



British Safety Council –
A company limited by guarantee

Trustees' Report and Financial Statements

For the year ended 31 December 2020

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

Trustees' report and financial statements

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British Safety Council

Chair and Chief Executive's Report For the year ended 31 December 2020

CHAIR AND CHIEF EXECUTIVE'S REPORT

At the end of 2019, one of our core focuses was on Brexit and the challenges that might throw up. We cannot pretend that a global pandemic was high on our list of concerns. Instead we were determined that in 2020 we would ensure workers' rights were protected, however Brexit came about whoever was in government. We also wanted to bring to life a long-held ambition to develop a new approach to delivering workplace wellbeing.

But how to sum up 2020? Impossible of course, however, a few things stand out. Before getting to that, it is worth pausing to reflect on the state of 'health and safety' in the lead up to 2020. It is easy to forget but the previous decade was marked by quite extreme attacks on the 'value' of health and safety. The decade was not a good one for the public image of health and safety nor for the regulator, with resources cut and health indicators going the wrong way.

Yet in terms of public opinion there was a shift in 2020. A shift to a greater consensus around the value of health and safety, wider than its occupational dimension that includes public safety, wellbeing and mental health. This represents the crossing of a certain kind of Rubicon away from the divisive rhetoric of the previous decade. Everyone now understands that an economy needs healthy people. People now see the interconnections between how we work and our health in ways unimagined before 2020. Our digital tools mean that many of us can work from home, putting flexibility into the hours we work, reducing our impact on the environment, clawing back some of the commute time for living. For those who have continued to go to their workplace, providing essential services, they will never denigrate good health and safety or not see the importance of good mental wellbeing. Their work is too important. Their lives matter too much. People will want to hold onto many of these new developments in the future for their own wellbeing.

Although we didn't manage to spend much time on our planned campaigning activities like the impact of air pollution on outdoor workers, we saw an immensely positive impact from our membership and charitable work in 2020, particularly from our COVID-19 charitable and campaigning work. Over 10,000 people, for example, took advantage of the free mental health training we offered. Sector Interest Group (SIG) meetings like our Retail SIG moved from quarterly to weekly for periods of the year. We also achieved record levels of press coverage and impact around the world on areas like the (subsequently postponed) Olympics, returning to work and schools reopening. During the year, British Safety Council extensively lobbied the Government to strengthen COVID-19 guidance, and for the Government's safety regulator, the Health and Safety Executive to enforce the rules.

In reacting to the pandemic, one area we made huge strides in during 2020, was our digital capabilities. We have invested significantly in our digital learning capabilities over the last few years and many members and customers have been able to benefit from this. During 2020, we were one of the first health and safety organisations to launch Live Online training. This proved to be immensely popular with organisations and enabled aspiring health and safety professionals to continue their education.

Although many members and customers were initially forced to pull back on audit and consultancy work, through our development of remote services, we ended the year with significant numbers embracing this new approach to health, safety and wellbeing.

As organisations started considering going back to work, we launched our unique COVID Assurance Assessment Service in 2020, which provided organisations with the comfort they needed and wanted to safeguard their staff. This was a huge success around the world, as many members and customers looked to benefit from our expertise. There is no doubt that many thousands of workers will have gone home safe as a result of this work.

Alongside the many positives we saw in 2020, there were also some real challenges too. The most challenging and sad period was having to say goodbye to staff as we 'right-sized' the organisation to cope with the pandemic. However, we are immensely proud of the dedication and work ethic of all

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Chair and Chief Executive's Report (continued)
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British Safety Council staff before, during and after this. We are ultimately a people business and we can only deliver the service that we do through the commitment of our people.

During the year, Mates in Mind continued to address the pressing challenge of mental ill-health within the construction sector and beyond. The global pandemic added to the existing mental health challenges faced by those who remained at work, were working remotely, furloughed and those without work. The need for Mates in Mind support was never clearer, supported by the volume of inbound contact for advice, guidance and assistance that doubled across the year. However, we also saw a steep decline in donations as organisations focused on dealing with the COVID-19 outbreak. Despite this, through 2020 Mates in Mind empowered 135 new Supporters in tackling the issue and embedded positive steps towards creating mentally healthy workplaces and reached more than 92,000 new workers with advice, training and support – bringing their total number of Supporter organisations to 460, reaching more than 350,000 workers.

We have all had cause to reflect on how we can rebuild our society in the recovery that is following the coronavirus outbreak, and how we must work together to tackle the underlying injustices in our society. No one could fail to feel the impact of the distressing murder of George Floyd in Minneapolis at the end of May 2020 and the global response it provoked. We at the British Safety Council pledged to renew our efforts to ensure that injustice for ethnic and minority groups is a thing of the past.

We are hopeful that a renewed focus on employee wellbeing can be another legacy of the pandemic. When we were lobbying the political parties ahead of the general election, we made clear that parity for mental health and physical health should be all of our ambitions. For an organisation like British Safety Council, steeped in health and safety, protecting workers and reminding employers of their duty of care, expanding that remit to include mental health and wellbeing has been a natural evolution. Aligned with this, the launch during 2020 of our new Being Well Together programme was one of the most important developments in our recent history.

For 2021, our wish is that the gains built up in 2020 are picked up by business leaders and spread far and wide. They have a historic opportunity to bring out light from last year's darkness, but it will need nurturing. There will be forces to contend with that want to take us back to business as usual. We need leadership to build on this momentous year for the better, making sure that economies work for the natural identity of all our interests.



.....
Lawrence Waterman
28 July 2021



.....
Mike Robinson
28 July 2021

British Safety Council

Report of the Trustees For the year ended 31 December 2020

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 maintained certification against ISO 9001 and ISO 45001, which keeps us in line with the best in market.

The Executive team monitor health, safety and quality management reviewing performance weekly, 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.

Sector Interest Group meetings, which form a core part of our membership benefits, increased in frequency as a result of the pandemic, with groups like the Retail SIG moving from quarterly meetings to weekly for part of the year and most other SIGs moving to monthly.

New in 2020, we launched our COVID Assurance Assessment service alongside a comprehensive guidance document, aimed at helping organisations safeguard their staff as they returned from home working. This proved to be extremely popular with organisations across the world, particularly in India. This was supported by an extensive webinar programme that attracted record attendance.

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 through their 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.

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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, safety and wellbeing agenda*.

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 organisational performance through information and recognition

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

We facilitate and co-ordinate member 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.

In a normal year, we also host conferences in the UK and internationally, as well as contributing to conferences and events across the globe in collaboration with partner organisations. During 2020, much of this activity was postponed or cancelled due to the pandemic. This also impacted on our usual programme of free continuing professional development sessions at exhibitions across the UK. However, we launched a series of COVID-19 related webinars in 2020, which attracted record numbers of registrants and attendees, to support everything from dealing with the immediate impact of the pandemic to getting people back into the workplace.

Our International Safety Awards and Sword / Globe of Honour Awards continue to recognise commitment and excellence in health, safety and environmental management, and we seek to promote learning from our award winners through the publication of case studies. The pandemic affected our ability to celebrate achievements at face-to-face events in 2020 but special efforts were made to make up for this through media activities and extensive promotion in our leading *Safety Management* magazine.

Improving individual's capability through qualifications and assessments, and widening reach through innovative and efficient delivery methods

British Safety Council recognise the value of measuring attainment from learning through assessment and offer a suite of qualifications and digital learning that are flexible, cost effective and inclusive in their delivery methods enabling employers and individuals to increase their knowledge and competence. Three major innovations stand out in 2020 though. The launch of Live Online training, remote audit delivery and the launch of Being Well Together.

Being Well Together is a new integrated solution providing for all the health, safety and wellbeing needs of an organisation. Becoming a supporter shows an organisation's employees and peers that they are committing to improving their peoples' health, safety and wellbeing and in doing so are supporting our sister charity, *Mates in Mind*, a leading UK charity focused on promoting positive mental wellbeing across workplaces.

Due to the unprecedented situation relating to COVID-19, we now offer a selection of our courses Live Online. Students get all the benefits of structured classroom learning but with the convenience of the digital world, studying where they like. Courses are taught by a tutor just as they would be in a classroom. In fact, our Live Online tutors are the same tutors who facilitate our face-to-face

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training. Students join remotely using a PC, laptop or tablet and download the relevant software in advance to gain entry. Students can see and interact with the tutor and with each other throughout courses. PowerPoint slides, videos and whiteboard are all fully visible, with tutors able to switch seamlessly between any of these media.

The practical challenges of managing health, safety and wellbeing within organisations has changed focus with many staff now remote working from their home. The COVID-19 situation has highlighted even more the need for robust systems and processes to be in place, whether that's the legal requirements of safeguarding staff through to protecting physical property. We also understand that auditing and consultancy are a vital service for many of our clients. In order to help in this process, we have restructured delivery of our core audit and consultancy services to provide much of this on a remote basis.

Enhancing organisations' performance through audit and advisory

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

Our Five Star Audit Programmes for health, safety and environmental management audit remain best in class. We also provide audit certification services aligned to ISO 45001 and ISO 14001. Embracing the challenges brought on by the pandemic we have adapted our services to meet clients' needs through the provision of remote services. This allows clients to be audited remotely to the ISO 45001 and 14001 standards, together with our unique suite of 5-star best practice audit services, without compromising on the high standards clients expect. Clients receive all the benefits of a structured auditing process but with the benefits of the initial stages carried out remotely. This is being made possible by advances in technology that allow our auditors to carry out much of the initial assessment remotely. It enables organisations to obtain and maintain certification standards thereby helping to protect their workforce as well as win new business and retain clients.

