
CENTRE FOR EFFECTIVE DISPUTE RESOLUTION LIMITED

(A charitable company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Registered Company Number: 2422813

Registered Charity Number: 1060369



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CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Reference and Administrative Details

DIRECTORS and TRUSTEES:

| Trustee | Date Appointed | Date Resigned |
|----------------------|-------------------|-------------------|
| Sir Julian Smith | 12 December 2024 | 19 August 2025 |
| Christopher Collie | | |
| Tony Coveney | 19 September 2024 | 20 August 2025 |
| Joanna Day | | 19 September 2024 |
| Jamie Drummond Smith | | |
| Elodie Loing | | 19 September 2024 |
| Joanna Page | | |
| James South | | 24 September 2025 |
| David Storey | 19 September 2024 | |
| Hannah Tumpel | | |
| Kyle Williams | | |

| | | |
|-------------------|-----------------|-------------------|
| SECRETARY: | Douglas O'Neill | 24 September 2025 |
| | Graham Massie | 19 September 2025 |

SENIOR EXECUTIVES:

| Senior Executive | Date Appointed | Date Resigned |
|-------------------------------|-------------------|-------------------|
| James South Chief Executive | | 26 September 2025 |
| Eileen Carroll KC (Hon) | | |
| Karl Mackie CBE | | 31 March 2025 |
| Graham Massie | | 30 September 2025 |
| John Muntun Managing Director | 19 September 2025 | |
| Andy Rogers | | |
| Susanne Schuler | | |
| David Storey | | |
| Hannah Tumpel | | |
| Kyle Williams | | |

REGISTERED OFFICE: 100 St Paul's Churchyard London EC4M 8BU

COMPANY NUMBER: 2422813 **CHARITY NUMBER:** 1060369

BANKERS: Barclays Bank PLC, Atlas House, 1-7 King Street, London, EC2V 8AU
 HSBC Bank PLC, 60 Queen Victoria Street London EC4N 4TR

AUDITORS: Moore Kingston Smith LLP, 9 Appold Street, London EC2A 2AP

Aims and Objectives

Centre for Effective Dispute Resolution ("CEDR") is a UK registered charity that is committed to improving the way organisations prevent, manage and resolve conflict deadlock.

The objects for which the company is established are to promote, for the benefit of the public in the United Kingdom, Europe and throughout the World, the use of conciliation, mediation, adjudication and other methods and procedures for resolving disputes between individuals and/or organisations where this will avoid or reduce the need for, and thereby relieve the social and economic costs of, litigation and equivalent procedures ("Alternative Dispute Resolution" or "ADR").

The strategies we employ to achieve CEDR's objectives are:

1. providing a distinct and independent voice which offers innovative and creative practical leadership in the field of conflict management in relation particularly to justice systems and to organisations.
2. providing an information and advisory service to our members, experts and legal representatives in the field, and others.
3. operating as an independent third party at all dispute levels from global conflict, major business transactions and organisational politics, through to court-annexed schemes and cases of individual consumer complaint and disagreement.
4. running conflict training programmes and consultancy projects to teach participants to use mediation skills, effective communication and conflict management techniques in their working and personal lives.

Better conflicts, better outcomes, better world

Our vision is that better conflicts result in better outcomes leading to a better world. Our mission is to provide society with skills and solutions for effective dialogue and to bring about sustainable change. All our work is underpinned by our values of Humanity, Independence, Tenacity and Transformation.

CEDR were the original disruptors before disruptors had their name, being the leading campaigner for the development of alternative methods of resolving disputes both in the UK and internationally. We have been instrumental in assisting organisations and government to develop their own conflict management and dispute resolution strategies; and we have lobbied vigorously to raise the awareness of mediation and related skills training. We continue to honour that legacy, charting our own path as the modern face of mediation and conflict resolution.

As a social enterprise, our dispute resolution, training and consultancy services are integral to our overall mission. These activities are conducted through wholly owned subsidiaries, CEDR Services Limited and Independent Sector Complaints Adjudication Service Limited. All of the taxable profits of the subsidiaries are donated by way of Gift Aid to CEDR in order to provide funding for our charitable work alongside subscriptions from our members.

