



The
Family
Mediation
Trust

Report and Accounts

For the Year Ended 31 March 2023

Charity Number 1041476

Company Number 2975404

THE FAMILY MEDIATION TRUST LTD ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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CHARITY NUMBER

1041476

COMPANY REGISTRATION NUMBER

2975404 (ENGLAND)
A company limited by guarantee
not having a share capital

TRUSTEES/DIRECTORS

Chair

Tracy Sortwell

Treasurer

Charles Mckie (Resigned November 23rd 2023)

Trustees

Elizabeth Lewis
Sarah Calder
Hilary Perrott
Elisabeth Sneade
Sellina Kauser (Appointed October 19th 2022)
Karen Taylor (Appointed October 19th 2022)
Jonathan Dickens (Appointed November 23rd 2023)
Meryl Hughes (Resigned October 19th 2022)
Sophie Smith (Resigned October 19th 2022)
Andrew Stronach (Resigned October 19th 2022)

REGISTERED OFFICE

The Charing Cross Centre
St John Maddermarket
Norwich
NR2 1DN

REPORTING ACCOUNTANT

Stuart Arrandale
Chartered Accountant
23-25 Gwydir Street
Cambridge
CB1 2LG

BANKERS

CAFBANK Ltd
Kings Hill
West Malling
Kent
ME19 4TA

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Principal Activities

The principal activity of The Family Mediation Trust ('TFMT' or 'the Trust') is to alleviate the hardship and distress of couples and other family members involved in separation or divorce and to preserve and protect the mental and physical health of the adults and children involved.

The core values of our service are inclusiveness, acceptance, and accessibility through the empowerment of parents, carers, and children, quality and professionalism of service, and acting as a voice for the well-being of children.

We aim to help those experiencing relationship breakdown by providing accessible information and support for children, parents and carers from all cultures and communities. We have a special concern for listening to the voices of children and young people and supporting children and their parents or carers.

We aim to help separating couples to work together to resolve their financial and/or childcare problems by offering them a safe environment where their feelings are acknowledged and where they are encouraged to discuss and plan the future as constructively as possible.

To further these objectives, we provide a range of services to couples involved in, or considering, separation and divorce, and to their children and other family members. These services consist of:

- Information about all aspects of separation and divorce and the most appropriate means of helping children through parental separation;
- Mediation with a view to helping couples make decisions on practical arrangements for themselves and their children; and
- Training mediators and other professionals in the role and delivery of mediation to separating families.

Mediation Service

We employ nine mediators. One of our mediators is also a Professional Practice Consultant and provides in-house supervision, alongside additional Professional Practice Consultancy from an external consultant.

The Trust remains dedicated to supporting new mediators through their training. During the year the Trust has supported three mediators to develop their portfolios.

Parenting Programmes

We continued to deliver the Separated Parenting Information Programmes (SPIPs) designed to help parents maximise their emotional support to their children throughout the period of family separation and its aftermath. The trust ceased delivering the SPIPs program from the 1st April 2023.

Centre for Excellence

Following the launch of the Centre For Excellence ('CforE') in March 2021 the Trust has continued to invest time and resources in the development of this area of work. The Centre For Excellence has focused on short course development, delivering one off industry level events and the trial of new mediation approaches.

Focus of the CforE has been on trialing new models of mediation such as Parenting Coordination and advocacy for low-income families.

Financial Review

Income for the year amounted to £360,851 (year ended 31 March 2022: £320,399). Donations gratefully received during the year amounted to £29,100 (year ended 31 March 2022: £12,262).

Reserves

The balance on the unrestricted fund account on 31 March 2023 was £174,191 (year ended 31 March 2022: £150,057). The Trustees continue to focus on three primary financial objectives: (1) maintain sufficient cash reserves to enhance organisational resilience to respond to any future economic downturns; (2) further develop the service's revenue streams to financially support the service's charitable objectives obviating the need to rely largely on charitable donations to fund capital expenditure and future development; and (3) invest in the future of the sector to promote service quality in a changing society to deliver long-term societal benefit

The balance on the restricted fund account on 31 March 2023 was £18,398 (year ended 31 March 2022: £11,848).

Chief Executive Officer's Report

The team at the Trust have continued to develop the core approach to how we deliver mediation so that we can ensure that for our clients we are able to offer the most effective mediation we can.

However, this is done in a world where uncertainty remains a core parameter we have to work in.

A Challenging World

After three years dominated by COVID we have now moved into a period characterised by the cost-of-living crisis and above inflationary cost increases. These two trends have placed an ever-increasing number of families and children under financial pressure.

The impact of these pressures has been highlighted by the Child Poverty Action Group's research which highlighted that 29% of children live in poverty and in lone parent households this increases to 44%.

On one hand this increases the risk of more families in conflict and consequently increases the number of families going through separation.