Aligned with our launch of the Being Well Together programme, we have launched wellbeing specific audit and consultancy services including a Five-Star Wellbeing Audit. The Five-Star Wellbeing Audit is an independent, comprehensive and holistic review of an organisation's wellbeing management protocols and associated arrangements against current best practice technique within the wellbeing field.

Improving individuals' performance through education and training

Our education team is committed to supporting competence development, utilising the very latest in educational strategies and technologies both online and in the classroom, enhancing the learning experience in a safe environment.

Influencing the health, safety and wellbeing agenda

We continue to drive and shape the health, safety and wellbeing agenda, 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. We also keep members in the UK and internationally updated on the latest thinking via our monthly policy newsletter.

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 (continued)
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3. ACHIEVEMENTS AND PERFORMANCE

3.1. Financial performance

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

During 2020, the group's total income for the year of £7,266,704 fell short of the budget of £10,338,469 by £3,071,765. Similarly, the group's net expenditure (before gains/losses on investment assets and actuarial losses on defined benefit pension) of £851,656 was more than the budgeted net expenditure of £34,021 by £817,635. The performance reflects the business impacts from COVID-19 restrictions resulting in the difficult decision to reduce staff numbers to align our costs with reduced income. We also used the Coronavirus Job Retention Scheme to assist in mitigating the business impacts of COVID-19 and we have emerged into 2021 as leaner but resilient.

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.

3.2.1 COVID-19

An important aspect of this work is campaigning and during 2020 much of our policy and campaigning activity focused on the COVID-19 situation. The pace of developments in this unprecedented area meant keeping ahead was difficult. However, we quickly clarified positionings, which then fed into our communications e.g., Olympics, 2 metre rule, face coverings, school & university safety and return to work. This was in no small part down to the tremendous work of the Policy & Influencing team, who spent significant time listening to Westminster discussions and announcements, as well as liaising with our Sector Interest Group members and taking advice from external advisers. From a standing start our COVID-19 activities quickly developed into a fully formed tactical campaign.

Free mental health digital learning courses were one of the major successes of our campaign and aligned with our charitable purpose. We identified early on, the effect that COVID-19 and lockdowns were having on peoples' mental health. We then released five free mental health digital learning courses during the first lockdown and over 10,000 people took advantage of this.

Webinars formed a key part of our COVID-19 activities, as we attempted as quickly as possible to help, advise and assist members and customers with their many questions and concerns. The COVID-19 Return to Work Guidelines webinars and COVID-19 Assurance Assessment Service webinars achieved record registration numbers of over 700 people.

Sector Interest Group (SIG) meetings have always been an important source of networking and information sharing for members, but none more so than during 2020. Traditionally SIG meetings happen 2-4 times a year depending on the sector. During 2020, some groups like the Retail SIG met for a number of months on a weekly and then bi-weekly basis, to share knowledge and experiences. This ultimately, helped to shape a lot of what consumers then saw in terms of prevention and controls.

Aligning with the UK government COVID Secure guidance, British Safety Council developed a detailed general Return to Work Guide and linked Assurance Assessment Service. Combined, these services provided employers with the much-needed comfort, that they were following best practice guidelines. These services were promoted extensively and internationally in marketing and PR activities during

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2020. As part of our public affairs work, we additionally developed a cut down promotional leaflet to support these services and promoted it to all UK MPs.

3.2.2 Air pollution

Due to COVID-19, during 2020 large parts of our activity on the Time to Breathe campaign were postponed. The major disruptive stunt we had planned for October in Manchester aimed at driving investment in the air pollution monitoring infrastructure was put on hold until 2021.

Despite the lack of stunt, campaign momentum built up during 2019 continued into 2020. We still received many requests from workers asking for access to our unique Canary air pollution monitoring app. Canary usage data also continued to build and will provide a valuable source of information as we relaunch activities in 2021. In total, we now have over 500 supporter organisations and 1,800 registered Canary users.

We also saw some positive movements from the UK Government around alignment with World Health Organisation's (WHO) targets. In December 2020, we welcomed an announcement by the Prime Minister that the UK will aim to cut its carbon emissions by at least 68% of what they were in 1990, by the end of 2030. However, we also highlighted in the press that the Government's target will only be met if it is underpinned by tangible actions to deliver its ambition. Such actions include the Government adopting the WHO air pollution targets, allowing electric only cars in cities from 2030 and improving air quality measurement across the UK. We also pointed out that there is an early opportunity for the Government to put its words into action by adopting the WHO air pollution targets as part of the Environment Bill currently progressing through Parliament.

The Heathrow third runway was a key air pollution topic during 2020. The Supreme Court reversed a decision to block plans for a third runway at the airport, which meant that developers could then seek planning permission for the project. The British Safety Council called on Heathrow Airport to provide concrete assurances that the expansion would not breach acceptable levels of noise and air pollution, and that it is compatible with the UK's climate policy. This meant the addition of a new runway would not contravene the Government's ambition to cut its carbon emissions by at least 68% of what they were in 1990 by the end of 2030, as well as deliver the Government's Net Zero target by 2050.

The other major development aligned with our campaign related to the heart-breaking case involving the inquest of Ella Kissi-Debrah. In a ground-breaking ruling, the coroner found that Ella Kissi-Debrah's death in February 2013 was caused by acute respiratory failure, severe asthma and air pollution exposure. Southwark Coroner's Court found that air pollution made a material contribution to Ella's death and ruled in favour of her family. This was a legal first. The ruling highlighted the dangers of everyday exposure to unhealthy levels of pollution in towns and cities across the UK, particularly for outdoor workers and children. Following the announcement and continuing our support for Kissi's mother, British Safety Council called on the UK government once more to enshrine in UK law the WHO air pollution limits.

Even though we were limited in how much activity we could physically put in place during the year, we took the time to start thinking more about our campaign roadmap and ultimate goals for Time to Breathe. Mirroring activities across our other major campaign work, we started to embed Theory of Change modelling into our thinking. This will prove valuable in future when planning activities and reporting our progress against target outcomes.

3.2.3 Wellbeing

Our founder James Tye was truly ahead of his time when it comes to the importance of workplace wellbeing. Back in the 1980s he recognised that workplace stress was increasingly damaging peoples'

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health and wellbeing and he founded the British Wellness Council to produce messages on how to stay physically and mentally healthy. Wellbeing was always going to be part of our 2020 campaign plans, albeit things took a slightly different path due to COVID-19. Prior to 2020, British Safety Council had produced various papers, videos and positionings around wellbeing. We had spent 2019 planning for a campaign around presenteeism in 2020. In fact, we partnered with Vitality Health and Rand Europe on a presenteeism research project aligned with the Britain's Healthiest Workplace initiative. However, as COVID-19 took hold, it became clear that a broader campaign was needed around wellbeing, of which presenteeism would form part. We also needed to align our commercial services and campaigning activities on the subject, the result was Being Well Together (BWT). BWT, was launched in late 2020, in the best traditions of the British Safety Council. It brings together the latest thinking from experts and draws on the experience of: ourselves, Mates in Mind, Mercer Marsh Benefits, Croner-i, Sussex Mindfulness Centre and the National Counselling Society.

BWT is the result of significant research carried out during 2020 with members on both a quantitative and qualitative basis. Samples covered organisations at different stages of wellbeing strategy development i.e., starting out, developing, leading. One key aspect the research showed was that wellbeing isn't that important to people currently, but is expected to grow significantly moving forward. Similar to Time to Breathe, Theory of Change modelling was used as the basis for our wellbeing campaign planning, with a roadmap and measurable outcomes core outputs. First steps have already been taken on this roadmap, with British Safety Council itself becoming a BWT supporter, appointing a wellbeing Executive lead and starting to fully embrace the principles.

3.2.4 Other campaign work

During the year, the UK Government launched a Fire Safety Consultation. The fire safety consultation, published alongside the draft Building Safety Bill, is a key part of the Government's package of reform to improve building and fire safety in all regulated premises where people live, stay or work and to deliver key Grenfell Tower Inquiry recommendations. We engaged with members to obtain their feedback before we produced a final response in October on their behalf.

British Safety Council also called on the Government to provide adequate funds for the new building safety regulator as the draft Bill was finally published.

British Safety Council wrote on behalf of members to the Housing Minister Chris Pincher MP, asking for an urgent update on the Building Safety Bill. We expressed concern at the slow progress in removing dangerous ACM cladding from high-rise residential buildings, but welcomed the Bill being published.

Brexit also remained on our radar, particularly as a no-deal situation was looking highly likely for much of 2020. We started to reconnect with other health, safety and environmental trade associations around a joined-up approach to lobbying and the protection of worker rights.

3.2.5 Public relations

Despite reduced team resource, the quantity and quality of our PR activities remained extremely high in 2020. In fact, due to our activities around COVID-19, we had our third successive record year of coverage, more than doubling coverage compared to 2019.

Key highlights:

- We issued 33 press releases in 2020
- Impressive improvement in reach, 251% up on 2019 and coverage up 221% on 2019
- COVID-19 attracted the most coverage: postponement of the Olympic Games (March), COVID Assurance Assessment (August) and returning to the office (August)
- Awards also received good coverage (August)

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- The COVID Assurance Assessment Service achieved the most reach
- Top channels for coverage were World news, UK news and UK trade/India news
- In terms of topics covered by releases in 2020, most were COVID-related (60%) followed by building/ fire safety and air quality (Time to Breathe)
- British Safety Council functions that achieved the most coverage were audit & consultancy, awards and policy & campaigns.