Achievements and Performance

How our activities deliver public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

In setting the level of fees, charges and concessions, the organisation gives careful consideration to the accessibility of its services to those on low incomes. We are mindful of the need to deliver services direct to the public, and we therefore continue to expand our range of lower value schemes in targeted sectors. Our low-cost, quality-controlled mediation service continues to be well used; the majority of our consumer services are free of charge to complainants; and we offer free targeted programmes for individuals and groups where we believe that those working and living around them will benefit from their new skills.

In addition to offering low-cost services that are accessible, we regard these services as also delivering public benefit in that they can assist in cutting the cost of conflict, in other words relieving individuals, businesses and society of the expensive and damaging consequences, both personal and financial, of badly handled adversarial conflict. Our training has a similar objective which we aim to achieve by upskilling individuals and organisations so that they can either manage their own conflicts more effectively or assist others to do so.

Our Impact Report, available at <https://www.cedr.com/foundation/our-impact/> presents our impact across two broad categories: financial and social:

- Financial benefits can most obviously be identified by looking at the direct costs that individuals and organisations are able to save by using one of our services, or approaches, rather than proceeding to litigation or unresolved conflict.

This analysis can be expanded to look at the wider financial benefits that these users might realise by, for example, being able to prevent future conflict through better understanding the root cause of their conflict so as to learn lessons for later. There are also financial savings regarding the benefits to individuals and society of allowing their conflicts to be handled outside traditional methods such as the court process.

- Social impact is primarily concerned with the non-monetary benefits that people have through being in contact with CEDR or, less directly, through the influence that our work has had.

Each year, CEDR works directly with thousands of individuals and organisations in dispute to help them resolve their disputes:

- 20,000 people resolved their disputes with CEDR, and overall, we handled disputes worth more than £500 million in total (excluding the impact of some exceptionally high value matters).
- Over 200 young professionals received free skills training.
- We trained around 1,000 individuals in mediation, negotiation and conflict management skills.
- Overall, 72% of the people we train report that they have learnt skills to use within their organisation.

Achievements and Performance

- We estimate that consumers saved approximately £1.5 million in court fees by using our services rather than going to court.
- There were also savings for society in that, by removing these smaller cases from the system, our work saved at least 700 judicial days that would have been required to process those cases, leading to a saving of some £1.9 million in court running costs.

The value delivered by mediation was last quantified in the eleventh iteration of our Mediation Audit, published in August 2025. This reported that approximately £30 billion of commercial claims are mediated annually, and that, through mediation, British business saves around £8 billion each year. The Audit reports that the average time spent by a mediator on each case was just 15 hours, but nevertheless, in spite of the relatively short involvement by a mediator, 87% of mediations achieved settlement of the dispute either on the day or shortly thereafter, as reported in the CEDR Mediation Audit 2025.

Highlights of the year

Good progress continues to be made across all areas of our business. Our traditional activities of providing mediators for commercial disputes, addressing consumer complaints against large businesses, and training professionals in mediation, negotiation and conflict resolution skills all continue to thrive.

Beyond this core work, we are increasingly coming to realise that the people, process and negotiation skills of mediators can be deployed into much broader social conflict engagements, to help society have its difficult conversations more productively. Our work in this area has led us to articulate more clearly that our strategy is not only to continue to offer dispute resolution services and training but to redouble our focus on bringing better conflict engagement expertise to assist organisations and individuals with all aspects of social friction. Sometimes this means working in a consultancy fashion, designing and assisting in the implementation of new approaches to dialogue, whilst on other occasions a mediation-based approach is deployed but in a more nuanced model than the standard single-day approach which has become commonplace.

A particular highlight of how our mediation expertise can be deployed in other contexts was our collaboration with Sanofi, a biopharma company that operates in more than 100 countries round the world with over 90,000 employees, to develop and embed a truly people-centred Ombuds programme as part of their global strategy on enhancing organisational justice and speak up culture. A detailed case study of this project can be viewed [here](#).

