

Annual Report 2022



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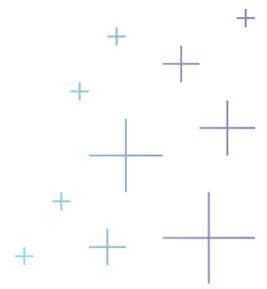
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50 **Stay up to date with UKAS**

Living the UKAS values



Professionalism

We recognise and promote the competency and expertise that enables us to support each other and provide an outstanding service to our colleagues, stakeholders and customers.



Respect

We value diversity and aim to be inclusive in our actions, creating an environment where everyone feels safe, secure and valued.



Integrity

We work with honesty and impartiality and are consistent in the approach we take across all our activities, encouraging each other to be the best we can be.



Dedication

We are dependable and determined to ensure accreditation is used to underpin the quality and safety of products and services that we all rely upon.



Excellence

We operate with distinction and agility, focusing on continual improvement and innovation, driven by a desire to exceed expectations.

Chairman's introduction

+ with Lord Lindsay, UKAS Chairman

The 2021/22 financial year was one of recovery and restoration for the United Kingdom and global economies, despite market and economic challenges alongside the terrible war in Ukraine. I am pleased to report that UKAS has worked successfully through this period, with accreditation underpinning vital public services, business and commerce that have aided the economy to move forward with greater resilience.

Looking back on the year, we saw the country slowly but surely coming out of COVID-19 restrictions and UKAS has maintained the COVID-19 private provider testing regime with over 200 accredited conformity assessment bodies. UKAS assessments have progressively returned to on-site assessment, as the norm, but with the continued use of remote assessments as part of a blended risk-based approach.

UKAS has continued to support UK government in all major public measures where testing, inspection and certification are critical to confidence and trust in the market. For example, in the roll-out of the UKCA marking for product conformity, UKAS has delivered major efforts in awareness-raising and training to support the required development in conformity assessment capacity and capability. In the negotiation and implementation of trade deals, UKAS has worked to enable the reduction in duplicate testing or the need for businesses to test abroad before export, which will bring real cost and efficiency savings to UK businesses.

This year has seen the Grenfell Tower Inquiry turn towards the role of testing, classification, certification and marketing of construction products in Module 6 of the Inquiry, titled "Government". UKAS has proactively supported the Inquiry and submitted witness statements and over 12,000 documents to the Inquiry, with UKAS's Accreditation Director giving oral evidence over two days. UKAS has worked closely with the Office for Product Safety and Standards, the Department of Levelling Up, Housing and Communities (DLUHC) and the Health and Safety Executive to examine the lessons that must be learnt from the Inquiry in relation to the role of accredited

testing and certification of construction products and the competence of key roles involved in the design, construction and maintenance of High Risk Residential buildings. UKAS will present a detailed programme of recommendations and improvements to the concluding stages of the Inquiry.

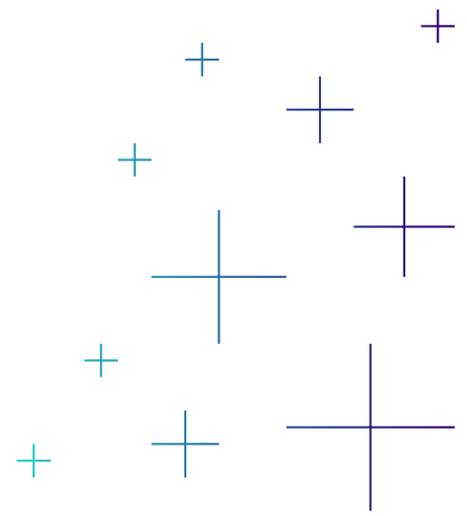
The unprecedented challenges of the pandemic and the lessons arising from the Grenfell Inquiry have enabled UKAS to review and, where appropriate, enhance its processes to ensure that they are robust and fit-for-purpose for our role as the National Accreditation Body going forward.

At the same time, we have been engaging with the new opportunities and challenges that we face in the economy and in society. Looking at new digital technologies and the impact they will bring, I am delighted UKAS has created its new database of accredited management system certifications, CertCheck. I also see a major role for accredited conformity assessment in supporting the critical push for Net Zero, for example both in robust mechanisms for enabling confidence in Net Zero claims and in practical applications and technologies that will enable our housing stock to be more energy efficient. As ever, these achievements are due to the unwavering commitment of the whole UKAS team. I thank them all for their dedication to providing the national accreditation service, the core purpose of UKAS.

I see UKAS as an organisation that is dedicated to its mission, with a culture of continual improvement. I am confident that, as we move towards 2023, UKAS will continue to deliver its role as the National Accreditation Body with integrity, diligence and rigour.



CEO statement



+ *with* Matt Gantley, UKAS CEO

The last twelve months have seen the UK progressively move beyond the turbulence of the COVID-19 pandemic, but in its wake new and equally pressing challenges have emerged for government, business and the public, not least rising inflation, travel disruption as well as critical skills and resource gaps. More recently, the appalling Russian invasion of Ukraine has led to soaring energy costs and even greater pressure on disrupted supply chains across the globe.



Nonetheless, against the backdrop of these and other economic and societal volatilities, we foresee an even greater role for standards and accredited conformity assessment. The urgent need to address climate change, the digitisation of the economy and society, new trade deals and the UK's new regulatory freedoms all present opportunities for the UK's quality infrastructure of standards, accredited conformity assessment and metrology.

In the past year UKAS has responded well to market challenges and is well placed for these and other opportunities that lie ahead. We are an outward-looking, positive and dynamic organisation that seeks to achieve our mission of building a world of trust and confidence through accredited conformity assessment. Whether through working to support the national COVID-19 pandemic response, seeking to lead globally the role of accreditation in support of Net Zero initiatives or reducing barriers to international trade for businesses, we take a broad view of our remit and seek to engage with partners to find solutions together that benefit the UK.

We can only do this because of the quality and commitment of our people. As UKAS continues to grow rapidly in response to the demand for our work, I commend our team for their hard work and their delivery in line with our PRIDE values: professionalism, respect, integrity, dedication and excellence.

We also cannot achieve what we do by working alone. We work with a broad range of core stakeholders: our 21 UKAS members, the forty plus members of our Policy Advisory Forum, the members of our healthcare and Fourth Industrial Revolution (4IR) steering groups and all the experts who make up our Technical Advisory Committees.

On behalf of the UKAS Board, I thank the UKAS team, including our external technical assessors, and our stakeholders for their continued work and support. I would also like to offer specific thanks to the Chair of our Policy Advisory Forum and Council, Ron Gainsford, who is stepping down in 2022 after seven years. Ron has been a consummate Chair of the Policy Advisory Forum and Council, helping to guide and advise me and the UKAS Board on external matters and views of our stakeholders. We wish him all the very best for the future.

Financial performance

UKAS's underlying financial performance has remained strong, successfully moving out of the pandemic and negotiating the shift back toward more on-site assessments and face-to-face training. We achieved an operating profit of £2,688,915, a £295,010 reduction on the previous year largely due to higher pension costs, and an improvement in gross profit margin, which at 47.2% was higher than last year (46.3%).

We delivered 31,114 accreditation days, 3,666 days more than the previous year, largely due to COVID-19 related assessments and a catch up of surveillance work in Healthcare.

Overall, administrative expenses of £13,145,847 were £2,337,474 higher than last year, largely due to higher recruitment, salaries and pension costs. There were, however, significant savings in overhead travel costs, despite a gradual shift back to face-to-face meetings, most external meetings were still conducted online. Costs this year included a 'thank you' bonus of £212k, which was awarded to our staff in recognition of their remarkable efforts and resilience throughout a very challenging year and a £1m discretionary pension contribution.

People

Our people have been at the heart of UKAS's resilience to the pandemic which continues to impact many aspects of our work and through their efforts we have been able to resume our accreditation and training services at more normal levels. As a result, we emerge from the pandemic with new approaches to working, adopting a blended approach to assessing and hybrid working patterns that allow a combination of in-person and virtual interactions. UKAS avoided redundancies or furlough throughout the pandemic and in fact successfully ramped up recruitment to create the capacity needed to deal with increased volumes of assessments. Nevertheless, resourcing remains one of our biggest challenges given a backdrop of shortage of specialist skills in the UK labour market.

It has been pleasing to note that staff engagement and morale continue to improve at UKAS with many of our people feeling supported and proud to be working at UKAS.

+ £2.689m
operating profit

+ 47.2%
gross profit margin

+ 31,114
accreditation days delivered

Risk management and business resilience

Our Risk Register continues to represent the major global and national issues of our times including the global pandemic and the UK's exit from the EU. Although Brexit has now largely been completed, there remain areas of implementation to be delivered. UKAS has worked closely with the Department for Business, Energy & Industrial Strategy (BEIS) and relevant competent authorities to ensure that key areas of regulation that relate to accredited conformity assessment are effectively understood by the market and implemented.

As is so often the case, with risks come opportunities, and we have demonstrated our agility in reacting to a broad range of opportunities as they have arisen. The findings of the Grenfell Tower Inquiry will have major implications for building safety and therefore UKAS has reflected deeply on the concluding summaries of Module 6 of the Inquiry and has established a detailed programme of system-wide improvements in close consultation with DLUHC, BEIS and the HSE.

Strategic investment

In line with our Strategic Development Plan, we have continued to invest to keep UKAS ahead of the evolving world we operate in. We have recently launched UKAS CertCheck, a free to use online database of accredited certification, to support businesses in ensuring the validity of certification. The roll-out of our customer and assessment portals is underway, enabling customers to 'self-serve' information regarding their activities with UKAS and streamlining the assessment reporting process. These initiatives support the digital transformation of UKAS and our data as part of our strategy to ensure the continuing relevance and importance of accreditation.

Customers and stakeholders

The challenges faced over the year, together with the pressure that this has placed on our services, have been reflected in our customer satisfaction scores, although these have remained high. In particular, the performance of our assessment teams, both on site and remotely, has been greatly appreciated with scores consistently in the "Excellent" bracket. The strain on our resources caused by the pandemic has affected our overall service, but this remained in line with our target and service levels have increased as mitigating actions have taken effect.

Particular effort was spent during the year in supporting BEIS in the development and implementation of the UKCA marking regime for manufactured goods being placed on the market in Great Britain. This new regime has a significant impact on our customers as well as manufacturers and importers, and we have been proactive in our support of UK Approved Bodies in their transition from the previous EU system.

Within the European region, the European cooperation for Accreditation (EA) confirmed the ongoing membership of UKAS following revision to its articles of association and the renewal of our EA multilateral agreement signatory status. EA signatory status is also recognised globally where we are signatories to the international agreements maintained by ILAC (International Laboratory Accreditation Cooperation) and IAF (International Accreditation Forum), and where we have cemented our involvement and influence through representation on the Executive Committees of each.

UKAS engages ever more broadly with our stakeholders through the UKAS members, through our Policy Advisory Forum and through our technical advisory groups. We have expanded UKAS membership, with the Society of Motor Manufacturers and Traders becoming the 21st UKAS member early in 2022. We have developed our engagement with government, offering the support of accreditation to the delivery of public policy wherever it is relevant, whether this is for the development of post-EU exit regulation, as noted above with the UKCA marking, to support the negotiation of UK trade deals with trading partners, or for the roll-out of the work of the Forensic Science Regulator. We are working with the Better Regulation Executive to support the push for the greater use of alternatives to regulation where this approach meets government's policy objectives and with BEIS on smarter solutions for the UK borders.





