



British Safety Council –  
A company limited by guarantee

# Trustees' Report and Financial Statements

For the year ended 31 December 2015

Company number: 04618713  
Charity number: 1097271  
Scottish charity number: SC037998

**Trustees' report and financial statements**

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# British Safety Council

## Chair's Report For the year ended 31 December 2015

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### CHAIR'S REPORT

2015 was a year marked by change.

It started in the knowledge that we were heading into a general election year. As a result, we wrote to six of the major political parties to explore their views on how they plan to help grow a sustainable economy, and the role that good health and safety would play in achieving that goal. Health conditions, caused or made worse by work, have for long been a second order priority as we focused largely on the prevention of injuries at work.

Our failure to effectively manage health conditions has been at an annual cost of £8 billion to the United Kingdom economy. This is a considerable burden for the country, not to mention for the individuals and families impacted by the real effect of poor health. Importantly the workplace can be a very convenient place to convey important health messages ranging from occupational disease, to obesity and to the dangers of physical inactivity. We as a membership body and charity have the opportunity to play our part in helping to tackle these harmful and costly health conditions.

The Health and Safety Executive (HSE) reported that in 2013/14, there were 1.2 million people who were suffering from an illness – long-standing as well as new cases - they believed were caused or made worse by their current or past work. We believe that there needs to be a far clearer focus in the UK on occupational health conditions. The charity trustees agreed in 2015 to actively support the research of the Health at Work Policy Unit at the Work Foundation, under the direction of Professor Stephen Bevan, and look forward to creating opportunities to influence positive change for health and wellbeing in the workplace directly through our members as well as within government and other stakeholders.

Another significant change consulted on during 2015 concerned new guidelines from the Sentencing Council on criminal sanctions for health and safety offences in England and Wales. The British Safety Council submitted a detailed response to the consultation and was broadly in favour of the changes which took effect in February 2016 including a significant increase in fines in cases where there has been serious harm and a high degree of culpability. We are keen to see whether these changes help drive greater legal compliance and deter wrong-doing.

2015 was marked by a number of changes within the senior management team of the British Safety Council. The charity trustees appointed Neal Stone, then Policy and Communications Director, to the role of Acting Chief Executive effective on 1 January 2015. Mike Robinson was subsequently appointed by the charity trustees as Chief Executive taking up post on 1 September 2015. The charity trustees working closely with Mike Robinson commenced a much needed strategic review in Autumn 2015. The charity trustees thank Neal Stone for his eight months at the helm and his support for Mike Robinson during this period of transition.

We are looking ahead to 2016 with renewed optimism. We are confident that important improvements to the management of the organisation will continue to be taken forward.

2016 will be the year in which we build up to our diamond anniversary year to be celebrated in May 2017. Our preparations for this important milestone are now underway. One major activity is to capture our history in a digital archive. Some of this material, particularly our magazines, posters and campaigning material, we will be seeking to share on our website. This rich repository is living proof of how improvements in the management of health and safety over the past 59 years has helped significantly reduce workplace injury and work-related ill health.

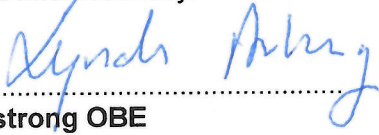
The charity trustees have great confidence going forward that the British Safety Council, under Mike Robinson's leadership, can continue to effectively carry out its charitable mission and deliver clear measurable public benefit.

# British Safety Council

Chair's Report  
For the year ended 31 December 2015

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We will continue to seek to influence and campaign in the cause of better health, safety and environmental management, sharing our immense knowledge and understanding both in the United Kingdom and internationally.



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**Lynda Armstrong OBE**  
**2 August 2016**

# British Safety Council

## Report of the trustees For the year ended 31 December 2015

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The trustees' report is also a directors' report as required by chapter 5 part 15 of the Companies Act 2006, and all charity trustees are company directors.

### 1. OUR COMMITMENT TO HEALTH AND SAFETY

In all that we do we make sure our own staff, associates and those people affected by our work activities are kept healthy and safe and that we comply with all of our legal obligations. Each year our health and safety policies and systems are independently reviewed and assessed by external experts. We are pleased to report that we have maintained both our OHSAS 18001 and ISO 9001 accreditation in 2015.

The Executive team continues to review the organisation's effectiveness in managing health and safety at their weekly meetings. Our safety committee, comprising both management and employee representatives from all departments, meets quarterly to review health and safety policies, systems and management performance and institute improvements where necessary. Louise Ward replaced Neil Stone as the Executive Director responsible for health and safety in May 2016.

All new staff are required to undertake induction training which includes detailed advice and guidance on health and safety. Following this, all staff are required to achieve a least a level 1 qualification in health and safety, though many of our employees have attained far higher levels of qualification.

### 2. OBJECTIVES AND ACTIVITIES

The British Safety Council is one of the world's leading health, safety and environmental charities.

#### 2.1. Our charitable objects

The charity's objects, as set out in its governing document, are to promote for the public benefit:

- The health and safety of people and the general public and the prevention of accidents, injury and disease;
- The protection of people and property from, and the prevention and solution of, criminal acts;
- Environmental protection and improvement; and
- Sustainable development.

#### 2.2. Our vision, mission and strategy

Our vision is that *"no one should be injured or made ill at work"*, whilst our mission is that *"we strive to keep people as safe and healthy as possible in their work through education and practical guidance"*.

Our strategy, which underpins both our vision and mission, is to:

- Undertake a range of charitable activities, aimed at both businesses and individuals, which seek to improve their occupational health and safety capabilities and performance; and
- Promote excellence in workplace health and safety management across the world by working with our member organisations and by influencing the health and safety agenda.

These activities are described in more detail in sections 2.3 and 3 below.

From a financial perspective, our strategy is to generate a surplus on our revenue generating activities (i.e. our primary purpose trading activities), and to use this surplus, together with our investment income, to fund our non-revenue generating activities, which largely comprise *Influencing the health and safety agenda*.



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Report of the trustees  
For the year ended 31 December 2015

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The charity trustees believe that the British Safety Council's vision, mission and strategy fully reflect our charitable objects.

### 2.3. Our activities

Our main activities, undertaken to further the charity's purposes for the public benefit, are grouped under the following headings:

#### Improving organisation performance through information and recognition

We continued to work with and through our members to identify and share best practice. One of the ways in which we share best practice with our members is through the provision of up to date information and news, which they can access through our monthly magazine, Safety Management, as well through our monthly e-newsletters and social media. We have continued to support sharing through event activities including providing secretarial support to a number of sector interest groups, as well as attending and hosting seminars and conferences across the United Kingdom.

Through our two award schemes, namely our International Safety Award scheme and our Sword and Globe of Honour Awards, we seek to recognise commitment to high standards and the achievement of exemplary management performance in businesses respectively.

Furthermore, we have in 2015 started to provide additional funding support to The Work Foundation's Health at Work Policy Unit, which is an independent research and evaluation body that seeks to promote good working practices through policy.

#### Improving individual's capability through qualifications and assessments

In 2004 we became a government regulated awarding organisation and have since developed a suite of qualifications in the national framework. Our portfolio of accredited qualifications enables individuals to increase their knowledge, skills and competencies, thereby contributing to the prevention of accidents and enabling their employers to meet their legal and other obligations.

In 2015 37,260 students attained a health and safety qualification with the British Safety Council.

#### Enhancing organisations performance through audit and advisory

We believe that effective health, safety and environmental management systems are an integral part of ensuring that business processes are properly managed. Accordingly, we provide organisations with valuable external validation, assurance and advice. This includes our Five Star Occupational Health and Safety Audit, which is utilised by organisations worldwide to benchmark their safety management systems against current best practice to enable continuous improvement. This methodology is also used in relation to environmental management, increasingly an area of responsibility that is aligned to the health and safety function. Our team also provide compliance audit services in relation to OHSAS 18001 and ISO 14001.

#### Improving individual's performance through education and training

We help individuals develop their knowledge and expertise by offering a wide range of educational programmes, though e-learning, face to face and increasingly through a blended learning formula.

In 2015 4,693 students undertook face to face training with the British Safety Council.

#### Influencing the health and safety agenda

We help make the workplace safer by influencing and shaping health and safety policy and law. In doing so we rely on our unrivalled network of worldwide members and stakeholders to make our views robust and informed.

The charity trustees have assessed and are satisfied that each of our activities are for public benefit. We are satisfied that we have complied with the duties placed upon us under section 17 of the Charities Act 2011 having due regard to the general guidance on public benefit published by the Charity Commission.

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Report of the trustees  
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### 3. ACHIEVEMENTS AND PERFORMANCE

#### 3.1. Financial performance

The charity trustees measure the financial performance of the group against a budget set by them for the year. The main performance indicators are total income and net income for the year compared with the corresponding budgeted amounts.

During 2015 the group's total income for the year of £8,798,569 exceeded the budget of £ 8,024,221 by £774,346. Whilst the group's net income, after losses on investment assets, of £208,238 exceeded the budgeted net loss of £248,757 by £456,993.

These positive variances against budget reflect a concerted effort by the management to grow income whilst containing costs.

#### 3.2. Promoting the importance of health and safety

The British Safety Council continued to engage with a range of stakeholders, including Government, regulators, politicians, business and trade bodies, professional bodies, academic and research bodies and charitable bodies, both in the United Kingdom and internationally to promote sensible and proportionate regulation and management of workplace health and safety and the environment.

An area of increasing focus in 2015 related to promoting more understanding of the occupational health, as well as considering the wider health and wellbeing, agenda. This was demonstrated through our events, including our annual conference, discussions had within our sector interest groups and within our publications. This was also at the instigation of our members, as well as considering the wider evidence that supports such a focus.

We have continued to meet regularly with key decision makers including the Chair, Chief Executive and other senior representatives from HSE to discuss strategic and legislative developments at a high level and other developments including legislative reform, research and campaigns.

