

# Annual report 2007

- > We're **passionate** about working to protect people
- > Our **professional** body is all about networks, connecting people and sharing ideas
- > It's here that you find **people** to make things happen

«« IOSH is about connecting people with the right skills and experiences, access to the right networks – and the commitment to get things done to improve health and safety »»

Tom Chambers

«« Chartered status is the ultimate for professionals to have – it's well respected and recognised as the best »»

Angela Southall

«« I'm a passionate believer in prevention rather than cure »»

Caroline Raymond

«« It's great to see best practice standards being developed on a strong evidence base »»

Shahana Mirza

«« Our role is more and more about developing a positive health and safety culture too »»

Andrew Sharman

«« Our professional body is all about networks, connecting people and sharing ideas »»

Keith Scott

# The year in brief

01 April 2006 to 31 March 2007

- > membership topped 30,000 – we're the largest professional health and safety organisation in Europe
- > we launched the Get the Best campaign, putting the spotlight on the expertise and professionalism of our members
- > 2,500 people gathered at IOSH 07 to hear about the latest health and safety thinking
- > the new 'European Occupational Safety and Health Manager' title came a step closer to becoming a reality
- > Cabinet Minister the Rt Hon John Hutton MP announced a partnership project with IOSH under the government's Health, Work and Well-being strategy
- > our Wiseup2work website, part of the campaign on teenage worker safety, won a European award
- > our free course for schools was launched by Health and Safety Minister Lord McKenzie
- > we introduced a major revision of our training package for managers, designed to get them up to speed on what they need to do in practice to protect their teams
- > we rolled out free online resources for research and occupational health
- > our Reality Checklist put the case for sensible safety

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## A question of balance

The health and safety profession brings hearts and minds together like no other. We talk about what we do with passion, sometimes inspired by a close experience of what can go wrong. But we're also highly practical people, ready to listen and come up with a better – safer – way of working. IOSH, our professional body, reflects this. We don't just stand up for what we believe in, and lobby on the issues that matter – we come up with practical solutions, and offer resources to meet the challenge. So we've spoken out on the number of people whose working lives have been cut short through ill health, and also introduced our Occupational Health Toolkit to help combat the problems. We've urged the government to do more to stop teenagers dying or getting injured at work, and also designed a website and training pack to help improve young workers' awareness. We not only question, we offer answers.

This year saw major progress on the issues we've made a priority: leadership in health and safety, competence, occupational health, and the safety of young workers.

We believe more stringent corporate accountability is vital to improving health and safety standards. That's why we've been pushing for better guidance and a code of practice for directors, and kept up pressure on the government to get the Corporate Manslaughter and Corporate Homicide Bill on the statute book. A number of the suggestions we've put forward were incorporated in the final version of the Bill, including making the duty of care broader and dropping the need to prove a 'profit motive'.

Our work to make sure competence in health and safety gets the recognition it deserves resulted in a major new campaign. First and foremost, Get the Best focuses on the importance of recruiting the right people, with the right experience, skills and qualifications. We're concerned that, as the law stands, anyone can operate as a health and safety 'adviser', regardless of their skills or experience. Professional standards are crucial, which is why we're introducing a series of initiatives showcasing the unique skills our members bring to business, as well as calling on the government to regulate the profession and take steps to root out rogue traders.

We must focus minds not only on the need to prevent accidents, but also to tackle the terrible toll caused by long term health issues. We've argued that GPs need guidance on making the link between someone's job and the illness they're suffering. We want problems to be spotted and dealt with before they go too far, and we want to see improvements in the support available at work. Stress alone accounts for around a third of all new ill health cases in the UK – one of the reasons we developed the Occupational Health Toolkit to address this and other increasingly prevalent problems. The free online Toolkit gives health and safety professionals the resources they need to get more involved in this significant area.

In the UK in the past decade, someone under the age of 19 was killed at work every eight weeks. Our work in the face of this sobering statistic resulted in a range of pragmatic proposals that we've taken to government, from boosting work placement supervision to tightening up accident reporting, as well as two resources we've developed ourselves. Specifically designed to help employers, youth workers and teachers, our Wiseup2work site picked up a Good Practice Award from the European Agency for Safety and Health at Work. And our free Workplace Hazard Awareness Course, launched in the spring and already adopted by over 500 schools, has won plaudits from teachers working with 14 and 15 year olds.

Health and safety professionals are part of the ongoing battle to stop people being hurt or killed by what they do for a living. But we do this against a constant background noise of media carping about 'elf 'n' safety'. It's all too easy to blame unpalatable or ill-conceived decisions on 'health and safety' – and it does make good copy. And it's equally tempting to put risk decisions down as 'someone else's problem'. Our challenge, greater now than ever before, is to make sure that everyone sees work-related health and safety as something positive that they can, and should, take responsibility for. It's about individuals, whether they're business leaders, professionals, managers or the people at the sharp end.

As a profession, we're committed to marrying practice with policy, and to making things happen, not just talking about them. I think our 2007 Report reflects that commitment. My sincere thanks to everyone who has helped us deliver a range of results to be proud of this year.



Lisa Fowlie  
President

# Offering a strong voice for the profession

The past 12 months have been truly remarkable. We've seen our campaign work – and impacts – grow exponentially. Not only does our lobbying work help to 'right wrongs' and improve conditions on the ground, it also has two other major effects. We speak up for our members at every opportunity – getting your views known, capitalising on your expertise and experience, raising the profile of the work that you do. And becoming a much stronger voice for health and safety, at government and international level, puts your professional body in the spotlight, in turn strengthening your own role and status.

We're finding that as our work and reach grows, so too does our ability to get the right people to listen – and talk. We now offer you the best access yet to what senior policy makers have to say on the issues that matter to the profession, from the major shake-up of welfare and rehabilitation systems to the expanding role of health and safety in today's workplace.

We're also seeing the development of a wider coalition of support for our positions on key issues, whether it's directors' duties or the debate on the new construction safety law. We've spent the year talking to selected MPs and parliamentarians about health and safety and broader concerns, and getting backing for our campaign initiatives.

For some time, we've been arguing for a fresh debate about health and safety. At the heart of this is our commitment to pragmatic health and safety, based on well-balanced judgments on risk and resulting in cost-effective solutions. The launch of our Reality Checklist this year, along with a series of lobbying documents for ministers, business leaders and other stakeholders, firmly positioned us as advocates of sensible, inclusive risk management.

Sadly, 2007 saw the death of one of the towering figures of contemporary health and safety and a strong voice for pragmatism. Allan St John Holt OBE, twice president of IOSH, was hugely respected both in the UK and internationally for his expertise and uncompromising views. Allan's commitment to health and safety and to his professional body was outstanding. His name was synonymous with a robust approach: "I show management how not to kill people, and I show people how to take care of themselves." His book, *Principles of health and safety at work*, became the 'bible' for health and safety students and helped thousands of people to put basic techniques into practice.

One of the great things about heading up a professional body is seeing members work together to help resolve problems, develop ideas and increase their networks. At IOSH, this is amplified. Health and safety is one of the few areas where the usual commercial conflicts and sensitivities are less relevant. And the vital process of replicating success – and learning from failure – happens here. This is borne out by responses to our biggest member survey to date. Alongside professional status and career development, you told us that you really value the sense of community at IOSH – the fact that you're part of a significant network of like-minded professionals ready to meet and learn together.

I meet hundreds of members every year, and each time I'm impressed by your personal drive to change things for the better in our workplaces. Your enthusiasm motivates us all – thank you for your input and support across a huge range of successful initiatives. I look forward to working with you on the challenges we'll be taking on over the next 12 months.



Rob Strange  
Chief executive

## Your development, your career

As the professional body for health and safety, we know that our members are serious not only about keeping up to date with this fast moving discipline, but also about improving performance and developing their careers.

That's why we offer plenty of opportunities to help you do just that, from a wide range of networks to dedicated professional courses, as well as schemes to help plot your progress. Continuing Professional Development is essential to safeguarding your status. Nearly 12,000 members have now signed up to manage their development using our new online programme, with thousands more due to take up MyCPD by the end of the year.

This year we set up a Membership Development team to focus on our benefits and services. The new team is already working on a mentoring scheme to help members who want to take the next step in their development, and planning a more comprehensive career counselling programme for all members to tap into.

Last year we announced that we were introducing a new scheme to help Graduate Members build up their experience and skills after securing the qualifications they need to become Chartered Members. Initial Professional Development involves a skills portfolio, open assessment and formal interview, and is in line with professions such as engineering and surveying. 2007 has seen the full launch of the scheme, with 1,900 candidates currently following the programme.

We welcome the growth of our new Technician Member grade – nearly 10,000 members are now at this level.

- > [www.iosh.co.uk/cpdinfo](http://www.iosh.co.uk/cpdinfo)
- > [www.iosh.co.uk/ipd](http://www.iosh.co.uk/ipd)

After achieving Chartered status for both our organisation and individual members in the last few years, we've been able to build on that success with work in Europe to create a new 'European Manager' standard. This is a significant step forward for the profession – it will give you the chance to get your qualifications and experience recognised across Europe, in turn bringing greater flexibility and employability in a huge market. The new European Occupational Safety and Health Manager title is being developed by the European Network of Safety and Health Professional Organisations, the group we co-founded and co-ordinate, and is due to go live within the next two years.

The online recruitment website, SHP4jobs, was launched this year with our publishing partner CMPi. Members looking for a new challenge in the UK can search by region, salary and job title, register interest in a new position, add their CV and sign up to alerts. The new service also offers the option of low rate adverts for short term contracts.