Technical excellence

UKAS continues to provide leadership to our customers and to our international peers, who look to us for advice and guidance, through our focus on and reputation for technical excellence. This we maintain through our recruitment, onboarding and training of assessment staff and the selection of technical expertise. We held our annual technical conference in January 2022, for the first time bringing together at one virtual event all our Assessment Managers and Technical Assessors.

One pioneering area is examining the impact of 4IR technologies on conformity assessment and accreditation. To support and guide UKAS in this area we have established an advisory committee with representatives from government and industry experts. This group will help ensure UKAS remains aware of technological developments and determine how we can best provide trust and confidence in their use such that they can enhance the world of conformity assessment.

New service development

Our Development Team receives on average 20 enquiries per month, several of which progress to development projects, at varying paces. This has led to over 50 projects in development during the year.

Notable initiatives can be seen in the growing digital and sustainability areas. Digital projects include the support to GDPR, the Information Commissioner's Office, identity assurance and the internet of things. Sustainability projects include the verification of carbon sequestration, UKAS's first verification and validation application (outside of greenhouse gases) under ISO/IEC 17029.

Healthcare projects continue to be important for development, such as the pilot for the Medical Physics and Clinical Engineering service. New projects in food and farming were strong, such as Protected Food Names and the REAL Compost Certification Scheme. The development team also continues to run projects that support new forensic activities that will be required under the draft Forensic Science Regulator Act.

More information on service development appears later in this report.

Operational performance

Despite the ongoing impact of the COVID-19 pandemic, the operations team delivered a record number of assessment days (>31,000) whilst also recruiting, inducting and training an additional 18 staff. This increased the total number of operational staff by over 11% in the last financial year in response to significant increases in demand for accreditation. This demand has come in the Healthcare sector, to deal with additional sampling and analysis for COVID-19. In forensics there has been additional work to support new areas of accreditation such as scenes of crimes under ISO/IEC 17020. In the construction and engineering teams there is the need to address the shift in regulations following EU exit and in particular to support BEIS in the introduction of UKCA marking for products with accreditation under ISO/IEC 17065. An article by Paul Greenwood, UKAS Operations Director, on "sustaining operational excellence" can be found later in this report.

Outlook

Looking back twelve months ago, we saw ourselves coming out of the pandemic, but we could not have expected the additional challenges the country now faces. Despite the difficult economic situation, UKAS has continued to thrive. Our financial position is healthy and secure. We are following our strategic direction with clear support and assessment from the Board. In August 2022 we reached 300 employees, and are continuing to make appointments that both centre on our core requirement for high quality operational delivery and reflect the need for excellence in supporting infrastructure and stakeholder outreach.

I have full confidence in the ability of UKAS to move successfully through current choppy economic waters while keeping a clear focus on continual improvement, technical excellence and quality. This is how we build trust and confidence and fulfil our purpose to provide the national accreditation service.

Annual Report introduction

+ with Mark Bohun, UKAS Commercial Director



Welcome to the 2022 UKAS Annual Report. Following overwhelmingly positive feedback on the revised format introduced last year, this year's report contains a series of informative articles from a diverse range of contributors.

All articles share a common theme of technical rigour, whilst individually examining different aspects of how accreditation embodies, applies and delivers it.

There are thought-provoking pieces from the UKAS Executive on the potential impact of digitisation, striking a balance between remote and onsite assessments, and applying the lessons learnt from the Grenfell Tower tragedy. The report highlights the considerable work undertaken by UKAS, its partners and its customers to transition to new standards and schemes such as laboratory testing and the new UKCA regime. This work has been conducted alongside UKAS's own Environmental and Social Governance policy as part of implementing our Purpose, Vision, Mission and Values.

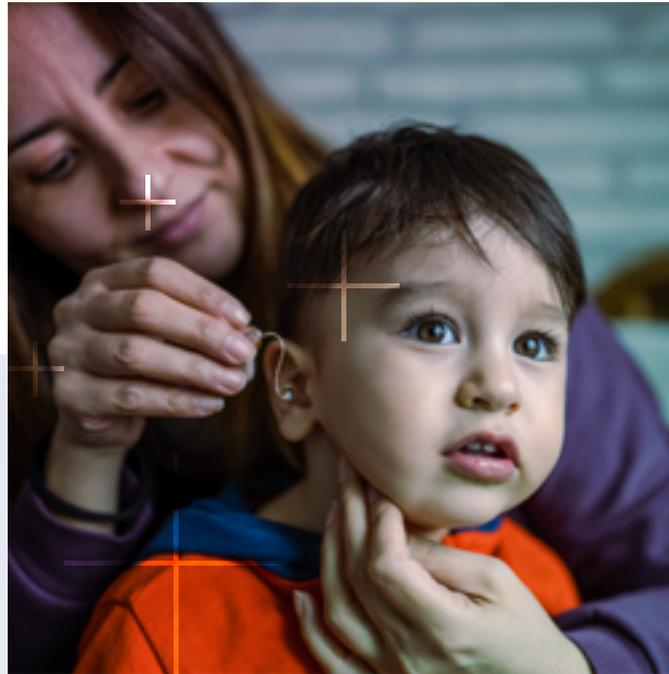
A summary of the year's challenges, opportunities and performance is provided by the Chair of the UKAS Policy Advisory Forum and Council, UKAS's CEO and UKAS's Financial Director, whilst the Development Team and TQR Team outline some of their key achievements. These include the launch of several new schemes in the identity assurance, personnel certification, sustainability and food/farming sectors, as well as UKAS's own accredited certification verification service, CertCheck.

Stakeholders remain an integral part of UKAS's operations and support network. In addition to an

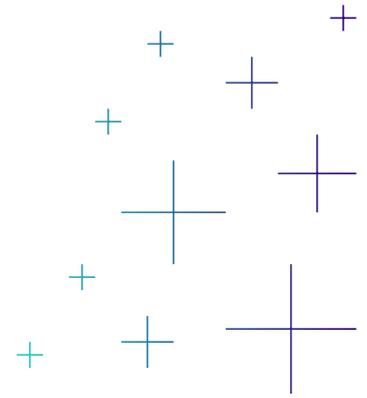
update from UKAS on government and stakeholder engagement, I am delighted that this year's report once again offers stimulating insight into the wider accreditation world from some of our key stakeholders.

On the regulatory side, the Forensic Science Regulator outlines the importance of accreditation in both managing forensic incidents and delivering his new statutory Codes of Conduct, whilst the Office for Product Safety and Standards examines how both product regulation and accreditation need to evolve to keep pace with societal and technological change. Offering international perspectives, the Independent International Organisation for Certification discusses the adoption and impact of remote technology and practices within the assessment industry. Additionally, the International Accreditation Forum looks at the future for mutual recognition and international collaboration in light of ongoing political and environmental situations worldwide.

UKAS is grateful to these stakeholders for their invaluable contributions. Together with UKAS's own articles and eye-catching infographics, these create an interesting overview of the technical rigour that permeates throughout the accreditation industry, helping deliver a world of confidence in the products and services we all use on a daily basis.



Performance at a glance



Financial summary

	2022 £m	2021 £m
Revenue	33.5	29.8
Cost of sales	(17.7)	(16.0)
Gross profit	15.8	13.8
Administrative expenses	(13.1)	(10.8)
Operating profit	2.7	3.0
Profit after taxation	2.2	2.4

Year highlights

+ 31,114
assessment days delivered

+ 3,155
accreditations held

+ 2,812
accredited customers

+ 1,141
extensions to scope grants

+ 288
applications for accreditation

+ 1,381
delegates trained

+ 29,427
followers across LinkedIn and Twitter

+ 51
accreditation development projects

Statement from PAC/PAF Chair



+ with Ron Gainsford OBE, Chair of UKAS Policy Advisory Forum and Council



UKAS's Policy Advisory Forum (PAF) and Policy Advisory Council (PAC) are fundamental to the good governance of UKAS and it has been my honour and privilege to chair both groups over the past seven years.

As the government-appointed National Accreditation Body, UKAS has a duty to act in the public interest. The relationship with UKAS stakeholders is key to ensuring that its activities benefit society and support government priorities, providing trust and confidence in the products and services we all rely upon. The PAF is comprised of a broad range of key UKAS stakeholders and meets annually to advise on UKAS's strategic priorities and consider any general policy issues. The PAC is elected and drawn from the Forum. It meets more frequently and provides advice to UKAS on more detailed policy issues. As Chair I report annually to the UKAS Board on Forum and Council activities and achievements throughout the year.

This year has been another exciting, busy and productive year for UKAS's PAF and PAC and not without its challenges as we return to something like normality after the last two years. The Forum and Council have continued to support UKAS, ensuring its strategic direction remains the right one and reflects the interests of its stakeholders. Last year's PAF meeting explored important areas such as building UKAS's international reputation and how UKAS can work with its stakeholders to support the delivery of government priorities such as achieving the Net Zero ambition.

The PAC has met four times during the year. In addition to our regular scrutiny of reports from UKAS Board meetings and of UKAS's international, development and operational activities, the PAC also feeds into the development of new policies and initiatives on behalf of its stakeholders to ensure their interests and concerns are considered. Items considered by the Council this year included a proposal to establish a new UKAS Technical Advisory Committee for product certification, the UKAS sanctions policy, development of a new Environmental, Social and Governance policy and the risk-based assessment project.

This year I will be standing down from the role of PAF and PAC Chair. It's been a rewarding experience and during my tenure I have seen UKAS continue to grow and evolve to become one of the world's foremost accreditation bodies. My association with UKAS goes back to its inception in 1995 and I want to express my gratitude to all my colleagues within UKAS and beyond with whom I've worked throughout that time. In particular I would like to thank my colleagues on the Forum and Council for their support and contributions and similarly the UKAS Board and the Executive.

I wish my successor well and know that they will continue to develop the roles of the Forum and the Council to support UKAS in taking up the exciting opportunities that lie ahead.

Living the values

+ with Jeff Ruddle, UKAS Strategic Development Director



In early 2021 UKAS saw the culmination of an important project in which we relaunched our Purpose, Vision, Mission and Values, as well as refreshing our strategic priorities to align with the updated strategy.

Once launched, our goal of the past year has been to live up to these values and statements whilst delivering our strategic priorities.

UKAS's values are neatly contained within our 'PRIDE' acronym, incorporating a commitment to professionalism, respect, integrity, dedication and excellence. It is our expectation as an organisation that all UKAS employees embrace and embody these values and that they can all be confident of a supportive work environment which enables them to execute their various roles to the best of their abilities.

The PRIDE values have equally supported one of our key priorities of the year: the recruitment and retention of staff. UKAS has been highly successful in 2021/22 in increasing the staffing resources available to us and we are proud of the high levels of technical ability and knowledge that permeate every section of the assessment teams.

We have successfully progressed each of our five strategic priorities in the last year.

In terms of **excelling in areas of technical expertise and service**, we have expanded our workforce to broaden the skills base and provided considerable training opportunities for all existing staff, including a four-day technical conference for knowledge exchange.

With respect to **being agile, enabling the organisation to adapt and innovate**, the development and roll-out of customer and assessment portals will streamline both the customer experience and the assessment process. We have also successfully deployed UKAS CertCheck, a free-to-use, online database of accredited certification.



In being **perceptive in developing talent and building knowledge** we also look towards our extensive in-house training opportunities, which now includes access to eLearning modules created specifically for UKAS by an instructional design specialist.