These families also, often, do not have funds to cover legal advice or support their own costs for mediation.

On a daily basis these issues are clearly seen by our mediators and admin team. Issues such as increased conflict, customer ability to pay when not eligible for legal aid and dealing with debt as part of a mediation agreement are all becoming ever more prevalent.

These challenges make the delivery of mediation an increasingly challenging proposition.

Legal Aid provision has increased over the last year by £11,000. In the last two years the number of clients assessed as eligible for legal aid has jumped up by 50.4%. Legal aid rates however have continued to remain at the rates paid in 2004, placing considerable financial pressure on legal aid mediation providers. This is making delivery to low-income families an ever-increasing challenge.

The Trust has increased its use of mediation vouchers for clients. The increasing certainty of the vouchers has helped support a broad range of clients.

During the year the Trust claimed 153 vouchers, of which 41% were used to subsidise legal aid cases. 39% of the vouchers claimed were for the full value of mediation provided.

We do want to say a big thank you to the law clinics around the region as they play a vital role for so many of our clients.

To help the Trust continue to develop ever stronger mediation delivery in an increasingly challenging economic climate we have had to increase efficiencies and improve economies of scale. This has been achieved by:

- Expanding provision across the region, 27% of clients now come from outside our core delivery area;
- Manage overheads to ensure only essential overhead expenditure is incurred; and
- Focus on continued improvement of conversion rates to mediation outcome.

Delivery Performance

The table below provides the year's key performance indicators against the previous two years.

	2020/21 Outputs	2021/22 Outputs	2022/23 Outputs	2020/21 Growth 2022/23
1 st MIAMS	880	940	927	5.3%
2 nd MIAMS	338	419	447	32%
Mediation Sessions	266	491	568	135%

The table shows that the Trust has seen a greater increase in 2nd MIAMs (6.7% increase) and subsequent mediation sessions (15.6% increase) year on year, demonstrating the continued improvement in conversion to mediation. The Trust has focused on increasing communication to the second client to achieve a greater conversion rate into mediation.

During the year the Trust and its sub-contracting partners achieved a total of 788 Separated Parents Information Programme ('SPIPS'), compared to 689 the year before, an

increase of 19%. Of these 76.3% were delivered within 20 working days of referral and 73% completed feedback forms.

The Centre For Excellence

The Centre For Excellence has mainly focused on the rolling out of a Parenting Coordination pilot project and acting as an advocate for legal aid mediation.

PARENTING COORDINATION

The concept of parenting coordination has been developed in many countries around the world as a way for clients with significant conflict to manage their court ordered agreements. In the UK the concept has been developed through a group of 9 mediators over the last 4 years. This however has not materialised into significant case work.

The Trust secured initial funding from the Norfolk Community Foundation and the Mercers charity of £48,394 over three years to set up and trial a project in Norfolk for Parenting Coordination (PC). The aim of the project was to identify the barriers to accessing PC and to find solutions to removing the barriers.

The project focused on the following barriers:

- Court Support: the team worked with CAFCASS and the family judges in the county to ensure they had a high level of understanding and trust in the process and that they could refer clients in to the pilot.
- The financial barrier of accessing PC: PC involves a lot of interaction over a significant time period, and this means that the program is expensive for clients. Through the use of grant funding, we have been able to create a charging system which means that for those on very low income PC would be free and those on low incomes there would be a very low cost.
- Legal Advice: the programme requires clients to gather legal advice on PC before they engage. This is shown through the need to sign a binding contract with independent legal signature. The key need for this is that PC includes an element of adjudication if couples cannot agree on a point. We have looked to remove this aspect of PC as it also led to conflict between the client and PC if enacted.

The programme has received good support from across Norfolk and is now reaching a pivotal position as we relaunch with adjustments enacted to remove further barriers.

The Trust is also working with the Parenting Coordination Alliance to explore long term standards and compliance monitoring.

The Trust has played a leading role in advocating for low income families and the need to retain legal aid for mediation. This work has seen the Trust work with others to create an alliance of 77 providers who all provide legal aid mediation. The Trusts CEO has also taken on the role as chair of the group and has been instrumental in protecting access to mediation for low-income families.

The group acknowledge they have a long way to go, but also acknowledge that they have made some important progress. The key successes achieved to date include gaining the support of a wide partnership of providers, correspondence with the Labour Party senior MP's and correspondence with Lord Bellamy.

The groups work has resulted in amplification of the message through other organisations. This includes improved focus by the FMC on legal aid.

Plans for the Future

While this year has been a successful year for the Trust there is still further work that can and should be undertaken. Over the coming year the Trust will be focusing on:

- Increasing the number of families the Trust works with to ensure the impact of our work is felt by more people;
- Introduce new projects and ways of working to continue to find ways of working with the increasingly complex nature of family separation, projects such as Parenting Coordination; and
- Explore approaches to make the Trust a rap around service for separating families.