Other successes this year have included the establishment of tailored schemes for a number of corporates operating online marketplaces where business users sell their goods or services to end users.

We are also pleased to report that, following a competitive retender process, we have recently received confirmation that NHS Resolution have awarded us a new four-year contract to mediate disputes arising from personal injury and clinical negligence incidents and claims. The goal of the service is to support patients, claimants, families and NHS staff in working towards the resolution of incidents and legal claims without the need, expense and potential emotional distress of going to court, and CEDR is proud to have worked with NHS Resolution for nearly 10 years, during which time over 2,100 claims made against NHS organisations have been mediated.

Achievements and Performance

Other important areas of activity this year included continuing our Skills for Life Programme for a further cohort of 150 students and young people recruited by the Ukrainian Mediation Centre. This year we also delivered the programme to the Girls Human Rights Hub as well as speaking on conflict resolution at their 2024 Festival.

User education is an important part of our work. This year, we continued our emphasis on offering training to organisations who subscribe to our dispute services; in effect providing them with additional skills and knowledge so that they are better able to resolve customer complaints at the first instance rather than needing to have recourse to our services.

Our long-standing organisation and sponsorship of the National Negotiation Competition for Law Students continued, with some 70 teams participating in the England and Wales competition. As well as running the event, we provided additional training for all of the national finalist teams and then coached the English and Welsh teams at the 2024 international championship in Manaus, Brazil. We were also honoured to host the international finals in London in July 2025.

Internationally, CEDR is a supporter of several international organisations including the International Mediation Institute. We regularly host judicial and governmental delegations from around the world and we also ran an extensive programme of international training courses: including our mediator skills and accreditation courses in Dublin, Paris, Oman and Hong Kong; Investor-State mediation training for specialists in that field; and an International Accreditation Programme for experienced mediators seeking to enhance and extend their international practice and to achieve CEDR-Accredited status.

CEDR is proud to acknowledge the support and commitment of our trustees, staff, mediators, adjudicators and faculty members, all of whom play an important part in supporting our mission to promote better conflict resolution. We were particularly pleased that some of our key people were honoured at the National Mediation Awards 2024:

- Felicity Steadman, head of our training faculty and member of our mediator panel was winner of the Workplace Mediator of the Year award.
- Frederick Way, also a member of our mediator panel and training faculty, was winner of the Civil/Commercial Mediator of the Year award.
- Tony Allen, former CEDR director and panel member, was recipient for the Significant Achievement Award.

One particular sadness this past year was the passing of Michelle Sadio, a much-loved member of our Complaints Redress team, in horrific circumstances. A consummate professional known for her unfailing kindness, she was a natural leader, who took the time to nurture relationships with everyone she interacted with, and she had a positive impact on her colleagues over two decades. Her loss has left a significant void for us all both personally and professionally.

Finally, it is appropriate to record that, over the past year, a number of our original group of senior executives, including Karl Mackie, Eileen Carroll, Graham Massie and Andy Grossman have stepped away from their leadership roles although remain associated with CEDR as mediation practitioners. We are grateful for their considerable contributions over the past thirty years, but we now have in place a new executive team to take CEDR forward into its next phase of growth.

Plans for 2025/26 and beyond

The directors recognise the importance of restoring financial equilibrium to the organisation after a number of years of trading losses.

Following the Court of Appeal's decision in the *Churchill* case and subsequent action from the UK Ministry of Justice, we anticipate that the coming years will see a significant upturn in public awareness and, therefore, the number of cases coming to mediation. As these will initially be lower value matters, a high level of efficiency will be required to service them economically and, to that end, we are continuing with our strategy of developing a more extensive client-facing case management platform. Alongside the related changes in our working procedures, we plan also to increase our levels of client engagement, both to improve our overall client service and to seek out more of the complex, and usually higher value, assignments where we have particular expertise to offer.

We are also midway through a project to increase the level of automation and efficiency within our open training programmes, again with the dual objectives of enhancing client service whilst also freeing up staff time that can be redeployed to more client engagement and business development activities.