The majority of our communications activity focused on coronavirus related subjects. However, we also responded to the global outrage at the death of George Floyd and the worldwide protests led by #blacklivesmatter. We called on everyone to have the right to live with dignity and free from fear, whoever they are or wherever they live.

3.3. Building understanding and capability

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

Our education team continued to revise their portfolio adding new products and services, with a firm focus on development of new, contemporary wellbeing related products to support the launch of Being Well Together.

Our magazine, Safety Management, and the supporting topic guides and posters, continued to be a major component of communication with our member organisations and subscribers, albeit they moved to being digital only as people moved to working from home. We continue to use our UK / Indian magazines 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, environmental protection and wellbeing as a key enabler for business, social and community activity.

3.4. Committing to leadership and worker engagement

The British Safety Council continues to promote strong visible leadership on health, safety and wellbeing 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 excellence. To be successful in our International Safety Award scheme and/or our Sword of Honour and Globe of Honour award schemes, applicants must demonstrate that effective leadership and commitment, together with active workforce participation, are prominent within their respective organisations.

With the launch of our Being Well Together programme, we have also now put in place the foundations for 2 new awards: The Being Well Together Impact Awards and Shield of Honour. The new Impact Award is designed to celebrate those creating meaningful change across health and wellbeing. The Shield of Honour recognises excellence in health and wellbeing.

Various promotional activities have ensured that the awards maintain a key role in the yearly calendar, despite the pandemic and the cancellation of the face-to-face celebrations. Our Sword of Honour / Globe of Honour awards are wholly dependent on organisations achieving a Five Star outcome from the audit process and then submitting successful applications. As such, our plans have continued to include supporting clients who have achieved Four Star outcomes in the audit process onwards on their journey to winning awards.

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British Safety Council is constantly revising and developing the International Safety Awards to keep them relevant to businesses worldwide and to motivate companies to achieve highest standards in health, safety and wellbeing. The awards, in their 63rd year, recognise and reward organisations that have demonstrated a true commitment to achieving high standards of health and safety during the 2020 calendar year. The awards are now open to organisations of all sizes, types and sectors – both members of British Safety Council and non-members, in the UK and internationally.

Our audit and consultancy products and services continued to develop predominantly driven in 2020 by the pandemic. We continue to utilise the array of expertise in the full-time staff and Associate pool as well as subject experts, to develop leading and well-respected products.

Our Five Star Audit products remain best in class, assuring high performance and supporting continual improvement in health, safety, environmental management and wellbeing.

3.5. Sharing knowledge and experience

We have continued to share knowledge, expertise and thought leadership through a comprehensive webinar programme, due to limitations in our ability to facilitate face to face conferences, seminars and events, driven by COVID-19. The following webinars took place across the UK and internationally during 2020:

- Managing and supporting people working from home
- Building safety during the lockdown
- Planning the return to work safely
- Covid-19: the long-term implications for health and safety
- Live Online training, delivered twice
- British Safety Council Return to Work Guidelines
- COVID Assurance Assessment service, delivered twice

Much of the planned event activity was obviously postponed or cancelled due to COVID-19 in 2020. This included events such as the Health & Safety Event – ExCel and Health & Safety Expo – NEC, as well as our planned support for the Air Quality Conference North.

During the year, we kept up dialogue with the various event organisers who carried out activities to keep engagement going with their target audience. This included representation at the Safety & Health Expo Digital Week, which consisted of a week of webinars on various topics. The organisers of the NEC event produced a regular newsletter and helped us promote our free and paid for COVID-19 services.

British Safety Council's sector interest groups bring together health and safety professionals from organisations with shared interest and across specific sectors. We ran sector interest groups for:

- Manufacturing, transport and logistics
- Healthcare
- Construction
- Stadia
- Retail
- Housing and local authorities.

Sector interest groups normally meet three to four times a year, usually rotating between members' premises. They comprise a policy update from the British Safety Council and an opportunity to share in confidence recent successes and times things have gone wrong – "Share with pain, share with pride". A brief note of meetings is sent to members. In addition to regular agenda items, the British Safety Council invites guest speakers of interest and the hosts often provide a tour of their site.

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Unfortunately, COVID-19 put a stop to the face-to-face meetings, but these were replaced with more frequent virtual meetings. Much of the content remained the same as usual but there was a firm focus on how organisations were dealing with the pandemic too, particularly within the Retail SIG, who also chose to meet weekly at some points during the year.

Our monthly magazine Safety Management was published in 11 monthly editions albeit it moved to a digital only format as many member staff started working from home. British Safety Council staff continued to contribute regularly to trade press across the sector.

3.6. 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.

3.7. 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 financial statements 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, which is accountable to the Trustees.

The charity is not 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; we do not approach individuals for funds nor do we consider it necessary to design specific procedures to monitor such activities.

3.8. Disabled employees

The Group welcomes applications for employment from disabled persons and appoints 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.

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 £7,266,704 which was 28% less than the £10,043,922 achieved in 2019. This largely reflects decreased income from the group’s primary purpose trading activities due to the impact of COVID-19 on trading conditions. Income includes government grant income support under the Coronavirus Job Retention Scheme (“furlough support”) of £447,625. The group’s expenditure in the year totalled £8,118,360 which represents a decrease of 25% on the

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Report of the Trustees (continued) For the year ended 31 December 2020

£10,794,436 incurred in 2019. This decrease largely reflects the group's primary purpose trading, with activities reduced due to the impact of COVID-19 on trading conditions.

The group incurred a net deficit (before losses on our investment assets and losses associated with the legacy pension scheme) of £851,656 which represents an adverse movement £105,107 on the deficit of £750,514 achieved in 2019. With losses in investment funds of £113,861 (2019: £1,400,916 gain) and an actuarial loss in the legacy pension scheme of £697,000 (2019: £224,000) the overall decrease of funds in the year was £1,671,045 compared with an increase £426,402 in 2019.

To fairly present the activities of the British Safety Council we have summarised our financial results into five categories:

- Improving organisational performance through information and recognition;
- Improving individual capability through qualifications and assessments;
- Enhancing organisational performance through auditing and advice;
- Improving individual 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 and related notes:

Net income/(expenditure) by activity

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from donations and grants	-	108,692	108,692	158,683
Improving organisation performance through information and recognition	430,917	-	430,917	111,708
Improving individual's capability through qualifications and assessments	(498,160)	-	(498,160)	(360,059)
Enhancing organisations performance through auditing and advisory	(489,254)	-	(489,254)	(89,097)
Improving individual's performance through education and training	(454,892)	(278,619)	(733,511)	(487,594)
Influencing the health and safety agenda	(333,033)	-	(333,033)	(456,834)
Other grant income	391,535	56,090	447,625	-
Investment income	261,896	-	261,896	416,810
Investment management costs	(46,828)	-	(46,828)	(44,131)
(Loss)/gain on investment assets	(113,861)	-	(113,861)	1,400,916
Transfers between funds	(122,839)	122,839	-	-
Net (expenditure)/income	(974,519)	9,002	(965,517)	650,402
Actuarial losses on defined benefit pension scheme	(697,000)	-	(697,000)	(224,000)
Other gains/(losses) - currency translation	(8,528)	-	(8,528)	-
Net movement in funds	(1,680,047)	9,002	(1,671,045)	426,402

Improving organisations performance through information and recognition generated income of £1,669,355 during 2020 from membership subscriptions, our events and awards and publications. This was £436,833 lower than the £2,106,188 achieved in 2019 mainly due to a declining number of members. Overall expenditure on these activities in 2020 decreased by £756,042 to £1,238,438 (2019: £1,994,480).

Income from *Improving individual capability through qualifications and assessments* has decreased by £701,055 to £284,737 (2019: £985,792) reflecting a reduction in our regulated qualifications, following a decision to withdraw from this activity. Expenditure was £782,897 in 2020 (2019: £1,345,851), which is £562,954 less than the previous year.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

Income from *Enhancing organisational performance through auditing and advisory* come from the fees charged for the provision of audit and consultancy services. Income of £1,362,570 in 2020 (2019: £2,403,118) represents a decrease of £1,040,548 compared to 2019. Expenditure decreased from £2,492,215 in 2019 to £1,851,824 in 2020.

Income from activities relating to our aim of *Improving individual performance through education and training* is from the fees charged for the provision of training and e-learning solutions. Income of £3,131,829 in 2020 (2019: £3,973,331) was down by £841,502 and expenditure decreased by £595,585 to £3,865,340 from £4,460,925 in 2019.

Expenditure incurred to support *Influencing the health and safety agenda* decreased by £123,801 to £333,033 in 2020 (2019: £456,834).

Other income includes government grant income support under the Coronavirus Job Retention Scheme ("furlough support") of £447,625. The British Safety Council received investment income of £261,896 in 2020 (2019: £416,810) which is a decrease of £154,914 on the previous year. The net losses on our investment portfolio were £113,861 (2019: gain of £1,400,916) which reflected market conditions.

The FRS102 actuarial loss on our legacy pension scheme in 2020 was £697,000 compared with a loss of £224,000 in the previous year. The last triennial actuarial review of the scheme was completed as of 1 October 2018. The next triennial valuation is to be performed effective 1 October 2021.

4.2. Assets

The British Safety Council owns the freehold of its head office building in West London. The office provides accommodation for carrying out training courses, conferences and administrative activities. The land and buildings have been included in the financial statements at a carrying value of £1,768,743 (2019: £1,801,243).

