



British Safety Council –
A company limited by guarantee

Trustees' Report and Financial Statements

For the year ended 31 December 2017

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 2017

CHAIR'S REPORT

2017 marked the 60th Anniversary of the British Safety Council. During our long history, the charity has been instrumental in establishing the Health and Safety at Work Act, promoting mandatory use of seat belts in vehicles, and improvements in fire safety precautions in public places. We provided over a quarter of a million young people with a free qualification in basic health and safety, and supported safe delivery of the London Olympic Games in 2012.

We have continued this work through our anniversary year, offering free membership to micro businesses and small charities. Over 400 organisations have benefitted from this offer, and we have also been rolling out basic risk awareness workshops to community groups through our network of member organisations throughout the year. This has been made possible and encouraged by our members, who support our work.

Our work has always been international, and in November we opened our first overseas office in India to promote worker protection in the rapidly developing economy. Research suggests that up to 80% of the workforce in India may fall outside the control of the formal regulatory framework for health and safety, and that there may be as many as forty-eight thousand work related deaths each year. But there is a real drive for change, and we are proud to be able to support this, in country, by providing advice, training, audit and consultancy services, and are heartened by the many partnerships we have already established.

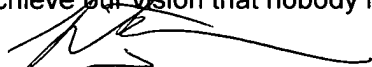
Technology is changing the way that people work, and there is significant political and economic uncertainty on the world stage. Important resources are dwindling, and there is a need to reduce the impact of our activities on the environment around us. The focus is shifting from the reduction to hazards to the promotion of health and mental wellbeing, and the British Safety Council remains committed to supporting you, our members and stakeholders, as they seek to manage the risks of the future and to protect the people who are your most important resource.

Mental wellbeing is very much the issue of our time, and we are delighted to be supporting Mates in Mind, a charity dedicated to reducing the stigma associated with mental health particularly in male dominated sectors such as the construction industry.

2017 was a particularly difficult year for the UK. Terrorist attacks in London and Manchester and the terrible fire at Grenfell tower shocked the nation and reminded us all that the people of our emergency and security services are true heroes, unhesitating in their commitment to protect us and our way of life. We were delighted to present an extraordinary Sword of Honour to the Emergency Services, in recognition of this at our award ceremony in November.

It was my very great pleasure to take up the Chairmanship of the British Safety Council in November. I look forward to leading the organisation into the future but would also like to pay tribute to Lynda Armstrong the retiring Chair. Her stewardship has seen the organisation grow significantly in stature and influence and extend its reach internationally.

The 60th Anniversary has offered an opportunity to celebrate past achievements, and to make plans for the future of the organisation. We are embarking on exciting and innovative projects to continue to achieve our vision that nobody is harmed by their work, but instead achieves and maintains wellbeing.



.....
Lawrence Waterman
7 August 2018

British Safety Council

Report of the trustees For the year ended 31 December 2017

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

We are committed to promoting the health, safety and wellbeing of our staff, associates and others affected by our work, in line with legislation and best practice. Our health, safety and our quality management systems are subject to regular review by external auditors, and we maintain certification against both OHSAS 18001 and ISO 9001.

The Executive team monitor health, safety and quality management reviewing performance monthly, and our health and safety committee meets quarterly.

New staff receive a comprehensive induction programme which includes health and safety training relevant to their role, and this is refreshed on at least an annual basis through digital learning. Staff also have an opportunity to undertake health and safety qualifications as part of their ongoing development.

This year we have focussed particularly on wellbeing and mental health, offering seminars on rest, recovery and resilience, mental health awareness and personal safety. We have also offered some yoga sessions and a range of healthy food options for breakfast and at lunchtime.

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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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 are committed to sharing information and best practice to support organisations in the continual improvement of health and safety performance right across the world. Our magazine, Safety Management, continues to carry news features and information to our members and subscribers, and this is supported by a range of electronic newsletters and social media engagement.

We coordinate sector interest groups, bringing together senior health and safety professionals from a wide range of organisations to share ideas, information and experience, and to help shape our thought leadership and policy engagement. We have hosted conferences in the UK and the Middle East and contribute to conferences and events across the globe in collaboration with partner organisations. We also offer a programme of continuing professional development sessions on a free of charge basis at exhibitions across the UK.

Our International Safety Awards and Sword and Globe of Honour Awards continue to recognise commitment and excellence in health, safety and environmental management, and we seek to share learning from our award winners through the publication of case studies.

Improving individual's capability through qualifications and assessments

In 2004 we became a government regulated awarding organisation and offer a suite of qualifications in the national framework. We have continued to develop our portfolio of accredited qualifications to meet the needs and aspirations of our clients, enabling individuals to increase their knowledge, skills and competence, in all aspects of health, safety and environmental protection.

Enhancing organisations performance through audit and advisory

We believe that continual improvement of health, safety and environmental management systems is key to responsible and effective corporate governance, and we continue to offer a range of auditing and accreditation services to provide independent verification for business across the world.

Our Five Star Audit Programmes for health and safety environmental management audit remain best in class. We also provide audit services in line with OHSAS 18001 and ISO 14001.

Improving individual's performance through education and training

Our education team are committed to supporting competence development, utilising the very latest in educational strategies.

Influencing the health and safety agenda

We seek to shape regulatory policy, legislation and guidance, working with our members and stakeholders across the world to gather information, evidence and ideas to shape our policy positions and guide development of thought leadership material.

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
For the year ended 31 December 2017

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 2017 the group's total income for the year of £9,351,003 exceeded the budget of £9,067,947 by £283,056. Similarly, the group's net expenditure (before gains on investment assets and actuarial losses on defined benefit pension) of £459,079 exceeded the budgeted net expenditure of £318,416 by £140,663.

3.2. Promoting the importance of health and safety

The British Safety Council continues to engage with a range of stakeholders, including Government, regulators, politicians, business, trade and professional bodies, academic and research organisations and charities, both in the United Kingdom and internationally, to promote sensible and proportionate regulation and management of workplace health, safety and wellbeing, as well as environmental protection.

In this, our 60th year, we have taken time to celebrate our history of campaigning and engagement, as well as looking forward to considering how developments on the world stage might affect workplace risk in the future.