Furthermore, we have continued our work to develop our press and media profile and raise awareness of our work through our publications and also through social media. Through 2015 we saw a steady increase in our social media profile and engagement such that by the end of the year we had achieved:

- Almost 40% growth in Twitter followers year on year to almost 18,500
- A 50% growth in the number of people who 'liked' our Facebook page to almost 4,500
- Recorded on average 31,808 visitors per month to our website (up from an average of 26,718 in 2014)
- Our e-newsletters on policy matters and highlights from our magazine *Safety Management* have retained a consistent open rate of 18%

#### 3.3. Building understanding and capability

We continued to deliver products and services to our member and other organisations, individuals and stakeholders, both in the United Kingdom and internationally to help build awareness and knowledge, in order to support development of capability and competence within organisations and individuals. This is facilitated through the delivery of health, safety and environmental information (publications and events), advice, audit, training, qualifications and awards.

We continue to be a respected provider of health and safety knowledge and training in the United Kingdom.

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### **Report of the trustees For the year ended 31 December 2015**

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We launched six new accredited food safety qualifications that enable workers, supervisors and managers in catering, food retail and food manufacturing sectors to learn how they can ensure excellent food safety standards. The six qualifications have been designed to be delivered by both large and small employers in the catering, retail and manufacturing sectors, independent training providers, schools, colleges and prisons, using learning materials provided by the British Safety Council. The Level 2 qualifications are designed to be delivered in one day and the Level 3 qualifications in three days.

We have continued our programme of upgrading our e-learning platform and extending our portfolio of on online training courses.

In 2015, we continued with our strategy to develop more video content as a vehicle to build the argument for good health and safety management and equally to demonstrate what it looks like. We released half a dozen short films to support both our campaigns. Two of these short films featured young people at work in manufacturing environments, and have helped to build our portfolio of material for our 'Speak Up Stay Safe' campaign aimed at young people new to work. This work was undertaken with the support of members of the British Safety Council – JCB Heavy Products and Aston Martin Lagonda. In one film the viewer follows a young manufacturing apprentice around a site as she describes what precautions to take to stay safe and healthy and why. In the other film, seven apprentices in various technical roles explain why health and safety is important to them and to the business. Once again both films have been made available for free in anticipation that apprentices, employers and/or learning providers responsible for their training or induction will make use of them.

The experience and understanding built up through our 'Speak Up Stay Safe' campaign has also positioned us to provide support to another social initiative which has government and cross-party support as well as backing from the Prince of Wales. In early 2015, through the HSE, the 'Step Up To Serve Initiative' approached the British Safety Council to assist in addressing a perceived barrier to young people (between the ages of 10 – 20 years) of engaging in social action, namely that there was a perception that health and safety could be a barrier. In response, a campaign was devised and launched at the end of October 2015 to convey the principles of good health and safety and demonstrate that it is not a barrier to participation through a short animated film and supporting online materials. This campaign will continue to be promoted into 2016 in support of the online #iwill campaign.

Our magazine, Safety Management and the supporting A5 topic guide and poster, all published in eleven issues across the year, continued to be the main channels of communication with our more than 6,000 member organisations and subscribers and with a print readership of more than 40,000. We continue to use the magazine to share our own and our members' knowledge and expertise to help promote and publicise 'best practice' concerning the management of health and safety risks, thereby furthering our vision and promoting our work and activities to a wider interested audience.

Furthermore, we supported two other organisations' award schemes, including a very prestigious American award scheme known as the Campbell Awards, administered by the National Safety Council and a United Kingdom membership body for builders, the National Federation of Builders annual awards. We have continued to lend our support and facilitate awareness of key issues to our members and more widely to key campaigns including the Breathe Freely campaign launched by the British Occupational Hygiene Society (BOHS), which aims to prevent occupational lung disease in the construction industry.

#### **3.4. Committing to leadership and worker engagement**

The British Safety Council continued its work of promoting strong visible leadership on health and safety and the active engagement of the workforce in the identification and management of health and safety risks. We use our own knowledge and expertise and that of our member organisations to inform, educate and share best practice.

Our two award schemes have an important role to play in encouraging and rewarding health, safety and environmental management excellence. To be successful in our International Safety Award, Sword of



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Honour and Globe of Honour award schemes applicants have to demonstrate that strong and effective leadership and active workforce engagement are prominent in their respective organisations. Central to success in both award schemes is proven leadership, demonstrable competence in risk management and active workforce engagement.

The International Safety Award, awarded for proven commitment to high standards of health and safety management, was won by 515 organisations, and as an award scheme is open to both members and non-members in 2015. Only twenty-nine organisations were awarded a distinction. For a third year in a row we awarded two individual awards in conjunction with this scheme – the Health and Safety champion and Young Health and Safety champion of the year, from a shortlist of six finalists in each individual category. Furthermore, we awarded eleven sector awards taken from the top submissions.

The British Safety Council's Sword of Honour and Globe of Honour, awarded respectively for exemplary health and safety management and environmental management, were bestowed on sixty-one organisations in 2015 – seven of whom were double winners in that they won both a Sword of Honour and a Globe of Honour. This was the 36<sup>th</sup> year of the scheme for the sword, and the sixth year recognising excellent environmental management performance in relation to the award of the globe.

All of our award schemes help us identify and articulate more widely the benefits of effective risk management by providing robust evidence of the impact of sound management on our member organisations. We continue to use the evidence provided by applicants for our award schemes to source articles in Safety Management, best practice guidance and our social media.

### **3.5. Sharing knowledge and experience**

We continued to share knowledge and expertise through our own and partnered events and presentations. These events – including seminars, conferences, symposiums and best practice exchanges – enabled us to reach out to our member organisations and other organisations and stakeholders with a responsibility for or impacting on health and safety management. Once again, through this engagement directly we reached more than 8,000 people through these events. Such activities included:

- Hosting our own annual conference and two key regional events in addition to co-ordinating various sector interest groups
- Speaking at regional United Kingdom events in relation to policy, e.g. North West Wales Safety Group, IOSH Chiltern Branch on sentencing guidelines
- Providing a three-day global risk seminar programme as part of the Excel health and safety trade show, one of the largest H&S events held in the United Kingdom annually, which involved sourcing speakers and chairing the event
- Speaking at other exhibition events in the United Kingdom, e.g. the Build Show event, part of UK Construction Week
- Speaking at European events in relation to our campaigns and good practice, e.g. DGUV event in Vienna where we presented alongside EU-OSHA and the National Institute for Occupational Safety and Health (USA) on engagement, Health and Safety Excellence Conference, Luxembourg on supply chain management, and European conference targeting senior business leaders in Amsterdam amongst others
- Hosting international delegations visiting the United Kingdom, particularly from China.

During the year we provided a number of speakers to major events in the United Kingdom and abroad, including our Chair, our Acting Chief Executive, subsequently our new Chief Executive. Events that we supported in overseas territories included in the Middle East (e.g. Abu Dhabi, Saudi Arabia, Oman), in Europe (e.g. Belgium, The Netherlands, Austria and Germany) and in the East (e.g. India).

The focus of our annual conference in September was a strategic look at how the health and safety landscape potentially may evolve in the medium term, particularly post-election and in light of key areas of discussion with members. The programme included a number of key thought leaders, influential decision-makers and senior executives, addressing key strategic themes – namely occupational health,

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changing regulatory and enforcement environment, as well as profiling best practice in health and safety management and key campaigns in health and safety. The conference included a number of keynotes, presentations and panel discussions with more than 25 speakers from a range of member and other organisations including Crossrail, HSE, The Work Foundation, Prospect, Unipart, Black & Veatch, Transport for London. Just over 120 delegates attended.

We also ran two smaller health, safety and environmental events in Manchester in February and in Cardiff in May, which aimed to update organisations on key developments concerning the regulation and management of health and safety in the workplace and share best practice. We looked to extend our relations with some unions and extended the opportunity to their local members (safety representatives) to attend these meetings.

Once again, the British Safety Council supported the UK Health and Safety Week which took place in June with the aim of restoring a positive image for health and safety. This initiative was supported by all the major United Kingdom health and safety bodies, and coincided with the annual Health and Safety Expo 2015, held in London.

Additionally, we continued as the education partner to Western Business Exhibitions for their annual series of health and safety exhibitions and conferences. We supported two events in 2015, held in Glasgow and Bolton. The seminars, built around topical issues concerning the regulation and management of workplace health and safety risks drew large audiences with attendances ranging from 200-450 people at each event.

The British Safety Council was again proud to host visiting delegations from abroad, primarily from the far East, predominantly China. The visiting delegations included directors and senior managers from a number of state and major industries and provided the opportunity to gain and share insight into the regulation and management of health and safety in Great Britain and abroad, helping develop further understanding of the challenges faced in preventing workplace injury and ill health and the actions that can be taken to meet those challenges.

We participated in an Economic and Social Research Council funded research project being led by Glasgow Caledonian University and hosted the fifth of a series of seminars "Learning from Incidents". This project is nearing completion and is intended to produce tools which help organisations gather information from incidents and help structure in a way that better assists learning.

We were invited to participate in Crossrail's Health and Safety Learning Legacy Steering Committee, which has met twice since its instigation mid-2015. This committee includes other health and safety professional bodies such as the Institution of Occupational Safety and Health (IOSH) and BOHS, as well as HSE and representatives from other large infrastructure projects such as Crossrail 2, Thames Tideway and HS2. It is intending to serve as a knowledge hub to transfer learning and understanding from the Crossrail project and in a manner that benefits more than just those directly involved. The learning legacy hub is due to be launched in February 2016 with tranches of resources being made available in September 2016 and February 2017.

We also hosted a meeting in July of international experts from International Labour Organisation (ILO) and EU-OSHA as part of our work with the European network, ENETOSH. The discussion explored the network's contribution to two ILO projects that are seeking to educate young people on occupational health and safety. We presented the British Safety Council's 'Speak Up, Stay Safe' campaign to raise awareness with young people. Discussions continued at the EU-OSHA conference in Bilbao on 14-16th October, and we have provided support for research into this topic. Furthermore, we provided a short film specifically used to open the conference in Bilbao.