The British Safety Council has invested in equities and fixed interest stocks. On 31 December 2020, the value of the portfolio was £10,004,140 (2019: £11,875,194).

4.3. 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 and intangible 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 £2,363,210 (2019: £2,729,822), which match the net book value of the group's tangible and intangible fixed assets excluding those held by Mates in Mind. Remaining unrestricted funds (excluding the pension reserve) amount to £9,690,529 (2019: £10,640,964). The charity's free reserves amount to £7,708,529 (2019: £9,021,964). The charity's free reserves in 2020 have been impacted by COVID-19 though continue to be above the minimum level set by trustees.

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 three 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:

British Safety Council

Report of the Trustees (continued) For the year ended 31 December 2020

- The investment fund, which essentially backs all of the minimum level of free reserves may fluctuate in value; and
- The charity desires to maintain organisational stability and the ability to respond rapidly to major opportunities and challenges.

Note 12 provides further information about the designated and unrestricted reserves.

4.4. Subsidiaries

The charity has three 100% owned subsidiaries:

- a) British Safety Council Sales Ltd, which trades in the United Arab Emirates
- b) Mates in Mind, which is a charitable company; and
- c) 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 in note 8.

4.5. 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.

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 portfolio delivered a total return of 2.3% versus a benchmark return of 0.4%. The objective is to be achieved by investing in a mix of equities, bonds, commercial property and other asset classes.

4.6. 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 £1,982,000 (2019: £1,619,000). 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 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 with the deficit eliminated by 30 June 2021 with a one-off lump sum payment of just over £1m. In April 2020, due to

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

COVID-19 the trustees took the decision to delay the monthly repayments however payments were caught up in December 2020.

4.7. 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, foreign exchange 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 attributable to trade receivables, which is managed through credit control processes.
- **Market risk**
Our investments are subject to market movements that may result in realised and unrealised losses. We manage this risk through the use of professional fund managers. Our investment policy is explained above.
- **Foreign exchange risk**
Our primary purpose trading activities, including our Indian subsidiary, expose us to the 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.

4.8. Going concern

The charity Trustees consider that there are no material uncertainties about the group's ability to continue. 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 trustees are supportive of the charity's response to COVID-19. The effect of COVID-19 has been assessed by the trustees by reviewing the charity's ongoing forecasts and projections during regular COVID-19 meetings to ensure that the charity remains financially viable. As a result, like many other charities, the Trustees have made some difficult decisions to reduce costs with a substantial number of staff put on furlough and a restructuring of the charity at the end of October reducing staff numbers by a third. The restructuring of the business, reducing staff numbers by a third, has significantly cut the cost base. This together with a shift in product mix to higher margin products has resulted in a more stable outlook for 2021.

With regards to 2021, the most significant areas that will affect the charity's net assets are the level of income, investment fund performance and dividends and an increase in the liabilities of the defined benefit pension scheme. The charity has improved its forecasting and budgeting process for 2021-23 using internally created models for best and worst case scenario planning which have given the trustees confidence in adopting the going concern basis.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

5. FUTURE PLANS

COVID-19 continues to have a huge impact on our organisation, whether that's financial or people related. Although we have weathered the continuing storm well due to strong, quick and decisive action, there are actions that we still need to take in 2021/22 and beyond to ensure that the organisation continues to recover. We are a smaller organisation than in the past but with a firm platform from which to grow back to previous levels and beyond.

Specific 2021 objectives are:

- Increase our impact by embedding wellbeing to properly sit alongside health and safety in support of our overall belief that “No one should be injured or made ill through their work” and reflect this in everything we do as a charity, in particular in respect of campaigning.
- Make significant progress in becoming an exemplar in wellbeing as we are in terms of health and safety. One aspect of this will be addressing known cultural issues, focusing on leadership, behaviours, performance management, and being more proactive in terms of inclusion and diversity. This is a key initial step in our wellbeing campaigning roadmap.
- Improve the customer experience, increase online sales / self-serve, and increase efficiency by better utilising technology.
- Embrace the new never normal world, becoming more agile, innovative, flexible, operating with a start-up mentality, taking decisions faster, delivering in shorter timescales, making strategic development a continuous process, and being prepared to change organisational objectives/priorities in line with changes in the external environment.
- Return to sustainable profitable growth through a combination of:
 - Targeted increases in revenues, particularly in respect of Wellbeing, Mates in Mind, Audit, In-company and Public training
 - Maintaining a very tight control of costs
 - Improving the customer experience; and
 - By keeping close to the markets we operate in, reinvesting for growth at the right time to maximise opportunities (i.e., given lead times, don't wait until recovery has occurred to decide to reinvest) in line with our evolving strategic priorities.

To meet these corporate objectives, we have defined several overall priorities:

- Rebooting our campaigning activity
- Supporting a largely remote business by improving our technology
- Starting to reinvest in the two main technology projects that support working differently
- Investing in our people (and their wellbeing) and improving our culture
- Starting to operate in a new way in the new world
- Investing in technology to improve our products, services and efficiency
- Improving our products / services.

In addition to investments made in areas such as wellbeing, mental health and remote service provision, the following are further key areas that have been identified as areas of opportunity to research, develop and capitalise on in 2021 and beyond.

- Increase market share of NEBOSH NGC/IGC with Open Book Exams (OBE) – the introduction of OBE for flagship NGC and IGC qualifications in 2020 has removed some of the challenges and costs of delivery of learning and crucially, assessment in both UK and International markets enabling us to reach further and compete with organisations who have local presence and market share and use our brand advantage where possible. COVID restrictions resulting in virtual classroom learning has created a more level playing field.
- Increase income from private delegate market – with market and competitor insight and experience from new Senior Head of Education, strategic planning will take place in Q1 2021 to increase our market share of private delegates which will provide some benefit in 2021 and increase in 2022 and 2023. More efficient and flexible live online training options that are most cost effective for individuals will support this.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

- Increase income from public training – we will investigate if there is an opportunity to increase reach, income and profitability from additional public venues. This needs to be balanced with our ability to deliver quality training Live Online, and blended, flexible, inclusive quality training options that are ahead of our competitors. Branching out into wellbeing training enables access to a wider market to support this.
- Review and Improve customer experience and support for distance and digital learners – over the past few years our income from distance learning has declined with relatively poor service delivery compared with leaders in the distance learning market. In contrast, income from digital learning has increased, however there is opportunity to significantly improve the service delivery and quality of learning and after sales support. This will in turn lead to better reputation, marketing and increased sales.
- Increased and holistic focus on target sectors – Capitalising on lessons learned in previous years (such as working with stadia and retail) and more prominently during COVID-19, we are identifying target sectors that are in need of our services (e.g., NHS/Healthcare and university and FE sector) or are experiencing particular growth in current market (e.g., logistics). To be successful the focus must be joined up and multi-departmental, with policy and communication, membership and sector interest groups as well as events and awards all focused on supporting the target sectors to build brand value and impact, which will in turn increase our marketing and sales opportunities. The new sales structure is being put in place with this strategic approach in mind.
- Continue to develop Live Online training and remote auditing – Our strategy is to ensure we remain ahead of our competitors and abreast of new entrants to an easier to access digital market. Quality of products and delivery must be enhanced with fit for purpose software and teaching methodologies.
- Improved Client experience and efficiency – to enable organisation to stay abreast of competitors, appeal to a global and expanding market and grow in line with future business plans this is key. Initiatives such as development of Moodle, our website and increased opportunities to self-serve will underpin this.
- New culture change proposition for India – separate investment case produced.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

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

At 31 December 2020, the British Safety Council group comprises the British Safety Council and three wholly owned subsidiaries, British Safety Council (India) LLP, British Safety Council Sales Ltd, and Mates in Mind. The report of the charity Trustees, strategic report and consolidated financial statements cover the charitable entity and the three subsidiaries.

The charity is a company limited by guarantee not having a share capital incorporated in England and Wales. The charity and its subsidiary charity Mates in Mind are registered charities in England and Wales with the Charity Commission and with the Office of the Scottish Charity Regulator in Scotland. The members 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 12 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, each member of which is responsible for discrete organisational functions. The names of the Chief Executive and Executive team members are set out on the last page of this document.

The Board of charity Trustees exercise its oversight and assurance role through a range of means. Our Board is structured as follows:

- **Board of Trustees**

The main Board of charity Trustees meets 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 meets at least twice each year to review the group's system of internal control and its risk register. The committee also oversees the audit of the group's report and financial statements.

- **Investment Committee**

The investment committee meets at least twice each year to review the charity's reserves policy, investment strategy and performance of the investment fund.

6.3. Our Board and Management (continued)

- **Campaigns Committee**

The campaigns committee meets three times per year to agree policy positions to underpin our influencing and engagement activities and all public pronouncements in our own publications or the media.

- **Qualifications and Awards Committee**

The qualifications and awards committee meets three times per year to oversee the activities of our Ofqual recognised awarding body. The administration of the International Safety Award and best practice award schemes (Sword, Globe and Shield of Honour) are also be overseen by this committee.

- **Being Well Together Committee**

The being well together committee meets as required and works with the Executive Team on strategic planning, reviewing overall progress against the BWT strategic plan and its objectives, overview of the composition, purpose and contribution of the wellbeing Technical Panel and oversight and management of specific health and wellbeing related risks.

- **Remuneration and Nomination Committee**

The remuneration and nomination committee meets in January and November and additionally as required. With regards 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 him. In addition, the committee reviews and notes annually the remuneration trends across the organisation and oversees any major changes in employee benefits structures. It also monitors Executive performance.