In January 2017 we launched a new website featuring materials from our archives, chronicling the development of health and safety in the UK and internationally. In March we held a gala film evening at the Regent Street Cinema, chaired by renowned film critic Mark Kermode. We launched biographical film based on our archive, and a thought leadership film featuring experts discussing the future of work and risk. The event also saw the culmination of a competition for young film makers featuring their interpretations of risk. The top 5 films were shown on the big screen, and a prize was awarded to the winning entry. At the event we also launched a biographical book based on our history and archive with a commentary written by social historian Mike Esbester.

In June the terrible fire at Grenfell Tower drew attention to the safety of buildings and fire prevention. We responded by expressing concern about the effect that the Government's deregulation agenda might be having on the regulatory framework and resources and collaborating with other bodies to inform a House of Lords Debate and subsequent meetings to explore these issues in detail. This tragic event was followed by terrorist attacks in London and Manchester, and we sought to acknowledge the heroism of the emergency services staff who put themselves in danger to protect the lives of others, including the presentation of an extraordinary Sword of Honour at our awards ceremony in November.

We also contributed to the growing debate about the changing nature of work and its interaction with health and mental wellbeing, responding to government consultations and publishing a book on the subject.

In November we launched a new manifesto to mark our anniversary and set the path for the future of the organisation. Titled *Managing Risk in the Digital Age*, this document sets out our commitments to advancing the cause of health, safety and environmental protection as a core component of effective business practice and supporting new initiatives to ensure that our work remains relevant in a rapidly developing world.

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

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We have also continued to develop our press and media profile and raise awareness of our work through our publications and social media.

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, 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.

Our education team continued to revise their portfolio adding new products and services based on the principle of student centred learning. Our digital learning team have also been working hard to update material on our e-learning platform, and to develop linkages to our education products in support of blended learning. We continued to offer accredited qualifications across the world and transitioned to a new technology platform to enable improved functionality to support a range of new qualifications in the coming years.

In the summer we developed a free 90-minute workshop aimed at dispelling the myth that health and safety prevents social engagement, volunteering and community activity. This programme was designed to assist micro businesses, voluntary and community groups with the effective and proportionate management of risk. We delivered several sessions to local groups surrounding our office in Hammersmith, made the programme available online, and also disseminated it through our member organisations.

Our magazine, Safety Management, and the supporting topic guide and poster, continued to be a major component of communication with our member organisations and subscribers. Our print readership remains strong, although our digital footprint has stalled slightly following difficulties with our web platform. We continue to use the magazine and accompanying electronic newsletters, social media platforms and films to share information, knowledge, expertise and thought leadership to help promote proportionate and effective management of health, safety and environmental protection as a key enabler for business and social and community activity.

3.4. Committing to leadership and worker engagement

The British Safety Council continues to promote strong visible leadership on health and safety and the active engagement of the workforce as core components of effective risk management. We use our own knowledge and expertise and that of our member organisations to inform, educate and share best practice.

Our two award schemes continue to play an important role in encouraging and rewarding health, safety and environmental management and excellence. To be successful in our International Safety Award scheme and our Sword of Honour and Globe of Honour award schemes, applicants must demonstrate that strong and effective leadership and active workforce engagement are prominent in their respective organisations. Both schemes continue to be well subscribed, and criteria are reviewed annually to support the principle of continual improvement.

In addition, we continue to recognise the efforts of individuals who go above and beyond expectation to support the health and safety of their colleagues through the Health and Safety Champion, and Young Health and Safety Champion Awards.

We have worked hard this year to capture the learning of some of our key award winners in the form of case studies which we have published in Safety Management magazine and online to share best practice and encourage others in pursuit of continual improvement and worker protection.

Our Five Star Audit products remain best in class, assuring high performance and supporting continual improvement in health and safety and environmental protection. This year we have added a new product specifically designed for the highly regulated process safety sector. We have also developed

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materials to support organisations with management system development and contributed to the development of a new international standard for health and safety, to be known as ISO 45001. This will mark a step change in the worldwide approach to health and safety management, championing leadership and engagement as core components of effective good practice.

3.5. Sharing knowledge and experience

We have continued to share knowledge, expertise and thought leadership through an extensive programme of conferences, seminars and events.

Our middle East conference in Dubai attracted good attendance, and featured opportunities for local members to share examples of good practice. Our regional conference in Manchester focussed on building personal and organisational resilience, and our annual conference in London brought together a number of experts to consider the future of work and risk. We also continued to offer a programme of free to attend continuing professional development sessions at regional exhibition events in Birmingham, Manchester, Glasgow and London in collaboration with Western Business Events and United Business Media.

We contributed to a number of conferences hosted by partner organisations across the UK and internationally, including the World Health and Safety Congress in Singapore. We also hosted a number of foreign delegations on study tours of the UK, taking the opportunity to share our knowledge and expertise to support their development.

In October we supported a theatre production on the London fringe which sought to address the worrying trend of suicide in male dominated work environments. Called "31 Hours" the play focussed on a group of railway workers employed to clean up following incidents of self-harm, and charted the impact that this had on them, their friends and families. The production was critically acclaimed and delivered a hard-hitting message in a very accessible manner, attracting significant media attention.

Our media profile continued to improve, particularly regarding our anniversary events, book launches and new media products. We regularly contributed to print articles in the national, local and trade press, took part in radio programmes and supported a wellbeing supplement issued by the Financial Times.

During the year we published two books, one charting the history of the British Safety Council and another promoting an accessible approach to workplace wellbeing and commissioned a literature review focussed on the changing nature of work and the impact that this might have on health and safety.

3.6. Campaigning for sensible legislation, regulation and application

We have continued to engage in shaping the policy agenda around health, safety and environmental protection, and have been increasingly active on the issues of health, wellbeing and mental wellness.

We have subscribed to the Dods Politics Home service which has significantly enhanced our visibility to Parliamentarians and Officials, providing a platform for us to promote our policy positions and thought leadership material. This has promoted new interactions and relationships and given us opportunities to contribute material to parliamentary publications raising our profile as a campaigning organisation.

Following the Grenfell Tower fire, we collaborated with other health and safety bodies to raise concern about the impact that the Governments deregulation agenda has had on the regulatory framework,

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particularly in respect of building and fire safety. We provided briefing for a House of Lords debate on this issue and continue to engage in meetings to discuss the detail.

In November we launched our new Manifesto in Parliament reaching over 60 MPs and Peers with some key messages about managing risk in the digital age

We have continued to liaise regularly with the Health and Safety Executive, working with them on policy initiatives, and have contributed material to several Government consultations.