- > [www.enshpo.org](http://www.enshpo.org)
- > [www.shp4jobs.co.uk](http://www.shp4jobs.co.uk)

## Annual awards

### Lifetime Achievement Award – Sypol Ltd

Prof Trevor Kletz MBE, Visiting Professor, Loughborough and Texas A&M Universities

*In recognition of Trevor Kletz's work in industrial process safety and loss prevention*

### Practical Project Award – Zurich Risk Services

Jane Jemmett, consultant

*For a low-cost device that staff can use to monitor noise levels in their workplace*

### Technician Safety Practitioner Scholarship – SHP magazine

Stephen Walder

### Zurich Municipal Safety Awards

#### Supreme Safety Award

Steve Kelly, Glasgow City Council

*For a programme to tackle sickness absence by providing counselling, occupational health and stress services*

#### Safety Trophy

Jane Carter, Severn Trent Water

*For a communications campaign to highlight safety at work*

#### Certificates of Merit

Donna Jones, Caerphilly County Borough Council

*For a fun approach to health and safety for schoolchildren*

Ian Stephen, Aberdeenshire Council

*For a risk management pack to reduce antisocial behaviour in schools*

## Connecting you

The size and scope of our membership is one of our key strengths – we can readily connect you with your colleagues in the profession.

Our online communities offer an essential sounding board to share problems and ideas. Thousands of members post or read messages – questions, comments or requests for help – on our three major forums every month. The website attracted a massive 2.3 million visits this year – a jump of 43 per cent. We introduced several new online features, including news feeds, President's Diary and the opportunity for members to take control of their personal data in the members-only portal, MyIOSH.

Over 10,000 people attended our events, including a record-breaking 2,500 at IOSH 07 in Telford. Speakers at our annual conference included Secretary of State for Business, Enterprise and Regulatory Reform the Rt Hon John Hutton MP, National Director for Health and Work Professor Dame Carol Black and Health and Safety Executive Chief Executive Geoffrey Podger. John Hutton used the event to announce news of a national annual report on the health of the working age population, as well as a new partnership with IOSH to tackle health issues. The Cabinet Minister welcomed our Occupational Health Toolkit, describing it as an "important step forward".

We held our first conference in the Middle East. 'Health and safety means business' was staged as part of Intersec in Dubai, and attracted delegates from 11 countries across the region as well as from the US and UK. Focusing on the business benefits of a successful health and safety strategy, the event came six months after our Middle East Branch was established.

Other event highlights were InterConstruct, held in Dublin, and our rail conference in London. InterConstruct 06 drew 36 speakers from the US, Canada, China and Australia and included a gala dinner at Dublin Castle, hosted by Ireland's Minister for Labour Affairs Tony Killeen TD. Case studies under the spotlight included Wembley Stadium and Heathrow Terminal Five. Chairman of the Rail Freight Group Lord Berkeley OBE and Chief Inspector of Railways Linda Williams spoke at our event on 'Safety decision-making in today's railway', which looked at growing levels of risk aversion in the industry, and spiralling claims costs.

Food, Drink and Hospitality and Hazardous Industries joined our specialist group network, giving even more choice for members wanting to link up with and learn from colleagues in their field. The groups network ran over 30 events, bringing members together to talk about issues spanning sensible risk management in the education sector to property design and refurbishment in food manufacturing.

As well as organising brief monthly meetings and site visits, many branches in our local network offer seminars too – 1,370 members took part in one of the full-day events staged last year.

- > [www.iosh.co.uk/rss](http://www.iosh.co.uk/rss)
- > [www.ioshblog.co.uk/president](http://www.ioshblog.co.uk/president)
- > <https://my.iosh.co.uk>
- > [www.iosh.co.uk/events](http://www.iosh.co.uk/events)
- > [www.iosh.co.uk/specialistgroups](http://www.iosh.co.uk/specialistgroups)
- > [www.iosh.co.uk/branches](http://www.iosh.co.uk/branches)

## Tom Chambers

Greencore – international food manufacturer

< We set up IOSH's Food, Drink and Hospitality Specialist Group, which I chair, on the back of an award-winning project to develop a best practice model for communicating with ethnically diverse teams in the food and drink industry – now the UK's largest manufacturing sector. We found that after we'd brought together health and safety professionals from all the major manufacturers, there was no-one to take things forward. Creating the Specialist Group with IOSH was logical – it's here that you find people to work together to make things happen, hands-on practitioners who come up with and deliver solutions. It's about connecting people with the right skills and experiences, access to the right networks – and the commitment to get things done to improve health and safety. We've run a series of great networking events, attracting hundreds of people – over 300 at one session – and have just launched an awards scheme, working with the HSE, TUC and Food and Drink Federation to encourage fresh thinking >

## Network successes – a snapshot

- > The **Healthcare SG** ran a series of successful networking events. The HSE and Department of Health launched new guidance on 'Safe management of healthcare waste' at the London session
- > The **International SG** hosted two webinars to bring members together 'virtually' to talk about global principles in health and safety and international travel safety. More than 120 people from 19 countries logged on
- > The **Rural Industries SG** ran a networking event with a difference. The Group staged a sell-out session at the Sherwood Pines Forest Park, using the venue to add context to a debate on the balancing act between providing a great visitor experience and making sure customers are safe
- > The **Hong Kong Branch** met with the Labour Department, the OSH Council and the Guangzhou Safety Production Administration Association of China as part of work to strengthen links with mainland China – talks centred around training and competence. The Branch was also involved in a delegation visiting Chinese governmental organisations in Beijing later in the year
- > Branches including **Tyne and Wear** and **Humber** took our Putting Young Workers First campaign into local schools and colleges, and **Edinburgh** sponsored a community project linked to the initiative
- > A **West of Scotland Branch** seminar drew 250 delegates – Ann McKechin MP talked on the Corporate Manslaughter and Corporate Homicide Bill

## Speaking up on your behalf

We've long argued that the law simply doesn't do enough when it comes to calling organisations to account over a work death. Right now, only smaller firms are likely to be successfully prosecuted for a death 'on their watch'.

We strongly supported the Corporate Manslaughter and Corporate Homicide Bill, which will remove the need to prove that one senior individual was grossly negligent. A conviction for corporate killing – with a severe fine, enforced remedial safety measures and the stigma of negative publicity – will send a clear message to managers and directors to keep health and safety high on the agenda. The new law will signal society's disapproval of serious corporate failures that lead to death, and offer victims' families some sense of justice. And it should act as a persuasive deterrent to the minority of directors who ignore their responsibilities.

Alongside tougher legislation, we've also been campaigning for better guidance for business leaders and enforceable health and safety duties for directors. We therefore backed the move by the Health and Safety Commission to set up a steering group to look at new guidance. As part of our work on the group, led by the Institute of Directors, we've set out our own position on getting the best health and safety performance, founded on strong leadership, involvement of the whole workforce, and expert advice from health and safety professionals. This new guidance is due for launch by the end of 2007. We support the government's Health, Work and Well-being strategy and, anticipating the impact of the welfare reforms

that aim to encourage some 2 million people back to work, we put forward a budget proposal to then Chancellor of the Exchequer Gordon Brown. The bid outlined the business case for government-funded training of around 10,000 health and safety professionals in specialist rehabilitation work, strengthening their role and building on their core skills. Our approach is based on making sure that people returning to work have the best chance of success. We've warned that without the right environment and support, there could be a 'revolving door' effect, where thousands of people rejoin the workforce, only to leave again soon after. We're now discussing plans with the Department for Work and Pensions to move this training proposal forward with a pilot involving 100 IOSH members.

We've also called for changes to the tax system so bosses and workers aren't disincentivised by the 'benefits in kind' rule. We've argued that employers should be offered tax relief on services they fund, such as physiotherapy, to help people return to work more quickly. Our proposals will form part of a guide we'll publish later in 2007.

» [www.iosh.co.uk/campaigns](http://www.iosh.co.uk/campaigns)

<< There has been a decline in traditional occupational diseases, but we're seeing more cases of osteoarthritis, diabetes and heart disease. If we can improve workplaces from a health point of view we could likely get an initial return of three to one for every pound spent >>  
– Professor Dame Carol Black, National Director for Health and Work

## Caroline Raymond

### Stress in Perspective – stress management trainers and auditors

< I'm involved with the HSE on its stress prevention work, and also run IOSH's stress courses. Since I joined as an Affiliate, I've acted as a spokesperson on stress issues too – a really varied and interesting role. Before I got involved in this area, I worked as a manager for organisations ranging from Abbey Life to the United Nations, so I know the pressures managers are under. I'm a passionate believer in prevention rather than cure. For too long, we've seen stress as something that's dealt with after it's happened – but surely it's better to stop it becoming a problem in the first place? I offer managers practical tools to manage and prevent stress in their teams. And I focus on the benefits of stress management. It's not just about compliance – managing stress properly results in more motivated, committed staff >

We put forward comments on 17 significant consultations, from the new Construction Regulations to tackling abusive patients in the NHS. These responses are based on the views and experiences of hundreds of our members, at every grade and from across a wide range of sectors. We were also quick to respond to a number of reports, including the Children's Society research findings on parental attitudes to risk, and a report from the House of Lords on government policy on risk management.

IOSH was represented at the main UK party political conferences last year, and in 2007 will be staging a fringe event centring on competence in health and safety. We're also working with the All Party Parliamentary Group on Occupational Safety and Health to run a seminar at Westminster and publish a newsletter for MPs.

This year, as part of our campaign for sensible safety, we championed a no-nonsense approach to risk management with the publication of our Reality Checklist. Towards the end of 2007 we plan to launch an edition of 'Think about health and safety', our straightforward guide for political representatives, at the Scottish Parliament. This document, already presented at Westminster and Cardiff, sets out our case for jargon-free, real world safety.