We have delivered **financial stability and productivity** even in times of the pandemic and have built further contingency to deal with further crises, whilst simultaneously holding prices for our customers.

It is not really for us to say whether we are **respected and recognised as the world's foremost accreditation body**, however with several members of the UKAS team having taken on key leadership posts in ILAC and IAF as well as UKAS's central role in the roll-out of the UKCA marking regime- the UK's replacement of the CE marking system - we can be confident we are on the right track.

As with the assessment process, it is not a case of achieving these goals once and moving on. Instead, the process is one of continual self-assessment and ensuring that a golden thread of technical excellence and improvement adaptability, learning and PRIDE runs through all that UKAS does as a body of individual employees. That is the challenge we readily accept for the years to come.

+ UKAS CertCheck

The purpose of the axis of accreditation and certification is that it provides end users with the confidence that their supplier meets the relevant standards to demonstrate many facets of the work they perform.

This includes the quality of their services, their ability to meet health and safety requirements and the ability to maintain appropriate information security.



Due to the importance of organisations operating to these standards, many organisations and government departments insist their suppliers hold accredited certification. This ensures a strong and dependable supply chain.

This is where the issue of verification comes in. Organisations are responsible for their own due diligence in ensuring the claims made by their suppliers are current and valid. Historically this was done through a two-stage process that first confirmed that the certificate issued by the certification body was authentic and valid and secondly checked the certification body was currently accredited for this particular activity.

The CertCheck database, launched in June 2022, is the culmination of a major project at UKAS, designed to improve our online services for stakeholders and all those who depend on accredited certification.

CertCheck combines the formerly two-stage verification process into one automated procedure. For organisations with large supply chains, this will streamline procurement without removing any of the assurances in place.

Free-to-use and publicly accessible, anyone can consult CertCheck to verify the validity of claims of accredited management systems certification by searching either the certificate number or registered trading name of the certified organisation.

For additional convenience, users can register on the system (for free) to create a watchlist of their suppliers, which will notify them if there is any change in the accredited status of that certification.

CertCheck is currently solely focused on management systems certifications, encompassing a wide range of certification, from the ubiquitous quality certification of ISO 9001, through to certification relating to environmental, information security, food safety, energy management and medical devices. However, there are plans to expand this into other areas of certification in the future.

The CertCheck database is emblematic of UKAS's commitment to invest in projects that provide additional confidence in the value of accreditation. By allowing users to quickly and simply check and track the accredited status of their suppliers' certification, CertCheck not only streamlines the procurement process, but provides an additional layer of assurance to the value of accredited certification.

While it is still a relatively recent launch, initial reception to CertCheck has been positive. Paul Scully MP, then Minister for Small Business, Consumers and Labour Markets at BEIS, described CertCheck as a service that "will make it easier for businesses to ensure their suppliers are walking the walk when they talk the talk about holding accredited certification." Other stakeholders, such as the Association of British Certification Bodies, have been similarly supportive.

What has been most gratifying about the implementation of CertCheck is the support that we have had from the certification bodies themselves. At UKAS, when we were scoping this project, we felt it was important to make it mandatory to upload certification data with regard to management systems. This was because we felt it was necessary to ensure that no false negatives would be returned so that users could therefore have complete confidence in the system. Importantly, the CertCheck database is also a demonstration of innovative deployment of

technology to advance confidence in accredited certification. This offers a convenient way of allowing those holding accredited certification to prove their credentials to a potentially wider marketplace, whilst simultaneously providing third party assurance to those specifying accredited certification from their suppliers.

In addition to speeding up the tendering process, this also reduces the opportunity for fraud, further enhancing the value of accredited certification.

“ This is a game changer. Quality professionals and their organisations often have to deal with unaccredited and even counterfeit certification. Making this tool available to relevant people in their businesses will help hugely. ”

Vince Desmond, CEO of the Chartered Quality Institute (CQI)

+ 425,935

accredited certifications

+ 285,948

certified entities

+ 16,510

total page views

+ 773

registered users

Top 5 accredited locations

+ 20%

UK

+ 14%

China

+ 10%

Japan

+ 5%

India

+ 3%

USA

Top 5 standards

+ 55%

ISO 9001

+ 21%

ISO 14001

+ 11%

ISO 45001

+ 4%

ISO 27001

+ 2%

ISO 22000

Figures correct as of 22nd September 2022.

Sustaining operational excellence



+ with Paul Greenwood, UKAS Operations Director



Incorporating new technologies, methods and thinking into operational processes is an essential element in maintaining our status as a world-leading accreditation body. The COVID-19 pandemic necessitated a shift to remote assessments to enable organisations to maintain accreditation whilst government-imposed restrictions on movement were in place.



As part of our transition to the age of the Fourth Industrial Revolution, UKAS was already in the final stages of fine-tuning its remote assessment programme when the pandemic struck, so accelerated implementation was relatively straightforward.

The philosophy and use of remote assessments is nothing new to the sector, with it already being undertaken in difficult to access locations – St Helena for example, where travel times to reach site are especially onerous. Despite the change in time-scales, structure and format necessitated by remote assessments, the fundamental purpose, processes and principles of the assessments remains the same; namely giving conformity assessment bodies the opportunity to prove their technical competence as part of a robust quality management system. The underpinning administrative tasks, such as utilising technical expertise to evaluate the evidence collected, production of reports and granting of accreditation, also remains largely unaffected.

As outlined by Marcus Long later in this report, the shift to remote assessments proved a success with both UKAS and its customers, with staff adapting well to new working conditions. After a short adjustment period to the ‘new normal’, many conformity assessment bodies are looking to accommodate remote assessments into their ongoing accreditation programme. International accreditation rules and practices, and in particular some individual scheme criteria, do however require UKAS to conduct a degree of on-site assessment during the four year accreditation cycle. Whilst COVID-19 certainly qualifies as an exceptional circumstance to this rule, many customers are now overdue an on-site visit.

Individual conformity assessment bodies have different policies, procedures and personnel to perform their accredited activities. UKAS is currently

trialling a risk-based assessment project to establish the quantity and type of assessment required for each conformity assessment body. Indeed, there are some industries and instances where on-site face-to-face visits are more effective in supporting independent assurance of technical competence. Taking all these factors into account, we are likely to see a more risk-based approach to accreditation assessments going forward, utilising a blend of remote and on-site assessments.

Personnel is a vital part of technical and operational excellence and UKAS is justifiably proud of all its staff. UKAS has grown significantly in the past year, particularly into new sectors such as COVID-19 testing and the introduction of the UKCA conformity mark. As a result, recruitment has been accelerated with UKAS recently exceeding 300 full-time members of staff working together with nearly 1,000 specialist technical assessors and experts.

Whilst it is reassuring that the numbers of staff choosing to leave UKAS remains below industry norms, some degree of turnover is inevitable and is a healthy part of any organisation. Incoming staff bring additional expertise, experience and perspectives gathered from a wide range of industries, increasing UKAS’s technical knowledge and providing an opportunity to revisit processes and refresh induction and training programmes. This has been achieved whilst maintaining UKAS’s technical rigour and impartiality, something which Lorraine Turner explores further in her article about UKAS’s upcoming PACE programme. Equally, departing personnel have a detailed knowledge and understanding of the benefits of accreditation and help to embed best practices and a quality-centric philosophy into the industries they join.

In summary, the previous year has been full of operational challenges and opportunities and UKAS continues to innovate and improve agility whilst retaining its focus on ensuring technical rigour.

“ Personnel is a vital part of technical and operational excellence and UKAS is justifiably proud of all its staff. ”



Metrics dashboard for operations



Number of accredited conformity assessment bodies by standard

Standard	2022	2021
ISO/IEC 17025 (testing laboratories)	1,188	1,167
ISO 15189 (medical laboratories)	741	596
ISO/IEC 17025 (calibration laboratories)	367	360
ISO/IEC 17020 (inspection bodies)	364	357
ISO/IEC 17065 (product certification bodies)	136	113
ISO/IEC 17021-1 (management system certification bodies)	110	104
IQIPS (physiological services)	80	94
QSI (medical imaging services)	46	36
ISO/IEC 17043 (proficiency testing providers)	35	34
ISO/IEC 17024 (personnel certification bodies)	28	27
ISO 17034 (reference material producers)	13	12
ISO 14065 (green house gas verifiers)	11	12
BS 70000 (medical physics and clinical engineering)	4	3
Grand total	3,123	2,915

Number of new accreditations and extensions to scope granted

	2022	2021
New conformity assessment body grants of accreditation	308	54
Extension to scope grants	1,141	1,060

Number of new conformity assessment body applications by standard

Standard	Amount
ISO 15189	169
ISO/IEC 17025 testing	33
ISO/IEC 17065	21
ISO/IEC 17020	16
IQIPS	12
ISO/IEC 17025 calibration	11
ISO 14065	10
QSI	5
ISO/IEC 17024	4
ISO 22870	3
ISO/IEC 17021-1	3
ISO 17043	1
Total	288

Number of extensions to scope applications by standard

Standard	Amount
ISO/IEC 17025 testing	599
ISO 15189	521
ISO/IEC 17065	106
ISO 17020	93
ISO/IEC 17021-1	79
ISO/IEC 17025 calibration	65
ISO/IEC 17024	12
IQIPS	11
ISO 14065	10
ISO 17043	9
QSI	7
ISO 17034	2
Total	1,514

Number of assessment days delivered



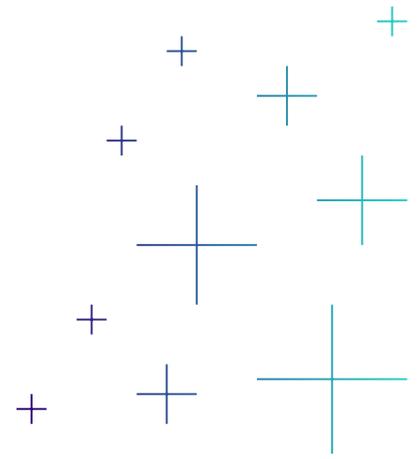
Number of assessors (broken down by role)



Number of sanctions issued



Setting the PACE of technical competence



with Loraine Turner, UKAS Accreditation Director



The diversity, reach and application of accreditation is as broad as ever. UKAS has access to a phenomenal level of expertise, through engaging nearly 1,000 technical specialists that spend over 31,000 days per year assessing almost all the scientific, engineering and certification disciplines.





“ UKAS is embarking on ‘PACE’; a major programme of work aimed at ensuring all the lessons learnt from our existing and new work are incorporated into our daily practice. ”

We work closely with government, regulators, professional bodies, our world-leading quality infrastructure partners and many other stakeholders to ensure accreditation is fit for purpose and provides trust and confidence.

Conformity assessment can be used in different ways to provide different types and levels of assurance. Selection of the ‘type and level’ takes account of a number of factors. It requires a collaborative framework to provide viable solutions that understand both the extent and the limitations of the level that is chosen. Accreditation is critical to providing a common mechanism to underpin the conformity assessment activities ensuring strong governance, competence and impartiality.

This past year has seen UKAS deal with many significant pieces of work. Three deserve particular mention as they highlight the strengths of accreditation along with the challenges that need overcoming to ensure effective and sustainable delivery.

UKAS has undertaken a considerable amount of work in supporting the Department of Health and Social Care develop and implement the standards for the COVID-19 testing legislation. This included assessing c.500 private testing services providers, where only a third were able to meet the high standards expected by government and consumers.

UKAS also provided over 12,000 documents and witness statements to the Grenfell Tower Inquiry, where it is clear that lessons must be learnt throughout the industry.