3.7. Scottish activities

The British Safety Council retains a strong and active membership in Scotland drawn from sectors including construction, energy and utilities, manufacturing, public services and transport, and now has a support manager specifically assigned to support this community.

During the year we contributed to two conferences in Scotland and engaged specifically with the Scottish HSE in support of an initiative to improve risk management in micro food and drink businesses. We also offered a programme of free to attend continuing professional development events at the Health and Safety Scotland event in Glasgow.

We have continued our collaboration with Babcock Rosyth in support of the aircraft carrier alliance programme and have committed to capturing and disseminating the learning legacy from this iconic project.

3.8. Fundraising activities

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable are presented in our accounts as income from charitable activities under "Improving individual's performance through education and training" and includes donations and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustees.

The charity is not bound by any undertaking to be bound by any regulatory scheme and, given the small scale of our fund raising, the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds nor do we consider it necessary to design specific procedures to monitor such activities.

3.9. Disabled employees

The group considers applications for employment from disabled persons where the candidate's 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.

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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 £9,351,003 which was £243,379 or 3% more than the £9,107,624 achieved in 2016. This largely reflects increased income from the groups primary purpose trading activities, which grew by £211,367 in the year to reach £8,854,908. The main contributors to this growth were the provision of qualifications and assessments, which increased by 29%.

The group's expenditure in the year totalled £9,810,082, which represents an increase of £808,654 on the £9,001,428 incurred in 2016. This increase largely reflects additional costs associated with the group's primary purpose trading activities, which increased by £609,579 in the year to reach £9,000,376.

The group incurred a net deficit, before gains on our investment assets and losses associated with the legacy pension scheme, of £459,079, which represents an unfavourable movement £565,275 on the surplus of £106,196 achieved in 2016.

With gains in investment funds of £1,027,159 (2016: £1,183,105) and an actuarial loss in the legacy pension scheme of £16,000 (2016: £1,470,000) the overall increase of funds in the year was £552,080 compared with a decrease of £180,699 in 2016.

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 20 – 22 and related notes:

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Net income/(expenditure) by activity

	Unrestricted funds	Restricted funds	Total funds	
	2017 £	2017 £	2017 £	2016 £
Improving organisation performance through information, recognition	179,283	-	179,283	339,825
Improving individual's capability through qualifications, assessments	337,300	-	337,300	221,930
Enhancing organisations performance through auditing & advisory	(72,853)	-	(72,853)	(44,310)
Improving individual's performance through education & training	(525,717)	24,805	(500,912)	(176,415)
Influencing the health and safety agenda	(759,562)	-	(759,562)	(564,145)
Investment income net of management costs	357,665	-	357,665	329,312
Gain on investment assets	1,027,159	-	1,027,159	1,183,105
Net income	543,275	24,805	568,080	1,289,302
Actuarial (losses) on defined benefit pension scheme	(16,000)	-	(16,000)	(1,470,000)
Net Movement in Funds	527,275	24,805	552,080	(180,698)

Improving organisations performance through information and recognition generated income of £2,164,231 during 2017 from membership subscriptions, our events and awards and publications. This was £16,309 lower than the £2,180,540 achieved in 2016 mainly due to a small reduction in the retention of members. Overall expenditure on these activities in 2017 increased by £144,233 to £1,984,948 (2016: £1,840,715).

Income from *Improving individual's capability through qualifications and assessments* has increased by £345,546 to £1,554,403 (2016: £1,208,857) reflecting growth from our level 1 qualification and international diploma. Expenditure was £1,217,103 in 2017 (2016: £986,927), which is £230,176 more than the previous year.

Income from *Enhancing organisations performance through auditing and advisory* come from the fees charged for the provision of audit and consultancy services. Income of £1,909,229 in 2017 (2016: £1,962,376) represents a decrease of £53,147 compared to 2016. Expenditure decreased from £2,006,686 in 2016 to £1,982,082 in 2017.

Income from activities relating to our aim of *Improving individual's performance through education and training* is from the fees charged for the provision of training and e-learning solutions. Income of £3,227,045 2017 (2016: £3,380,054) was down by £153,009. However, expenditure increased by £259,774 to £3,816,243 from £3,556,469 in 2016.

Expenditure incurred to support *Influencing the health and safety agenda* increased by £195,417 to £759,562 in 2017 (2016: £564,145).

The British Safety Council received investment income of £407,809 in 2017 (2016: £375,797) which is an improvement of £32,012 on the previous year. This is primarily due to higher dividends on UK equity investments. The net gains on our investment portfolio were £1,027,159 (2016: £1,183,105) which reflected market conditions.

The FRS102 actuarial loss on our legacy pension scheme in 2017 was £16,000 compared with a loss of £1,470,000 in the previous year. The last triennial actuarial review of the scheme was completed as at 1 October 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.

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The land and buildings have been included in the accounts at a carrying value of £1,866,243 (2016: £1,898,743).

The British Safety Council has invested in equities and fixed interest stocks. On 31 December 2017 the value of the portfolio was £14,199,671 (2016: £13,129,362).

4.3. Position of the group at the year-end

The charitable funds at 31 December 2017 were:

	2017 £	2016 £
Unrestricted funds - designated	2,796,315	2,468,398
Unrestricted funds - undesignated	12,558,222	12,622,863
Pension reserve	<u>(2,062,000)</u>	<u>(2,326,000)</u>
Total funds	13,292,537	12,765,261
Less: Designated funds	<u>(2,796,315)</u>	<u>(2,468,398)</u>
Free reserves	<u>10,496,222</u>	<u>10,296,863</u>

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. They also exclude reserves held by Mates in Mind, a subsidiary of the charity, which are restricted.

The charity trustees designated funds totalling £2,796,315 (2016: £2,468,398), which match the net book value of the group's tangible fixed assets. Remaining unrestricted funds (excluding the pension reserve) amount to £12,558,222 (2016: £12,622,863). The charity's free reserves amount to £10,496,221 (2016: £10,296,863). Whilst this is considerably higher than the minimum level of £5,000,000 set by the trustees, the charity's free reserves are expected to fall in 2018 as we continue to invest in our both our revenue and non-revenue generating activities.

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 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 11 provides further information about the designated and unrestricted reserves.