It's not just at government that we represent the voice of health and safety. We more than doubled our media coverage this year, with big increases in broadcast and regional press – here helped by the close involvement of our branch network. We're now developing spokesperson and writer panels, to extend our reach on different topics and in different media, and make the most of the vast bank of expertise among members.

We spoke out on risk aversion on BBC Radio 4's *Today*, and extreme health and safety stories on ITV's *This Morning*. Our comments were run in a range of print media, including the *Daily Express*, *Sunday Telegraph*, *Irish Times* and *Irish Independent*.

- > [www.iosh.co.uk/condocs](http://www.iosh.co.uk/condocs)
- > [www.iosh.co.uk/sensiblesafety](http://www.iosh.co.uk/sensiblesafety)
- > [www.iosh.co.uk/campaigns](http://www.iosh.co.uk/campaigns)
- > [www.iosh.co.uk/news](http://www.iosh.co.uk/news)

<< Health and safety practitioners have a crucial role to play in mentoring and supporting those joining or rejoining the workforce. IOSH is playing a critical role in leading from the front >>  
 – John Hutton, Secretary of State for Business, Enterprise and Regulatory Reform

## On the platform

- > We presented papers at APOSHO 22 in Bangkok – IOSH is an affiliate member of the Asia Pacific Occupational Safety and Health Organisations group
- > Following the launch of our Middle East Branch in Dubai, which attracted speakers from regional governments and oil, gas and construction industries, we signed a Memorandum of Understanding with the Bahrain Health and Safety Society
- > As a recently recognised NGO at the International Labour Organization, IOSH was represented at its conference in Geneva where the agenda included discussion of a promotional framework for health and safety
- > We spoke at the American Society of Safety Engineers' conference in Seattle on connecting health and safety with the business agenda
- > We were part of a panel discussion on competence and presented our stance on practitioner competence at the Canadian Society of Safety Engineering Conference in Ottawa
- > We delivered a paper at 'Working on safety', a scientific conference in the Netherlands
- > IOSH was at the Safety Institute of Australia's conference in Sydney, where we also staged a meeting of the International Network of Safety and Health Practitioner Organizations, the group we co-founded
- > We spoke at an event organised by the Occupational Safety and Health Group in Gibraltar on young worker safety
- > In the UK, we presented at the IoD/Policy Review/Royal College of Nursing event on 'Empowering people back to work' and chaired the Professional Associations Research Network conference on member services. We hosted the National Asthma Partnership Board, which discusses developments in occupational asthma and shares good practice, and the HSE Horizon Scanning workshop, looking at emerging risk scenarios
- > IOSH welcomed delegations from China, Japan and Northern Cyprus

**Keith Scott**

Ministry of Justice – responsible for the courts, prisons, probation, criminal law and sentencing in the UK

< Our professional body is all about networks, connecting people and sharing ideas. I wanted to get health and safety professionals together from across government to help improve the work we do. Getting more closely involved with IOSH governance – I'm on the Risk Management and Audit Committee – gave me the opportunity to set up a cross-government department group. We held a workshop, hosted by IOSH, pulling in people from the Department for Constitutional Affairs, Cabinet Office, Home Office, DWP, DfES, HSE, and Houses of Parliament. The idea was to develop a common health and safety strategy that could be adopted across all departments to help improve health, safety and welfare – 'joined-up working' in action. The day was really successful. We drafted 'Health and safety across government' within two weeks of the workshop >

## ... on the value of competence

There is still a lack of clarity about what ‘competent health and safety advice’ is or looks like in the UK. We believe this is causing real damage – to people, whose lives and long term health are put at risk, to businesses that waste time and money on poor advice, and to national prosperity, through lost productivity and ever higher demands on health and social services.

Employers and recruiters don’t always know what qualifications or experience to look for – unqualified people can call themselves health and safety ‘advisers’ – and the real value of expertise isn’t always understood. We think it’s time the profession, with its unique and valuable place in the working world, gets proper recognition.

As part of the Get the Best campaign, launched in spring this year, we’re calling for legal regulation of the profession, a clearly defined statement on what ‘competence’ really is, and formal links between specific standards and the right levels of health and safety qualification, experience and skill for different sizes and types of business. On top of this, we want to see directors’ responsibilities turned into explicit legal duties, public reporting made mandatory for medium and large organisations, and health and safety included in national, vocational and professional curricula. We hope that the long-awaited Corporate Manslaughter and Corporate Homicide Act will also have an effect – the new law will automatically highlight the need for high quality health and safety advice.

Get the Best includes a major advertising campaign targeting directors, senior managers and HR teams. The campaign focuses on the high calibre of our members, the expertise and experience they have to offer, and the importance of taking on the right professional for the role. It’s also about celebrating the work members do. When health and safety professionals do their job well, people go home after a day’s work – we rarely hear about the lives saved, and the positive impact good health and safety management has.

- > [www.iosh.co.uk/getthebest](http://www.iosh.co.uk/getthebest)
- > [www.iosh.co.uk/sensiblesafety](http://www.iosh.co.uk/sensiblesafety)
- > [www.iosh.co.uk/campaigns](http://www.iosh.co.uk/campaigns)

<< Health and safety is a crucial part of any successful business, and that’s a message the government is happy to reiterate over and over again. The Get the Best campaign will raise awareness among employers of the need to get the best advice on health and safety, and so help them prevent and manage occupational health and safety issues >>  
– Lord McKenzie, Health and Safety Minister

## What we're doing to raise the profile of the professional

- > calling for measures to tighten up regulation of the profession so that only properly qualified and experienced people are appointed to health and safety roles
- > publishing research that looks at the links between competent advice and company performance. Two universities will publish their findings later in 2007, and a third in 2008
- > offering guidance to employers and recruiters on what qualifications, skills and experience they should look for when they appoint a health and safety professional
- > offering guidance to companies looking for a competent, credible consultant
- > publishing a training and competence guide giving a framework on requirements for both health and safety professionals and the people they work with, from shop floor to boardroom
- > working in partnership with the government on occupational health and return-to-work issues

**Angela Southall**  
Southall Associates – health  
and safety consultancy

< The great satisfaction for me is in changing opinions and values – really turning companies around and helping to improve standards. As a consultant, I go into a huge range of businesses and meet such a diverse range of people. In a single day, I'll be talking to senior managers of multi-site internationals, and the guys at ground level. I'm just about to become Chartered, having completed my IPD programme. My background in environmental health meant that my skills development portfolio could be fast-tracked, and I already had way above the two years' experience needed. Chartered status is the ultimate for professionals to have – it's well respected and recognised as the best >

## ... on protecting young workers

In the UK in the past decade, 64 teenagers died at work. Over 51,000 were hurt and 15,000 sustained serious injuries. These statistics – and the tragedies that lie behind them – triggered our Putting Young Workers First campaign. We want to help prepare young people for their first taste of the working world.

As well as calling for a range of improvements in the way teenagers are taught about health and safety, and tougher controls over work placements, we've developed two new resources to help people who work with teenagers – the Wiseup2work website and Workplace Hazard Awareness Course. Hundreds of schools have already downloaded the free training pack we developed with HSE backing – at least 30,000 students will take the course in its first year.

The campaign has achieved well over 150 pieces of media coverage. National Wiseup2work Day alone resulted in 13 radio and TV interviews. Audience data show that our messages could have been seen or heard by up to 15.5 million people.

- > [www.wiseup2work.co.uk](http://www.wiseup2work.co.uk)
- > [www.iosh.co.uk/campaigns](http://www.iosh.co.uk/campaigns)

<< The large number of deaths and injuries of teenagers in the workplace is an appalling tragedy, involving wasted young lives and misery. But all this is preventable. Young people at the beginning of their working lives are particularly vulnerable. IOSH's proposed measures are a practical solution to this issue which I strongly support >>  
– Michael Clapham MP

## What we've done about safety for young workers

- > developed Wiseup2work, an award-winning interactive online resource for teachers, youth workers, supervisors and employers to help prepare young people for work. The site was sponsored by the Learning and Skills Council
- > organised National Wiseup2work Day, endorsed by the TUC
- > staged a national competition, SpeakUp, asking teenagers to design an advertising campaign aimed at their peers. Winners were announced by then Health and Safety Minister Lord Hunt, who presented prizes including VIP days at Pinewood Studios, ITN and the Houses of Parliament
- > launched an action plan for a safe start to work at the three main party conferences in 2006. We've so far met with more than 40 MPs, as well as ministers and members of the House of Lords, to help make it happen
- > developed the Workplace Hazard Awareness Course, a free training pack for Year 10 students, in partnership with the HSE. Health and Safety Minister Lord McKenzie launched the course
- > worked with Michael Clapham MP, Chairman of the All Party Parliamentary Group on Occupational Safety and Health, to table an Early Day Motion, 'Protecting young people in the workplace', which calls on the government to make our course mandatory for Year 10 pupils. Ninety-two MPs have signed the EDM to date
- > worked with Michael Clapham to ask a Prime Minister's Question about young workers. The Rt Hon Tony Blair MP responded: "The HSE and IOSH are absolutely right to bring forward a plan that will help to make young people more aware of the potential hazards in the workplace"

**Andrew Sharman**

Scottish Power – international energy company

< Health and safety professionals need to have a combination of very specific expert knowledge and skills to manage risk. But our role is more and more about developing a positive health and safety culture too. In an increasingly risk-averse world, where some think wrapping people up in cotton wool is the best way to control risk, I think it's critical for us to push for a different view. That's one of the reasons our branch – Edinburgh – got involved with the Risk Factory. This fantastic local education centre gives children a great opportunity to learn about safety by experiencing risks for themselves. The whole point is to teach important safety messages in a fun way – and if they make a mistake there's no real danger. The Risk Factory echoes the philosophy behind the Wiseup2work website and WHAC training course, so the Branch's support was a natural tie-up with the campaign >

## Bringing you the best training

IOSH's training portfolio delivers a double hit for the profession.