The aim of this partnership is to help Turkish businesses enhance standards of occupational health and safety management, by working hand in hand with DOGA Denetim ISG Egitim Ve Danismanlik Hizmetleri Ltd, and help to deliver real improvements to hundreds of lives as a result. In part this is against the backdrop of the Turkish Government introducing new laws regulating safety and health in the workplace and ratified important ILO conventions.

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Our sector interest groups, set up in 2012 to engage with our more active and well represented membership sectors, continued to meet across the year. The groups met a total of seven times in 2015, with five of the meetings hosted by our members, including JLL, Sir Robert McAlpine, Flowserve Industrial, Babcock Rosyth and Phoenix Gas.

### **3.6. Campaigning for sensible legislation, regulation and application**

The British Safety Council continued with its aim of seeking to inform and influence the direction of health and safety thinking, policy and law in the United Kingdom and the European Union.

In the run-up to the 2015 national elections in the United Kingdom, we wrote to six of the main political parties in advance of the General Election on the 7 May to find out more about their plans, if elected, for health and safety.

A key development in 2015 was the announcement of the British Safety Council's support for the Health at Work Policy Unit at The Work Foundation, part of Lancaster University, a leading provider of evidence-based research and policy advice. This policy unit, launched in 2014, is focused on providing an independent, evidence-based voice on the public debate around health and wellbeing at work. The support over the 2015/16 - 2016/17 academic years, will facilitate developing policy briefs, undertaking new policy research and creating a sustained voice in government and media to promote and influence a positive debate on the health at work agenda at all levels. The Policy Unit's researchers have reported to our Trustees, as well as presented the outcomes of their research directly to our members as well as to a range of other stakeholders. In 2015 with support from the British Safety Council, the unit produced two reports, and provided two blogs published online on the Huffington Post. The output from assists in gaining access to key stakeholders, with the political parties as well as building profile off reports and briefings provided by the Unit in relation to the health at work agenda. The Unit is also looking to be more reactive in its engagement with the media in Year 2 of the programme, which offers opportunities to the British Safety Council to increase its media profile.

We have also supported and briefed others attending external events, and most recently in support of our new Chief Executive, Mike Robinson, in continuing our programme of engagement with key health and safety stakeholders and our leading member organisations continued. Over the last four months there have been high level meetings involving our Chair, Chief Executive and Deputy Chief Executive with Constructing Better Health, NEBOSH and RoSPA. We attended the event to celebrate the 40th anniversary of IIRSM – it was in 1975 that IIRSM was founded previously having been an integral part of the British Safety Council.

As addressed earlier, we have continued our campaign work to help keep young people safe and healthy at work, which has been enhanced through our work specifically with volunteering organisations and the #iwill campaign on social action aimed at young people. Our 'Speak Up Stay Safe' campaign continues to attract interest and support both in the UK and internationally, and we are regularly invited to speak on various platforms about this issue. We also remain active within the European Network for Educationalists and Trainers in OSH (ENETOSH), and our Head of Campaigns and Engagement is now one of the network's two co-ordinators.

### **3.7. Scottish activities**

The British Safety Council has a strong and active membership of some 600 organisations in Scotland drawn from sectors including construction, energy & utilities, manufacturing, public services and transport.

Our member organisations operating in Scotland were well represented in our award schemes, and one Scottish organisation won one of the eleven sector awards associated with our International Safety Award scheme. Furthermore, 29 of our member organisations operating in Scotland won the International Safety Award in 2015 whilst two won the Sword of Honour.

We continued to support our members in Scotland with a number of engagement activities directly with key members. Amongst various site visits made by the Acting Chief Executive to longstanding

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### **Report of the trustees For the year ended 31 December 2015**

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members, we also facilitated a hosted event to Babcock Rosyth with a cross section of members drawn from our various sector interest groups which also involved a site visit onto the Prince of Wales aircraft carrier, currently under construction. In addition to which, earlier in the year we supported a Western Business Exhibitions exhibition held in Glasgow where we provided content for a two-day education seminar programme with speakers for Scottish members. This event was well attended with more than 300 delegates on each of the two days.

#### **3.8. Disabled employees**

The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

#### **4. FINANCIAL REVIEW (including Strategic Report)**

##### **4.1. Performance of the group and charity**

The principal funding sources of the group in the reporting period were income from its primary purpose trading activities and investment income.

The group's income for the year totalled £8,798,569, which was £865,547 or 10.9% more than the £7,933,022 achieved 2014. This largely reflects increased income from the groups primary purpose trading activities, which grew by £839,831 in the year to reach £8,438,289. The main contributors to this growth were the provision of education and training, which increased by 26.5%, and qualifications and assessments, which increased by 22.4%.

The group's expenditure in the year totalled £8,522,982, which represents an increase of £365,283 on the £8,157,699 incurred in 2014. This increase largely reflects additional costs associated with the group's primary purpose trading activities, which increased by £344,996 in the year to reach £8,165,703.

The group achieved a net surplus, before losses on our investment assets and gains associated with the legacy pension scheme, of £275,587, which represents an improvement of £500,264 on the deficit of £224,677 incurred in 2014.

With losses in investment funds of £67,349 (2014: gain of £265,758) and an actuarial gain in the legacy pension scheme of £29,000 (2014: loss of £478,000) the overall increase of funds in the year was £237,238 compared with a decrease of £436,919 in 2014.

In order to fairly present the activities of the British Safety Council we have summarised our financial results into 5 categories:

- Improving organisational performance through information and recognition;
- Improving individual's capability through qualifications and assessments;
- Enhancing organisation's performance through auditing and advisory;
- Improving individuals' performance through education and training; and
- Influencing the health and safety agenda.

These categories represent all the activities outlined earlier in this document.

The summary of the financial results, as set out below, should be read in conjunction with the financial statements on pages 21 – 23 and related notes:

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### Report of the trustees For the year ended 31 December 2015

#### Net income/(expenditure) by activity

	2015 £	2014 £
Improving organisation performance through information, recognition	640,693	550,665
Improving individual's capability through qualifications, assessments	112,283	(202,170)
Enhancing organisations performance through auditing & advisory	(315,937)	(219,948)
Improving individual's performance through education & training	(164,454)	(350,796)
Influencing the health and safety agenda	(312,032)	(279,803)
Investment income net of management costs	315,034	277,375
(Loss)/gain on investment assets	(67,349)	265,758
<b>Net income</b>	<b>208,238</b>	<b>41,081</b>
Actuarial gains/(losses) on defined benefit pension scheme	29,000	(478,000)
<b>Net Movement in Funds</b>	<b>237,238</b>	<b>(436,919)</b>

*Improving organisations performance through information and recognition* generated income of £2,202,902 during 2015 from membership subscriptions, our events and awards and publications. This was £32,610 lower than the £2,235,512 achieved in 2014 mainly due to a small reduction in the retention of members. Overall expenditure on these activities in 2015 decreased by £122,638 to £1,562,209 (2014: £1,684,847) primarily due to general cost savings.

Income from *Improving individual's capability through qualifications and assessments* have increased by £190,404 to £1,039,732 (2014: £849,328) reflecting growth from our level 1 and level 2 qualifications. Expenditure was £927,449 in 2015 (2014: £1,051,498), which is £124,049 less than the previous year as a result of general cost savings.

Income from *Enhancing organisations performance through auditing and advisory* come from the fees charged for the provision of audit and consultancy services. Income of £1,667,511 in 2015 (2014: £1,724,583) was down by £57,072 primarily due to a small deterioration in trading conditions. Expenditure also increased from £1,944,531 to £1,983,448 as a result of general cost increases.

Income from activities relating to our aim of *Improving individual's performance through education and training* are from the fees charged for the provision of training and e-learning solutions. Income of £3,528,143 in 2015 (2014: £2,789,034) was up by £739,109 reflecting increased demand for these services. Expenditure also increased by £552,766 to £3,692,597 (2014: £3,139,831) largely due to the cost of meeting increased demand.

Expenditure incurred to support *Influencing the health and safety agenda* increased by £32,229 to £312,032 in 2015 (2014: £279,803).

The British Safety Council received investment income of £360,281 in 2015 (2014: £334,565) which is an improvement of £25,716 on the previous year. This is primarily due to higher dividend yields on investments. The recognised losses on our investment portfolio were £67,349 (2014: gain of £265,758) which reflected poor market conditions.

The FRS102 actuarial gain on our legacy pension in 2015 was £29,000 compared with a loss of £478,000 in the previous year. The last triennial actuarial review of the scheme was completed as at 1 October 2012.

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### Report of the trustees For the year ended 31 December 2015

#### 4.2. Assets

The British Safety Council owns the freehold of its head office building in West London. The office provides accommodation for carrying out training courses, conferences and administrative activities. The land and buildings have been included in the accounts at a carrying value of £1,931,243 (2014: £1,963,743).

The British Safety Council has invested in equities and fixed interest stocks. On 31 December 2015 the value of the portfolio was £11,949,610 (2014: £11,699,148).

#### 4.3. Position of the group at the year-end

The charitable funds at 31 December 2015 were:

	2015 £	2014 £
Unrestricted funds - designated	2,694,558	3,059,738
Unrestricted funds - undesignated	11,344,403	10,979,985
Pension reserve	<u>(1,093,000)</u>	<u>(1,331,000)</u>
Total funds	12,945,961	12,708,723
Less: Designated funds	<u>(2,694,558)</u>	<u>(3,059,738)</u>
<b>Free reserves</b>	<b><u>10,251,403</u></b>	<b><u>9,648,985</u></b>

#### 4.4. Reserves

The group's reserves are those unrestricted funds that are freely available to spend on any of the charity's purposes. They therefore exclude tangible fixed assets held for the group's own use, amounts designated for essential future spending and amounts set aside to match the amount of the group's defined benefit pension liability.