4.5. Subsidiaries

The charity has four 100% owned subsidiaries:

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- a) British Safety Council Sales Ltd, which is not trading;
- b) Complywise Ltd;
- c) Mates in Mind, which is a charitable company; and
- d) British Safety Council (India) LLP.

Except for British Safety Council (India) LLP, which is incorporated in India, all subsidiaries are 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, achieved a net surplus during the year of £192,656 (2016: £274,032 loss) and has a cumulative loss of £2,555,755 (2016: £2,644,664). The net surplus during the year reflects the fact that the provision for doubtful debts was reduced at the year-end. 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. In spite of these losses, the company ended the year with net assets of £192,656 (2016: £103,747).

Following discussions with the charity's trustees, the directors of Complywise Ltd have agreed to gradually transfer the business to the British Safety Council and then to cease trading. At the conclusion of this process the directors will decide whether to maintain the company as a dormant entity or make an application to the registrar of companies to strike the company's name off the register.

The directors of Complywise Ltd have a reasonable expectation that the company has adequate resources to continue in operation until the business has been completely transferred to the British Safety Council, that it will be able to pay its debts in full as they fall due, and that it will be able to collect amounts due to it in full.

4.6. Investment policy

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

- Invest funds;
- 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 a 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 the scheme's obligations (net of scheme assets), as determined by an independent actuary, at the year-end amounted to £2,062,000

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(2016: £2,326,000). 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.

In 2016, the charity entered into a deficit recovery plan with the pension scheme trustees, under which the charity makes contributions to the scheme of £336,000 per year from 1 October 2016. 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:

- **Financial risk management**

Our activities expose us to several 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 receivables, 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 11.

- **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 2017 of £2,555,755.

British Safety Council

Report of the trustees
For the year ended 31 December 2017

5. FUTURE PLANS

The British Safety Council has ambitious plans for 2018, both in the UK and India. We will:

- continue to champion the cause of effective health, safety and environmental management as a core component of sustainable business practice, and will focus particularly on health, wellbeing and mental wellness.
- continue to support the work of Mates in Mind and intend to extend the reach of the important programme beyond the construction industry and into other sectors. We will also launch a range of new educational products to support mental health in the workplace.
- seek to harness new technology to enhance learning and development, utilising virtual and augmented reality and interactive video to promote experiential learning.

- continue to develop our qualifications framework to meet the evolving requirements of our members and clients, particularly those outside the UK.
- continue to enhance our membership offering to reach a new audience in businesses, and to recognise the developing synergies with human resources particularly in respect of the health and wellbeing agenda.

- continue to develop our Five Star Audit Programme, adding new products to support fire safety and to address the needs of the health sector specifically, and support the rollout of ISO 45001.

- develop our awards systems to recognise evolving issues and maximise the opportunity to celebrate success and share best practice.

- develop our publications and invest in an updated digital platform to increase our reach and make the most of opportunities share information and best practice with a wider audience.

- return to research and campaigning: -
 - exploring the future of work and its potential impact on health
 - championing the needs of vulnerable workers with an initiative linked to the potential health effects of pollution for outdoor workers
 - supporting wellbeing initiatives in small and medium sized businesses
 - promoting the use of creative media to support mental wellness
 - setting out the benefits that health, safety and wellbeing programmes can return to the economy

- Invest in our own business and in our technology systems to ensure that the organisation continues to be fit to meet the needs of our members and stakeholders right across the world.

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 four wholly owned subsidiaries, Complywise Ltd, British Safety Council (India) LLP, British Safety Council Sales Ltd, and Mates in Mind. Although British Safety Council Sales Ltd was dormant at the year end, both Mates In Mind and British Safety Council (India) LLP commenced trading during the year. The report of the charity trustees, strategic report and consolidated financial statements cover the charitable entity and the four.

British Safety Council

Report of the trustees For the year ended 31 December 2017

The charity is a company limited by guarantee not having a share capital incorporated in England and Wales. The members¹ 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.

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 Charity Governance Code for Larger Charities.

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 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 meet 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 meet 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 meet 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.

¹ Within the meaning of section 112 of the Companies Act 2006.

British Safety Council

Report of the trustees For the year ended 31 December 2017

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 regarding any changes. All 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 the charity trustees have experience at senior levels in other professional and voluntary capacities. Charity trustees are encouraged to attend further training.

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 those risks, wherever possible. 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 39.

British Safety Council

Report of the trustees
For the year ended 31 December 2017

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 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.



Lawrence Waterman on behalf of the board

The annual report and strategic report were both approved by the Board on 7 August 2018 and signed on its behalf on 7 August 2018.

British Safety Council

Independent Auditor's Report
For the year ended 31 December 2017

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

Opinion

We have audited the financial statements of British Safety Council ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2017 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)†.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2017 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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 in 2010.

Basis for opinion

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

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The other information comprises: the Chairs Report. The Trustees are responsible for the other information.

British Safety Council

Independent Auditor's Report For the year ended 31 December 2017

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

British Safety Council

Independent Auditor's Report For the year ended 31 December 2017

Auditor's responsibilities for the audit of the financial statements

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 the Acts and relevant regulations made or having effect thereunder.

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



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Don Bawtree (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
Date 13 Aug 2018

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 2017

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2017 £	2017 £	2017 £	2016 £
INCOME					
Income from donations and grants		-	88,286	88,286	-
Income from charitable activities					
Improving organisation performance through information, recognition		2,164,231	-	2,164,231	2,180,540
Improving individual's capability through qualifications, assessments		1,554,403	-	1,554,403	1,208,857
Enhancing organisations performance through auditing & advisory		1,909,229	-	1,909,229	1,962,376
Improving individual's performance through education & training		3,138,036	89,009	3,227,045	3,380,054
Investment income					
Investment income	2	407,809	-	407,809	375,797
TOTAL INCOME		9,173,708	177,295	9,351,003	9,107,624
EXPENDITURE					
Expenditure on charitable activities					
Improving organisation performance through information, recognition		(1,984,948)	-	(1,984,948)	(1,840,715)
Improving individual's capability through qualifications, assessments		(1,217,103)	-	(1,217,103)	(986,927)
Enhancing organisations performance through auditing & advisory		(1,982,082)	-	(1,982,082)	(2,006,686)
Improving individual's performance through education & training		(3,663,753)	(152,490)	(3,816,243)	(3,556,469)
Influencing the health and safety agenda		(759,562)	-	(759,562)	(564,145)
Investment management costs		(50,144)	-	(50,144)	(46,486)
TOTAL EXPENDITURE	3	(9,657,592)	(152,490)	(9,810,082)	(9,001,428)
Net gains/(losses) on investment assets	7	1,027,159	-	1,027,159	1,183,105
NET INCOME BEFORE PENSION SCHEME MOVEMENTS		543,274	24,806	568,080	1,289,302
Actuarial gains/(losses) on defined benefit pension scheme	15	(16,000)	-	(16,000)	(1,470,000)
NET MOVEMENT IN FUNDS		527,274	24,806	552,080	(180,698)
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 January		12,765,262	-	12,765,262	12,945,961
Total funds carried forward at 31 December		13,292,537	24,806	13,317,342	12,765,262

All of the above results are derived from continuing and unrestricted activities. The loss for the year for Companies Act purposes was £31,545 (2016: £1,178,051 - surplus). The accompanying accounting policies and notes form an integral part of these financial statements.