First, our high quality courses mean that you can achieve the very best results, whether you're offering training in-house or to clients. Second, the income we make from training – which is designed for both individual members and corporate clients including Accenture, Compass and United Biscuits – is ploughed straight back into the organisation where it supports all our member services, research and development, lobbying and profile-raising work. For every £100 you pay in your membership subscription, IOSH Services adds £80.

We completely revamped Managing Safely, our four/five day course for managers. Speakers at the launch at Lord's Cricket Ground included the Health and Safety Commission's Hugh Robertson, the Confederation of British Industry's Dr Janet Asherson and passionate safety campaigner Ken Woodward. Mary Chapman from the Chartered Management Institute endorsed our approach when she told guests: "Training is most effective when it's interactive. There's no better way of switching people off than when it's boring." Our training philosophy is that delegates need to enjoy what they're learning, and see how what they're taught can be put into practice. We believe that this is the only way crucial health and safety messages are successfully taken on board. This is why our courses, every one of which involves members in delivery or assessment, are all about 'learning by doing' and having fun – with turn-offs like legal details firmly in the background.

> [www.iosh.co.uk/enjoylearning](http://www.iosh.co.uk/enjoylearning)

<< My accident cost Coca-Cola £2.6 million, but more importantly, 35 people had to receive counselling and one person has never returned to work >>  
– Ken Woodward

## Supporting your work

We believe that health and safety isn't just about making sure that people don't get killed or hurt at work. It's about giving them the very best chance of leading full lives.

Two million people reported that they suffered from an illness caused by their work in Great Britain last year. And we lost an astonishing 24 million working days because of ill health. Musculoskeletal disorders are the most common illness, affecting over 1 million people a year, with up to 3,000 developing asthma, and more than 3,000 diagnosed with skin diseases. Work-related stress accounts for about a third of all new ill health cases. We can act to tackle these problems. Equipped with the right tools and working in partnership with others – doctors, nurses and HR professionals – health and safety practitioners can prevent ill health, recommend early intervention and help people return to work if they've been off ill.

We launched our free Occupational Health Toolkit to help health and safety professionals develop their skills in this area. The online Toolkit can be used to learn the background to a health issue, identify and deal with early symptoms, and make simple adjustments for when people come back to work. It includes factsheets, case studies and training materials, as well as presentations that can be tailored to suit any business. The resource already covers stress and musculoskeletal disorders, and will be extended to address skin and inhalation threats later in the year.

2007 also saw the launch of our Occupational Safety and Health Research Database. The new gateway offers, for the first time, fast access to all the relevant work going on at universities across the UK. It means that health and safety professionals can track down the latest thinking on a particular subject without trawling through endless websites, find researchers to carry out work in-house – and even get involved in projects themselves. It's designed to help with work, study and professional development. Over the next year, we'll be expanding the Database to cover international research.

Since 2005, we've been sponsoring research designed to support the work you do. Later this year we'll be publishing the first findings from our Research and Development Fund projects – the reports will be on workplace health training priorities for health and safety professionals and the links between competent advice and business performance. The next commissioning round, under our 'New directions' agenda, is centred on 'work quality' and supply chain issues. We also benefit from the work of organisations we fund, including the British Occupational Health Research Foundation, which gives us direct access to its research on workplace trauma and other health issues, and the newly founded Cardiff Work Environment Research Centre.

We support a huge range of other work, whether it's funding some of the community-based programmes that branches set up, one-off specialist group projects or initiatives from individual members.

This year we introduced a new employment law service to our suite of free technical helplines. As well as information on general health, safety and environment issues and health and safety law, you can now get help with interpreting employment legislation and case law.

- [www.ohtoolkit.co.uk](http://www.ohtoolkit.co.uk)
- [www.oshresearch.co.uk](http://www.oshresearch.co.uk)
- [www.iosh.co.uk/researchanddevelopmentfund](http://www.iosh.co.uk/researchanddevelopmentfund)
- [www.iosh.co.uk/techguide](http://www.iosh.co.uk/techguide)

## Shahana Mirza

Foster Wheeler – global engineering and construction contractor and power equipment supplier

< For me, being a Chartered Member is about getting credibility for the training, experience and knowledge I've achieved in my field. I joined IOSH's Board of Trustees because I wanted to play an active part in the governance of my professional body. Being young, female and working in the high hazard process and chemical industry, I think my background reflects the equally diverse membership that IOSH represents. I've also served on the Engineering Council's Board and have been able to transfer some of those skills and experiences into my role here. As Trustees, we have a wide range of responsibilities, and I find our work really interesting. I've recently become more closely involved with our R&D projects. It's great to see best practice standards being developed on a strong evidence base – and we can share our findings both inside and outside health and safety >

# Safety in numbers

## for you...

- > We helped more than **3,600** of you with your legal and technical questions
- > nearly **12,000** of you now use MyCPD, our online scheme, to chart your development
- > **3,750** of you took part in our biggest member survey yet
- > **1 in 5** of you go to a branch meeting at least once a year
- > over **1,000** of you completed one of our Professional Development courses
- > **1,900** of you are Graduate Members working through the Initial Professional Development scheme
- > **3,200** of you registered on one of our online forums
- > just over **400** of you joined us on our training roadshow
- > more than **100** of you offered your skills and experience under a DEFRA-led emergency preparation programme to be triggered in the event of a national livestock disease outbreak
- > **310** of you volunteered to take on a role as a writer, moderator, spokesperson or feedback panellist for IOSH
- > more than **80 per cent** of you told us that you're proud to be a member and would recommend membership to a friend or colleague

## for others...

- > over **34,000** people used [www.safestartup.org](http://www.safestartup.org), our free site for small businesses
- > there were up to **49 million** opportunities in the media to see or hear about our members and our work
- > **100,000** people went on one of our health and safety awareness courses
- > our trainer network topped **1,200** organisations
- > more than **137,000** guides were downloaded from our website
- > **49,000** people logged on to [www.wiseup2work.co.uk](http://www.wiseup2work.co.uk), our site to support people teaching teenagers
- > **100 per cent** of Managing Safely delegates surveyed would recommend the new course to colleagues

## Board of Trustees

Nick Burraston OBE (chair)  
Robert Gist (from 15 November 2006)  
David Graham  
Brian Kazer  
John Lacey (to 15 November 2006)

Shahana Mirza  
Neil Molyneux (to 15 November 2006)  
Grant Rabey  
Andy Stark (to 22 January 2007)  
Rob Strange

Malcolm Tullett  
Keith Underhill (from 15 November 2006)  
Ian Waldram

## Council of Management

Lisa Fowlie (president)  
Ray Hurst (president-elect)  
Neil Budworth (immediate past president)

Martin Allan  
Stephen Asbury  
Lawrence Bamber  
Gerry Begley (from 15 November 2006)  
Dr Roger Bentley (to 15 November 2006)  
Martin Bessant  
Stephen Blackburn  
Prof Richard Booth  
David Brede (to 15 November 2006)  
Russell Calderwood  
Douglas Cartwright  
Dr Peter Claffey  
Tony Connell (to 15 November 2006)

Nick Cornwell-Smith  
Dr Robert Davies MBE (to 18 January 2007)  
Reg Edwards  
Paul Faupel  
Nattasha Freeman  
Stephen Granger  
Dr Joe Gray (to 15 November 2006)  
Peter Hewick  
John Holden  
Allan St John Holt OBE (to 03 May 2007)  
Mark Humphreys  
Lynn Judge  
Wilson Lambe MBE  
Eleanor Lawson  
Andy Lo  
Rakesh Maharaj (from 15 November 2006)  
Vince McNeilly

Derek McStea  
Stephen Mills  
Ron Muir (to 27 March 2007)  
James Ostler  
Les Pearce  
Janet Ross  
Dave Sinclair (from 15 November 2006)  
John Taylor  
Bryan Toone  
Lawrence Waterman  
George Wedgwood  
Michael Welham (to 22 September 2006)  
Brenda Winch  
Robert Wood (from 15 November 2006)  
Stan Yellop

### Chief executive

Rob Strange FCIB C.Dir.