With regards 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. 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.

An impact analysis has been undertaken, responsibilities defined, and actions taken to manage those risks, wherever possible. The charity Trustees are satisfied that those major risks as identified have been adequately managed, where necessary. The biggest risk to the charity is the economic and market risk and uncertainty created by COVID-19 with the biggest global recession in 300 years. With businesses looking to cut their discretionary spend and membership and training considered discretionary spend these areas of the charity are considered to be more at risk by a prolonged economic impact from COVID-19.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

The financial risk of the charity not being able to meet its business plan in light of COVID-19 has been mitigated through the restructuring to reduce fixed costs and tracking and monitoring of the business through forecasting. The financial risk of adverse impacts to the charity's investment fund are considered high. The investment fund's free reserves are considered crucial to the charity from a rainy-day perspective, to give the charity the ability to pursue its charitable causes and invest in the expansion of the charity in the future.

7. REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details of the charity are set out on last page of this document.

British Safety Council

Report of the Trustees (continued)
For the year ended 31 December 2020

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;
- 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 approved by the Board and signed on its behalf on 28 July 2021.

British Safety Council

Independent Auditor's Report
For the year ended 31 December 2020

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

Opinion on the financial statements

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 2020 and of the Group'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.

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 2020 which comprise the consolidated statement of financial activities (incorporating an income and expenditure statement), the consolidated and parent charity 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).

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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

British Safety Council

Independent Auditor's Report (continued)
For the year ended 31 December 2020

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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.

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 for the consolidated financial statements, 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.

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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

British Safety Council

Independent Auditor's Report (continued) For the year ended 31 December 2020

- enquiry of management and Those Charged with Governance regarding known or suspected instances of non-compliance with laws and regulation and fraud;
- reading minutes of meetings of Those Charged with Governance; reviewing correspondence with regulatory bodies and from legal advisors to identify indications of non-compliance with laws and regulations;
- assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud;
- determining whether the accounting policies and presentation adopted in the financial statements are in accordance with 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) and the Statement of Recommended Practice for Charities;
- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments, with particular focus on unusual account combinations and postings by unexpected users or senior management;
- challenging the assumptions and judgements made by management for key estimates, in particular the valuation of investments, the recoverability of debtors and assumptions used to value the defined benefit pension scheme;
- incorporating unpredictability into our testing approach through amending the nature and extent of audit procedures;
- carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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.

DocuSigned by:



Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London, UK

Date: 29 July 2021

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 and Expenditure Statement) For the year ended 31 December 2020

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
INCOME						
Income from donations and grants	-	108,692	108,692	-	158,683	158,683
Income from charitable activities						
Improving organisation performance through information and recognition	1,669,355	-	1,669,355	2,106,188	-	2,106,188
Improving individual's capability through qualifications and assessments	284,737	-	284,737	985,792	-	985,792
Enhancing organisations performance through auditing and advisory	1,362,570	-	1,362,570	2,403,118	-	2,403,118
Improving individual's performance through education and training	2,855,353	276,476	3,131,829	3,746,536	226,795	3,973,331
Other income						
Other grant income	391,535	56,090	447,625	-	-	-
Investment income	261,896	-	261,896	416,810	-	416,810
Income from charitable activity	6,825,446	441,258	7,266,704	9,658,444	385,478	10,043,922
EXPENDITURE						
Expenditure on charitable activities						
Improving organisation performance through information and recognition	(1,238,438)	-	(1,238,438)	(1,994,480)	-	(1,994,480)
Improving individual's capability through qualifications and assessments	(782,897)	-	(782,897)	(1,345,851)	-	(1,345,851)
Enhancing organisations performance through auditing and advisory	(1,851,824)	-	(1,851,824)	(2,492,215)	-	(2,492,215)
Improving individual's performance through education and training	(3,310,245)	(555,095)	(3,865,340)	(3,904,143)	(556,782)	(4,460,925)
Influencing the health and safety agenda	(333,033)	-	(333,033)	(456,834)	-	(456,834)
Investment management costs	(46,828)	-	(46,828)	(44,131)	-	(44,131)
Expenditure on Charitable Activities	(7,563,265)	(555,095)	(8,118,360)	(10,237,654)	(556,782)	(10,794,436)
Net (losses)/gains on investment assets	(113,861)	-	(113,861)	1,400,916	-	1,400,916
NET (EXPENDITURE)/INCOME	(851,680)	(113,837)	(965,517)	821,706	(171,304)	650,402
Transfer between funds						
Actuarial (losses)/gains on defined benefit pension scheme	(122,839)	122,839	-	(155,683)	155,683	-
Other gains/(losses) - currency translation	(697,000)	-	(697,000)	(224,000)	-	(224,000)
	(8,528)	-	(8,528)	-	-	-
NET MOVEMENT IN FUNDS	(1,680,047)	9,002	(1,671,045)	442,023	(15,621)	426,402
RECONCILIATION OF FUNDS						
Total funds brought forward at 1 January	11,751,786	(34,382)	11,717,404	11,309,763	(18,761)	11,291,002
Total funds carried forward at 31 December	10,071,739	(25,380)	10,046,359	11,751,786	(34,382)	11,717,404

All of the above results are derived from continuing and unrestricted activities. The parent company loss for the year for Companies Act purposes was £1,628,123 (2019: £385,623 profit).

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

British Safety Council

Consolidated and Parent Charity Balance Sheets For the year ended 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Intangible assets	6	88,738	-	30,319	-
Tangible assets	7	2,338,387	2,737,692	2,330,323	2,723,932
Investments	8	10,004,140	11,875,194	10,265,610	12,136,664
		<u>12,431,265</u>	<u>14,612,886</u>	<u>12,626,252</u>	<u>14,860,596</u>
Current assets					
Stock		-	6,302	-	6,303
Debtors	9	1,205,058	2,112,084	1,213,316	1,890,132
Bank & Cash		1,819,226	855,091	1,474,321	711,056
		<u>3,024,284</u>	<u>2,973,477</u>	<u>2,687,637</u>	<u>2,607,491</u>
Creditors: amounts falling due within one year	10	(3,427,190)	(4,249,959)	(3,043,120)	(3,857,867)
Net current liabilities		<u>(402,906)</u>	<u>(1,276,482)</u>	<u>(355,483)</u>	<u>(1,250,376)</u>
Total assets less net current liabilities		12,028,359	13,336,404	12,270,769	13,610,220
Net assets excluding pension liability		12,028,359	13,336,404	12,270,769	13,610,220
Defined benefit pension scheme liability	16	(1,982,000)	(1,619,000)	(1,982,000)	(1,619,000)
NET ASSETS		10,046,359	11,717,404	10,288,769	11,991,220
Funds					
Unrestricted funds - designated	12	2,363,210	2,729,822	2,330,323	2,723,932
Unrestricted funds - undesignated		6,552,936	7,184,669	6,794,325	7,429,993
Unrestricted funds - pension reserve		(1,982,000)	(1,619,000)	(1,982,000)	(1,619,000)
Restricted Mates In Mind		(25,380)	(34,382)	-	-
Currency translation difference		(8,528)	-	-	-
Revaluation reserve		3,146,121	3,456,295	3,146,121	3,456,295
TOTAL FUNDS		10,046,359	11,717,404	10,288,769	11,991,220

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 deficit for the charitable company for the year was £1,702,451 (2019: £474,366 - surplus).

The financial statements were approved by the Board and authorised for issue on 28 July 2021.



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 2020

	2020	2019
	£	£
Reconciliation of net expenditure to net cash outflow from operating activities:		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,671,045)	426,402
Investment income	(261,896)	(416,810)
Losses/(gains) on investments	113,861	(1,400,916)
Depreciation charge	444,936	429,626
Difference between pension contributions and FRS102 charge	(334,000)	(292,000)
Actuarial losses on pension scheme	697,000	224,000
Decrease in debtors	907,026	(891,781)
Decrease in creditors	(822,769)	746,857
Decrease in stock	6,302	-
Net cash outflow from operating activities	(920,585)	(1,174,622)
Cash flows from investing activities:		
Returns on investments and servicing of finance	261,896	416,810
Purchase of intangible fixed assets	(88,738)	-
Purchase of tangible fixed assets	(45,631)	(210,150)
Purchase of investments	(1,568,824)	(854,772)
Proceeds from sale of investments	3,326,017	1,490,145
Net cash inflow from investing activities	1,884,720	842,033
Change in cash flow for the year	964,135	(332,589)
Cash in bank and at hand at 1 January	855,091	1,187,680
Cash in bank and at hand at 31 December	1,819,226	855,091

British Safety Council

Notes to the Financial Statements
For the year ended 31 December 2020

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 financial statements, 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.

Impairment of investments in subsidiaries

Investments in subsidiaries are held at cost. Impairment reviews are undertaken annually to ensure the carrying value at the balance sheet date is lower than the recoverable amount. The recoverable amount has been assessed using estimations of sales growth and profitability. On that basis the Trustees believe the carrying value should not be impaired.

Provision for bad and doubtful debts

An allowance has been made for bad and doubtful debts based on the expected recoverability of trade debtors. The assessment of this is based on expectations of future recovery which has been informed by past collection experience and the aging of the debts.

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 Pounds 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 2019) 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.

The Trustees have given consideration to BSC's expectation to continue as a going concern. As a result of the COVID-19 pandemic, the Trustees have reviewed the organisations ongoing forecasts to ensure the charity remain financially viable. The Trustees have supported the charity in decisive action to reduce costs and cash flow outflows through a restructuring of its cost base as well as making use of the Government furlough scheme.