Consistent with our emerging strategy of broadening our focus beyond individual mediation and training assignments and towards situations in which we can deploy our broader conflict engagement expertise, we have reoriented our sales and marketing approaches away from those individual service sales in favour of more campaign-based work in which we identify key conflict-related issues within society and offer thought leadership on the pitfalls and opportunities that arise. The first such campaign, launched in April 2024, deals with the question of how organisations can meet the challenge and opportunities presented by increased Employee Activism on issues both within and outside the workplace. These campaigns are also important in that they provide a vehicle to extend our marketing reach beyond our traditional litigation lawyer audience so that we can engage directly with organisational clients.

Within our Foundation work, our thought leadership, innovation and outreach workstreams will continue, with particular emphasis on promoting more Diversity and Inclusion within the mediation profession and in our work with young people. We will continue to work with the government and judiciary to support the development of mediation within the civil justice system in England and Wales; we will continue our series of educational masterclasses; and we will further develop our Home for Mediation, Skills for Life and International Negotiation Competition programmes.

Review of Financial Performance

These financial statements report that total income fell by 21.8% to £7,959,000 (2024: £10,184,000) primarily because of the decline in revenues from our work with the British Banking Resolution Service (BBRS). The BBRS was launched in 2021 to resolve disputes between eligible small and medium sized businesses and seven of the major lending banks, and CEDR's work in supporting its design and operations has been very effective in both financial and operational terms. Ultimately, however, the BBRS Board decided to close down the operation because the number of registrations that campaigners expected to see at the setup of the BBRS never materialised.

Largely reflecting this reduced activity and the related reduction in our personnel headcount, expenditure fell by 16.4% to £8,619,000 (2024: £10,310,000).

The consolidated balance sheet shows that our overall position continues to be sound, including cash and bank balances of £1,530,000 (2024: £2,198,000) and total reserves of £2,038,000 (2024: £2,748,000).

Reserves policy

In their consideration of what would be the appropriate level of reserves to be held by the company, the directors have set a policy which requires (a) that reserves be maintained at a level which ensures that core activities could continue during a period of unforeseen difficulty; and (b) that a proportion of reserves be maintained in a readily realisable form. The directors consider that the level of free reserves be maintained at a range equal to between £407k-£1,221k (which equates to a maximum of 3 months operating expenditure).

Our overall reserve position has decreased by £701,000 as a result of the net deficit for the year, and our free reserves have fallen to £684,000 (2023: £1,312,000).

This calculation recognises that, included within total reserves, £330,000 (2024: £289,000) has arisen from our involvement in ISCAS and has been designated specifically for use in furtherance of our charitable objectives within the independent healthcare sector.

The trustees have considered the organisation's commitments, planned activity levels and the risks associated with each stream of income and expenditure being different from that budgeted, and have concluded that setting the level of free reserves at a maximum of 3 months operating expenditure is adequate and not excessive but that steps should nevertheless be taken to increase their level so as to provide for further financial resilience.

Structure, Governance and Management

The company was incorporated by guarantee on 14 September 1989. It has no share capital and is a registered charity. The liability of each member of the company in the event of its winding up is limited to £1 per member. At 31 March 2025, the company had 11 members.

The governing document is the Memorandum and Articles of Association of the company, and members of the Board of Trustees are the directors of the company. Following completion of an extensive governance review, undertaken with the assistance of the company's lawyers, and after obtaining the approval of the Charity Commission, revisions to the company's objects clause and the adoption of updated Articles of Association were approved by the members at an Annual General Meeting held on 30 March 2023.

Both of the company's wholly owned trading subsidiaries, CEDR Services Limited and Independent Sector Complaints Adjudication Service Limited, have separate Boards of Directors the majority of whom are not Trustees of the company.

Trustees

In accordance with the Articles of Association trustees are elected by the members in General Meeting; in addition, the trustees may co-opt additional Board members either to fill vacancies or to add to their numbers.

When seeking new members, the trustees try to attract members with relevant skills and experience whilst ensuring that there is appropriate diversity amongst their number in terms both of professional background and representation from each of the various stakeholder groups with which CEDR engages (these include mediators, the legal profession, business and the public sector). Because of their professional background, new trustees generally already have a working knowledge or experience of the ADR field, but they all undertake an induction process based largely on briefings by senior executives; additional training is available where appropriate. This process also includes regular updates on charity sector matters based on Charity Commission guidance and professional advisers' briefing materials.