### Registered office

The Grange  
Highfield Drive  
Wigston  
Leicestershire LE18 1NN

### Company number

RC000781 (England and Wales)

### Registered charity number

1096790

### Auditors

Baker Tilly UK Audit LLP  
Chartered Accountants  
City Plaza  
Temple Row  
Birmingham B2 5AF

### Principal bankers

National Westminster Bank plc  
121a East Park Road  
Leicester LE5 4QD

### Legal advisers

Martineau Johnson  
1 Colmore Square  
Birmingham B4 6AA

### Insurance brokers

Oval Insurance Broking Limited  
9 South Parade  
Wakefield  
West Yorkshire WF1 1RP

### Investment advisers

Gerrard Investment Management Limited  
1 Colmore Square  
Birmingham B4 6ES

## Committees

### Commercial

Nick Cornwell-Smith (chair)  
 Stephen Asbury  
 Vincent Busk  
 John Channing  
 John Lacey  
 Justin Martin  
 Jan Mills  
 Grant Rabey  
 Keith Underhill

### Communications and International

Lawrence Waterman (chair)  
 Nick Broom  
 Nigel Bryson  
 Neil Budworth (ex officio)  
 Tony Connell  
 Jon Cowlan  
 David Evans (ex officio)  
 Lisa Fowlie (ex officio)  
 Ray Hurst (ex officio)

### Groups Management

George Wedgwood (chair)  
 David Sinclair (vice-chair)  
 Ian Bartlett (Safety Sciences)  
 Bill Bircham (Environmental)  
 Sandy Black (Fire Risk Management)  
 Tom Chambers (Food, Drink and Hospitality)  
 David Chitty (Education)  
 David Evans (International)  
 Gerard Hand (Retail and Distribution)  
 Marion Johnstone (Public Services)  
 Patrick Keady (Healthcare)  
 Ben Keen (Railway)  
 David Knowles (Rural Industries)  
 John Lacey (Construction)  
 Chris Marsh (Hazardous Industries)  
 Tim Southam (Offshore)  
 Michelle Turner (Consultancy)  
 David Wallington (Communications and Media)

### Nominations

Paul Faupel (chair)  
 Lawrence Bamber  
 Martin Bessant  
 Ann Jones  
 James Ostler  
 Drew Rankine

### Professional

Robert Wood (chair)  
 Richard Altoft  
 Douglas Cartwright  
 Ian Coombes  
 Paul Cormack  
 Trevor Jones  
 Lynn Judge  
 Andy Lo  
 Janet Ross  
 Chris Webb

### Research

Vince McNeilly (chair)  
 Dr John Burdett  
 Dr Tim Carter  
 Dr Peter Claffey  
 David Eves CB  
 Dr Richard Fisk  
 Graham Frobisher  
 Brian Kazer  
 Dr Grant McMillan  
 Shahana Mirza  
 Glenn Pinsent  
 Prof David Walters

### Risk Management and Audit

Grant Rabey (chair)  
 David Graham  
 Wilson Lambe MBE  
 Les Pearce  
 Keith Scott  
 Ian Waldram

### Technical

George Wedgwood (chair)  
 Paul Reeve (deputy chair)  
 Dalver Basi  
 Dr Jane Blunt  
 Gary Booton  
 Damian Bryan  
 Chris Jerman  
 Claire Saunders  
 David Sinclair  
 Robert Tailby  
 David Tidball

### IOSH Services Board

Nick Cornwell-Smith (chair)  
 Stephen Asbury  
 Caroline Holden  
 Ruth Huxley  
 John Lacey  
 Grant Rabey

### Senior management team

Rob Strange (chief executive)  
 Caroline Brookes (head of publishing)  
 Ruth Doyle (director of communications)  
 Colin Gore (director of finance and corporate services)  
 Sarah Hamilton (head of international affairs)  
 Hazel Harvey (director of professional affairs)  
 Caroline Holden (director of commercial affairs)  
 Richard Jones (director of technical affairs)

## Honorary vice-presidents

Jenny Bacon CB  
 Tom Beegan  
 Sir Bill Callaghan  
 Dr Tim Carter  
 Michael Clapham MP  
 Sir John Cullen KBE

Sir Frank Davies CBE OStJ  
 David Eves CB  
 Dr Ian Gibson MP  
 Jim Hammer CB  
 Rt Hon The Lord Hunt of Wirral MBE  
 Jim Keyes

Hans-Horst Konkolewsky  
 Prof Peter McKie CBE  
 John Rimington CB  
 Ann Shaw CBE  
 Jukka Takala  
 Tom Walsh

## IOSH representatives on external committees

**Acevo Professional Standards Committee** Rob Strange

**All Party Parliamentary Fire and Safety Rescue Group (observer)** Sandy Black

**All Party Parliamentary Group on Occupational Safety and Health (observers)** Ruth Doyle, Richard Jones, presidential team

**Asbestos Sub-committee of the APPG on Occupational Safety and Health (observer)** Richard Jones

**British Occupational Health Research Foundation** Dr Luise Vassie

**British Safety Industry Federation** Dr Roger Bentley

**British Standards Institution** Dipak Chauhan, John Dodson, Frank Hallett, Geoff Hornby, Richard Jones, Ken McEwan, Steve Sharples, Marc Slater, Charles Tracey, Dr Luise Vassie

**Brooke Commission on Corporate Governance in the Third Sector** Rob Strange

**Building Research Establishment Trust** Richard Jones

**Business Community Safety Forum** Sandy Black

**Chartered Institute of Public Finance and Accountancy** Mary Ogungbeje

**Civil Contingencies Co-ordination Alliance** Sandy Black

**Commission for Racial Equality 'Race for the Professional'** Hazel Harvey

**East Midlands Development Association Business Champion** Ruth Doyle

**ENTO Steering Group for OSH Standards Revision** Hazel Harvey

**European Network of Safety and Health Professional Organisations** Richard Jones

**EuroSafe Committee** Richard Jones

**Hazards Forum** Dr Luise Vassie

**Health and Safety Executive LEV Working Group** Paul Ramsden

**Health and Safety Executive Heads of Communications Panel** Ruth Doyle

**Inter-institutional Group on Health and Safety** Richard Jones

**International Network of Safety and Health Practitioner Organisations** Paul Faupel

**National Asthma Board** Dr Bob Jefferson

**National Examination Board in Occupational Safety and Health Advisory Committee** Hazel Harvey, Ray Hurst, Rob Strange

**National Men's Health Week Steering Group** Richard Jones

**Occupational Road Safety Alliance Steering Group** Martin Allan

**Partnership in Health and Safety in Scotland** Dr Karen McDonnell

**Professional Associations Research Network Steering Committee** Hazel Harvey

**Professional Organisations in Occupational Safety and Health** Neil Budworth

**Royal Society for the Prevention of Accidents National Occupational Health and Safety Committee** Dr Luise Vassie

**Royal Society for the Prevention of Accidents Trustee** Rob Strange

**Safe-T-Cert Joint Standards Advisory Panel** Richard Jones

**Safety and Health Practitioner Management Board** Ruth Doyle, Paul Reeve, Rob Strange, Louise Ward

**Safety Groups UK Advisory Committee** Hazel Harvey

**Slips and Trips Stakeholder Panel** Richard Jones, Dr Luise Vassie

**Workers' Safety Adviser Challenge Fund Management Board** Richard Jones, Dr Luise Vassie

## Past presidents

1945–54	H R Payne	1978–79	S Barnes	1994–95	N Cornwell-Smith
1954–57	A Palmer	1979–80	H Clayton	1995–96	J Fisher
1957–59	R Tugman	1980–82	E Hooper OBE	1996–97	D Linton
1959–63	L Corney MBE	1982–83	J R Brownlie	1997–98	A W Lambe MBE
1963–65	H G Hall	1983–84	A St John Holt OBE	1998–99	N Wrightson OBE
1965–67	B Cornford	1984–85	P Waterhouse	1999–00	I Waldram
1967–68	N T Freeman MBE	1985–86	P Anderson	2000–02	P Faupel
1968–69	B A C Whyte	1986–88	R Booth	2002–03	E Lawson
1969–70	A Beckinsale	1988–89	A St John Holt OBE	2003–04	J Lacey
1970–72	J Gardner OBE	1989–90	L Bamber	2004–05	L Waterman
1972–74	J Chinnock OBE	1990–91	P Hughes MBE	2005–06	N Budworth
1974–75	M Bryant	1991–92	B Kazer		
1975–76	L Ockleton	1992–93	J M Totterdell MBE		
1976–78	G Polley MBE	1993–94	D Menarry		

## Trustees' report

The trustees, who are the members of the Board of Trustees, have pleasure in presenting their report and the group financial statements of the Institution of Occupational Safety and Health ('IOSH', 'the Institution' or 'the charity') for the year ended 31 March 2007.

### Constitution

The Institution is incorporated by Royal Charter and is a charitable company for the purposes of the Charities Act 1993. The charity's governing instruments are the Institution's Charter and Byelaws. As a Royal Charter body, the provisions of the 'Combined code on corporate governance' and the Companies Act generally do not apply to its governance. The Institution operates within the terms of the Charter and accompanying Byelaws and regulations. The Board of Trustees has nonetheless agreed that the Institution should also comply with best corporate practice where possible.

### Principal activity

The Institution was established to provide systematic and organised methods of improving health and safety at work and to advance principles of their application at work generally.

### Relationships with other charities

To facilitate the sharing of best occupational safety and health practice, we work with other charities in the UK and other like-minded bodies throughout the world. More details are included in the chief executive's report on pages 05 to 27.

### Appointment of trustees

The trustees in office during the year and at the date of this report are set out on page 28. Trustees are appointed by the Council of Management following a recruitment process overseen by the

Institution's Nominations Committee. Trustees will normally serve for three years but, during the transition from the Council of Management to the Board of Trustees, will serve one, two or three years.

### Induction of new trustees

An induction day is held each October for both new members of the Board of Trustees and new members of the Council. In addition to briefings covering the various areas of the organisation, the duties of a trustee are explained and the organisation's strategic objectives outlined. Separate training is provided for new members of the key committees reporting to the Board of Trustees.

### Review of the business

The trustees consider the results for the year and the state of the group's affairs to be satisfactory. A full review of activities is given in the president's and chief executive's reports on pages 04 to 27.

### Future strategy

You can download our corporate strategy for 2006 to 2010 at [www.iosh.co.uk/corporatestrategy](http://www.iosh.co.uk/corporatestrategy).

### Voluntary help

The Institution is dependent on part-time voluntary helpers who manage the branches and serve on committees.

## Trustees' report (continued)

### Health, safety and environment at The Grange

We're committed to setting and maintaining the highest standards of health and safety for employees and others working at or visiting our head office, and to ensuring environmental sustainability.