Thirdly, UKAS worked closely with the Forensic Science Regulator to assist the work needed to establish and implement his statutory powers, with accreditation being the preferred vehicle for confirming providers’ compliance.

These activities demonstrate that accreditation does not exist in isolation. The level of assurance provided

to the market is dependent on UKAS processes, the conformity assessment procedures utilised and the specifications that products and services are evaluated against.

To enable UKAS accreditation to remain relevant, there is a need to continuously review and evolve our processes in tandem with an increasing need for all interested parties to inform the risk-based approach to assessments. During this coming year, UKAS is embarking on ‘PACE’; a major programme of work aimed at ensuring all the lessons learnt from our existing and new work are incorporated into our daily practice. In addition to optimising our technical resources and governance, PACE aims to enhance training and our approach to and planning of assessments. Together these will help ensure the harmonisation of best practice and that both emerging and common risks are identified and mitigated.

The increased capture, analysis and benchmarking of assessment data, particularly regarding nonconformities and quality incidents, will help further develop industry understanding of the root causes of potential issues and provide market insight to regulators. A wider sharing of knowledge is also key to improving technical rigour and our customers are an integral part of this process. A recently revised customer agreement re-emphasises both UKAS’s impartiality and a customer’s obligation to report significant nonconformities to UKAS and all interested parties, including manufacturers, regulators and impacted members of the public.

To address demand for the highest levels of assurance, UKAS assessments must be conducted with scrutiny and scepticism, and continue to engage key stakeholders. Over time, procedures and practices can become routine. PACE is an opportunity for UKAS to step back to review and refresh all aspects of the accreditation process. This will ensure that technically robust systems remain at the heart of the accreditation process, ensuring it continues to be an effective tool to support regulators and businesses in delivering public confidence.

Development projects

The Development Team received a significant number of enquiries from a range of stakeholders in 2021/22, notably regarding personnel certification, stemming from government initiatives such as Net Zero.

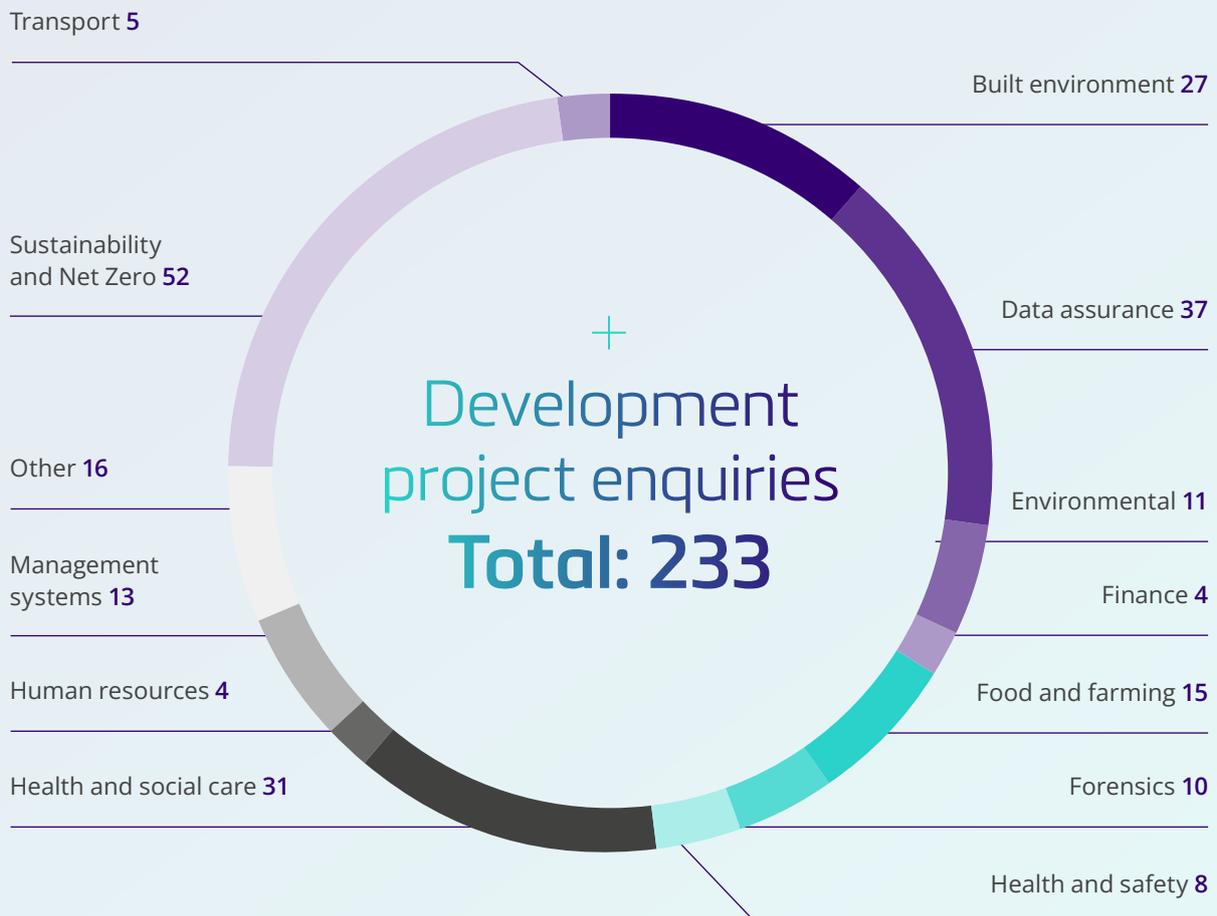
UKAS accredited the first certification body delivering an Information Commissioner's Office approved GDPR scheme, alongside work on new projects in Data Assurance Identity and the Internet of Things. New accreditations were also granted in the food/farming and environmental sectors such as Protected Food Names, FAMI-QMS, Farm First and the REAL Compost Certification Scheme.

In healthcare, new assessment approaches were further developed to support government requirements for COVID-19 services to be underpinned by accreditation. The pilot covering Medical Physics and Clinical Engineering service was also completed with

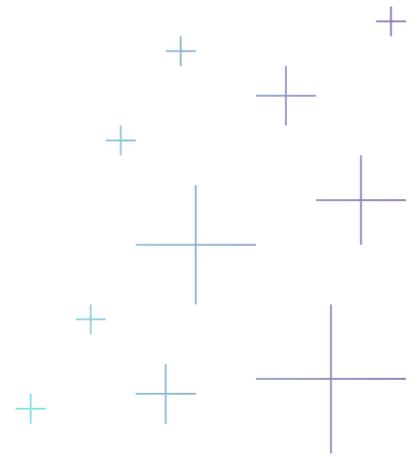
all 4 pilot participants gaining accreditation. Development work continues in broadening the areas of health and social care which can fall under accredited conformity assessment activities.

Assessment approaches are being developed for UKAS's first verification and validation application (outside of greenhouse gases) under ISO/IEC 17029. UKAS is also working with Assurance Service International to support its two-tier assurance programme for a range of sustainability schemes underpinned by accreditation to ISO/IEC 17065.

eLearning modules that provide awareness and increase understanding of scheme requirements have launched to assist scheme owners in developing compliant and internationally recognisable schemes. Further conformity assessment scheme modules are planned for the coming year.



Maintaining technical rigour during technical change



with Marcus Long, Chief Executive,
Independent International Organisation
for Certification (IIOC)



The Fourth Industrial Revolution is opening a wealth of technologies that will benefit both the assurance industry and, more importantly, users of conformity assessment services.



Organisations of all shapes and sizes rely on accredited conformity assessment to deliver confidence in products, processes, systems, people and services across all sectors.

Maintaining that continuity of trust is vital during periods of change. This starts with rigorously assessing the potential benefits, risks and integrity of any new audit technology. Conformity assessment bodies then need to work closely with stakeholders and customers to ensure that they are able to adopt updated processes and can continue to trust audit outcomes.

In an ideal world, the adoption of new technology is a gradual process, allowing organisations time to adjust. Sometimes the pace of change is forced by extraordinary events.

The onset of the COVID-19 pandemic necessitated a fundamental shift in the way organisations operated and saw a dramatic rise in remote working. For the conformity assessment industry this also accelerated the implementation of remote and hybrid audits, where remote techniques, drones and sensors were already being used in certain high risk or difficult to access environments. In addition, the more forward-thinking conformity assessment bodies either launched or upgraded online management portals, giving customers greater control over their audits and allowing them enhanced access to the resultant data.

Once new technology has become embedded into 'normal' working practices, its real-world impact needs to be evaluated to help guide future development. In October 2021 IAF/ILAC/ISO published the results of a stakeholder survey into remote auditing techniques. The feedback from the 4,350 respondents, which included auditors, assessors and their customers, was overwhelmingly positive. Buy-in to remote processes was shown with 97.5% agreeing that new technologies should be used, whilst 79% said they actually preferred either a blended or remote audit over a 'traditional' onsite one. Trust in conformity assessment was maintained

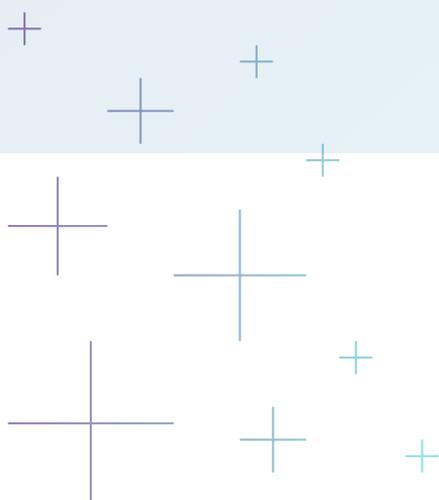
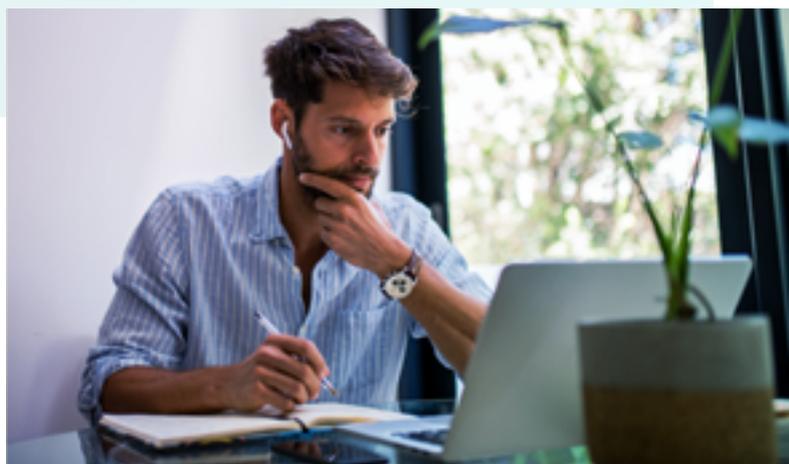
as 80% agreed remote techniques provide confidence and 91.5% felt remote techniques will stimulate the use of new processes.

Similarly encouraging responses are highlighted in IIOC's white paper "[Transformative technology techniques](#)". The paper also points out that the digitisation and management of data (and not emerging technology itself) indicates the potential way forward for the assurance industry. Doing so will help analyse compliance patterns, identify areas for improvement and assist clients with supply chain management.

Whilst the continued move towards a digital world is inevitable, there is very little value in introducing technology for technology's sake. Any new technology must be relevant to the application, improve outcomes and be implemented correctly, with complete buy-in from all parties.