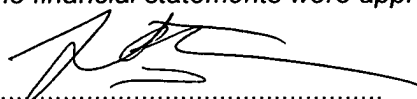
British Safety Council

Consolidated and parent charity balance sheets
As at 31 December 2017

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed Assets					
Tangible assets	6	2,796,314	2,468,398	2,796,314	2,468,398
Investments	7	14,199,671	13,129,362	14,352,810	13,235,358
		<u>16,995,985</u>	<u>15,597,760</u>	<u>17,149,124</u>	<u>15,703,756</u>
Current Assets					
Stock		6,302	6,340	6,303	6,340
Debtors	8	1,767,870	1,400,382	1,684,989	1,378,335
Bank & Cash		372,630	1,407,114	309,978	1,319,658
		<u>2,146,802</u>	<u>2,813,836</u>	<u>2,001,270</u>	<u>2,704,333</u>
Creditors: amounts falling due within one year	9	(3,763,445)	(3,320,335)	(3,830,057)	(3,314,579)
Net current (liabilities)		<u>(1,616,643)</u>	<u>(506,499)</u>	<u>(1,828,787)</u>	<u>(610,246)</u>
Total assets less net current liabilities		<u>15,379,342</u>	<u>15,091,262</u>	<u>15,320,337</u>	<u>15,093,510</u>
Net assets excluding pension liability		<u>15,379,342</u>	<u>15,091,262</u>	<u>15,320,337</u>	<u>15,093,509</u>
Defined benefit pension scheme liability	15	<u>(2,062,000)</u>	<u>(2,326,000)</u>	<u>(2,062,000)</u>	<u>(2,326,000)</u>
NET ASSETS		<u><u>13,317,342</u></u>	<u><u>12,765,262</u></u>	<u><u>13,258,337</u></u>	<u><u>12,767,509</u></u>
Funds					
	12				
Unrestricted funds - designated		2,796,315	2,468,398	2,796,314	2,468,398
Unrestricted funds - undesignated		12,558,222	12,622,864	12,524,023	12,625,112
Restricted funds - Mates in Mind		24,805		-	
Pension reserve		<u>(2,062,000)</u>	<u>(2,326,000)</u>	<u>(2,062,000)</u>	<u>(2,326,000)</u>
TOTAL FUNDS		<u><u>13,317,342</u></u>	<u><u>12,765,262</u></u>	<u><u>13,258,337</u></u>	<u><u>12,767,510</u></u>

The charitable company has elected to take exemption under section 408 of the Companies Act 2006 not to present the charitable company statement of financial activities. The net surplus for the charitable company for the year was £490,828 (2016: £180,699 - deficit).

The financial statements were approved and authorised for issue on 7 August 2018.



Lawrence Waterman, 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 2017

	2017	2016
	£	£
Cash flows from operating activities:		
Net cash (outflow) from operating activities	(816,726)	(337,421)
Cash flows from investing activities:		
Investment income	407,809	375,797
Purchase of tangible fixed assets	(591,203)	(47,233)
Purchase of investments	(1,901,723)	(1,314,307)
Proceeds from sale of investments	1,867,359	1,317,660
Net cash (outflow)/inflow from investing activities	(217,758)	331,917
Change in Cash flow for the year	(1,034,484)	(5,504)
Cash in bank and at hand at 1 January	1,407,114	1,412,618
Cash in bank and at hand at 31 December	372,630	1,407,114
Reconciliation of net (outgoing)/incoming resources to net cash (outflow) from operating activities:		
Net incoming/(outgoing) resources before other recognised gains and losses	(459,079)	106,196
Investment income	(407,809)	(375,797)
Realised (gain) on disposal of investments	(7,727)	-
Depreciation charge	262,229	273,393
(Decrease) in pension liability	(280,000)	(237,000)
Decrease/(increase) in stock	38	1,752
(Increase)/decrease in debtors	(367,489)	(234,255)
Increase/(decrease) in creditors	443,111	128,290
Net cash (outflow)/inflow from operating activities	(816,726)	(337,421)

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

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, except for 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 a public benefit entity, as defined by FRS 102. The 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 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.

Restricted funds are funds held on specific trusts.

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 2017

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. An impairment loss is recognised immediately in the SOFA.

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, which is taken as the stock exchange bid price value at the balance sheet date.

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, 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.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

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.

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 in 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.

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.

British Safety Council

Notes to the financial statements
For the year ended 31 December 2017

2. INCOME

2.1. Investment income

	2017 £	2016 £
From UK investments		
Deposit interest	640	1,881
Equities	228,182	191,597
Unit and investment trusts	29,109	34,714
Fixed interest bonds	14,927	41,611
Alternatives	41,379	73,410
	314,237	343,213
UK quoted securities		
Overseas investment trusts	93,572	32,584
	407,809	375,797

2.2. Geographical analysis

During 2017 the group derived 23% (2016: 19%) of its income from charitable activities outside of the United Kingdom.