- We reviewed and updated our health, safety and environmental policy and simplified the intranet version.
- Health and safety is dealt with as the first operational item on all staff and Board of Trustees meeting agendas.
- We're now committed to using the HSE's Health and Safety Performance Indicator and have an initial rating of 8.4. We have a culture of continuous improvement and will aim to improve this rating in future years.
- We took part in the stress risk assessment process 'Work Positive', with 88 per cent of staff filling in the questionnaire. We identified key stressors, discussed them within Directorates and have found ways to deal with them.
- The Emergency Committee, chaired by a member of the Board of Trustees, tested the Emergency Plan during a 'table-top' exercise that featured several scenarios. The committee also discussed the impact of a pandemic on the Institution and updated the plan accordingly.
- The chief executive continues to chair the quarterly Health, Safety and Environment Committee. The members include representatives from senior management, first aiders and human resources, all health and safety representatives, and the facilities manager.
- We introduced a new smoking policy in January. We've created a single designated smoking area, with a marked access route, away from the building.
- Training:
  - in addition to induction training, all staff take Working Safely or Managing Safely and kinetic handling programmes as appropriate
  - driving assessments continue for those who drive on our behalf, and advanced driving tuition is offered to all drivers as part of our occupational road risk management policy.
- As well as offering a private medical plan to staff, we continue to provide occupational health support and return-to-work programmes through an external service provider.
- We've introduced a number of energy-saving initiatives and continue to operate environmentally friendly practices. We've reduced our gas consumption (for heating and hot water) by over 20 per cent. We aim to maximise our resources and minimise waste, as well as monitoring waste recycling and electricity, gas and water consumption. We recycled 8.4 tonnes of mixed paper and cardboard, which gained us another Green Impact Award from our recycling company as a leading light in this field in the Leicester area. We also recycle toner cartridges.

### Health, safety and environment – at a glance

Key performance indicator	Number	Comments
Reportable injuries	0	
Minor injuries	13 (including 1 to a visitor and 2 to temporary staff)	We report all injuries, even minor cuts
Statutory notices	0	
Enforcement actions	0	
Number of days' absence due to sickness	753.5	
Number of days' absence per employee	7.5	
Percentage of total working days lost to sickness absence	3%	Compares favourably to the average of 3.6% among not-for-profit organisations (source: CIPD absence management survey, 2006)
Percentage of absence days due to absences of under 20 days	72%	

## Trustees' report (continued)

### Risk exposure and assessment

'Accounting and reporting by charities – statement of recommended practice' requires the trustees to identify the major risks to which the Institution is exposed and to ensure that systems are in place to mitigate those risks. The trustees employ a formal risk management process to assess business risks and implement risk management strategies. The Risk Management and Audit Committee performs an annual review to make sure that major risks are reviewed and internal control systems are monitored to make sure that those risks are mitigated. This review was adopted by the trustees during the year.

### Investment policy

Our approach to investment is relatively risk-averse and at least 90 per cent of cash is held in bank deposits, with the remainder in an equity-based holding in the Charities Official Investment Fund. The investment policy is subject to an annual review, which was under way at the end of the year. Since the balance sheet date, the trustees have approved the investment of part of IOSH's reserves in a balanced portfolio managed by Gerrard Investment Management. The trustees have also approved an ethical investment policy that supports IOSH's charitable objectives.

### Reserves

It is our policy to aim to have disposable reserves equal to 24 months' fixed overheads to protect against an economic downturn in our commercial activities.

### Statement on disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. All of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### Auditors

The directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 01 April 2007, in accordance with the provisions of the Companies Act 1989, s26(5). Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

By order of the Board of Trustees.



Rob Strange  
Chief executive  
25 July 2007

## Trustees' responsibilities in the preparation of financial statements

Byelaw 25 requires the Board of Trustees to ensure proper books of account are kept with respect to:

- all sums of money received and expended by the Institution and the matters in respect of which the receipt and expenditure takes place
- all sales and purchases of goods by the Institution, and
- the assets and liabilities of the Institution.

Proper books of account shall not be deemed to be kept unless such books, taken as a whole, give a true and fair view of the state of the Institution's affairs and explain its transactions.

In preparing these financial statements, the trustees have:

- a selected suitable accounting policies and then applied them consistently

- b made judgments and estimates that are reasonable and prudent
- c followed applicable accounting standards, and
- d prepared the financial statements on the going concern basis.

The trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institution. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

# Independent auditors' report

## to the members of the Institution of Occupational Safety and Health

We have audited the financial statements on pages 35 to 44.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditors

The responsibilities of the trustees for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the charitable company and group at 31 March 2007 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.

Baker Tilly UK Audit LLP  
Registered Auditors  
Chartered Accountants  
City Plaza  
Temple Row  
Birmingham  
B2 5AF

16 August 2007

## Consolidated statement of financial activities for the year ended 31 March 2007

	Notes	Group		Charity	
		Unrestricted funds 2007	2006	Unrestricted funds 2007	2006
		£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	3a	—	—	2,434,136	1,880,244
Activities for generating funds		6,791	8,031	—	—
Investment income and interest	3b	340,302	289,871	267,756	239,209
Incoming resources from charitable activities	1	7,720,951	6,819,947	2,998,574	2,784,445
Other incoming resources		136,227	119,540	276	290
<b>Total incoming resources</b>		<b>8,204,271</b>	<b>7,237,389</b>	<b>5,700,742</b>	<b>4,904,188</b>
<b>Resources expended</b>					
Costs of generating funds		5,930	19,498	—	—
Charitable activities	4a	7,182,784	6,000,526	4,713,131	3,679,797
Governance costs	4b	205,190	210,166	195,625	200,692
<b>Total resources expended</b>		<b>7,393,904</b>	<b>6,230,190</b>	<b>4,908,756</b>	<b>3,880,489</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>810,367</b>	<b>1,007,199</b>	<b>791,986</b>	<b>1,023,699</b>
Gain on revaluation of investments		33,853	79,753	52,234	63,253
<b>Net movement in funds</b>		<b>844,220</b>	<b>1,086,952</b>	<b>844,220</b>	<b>1,086,952</b>
Total funds at 01 April 2006		9,182,183	8,095,231	9,182,183	8,095,231
Total funds at 31 March 2007		<b>10,026,403</b>	<b>9,182,183</b>	<b>10,026,403</b>	<b>9,182,183</b>

Net incoming resources for the year arise from the group's and the charity's continuing operations.

The consolidated statement of financial activities constitutes an income and expenditure account for the purposes of the Companies Act 1985.

No statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the statement of financial activities.

# Consolidated balance sheet

31 March 2007

	Notes	Group		Charity	
		2007 £	2006 £	2007 £	2006 £
<b>Fixed assets</b>					
Tangible assets	7	2,806,385	2,840,596	2,794,316	2,825,385
Investments	8	432,209	398,356	683,998	631,764
		<u>3,238,594</u>	<u>3,238,952</u>	<u>3,478,314</u>	<u>3,457,149</u>
<b>Current assets</b>					
Stocks	9	73,025	80,455	—	—
Debtors	10	448,555	464,634	1,153,290	1,225,628
Cash at bank and in hand	12d	9,163,921	6,727,442	7,493,995	5,340,798
		<u>9,685,501</u>	<u>7,272,531</u>	<u>8,647,285</u>	<u>6,566,426</u>
<b>Creditors: amounts falling due within one year</b>	11	(2,897,692)	(1,329,300)	(2,099,196)	(841,392)
<b>Net current assets</b>		<u>6,787,809</u>	<u>5,943,231</u>	<u>6,548,089</u>	<u>5,725,034</u>
<b>Total assets less current liabilities</b>		<u>10,026,403</u>	<u>9,182,183</u>	<u>10,026,403</u>	<u>9,182,183</u>
<b>Income funds</b>					
Unrestricted funds					
General funds	17	4,396,318	3,910,545	4,648,107	4,143,953
Non-charitable trading funds	17	251,789	233,408	—	—
Designated funds	17	5,378,296	5,038,230	5,378,296	5,038,230
		<u>10,026,403</u>	<u>9,182,183</u>	<u>10,026,403</u>	<u>9,182,183</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 July 2007 and signed on its behalf by

Nick Burnton  
Chairman

## Consolidated cash flow statement for the year ended 31 March 2007

	Notes	2007 £	2006 £
Net cash inflow from operating activities	12a	2,357,639	257,647
Returns on investments	12b	340,302	289,871
Capital expenditure	12c	(261,462)	(294,560)
Liquid resources		(1,850,053)	150,000
<b>Increase in cash</b>		<u>586,426</u>	<u>402,958</u>
<b>Reconciliation of net cash flow to movements in cash funds</b>			
Increase in year			£ 586,426
Increase in liquid resources in year			<u>1,850,053</u>
			<u>2,436,479</u>
<b>Net funds at 01 April 2006</b>			6,727,442
<b>Net funds at 31 March 2007</b>			<u>9,163,921</u>

## Accounting policies

### Basis of accounting

The financial statements have been prepared under the historical cost convention (with the exception of investments, which are included at market value) and in accordance with the 'statement of recommended practice' (SORP 2005), 'Accounting and reporting by charities' (2005) and applicable accounting standards.

### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Institution of Occupational Safety and Health and IOSH Services Limited.

The Institution includes the incomes and expenditure of branches where returns have been made prior to the preparation of the consolidated financial statements. Returns were received from all of the Institution's branches in 2007.

### Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the Institution and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated funds are set out in the notes to the financial statements.

### Incoming resources

All incoming resources are included in the statement of financial activities when they are receivable, except as follows:

- membership income received in advance of future periods is deferred to the year to which it relates
- seminar and health and safety training income received in respect of courses which will run in the following year is deferred and recognised when the income has been earned.

### Resources expended

Charitable activities expenditure includes the direct costs of the activities and depreciation on related activities. Where such costs relate to more than one cost category, they have been split on an appropriate basis such as by area used or number of staff.

Governance costs are those expended in connection with the management of assets, organisational administration and compliance with constitutional and statutory requirements.

### Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful lives as follows:

Freehold property	2 per cent on a straight line basis
Office equipment	33⅓ per cent on a reducing balance basis
Computer equipment	33⅓ per cent on a straight line basis
Regalia and trophies	10 per cent on a straight line basis

### Investments

Investments are stated at market value. The trustees value the 100 per cent shareholding in the trading subsidiary at its net asset value. It is the trustees' opinion that the market value is not materially different to the net asset value. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

### Stocks

Stocks are stated at the lower of the cost and net realisable value.

### Pension contributions

The group operates a defined contribution scheme, the assets of which are held in a separately administered fund. The costs of providing pensions for employees are charged in the statement of financial activities as incurred.

### Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income as incurred.

### Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### Cash and liquid resources

The group holds short term deposits, which are held on fixed and floating terms. These are treated as cash for the balance sheet, but as liquid resources for the cash flow statement.

# Notes to the consolidated financial statements

## for the year ended 31 March 2007

### 1 Activities in furtherance of the charitable activities

	Group		Charity	
	2007	2006	2007	2006
	£	£	£	£
Membership	2,887,426	2,676,719	2,887,426	2,676,719
Conference and seminars	837,663	682,353	—	—
Health and safety awareness training	3,629,010	3,072,556	—	—
Publications	255,704	280,593	—	—
Branch income	111,148	107,726	111,148	107,726
	<u>7,720,951</u>	<u>6,819,947</u>	<u>2,998,574</u>	<u>2,784,445</u>

### 2 Net income of trading subsidiary

The Institution has one wholly owned trading subsidiary, IOSH Services Limited, which is incorporated in the UK. The subsidiary's principal activities in the year under review were the sale of health and safety publications, the provision of seminars and conferences and the development and accreditation of health and safety awareness training. Audited accounts have been filed with the Registrar of Companies. The profit and loss account of IOSH Services Limited is as follows:

	2007	2006
	£	£
<b>Turnover</b>	4,729,168	4,043,533
Cost of sales	(1,366,046)	(1,192,243)
<b>Gross profit</b>	<u>3,363,122</u>	<u>2,851,290</u>
Administrative expenses	(1,119,102)	(1,145,958)
Other operating income	135,951	119,250
Interest receivable	72,546	50,662
Amount covenanted to the Institution of Occupational Safety and Health	(2,434,136)	(1,880,244)
<b>Profit/(loss) before taxation</b>	<u>18,381</u>	<u>(5,000)</u>
Taxation	—	11,500
<b>Profit/(loss) for the financial year after taxation</b>	<u>18,381</u>	<u>(16,500)</u>
The aggregate of assets, liabilities and funds was:		
Assets	2,146,133	1,913,714
Liabilities	(1,894,344)	(1,680,306)
Equity shareholders' funds	<u>251,789</u>	<u>233,408</u>

### 3a Voluntary income

	Group		Charity	
	2007	2006	2007	2006
	£	£	£	£
Deed of covenant receivable from subsidiary	—	—	2,434,136	1,880,244

### 3b Investment income and interest

	Group		Charity	
	2007	2006	2007	2006
	£	£	£	£
Interest – UK fixed interest securities	70,577	63,664	70,577	63,664
Interest on cash deposits	269,725	226,207	197,179	175,545
	<u>340,302</u>	<u>289,871</u>	<u>267,756</u>	<u>239,209</u>

### 4a Resources expended on charitable activities

	Group		Charity	
	2007	2006	2007	2006
	£	£	£	£
Direct charitable expenditure				
Membership	2,842,099	2,043,639	2,842,099	2,043,639
Conference and seminars	458,070	463,817	—	—
Health and safety awareness training	1,240,604	1,106,955	—	—
Publications and merchandise	136,833	185,232	—	—
Branch expenditure	450,936	504,564	450,936	504,564
Promotion of health and safety	2,054,242	1,696,319	1,420,096	1,131,594
	<u>7,182,784</u>	<u>6,000,526</u>	<u>4,713,131</u>	<u>3,679,797</u>

## Notes to the consolidated financial statements for the year ended 31 March 2007

### 4b Governance costs

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Professional services	21,903	30,498	21,903	30,498
Legal expenses	6,617	32,061	6,052	32,061
Audit and advice	25,149	21,374	16,149	11,900
Committees	58,601	57,387	58,601	57,387
Support costs	92,920	68,846	92,920	68,846
	<u>205,190</u>	<u>210,166</u>	<u>195,625</u>	<u>200,692</u>

### 5a Employees

The average number of persons employed by the group during the year was as follows:

	2007 No.	2006 No.
Membership	5	5
Conference and seminars	5	4
Health and safety awareness training	17	18
Professional affairs	7	6
Technical affairs	13	12
Promotion of health and safety	26	23
Management and administration	23	20
International affairs	6	6
	<u>102</u>	<u>94</u>

#### Staff costs for the above persons

	2007 £	2006 £
Wages and salaries including benefits in kind	2,685,323	2,429,443
Social security costs	254,321	224,892
Pension costs	144,873	102,832
	<u>3,084,517</u>	<u>2,757,167</u>

The group operates a defined contribution pension scheme whose assets are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group and amounted to £144,873 (2006: £102,832). No contributions were outstanding at the year end.

The number of employees, including the chief executive, whose emoluments as defined for taxation purposes were greater than £60,000 was:

	2007 No.	2006 No.
£60,001 – £70,000	1	—
£100,001 – £110,000	—	1
£110,001 – £120,000	1	—
	<u>2</u>	<u>1</u>

The remuneration of the chief executive, Rob Strange, was £131,879 (2006: £44,301), comprising £106,078 (2006: £34,326) salary, £15,000 (2006: £5,578) pension contributions and £10,800 (2006: £4,397) benefits in kind. Rob Strange became a trustee on 17 November 2005, and the 2006 figures represent the period from 17 November 2005 to 31 March 2006.

### 5b Reimbursed expenses

During the year a total of £6,965 (2006: £30,302) was reimbursed to a total of 13 (2006: 49) of the trustees. These reimbursements were in respect of travel costs incurred by the trustees. During the previous year, the governing body of the Institution changed from the Council of Management (over 40 trustees) to the Board of Trustees (12 trustees). The reduction in the number of trustees has led to a reduction in expenses.

### 5c Indemnity insurance

The charity has expended £16,000 (2006: £16,750) during the year in respect of insurance to protect itself from any neglect or defaults of its trustees, employees or agents.

# Notes to the consolidated financial statements

## for the year ended 31 March 2007

### 6 Net incoming resources

Net incoming resources are stated after charging:

	2007 £	Group 2006 £
Depreciation and amounts written off tangible fixed assets		
Charge for the year – owned assets	295,673	272,738
Operating lease rentals		
Office equipment and motor vehicles	24,853	24,507
Auditors' remuneration		
in respect of audit services	19,250	17,850
other services	35,411	3,524

### 7 Tangible fixed assets

Group	Freehold property £	Office equipment £	Computer equipment £	Regalia and trophies £	Total £
Cost					
01 April 2006	2,939,334	659,308	825,640	5,836	4,430,118
Additions	3,397	18,383	239,682	—	261,462
Disposals	(2,000)	(2,536)	(26,085)	—	(30,621)
31 March 2007	<u>2,940,731</u>	<u>675,155</u>	<u>1,039,237</u>	<u>5,836</u>	<u>4,660,959</u>
Depreciation					
01 April 2006	376,796	592,326	614,564	5,836	1,589,522
Charged in the year	58,724	24,938	212,011	—	295,673
Disposals	(2,000)	(2,536)	(26,085)	—	(30,621)
31 March 2007	<u>433,520</u>	<u>614,728</u>	<u>800,490</u>	<u>5,836</u>	<u>1,854,574</u>
Net book value					
31 March 2007	<u>2,507,211</u>	<u>60,427</u>	<u>238,747</u>	<u>—</u>	<u>2,806,385</u>
31 March 2006	<u>2,562,538</u>	<u>66,982</u>	<u>211,076</u>	<u>—</u>	<u>2,840,596</u>
Charity	Freehold property £	Office equipment £	Computer equipment £	Regalia and trophies £	Total £
Cost					
01 April 2006	2,939,334	366,048	670,628	5,836	3,981,846
Additions	3,397	18,383	239,682	—	261,462
Disposals	(2,000)	(2,536)	(17,355)	—	(21,891)
31 March 2007	<u>2,940,731</u>	<u>381,895</u>	<u>892,955</u>	<u>5,836</u>	<u>4,221,417</u>
Depreciation					
01 April 2006	376,796	315,836	457,993	5,836	1,156,461
Charged in the year	58,724	19,348	214,459	—	292,531
Disposals	(2,000)	(2,536)	(17,355)	—	(21,891)
31 March 2007	<u>433,520</u>	<u>332,648</u>	<u>655,097</u>	<u>5,836</u>	<u>1,427,101</u>
Net book value					
31 March 2007	<u>2,507,211</u>	<u>49,247</u>	<u>237,857</u>	<u>—</u>	<u>2,794,316</u>
31 March 2006	<u>2,562,538</u>	<u>50,212</u>	<u>212,633</u>	<u>—</u>	<u>2,825,385</u>

## Notes to the consolidated financial statements for the year ended 31 March 2007

### 8 Fixed asset investments

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Market value at 01 April 2006				
IOSH Services Limited	—	—	233,408	249,908
The Charities Official Investment Fund	398,356	318,603	398,356	318,603
	<u>398,356</u>	<u>318,603</u>	<u>631,764</u>	<u>568,511</u>
Unrealised profit/(loss) on revaluation				
IOSH Services Limited	—	—	18,381	(16,500)
The Charities Official Investment Fund	33,853	79,753	33,853	79,753
	<u>33,853</u>	<u>79,753</u>	<u>52,234</u>	<u>63,253</u>
Market value at 31 March 2007	432,209	398,356	683,998	631,764
Historical cost	<u>150,000</u>	<u>150,000</u>	<u>150,500</u>	<u>150,500</u>