The charity trustees designated funds totalling £2,694,558 (2014: £3,059,738), which match the net book value of the group's tangible fixed assets. Remaining unrestricted funds (excluding the pension reserve) amount to £11,344,403 (2014: £10,979,985). The charity's free reserves amount to £10,251,403 (2014: £9,648,985).

The reserves provide financial and operational stability. This in turn enables the group to better meet its charitable objects. The reserves policy is reviewed annually by the board of charity trustees. It has 3 elements:

- Part of the charity's reserves shall be designated in respect of the charity's fixed assets:
- The charity shall maintain free reserves at a level no less than a minimum level approved by the board. This minimum level is set at £5 million and is intended to provide support for the charity's obligations and its pension scheme in adverse circumstances; and
- The charity shall continue to maintain free reserves at a level in excess of the minimum for the following reasons:
  - The investment fund, which essentially backs all of the minimum level of free reserves may fluctuate in value; and
  - The charity desires to maintain organisational stability and the ability to respond rapidly to major opportunities and challenges.

Note 12 provides further information about the designated and unrestricted reserves. This level of reserves is reviewed regularly by the board of charity trustees.



## British Safety Council

### Report of the trustees For the year ended 31 December 2015

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#### 4.5. Subsidiaries

The charity has two 100% owned subsidiaries, British Safety Council Sales Ltd, which is not trading, and Complywise Ltd, which are both registered in England and Wales. Summary results of the subsidiaries are set out at Note 7.

Complywise Ltd, which provides health safety and compliance e-learning solutions for businesses, incurred a net loss during the year of £113,209 (2014: £57,492) and has amounted a cumulative loss of £2,386,315 (2014: £2,271,856). The net loss during the year reflects the fact that the company has a declining customer base, as all new customer contracts are now held by the charity. The accumulated loss reflects a combination of accumulated operating losses over a number of years, and the impairment of goodwill arising on assets acquired in 2008.

#### 4.6. Investment policy

Our investment policy is in accordance with the charity's articles of association. Under these, the charity enjoys wide investment powers, specifically to:

- Deposit or invest funds and to invest money;
- Employ a professional fund manager; and
- Arrange for the investments or other property of the charity to be held in the name of a nominee

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000. Our investment policy prohibits direct investment in tobacco companies.

These powers are exercised by the investment committee, which under its terms of reference, acts for, advises and reports to the board on all matters concerning the management of the charity's investments. Day to day management of our investments has been delegated to the professional fund manager, Investec Wealth & Investment Ltd.

The overall objectives set out in our investment policy are to create sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year with due and proper consideration of future needs and the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The long-term objective of the portfolio is a total return of RPI plus 3.5% p.a. underpinned by an income yield of approximately 3% p.a. The objective is to be achieved by investing in mix of equities, bonds, commercial property and other asset classes.

#### 4.7. Pension liabilities

The charity is the principal employer of a defined benefit scheme, which is closed to new entrants and no future benefits are accruing. The charity's liability for its obligations under the scheme net of scheme assets, as determined by an independent actuary, at the year-end amounted to £1,093,000 (2014: £1,331,000). The charity trustees' policy is to maintain a pension reserve equal in value to this net defined benefit liability, and to maintain free reserves at a level of at least £5 million, in part to provide support for the charity's obligations to the pension scheme.

The charity has entered into a deficit recovery plan with the pension scheme trustees, under which the charity makes contributions to the scheme of £252,000 per year. It is estimated that the deficit on the pension scheme will be eliminated by June 2021.

#### 4.8. Principal risks and uncertainties facing the group

At the time of approving the trustees' report and financial statements, the top organisational risk was the impact of global economic changes on our primary purpose trading activities. Other risks include:

## British Safety Council

Report of the trustees  
For the year ended 31 December 2015

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- **Financial risk management**

Our activities expose us to a number of financial risks including credit risk, market risk, cash flow risk and liquidity risk. We did not use any financial derivatives during the year under review.

- **Credit risk**

Our credit risk is primarily attributable to trade receivable, which are the subject of on-going review.

- **Market risk**

Our investments are subject to market movements that may result in realised and unrealised losses. We have reviewed our investment policy as explained in the investment policy section on page 13.

- **Foreign exchange risk**

Our primary purpose trading activities expose us to some risk of changes in foreign currency exchange rates. We generally create a natural hedge by denominating our income and expenditure in the same currency, specifically, where possible we denominate income contracts in British pounds. We did not use foreign exchange forward contracts during the year.

- **Liquidity risk**

The group maintains significant reserves, which are largely backed by our investment fund. A significant proportion of our investments are held in cash and bonds, which are available to meet our liabilities as and when they fall due.

#### 4.9. Going concern

After making enquiries, the charity trustees have a reasonable expectation that the group and charity have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the trustee report and financial statements. The charity trustees consider that there are no material uncertainties about the group's ability to continue.

Furthermore, the charity trustees have a reasonable expectation that Complywise Ltd, a wholly owned subsidiary of the British Safety Council, has adequate resources to continue in operational existence for the foreseeable future, despite having incurred a cumulative loss to 31 December 2015 of £2,386,315.

## 5. FUTURE PLANS

Following the appointment of Mike Robinson in September 2015 as Chief Executive, the senior management team was restructured in December. These senior management level changes coupled with a renewed focus of the executive team and the trustees of the British Safety Council provide momentum to the change process now underway within the organisation. The organisation believes that with the changing landscape and general discussion on the value of good work in terms of ensuring a more holistic and sustainable outcome for individuals and society, businesses and organisations such as the British Safety Council in supporting them, have a clear role to play. The British Safety Council therefore will continue to promote the economic and social benefits of sensible and proportionate health and safety management. A key element of this includes retaining a focus on raising awareness and understanding in young people of health and safety risks in the workplace, as well as participating in the wider debate on health and wellbeing in the workplace.

The trustees have identified three priorities for 2015 and beyond that are considered essential to the achievement of the aims and objectives set out in our manifesto, Working Well:

- To gather and publicise the evidence concerning the economic and social benefits that well managed health and safety brings;
- To continue the work of helping develop risk awareness and understanding among young people and to campaign to help ensure that they are properly protected at work, and;

## British Safety Council

### Report of the trustees For the year ended 31 December 2015

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- To influence decision makers concerning health and safety policy and law using ours and our members' knowledge and expertise.

Our activities in these areas ensure that we continue to raise awareness and promote understanding and that there are associated benefits to workplaces and the people that work within them. A large part of this will be expended in increasing our visibility through increased public relations activity, stronger social and digital media campaigns, in part built off key initiatives including:

- Continuing our support for the campaign #iwill – a national campaign that aims to make social action part of life for as many 10 to 20 year-olds as possible by the year 2020 – further digital media material to be released up until June 2016. The campaign aims to raise awareness and confidence that health and safety is not a barrier to volunteering. It has the public support of all major political parties/leaders as well as from HRH The Prince of Wales.
- Ongoing support for the Work Foundation's Health at Work Policy Unit for Year 2/3. This will result in a further four reports and three briefings on topics relating to health at work, e.g. young people with health conditions entering the workplace. The Unit's lead, Prof Stephen Bevan, is considered one of the UK's thought leaders on matters relating to 'good work' and it positions and extends our network to influential policy makers and decision-makers.
- Ongoing engagement with our more engaged members through our sector interest groups, with investment made into setting up potentially one or two new sector groups, such as providing support and network to those operating in the healthcare sector, as well as extending support to construction members operating abroad.
- Continuing to build our relationship with our Turkish partner, whilst exploring opportunities to establish partnerships in other territories.

## 6. STRUCTURE, GOVERNANCE AND MANAGEMENT

### 6.1. Governing document

The governance arrangements are set out in the British Safety Council's articles of association as updated on 19 April 2011.

### 6.2. Structure

The British Safety Council group comprises the British Safety Council and two wholly owned subsidiaries, Complywise Ltd and British Safety Council Sales Ltd. The latter subsidiary was dormant at the year end, but is expected to commence trading in 2016. The report of the charity trustees, strategic report and consolidated financial statements cover the charitable entity and the two subsidiaries.

The charity is a company limited by guarantee not having a share capital incorporated in England and Wales. The members<sup>1</sup> of the company are the charity trustees of the company. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

### 6.3. Our Board and Management

Our board of charity trustees is currently made up of 11 trustees who are also members and directors of the charitable company (the charity). They set our strategic direction and are responsible for making sure we uphold our values and governance, and deliver our objectives. They guide, advise and support the Chief Executive, decide how we spend our money and approve our budgets. They review a schedule of matters reserved to them and delegate certain responsibilities to board committees and the executive team, outlined below.

<sup>1</sup> Within the meaning of section 112 of the Companies Act 2006.

## British Safety Council

### Report of the trustees For the year ended 31 December 2015

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The charity trustees have delegated management of the group to the chief executive who reports on performance against the strategic plans and budget approved by the charity trustees. The chief executive is supported by the executive team who are responsible for discrete organisational functions. The names of the chief executive and executive team are set out on the last page of this document.

The group has reviewed and adopted the principles outlined in the *Code of Good Governance*.

The board of charity trustees exercise their oversight and assurance role through a range of means. Our board is structured as follows:

- **Board of trustees**  
The main board of charity trustees meet at least quarterly to review performance in year and to shape the longer term future of the organisation in partnership with the chief executive and executive team.
- **Audit and risk committee**  
The audit and risk committee meets at least twice each year to review the group's system of internal control and its risk register. The committee also oversees the audit of the group's report and financial statements.
- **Investment committee**  
The investment committee meets at least twice each year to review the charity's reserves policy, investment strategy and performance of the investment fund.
- **Policy and communications committee**  
The policy and communications committee meet three times per year to agree policy positions to underpin our influencing and engagement activities and all public pronouncements in our own publications or the media.
- **Qualifications and awards committee**  
The qualifications and awards committee meets three times per year to oversee the activities of our Ofqual recognised awarding body. The administration of the international safety award and best practice award schemes (Sword and Globe of Honour) are also be overseen by this committee.
- **Remuneration and nomination committee**  
The remuneration and nomination committee meets in January and November and additionally as required. With regard to remuneration the role of the committee is to agree the framework or broad policy for the remuneration of the chief executive, and, with the advice of the chief executive, the terms and conditions of those who report directly to them. In addition, the committee reviews and notes annually the remuneration trends across the organisation and oversees any major changes in employee benefits structures. It also monitors executive performance.

