Resolution passed at the Board of Trustees Meeting, dated 26th March 2019. NEBOSH is governed by a single Board of Independent Trustees, accountable to all regulators and providing clear strategic leadership.

NEBOSH is registered as a charity with the Charity Commission.

There were 6 registered Members as at 31 March 2020 (2019: 5 Members), each of whom has undertaken to contribute £1 in the event of NEBOSH being wound up.

During the year NEBOSH created a trading subsidiary, NEBOSH Learning Limited (12201542), which is wholly owned by the Charity. NEBOSH Learning Limited has undertaken minimal trading since formation and will be reviewed during 2021/22.

Appointment of Trustees

The Trustees are appointed through an open recruitment process by the Board of Trustees.

The Chair of The Board of Trustees is also appointed as an Independent Trustee. 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.

The Board of Trustees may appoint a minimum of five and a maximum of ten Independent 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.

During the current year there were a further 4 appointments made to the Board of Trustees, which provided additional and complimentary skills to those already in place. Changes to the Executive Team were also made, and during this period of transition a successful application was made to the Charity Commission for a serving Board member to undertake the role of Chief Executive for a period of just over 3 months prior to the appointment of our new Chief Executive Chris Payne (appointed 1st November 2020). Whilst undertaking this role, the

Trustee in question resigned as a Board member, preventing any concerns about conflicts of interest. 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 Trustees 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. There is a scheme of delegated authorities.

The Trustees may delegate any of their powers to sub-committees. Sub-committees have been established to cover Audit and Risk and Learning Partner Engagement.

Technical aspects of NEBOSH's work is overseen by the Learning and Technology Committee, which comprises of individuals appointed for their expertise in assessment methodology and/or learning technology.

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

Third Party Indemnity for Trustees

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

Risk Assessment

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, which has been made even more prevalent during the remainder of 2020 and into 2021 due to the COVID-19 Pandemic

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 management team review risks regularly, identifying new risks arising, the factors impacting on the likelihood and potential severity and review the actions to prevent, control and mitigate those risks. In addition, the sources of assurance that control measures are in place for each significant risk are mapped within the risk register. We are committed to continual improvement in management of risk which forms part of our Business Continuity and Quality Management Systems.

The risk register is reviewed four times per year by the Group Audit and Risk Committee on behalf of the Trustees, and reviewed by all Trustees at each Board meeting. Corporate governance arrangements in place to minimise strategic risks are reviewed by our Internal Auditors.

The Trustees are confident that sufficient steps have been and are being taken to reduce and manage those risks.

Objectives and Activities

Objects

As a UK registered charity (No. 1010444), our core purpose is:

the preservation of health and wellbeing 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 and 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 and environmental management 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 that involve responsibilities for the health and safety of those affected by work activities, or managing the environmental impacts of 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/or environmental management; 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 learners; 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 learning partners to run courses preparing learners for assessment for NEBOSH qualifications;
- setting and marking examinations and assessments;
- issuing Unit Certificates and Qualification Parchments to learners successful in assessment; and

- maintaining approved awarding body status with Scottish Qualifications Authority (SQA) Accreditation.

Trustees' Responsibilities

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 incorporated Strategic Report 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; and
- 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the National Examination Board in Occupational Safety and Health website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

Report of Trustees' Approval

The Report of the Trustees, incorporating both the Strategic Report, the Financial Review and the Governance Report, is approved by the Trustees, by whose authority it is signed below:

A handwritten signature in black ink, appearing to read 'Les Philpott', with a horizontal line underneath the name.

Les Philpott
Chair of the Board of Trustees

DATE 26th January 2021

Independent Auditor's Report

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

Opinion

We have audited the financial statements of The National Examination Board in Occupational Safety and Health (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 2020 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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:

- adequate accounting records have not been kept, 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 17, the trustees (who are also the directors of the charitable 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Paul Oxtoby (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date 29 January 2021

Statement of Financial Activities

(Including Income and Expenditure Account)

For the year ended 31 March 2020

		Unrestricted Funds	
	Notes	2020	2019
		£'000	£'000
Income from:			
Charitable activities:			
Operations of Examination Board	3	9,756	8,862
Investments	4	30	29
		<hr/>	<hr/>
Total		9,786	8,891
		<hr/>	<hr/>
Expenditure on:			
Charitable activities:			
Operations of Examination Board	5	12,204	10,306
		<hr/>	<hr/>
Total		12,204	10,306
		<hr/>	<hr/>
Net gains on investments	11	28	1,502
		<hr/>	<hr/>
Net (expenditure)/income for the year being net movement in funds		(2,390)	87
Reconciliation of funds:			
Total funds brought forward		16,526	16,439
		<hr/>	<hr/>
Total funds carried forward	17	14,136	16,526
		<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Balance Sheet