With regards to 2021, the most significant areas that will affect the charity's net assets are the level of income, investment fund performance and dividends and an increase in the liabilities of the defined benefit pension scheme. The charity has improved its forecasting and budgeting process for 2021-23 using internally created models for best and worst case scenario planning.

It is noted that there is a degree of inherent variability in forecasts, but the Trustees do not consider there to be a material uncertainty in respect of the Group's ability to meet its liabilities as they fall due. In making this assessment, the Trustees have taken due regard of the actions taken to reduce costs and the availability of the Investment fund for short term support, should the need arise.

Having taken all of these factors into account, the Trustees have a reasonable expectation that BSC has adequate resources to continue operating for the foreseeable future and, for this reason, has continued to adopt the going concern basis for preparation of the financial statements.

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

1. PRINCIPAL ACCOUNTING POLICIES (continued)

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 on a line-by-line basis.

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. The charity Trustees designate funds to match the net book value of tangible and intangible fixed assets.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Website development costs	3 – 5 years
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Amortisation commences once the asset is brought into use. The carrying values of intangible 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.

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:

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

Freehold land is not depreciated.

Depreciation commences once the asset is brought into use. 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.

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

1. PRINCIPAL ACCOUNTING POLICIES (continued)

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. 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 recognised in the SOFA.

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

Income 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.

Income 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.

Donations and grants (including government grants) are recognised when received or when the charity is entitled to the income and receipt is probable and measurable. Gifts in kind (representing donations of services) is the fair value of the gift, usually the cost to the donor.

Investment income is recognised on a receivable basis.

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

1. PRINCIPAL ACCOUNTING POLICIES (continued)

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.

Irrecoverable VAT is included in the expense item to which it relates.

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 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 (continued) For the year ended 31 December 2020

2. OTHER INCOME

Other grant income - Coronavirus Job Retention Scheme ("furlough support")

During the year the group received government grant income support under the Coronavirus Job Retention Scheme ("furlough support") in contribution to staff costs. This grant income is presented as Other income in the Consolidated Statement of Financial Activities and amounted to £447,625 (2019: nil).

Investment income

	2020	2019
	£	£
From UK Investments		
Deposit interest	477	2,366
Equities	130,019	224,496
Unit and investment trusts	4,799	33,117
Fixed interest bonds	55,529	39,089
Alternatives	54,225	91,074
	245,049	390,142
 UK quoted securities		
Overseas investment trusts	16,847	26,668
	261,896	416,810

Geographical analysis

The group derived 29% (2019: 27%) of its income from activities outside of the United Kingdom.

3. BREAKDOWN OF RESOURCES EXPENDED (GROUP)

	2020			2019		
	Activities undertaken directly £	Support costs £	Total £	Activities undertaken directly £	Support costs £	Total £
Charitable activities						
Improving organisation performance through information and recognition	731,306	507,132	1,238,438	1,391,109	603,371	1,994,480
Improving individual's capability through qualifications and assessments	535,515	247,382	782,897	857,725	488,126	1,345,851
Enhancing organisations performance through auditing and advisory	1,304,211	547,613	1,851,824	1,886,688	605,527	2,492,215
Improving individual's performance through education and training	2,716,996	1,148,344	3,865,340	3,203,759	1,257,166	4,460,925
Influencing the health and safety agenda	202,595	130,438	333,033	301,207	155,627	456,834
Investment management costs	46,828	-	46,828	44,131	-	44,131
Total resources expended	5,537,451	2,580,909	8,118,360	7,684,619	3,109,817	10,794,436

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

Support cost allocations

2020

	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	45,404	22,148	49,028	104,798	11,678	233,056
Management and administration	115,216	56,203	124,413	265,936	29,635	591,403
Human resources	26,948	13,145	29,099	62,200	6,931	138,323
Finance	149,293	72,827	161,211	344,591	38,399	766,321
IT	79,266	38,666	85,593	182,957	20,388	406,870
Depreciation	91,005	44,393	98,269	187,862	23,407	444,936
Total	507,132	247,382	547,613	1,148,344	130,438	2,580,909

2019

	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	58,950	47,690	59,161	122,826	15,205	303,832
Management and administration	140,699	113,825	141,202	293,156	36,290	725,172
Human resources	51,580	41,728	51,764	107,471	13,304	265,847
Finance	162,779	131,688	163,361	339,162	41,986	838,976
IT	106,006	85,759	106,385	220,872	27,342	546,364
Depreciation	83,356	67,435	83,655	173,680	21,500	429,626
Total	603,370	488,125	605,528	1,257,167	155,627	3,109,817

Support costs were all allocated based on percentage allocation of direct costs.

Total expenditure has been arrived at after charging:

	2020 £	2019 £
Staff costs (note 4)	4,897,464	5,961,006
Expenses reimbursed to trustees or paid directly to third parties (note 5)	2,552	15,296
Depreciation of owned assets (note 7)	444,936	429,626
Operating lease payments recognised as an expense	11,654	23,141
Auditor's remuneration - additional fees in respect of prior audit	37,425	10,000
Auditor's remuneration - auditing the group accounts	48,000	40,500
Auditor's remuneration - auditing the subsidiary accounts	11,900	11,300
Auditor's remuneration - tax compliance services	7,880	7,395

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

4. STAFF COSTS (GROUP)

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	4,077,154	5,139,236
Redundancy costs	114,880	6,826
Social security costs	440,680	524,175
Expense for defined contribution pension schemes	234,750	246,769
Expense for defined benefit pension schemes (note 16)	30,000	44,000
	4,897,464	5,961,006

The average number of persons employed by the group during the year was 104 (2019: 111).

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

	2020	2019
	Number	Number
£60,001 - £70,000	2	5
£70,001 - £80,000	3	3
£80,001 - £90,000	2	3
£90,001 - £100,000	-	2
£100,001 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,000	-	-
	9	14

One employee earning £60,000 or more (2019: one) was a deferred member of the defined benefit pension scheme and was a key management personnel.

Nine employees earning £60,000 or more (2019: 14) were members of the defined contribution pension scheme and contributions amounting to £57,574 (2019: £77,243) were paid on their behalf.

Seven key management personnel (2019: four) were members of the defined contribution pension scheme and contributions amounting to £48,542 (2019: £34,800) were paid on their behalf.

Total benefits (including social security costs) in respect of key management personnel during the year were £757,051 (2019: £741,426).

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

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 £2,552 (2019: £15,269). The number of charity Trustees reimbursed for expenses or who had expenses paid directly by the charity was five Trustees (2019: Nine).

Indemnity insurance is provided for the charity Trustees. The premium paid during the year amounted to £2,296 (2019: £2,296).

6. INTANGIBLE FIXED ASSETS

GROUP

	Website Development £	Total £
Cost		
At 1 January 2020	-	-
Additions	88,738	88,738
At 31 December 2020	88,738	88,738
Amortisation		
At 1 January 2020	-	-
Provided in year	-	-
At 31 December 2020	-	-
Net book value		
At 31 December 2020	88,738	88,738
At 31 December 2019	-	-

CHARITY

	Website Development £	Total £
Cost		
At 1 January 2020	-	-
Additions	30,319	30,319
At 31 December 2020	30,319	30,319
Amortisation		
At 1 January 2020	-	-
Provided in year	-	-
At 31 December 2020	-	-
Net book value		
At 31 December 2020	30,319	30,319
At 31 December 2019	-	-

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

7. TANGIBLE FIXED ASSETS

GROUP

	Freehold land and buildings £	Office refurbishment £	Office furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 January 2020	3,012,500	1,404,390	423,532	2,786,786	7,627,208
Additions	-	-	-	45,631	45,631
At 31 December 2020	3,012,500	1,404,390	423,532	2,832,417	7,672,839
Depreciation					
At 1 January 2020	1,211,257	1,299,389	328,080	2,050,790	4,889,516
Provided in year	32,500	70,137	20,089	322,210	444,936
At 31 December 2020	1,243,757	1,369,526	348,169	2,373,000	5,334,452
Net book value					
At 31 December 2020	1,768,743	34,864	75,363	459,417	2,338,387
At 31 December 2019	1,801,243	105,001	95,452	735,996	2,737,692

CHARITY

	Freehold land and buildings £	Office refurbishment £	Office furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 January 2020	3,012,500	1,404,390	423,532	2,770,296	7,610,718
Additions	-	-	-	45,047	45,047
At 31 December 2020	3,012,500	1,404,390	423,532	2,815,343	7,655,765
Depreciation					
At 1 January 2020	1,211,257	1,299,389	328,080	2,048,060	4,886,786
Provided in year	32,500	70,137	20,089	315,930	438,656
At 31 December 2020	1,243,757	1,369,526	348,169	2,363,990	5,325,442
Net book value					
At 31 December 2020	1,768,743	34,864	75,363	451,353	2,330,323
At 31 December 2019	1,801,243	105,001	95,452	722,236	2,723,932

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

8. INVESTMENTS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Movements on listed investments				
Fair value of 1 January	11,875,194	11,109,651	11,875,194	11,109,651
Acquisitions at cost	1,568,824	854,772	1,568,824	854,772
Disposal proceeds	(3,326,017)	(1,490,145)	(3,326,017)	(1,490,145)
Net (losses)/gains on investment assets	(113,861)	1,400,916	(113,861)	1,400,916
Fair value at 31 December	10,004,140	11,875,194	10,004,140	11,875,194
Movements on equity investments in group undertakings				
Cost less provision for impairment at 1 January			261,470	261,470
Investment in new subsidiary			-	-
Impairment in carrying value of subsidiary			-	-
Cost less provision for impairment at 31 December			261,470	261,470
UK quoted securities				
Equities	3,297,226	4,004,687	3,297,226	4,004,687
Fixed interest bonds	1,659,151	1,453,859	1,673,641	1,453,859
Investment and unit trusts - UK	753,607	1,244,732	739,117	1,244,732
Public sector fixed interest	125,307	611,355	125,307	611,355
Alternative assets	1,518,745	1,911,568	1,518,745	1,911,568
Total UK quoted securities	7,354,036	9,226,201	7,354,036	9,226,201
UK quoted overseas securities				
Investment and unit trusts	2,650,104	2,648,993	2,650,104	2,648,993
Total UK quoted overseas securities	2,650,104	2,648,993	2,650,104	2,648,993
Investment in subsidiaries			261,470	261,470
Total value at 31 December	10,004,140	11,875,194	10,265,610	12,136,664
Historical cost at 31 December	6,858,019	8,113,035	7,119,489	8,479,502

There were no security holdings with a market value of greater than 5% of the total portfolio at 31 December 2020 (2019: none).