3. BREAKDOWN OF RESOURCES EXPENDED (GROUP)

	Activities undertaken directly	Support costs	2017 Total £	2016 Total £
	£	£	£	£
Charitable activities				
Improving organisation performance through information & recognition	1,394,106	590,842	1,984,948	1,840,715
Improving individual's capability through qualifications & assessments	815,080	402,023	1,217,103	986,927
Enhancing or organisations performance through auditing & advisory	1,481,745	500,337	1,982,082	2,006,686
Improving individuals' performance through education & training	2,999,904	816,339	3,816,243	3,556,469
Influencing the Health & Safety agenda	329,878	429,684	759,562	564,145
Investment management costs	50,144	-	50,144	46,486
	7,070,857	2,739,225	9,810,082	9,001,428
Total resources expended	7,070,857	2,739,225	9,810,082	9,001,428

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

3.1. Support cost allocations

	Improving organisation performance through information & recognition £	Improving individuals' through qualifications & assessments £	Enhancing organisations performance through auditing & advisory £	Improving individual's performance through education & training £	Influencing the H&S agenda £	Total Costs £
Governance	15,243	10,372	12,908	21,061	11,087	70,671
Management and administration	258,324	175,769	218,754	356,914	187,865	1,197,626
Human resources	53,272	36,248	45,112	73,604	38,742	246,978
Additional pension scheme costs	12,079	8,219	10,229	16,689	8,784	56,000
Finance	156,085	106,204	132,176	215,655	113,511	723,631
IT	95,838	65,211	81,158	132,416	69,698	444,321
Total	590,841	402,023	500,337	816,339	429,687	2,739,227

Support costs were all allocated based on head count.

3.2. Total expenditure has been arrived at after charging:

	2017 £	2016 £
Staff costs (note 4)	5,595,607	4,973,255
Expenses reimbursed to trustees or paid directly to third parties (note 5)	31,305	14,514
Depreciation of owned assets (note 6)	262,230	273,393
Operating lease payments recognised as an expense (note 16)	23,141	19,984
Auditor's remuneration - auditing the accounts	41,750	34,540
Auditor's remuneration - tax compliance services	4,600	1,250
Auditor's remuneration - other services	1,900	-
	5,960,533	5,316,936

4. STAFF COSTS (GROUP)

Staff costs during the year were as follows:

	2017 £	2016 £
Wages and salaries	4,817,132	4,244,397
Redundancy costs	11,097	34,849
Social security costs	524,992	467,436
Expense for defined contribution pension schemes	186,386	190,573
Expense for defined benefit pension schemes (note 15)	56,000	36,000
	5,595,607	4,973,255

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

The average number of persons employed by the group during the period, analysed by activity was:

	2017	2016
	Number	Number
Improving organisation performance through information & recognition	18	20
Improving individual's capability through qualifications & assessments	12	12
Enhancing organisations performance through auditing & advisory	10	16
Improving individuals' performance through education & training	31	26
Influencing the H&S agenda	13	8
Supporting activities	27	25
	111	107

At 31 December 2017, the number of persons employed by the group was 115 (2016: 107).

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

	2017	2016
	Number	Number
£60,001 - £70,000	8	5
£70,001 - £80,000	2	2
£80,001 - £90,000	-	2
£90,001 - £100,000	-	2
£100,001 - £110,000	3	1
£110,001 - £120,000	1	-
£120,001 - £130,000	2	-
£140,001 - £150,000	-	1
£150,001 - £160,000	-	1
£180,001 - £190,000	1	-
	17	14

4 employees earning £60,000 or more (2016: 3) were deferred members of the defined benefit pension scheme.

17 employees earning £60,000 or more (2016: 13) were members of the defined contribution pension scheme, and contributions amounting to £91,830 (2016: £78,199) 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 £31,305 (2016: £14,514). The number of charity trustees reimbursed for expenses or who had expenses paid directly by the charity was 7 trustees (2016: 11).

Indemnity insurance is provided for the charity trustees. The premium paid during the year amounted to £2,462 (2016: £2,586).

British Safety Council

Notes to the financial statements
For the year ended 31 December 2017

6. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Freehold land and buildings £	Office refurbishment £	Office furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 January 2017	3,012,500	1,398,471	394,007	1,533,550	6,338,528
Additions	-	5,919	18,645	565,582	590,146
Disposals	-	-	-	-	-
At 31 December 2017	3,012,500	1,404,390	412,652	2,099,132	6,928,674
Depreciation					
At 1 January 2017	1,113,757	1,085,974	251,815	1,418,584	3,870,130
Provided in year	32,500	71,759	23,606	134,364	262,229
Disposals	-	-	-	-	-
At 31 December 2017	1,146,257	1,157,733	275,421	1,552,948	4,132,359
Net book value at 31 December 2017	1,866,243	246,657	137,231	546,184	2,796,314
Net book value at 31 December 2016	1,898,743	312,497	142,192	114,966	2,468,398

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 2017

7. INVESTMENTS

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Listed investments				
Fair value of 1 January	13,129,362	11,949,610	13,129,362	11,949,610
Acquisitions at cost	1,901,723	1,314,307	1,901,723	1,314,307
Disposal at carrying value	(1,858,573)	(1,317,660)	(1,867,359)	(1,317,660)
Net gains realised and on revaluation at 31 December	1,027,159	1,183,105	1,035,945	1,183,105
Fair value at 31 December	14,199,671	13,129,362	14,199,671	13,129,362
Equity investments in group undertakings				
Cost less provision for impairment at 1 January	-	-	105,996	364,345
Investment in new subsidiary	-	-	47,143	-
Impairment in carrying value of subsidiary	-	-	-	(258,349)
Cost less provision for impairment at 31 December	-	-	153,139	105,996
UK quoted securities				
Equities	5,296,201	4,707,861	5,296,201	4,707,861
Fixed interest bonds	714,536	1,539,243	714,536	1,539,243
Investment and unit trusts	1,395,064	2,129,282	1,395,064	2,129,282
Public sector fixed interest	751,133	516,153	751,133	516,153
Alternative assets	1,868,336	999,366	1,868,336	999,366
Total UK quoted securities	10,025,270	9,891,905	10,025,270	9,891,905
UK quoted overseas securities				
Investment and unit trusts	4,174,401	3,237,457	4,174,401	3,237,457
Total UK quoted overseas securities	4,174,401	3,237,457	4,174,401	3,237,457
Investment in subsidiaries	-	-	153,139	105,996
Total value at 31 December	14,199,671	13,129,362	14,352,810	13,235,358
Historical cost at 31 December	10,062,444	9,422,882	12,811,854	12,172,292

There were no quoted security holdings with a market value of greater than 5% of the total portfolio at 31 December 2017 (2016: £Nil).

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

Complywise Ltd (company No: 06720413), British Safety Council (India) LLP, British Safety Council Sales Ltd (company No: 1236862) and Mates in Mind (company No:10338868, charity No: 1172460) are wholly owned subsidiaries of the British Safety Council.