31 March 2020

Company number: 2698100

	<i>Notes</i>	2020 £'000	2019 £'000
FIXED ASSETS			
Intangible assets	9	15	244
Tangible assets	10	1,511	1,508
Investments	11	11,928	14,874
		<hr/>	<hr/>
		13,454	16,626
		<hr/>	<hr/>
CURRENT ASSETS			
Stock	12	14	28
Debtors	13	912	649
Cash at bank and in hand	14	1,239	1,110
		<hr/>	<hr/>
		2,165	1,787
		<hr/>	<hr/>
CREDITORS: amounts falling due within one year	15	(1,483)	(1,887)
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		682	(100)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS		14,136	16,526
		<hr/> <hr/>	<hr/> <hr/>
REPRESENTED BY:			
FUNDS			
Unrestricted:			
General	17	13,946	12,149
Designated	17	190	4,377
		<hr/>	<hr/>
TOTAL CHARITY FUNDS		14,136	16,526
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 27 - 50 were approved and authorised for issue by the Trustees on 26th January 2021 and were signed on their behalf by:



Leslie Philpott

Chair of the Board of Trustees



Ian Marchant

Vice Chair of the Board of Trustees

Statement of Cash Flows

For the year ended 31 March 2020

	<i>Notes</i>	2020 £'000	2019 £'000
NET CASH USED IN OPERATING ACTIVITIES	21a	(2,720)	(1,113)
CASH FLOWS FROM INVESTING ACTIVITIES			
COIF investment income		27	27
Bank interest receivable		3	2
Purchase of tangible fixed assets		(145)	(142)
Sale of tangible fixed assets		18	33
Purchase of intangible fixed assets		(27)	(238)
Purchase of investments		(27)	(27)
Proceeds from sale of investments		3,000	1,900
		<hr/>	<hr/>
NET CASH PROVIDED BY INVESTING ACTIVITIES		2,849	1,555
		<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		129	442
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,110	668
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	21b	1,239	1,110
		<hr/> <hr/>	<hr/> <hr/>

Notes to Financial Statements

31 March 2020

1. ACCOUNTING POLICIES

General information

The Charity is a company limited by guarantee and has no share capital and is a registered charity at the Charity Commission in England and Wales. The liability of each member in the event of winding up is limited to £1.

The address of the Charity's registered office and principal place of business is Dominus Way, Meridian Business Park, Leicester, LE19 1QW.

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Sterling which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £'000, unless otherwise stated. The National Examination Board in Occupational Safety and Health meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

NEBOSH owns the whole of the share capital of NEBOSH Learning Ltd, a private limited company registered with Companies House in England and Wales (no. 12201542).

Consolidated accounts have not been prepared on the basis that the subsidiary undertaking, Nebosh Learning Ltd, is not considered material having commenced trading activities during the year.

Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the Charity's resources and the challenges presented by the current economic climate, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the financial statements.

The Charity has undertaken a detailed exercise to forecast the ongoing financial impact of Covid-19 on its future liquidity out to March 2023. In parallel it has reassessed all operations and business plans and has developed digital versions of its key qualifications to enable remote assessment and has undertaken an extensive cost reduction exercise as well as taking advantage of government support, such as the Coronavirus Job Retention Scheme.

The cash flow forecast and revised plan shows that the Charity will have adequate reserves and will be able to meet its liabilities, even when modelling several 'downside' scenarios, such as the continuing absence of assessments and the effect of the poor economic climate on Learning Partners and Learners. Accordingly, the Trustees do not consider there to be any material uncertainties and continue to adopt the going concern basis in preparing the financial statements as outlined in the Trustees' Responsibilities Statement.

There are no significant financial uncertainties that the Trustees consider are a significant risk to the ability of the Charity to trade as a going concern in the foreseeable future.

Income

All income is included in the Statement of Financial Activities when the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- 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.

Expenditure

All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure 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:

- charitable activities include expenditure associated with the setting and marking of examination papers, accreditation of training Learning Partners and publication of syllabuses, past papers and Examiners' reports, and include both the direct costs and support costs relating to these activities.
- 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.

Intangible fixed assets

Research and development

All research and development expenditure is expensed as incurred.