Despite significant steps in AI in recent years, it's important to remember that technology and data are merely delivery mechanisms for audit expertise, rather than replacements for it. People remain at the heart of our industry, where our underlying products are trust and confidence. Whatever we do and however we do it, it is vital we preserve our technical integrity by taking everyone with us, regardless of whether they are regulators, accreditation bodies, conformity assessment bodies or customers.

“ Despite significant steps in AI in recent years, it’s important to remember that technology and data are merely delivery mechanisms for audit expertise, rather than replacements for it. People remain at the heart of our industry. ”



Technical, Quality and Risk (TQR)

An integral part of UKAS, the TQR Team strives to ensure that quality, compliance and continual improvement are at the very heart of everything UKAS does. Working closely with stakeholders, customers and all sections of UKAS, the TQR Team ensures that accreditation services remain technically rigorous whilst being flexible enough to respond to ever-changing market demands.



Following a positive recommendation during our last peer evaluation in May 2021, the European cooperation for Accreditation (EA) agreed to maintain UKAS's EA MLA signatory status. As a result, UKAS has continued to be a part of both the International Laboratory Accreditation Cooperation (ILAC) and International Accreditation Forum (IAF) mutual recognition arrangements.

UKAS's ability to influence policy and drive quality and innovation within the international accreditation community was further enhanced by the appointment of Kevin Belson as Chair of IAF's Technical Committee, mirroring Lorraine Turner's position within ILAC's Inspection Committee.

UKAS is continuing to support BEIS in several of its key initiatives. This includes providing joint webinars with BEIS to explain the new UKCA marking regime and, more recently, the easements introduced by government to help UK industry in its transition from EU CE to UKCA marking.

Driven by the TQR Team, the formalisation of a clear and comprehensive Environmental, Social and Governance policy will help shape UKAS's future strategy and decision making, further instilling trust and confidence in UKAS services for many years to come.

+ 46

Customer Satisfaction Survey (CSS) Net Promoter Score (NPS) at Q4 FY 2021/22

+ 111

Number of positive feedbacks received during 2021/22

+ 74

NPS average score post-assessment surveys during 2021/22

+ 369

CSS responses received during 2021/22

Number of complaints received against UKAS

+ 15

upheld

+ 14

partially upheld

+ 12

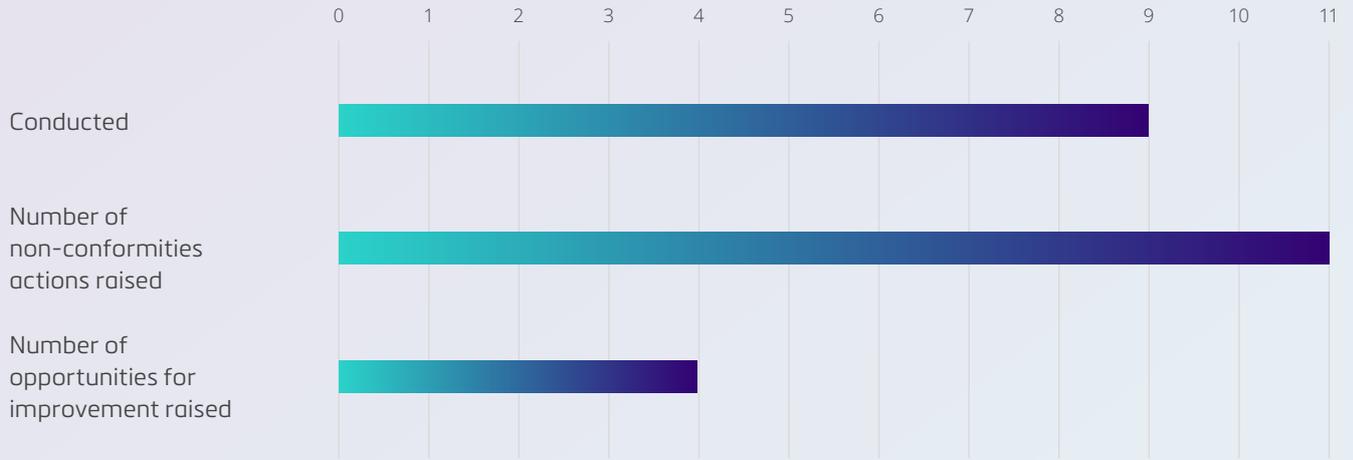
not upheld

+ 67

complaints received

Number of complaints received about UKAS accredited conformity assessment bodies

Number of internal audits



+ 419

Number of authorised staff monitoring exercises completed (internal & external)

+ 638

Number of Post-Assessment Surveys (PAS) received during 2022



Breakdown of complaints raised against UKAS

- + 27 | Service levels
- + 7 | Conduct of UKAS staff
- + 2 | All other complaints
- + 8 | Fees
- + 6 | UKAS decision

The future for mutual recognition and international collaboration



with Emanuele Riva, Chair of the International Accreditation Forum



To paraphrase the philosopher Plato: “Each problem has three solutions: my solution, your solution and the right one.” For centuries this has been the basis of collaboratively increasing collective knowledge, where democratic and peaceful debate has been an exceptional engine of growth.

This approach still holds true today, particularly at a time of strong political, economic, technological and cultural change.

At the international level, accreditation is entering a very significant internal reflection phase. The scenarios are difficult to predict. On the face of it, the crisis in Ukraine has the potential to threaten the long-term unity of international organisations. In reality, the accreditation community is coming even closer together, with IAF and ILAC having decided to join together to become one new organisation.

The path to reach a single international accreditation oversight body is an opportunity for everyone to share their knowledge, resolve historic issues and demonstrate a coordinated and technically rigorous approach to accreditation.



Maintaining the technical rigour of the accreditation process is crucial during this time. There are many different opinions across several crucial aspects of the accreditation process which will need to be debated and resolved. For example, the importance of involving stakeholders, the public function of accreditation, the recognition of accreditation bodies by public authorities, the level of collaboration between accreditation bodies and maintaining alignment on the definition of basic concepts such as impartiality and independence, to name but a few.

Whilst 2023 will be an important year internally for the accreditation industry, the challenges that await us extend to the wider central themes that affect everyone, such as sustainability and digitisation. As IAF Chair, I initiated the work of a new IAF executive level task force which for the first time sees the participation (as permanent members) of external experts who can help us to tackle these complex topics.

Adopting a pragmatic approach, the IAF working group on sustainability will identify and prioritise the areas to be addressed, and in turn, agree on specific solutions. Given the global climate crisis, the time for words is long gone. It is imperative that each participant actions their own individual part of the agreed solution if confidence in the potential outcome is to be maintained.

As the world enters the Fourth Industrial Revolution, data will remain a strategic priority for everyone who relies on accredited certification as part of their supply chain. The recent introduction of management systems certification databases by both UKAS (CertCheck) and IAF (CertSearch) ties into both sustainability and digitisation goals. On a basic level, both these databases allow end users to verify the validity of certificates.

For accreditation and certification bodies it gives an insight into the trends and dynamics of the market and allows us to demonstrate the value of what we do (for example by comparing the productivity, export and workplace safety performance of organisations with accredited certification versus those with certification from a non-accredited body). Additionally, these databases can help regulators to obtain information on the implementation and adoption of sustainability policies, as well as giving meaning to sustainable development goal (SDG) rating indicators.

Problems are sometimes easier to understand and manage if they are addressed at a regional level. Therefore the collaborative approach at the International Network for Quality infrastructure (INetQI) level must also push towards the birth of a Regional Network for Quality infrastructure (RNETQi). Whilst all these projects and initiatives may still be in the very early stages, as Plato said "The beginning is the most important part of the work."



“

The path to reach a single international accreditation oversight body is an opportunity for everyone to share their knowledge, resolve historic issues and demonstrate a coordinated and technically rigorous approach to accreditation.

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Government and stakeholder engagement in UKAS

UKAS engages with its 21 guarantor members and broader stakeholders as part of its maintenance of technical competence and its commitment to relevance for markets and public policy. We seek to understand stakeholder needs and views, to explain the value of accreditation and to enable its wider use.

Government engagement

UKAS works with policymakers across government, regulators and agencies, and with the devolved administrations, explore how accreditation can be used to support better risk-based and outcomes-focused policy delivery.



UKAS members representing customers

UKAS enables customer views, concerns and future priorities to be fed into its strategic planning processes through governance mechanisms like the Policy Advisory Forum and Council, as well as its Technical Advisory Committees. This helps to ensure that UKAS delivers an effective, technically competent and professional accreditation service.



UKAS members representing business, professional bodies and consumer bodies

UKAS accreditation underpins a broad and diverse range of economic and business activities both inside and outside the regulatory sphere. UKAS therefore works closely with professional institutions, trade associations and other bodies including those representing end users and consumer enforcement.



The United Kingdom's national quality infrastructure

UKAS is an integral part of the UK's national quality infrastructure of measurement, standards, testing, certification and accreditation services. The institutional partners of the NQI are UKAS, BSI (the British Standards Institution) and NPL (the National Physical Laboratory). These organisations work together with UK government, as well as with enforcement and other bodies, to provide a world-leading quality framework for the UK. This has been instrumental in underpinning the innovative development of products and services, as well as the productivity and competitiveness of businesses, domestically and globally.



The role of External Affairs:

UKAS's External Affairs department manages relationships with all stakeholders. It reflects stakeholder views and develops policy positions on key issues. This engagement helps establish where and how accreditation may be appropriate as an alternative or a complement to regulatory policy development. UKAS expertise also helps UK government target intervention when and where it is most needed.

UKAS's External Affairs department supports important projects such as:

- + The roll-out and continuing support for the UKCA marking, enabling businesses to place goods on the market in Great Britain
- + The identification of opportunities for better regulation, that can minimise unnecessary demands on business while maintaining consumer and other protections
- + Supporting UK government in international trade agreement negotiations to secure favourable deals for the UK
- + The development of quality and safety initiatives in the construction sector following the Grenfell Tower Inquiry

- + Identifying opportunities to support innovation and the development of technologies emerging from the Fourth Industrial Revolution.

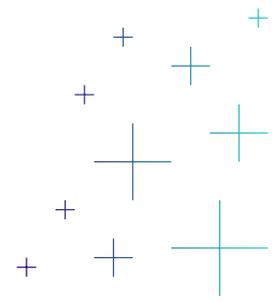
UKAS shapes its strategy and policy via:

- + Policy Advisory Forum of more than 60 members
- + Policy Advisory Council, with members elected from PAF
- + Healthcare steering group
- + 4IR Strategic Advisory Committee.

UKAS provides advice and guidance via:

- + Technical Advisory Committees that provide advice on specific technical issues and enable the dissemination of knowledge
- + External industry groups where UKAS drives awareness of quality and competence across multiple sectors
- + Appointed technical focus people whose specific expertise provides a competent and appropriate contact in UKAS for technical enquiries
- + Development pilot projects that deliver new areas of accreditation.

+ International



UKAS continues to support the global accreditation community, participating in a number of international groups and committees covering a wide range of sectors and issues.

Recent appointments of UKAS staff to key roles within such groups demonstrates our commitment to growing our influence in this community and supporting our customers operating in the global market. The international accreditation system strengthens international trade, enabling UK exports to be accepted worldwide and imports to be accepted in the UK as meeting specified technical requirements.