The trustees of the company who served during the year and as at 31 March 2025 are listed on page 1 above. The Board currently consists of 7 trustees, all of whom, with the exception of our Chief Executive, James South (resigned 26th September 2025), are non-executive and receive no remuneration for their services as trustees.

During the year ended 31 March 2025, the Board met on a quarterly basis to review appropriate strategic, operational, and financial matters. The Board has established Finance, Audit and Risk, Nominations and Remuneration Committees. The members of these committees are non-executive trustees of the company.

The Board ensures that it complies with the principles and recommendations set out in the updated Charity Governance Code which it regards as setting a benchmark for the high standards of governance that it intends to maintain within CEDR.

Management

The Board supervises the executive management of CEDR, whilst day-to-day management of the company's affairs is conducted by the Senior Executives of the company, who are listed on page 1 above.

Structure, Governance and Management

Remuneration policy

CEDR is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our objectives.

CEDR is ambitious for our field and aims at leadership in the sector. We believe in recruiting high-calibre people to represent our interests and to deliver the highest quality professional services and thought leadership on which our reputation is built. We also believe in rewarding staff fairly for the jobs that they do and fostering a positive working environment, and we believe our salaries and our terms and conditions reflect this.

People are employed at CEDR on the basis of the specific skills that they bring to their particular role. For us to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where, particularly in relation to our service delivery, their skills are readily transferable to other organisations, particularly in the commercial sector. CEDR firmly believes in trying to retain staff for the long term, developing them and benefiting from their growing knowledge and expertise. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind taking into account factors including inflation and CEDR's financial position. Further details of employee remuneration are set out in note 6 to the financial statements.

Remuneration for the senior executive team is set and reviewed annually by the Remuneration Committee, a sub-committee of the Board. CEDR's unique position means that the senior management team require a breadth and depth of professional expertise that requires drawing from the best senior-level and practitioner talent in a competitive market. They need to be able to command the respect of our stakeholders and clients through their experience and their credibility. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by the senior executive team within the context of the overall policy approved by the Remuneration Committee. Salaries are arranged in organisation-wide pay bands, using comparisons with organisations of our size in London.

Each year, the senior executives participate in performance appraisal as part of the same feedback and appraisal scheme operated for all CEDR staff. This includes seeking input from directors, colleagues and external contacts.

Structure, Governance and Management

Risk management

The trustees have a risk management strategy that comprises:

- an annual review of the risks that the company may face.
- the establishment of systems and procedures to manage those risks; and
- the implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

This work has identified that financial sustainability is the major financial risk for the company. The major proportion of its revenues is derived by way of fees for service provision earned by its trading subsidiary, CEDR Services Limited. These are largely dependent upon the continued engagement, reputation and performance of its key professional staff as well as on overall market demand for dispute resolution and training services.

Management of this trading risk is an integral part of the Board's oversight of CEDR's affairs. The activities of the company are reviewed by the trustees following their consideration of a rolling strategic perspective. The business plan is updated annually by the senior executives and is presented for review by the Board at its March meeting each year along with risk registers. The trustees monitor progress against the objectives set out in the plan at each Board meeting, by reference to monthly management accounts and reports from the senior executives on specific operational matters. This includes regular consideration of staff development and retention issues.

Attention has also been focussed on non-financial risks arising from loss of our communications and I.T. facilities as a result of catastrophic disaster, terrorist incident or other infrastructure failure. Loss of such facilities could cause a serious interruption of the company's trading operations, and the senior executives have, therefore, developed comprehensive contingency procedures that would enable an orderly and swift return to operations in the event of a disaster.

Investment powers

Under the Memorandum and Articles of Association, the company has the power to invest funds by any lawful means except permanent trading activities undertaken otherwise than in direct furtherance of the objects of the company.