Other intangible fixed assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a straight line basis over their useful lives as follows:

- Software licences - 4 years
- MIS Software - 5 years

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition.

Depreciation is calculated so as to write off the cost of an asset to its estimated residual value on a straight line basis 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 estimated selling price less costs to complete and sell which is equivalent to the net realisable value. Provision is made for obsolete and slow-moving items.

Investments

Investments are stated at fair value. Movements in the valuation of investments are included within gains and losses on investment assets in the Statement of Financial Activities. The fair value of the investments is the quoted bid price.

Long term investments are classified as fixed assets. Short term investments are classified as current assets.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through the Statement of Financial Activities, are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Fees receivable are recognised at the settlement amount due after any trade discounts offered.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount allowing for any trade discounts due.

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

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates and areas of judgement to note.

3. INCOME FROM CHARITABLE ACTIVITIES

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

	2020	2019
	£'000	£'000
Income for Assessments		
UK	2,840	2,290
Outside UK	5,164	4,888
	<hr/> 8,004	<hr/> 7,178
	<hr/>	<hr/>
Income from Learning Partners		
UK	484	600
Outside UK	1,027	910
	<hr/> 1,511	<hr/> 1,510
	<hr/>	<hr/>
Income from Publications		
UK	72	55
Outside UK	169	119
	<hr/> 241	<hr/> 174
	<hr/>	<hr/>
Total	<hr/> 9,756	<hr/> 8,862
	<hr/> <hr/>	<hr/> <hr/>

4. INVESTMENT INCOME

	2020	2019
	£'000	£'000
COIF investment income	27	27
Bank interest receivable	3	2
	<hr/> 30	<hr/> 29
	<hr/>	<hr/>

5. OPERATIONS OF EXAMINATION BOARD

	Examinations	Course Providers	Publications	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Costs directly allocated to activities:					
Staff costs	2,211	635	23	2,869	2,880
Direct examination board costs	2,395	476	5	2,876	2,517
Support costs allocated to activities:					
Staff costs	2,036	384	61	2,481	2,195
Premises costs	141	27	4	172	84
Office administration	123	23	4	150	123
Travel	83	16	2	101	116
Legal and professional	219	41	7	267	331
Marketing	304	57	9	370	372
Computing	586	111	18	715	594
Development – computing	538	102	16	656	888
Development – strategic	956	181	29	1,166	98
Depreciation and amortisation	313	59	9	381	108
Support costs total	5,299	1,001	159	6,459	4,909
Total	9,905	2,112	187	12,204	10,306

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

**6. NET INCOME/(EXPENDITURE) IS STATED
AFTER CHARGING/(CREDITING):**

	2020	2019
	£'000	£'000
Depreciation on owned assets	126	103
Gain on disposal of assets	(2)	(11)
Amortisation	256	5
External auditor's remuneration – for audit services	20	17
External auditor's remuneration – for tax advisory services	6	11
External auditor's remuneration – for other services	3	6
Operating lease rentals:		
- plant and machinery	256	211
Trustee indemnity insurance	9	8
	<hr/>	<hr/>

7. EMPLOYEES

	2020	2019
	£'000	£'000
Staff costs consist of:		
Wages and salaries	4,209	3,903
Principal examiners	1	7
Social security	409	386
Temporary staff	102	115
Pension costs (note 16)	373	320
Apprenticeship levy	5	4
Redundancy costs	-	58
	<hr/>	<hr/>
	5,099	4,793
	<hr/> <hr/>	<hr/> <hr/>

7. EMPLOYEES (CONTINUED)

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

	2020	2019
	No.	No.
£60,000 to £69,999	2	1
£70,000 to £79,999	3	2
£80,000 to £89,999	3	2
£100,000 to £109,999	-	1
£130,000 to £139,999	1	1
	<u> </u>	<u> </u>

During the year the Charity paid money purchase pension contributions in respect of the above higher paid individuals amounting to £43,906 (2019: £40,624).

The total employee benefits of the key management personnel, including employers' national insurance contributions and employers' contributions to the pension scheme, were £600,490 (comprising five Director roles and one CEO role), (2019: £802,691 – (comprising six Director roles, with two different Directors holding one of the roles during the year, and one CEO role with two different Chief Executives holding the role during the year).

The average number of full time equivalent employees during the year was as follows:	2020	2019
	No.	No.
Governance, finance and office administration	40	38
Qualification development, assessment administration / logistics setting, marking and accreditation	78	72
	<u> </u>	<u> </u>
	118	110
	<u> </u>	<u> </u>

The average number of employees by headcount during the year was 126 (2019: 117).