The audited results of the charity's wholly owned subsidiaries for the year ended 31 December 2017:

Subsidiaries	British Safety Council LLP	British Safety Council Sales Ltd	Mates in Mind	Complywise Ltd	British Safety Council Sales Ltd	Complywise Ltd
	2017 £	2017 £	2017 £	2017 £	2016 £	2016 £
Income and Expenditure						
Turnover	-	-	177,295	93,714	-	129,057
Cost of sales & administrative expenses	(25,223)	-	(178,561)	(4,815)	-	(403,089)
Net movement in funds/net loss	<u>(25,223)</u>	<u>-</u>	<u>(1,266)</u>	<u>88,899</u>	<u>-</u>	<u>(274,032)</u>
Balance Sheets						
Debtors	8,276	2,118	82,705	227,134	2,001	77,447
Cash at bank and in hand	45,977	2,414	11,830	2,404	2,471	84,925
Creditors: amounts falling due less than one year	(33,499)	(4,532)	(95,800)	(36,882)	(4,472)	(58,625)
Net Assets	<u>20,754</u>	<u>-</u>	<u>(1,265)</u>	<u>192,656</u>	<u>-</u>	<u>103,747</u>
Ordinary shares	45,977	999	-	2,748,411	999	2,748,411
Profit & loss account	(25,223)	(999)	(1,265)	(2,555,755)	(999)	(2,644,664)
Equity shareholders' funds	<u>20,754</u>	<u>-</u>	<u>(1,265)</u>	<u>192,656</u>	<u>-</u>	<u>103,747</u>

Mates in Mind incurred a small loss during the 17-month period since incorporation and had net liabilities at 31 December 2017 in the amount of £1,265. This reflects the fact that the charity commenced operations during the reporting period, and incurred expenditure on setting up its operations in advance of generating income. During this period, the charity received significant support from its parent entity, the British Safety Council.

8. DEBTORS

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	1,474,051	1,199,879	1,391,475	1,175,301
Other debtors	131,175	91,280	131,175	89,279
Due from subsidiary undertaking	-	-	4,532	4,532
Prepayments and accrued income	162,644	109,223	157,807	109,223
	<u>1,767,870</u>	<u>1,400,382</u>	<u>1,684,989</u>	<u>1,378,335</u>

British Safety Council

Notes to the financial statements
For the year ended 31 December 2017

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	612,941	420,636	612,941	420,635
Other creditors	41,520	8,310	8,311	8,311
Due to subsidiary undertaking	-	-	232,792	52,869
Taxation and social security	396,673	356,373	371,993	354,520
Accruals	649,493	656,777	615,649	646,328
Deferred income (note 10)	2,062,818	1,878,239	1,988,371	1,831,916
	<u>3,763,445</u>	<u>3,320,335</u>	<u>3,830,057</u>	<u>3,314,579</u>

10. DEFERRED INCOME

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Deferred income as at 1 January	1,878,239	2,111,522	1,831,916	2,031,721
Deferred incoming resources	6,474,372	6,216,229	6,424,132	6,121,054
Release of deferred income	(6,289,794)	(6,449,512)	(6,267,677)	(6,320,859)
Deferred income as at 31 December	<u>2,062,817</u>	<u>1,878,239</u>	<u>1,988,371</u>	<u>1,831,916</u>

Income is recognised in accordance with the accounting policy set out on pages 22 – 23. Income which has been invoiced before it can be recognised is deferred until the recognition criteria are met.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

11. SUMMARY OF MOVEMENTS IN FUNDS (GROUP)

Movements in funds during the year ended 31 December 2017 were as follows:

	At 1 January 2017	Income	Expenditure	Actuarial gain	Investment gain	Transfers	At 31 December 2017
	£	£	£	£	£	£	£
Unrestricted funds							
Undesignated Funds:	12,622,864	9,173,708	(9,675,363)	-	1,027,159	(590,146)	12,558,222
Designated fund:	2,468,398	-	(262,229)	-	-	590,146	2,796,314
	15,091,262	9,173,708	(9,937,592)	-	1,027,159	-	15,354,537
Restricted funds - Mates in Mind		177,295	(152,490)				24,805
Pension reserve	(2,326,000)	-	280,000	(16,000)	-	-	(2,062,000)
Total funds	12,765,262	9,351,003	(9,810,082)	(16,000)	1,027,159	-	13,317,342

Movements in funds during the year ended 31 December 2016 were as follows:

	At 1 January 2016	Income	Expenditure	Actuarial gain	Investment loss	Transfers	At 31 December 2016
	£	£	£	£	£	£	£
Unrestricted funds							
Undesignated Funds:	11,344,403	9,107,624	(8,965,035)	-	1,183,105	(47,233)	12,622,864
Designated fund:	2,694,558	-	(273,393)	-	-	47,233	2,468,398
	14,038,961	9,107,624	(9,238,428)	-	1,183,105	-	15,091,262
Pension reserve	(1,093,000)	-	237,000	(1,470,000)	-	-	(2,326,000)
Total funds	12,945,961	9,107,624	(9,001,428)	(1,470,000)	1,183,105	-	12,765,262

During the year, the charity, which is the parent company of the group, achieved an increase in total funds of £490,828 (2016: £180,700 decrease).

11.1. Restricted funds

Funds held by Mates in Mind, which is itself a charitable company, are classed as restricted funds, as these cannot be spent or applied at the discretion of the British Safety Council's trustees.

11.2. 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 2017, the only designated fund was in respect of fixed assets. This fund matches the net book value of the fixed assets at the financial year end. In the year, there were £590,146 (2016: £47,233) worth of fixed asset additions, £nil (2016: £nil) worth of fixed asset disposals (net of associated depreciation) and a depreciation charge of £262,229 (2016: £273,393). Therefore, £590,146 (2016: £47,233) was transferred from undesignated funds to cover fixed asset additions.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

Fund balances at 31 December 2017 are represented by:

	Undesignated funds £	Designated funds £	Restricted funds Mates in Mind £	Pension reserve £	Total funds £
Tangible fixed assets	-	2,796,315	-	-	2,796,315
Investments	14,199,671	-	-	-	14,199,671
Current assets/liabilities	(1,641,448)	-	24,806	-	(1,616,642)
Pension liability	-	-	-	(2,062,000)	(2,062,000)
Total funds	12,558,223	2,796,315	24,806	(2,062,000)	13,317,344

13. CAPITAL COMMITMENTS (GROUP AND CHARITY)

At the year-end, the group and charity had entered into capital commitments amounting to £nil (2016: £nil).