Thank You

The team of administrators and mediators at the Trust are not only extremely hard working but also show compassion and commitment to our clients every day. It is this approach from all of the team that has enabled the Trust to have another successful year.

The Trustees have been able to show guidance and support to decision making while also focusing on ensuring the governance of the charity has been maintained at the highest level.

The Trust has been fortunate to have received support from a number of charities and Trusts. We would like to thank the following for their support:

- The Mercers Charity
- Cambridge Community Foundation
- The Privy Purse
- Norfolk Community Foundation

FAMILY MEDIATION LEGAL AID ACTION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also directors of The Family Mediation Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law, United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the Charities SORP 2020.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The trustees 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 enable them to ensure that its financial statements comply with the Companies Act 2006 and the Charities SORP 2020. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the General Directions given by the Charities Commission under Section 145(5)(b) of the Charities Act 2011.

Independent examiners

The directors reappointed Stuart Arrandale, Chartered Certified Accountants as independent examiner to the company.

Reserves Policy

The charity aims to hold sufficient general funds to cover the cost of running the charity for three months.

Post Balance Sheet Events

There are no Post Balance Sheet Events to be reported.

Signed on behalf of the Trustees on.



Mr Charles McKie

Director

23 November 2023

ACCOUNTANT'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF THE FAMILY MEDIATION TRUST

I report on the accounts for the year ended 31 March 2023, which are set out on pages 9 to 15.

Respective responsibilities of Trustees and reporting accountants

As described on page 7 the Trustees, who are also the Directors of The Family Mediation Trust Ltd for the purposes of company law, are responsible for the preparation of the accounts, and they consider that an audit is not required for this year and that an independent examination under section 144 of the Charities Act 2011 is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission and
- to state whether particular matters have come to my attention.

Basis of statement

My work was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act, and
- to prepare accounts which accord with the accounting requirements of the charities Act

have not been met, or to which in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached



STUART ARRANDALE
Chartered Accountant
23-25 Gwydir Street
Cambridge
CB1 2LG

30/11/2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Donations	1c	29,100	-	29,100	12,262
Incoming resources from operating activities in furtherance of the charity's objects		330,663	-	330,663	308,118
Investment income		1,088	-	1,088	19
TOTAL INCOMING RESOURCES		360,851	-	360,851	320,399
Cost of generating funds		-	-	-	-
NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE APPLICATION					
		340,851	20,000	360,851	320,399
RESOURCES EXPENDED					
Direct charitable expenditure	3	315,517	13,450	328,967	304,820
Governance costs	5	1,200	-	1,200	1,200
TOTAL RESOURCES EXPENDED		316,717	13,450	330,167	306,020
NET INCOMING /(OUTGOING) RESOURCES FOR THE YEAR					
	2	24,134	6,550	30,684	14,379
Assets transferred from Norfolk FMS		-	-	-	39,319
Balances brought forward					
At 1 April 2022		150,057	11,848	161,905	108,207
Balances carried forward					
At 31 March 2023		174,191	18,398	192,589	161,905

The notes on page 11 to 15 form part of these accounts.

THE FAMILY MEDIATION TRUST LTD BALANCE SHEET AS AT 31 MARCH 2023

	NOTES	<u>2023</u>		<u>2022</u>	
		£	£	£	£
FIXED ASSETS	6		3,331		3,325
CURRENT ASSETS					
Debtors	7	38,305		33,807	
Cash and Bank		<u>177,673</u>		<u>148,556</u>	
		215,978		182,363	
CURRENT LIABILITIES					
Creditors falling due within one year	8	<u>26,720</u>		<u>23,783</u>	
NET CURRENT ASSETS			<u>189,258</u>		<u>158,580</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>192,589</u>		<u>161,905</u>
INCOME FUNDS					
Restricted funds	10		1,854		11,848
Unrestricted funds			<u>190,735</u>		<u>150,057</u>
			<u>192,589</u>		<u>161,905</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on 23 Nov 2023 and signed on their behalf.

.....*Charles McKie*.....(Director)

The notes on pages 12 to 16 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF ACCOUNTS

These financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", the Charities Act 2011, the Companies Act 2006 and in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102).

The Family Mediation Trust Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling (£), rounded to the nearest pound.

b) FUND ACCOUNTING

Unrestricted funds represent accumulated surpluses and deficits in the general fund which are available for us at the discretion of the trustees in the furtherance of the charity's objectives.

Restricted funds are created when income is received for a specific purpose and use is restricted to that purpose.

c) INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- i. Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- ii. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- iii. Investment income is included when receivable.
- iv. Income from fees is accounted for on a receipts basis.
- v. Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

d) RESOURCES EXPENDED

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- i. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- ii. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include professional fees and costs linked to the strategic management of the charity.
- iii. All costs are allocated directly between the expenditure categories of the Statement of Financial Activities. Establishment costs, management salaries and administration costs are allocated to the Mediation Service and Other Family Services in the ratio 75:25.

e) DEPRECIATION

Tangible fixed assets costing less than £1,500 are written off in the year that they are acquired.