8. TRUSTEES' EMOLUMENTS

The Trustees of NEBOSH received no remuneration for their services as Trustees. During the year, travel, accommodation and incidental expenses amounting to £12,108 were reimbursed to 6 Trustees (2019: £6,008 to 8 Trustees).

During the year, travel, accommodation, subsistence and incidental expenses amounting to £10,916 were paid directly to third parties on behalf of 6 Trustees (2019: £32,237 on behalf of 11 Trustees).

9. INTANGIBLE FIXED ASSETS

	Software licences £'000	MIS £'000	Total £'000
Cost			
At 1 April 2019	134	238	372
Additions	17	10	27
	-----	-----	-----
At 31 March 2020	151	248	399
	=====	=====	=====
Amortisation			
At 1 April 2019	128	-	128
Charge for year	8	-	8
Disposals	-	248	248
	-----	-----	-----
At 31 March 2020	136	248	384
	=====	=====	=====
Net book value			
At 31 March 2020	15	-	15
	-----	-----	-----
At 31 March 2019	6	238	244
	-----	-----	-----

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Fixtures and fittings £'000	Office equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 April 2019	1,678	203	114	200	187	2,382
Additions	-	12	97	36	-	145
Disposals	-	-	-	(15)	(45)	(60)
<hr/>						
At 31 March 2020	1,678	215	211	221	142	2,467
<hr/>						
Depreciation						
At 1 April 2019	384	198	67	160	65	874
Charge for year	30	3	29	22	42	126
Disposals	-	-	-	(14)	(30)	(44)
<hr/>						
At 31 March 2020	414	201	96	168	77	956
<hr/>						
Net book value						
At 31 March 2020	1,264	14	115	53	65	1,511
<hr/>						
At 31 March 2019	1,294	5	47	40	122	1,508
<hr/>						

11. INVESTMENTS

	Fair value at 01/04/19 £'000	Deposits received £'000	Transfers £'000	Withdrawals £'000	Net gain £'000	Fair value at 31/03/20 £'000
COIF deposit account	1,040	27	2,196	(3,000)	-	263
COIF accumulation units fund	13,834	-	(2,196)	-	27	11,665
	<hr/> 14,874	27	-	(3,000)	27	11,928 <hr/>

	2020 £'000	2019 £'000
Historical cost	6,037	9,010

All of the above investments are held primarily to provide capital growth for the Charity.

The net gain above is split as follows:

	2020 £'000
Realised gain on disposal	-
Unrealised gain on revaluation	28

The charity owns the whole of the share capital of NEBOSH Learning Limited, its trading subsidiary, which is a private limited company registered with Companies House in England and Wales (no. 12201542).

The Results for the year showed a trading loss of £4k and net assets of £104k. The accounts have not been consolidated due to the level of materiality

12. STOCK

	2020	2019
	£'000	£'000
Examination printed stock	-	20
General stationery	1	1
Publications	14	7
	<hr/>	<hr/>
	15	28
	<hr/> <hr/>	<hr/> <hr/>

13. DEBTORS

	2020	2019
	£'000	£'000
Fees receivable	480	425
Prepayments and accrued income	432	224
	<hr/>	<hr/>
	912	649
	<hr/> <hr/>	<hr/> <hr/>

14. CASH AT BANK AND IN HAND

	2020	2019
	£'000	£'000
Bank current and business reserve accounts	1,238	1,109
Cash balance	1	1
	<hr/>	<hr/>
	1,239	1,110
	<hr/> <hr/>	<hr/> <hr/>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Trade creditors	254	496
Taxation and social security	101	106
Accruals	324	460
Deferred income -		
Assessment fees and Learning Partner fees received in advance	804	825
	<hr/>	<hr/>
	1,483	1,887
	<hr/> <hr/>	<hr/> <hr/>

	2020
	£'000
Movement on deferred income:	
Deferred income brought forward	825
Released in year	(825)
Deferred in year	804
	<hr/>
Deferred income carried forward	804
	<hr/> <hr/>

16. PENSION CONTRIBUTIONS

The Charity contributes to a money purchase Group Personal Pension Scheme. 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.