In exercising such powers, the Trustees have decided that the company's funds should largely be retained in liquid assets such as bank current and deposit accounts. Accordingly, the only investment currently held is the shareholding in International Dispute Resolution Centre Limited (IDRC) which was acquired in June 2005 upon the company moving its offices into the IDRC facility and developing a closer working relationship with that organisation, which provides hearing rooms and support services for dispute resolution (see note 6).

Statement of Trustees' Responsibilities

The directors and trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and law applicable to charities in England and Wales requires the directors and trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company and of the group's incoming resources and application of resources, including its income and expenditure, for that period.

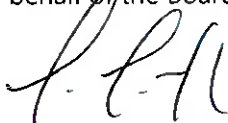
In preparing those financial statements, the directors and trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable 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 company will continue in business.

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

In so far as the directors and trustees are aware there is no relevant audit information of which the company's auditors are unaware; and the directors and trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Board



Jamie Drummond Smith

Chair of Trustees

05 November 2025

Independent Auditors' Report to the Members of Centre for Effective Dispute Resolution Limited

Opinion

We have audited the financial statements of Centre for Effective Dispute Resolution Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

**Independent Auditors' Report to the Members of
Centre for Effective Dispute Resolution Limited**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual 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 parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or
 - returns adequate for our audit have not been received from branches not visited by us; or
 - the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of trustees' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit.
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Independent Auditors' Report to the Members of Centre for Effective Dispute Resolution Limited

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

Independent Auditors' Report to the Members of Centre for Effective Dispute Resolution Limited

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- 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 inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of

Independent Auditors' Report to the Members of
Centre for Effective Dispute Resolution Limited

management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Moore Kingston Smith LLP

Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Statutory Auditor

Date: 7 November 2025

9 Appold Street
London EC2A 2AP

CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Consolidated Statement of Financial Activities
(including an Income and Expenditure Account)

| | Notes | 2025 £'000 | 2024 £'000 |
|---|-----------|---------------------|----------------------|
| INCOME | | | |
| <i>Income from charitable activities</i> | | | |
| Dispute resolution services | | 2,046 | 2,535 |
| Consumer adjudication services | | 3,854 | 5,584 |
| Conflict training and consultancy | | 1,958 | 1,734 |
| Membership subscriptions and events | | 79 | 301 |
| <i>Income from investments</i> | | 22 | 30 |
| TOTAL INCOME | 3 | <u>7,959</u> | <u>10,184</u> |
| EXPENDITURE | | | |
| <i>Expenditure on charitable activities</i> | | | |
| Dispute resolution services | | 1,993 | 2,477 |
| Consumer adjudication services | | 3,787 | 5,219 |
| Conflict training and consultancy | | 1,812 | 1,699 |
| Innovation, policy and campaigning | | 1,027 | 915 |
| TOTAL EXPENDITURE | 4 | <u>8,619</u> | <u>10,310</u> |
| NET GAINS/ (LOSSES) ON INVESTMENTS | | (50) | 7 |
| NET INCOME / (EXPENDITURE) AND NET MOVEMENT IN FUNDS | 5 | <u>(710)</u> | <u>(119)</u> |
| Total unrestricted funds at 31 March 2024 | | 2,748 | 2,867 |
| TOTAL FUNDS AT 31 MARCH 2025 | 14 | <u>2,038</u> | <u>2,748</u> |

All amounts above are derived from continuing operations and relate to unrestricted funds. There were no other recognised gains or losses.

The attached notes 1 to 19 form part of these financial statements.

CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Consolidated and Parent Balance Sheets