With regard to nomination, the role of this committee is to regularly review the structure, size and composition including the skills, knowledge and experience required of the board compared to its current position, and to make recommendations to the board with regard to any changes. All of the charity trustees have been appointed through personal recommendation or public advertisements, followed by interview.

On appointment, charity trustees undergo an induction process to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the committee and decision making processes, the strategic plan and recent key decisions by the board. Induction also includes a presentation, a meeting with key staff and the provision of company documents and Charity Commission publications. All of the charity trustees have experience at senior levels in other professional and voluntary capacities. Charity trustees are encouraged to attend further training.

# **British Safety Council**

Report of the trustees  
For the year ended 31 December 2015

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## **6.4. Risk Management**

The charity trustees are responsible for the group's risk management and the effectiveness of internal control systems. As part of the group's regular procedures the charity trustees and executive team examine and review the major risks to which the group is exposed. An impact analysis has been undertaken, responsibilities defined and actions taken to mitigate, wherever possible, those risks. The charity trustees are satisfied that those major risks as identified have been adequately managed, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. To this end the risk analysis schedules are presented bi-annually at the audit and risk committee and annually to the board of trustees.

## **7. REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details of the charity are set out on page 40.

## British Safety Council

Report of the trustees  
For the year ended 31 December 2015

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### Trustees' responsibilities for the consolidated financial statements

The charity trustees (who are also directors of the British Safety Council for the purposes of company law) are responsible for preparing the trustees' report, strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the charity trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the charity trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing the financial statements, the charity trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The charity trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

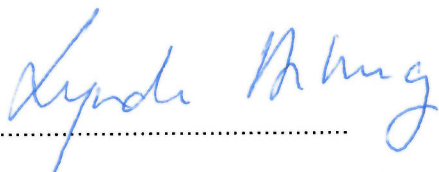
In so far as the charity trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The charity trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Auditors

BDO LLP were re-appointed as auditors in accordance with section 485 (4) of the Companies Act 2006.



.....

### Lynda Armstrong on behalf of the board

The annual report and strategic report were both approved by the Board on 2 August 2016 and signed on its behalf on 2 August 2016.



## **British Safety Council**

Independent Auditor's Report  
For the year ended 31 December 2015

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE BRITISH SAFETY COUNCIL**

We have audited the financial statements of British Safety Council for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities (incorporating an income and expenditure account), the Consolidated and Parent Charity Balance sheets, the Consolidated Cash Flow Statement and the related notes. 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 charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and 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 charity and the charity's trustees and 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, the charity 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 Financial Reporting Council's (FRC) 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 FRC's website at [www.frc.org.uk/auditscopeprivate](http://www.frc.org.uk/auditscopeprivate)

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2015 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report, which includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

## British Safety Council

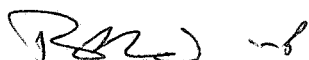
Independent Auditor's Report  
For the year ended 31 December 2015

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### 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of charity trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



.....  
Donald Bawtree (Senior Statutory Auditor)  
for and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom 8 Aug 2016

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## British Safety Council

### Consolidated Statement of Financial Activities (incorporating an Income Statement) For the year ending 31 December 2015

	Note	2015 £	2014 £
<b>INCOME</b>			
<b>Income from charitable activities</b>			
Improving organisation performance through information, recognition		2,202,902	2,235,512
Improving individual's capability through qualifications, assessments		1,039,732	849,328
Enhancing organisations performance through auditing & advisory		1,667,511	1,724,583
Improving individual's performance through education & training		3,528,143	2,789,034
<b>Investment income</b>			
Investment income		360,281	334,565
<b>TOTAL INCOME</b>	<b>2</b>	<b>8,798,569</b>	<b>7,933,022</b>
<b>EXPENDITURE</b>			
<b>Expenditure on charitable activities</b>			
Improving organisation performance through information, recognition		(1,562,209)	(1,684,847)
Improving individual's capability through qualifications, assessments		(927,449)	(1,051,498)
Enhancing organisations performance through auditing & advisory		(1,983,448)	(1,944,531)
Improving individual's performance through education & training		(3,692,597)	(3,139,831)
Influencing the health and safety agenda		(312,032)	(279,803)
Investment management costs		(45,247)	(57,189)
<b>TOTAL EXPENDITURE</b>	<b>3</b>	<b>(8,522,982)</b>	<b>(8,157,699)</b>
Net (losses)/gains on investment assets	<b>7</b>	(67,349)	265,758
<b>NET INCOME</b>		<b>208,238</b>	<b>41,081</b>
Actuarial gains/(losses) on defined benefit pension scheme	<b>15</b>	29,000	(478,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>237,238</b>	<b>(436,919)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward at 1 January		12,708,723	13,145,642
Total funds carried forward at 31 December		<b>12,945,961</b>	<b>12,708,723</b>

*All of the above results are derived from continuing activities. The gain for the year for Companies Act purposes was £768,037 (2014: £587,541). The accompanying accounting policies and notes form an integral part of these financial statements.*

## British Safety Council

### Balance Sheet For the year ended 31 December 2015

		Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
<b>Fixed Assets</b>					
Tangible assets	6	2,694,558	3,059,738	2,694,558	3,059,738
Investments	7	11,949,610	11,699,148	12,313,955	12,176,700
		<u>14,644,168</u>	<u>14,758,886</u>	<u>15,008,513</u>	<u>15,236,440</u>
<b>Current Assets</b>					
Stock		8,092	7,351	8,092	7,351
Debtors	8	1,166,127	1,263,067	1,144,353	1,217,420
Bank & Cash		1,412,618	1,242,055	1,402,129	1,177,490
		<u>2,586,837</u>	<u>2,512,473</u>	<u>2,554,574</u>	<u>2,402,270</u>
<b>Creditors: amounts falling due within one year</b>	9	(3,192,044)	(3,231,636)	(3,106,877)	(3,182,991)
Net current (liabilities)		<u>(605,207)</u>	<u>(719,163)</u>	<u>(552,303)</u>	<u>(780,718)</u>
<b>Total assets less net current liabilities</b>		<b>14,038,961</b>	<b>14,039,723</b>	<b>14,456,209</b>	<b>14,455,722</b>
<b>Creditors: amounts falling due after more than one year</b>	10	-	-	(415,000)	(415,000)
<b>Net assets excluding pension liability</b>		<u>14,038,961</u>	<u>14,039,723</u>	<u>14,041,209</u>	<u>14,040,722</u>
<b>Defined benefit pension scheme liability</b>	15	(1,093,000)	(1,331,000)	(1,093,000)	(1,331,000)
<b>NET ASSETS</b>		<u>12,945,961</u>	<u>12,708,723</u>	<u>12,948,209</u>	<u>12,709,722</u>
<b>Funds</b>					
Unrestricted funds - designated	12	2,694,558	3,059,738	2,694,558	3,059,740
Unrestricted funds - undesignated		11,344,403	10,979,985	11,346,651	10,980,980
Pension reserve		<u>(1,093,000)</u>	<u>(1,331,000)</u>	<u>(1,093,000)</u>	<u>(1,331,000)</u>
<b>TOTAL FUNDS</b>		<u>12,945,961</u>	<u>12,708,723</u>	<u>12,948,209</u>	<u>12,709,722</u>

The financial statements were approved and authorised for issue on 2 August 2016.

  
 .....  
 Lynda Armstrong, Chair

The accompanying accounting policies and notes form an integral part of the financial statements.

Company number: 04618713

## British Safety Council

### Consolidated cash flow statement For the year ended 31 December 2015

	2015 £	2014 £
<b>Cash flows from operating activities:</b>		
<b>Net cash inflow/(outflow) from operating activities</b>	<b>156,336</b>	<b>(538,938)</b>
<b>Cash flows from investing activities:</b>		
Investment income	360,281	334,565
Purchase of tangible fixed assets	(37,725)	(254,474)
Purchase of investments	(2,909,891)	(1,604,402)
Proceeds from sale of investments	2,601,563	2,297,780
<b>Net cash inflow from investing activities</b>	<b>14,228</b>	<b>773,469</b>
Change in Cash flow for the year	170,564	234,531
Cash in bank and at hand at 1 January	1,242,055	1,007,524
<b>Cash in bank and at hand at 31 December</b>	<b>1,412,619</b>	<b>1,242,055</b>
<b>Reconciliation of net outgoing resources to net cash outflow from operating activities:</b>		
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>	<b>275,587</b>	<b>(224,677)</b>
Investment income	(360,281)	(334,565)
Realised (gain) on disposal of investments	(9,483)	(18,147)
Depreciation charge	402,905	422,136
(Decrease) in pension liability	(209,000)	(220,000)
(Increase) in stock	(741)	(90)
(Increase)/decrease in debtors	96,940	(47,102)
(Decrease) in creditors	(39,591)	(116,493)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>156,336</b>	<b>(538,938)</b>

## British Safety Council

Notes to the financial statements  
For the year ended 31 December 2015

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### 1. PRINCIPAL ACCOUNTING POLICIES

#### Significant judgements, key assumptions and estimates

The preparation of the financial statements in conformity with generally accepted accounting practice requires the charity trustees to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The key estimates and assumptions used in these consolidated financial statements are set out below:

#### Defined benefit pension obligations

The financial statements include costs in relation to, and provision for, defined benefit pension obligations. The costs and the present value of any related pension assets and liabilities depend on such factors as life expectancy of the members, the returns that scheme assets generate and the discount rate used to calculate the present value of the liabilities. The charity trustees use impartial actuarial advice to select the values of critical estimates.