7

Other international stakeholder organisations

2

Joint ILAC/IAF

9

IAF



+
Number of committees and working groups participated in
41

16
EA

7
ILAC



International Accreditation Forum



International Laboratory Accreditation Cooperation

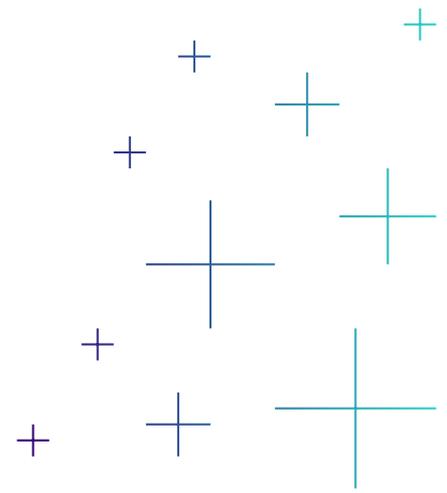


European co-operation for Accreditation

Committees and working groups

UKAS is an active participant in a range of high-level committees and working groups which help to promote the value of accreditation at both national and international levels. As a part of these groups UKAS is instrumental in developing and disseminating their key messages.

The future of regulation and the role of accreditation



with Graham Russell, CEO, Office for Product Safety & Standards
Department for Business, Energy & Industrial Strategy



The Office for Product Safety and Standards (OPSS) was set up in 2018 and is part of the Department for Business, Energy and Industrial Strategy. Our primary purpose is to protect people and places from product-related harm, ensuring consumers and businesses can buy and sell products with confidence.



OPSS is the UK government's national product regulator. We are responsible for the regulation of most consumer goods and we are the national regulator for construction products. We hold policy responsibility for product safety, legal metrology (weights and measures), standards and accreditation, hallmarking, and Primary Authority. We enforce regulations for a range of goods-based and standards-based regulations across the product lifecycle from design, accreditation, and manufacture through to supply, end use, and safe disposal. This means delivering protection through responsive policy and active enforcement, applying policies and practices that reflect the needs of citizens and enabling responsible business to thrive.

Regulations are necessary for the proper functioning of societies. Well-designed regulations establish the framework that protects the rights and safety of citizens, businesses and the environment, and provide the confidence that is needed to underpin markets and support sustainable economic growth. But well-designed regulations are not sufficient. Rules must be effectively implemented and that needs a system-based approach. Regulators do not create safe products – everyone within the system must play their part. Businesses supplying products have the primary responsibility, but they are dependent on those who make and implement standards and those who provide assurance of accreditation processes.

Accreditation plays an important role in product regulation. Accreditation provides independent assurance to consumers, businesses, trade partners and government that products or services meet specified requirements. This is particularly important in the regulated sector especially when safety must be assured. OPSS is building on our strong relationship with UKAS who support the delivery of government objectives as the UK's National Accreditation Body.

While this is always an important role, in the context of leaving the EU and learning from the Grenfell Tower Inquiry, we are exploring with UKAS where changes in the accreditation system can make it ever more effective. We need to work together to identify and provide advice on market issues and recommend solutions. I hope UKAS will continue to actively engage with OPSS and other government departments to ensure the robustness of the relationship between the parties involved in accreditation and conformity assessment.

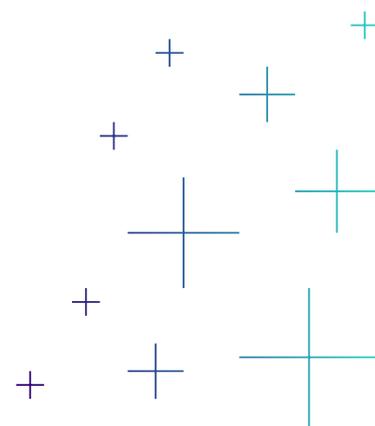
As products and markets are constantly evolving, product regulation needs to keep pace and align with changing technology, evolving markets, and shifts in society. It needs to be informed by an understanding of the real world to reflect differences of need and vulnerability. These factors inform OPSS policy thinking, how we develop new product regulations, how we make changes to existing regulations, and how we approach enforcement. Accreditation is a key tool in providing this assurance and we are committed to working with UKAS as we develop these assurances.

We have been working on our new Strategy which will explain our approach to strengthen product regulation and the product safety system, encompassing the full breadth of our policy, delivery and regulatory responsibilities as a product regulator. Our approach incorporates organisational learning from our first years of operation and comes in the context of transformational change across the UK economy and society as the country recovers after the Covid-19 pandemic, responds to economic shocks, and addresses the climate challenge. One thing that will not change is our commitment to partnership working. We know that we have an important role but it is not one that we can deliver on our own. UKAS is one of our key partners and we look forward to working with them.



“
OPSS is building on our strong relationship with UKAS who support the delivery of government objectives. ”

The opportunities for accreditation within forensic science



Q&A with Gary Pugh OBE, Forensic Science Regulator



Gary Pugh OBE was recently appointed Forensic Science Regulator, a position which now holds statutory powers to enforce compliance with Codes of Conduct and investigate quality incidents. Here Gary outlines the importance of accreditation in delivering those statutory powers and underpinning the quality of evidence within the Criminal Justice System. He also discusses how accreditation provides a framework for managing risk and successfully dealing with the challenges that lie ahead.

What role will accreditation play in delivering your new statutory powers, granted under the recently enacted Forensic Science Regulator Act?

The simple answer is a very important one. The underpinning regulatory model for forensic science is based on organisations having an effective management system that ensures their scientific competence to deliver accurate and reliable results. The Code of Practice sets out requirements including the achievement of accreditation to standards such as ISO/IEC 17025. While I don't rule out other ways of demonstrating compliance, accreditation will be a requirement for the majority of forensic science activities defined in the Code.

What do you value most about the relationship with UKAS?

My relationship with UKAS will be critical to the success of the statutory regulation of forensic science and the implementation of the Forensic Science Regulator Act. I most value the openness, responsiveness and commitment at all levels of UKAS to working with me to implement the Act through preparing the Code of Practice, as well as the way UKAS understands the risks and deals with quality incidents.

Why have you chosen to utilise accreditation to underpin quality within forensic science, rather than establish a dedicated forensics inspectorate?

I have seen a variety of models put forward to manage quality, mitigate risk and ensure that accurate and reliable forensic science evidence is used in criminal investigations and proceedings. The operation of systems and processes that meet established scientific and technical standards and incorporate method validation, demonstration of practitioner competence, documented and controlled procedures and an effective audit and review is the most effective way to manage quality and minimise the risk of error or quality failure.

Alternative approaches based on certification or registration of individuals doesn't enable the same level of control or reassurance; recognising that forensic science carries substantial risks and the consequences of a quality failure can be profound, particularly where there is a systemic rather than an individual failure. Forensic practitioners most definitely remain important as they have a unique role and serious responsibilities to the administration of justice. At the end of the day the effectiveness of a quality management system is determined by the people and culture that operate within it.

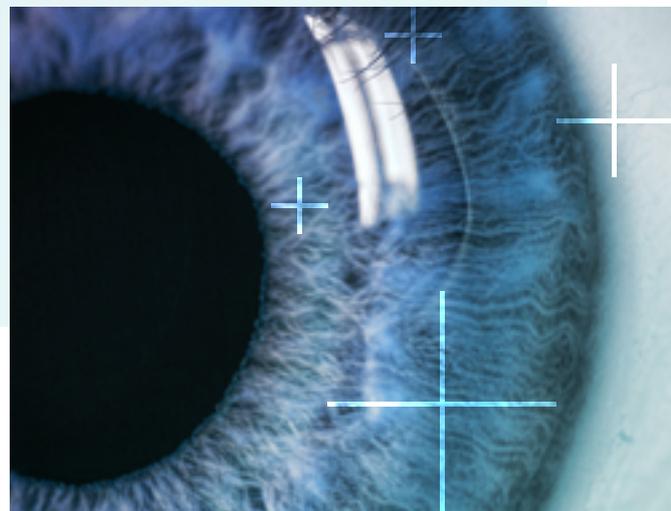
How do you approach risk management and technical rigour within the forensic science sector? What systems/mechanisms are in place for responding to (and learning lessons from) quality incidents?

Understanding and mitigating risk is a significant part of my work under the Act, particularly if a person may be carrying out a forensic science activity in a way that creates a substantial risk of adversely affecting any investigation, or impeding or prejudicing the course of justice in any proceedings. I have some established mechanisms to understand risk through referrals from forensic science providers, forensic practitioners and UKAS. It is important that these arrangements continue and the culture of self-reporting is encouraged, with the Regulator working in a collaborative way with senior leaders and forensic units to deal with quality issues on a proportionate basis.

What challenges lie ahead for the FSR and what role (if any) will accreditation play?

Most of my first year in this post has been taken up with preparing the Code and understanding current levels of compliance. We still have much more to do to implement all of the capability that will be required to support statutory regulation. However, once the Code has bedded in and we have established the processes to manage compliance, I would like to focus on how we enable improvements in efficiency and effectiveness.

I would like to look at continuing professional development of forensic practitioners and promote more proficiency testing. Accreditation will be the framework for achieving this and as quality management systems mature, I would like to see what we can do to streamline and adopt a risk-based approach to assessment. Looking further to the future, I will consider what regulatory model should apply to new scientific developments and tools that are not laboratory or facility based and I will aim to deliver a rapid or real time forensic science capability.



Digitisation and the future of accredited conformity assessment

+ Q&A with Jeff Ruddle, UKAS Strategic Development Director



The Fourth Industrial Revolution is well underway, with government, business and society increasingly moving into the digital world. Here Jeff Ruddle, UKAS Strategic Development Director, discusses how digitisation is impacting the accredited conformity assessment industry. Jeff also outlines the industry's approach to digitisation, as well as the considerations and standards that should be applied to derive the maximum benefits from the process whilst preserving integrity.

Why is it important for the conformity assessment industry to move towards digitisation?

It's perhaps easy to think of each conformity assessment being carried out for a singular purpose and for an individual client. However, accredited conformity assessment is part of a much wider ecosystem; one that supports frictionless trade across international borders and is concerned with health, safety, fitness for purpose and quality, regardless of industry or country.

Too much conformity assessment is evidenced in paperwork that is kept in silos and hidden behind layers. Digitising and collating this information in a secure, recognised source would allow the relevant parties to check credentials anywhere and at any time. It would speed up the verification process, create a chain of traceability and help identify potential areas for concern. In addition to allowing information and status to be easily updated, digitisation would also put control over certificates back in the hands of issuing bodies. This would help prevent fraud and allow status and information to be easily updated.



How is conformity assessment approaching digitisation and what are some of the considerations?

A singular global conformity assessment database is not feasible as it would be difficult to agree ownership and relevant parameters. A network of separate specialist databases is the more practical solution. Some Gulf countries, Singapore and Australasia are already working in this area and looking at how existing unique product ID tags could be linked to the conformity assessment performed on products.

In addition to striking a balance between client confidentiality and the “greater good”, there are also questions around participation criteria that need to be resolved. For example, if you close the network off to non-accredited conformity assessment would it be fit for purpose? Conversely, if you include non-accredited conformity assessment how do you assure high standards of quality? This is something the conformity assessment industry must address in collaboration with those that rely on its services.

What standards can be applied to conformity assessment digitisation and should accreditation be made mandatory?

Whilst there are existing standards around unique identifiers they are not directly applicable to conformity assessment activity. As we’ve seen with cyber security in recent years, dealing with multiple standards across multiple industries and jurisdictions can be a time-consuming and resource-intensive process. The conformity assessment industry is starting to examine this with the overriding aim of creating a common process based on one set of agreed, internationally recognised standards.