### 9 Stocks

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Goods for resale	73,025	80,455	—	—
	<u>73,025</u>	<u>80,455</u>	<u>—</u>	<u>—</u>

### 10 Debtors

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Trade debtors	394,354	411,851	22,190	580
Amount due from group undertakings	—	—	1,095,849	1,192,399
Prepayments and accrued interest	54,201	52,783	35,251	32,649
	<u>448,555</u>	<u>464,634</u>	<u>1,153,290</u>	<u>1,225,628</u>
Deferred taxation asset				
Accelerated capital allowances	—	—	—	—
Total deferred tax	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 01 April 2006	—	(11,500)	—	—
Deferred tax charge	—	11,500	—	—
At 31 March 2007	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

### 11 Creditors: amounts falling due within one year

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Trade creditors	776,299	264,452	415,035	78,073
Subscriptions received in advance	1,022,162	335,669	1,022,162	335,669
Other taxation and social security costs	184,953	166,322	184,953	166,322
Other creditors	225,652	152,522	5,125	1,496
Accruals and deferred income	688,626	410,335	471,921	259,832
	<u>2,897,692</u>	<u>1,329,300</u>	<u>2,099,196</u>	<u>841,392</u>

## Notes to the consolidated financial statements for the year ended 31 March 2007

### 12a Notes to the cash flow statement

Reconciliation of net incoming resources before revaluation to net cash inflow from operating activities

	2007 £	2006 £
Net incoming resources before revaluations	810,367	1,007,199
Investment income	(340,302)	(289,871)
Net incoming resources before revaluation and investment income	<u>470,065</u>	<u>717,328</u>
Depreciation of tangible fixed assets	295,673	272,738
Decrease/(increase) in stocks	7,430	(1,606)
Decrease/(increase) in debtors	16,079	37,475
Increase/(decrease) in creditors	1,568,392	(768,288)
Net cash inflow from operating activities	<u>2,357,639</u>	<u>257,647</u>

### 12b Returns on investments

Investment income and interest	<u>340,302</u>	<u>289,871</u>
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### 12c Capital expenditure

Purchase of tangible fixed assets	<u>261,462</u>	<u>294,560</u>
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### 12d Analysis of net funds

	<i>at 01 April 2006</i> £	<i>cash flows</i> £	<i>at 31 March 2007</i> £
Cash at bank and in hand	3,177,422	586,426	3,763,868
Liquid resources	3,550,000	1,850,053	5,400,053
Total	<u>6,727,442</u>	<u>2,436,479</u>	<u>9,163,921</u>

### 13 Reconciliation of movements in unrealised gains on investment assets

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Unrealised gains at 01 April	248,356	168,603	481,263	418,010
Net gains arising on revaluations in year	33,853	79,753	52,234	63,253
Unrealised gains at 31 March	<u>282,209</u>	<u>248,356</u>	<u>533,497</u>	<u>481,263</u>

### 14 Related party transactions

The Institution has taken advantage of the exemption conferred by paragraph 3(c) of the Financial Reporting Standard 8, Related Party Disclosures, from the requirement to disclose transactions with its wholly owned subsidiary.

### 15 Capital commitments

	2007 £	2006 £
Capital expenditure committed but not contracted for at 31 March	<u>—</u>	<u>133,491</u>

The amount committed at 31 March 2006 relates to a contact relationship management system and a new finance system.

### 16 Commitments under operating leases

At 31 March 2007 the group had annual commitments for office equipment and motor vehicles of £15,700 (2006: £23,280) under non-cancellable operating leases which expire within two to five years, and £15,398 (2006: £5,675) which expire within one year.

## Notes to the consolidated financial statements for the year ended 31 March 2007

### 17 Statement of group and charity funds

	At 01 April 2006	Income	Expenditure	Investment gains	Transfers	At 31 March 2007
	£	£	£	£	£	£
Unrestricted funds						
General reserve	3,910,545	8,174,271	(7,161,954)	33,853	(560,397)	4,396,318
Non-charitable trading funds	233,408	—	—	—	18,381	251,789
	4,143,953	8,174,271	(7,161,954)	33,853	(542,016)	4,648,107
Designated funds						
Tangible fixed assets fund	2,825,385	—	—	—	(31,069)	2,794,316
Research and Development Fund	2,212,845	30,000	(231,950)	—	573,085	2,583,980
	5,038,230	30,000	(231,950)	—	542,016	5,378,296
	9,182,183	8,204,271	(7,393,904)	33,853	—	10,026,403

The general reserve represents the free funds of the Institution which are not designated for particular purposes. The non-charitable trading funds are equal to the net worth of the trading subsidiary and will fluctuate in line with that company's retained earnings. The tangible fixed assets fund represents liquid funds that are equal to the group's fixed assets. The funds will diminish over the life of the underlying assets. The Research and Development Fund has been designated by the trustees in respect of funding future research and development activities. Allocations from the fund are made by both the Research Committee and the Board of Trustees. Designated funds represent transfers from the unrestricted general reserve.

### 18 Analysis of group net assets between funds

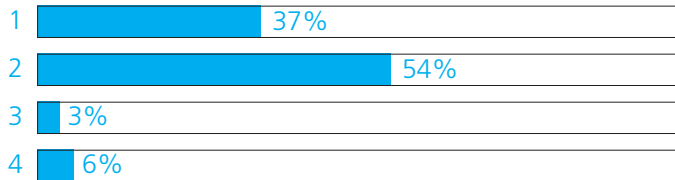
	General funds	Non- charitable trading funds	Designated funds	Total
	£	£	£	£
Fund balances at 31 March 2007 are represented by				
Tangible fixed assets	—	12,068	2,794,316	2,806,384
Investments	432,209	—	—	432,209
Net assets	3,964,109	239,721	2,583,980	6,787,810
Total net assets	4,396,318	251,789	5,378,296	10,026,403

### 19 Contingent liability

HM Revenue and Customs (HMRC) has raised an assessment in respect of VAT it considers IOSH to have underpaid as a consequence of our method of calculating irrecoverable VAT and apportioning subscription income. On the basis of this assessment and HMRC's indication that further assessments may be raised, IOSH has made a provision of £235,000 for VAT payable. We dispute both the amount of the assessment and the technical arguments put forward by HMRC. If we are unsuccessful in our case, a further £235,000 may be payable in addition to the amount provided at 31 March 2007.

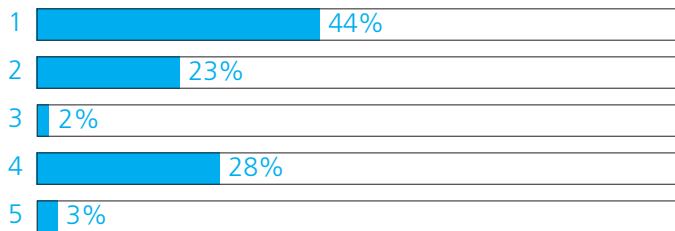
## Finance at a glance

### Income £8,204,271



- 1 Membership and branch services
- 2 Events and training
- 3 Publications and merchandise
- 4 Other income

### Expenditure £7,393,904



- 1 Membership and branch services
- 2 Events and training
- 3 Publications and merchandise
- 4 Promotion of health and safety
- 5 Governance

Our net income of £0.8 million takes into account Research and Development Fund expenditure of over £200,000. Without this, net incoming resources would have exceeded £1 million for the third year running.

We need to maintain appropriate reserves to support our strategic objectives, and we aim to hold disposable reserves equal to two years' fixed overheads. We have two designated reserve funds: a tangible fixed asset fund of £2.8 million and the Research and Development Fund of £2.6 million. An increasing number of projects are being supported by our R&D Fund and more grants will be released over 2007/08.

IOSH Services generated a record income of more than £4.7 million. All profits from our wholly owned subsidiary go back into IOSH, helping to fund services and support our lobbying and campaigning work. IOSH Services – covering our training, publishing and professional development courses – made a record net profit of over £2.4 million, before taxation and charitable donation. The transfer to the charity was equivalent to £80.09 per member, an increase of almost 25 per cent over the previous year.

## Five year summary: 2003 to 2007

	2007	2006	2005	2004	2003
Members	30,391	29,156	27,946	27,481	26,722
Gross income (£)	8,204,000	7,237,000	6,622,000	5,665,000	5,052,000
Net income (surplus) (£)*	810,000	1,007,000	1,031,000	678,000	718,000
Net assets (£)	10,026,000	9,182,000	8,095,000	7,025,000	6,300,000
IOSH Services donation (£)	2,434,000	1,880,000	1,891,000	1,681,000	1,615,000
Donation worth/member (£)	80.09	64.48	67.67	61.17	60.44

\*Net income is before gains/losses on investments

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IOSH is Europe's leading body for health and safety professionals. We have over 30,000 members worldwide, including more than 11,500 Chartered Safety and Health Practitioners.

The Institution was founded in 1945 and is an independent, not-for-profit organisation that sets professional standards, supports and develops members and provides authoritative advice and guidance on health and safety issues. IOSH is formally recognised by the ILO as an international non-governmental organisation.

Our Annual Report is at [www.iosh.co.uk/annualreport](http://www.iosh.co.uk/annualreport) in printer-friendly and text-only formats. Mail [maxine.freeman@iosh.co.uk](mailto:maxine.freeman@iosh.co.uk) or call +44 (0)116 257 3189 to get copies in alternative formats.

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