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

British Safety Council (India) LLP, British Safety Council Sales Ltd (company number: 1236862) and Mates in Mind (company number: 10338868, charity number: 1172460) are wholly owned subsidiaries of the British Safety Council.

The results of the charity's wholly owned subsidiaries for the year ended 31 December 2020:

	British Safety Council (India) LLP	British Safety Council Sales Ltd	Mates in Mind
	2020	2020	2020
	£	£	£
Income and expenditure			
Turnover	553,467	218,473	593,960
Cost of sales & administrative expenses	(555,584)	(259,479)	(584,958)
Tax on profit	-	-	-
Net movement in funds/net (loss)/profit	(2,117)	(41,006)	9,002
Balance sheets			
Intangible fixed assets	-	-	58,419
Tangible fixed assets	2,569	-	5,496
Debtors	204,132	61,274	50,529
Cash at bank and in hand	110,821	2,319	231,765
Creditors: amounts falling due less than one year	(357,581)	(79,069)	(371,589)
Net liabilities	(40,059)	(15,476)	(25,380)

The results of the charity's wholly owned subsidiaries for the year ended 31 December 2019:

	British Safety Council LLP	British Safety Council Sales Ltd	Mates in Mind
	2019	2019	2019
	£	£	£
Income and expenditure			
Turnover	452,133	299,717	590,782
Cost of sales & administrative expenses	(495,955)	(299,653)	(606,403)
Tax on profit	-	(5,973)	-
Net movement in funds/net loss	(43,822)	(5,909)	(15,621)
Balance sheets			
Tangible fixed assets	5,890	-	7,870
Debtors	159,030	112,609	180,754
Cash at bank and in hand	76,325	22,823	44,887
Creditors: amounts falling due less than one year	(244,740)	(109,903)	(267,893)
Net assets/(liabilities)	(3,495)	25,529	(34,382)

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

9. DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	797,770	1,794,606	484,869	1,462,332
Other debtors	48,473	51,745	38,834	49,177
Due from subsidiary undertaking	-	-	424,171	122,391
Prepayments and accrued income	358,815	265,733	265,442	256,232
	1,205,058	2,112,084	1,213,316	1,890,132

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	915,833	979,445	896,705	911,119
Other creditors	67,157	29,552	55,031	17,503
Due to subsidiary undertaking	-	-	-	108,055
Taxation and social security	325,540	249,603	377,284	291,831
Accruals	236,461	623,940	206,220	482,007
Deferred income	1,882,199	2,367,419	1,507,880	2,047,352
	3,427,190	4,249,959	3,043,120	3,857,867

11. DEFERRED INCOME

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred income as at 1 January	2,367,419	2,158,814	2,047,352	1,963,794
Deferred incoming resources	4,711,095	7,648,017	3,894,858	6,169,268
Release of deferred income	(5,196,315)	(7,439,412)	(4,434,330)	(6,085,710)
Deferred income as at 31 December	1,882,199	2,367,419	1,507,880	2,047,352

Income is recognised in accordance with the principal accounting policies. Income received in advance, relating to future periods are carried forward in the balance sheet as deferred income.

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

12. SUMMARY OF MOVEMENTS IN FUNDS (GROUP)

Movements in funds during the year ended 31 December 2020 were as follows:

	1 January 2020 £	Income £	Expenditure £	Cash Payments £	Actuarial gain/(loss) £	Investment gain/(loss) £	Transfers £	At 31 December 2020 £
Unrestricted funds								
Undesignated funds	10,636,330	6,825,446	(7,088,329)	(364,000)	-	(113,861)	(196,529)	9,699,057
Intangible asset designated funds	-	-	-	-	-	-	30,319	30,319
Tangible asset designated funds	2,734,456	-	(444,936)	-	-	-	43,371	2,332,891
Currency translation difference	-	-	(8,528)	-	-	-	-	(8,528)
Unrestricted funds	13,370,786	6,825,446	(7,541,793)	(364,000)	-	(113,861)	(122,839)	12,053,739
Restricted	(34,382)	441,258	(555,095)	-	-	-	122,839	(25,380)
Pension reserve	(1,619,000)	-	(30,000)	364,000	(697,000)	-	-	(1,982,000)
Total funds	11,717,404	7,266,704	(8,126,888)	-	(697,000)	(113,861)	-	10,046,359

Movements in funds during the year ended 31 December 2019 were as follows:

	1 January 2019 £	Income £	Expenditure £	Cash Payments £	Actuarial gain/(loss) £	Investment gain/(loss) £	Transfers £	At 31 December 2019 £
Unrestricted funds								
Undesignated funds	10,042,831	9,658,444	(9,764,028)	(336,000)	-	1,400,916	(365,833)	10,636,330
Fixed asset designated funds	2,953,932	-	(429,626)	-	-	-	210,150	2,734,456
Unrestricted funds	12,996,763	9,658,444	(10,193,654)	(336,000)	-	1,400,916	(155,683)	13,370,786
Restricted	(18,761)	385,478	(556,782)	-	-	-	155,683	(34,382)
Pension reserve	(1,687,000)	-	(44,000)	336,000	(224,000)	-	-	(1,619,000)
Total funds	11,291,002	10,043,922	(10,794,436)	-	(224,000)	1,400,916	-	11,717,404

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. The deficit on restricted funds arises from expenditures in the establishment and trading of the subsidiary charity. The subsidiary charity Trustees aim to increase primary purpose trading activities and use any surpluses generated to build modest reserves.

Designated funds

The Board's policy is to designate funds to match the value of the group's tangible and intangible fixed assets and for essential future spending. The transfers from undesignated to designated funds is to reflect the net book value of the tangible and intangible fixed assets at the year end.

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

Fund balances at 31 December 2020 are represented by:

	Undesignated funds £	Designated funds £	Restricted funds Mates in Mind £	Pension reserve £	Total funds £
Intangible assets	-	30,319	58,419	-	88,738
Tangible assets	-	2,332,891	5,496	-	2,338,387
Investments	10,004,140	-	-	-	10,004,140
Current assets/(liabilities)	(313,611)	-	(89,295)	-	(402,906)
Pension liability	-	-	-	(1,982,000)	(1,982,000)
Total funds	9,690,529	2,363,210	(25,380)	(1,982,000)	10,046,359

Fund balances at 31 December 2019 are represented by:

	Undesignated funds £	Designated funds £	Restricted funds Mates in Mind £	Pension reserve £	Total funds £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	2,729,822	7,870	-	2,737,692
Investments	11,875,194	-	-	-	11,875,194
Current assets/(liabilities)	(1,234,230)	-	(42,252)	-	(1,276,482)
Pension liability	-	-	-	(1,619,000)	(1,619,000)
Total funds	10,640,964	2,729,822	(34,382)	(1,619,000)	11,717,404

14. CAPITAL COMMITMENTS (GROUP AND CHARITY)

At the year-end, the group had entered into capital commitments amounting to £175,000 (2019: nil). The charity has entered into no capital commitments.

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

At the year-end, the group and charity had no provisions for liabilities or contingent assets (2019: nil).

Ofqual's investigation into BSC's regulated qualification business, which commenced in February 2019, is not yet concluded. Based on recent correspondence, Ofqual are progressing with regulatory action which may result in withdrawal of recognition as a regulated awarding organisation and also a fine (including costs). BSC has since withdrawn from providing all regulated qualifications to new applications, with regulated qualifications business expected to end by June 2023 and majority of qualifications have now passed their operational end date and are fully withdrawn. The income from the regulated qualifications business has been declining since the decision to withdraw in 2020 and future income will be minimal from any re-sit income. It is not possible to estimate reliably the potential liability arising from the investigation and therefore no provision for any fine or costs is included at the balance sheet date (2019: nil).

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

16. POST EMPLOYMENT BENEFITS (GROUP AND CHARITY)

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

Defined contribution scheme

The charity operates a defined contribution group personal pension scheme. All eligible employees are automatically enrolled into the scheme in accordance with current legislation. The amount recognised in the SOFA as an expense for the defined contribution scheme is disclosed in note 4.

Defined benefit scheme

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

The scheme Trustees' policy is to ensure that the statutory funding objective is met by holding sufficient and appropriate assets to cover the value of benefits accrued up to the triennial valuation date. The scheme Trustees and the charity had agreed a deficit recovery plan under which the charity would contribute £336,000 to the pension scheme in each accounting period through to June 2021, when it was estimated that the deficit on the pension scheme would be eliminated with a £1.1m lump sum payment.