Depreciation is provided on all tangible fixed assets so as to write off the cost of assets, including the value of donated assets, less estimated residual value, over their expected useful lives, on a straight-line basis. It is calculated at the following rate:

Office equipment: 25%

f) TAXATION

The activities of the company qualify as charitable activities for corporation tax and therefore the company claims the charitable exemption provisions on any surplus arising from its primary trading activities. During the year the company did not undertake any non-charitable trading activities.

g) LEASES

Rentals under operating leases and hire agreements are charged to the income and expenditure account as incurred.

2. NET INCOMING/(OUTGOING) RESOURCES

The net incoming/(outgoing) resources before transfers for the year is arrived at after:

	2023	2022
	£	£
Reporting Accountant's fee	1,200	1,200
Combined liability insurance	1,567	1,460
Depreciation	1,111	-

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

3. DIRECT CHARITABLE EXPENDITURE

	Unrestricted funds	Restricted funds	2023	Total 2022
	£	£	£	£
<u>All Services</u>				
Mediators salaries	120,585	9,000	129,585	126,323
Non-Mediators salaries	106,977	2,136	109,113	82,361
Establishment and admin costs	86,560	2,314	88,874	94,618
Training, affiliation and travel	<u>1,395</u>		<u>1,395</u>	<u>1,518</u>
	<u>315,517</u>	<u>13,450</u>	<u>328,967</u>	<u>304,820</u>

4. ESTABLISHMENT AND ADMINISTRATION

	Unrestricted funds	Restricted funds	2023	Total 2022
	£	£	£	£
<u>Establishment</u>				
Rent and rates	14,043	-	14,043	12,358
Telephone	4,572	-	4,572	4,850
Printing, post & stationery	6,132	-	6,132	5,668
<u>Administration</u>				
Bookkeeping	5,515	-	5,515	5,269
Insurance	1,567	-	1,567	1,460
Consultants expenses*	48,000	2,000	50,000	50,000
Depreciation office equipment	1,111	-	1,111	-
Sundry	<u>5,620</u>	<u>314</u>	<u>5,934</u>	<u>14,712</u>
	<u>86,560</u>	<u>2,314</u>	<u>88,874</u>	<u>94,618</u>

* The consultancy expenses cover the fees for The Rural Consultant Ltd to provide Management Services functions to the Family Mediation Trust throughout the year.

5. GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	2023	Total 2022
	£	£	£	£
Financial and professional				
Independent examination	1,200	-	1,200	1,200
Legal and professional	-	-	-	-
Total Administration	<u>1,200</u>	-	<u>1,200</u>	<u>1,200</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

6. FIXED ASSETS

	Leasehold Improvements	Office Equipment	Total
Cost	£	£	£
At 1 April 2022	11,163	27,352	38,515
Additions	-	<u>1,117</u>	<u>1,117</u>
At 31 March 2023	11,163	28,469	39,632
Depreciation			
At 1 April 2022	11,163	24,027	35,190
Charge for year	<u>-</u>	<u>1,111</u>	<u>1,111</u>
At 31 March 2023	11,163	25,138	36,301
Net 31 March 2023	-	<u>3,331</u>	<u>3,331</u>
Net 31 March 2022	-	<u>3,325</u>	<u>3,325</u>

7. DEBTORS

	2023	2022
	£	£
Trade debtors	36,569	30,626
Other debtors and prepayments	<u>1,736</u>	<u>3,181</u>
	<u>38,305</u>	<u>33,807</u>

8. CREDITORS:

Amounts falling due within one year	2023	2022
	£	£
Trade creditors	6,437	5,151
Other taxation and social security	<u>20,283</u>	<u>18,632</u>
	<u>26,720</u>	<u>23,783</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

9. OTHER COMMITMENTS

At 31 March 2023 the charity had annual commitments under non-cancellable operating leases as follows:

Land and buildings	2023	2022
Expiry date		
Within one year	£-	£-
Within two to five years	£-	£-
	=====	=====

The Trust uses assets under licence arrangements with rolling 90-day arrangements.
There were no capital commitments at the balance sheet date.

10. RESTRICTED FUNDS	2023	2022
	£	£
Law Services Commission	1,854	1,854
Parental Co-ordination	16,544	-
Norfolk Community Foundation	-	9,994
	18,398	11,848

TRUSTEES AND EMPLOYEES

There were 16 employees during the year (2022: 14) each earning less than £40,000 p.a.

There were no transactions with the Trustees who receive no emoluments.

11. CONTINGENT LIABILITIES

The charity has no contingent liabilities.