#### Basis of preparation

The financial statements have been prepared:

- a) Under the historical cost convention, with the exception of investments, which are included at fair value.
- b) In sterling which is the functional currency of the group.
- c) In accordance with FRS102, the statement of recommended practice 'Accounting and Reporting by Charities' (SORP 2015) and applicable company and charitable law in the UK. The charity is considered to be a public benefit entity, as defined by FRS 102. The particular accounting policies adopted by the charity trustees are described below.
- d) On the going concern basis (see paragraph 4.9 of the trustees' report)

The charity has taken advantage of the exemption from presenting its unconsolidated Statement of Financial Activities (SOFA) under section 408 of the Companies Act 2006 and its unconsolidated Statement of Cash Flows under section 1.12 of FRS102.

#### Basis of consolidation

The consolidated financial statements incorporate the results of British Safety Council and all of its subsidiary undertakings as at the balance sheet date, using the acquisition method of accounting as required.

#### Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the charity trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds which are to be used in accordance with specific decisions made by the charity trustees. They are reviewed annually. In addition, the charity trustees designate funds to match the net book value of tangible fixed assets.

#### Tangible fixed assets and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:



## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

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Freehold buildings - 70 Chancellors Road	over 40 years
Office refurbishment	12.5 years
Office furniture and fittings	4 - 10 years
Computer hardware and software	4 - 8 years

Freehold land is not depreciated.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### **Acquisitions**

Assets and liabilities are recorded at fair value with excess purchase price recorded as goodwill. This treatment is as per FRS 102, business combinations and goodwill, which ensures that all the assets and liabilities that existed in the acquired entity at the date of acquisition are recorded at fair values reflecting their condition at the date of acquisition.

#### **Investments in subsidiaries**

Investments in subsidiaries are carried in the charity's balance sheet at cost less any provision for impairment.

The charity assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the charity makes an estimate of the recoverable amount. If the net assets of the subsidiary unit are less than the value of the investment, the investment is considered to be impaired and is written down to its net asset amount. An impairment loss is recognised immediately in the SOFA.

#### **Investments other than in subsidiaries**

Equity investments are recognised initially at the transaction price. Subsequently, they are measured at fair value.

During the year, the group and charity changed their accounting policy with respect to the calculation of the fair value of listed investments. Fair value is now taken as the stock exchange bid price value at the balance sheet date. Prior to this change in policy, fair value was taken as the stock exchange mid-price value at the balance sheet date. This change was made in order to align the policy with the requirements of FRS102.

Any gain or loss on revaluation is credited/charged to the SOFA.

#### **Stock**

Stock is valued at the lower of cost and net realisable value.

#### **Trade debtors**

Trade debtors are recognised at the undiscounted amount of cash receivable from the customer, less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected.

#### **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

#### **Income**

Incoming resources represent the amounts derived from the provision of goods and services which fall within the group's ordinary activities, stated net of value added tax.

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts,

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

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rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Revenue from the rendering of services, including training courses, audit services, qualifications and publications is recognised by reference to the stage of completion. Fees received in advance, relating to future periods are carried forward in the balance sheet as deferred income.

Licence fee income is recognised on a receivable basis and subscriptions, receivable on varying dates throughout the year, are apportioned on a time basis, the proportion received in advance being carried forward in the balance sheet.

Investment income is recognised on a receivable basis.

#### **Expenditure**

All resources expensed are accounted for on an accruals basis and are allotted directly to the activity to which they relate. Support costs including governance, management, finance, information technology, human resources and the cost of our defined contribution pension scheme are apportioned between our activities.

During the year, the group and charity changed their accounting policy with respect to the disclosure of governance costs, which are no longer shown as a separate item of expenditure in the SOFA, but are instead included within support costs. This change was made in order to align the policy with the requirements of charities SORP (FRS 102).

Product development expenditure is written off as incurred.

#### **Trade creditors**

Trade creditors are recognised at the undiscounted amount owed to the supplier.

#### **Operating leases**

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the lease term.

#### **Termination benefits**

Termination benefits are payable when employment is terminated by the group. The group recognises termination benefits as a charge in the SOFA when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

#### **Defined contribution pension scheme**

A group personal pension is available to staff with an employer contribution of up to 10% depending on the employee's age. The cost of providing this benefit is charged to the SOFA in year.

#### **Defined benefit pension scheme**

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the group/charity.

The current service cost and costs from settlements and curtailments are charged against expenditure on charitable activities. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included income/ expenditure on charitable activities. Actuarial gains and losses are reported separately on the face of the SOFA as part of the net movement in funds.

## British Safety Council

Notes to the financial statements  
For the year ended 31 December 2015

### Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the income statement in the period in which they arise.

## 2. INCOME

### INVESTMENT INCOME

	2015 £	2014 £
<b>From UK investments</b>		
Deposit interest	199	1,396
Equities	211,103	206,012
Unit trusts	77,553	75,530
Fixed interest company bonds	40,680	31,828
	329,535	314,766
<b>UK quoted securities</b>		
Overseas investment trusts	11,358	10,941
Overseas unit trusts	19,388	8,858
	360,281	334,565

### GEOGRAPHICAL ANALYSIS

In the course of 2015 the group derived 23% (2014: 22%) of its income from charitable activities outside of the United Kingdom

## 3. BREAKDOWN OF RESOURCES EXPENDED (GROUP)

	Activities undertaken directly £	Support costs £	2015 Total £	2014 Total £
<b>Charitable activities</b>				
Improving organisation performance through information & recognition	1,147,358	414,851	<b>1,562,209</b>	1,684,847
Improving individual's capability through qualifications & assessments	599,836	327,613	<b>927,449</b>	1,051,498
Enhancing or organisations performance through auditing & advisory	1,530,360	453,088	<b>1,983,448</b>	1,944,537
Improving individuals' performance through education & training	2,953,348	739,249	<b>3,692,597</b>	3,139,837
Influencing the Health & Safety agenda	209,096	102,936	<b>312,032</b>	279,803
Investment management costs	45,247	-	<b>45,247</b>	57,189
	<b>6,485,245</b>	<b>2,037,737</b>	<b>8,522,982</b>	<b>8,157,699</b>

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

#### Support cost allocations

	Improving organisation performance  through information & recognition  £	Improving individuals' through qualifications & assessments  £	Enhancing organisations performance  through auditing & advisory  £	Improving individuals' performance  through education & training  £	Influencing the H&S agenda  £	Total Costs  £
Governance	8,034	6,345	8,775	14,316	1,993	39,463
Management and administration	148,920	117,602	162,645	265,369	36,952	731,488
Human resources	17,689	13,970	19,320	31,522	4,389	86,890
Additional pension scheme costs	8,754	6,913	9,561	15,600	2,172	43,000
Finance	160,840	127,017	175,665	286,611	39,909	790,042
IT	70,614	55,765	77,123	125,832	17,521	346,855
<b>Total</b>	<b>414,851</b>	<b>327,612</b>	<b>453,089</b>	<b>739,250</b>	<b>102,936</b>	<b>2,037,738</b>

Support costs were all allocated on the basis of head count.

#### Total expenditure has been arrived at after charging:

	2015 £	2014 £
Staff costs (note 4)	4,752,316	4,649,223
Expenses reimbursed to trustees or paid directly to third parties (note 5)	5,967	10,268
Depreciation of owned assets (note 6)	402,905	422,136
Operating lease payments recognised as an expense (note 16)	48,360	57,011
Auditor's remuneration - auditing the accounts	37,420	33,000
Auditor's remuneration - tax compliance services	1,250	3,855
Auditor's remuneration - other services	500	1,500

#### 4. STAFF COSTS (GROUP)

Staff costs during the year were as follows:

	2015 £	2014 £
Wages and salaries	4,087,832	3,922,627
Redundancy costs	8,289	94,297
Social security costs	438,306	442,013
Expense for defined contribution pension schemes	174,889	158,286
Expense for defined benefit pension schemes (note 15)	43,000	32,000
	<b>4,752,316</b>	<b>4,649,223</b>

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

The number of staff employed during the period, analysed by activity was:

	2015 Number	2014 Number
Improving organisation performance through information & recognition	15	18
Improving individual's capability through qualifications & assessments	12	13
Enhancing organisations performance through auditing & advisory	16	14
Improving individuals' performance through education & training	26	27
Influencing the H&S agenda	4	4
Supporting activities	24	23
	<u>97</u>	<u>99</u>

At 31 December 2015 the number of staff employed by the group was 98 (2014: 97).

The number of employees whose annualised emoluments exceeded £60,000 was as follows:

	2015 Number	2014 Number
£60,001 - £70,000	10	2
£70,001 - £80,000	3	2
£80,001 - £90,000	2	3
£90,001 - £100,000	2	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£180,001 - £190,000	-	1
	<u>19</u>	<u>11</u>

5 employees earning £60,000 or more (2014: 4) were deferred members of the defined benefit pension scheme.

17 employees earning £60,000 or more (2014: 9) were members of the defined contribution pension scheme, and contributions amounting to £68,283 (2014: £51,363) were paid on their behalf.

#### 5. TRUSTEES EXPENSES

The charity trustees incurred travel, accommodation, subsistence and venue costs in fulfilling their duties. These costs were either reimbursed to the charity trustees or paid directly to third parties. The total amount of expenses reimbursed to charity trustees or paid directly to third parties during the year amounted to £5,967 (2014: £10,268). The number of charity trustees reimbursed for expenses or who had expenses paid directly by the charity was 11 trustees (2014:12).

Indemnity insurance is provided for the charity trustees. The premium paid during the year amounted to £2,544 (2014: £2,544).