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 (2016: £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.

15.1. 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.

15.2. 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 2015. This has been updated for the purposes of these financial statements to 31 December 2017 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 c) several different actuarial assumptions.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

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

	31 December 2017	31 December 2016	31 December 2015	31 December 2014	31 December 2013
	(%)	(%)	(%)	(%)	(%)
Discount rate	2.40	2.60	3.80	3.60	4.60
Retail Price Inflation	3.40	3.40	3.30	3.10	3.50
Consumer Price Inflation	2.50	2.50	2.40	2.20	2.80
Pension escalation in payment	3.00	3.00	3.00	3.00	3.00
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 2017 (years)	31 December 2016 (years)
Retiring today		
Males	21.1	21.1
Females	22.9	23.0
Retiring in 20 years		
Males	22.1	22.3
Females	24.1	24.5

Amounts recognised in the SOFA are as follows:

	2017 £	2016 £
Included in expenditure:		
Interest on obligations	152,000	171,000
Expected return on assets	(96,000)	(135,000)
	56,000	36,000

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:

	2017	2016
Equities	43%	45%
Property	4%	3%
Corporate Bonds	20%	17%
Gilts	5%	5%
Cash	2%	26%
Derivatives and other investments	26%	4%
Total	100%	100%

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

The deficit in the scheme was:

	2017 £	2016 £
Fair value of scheme assets	3,776,000	3,666,000
Present value of scheme liabilities	(5,838,000)	(5,992,000)
Net (liability)	(2,062,000)	(2,326,000)

Movements in the deficit on the scheme were:

	2017 £	2016 £
Deficit in the scheme at the beginning of the period	(2,326,000)	(1,093,000)
<i>Movement in the period:</i>		
Contributions paid by employer	336,000	273,000
Net return on assets	96,000	135,000
Interest on obligations	(152,000)	(171,000)
Actuarial (loss)/gain	(16,000)	(1,470,000)
Deficit in the scheme at the end of the period	(2,062,000)	(2,326,000)

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

	2017 £	2016 £
Opening defined benefit obligation at 1 January	(5,992,000)	(4,516,000)
Interest cost	(152,000)	(171,000)
Actuarial (loss)/gain	(25,000)	(1,335,000)
Benefits paid	331,000	30,000
Closing defined benefit obligation at 31 December	(5,838,000)	(5,992,000)

As no further benefits are accruing under the scheme.

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

	2017 £	2016 £
Opening fair value of scheme assets	3,666,000	3,423,000
Expected return on assets	96,000	135,000
Actuarial losses	9,000	(135,000)
Contributions by employer	336,000	273,000
Benefits paid	(331,000)	(30,000)
Closing fair value of scheme assets	3,776,000	3,666,000

The scheme trustees and the charity have agreed a deficit recovery plan under which the charity will contribute £336,000 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.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

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

	2017	2016	2015	2014	2013
	£	£	£	£	£
Defined benefit obligations	(5,838,000)	(5,992,000)	(4,516,000)	(4,450,000)	(3,866,000)
Scheme assets	3,776,000	3,666,000	3,423,000	3,119,000	2,793,000
Deficit	(2,062,000)	(2,326,000)	(1,093,000)	(1,331,000)	(1,073,000)
Experience adjustment arising from scheme liabilities	124,000	106,000	27,000	(13,000)	(15,000)
Experience adjustment arising from scheme assets	9,000	(135,000)	(36,000)	(37,000)	-

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:

	2017	2016
	£	£
Not later than one year	20,720	19,515
Later than one year and not later than five years	19,680	29,520
	40,400	49,035

17. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

17.1. Trustees

The charity trustees received no remuneration for their services to the charity during the year (2016: £Nil).

17.2. Key management personnel

All senior employees who have authority and responsibility for planning, directing and controlling the activities of the group are key management personnel. The names of those individuals who served as key management personnel during the year ended 31 December 2017 are set out on page 39. Total benefits (including social security costs) in respect of key management personnel during the year was £974,650 (2016: £896,693).

17.3. Intra-group transactions

During the year the charity charged Mates In Mind fees of £19,206 (2016: £nil) in respect of management services provided by the charity to Mates In Mind, and licence fees in the amount of £15,126 in respect of Mates In Mind's use of the charity's Start the Conversation training materials.

British Safety Council

Notes to the financial statements For the year ended 31 December 2017

At the year end the net balance due between the charity and each of its subsidiaries was:

	Due to/(from) charity	
	2017	2016
	£	£
British Safety Council (India) LLP	-	-
British Safety Council Sales Ltd	4,532	4,532
Complywise Ltd	(212,604)	-
Mates In Mind	(20,189)	-

The above are services delivered in line with charitable objects. There are no other related party transactions.

17.4. Financial Instruments

With the exception of investments of £14,352,810 held at fair value, the charity's basic financial instruments are measured at amortised cost. All financial liabilities are of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

British Safety Council

Reference and administrative details
For the year ended 31 December 2017

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:	Lawrence Waterman OBE (Chair) (appointed 24 November 2017) Lynda Armstrong OBE (Chair) (retired 24 November 2017) Ibironke Adeagbo Paul Cottam Graham Cowan (retired 11 May 2017) Ian Crook (appointed 30 January 2018) Mark Hardy Ian Jefferson (retired 31 October 2017) Kevin Myers (retired 1 August 2017) John McNamara (retired 24 November 2017) Michael Owen (retired 1 August 2017) John Pearce Samantha Peters (appointed 30 January 2018) Simon Phillips (appointed 30 January 2018) Matthew Speight (appointed 30 January 2018) Adrian Wild Phillip White (appointed 1 August 2017) (Trustees listed above served throughout the year and since except where stated)	
Key management:	Mike Robinson Chris Lyes Paul Fakley Jigna Patel Martin Singfield Joscelyne Shaw Chris Wales Louise Ward	Chief executive Interim IT director (from 29 May 2018) Engagement director (from 14 May 2018) Membership & service delivery director Finance & qualifications director HR, awards & events director (to 30 June 2017) Chief technology officer (to 15 May 2018) Policy standards and communications director (to 25 May 2018)
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	