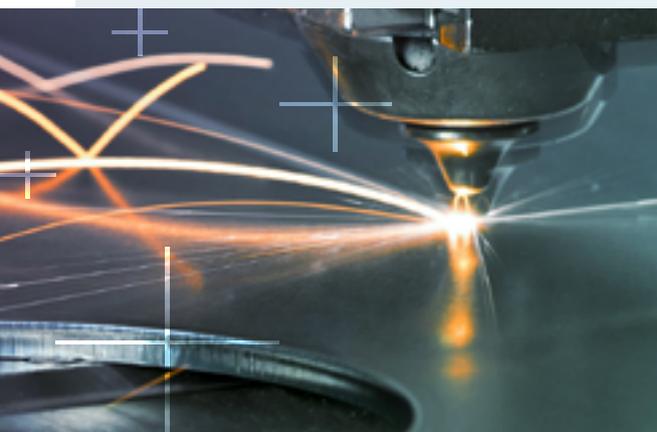
Accreditation is largely a voluntary activity whereas regulated products tend to lean towards mandatory requirements. Rather than specifying which information needs to be digitised and to what standard(s), it’s better if market forces can drive it. In addition to ensuring universal buy-in amongst all parties, this will make digitisation of certain information in a defined format a practical rather than legal requirement. In turn this will drive demand for accredited conformity assessment services in this area.

How does conformity assessment compare to other industries when it comes to digitisation?

Conformity assessment is already behind other industries on the digital adoption curve. Whilst there currently appears little danger of anything replacing conformity assessment as a concept, it is up to the sector to respond to evolving technologies and customer expectations. As seen by the introduction of remotely delivered services in response to the COVID-19 pandemic, some conformity assessment bodies are already using the learning from the pandemic to accelerate existing digitisation programmes.

Digitisation is very much part of UKAS’s strategic development, as can be seen with the launch of our eCerts (proving an organisation is UKAS accredited) and CertCheck (verifying UKAS accredited management systems certification). Recognising this is merely scratching the surface, UKAS is engaged with UK government and key stakeholders to identify other ways of digitising what the accredited conformity assessment industry delivers.

“ Too much conformity assessment is evidenced in paperwork that is kept in silos and hidden behind layers. Digitising and collating this information in a secure, recognised source would allow the relevant parties to check credentials anywhere and at any time. ”



Group strategic progress report

The principal activity of the Group in the year under review was that of being the National Accreditation Body for the United Kingdom, appointed and recognised by UK government to assess the competence and impartiality of organisations that provide certification, testing, inspection, verification and calibration services.



The Group is a non-profit-distributing private company, limited by guarantee. The Group is independent of government but is appointed as the sole National Accreditation Body by the Accreditation Regulations 2009 (SI No3155/2009) and is licensed by the Department for Business, Energy & Industrial Strategy (BEIS) to use and confer the national accreditation symbols which symbolise government recognition of the accreditation process.

Business review

The results for the Group are set out on page 50. These financial statements reflect the trading activities and results of both United Kingdom Accreditation Service (UKAS) and UKAS Limited, formerly known as Clinical Pathology Accreditation (UK) Limited (CPA).

The Group expects to continue to grow in most areas of the business, with work in the healthcare, forensics science, construction, environment and information security spearheading this growth. Our focus remains on ensuring that we continue to create the capability to respond to the increasing demand for accreditation schemes from a wide range of sectors and to that end, we plan to continue to invest in the development of our infrastructure and people.

Principal risks and uncertainties

The Directors have applied judgements, based on expert advice, in relation to assessing the position of the Defined Benefit Pension Scheme. There are no other matters concerning financial risk which are material for the assessment of the assets, liabilities, financial position and profit or loss of the Company.

Financial key performance indicators

The integrated Group has achieved an operating profit of £2,688,915 (2021: £2,983,925) and a Group gross margin of 47.2% (2021: 46.3%).

The financial performance this year was positive and the Group continues to be profitable. The Group's balance sheet continues to show a healthy ratio of current assets to short term creditors of 4.2 times (2021: 3.3 times).

Other key performance indicators

The Group continues to report internally on a series of key performance indicators such as the number of days of assessment delivered, the number of customers visited and the efficiency and effectiveness of the service. In addition to this, the Company continually surveys its customer base to ensure that the quality of service is maintained at the highest levels. During the year to March 2022, the Company delivered 31,114 (2021: 27,448) assessment days.

COVID-19 response

The Group continues to deliver more assessment days as we emerge from the COVID-19 pandemic and a return to on-site assessments in the UK and some overseas. Building on the lessons learnt during the pandemic, a blended approach to assessing will continue where it is deemed optimal to conduct part of our assessment activities remotely.

Similarly, commercial training activities continued to perform well. Virtual live and eLearning courses have been developed, enabling UKAS to achieve its wider purpose of enhancing the quality assurance skills of the sectors that it serves.

Despite the challenges that continued to affect the Group because of the pandemic, including resourcing challenges, the Group invested significantly in talent retention and acquisition, particularly of technical skills, and managed to achieve an increase in profitability through efficiency and cost reductions in its administrative expenses.

Directors' statement of compliance with duty to promote the success of the Group

In the decisions taken during the year ended 31 March 2022, the Directors have acted in the way they consider to be in good faith, most likely to promote the success of the Company and its continuing reputation for high standards of business conduct, and for the benefit of its members as a whole, having regard to the stakeholders and matters set out in Section 172 of the UK Companies Act 2006.

This report was approved by the Board on 19 July 2022 and signed on its behalf

Matthew Gantley

Matthew Gantley
Director

“ The Group expects to continue to grow in most areas of the business, with work in the healthcare, forensics science, construction, environment and information security spearheading this growth. ”



Directors' report for the year ended 31 March 2022

The Directors present their report and the financial statements for the year ended 31 March 2022.

Directors' responsibilities statement

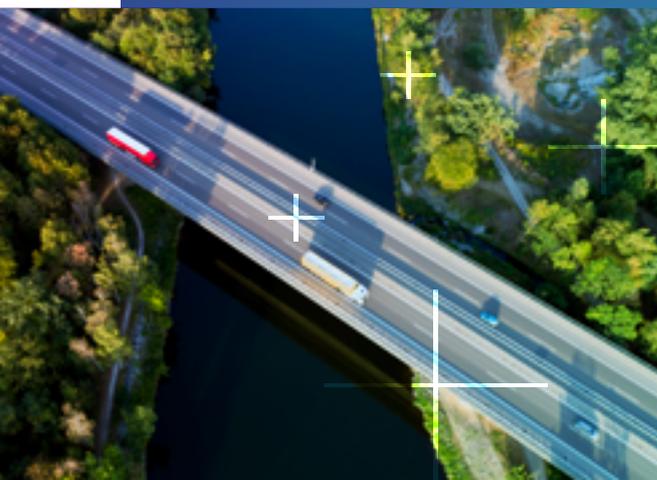
The Directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- + select suitable accounting policies for the Group's financial statements and then apply them consistently;
- + make judgments and accounting estimates that are reasonable and prudent;
- + state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- + prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Results and dividends

The profit for the year, after taxation, amounted to £2,248,654 (2021 – £2,407,915). As the Company is non-profit distributing, the Directors do not propose a dividend (2021 – £Nil).

The Directors who served during the year were:



Lord Jamie Lindsay
Chairman



Matthew Gantley
Chief Executive



Professor Michael Mainelli
Senior Independent Director



Georgia Alsop
Finance & Corporate Services Director



Jeffrey Ruddle
Strategic Development Director



Lorraine Turner
Accreditation Director



Paul Greenwood
Operations Director
(Appointed 19 October 2021)



Sarah Veale CBE
Non-Executive Director



Dr Jeffrey Llewellyn
Non-Executive Director



Professor Adrian Charles Newland CBE
Non-Executive Director

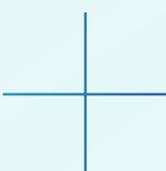


Philip Rycroft
Non-Executive Director

Future developments

In February 2021 the Board approved the UKAS Strategic Review and updated Purpose, Vision, Mission, Values as well as bringing up to date the Strategic Priorities which identify, at a high level the key areas of focus for the business. These Strategic Priorities are:

- + to excel in areas of technical expertise and service;
- + to be agile, enabling the organisation to adapt and innovate;
- + to be perceptive in developing talent and building knowledge;
- + to deliver financial stability and productivity;
- + to be respected and recognised as the world's foremost accreditation body.



More specifically, UKAS intends to deliver these priorities through the following objectives:

Key strategic objectives relating to our priority to excel in areas of technical expertise and service, are:

- deliver 'World Class' customer service;
- ensure ongoing MLA/MRA signatory status, through effective peer evaluation;
- engage with and respond to outcomes and lessons learnt from the Grenfell Tower Inquiry to ensure that accreditation is part of the range of solutions;
- work with international partners to understand the impact of blended/remote assessments on the integrity of accreditation;
- develop and enhance operations and sales resources, introducing sector specialists to support strong technical management and key sector growth.

Key strategic objectives relating to our priority to be agile, enabling the organisation to adapt and innovate, are:

- enhance and expand the use of our customer and assessor portals to support self-service, service delivery and improved customer interactions;
- modernise our assessment offering through development of our risk-based approach to assessment and expand the use of our web/app based reporting tool;
- promote the use of our CertCheck tool to support verification of UKAS accredited activities, supporting our stakeholders and customers;
- develop our contacts and resources in areas of disruptive technology to better understand and prepare for its impact on UKAS and the TIC sector;
- develop tools to assist new applicants, removing perceived and real barriers to applying for accreditation;
- improve internal collaboration and communication, through an updated intranet and expanded use of MS Teams and SharePoint.

Key strategic objectives relating to our priority to be perceptive in developing talent and building knowledge, are:

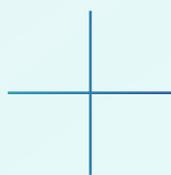
- drive improvement in staff engagement, focusing on creating a culture of belonging where everyone feels valued and heard;
- leverage our learning management system to enhance our learning, mentoring and development programmes;
- implement our talent and leadership development programme and succession planning;
- review office working patterns to respond to societal changes;
- develop our policies and processes to improve our diversity, inclusion and career progression.

Key strategic objectives relating to our priority to deliver financial stability and productivity, are:

- deliver to balanced scorecard and budgetary targets;
- enhance customer management and sales policies and processes, to ensure we provide services that meet customer expectations.

Key strategic objectives relating to our priority to be respected and recognised as the world's foremost accreditation body, are:

- enhance UKAS's relationship within UK government, building a reputation as an agile organisation that provides solutions to government's challenges;
- develop and enhance collateral on the value of accreditation, to communicate to customers, stakeholders and regulators the benefits of being accredited and using accredited services;
- increase UKAS's commitment to ILAC/IAF and EA, taking on leadership roles in key committees;
- further enhance UKAS's reputation within the healthcare sector, building upon existing services to expand our offering within the healthcare sector;
- diversify and improve our stakeholder engagement, bringing in new UKAS members and members to key committees such as PAF/PAC and Technical Advisory Committees.



Stakeholder engagement

In order for the Company to meet its responsibilities to stakeholders, the Board has to ensure effective engagement with them. As part of its annual strategic review process, the Board considers the identification and prioritisation of stakeholders and whether its relationships with key stakeholders are being managed appropriately. As set out below, stakeholder engagement is achieved in several ways and through a broad annual Policy Advisory Forum and delegated Policy Advisory Council which advise the Directors on the views of stakeholders.