The most recent triennial actuarial valuation of the scheme was carried out as at 1 October 2018. This has been updated for the purposes of these financial statements to 31 December 2020 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.

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

	2020	2019	2018	2017	2016
	(%)	(%)	(%)	(%)	(%)
Discount rate	1.5	2.0	2.9	2.4	2.6
Retail Price Inflation	3.1	3.2	3.4	3.4	3.4
Consumer Price Inflation	2.4	2.3	2.5	2.5	2.5
Pension escalation in payment				3.0	3.0
- Pension earned before 01/10/92	3.0	3.0	3.0	n/a	n/a
- Pension earned after 30/09/92	3.0	3.2	3.4	n/a	n/a

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

	2020	2019
	(years)	(years)
Retiring today		
Males	20.2	20.1
Females	22.4	22.3
Retiring in 20 years		
Males	21.5	21.4
Females	23.8	23.7

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

Defined benefit scheme (continued)

Amounts recognised in the SOFA are as follows:

	2020	2019
	£	£
Included in expenditure:		
Interest on obligations	112,000	158,000
Expected return on assets	(82,000)	(114,000)
	30,000	44,000

Amounts recognised in other comprehensive income are as follows:

	2020	2019
	£	£
Actual return less interest income included in net interest income	2,000	408,000
Experience gains or losses arising on scheme liabilities	(114,000)	2,000
Changes in assumptions underlying the present value of scheme liabilities	(585,000)	(634,000)
Actuarial (losses)/gains on defined benefit pension scheme	(697,000)	(224,000)

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 are as follows:

	2020	2019
Equities	73%	71%
Property	0%	1%
Corporate bonds	11%	13%
Gilts	9%	11%
Cash	7%	4%
Total	100%	100%

	2020	2019
	£	£
Actual return on scheme assets	84,000	522,000

The deficit in the scheme was:

	2020	2019
	£	£
Fair value of scheme assets	4,238,000	4,601,000
Present value of defined benefit obligation	(6,220,000)	(6,220,000)
Net defined benefit liability	(1,982,000)	(1,619,000)

British Safety Council

Notes to the Financial Statements (continued) For the year ended 31 December 2020

Defined benefit scheme (continued)

The movement in the deficit for the period was:

	2020 £	2019 £
Deficit in the scheme at the beginning of the period	(1,619,000)	(1,687,000)
<i>Movement in the period:</i>		
Employer contributions	364,000	336,000
Expected return on assets	82,000	114,000
Interest expense on obligations	(112,000)	(158,000)
Actuarial (loss)/gain	(697,000)	(224,000)
Deficit in the scheme at the end of the period	<u>(1,982,000)</u>	<u>(1,619,000)</u>

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

	2020 £	2019 £
Opening defined benefit obligation at 1 January	(6,220,000)	(5,472,000)
Interest expense	(112,000)	(158,000)
Remeasurement arising from changes in assumptions	(585,000)	(634,000)
Remeasurement arising from experience	(114,000)	2,000
Benefits paid	811,000	42,000
Closing defined benefit obligation at 31 December	<u>(6,220,000)</u>	<u>(6,220,000)</u>

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

	2020 £	2019 £
Assets at beginning of year	4,601,000	3,785,000
Expected return on assets	82,000	114,000
Actual return on scheme assets, excluding interest income	2,000	408,000
Employer contributions	364,000	336,000
Benefits paid	(811,000)	(42,000)
Assets at end of year	<u>4,238,000</u>	<u>4,601,000</u>

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

	2020 £	2019 £	2018 £	2017 £	2016 £
Present value of defined benefit obligation	(6,220,000)	(6,220,000)	(5,472,000)	(5,838,000)	(5,992,000)
Fair value of scheme assets	4,238,000	4,601,000	3,785,000	3,776,000	3,666,000
Net defined benefit liability	<u>(1,982,000)</u>	<u>(1,619,000)</u>	<u>(1,687,000)</u>	<u>(2,062,000)</u>	<u>(2,326,000)</u>
Experience adjustment arising from scheme liabilities	(114,000)	2,000	(155,000)	124,000	106,000
Experience adjustment arising from scheme assets	2,000	408,000	(389,000)	9,000	(135,000)

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

17. LEASING COMMITMENTS (GROUP AND CHARITY)

At the year-end, total of future minimum lease payments under non-cancellable operating leases, due not later than one year, were £3,228 (2019: £9,840).

18. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

Trustees

The charity Trustees received no remuneration for their services to the charity during the year (2019: nil).

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 2020 are set out on the last page of this document. Total benefits (including social security costs) in respect of key management personnel during the year was £757,051 (2019: £741,426).

During the year, as part of the redundancy programme, an ex-gratia payment of £5,273 was made to Joscelyne Shaw, a former member of subsidiary charity key management personnel, recognising the contribution during the formation and subsequent activities of the subsidiary charity.

Intra-group transactions

During the year the charity charged Mates in Mind fees of £29,862 (2019: £38,600) in respect of management services provided by the charity to Mates in Mind, and no licence fees (2019: £1,750) in respect of Mates in Mind's use of the charity's Start the Conversation training materials.

The charity also granted Mates in Mind core funding amounting to £97,452 (2019: £99,586). The charity incurred referral fees amounting to £55,250 (2019: £79,138) payable to Mates in Mind. The charity also charged BSC Sales Limited fees of £76,480 (2019: 73,060) in respect of management services provided.

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

	Due to / (from) charity	
	2020	2019
	£	£
British Safety Council (India) LLP	289,086	64,858
British Safety Council Sales Ltd	40,020	57,533
Mates In Mind	95,065	(108,055)

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

Other related party transactions

During the year, the income was recorded from sales made to organisations where certain of the trustees or the subsidiary company charity trustees undertake their employment duties. These transactions were undertaken on normal commercial terms and amounted to £25,750 in aggregate (2019: £18,393). Income per related party can be analysed as follows: Turner & Townsend Limited £4,150 (2019: nil), Balfour Beatty Plc £7,342 (2019: £18,393), Bazalgette Tunnel Ltd (t/a Tideway) £13,663 (2019: nil) and Seddon Construction Ltd £595 (2019: nil).

British Safety Council

Notes to the Financial Statements (continued)
For the year ended 31 December 2020

18. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES (continued)

Financial Instruments - Group

	2020	2019
	£	£
<u>Financial assets - at amortised cost:</u>		
Debtors	967,339	1,857,441
Cash	1,819,226	855,091
	<u>2,786,565</u>	<u>2,712,532</u>
<u>Financial liabilities - at amortised cost:</u>		
Creditors: amounts falling due within one year	<u>(1,292,079)</u>	<u>(1,632,937)</u>

With the exception of investments of £10,004,140 held at fair value, the group'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 2020

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 Mark Hardy Philip White Samantha Peter Peter McGettrick Simon Phillips Stephen Grix David Collins Jennie Armstrong (from 18 March 2020) Prasad Bangalore (from 18 March 2020) Alex Hutchings (from 18 March 2020) Arun Muttreja (from 18 March 2020)																		
Key management:	<table><tr><td>Michael Robinson</td><td>Chief Executive</td></tr><tr><td>Paul Fakley</td><td>Policy & Engagement director</td></tr><tr><td>Sarah Casemore</td><td>Managing Director Mates in Mind (from 18 June 2021)</td></tr><tr><td>Roni Kotecha</td><td>Managing Director Audit, Training and Sales</td></tr><tr><td>Jigna Patel</td><td>Managing Director Qualifications, Digital Membership & Operations</td></tr><tr><td>Adil Bhatti</td><td>Finance Director (from 5 July 2021)</td></tr><tr><td>Steve Ward</td><td>Director of IT</td></tr><tr><td>Nicola Richards</td><td>Director of Finance (to 12 February 2021)</td></tr><tr><td>James Rudoni</td><td>Managing Director Mates in Mind (to 18 June 2021)</td></tr></table>	Michael Robinson	Chief Executive	Paul Fakley	Policy & Engagement director	Sarah Casemore	Managing Director Mates in Mind (from 18 June 2021)	Roni Kotecha	Managing Director Audit, Training and Sales	Jigna Patel	Managing Director Qualifications, Digital Membership & Operations	Adil Bhatti	Finance Director (from 5 July 2021)	Steve Ward	Director of IT	Nicola Richards	Director of Finance (to 12 February 2021)	James Rudoni	Managing Director Mates in Mind (to 18 June 2021)
Michael Robinson	Chief Executive																		
Paul Fakley	Policy & Engagement director																		
Sarah Casemore	Managing Director Mates in Mind (from 18 June 2021)																		
Roni Kotecha	Managing Director Audit, Training and Sales																		
Jigna Patel	Managing Director Qualifications, Digital Membership & Operations																		
Adil Bhatti	Finance Director (from 5 July 2021)																		
Steve Ward	Director of IT																		
Nicola Richards	Director of Finance (to 12 February 2021)																		
James Rudoni	Managing Director Mates in Mind (to 18 June 2021)																		
Company secretary:	Michael Robinson																		
Banker:	Barclays Bank plc, 75 King Street, London, W6 9HY																		
Investment advisers:	Investec Wealth and Investment Ltd, 2 Gresham Street, London, EC2V 7QN																		
Solicitor:	Russell-Cooke Solicitors, 2 Putney Hill, London, SW15 6AB																		
Auditor:	BDO LLP, 55 Baker Street, London, W1U 7EU																		