	2020	2019
	£'000	£'000
Contributions payable by the Charity for the year	373	320
	<hr/>	<hr/>

17. RECONCILIATION OF MOVEMENT IN FUNDS

	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	At 31 March 2020 £'000
Unrestricted funds						
General fund	12,149	9,786	(9,553)	28	1,536	13,946
<hr/>						
Designated funds						
Strategic Investment Fund	3,977	-	(1,562)	-	(2,415)	-
Development Fund	400	-	(1,089)	-	879	190
	4,377	-	(2,651)	-	(1,536)	190
<hr/>						
Total funds	16,526	9,786	(12,204)	28	-	14,136
<hr/>						

Strategic Investment Fund – The purpose of this fund is to set aside funds for future strategic investments. During the year, £2,415k was transferred to the unrestricted general fund to decrease this fund to the value approved by the Trustee due to the strategic project not progressing.

Development Fund – The purpose of this fund is to fund the replacement of the current management information system. As this project was not progressing any further, during the year, £879k was transferred from the unrestricted general fund to increase this fund to the value approved by the Trustees. .

17. RECONCILIATION OF MOVEMENT IN FUNDS (CONTINUED)

Prior Year	At 1 April		Expenditure	Investment		At 31
	2018	Income		gains	Transfers	March
	£'000	£'000	£'000	£'000	£'000	2019
						£'000
Unrestricted funds						
General fund	12,589	8,891	(9,044)	1,502	(1,789)	12,149
<hr/>						
Designated funds						
Strategic Investment Fund	3,500	-	(156)	-	633	3,977
Development Fund	350	-	(1,106)	-	1,156	400
	3,850	-	(1,262)	-	1,789	4,377
<hr/>						
Total funds	16,439	8,891	(10,306)	1,502	-	16,526
<hr/>						

18. FINANCIAL COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases for plant and machinery are set out below:

	Plant and machinery	
	2020	2019
	£'000	£'000
Amounts due within 1 year	256	142
Amounts due within 2-5 years	75	123
	331	265
	331	265

19. RELATED PARTY TRANSACTIONS

No Trustees received a payment in their capacity as an Examiner, (2019: one Trustee received £1,379) as permitted by the Charity's Articles of Association. The Trustees of NEBOSH received no remuneration for their services as Trustees (note 8).

During the year, the Charity made sales of £Nil (2019: £7,465) at market rate to Yamnuska LLC. At 31 March 2020 the amount owed to Yamnuska LLC was £Nil (2019: £Nil).

The Charity made sales of £Nil (2019: £7,784) at market rate to KBA Training Centre Pte Ltd. At 31 March 2020 the amount owed by KBA Training Centre Pte Ltd was £Nil (2019: £Nil). The Charity made sales of £Nil (2019: £600) at market rate to KB Associates (Europe) Ltd. At 31 March 2020 the amount owed to KB Associates (Europe) Ltd was £Nil (2019: £Nil).

The Charity also made sales of £Nil (2019: £337,093) at market rate to Astutis Limited. At 31 March 2020 the amount owed by Astutis Limited was £Nil (2019: £Nil).

These disclosures are required as individuals employed by the entities named above had previously served as Trustees.

20. CAPITAL COMMITMENTS

As at 31 March 2020, the Charity had no contractual capital commitments (2019: £Nil).

21. NOTES ON THE STATEMENT OF CASH FLOWS

	2020	2019
	£'000	£'000
(a) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net (expenditure)/Income for the year	(2,390)	87
Adjustments for:		
Investment income	(30)	(29)
Gains on investments	(28)	(1,502)
Depreciation (note 10)	126	103
Amortisation (note 9)	256	5
Gain on disposal of tangible fixed assets	(1)	(11)
Decrease/(increase) in stock	14	(11)
(Increase)/decrease in debtors	(263)	37
(Decrease)/increase in creditors	(404)	208
	<hr/>	<hr/>
Net cash used in operating activities	(2,720)	(1,113)
	<hr/>	<hr/>
(b) Analysis of cash and cash equivalents	2020	2019
	£'000	£'000
Cash at bank and in hand	1,239	1,110
	<hr/>	<hr/>
Total cash and cash equivalents	1,239	1,110
	<hr/> <hr/>	<hr/> <hr/>

22. FINANCIAL INSTRUMENTS

	2020	2019
	£'000	£'000
The carrying amount of the Charity's financial instruments at 31 March were:		
Financial assets:		
Debt instruments measured at amortised cost	580	425
Instruments measured at fair value through the SoFA	11,665	13,834
	<hr/>	<hr/>
Total	12,245	14,259
	<hr/> <hr/>	<hr/> <hr/>
Financial liabilities:		
Debt instruments measured at amortised cost	578	956
	<hr/> <hr/>	<hr/> <hr/>