The Board ensures that it has effective engagement mechanisms in place to gain a clear understanding of the views of key stakeholders so that their interests and the matters set out in Section 172 of the Companies Act 2006 can be considered in Board discussions and decision making. Taking account of the interests of our stakeholders is at the centre of our purpose; to create trust in the products and services we all rely upon and our strategic plan. As such, examples of UKAS's engagement with its key stakeholders which includes members, employees, contractors, pensioners, consumers, suppliers, standards development organisations, other accreditation bodies, regulators, governments around the world, professional bodies and academia, environmental organisations and local communities can be found throughout this Annual Report.

Examples of our key engagement activities in 2022, include:

Key stakeholder or stakeholder interests	Key engagements	Further information
Workforce	<p>UKAS values employee engagement and regularly shares information with its employees and their representatives on all matters of concern to them, including highlighting financial and economic factors affecting the Company's performance and encourages employee involvement in the Company's overall performance. The Group communicates and engages with its workforce, including contractor assessors, using a variety of channels blending in-person, virtual and electronic communication.</p> <p>Underpinning this are our values which promote acting with integrity and respect for one another. In 2022, the Executive and Non-Executive Directors were able to communicate regularly with the whole of the UKAS workforce, through the use of technology, providing important updates on policies and initiatives, sharing insights and best practice, and inviting feedback and questions.</p> <p>The effectiveness of these strategies is tracked through our employee engagement survey. Throughout 2022, employee morale remained high, with 81% of employees who responded to our survey giving positive responses to questions around morale.</p>	
Employee wellbeing during COVID-19 pandemic	<p>UKAS supported employee wellbeing and work-life balance by ensuring that staff had the relevant tools and information on policy decisions around safety and by introducing a hybrid working model for office-based positions. Managers were provided with training and advice on how to lead remote teams effectively, and on how to manage stress and mental health at work. Our Events Committee spearheaded a number of social and team building events which helped keep the whole of UKAS connected.</p>	
Members of the Company's Defined Benefit Pension Scheme	<p>The Board regularly engages with members of UKAS's Defined Benefit Pension Scheme (the 'Scheme') through various direct and indirect channels, including regular communication with trustees and attendance by Directors at Trustee meetings.</p> <p>The Scheme is well-funded and remains open to new employees.</p>	<p>Further information can be found on pages 71, 72 and 73.</p>

Equality, diversity and inclusion

The Group believes that equality, diversity and inclusion enable delivery of our purpose. To benefit from a diverse workforce, we apply role-related and objective criteria to select and develop talent and we focus on building an inclusive environment where everyone feels able to participate and achieve their potential.

Further information on the gender pay gap report can be found on the UKAS website.

We endeavour to treat everyone fairly in relation to job applications, training, promotion and career development. The Board received an overview of diversity and inclusion at UKAS and in 2022 it shared its Equality, Diversity and Inclusion (EDI) Action Plan with the UKAS workforce, restating its commitment to building a "culture of belonging" at UKAS where everyone feels valued and heard. The UKAS leadership team has received training in EDI and are committed to inclusive leadership.

UK government

UKAS worked closely with BEIS and several other government departments to support the UK's response to the COVID-19 pandemic, government's review into the testing of construction products and the Grenfell Tower Inquiry and is committed to learning the lessons from these reviews. In parallel, UKAS worked closely with government on EU-Exit transitions and with DIT on the role of accreditation in international trade agreements.

UKAS members and other trade associations

UKAS maintains an External Affairs programme for ongoing engagement activities with a broad range of stakeholders including UKAS members and trade associations.

Further information in the Policy Advisory Forum and Policy Advisory Council Chair report.

The Company's Articles of Association also require the Directors to establish a Policy Advisory Forum, the purpose of which will be to ensure that the Directors are aware of the views of interested parties on policy issues affecting the Company's activities, including the development, interpretation and application of national and international standards, guidelines, procedures, regulations, practices and agreements applicable to accreditation bodies and conformity assessment bodies.

The PAF represents over 60 stakeholders and is represented by a smaller Policy Advisory Council. The PAC advises the UKAS Board on the more detailed aspects of stakeholder feedback on UKAS policy, particularly on questions relating to the safeguarding of impartiality.

Sustainability

Enabling businesses to achieve best practice in sustainability is the focus of many of the areas that UKAS accredits which include, the accreditation of organisations that certify environmental management systems and the Greenhouse Gas Emissions Trading Scheme. UKAS continues to invest in the development of new areas of accreditation that support sustainability through direct engagement with a range of key stakeholders, including the Institute of Environmental Management and Assessment.

Further information in the Chair and the Chief Executive reports.

During 2022, UKAS adopted a blended approach to assessing, conducted its first annual technical conference remotely and promoted greater use of remote internal meetings to mitigate, where possible, the environmental impact of these events. In addition, from 1 August 2022 and in line with UKAS's commitment to become carbon neutral, UKAS introduced an enhanced allowance for fully electric company cars as a way of incentivising the adoption of electric vehicles by those who are required to drive on UKAS business.



Greenhouse gas emissions, energy consumption and energy efficiency action

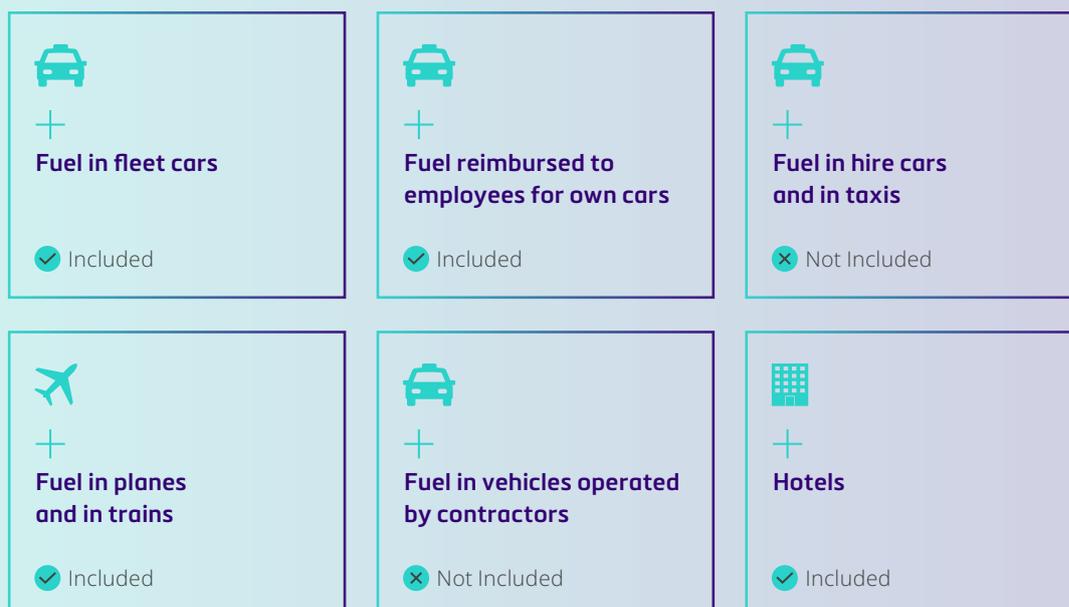
During the year, as we emerged from the COVID-19, the Group adopted a blended approach to assessing, allowing some remote assessing where this was deemed optimal and did not compromise the technical rigour of assessments. In addition, UKAS introduced a hybrid working pattern that allowed staff who are contracted to work from the office the option of working from home for up to two days per week. As a result of the higher risk associated with overseas travel during the pandemic, there was minimal overseas travel during 2021 and due to the introduction of new policies there were low levels of travel in the UK.

2022



UK energy use relates to the UKAS office only.

Greenhouse gas emissions include overseas activities and have been calculated using The International Panel on Climate Change Guidelines 2016 (Tier 3 methodology).



Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- + So far as the Directors are aware, there is no relevant audit information of which the Company and the Group's auditors are unaware; and
- + The Directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Feltons, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. This report was approved by the Board and signed on its behalf.

Matthew Gantley

Matthew Gantley
Director
Date: 19 July 2022

Independent Auditor's report to the members of United Kingdom Accreditation Service

Opinion

We have audited the financial statements of United Kingdom Accreditation Service (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Group Statement of comprehensive income, the Group and Company balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- + give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- + have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and;
- + have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- + the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- + the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

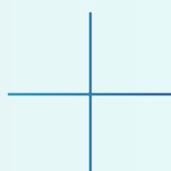
Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 40, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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



expected to influence the economic decisions of users taken on the basis of these Group financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- + we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- + we obtained an understanding of laws and regulations that could reasonably be expected to have a material effect on the financial statements through discussion with management and those charged with governance, including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- + we inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. We remained alert to any indications of non-compliance throughout the audit.
- + we addressed the risk of fraud through management override by reviewing the appropriateness of a sample of journal entries and other adjustments; assessing whether the judgements made in making key accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that we come across throughout the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Company. Our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Company's Members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an Auditors' 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 Company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Carter

(Senior statutory auditor)

Robert Carter

for and on behalf of

Feltons

1 The Green
Richmond
Surrey
TW9 1PL

Date: 18 August 2022



Financial review

+ with Georgia Alsop, UKAS Finance and Corporate Services Director



Strong performance delivered by leveraging on new ways of working.

Throughout 2022, UKAS continued to mitigate the impact of COVID-19 well, fully leveraging on the new ways of working that emerged from the pandemic, such as hybrid working and a blended approach to assessing, to deliver a strong performance all round.

Group profitability remained healthy due to productivity gains, enabling UKAS to continue to support its customers by keeping pricing, overall, at the same levels for the second year running. Group operating profit of £2.7m for 2022 decreased marginally compared to a profit of £3.0m last year, largely due to higher, discretionary inflationary increases, awarded to 'passed service' pension benefits. Gross profit margin of 47.2% for 2022 increased from 46.3% from the previous year, boosted by increases in productivity and increased revenue from commercial training.

Group revenue for 2022 of £33.5m, returned to pre-pandemic levels, and was up from £29.8m in the previous year, largely due to 3,666 more assessment days delivered, and higher income from chargeable travel and commercial training. UKAS delivered 31,114 assessment days compared to 27,448 days in the previous year. The market demand for quality assurance continues to drive demand for accreditation, and, during 2022, 1,514 customers applied for extensions to their accredited scope and 288 new customers applied for accreditation.

Throughout 2022, UKAS continued to invest in its people and strategic infrastructure projects such as the launch of its certificate database, which allows the public to authenticate the validity of accredited services, and the launch of its customer portals which will transform the way UKAS collaborates with customers.

In parallel, costs were contained through the effective use of online collaboration solutions, for internal as well as external meetings and training. Group administrative expenses of £13.1m were 18.3% higher than the previous year, excluding the higher cost of one-off discretionary pension benefit enhancements, due to higher salary, recruitment and travel costs reflecting greater focus on boosting technical, quality and strategic project management resources.

Profit and loss reserves of £29.2m were positive and included a £13.3m long term pension asset, relating to the company's defined benefit pension scheme. At the last actuarial valuation, as at 31 March 2021, the UKAS Defined Benefit Pension Scheme was fully funded, even on a prudent basis and the Scheme's funding levels remain strong. The Group aims to hold three months revenue as reserves and as at 31 March 2022 exceeded its target.

The Group's liquidity position as at 31 March 2022 strengthened further with its current asset ratio increasing from 3.3 to 4.2.

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Stay up to date with UKAS via the following methods:



Our LinkedIn page >



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Our website news >