**British Safety Council**

Notes to the financial statements  
For the year ended 31 December 2015

**6. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)**

	Freehold land and buildings £	Office refurbishment £	Office furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2015	3,012,500	1,398,471	357,598	1,485,076	<b>6,253,645</b>
Additions	-	-	15,089	25,362	<b>40,451</b>
Disposals	-	-	(2,801)	-	<b>(2,801)</b>
<b>At 31 December 2015</b>	<b>3,012,500</b>	<b>1,398,471</b>	<b>369,886</b>	<b>1,510,438</b>	<b>6,291,295</b>
<b>Depreciation</b>					
At 1 January 2015	1,048,757	944,182	215,168	985,800	<b>3,193,907</b>
Provided in year	32,500	70,896	17,071	282,438	<b>402,905</b>
Disposals	-	-	(75)	-	<b>(75)</b>
<b>At 31 December 2015</b>	<b>1,081,257</b>	<b>1,015,078</b>	<b>232,164</b>	<b>1,268,238</b>	<b>3,596,737</b>
<b>Net book value at 31 December 2015</b>	<b>1,931,243</b>	<b>383,393</b>	<b>137,722</b>	<b>242,200</b>	<b>2,694,558</b>
<b>Net book value at 31 December 2014</b>	<b>1,963,743</b>	<b>454,289</b>	<b>142,430</b>	<b>499,276</b>	<b>3,059,738</b>

The freehold land and buildings are used for carrying out charitable activities and function as the head office of the group.



## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

#### 7. INVESTMENTS

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
<b>Listed investments</b>				
Fair value of 1 January	11,699,148	12,108,621	11,699,148	12,108,621
Acquisitions at cost	2,909,891	1,604,402	2,909,891	1,604,402
Disposal at carrying value	(2,592,080)	(2,279,633)	(2,592,080)	(2,279,633)
Net (losses)/gains realised and on revaluation at 31 December	(67,349)	265,758	(67,349)	265,758
<b>Fair value at 31 December</b>	<b>11,949,610</b>	<b>11,699,148</b>	<b>11,949,610</b>	<b>11,699,148</b>
<b>Equity investments in group undertakings</b>				
Cost less provision for impairment at 1 January	-	-	477,555	535,046
Impairment in carrying value of subsidiary	-	-	(113,210)	(57,491)
<b>Cost less provision for impairment at 31 December</b>	<b>-</b>	<b>-</b>	<b>364,345</b>	<b>477,555</b>
<b>UK quoted securities</b>				
Equities	4,482,494	5,169,995	4,482,494	5,169,995
Fixed interest bonds	1,236,885	960,349	1,236,885	960,349
Investment trusts	334,412	378,835	334,412	378,835
Public sector fixed interest	516,221	524,295	516,221	524,295
Unit trusts	1,860,337	1,960,662	1,860,337	1,960,662
Alternative assets	738,090	-	738,090	-
<b>Total UK quoted securities</b>	<b>9,168,439</b>	<b>8,994,136</b>	<b>9,168,439</b>	<b>8,994,136</b>
<b>UK quoted overseas securities</b>				
Unit trusts	1,194,988	985,125	1,194,988	985,125
Investment trusts	1,586,183	1,719,887	1,586,183	1,719,887
<b>Total UK quoted overseas securities</b>	<b>2,781,171</b>	<b>2,705,012</b>	<b>2,781,171</b>	<b>2,705,012</b>
<b>Investment in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>364,345</b>	<b>477,555</b>
<b>Total value at 31 December</b>	<b>11,949,610</b>	<b>11,699,148</b>	<b>12,313,955</b>	<b>12,176,703</b>

There were no quoted security holdings with a market value of greater than 5% of the total portfolio at 31 December 2015.

Under FRS 102 an impairment review of the carrying value of the charity's investment in Complywise Ltd was required to be undertaken at 31 December 2015. In doing so, the charity trustees took account of the fact that the carrying value exceeded the net assets of Complywise Ltd. As a result of the impairment review the charity trustees concluded that during the year ended 31 December 2015 the investment was impaired by £113,210 (2014: £57,491).

## British Safety Council

Notes to the financial statements  
For the year ended 31 December 2015

Subsidiaries	British Safety Council Sales Ltd	Complywise Ltd
	2015 £	2015 £
<b>Income and Expenditure</b>		
Turnover	-	226,729
Cost of Sales & administrative expenses	-	(339,938)
Net movement in funds/net loss	-	<u>(113,209)</u>
<b>Balance Sheets</b>		
Debtors	2,001	33,002
Debtors: amounts falling due after more than one year	-	415,000
Cash at Bank and in Hand	2,531	7,958
Creditors: amounts falling due less than one year	(4,532)	(93,864)
<b>Net Assets</b>	-	<u>362,096</u>
Ordinary Shares	999	2,748,411
Profit & Loss Account	(999)	(2,386,315)
<b>Equity shareholders' funds</b>	-	<u>362,096</u>

Both Complywise Ltd (company No: 06720413) and British Safety Council Sales Ltd (company No: 1236862) are wholly owned subsidiaries of the British Safety Council.

### 8. DEBTORS

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Trade debtors	995,396	1,085,165	962,394	1,036,993
Other debtors	88,738	93,100	86,737	91,099
Due from subsidiary undertaking	-	-	13,229	4,532
Prepayments and accrued income	81,993	84,802	81,993	84,802
	<u>1,166,127</u>	<u>1,263,067</u>	<u>1,144,353</u>	<u>1,217,426</u>

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

#### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group 2015 £</b>	<b>Group 2014 £</b>	<b>Charity 2015 £</b>	<b>Charity 2014 £</b>
Trade creditors	218,584	338,995	218,196	325,487
Other creditors	8,310	8,310	8,311	8,311
Due to subsidiary undertaking	-	-	-	59,078
Taxation and social security	353,021	307,077	348,042	299,372
Accruals	500,607	563,857	500,607	563,857
Deferred income (note 11)	2,111,522	2,013,397	2,031,721	1,926,886
	<b><u>3,192,044</u></b>	<b><u>3,231,636</u></b>	<b><u>3,106,877</u></b>	<b><u>3,182,991</u></b>

#### 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<b>Group 2015 £</b>	<b>Group 2014 £</b>	<b>Charity 2015 £</b>	<b>Charity 2014 £</b>
Due to subsidiary undertaking	<u>-</u>	<u>-</u>	<u>415,000</u>	<u>415,000</u>

#### 11. DEFERRED INCOME

	<b>Group 2015 £</b>	<b>Group 2014 £</b>	<b>Charity 2015 £</b>	<b>Charity 2014 £</b>
Deferred income as at 1 January	2,013,397	1,888,822	1,926,886	1,778,179
Deferred incoming resources	6,480,186	5,865,527	6,318,903	5,722,281
Release of deferred income	(6,382,061)	(5,740,952)	(6,214,068)	(5,573,574)
<b>Deferred income as at 31 December</b>	<b><u>2,111,522</u></b>	<b><u>2,013,397</u></b>	<b><u>2,031,721</u></b>	<b><u>1,926,886</u></b>

Income is recognised in accordance with the account policy set out on pages 25 - 26. Income which has been invoiced before it can be recognised is deferred until such time as the recognition criteria are met.

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

#### 12. SUMMARY OF MOVEMENTS IN FUNDS (GROUP)

Movements in funds during the year ended 31 December 2015 were as follows:

	At 1 January 2015	Income	Expenditure	Actuarial gain	Investment loss	Transfers	At 31 December 2015
	£	£	£	£	£	£	£
<b>Unrestricted funds</b>							
Undesignated Funds:	10,979,986	8,798,569	(8,329,078)	-	(67,349)	(37,725)	11,344,403
Designated fund:	3,059,738	-	(402,904)	-	-	37,725	2,694,558
	<b>14,039,723</b>	<b>8,798,569</b>	<b>(8,731,982)</b>	<b>-</b>	<b>(67,349)</b>	<b>-</b>	<b>14,038,961</b>
Pension reserve	(1,331,000)	-	209,000	29,000	-	-	(1,093,000)
<b>Total funds</b>	<b>12,708,723</b>	<b>8,798,569</b>	<b>(8,522,982)</b>	<b>29,000</b>	<b>(67,349)</b>	<b>-</b>	<b>12,945,961</b>

During the year the charity, which is the parent company of the group, achieved an increase in total funds of £238,487 (2014: decrease £436,918).

#### Designated funds

The board's policy is to designate funds to match the value of the group's tangible fixed assets and for essential future spending. At 31 December 2015 the only designated fund was in respect of fixed assets. This matches the net book value of the fixed assets at the financial year end. In the year there were £40,451 (2014: £255,618) worth of fixed asset additions, £2,726 (2014: £1,144) worth of fixed asset disposals (net of associated depreciation) and a depreciation charge of £402,905 (2014: £422,136). Therefore, £37,725 (2014: £254,474) was transferred from undesignated funds to cover fixed asset additions.

#### ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

Fund balances at 31 December 2015 are represented by:

#### Unrestricted funds

	Undesignated funds	Designated funds	Pension reserve	Total funds
	£	£	£	£
Tangible fixed assets	-	2,694,558	-	2,694,558
Investments	11,949,610	-	-	11,949,610
Current assets/liabilities	(605,207)	-	-	(605,207)
Pension liability	-	-	(1,093,000)	(1,093,000)
<b>Total funds</b>	<b>11,344,403</b>	<b>2,694,558</b>	<b>(1,093,000)</b>	<b>12,945,961</b>

#### 13. CAPITAL COMMITMENTS (GROUP AND CHARITY)

At the year-end the group and charity had entered into capital commitments amounting to £nil (2014: £nil).

**British Safety Council**

Notes to the financial statements  
For the year ended 31 December 2015

**14. PROVISIONS FOR LIABILITIES, CONTINGENT ASSETS AND LIABILITIES (GROUP AND CHARITY)**

At the year-end the group and charity had no provisions for liabilities, contingent assets or contingent liabilities (2014: £nil).

**15. POST EMPLOYMENT BENEFITS (GROUP AND CHARITY)**

The charity participates in two retirement benefit schemes, a defined contribution scheme and a defined benefit scheme.