(Registered Company Number: 2422813)

| | Notes | Group 2025 £'000 | Group 2024 £'000 | Company 2025 £'000 | Company 2024 £'000 |
|--|-------|------------------------|------------------------|--------------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 7 | 414 | 458 | 407 | 438 |
| Tangible assets | 8 | 610 | 689 | 610 | 689 |
| Investments | 9 | 131 | 181 | 131 | 181 |
| | | <u>1,155</u> | <u>1,328</u> | <u>1,148</u> | <u>1,308</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 2,352 | 2,265 | 1,202 | 255 |
| Cash at bank and in hand | | 1,530 | 2,198 | 70 | 1,259 |
| | | <u>3,882</u> | <u>4,463</u> | <u>1,272</u> | <u>1,514</u> |
| LIABILITIES: | | | | | |
| Creditors: amounts falling due within one year | 11 | 2,999 | 3,043 | 707 | 797 |
| NET CURRENT ASSETS | | <u>883</u> | <u>1,420</u> | <u>565</u> | <u>717</u> |
| NET ASSETS | | <u>2,038</u> | <u>2,748</u> | <u>1,713</u> | <u>2,025</u> |
| FUNDS OF THE CHARITY | | | | | |
| Revaluation reserve | | 103 | 153 | 103 | 153 |
| Unrestricted funds | | 1,935 | 2,595 | 1,610 | 1,872 |
| TOTAL FUNDS | 14 | <u>2,038</u> | <u>2,748</u> | <u>1,713</u> | <u>2,025</u> |

A separate statement of financial activities for the charity itself is not presented as the charity has taken advantage of the exemptions offered by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

These financial statements were approved by the directors and trustees on ~~5 November~~ 2025 and are signed on their behalf by Jamie Drummond Smith.



The attached notes 1 to 19 form part of these financial statements.

Consolidated Cash Flow Statement

| | 2025 £'000 | 2024 £'000 |
|---|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net movement in funds | (710) | (119) |
| Adjustments for: | | |
| Amortisation charges | 74 | 344 |
| Depreciation charges | 115 | 152 |
| Loss on disposal of fixed assets | - | - |
| Loss on investments | 50 | (7) |
| Dividends and interest from investments | (22) | (30) |
| Decrease / (increase) in debtors | (87) | (672) |
| Increase / (decrease) in creditors | (44) | 71 |
| Net cash flows from operating activities | <u>(624)</u> | <u>(261)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Dividends and interest from investments | 22 | 30 |
| Purchase of software and website development | (30) | (145) |
| Purchase of leasehold improvements | - | (5) |
| Purchase of office equipment and furniture | (36) | (16) |
| Proceeds on disposal of fixed assets | - | - |
| Net cash used in investing activities | <u>(44)</u> | <u>(136)</u> |
| INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | (668) | (397) |
| Cash and cash equivalents at 1 April 2024 | 2,198 | 2,595 |
| CASH AND CASH EQUIVALENTS AT 31 MARCH 2025 | <u>1,530</u> | <u>2,198</u> |

The attached notes 1 to 19 form part of these financial statements.

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The principal accounting policies adopted and the judgements and key sources of estimation uncertainty used in the preparation of the financial statements are as follows:

(a) *Basis of preparation of accounts*

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the new Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities: Statement of Recommended Practice". The charitable company constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared on the historical cost convention, modified by the recognition of certain investments measured at fair value.

The company has relied on the provisions of section 394 Companies Act 2006, as a charity, in adapting the statutory formats for the preparation of these financial statements so that they reflect the special nature of its activities.

(b) *Group financial statements*

The consolidated financial statements incorporate the accounts of the charity and its non-charitable trading subsidiaries CEDR Services Limited and Independent Sector Complaints Adjudication Service Limited. The results of the trading subsidiaries have been incorporated on a line-by-line basis. The results of subsidiaries acquired are consolidated for the periods from or the date on which control passed. Transactions and balances between the entities are eliminated on consolidation.

The parent company deficit amounted to £312,000 (2024: £23,000).

(c) *Going concern*

The financial statements have been prepared on the going concern basis. The trustees have considered the impact of the current economic environment and have concluded that this does not affect the charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

Notes to the Financial Statements (continued)

ACCOUNTING POLICIES (continued)

(d) *Income*

Fees from dispute resolution, consumer adjudication and training services are included in income, net of value added tax, in the period in which the relevant services are rendered. Amounts invoiced and/or received for events occurring after the year-end are excluded. Membership subscription income, if received before the balance sheet date, is recognised evenly over the period to which it relates. Interest is included in income when receivable.

(e) *Expenditure*

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources.