**Defined contribution scheme**

The charity operates a defined contribution group personal pension scheme. All eligible employees are automatically enrolled into the scheme in accordance with current legislation. The scheme is administered by Aviva Life Services Ltd.

The amount recognised in the SOFA as an expense for the defined contribution scheme is disclosed at Note 4.

**Defined benefit scheme**

The old British Safety Council charity operated a defined benefit scheme for all qualified employees. The assets of the scheme are held in a separately administered fund. On 1 July 2003, the liabilities in respect of this scheme were transferred to the charity. The scheme is closed and no future benefits are accruing.

The scheme trustees' policy is to ensure that the statutory funding objective is met by holding sufficient and appropriate assets to cover the value of benefits accrued up to the triennial valuation date.

The most recent triennial actuarial valuation of the scheme was carried out as at 1 October 2012. This has been updated for the purposes of these financial statements to 31 December 2015 by a qualified actuary. In doing so the actuary made approximate allowance for: a) the payment of benefits; b) the different effective date of the calculations; and a number of different actuarial assumptions.

The principal actuarial assumptions used as at the balance sheet date were:

	31 December 2015	31 December 2014	31 December 2013	31 December 2012	31 December 2011
Discount rate	3.80	3.60	4.60	4.10	4.70
Inflation assumption	3.30	3.10	3.50	2.80	3.20
Pension escalation in payment	3.00	3.00	3.00	3.00	3.20
Pensionable salary growth	n/a	n/a	n/a	n/a	n/a

Assumed life expectancy in years, on retirement, at 65 is:

	31 December 2015	31 December 2014
<b>Retiring today</b>		
Males	21.0	21.2
Females	22.9	23.2
<b>Retiring in 20 years</b>		
Males	22.3	22.5
Females	24.4	24.6

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

Amounts recognised in the SOFA are as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Included in expenditure:		
Interest on obligations	160,000	177,000
Expected return on assets	(117,000)	(145,000)
	<b>43,000</b>	<b>32,000</b>
	<b>43,000</b>	<b>32,000</b>

The amounts recognised in the SOFA were included in the *Enhancing Performance* activity category.

The major categories of scheme assets as a percentage of total scheme assets, and expected return, are as follows:

	<b>2015</b>	<b>2014</b>
Equities	47%	46%
Property	2%	3%
Corporate Bonds	18%	22%
Gilts	3%	5%
Cash	1%	1%
Strategic Investment Allocation	29%	24%
	<b>100%</b>	<b>100%</b>
	<b>100%</b>	<b>100%</b>

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
The actual return on scheme assets was as follows:	81,000	108,000

The deficit in the scheme was:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	3,423,000	3,119,000
Present value of scheme liabilities	(4,516,000)	(4,450,000)
	<b>(1,093,000)</b>	<b>(1,331,000)</b>
<b>(Deficit) in the scheme</b>	<b>(1,093,000)</b>	<b>(1,331,000)</b>

Movements in the deficit on the scheme were:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Deficit in the scheme at the beginning of the period	(1,331,000)	(1,073,000)
<i>Movement in the period:</i>		
Contributions paid by employer	252,000	252,000
Net return on assets	117,000	145,000
Interest on obligations	(160,000)	(177,000)
Actuarial gain/(loss)	29,000	(478,000)
	<b>(1,093,000)</b>	<b>(1,331,000)</b>
<b>Deficit in the scheme at the end of the period</b>	<b>(1,093,000)</b>	<b>(1,331,000)</b>

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

Changes in the present value of the defined benefit obligations were as follows:

	2015 £	2014 £
Opening defined benefit obligation at 1 January	(4,450,000)	(3,866,000)
Interest cost	(160,000)	(177,000)
Actuarial gain/(loss)	65,000	(441,000)
Benefits paid	29,000	34,000
<b>Closing defined benefit obligation at 31 December</b>	<b><u>(4,516,000)</u></b>	<b><u>(4,450,000)</u></b>

As no further benefits are accruing under the scheme.

Changes in the fair value of scheme assets were as follows:

	2015 £	2014 £
Opening fair value of scheme assets	3,119,000	2,793,000
Expected return on assets	117,000	145,000
Actuarial losses	(36,000)	(37,000)
Contributions by employer	252,000	252,000
Benefits paid	(29,000)	(34,000)
<b>Closing fair value of scheme assets</b>	<b><u>3,423,000</u></b>	<b><u>3,119,000</u></b>

The scheme trustees and the charity have agreed a deficit recovery plan under which the charity will contribute £252,000 (2014: £252,000) to the pension scheme in each accounting period through to June 2021, when it is estimated that the deficit on the pension scheme will be eliminated.

The amounts for the current and previous four periods are as follows:

	2015 £	2014 £	2013 £	2012 £	2011 £
Defined benefit obligations	(4,516,000)	(4,450,000)	(3,866,000)	(3,820,000)	(4,120,000)
Scheme assets	3,423,000	3,119,000	2,793,000	2,433,000	2,372,000
<b>Deficit</b>	<b><u>(1,093,000)</u></b>	<b><u>(1,331,000)</u></b>	<b><u>(1,073,000)</u></b>	<b><u>(1,387,000)</u></b>	<b><u>(1,748,000)</u></b>
Experience adjustment arising from scheme liabilities	27,000	(13,000)	(15,000)	(66,000)	2,000
Experience adjustment arising from scheme assets	(36,000)	(37,000)	-	(113,000)	34,000



## British Safety Council

Notes to the financial statements  
For the year ended 31 December 2015

### 16. LEASING COMMITMENTS (GROUP AND CHARITY)

At the year-end the total of future minimum lease payments under non-cancellable operating leases for each of the following periods was:

	2015 £	2014 £
Not later than one year	12,910	33,295
Later than one year and not later than five years	8,987	14,978
	<u>21,897</u>	<u>48,273</u>

### 17. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

#### Key management personnel

The charity trustees received no remuneration for their services to the charity during the year (2014: £Nil)

All senior employees who have authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel. The names of those individuals who served as key management personnel during the year ended 31 December 2015 are set out on page 37. Total remuneration in respect of those individuals was £474,334 (2014: £550,248).

#### Intra-group transactions

During the year:

- The charity charged Complywise Ltd fees of £360,000 (2014: £288,000) in respect of management services provided by the charity to Complywise Ltd.
- Complywise Ltd charged the charity interest of £16,600 (2014: £16,600) on a fixed term loan of £415,000.

At the year end the net balance due from the charity to Complywise Ltd was £406,302 (2014: £474,078) and the net balance due from British Safety Council Sales Ltd to the charity was £4,532 (2014: £4,532).

Both Complywise Ltd and British Safety Council Sales Ltd are wholly owned subsidiaries of the British Safety Council.

There are no other related party transactions.

### 18. TRANSITION TO FRS 102

The group and charity transitioned to FRS 102 as at 1 January 2014, and have therefore restated the prior year comparative amounts. The previous trustees' report and financial statements for the year ended 31 December 2014 were prepared in accordance with previously extant UK GAAP. The transition did not have a material impact on the amounts disclosed in these financial statements.

## British Safety Council

### Notes to the financial statements For the year ended 31 December 2015

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The following were changes in accounting policies arising from the transition to FRS 102:

#### **Equity investments**

Under previous UK GAAP the fair value of listed investments was taken as the stock exchange mid-price value at the balance sheet date. Under FRS 102 fair value is now taken as the stock exchange bid price value at the balance sheet date.

The impact of this change in 2015 was to reduce the Gain on investment assets by £17,374. The impact on Total Funds on transition was immaterial, and as such no prior year restatement was required.

#### **Defined benefit pension scheme**

There is a presentation change under FRS 102 whereby net interest on the net defined benefit pension liability is presented in the SOFA using the liability discount rate. Under previous UK GAAP the interest on the expected return on net assets was calculated using an expected asset return discount rate. This had no impact on Total Funds on transition.

As the impact on the allocation of interest between the Resources expended and Other recognised gains and losses was immaterial, no prior year restatement was required.

#### **Holiday pay accrual**

The group accrued for holiday pay where this is expected to be paid as a cash sum where the employee is entitled to carry forward holidays earned to the subsequent financial year. Under FRS 102, the group is required to accrue for all short-term compensated absences as holiday entitlement earned but not taken at the balance sheet date. Holiday entitlement earned but not taken was immaterial at the balance sheet date.

## British Safety Council

Reference and administrative details  
For the year ended 31 December 2015

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Company number:	04618713	
Charity numbers:	1097271 in England and Wales SC037998 in Scotland	
Principal and registered office:	70 Chancellors Road Hammersmith London W6 9RS	
The Board of Trustees:	Lynda Armstrong OBE (Chair) Ibironke Adeagbo Paul Cottam Graham Cowan Mark Hardy Ian Jefferson Kevin Myers John McNamara Michael Owen John Pearce Adrian Wild	
Key management:	Mike Robinson Neal Stone  Richard Evens Jigna Patel  Marianne Phillips  Martin Singfield  Joscelyne Shaw	Chief executive (from 1 September 2015) Acting chief executive (from 1 January 2015 to 31 August 2015) and deputy chief executive (from 1 September 2015 to 30 June 2016)  Commercial director Development & operations director (from 1 January 2016)  Products & services director (to 31 December 2015) and Membership & qualifications director (from 1 January 2016 to 3 June 2016)  Finance & resources director (to 31 December 2015) and Finance & IT director (from 1 January 2016)  Acting policy & communications director (to 31 December 2015) and Communications & HR director (from 1 January 2016)
Company secretary:	Martin Singfield	
Bankers:	Barclays Bank plc, 75 King Street, London, W6 9HY	
Investment advisers:	Investec Wealth and Investment Ltd, 2 Gresham Street, London, EC2V 7QN	
Solicitors:	Russell-Cooke Solicitors, 2 Putney Hill, London, SW15 6AB	
Auditors:	BDO LLP, 55 Baker Street, London, W1U 7EU	