Direct costs are allocated on an actual basis to the key strategic areas of activity. Staff salaries, overheads and other support costs are allocated between expense headings on the basis of time spent.

Support costs include the costs of governance arrangements that relate to the general running of the charity. These activities provide the governance infrastructure that allows the charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the charity.

(f) *Goodwill*

Goodwill arising on consolidation represents the difference between the fair value of consideration given and the fair value of net assets acquired. The goodwill arising on the acquisition of subsidiary undertakings is amortised on a straight-line basis over its estimated useful life, which the trustees have anticipated as being 10 years.

(g) *Other intangible assets*

Depreciation is provided on computer software and web-site development costs at a rates of 10-20% per annum on a straight-line basis calculated to write off the cost of these assets over their estimated useful lives after being brought into use.

(h) *Tangible fixed assets*

All individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided on office equipment and furniture at rates of 10-20% per annum on a straight-line basis calculated to write off the cost of these assets over their estimated useful lives. Depreciation is provided on leasehold improvements on a straight-line basis calculated to write off the cost of these assets over the remaining term of the lease.

(i) *Investments*

Programme-related investments, being investments made directly in pursuit of the organisation's charitable purposes, are included in the balance sheet at fair value. The surplus or deficit on revaluation is recognised in the statement of financial activities.

Investments in subsidiaries are stated at cost less provision for any impairment.

Notes to the Financial Statements (continued)

- (j) *Debtors*
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.
- (k) *Cash and cash equivalents*
Cash at bank and cash in hand include cash and short-term liquid investments with original maturities of three months or less.
- (l) *Creditors and provisions*
Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.
- (m) *Financial instruments*
The company only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- (n) *Pensions*
The company operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.
- (o) *Operating leases*
Rentals payable under operating leases are charged in the statement of financial activities on a straight-line basis over the lease term.
- (p) *Foreign currencies*
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at rates of exchange ruling at the date of the transaction. All exchange differences are taken to the statement of financial activities.
- (q) *Fund accounting*
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the company.

Notes to the Financial Statements (continued)

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

The annual depreciation charge for leasehold improvements, office equipment and furniture is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the leasehold improvements, office equipment and furniture; accounting policy 1(h) for the useful economic lives for each class of asset; and accounting policy 1(i) for the valuation of programme-related investments.

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. See note 7 for the carrying amount of the intangible assets and accounting policies 1(f) and 1(g) for the useful economic lives for each class of asset.

3. TOTAL INCOME

The total incoming resources and net income are attributable to the principal activity of the charity and its subsidiaries carried out mainly in the United Kingdom. During the year 9% (2024: 8%) of the total incoming resources related to overseas activities.

CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Notes to the Financial Statements (continued)

4. TOTAL EXPENDITURE

(a) Analysis of expenditure on charitable activities

| | Direct costs £'000 | Staff costs £'000 | Support costs £'000 | Total £'000 |
|-----------------------------------|--------------------------|-------------------------|---------------------------|----------------|
| 2025 | | | | |
| Dispute resolution services | 1,149 | 589 | 257 | 1,995 |
| Consumer adjudication services | 1,062 | 1,633 | 1,092 | 3,787 |
| Conflict training and consultancy | 668 | 877 | 267 | 1,812 |
| Innovation, policy & campaigning | - | 844 | 181 | 1,025 |
| | <u>2,879</u> | <u>3,943</u> | <u>1,797</u> | <u>8,619</u> |
| 2024 | | | | |
| Dispute resolution services | 1,236 | 960 | 281 | 2,477 |
| Consumer adjudication services | 1,594 | 2,335 | 1,290 | 5,219 |
| Conflict training and consultancy | 699 | 732 | 268 | 1,699 |
| Innovation, policy & campaigning | 10 | 747 | 158 | 915 |
| | <u>3,539</u> | <u>4,774</u> | <u>1,997</u> | <u>10,310</u> |

(b) Analysis of support costs

| | Dispute £'000 | Consum. £'000 | Train. £'000 | Innov. £'000 | Total £'000 |
|---------------------------|------------------|------------------|-----------------|-----------------|----------------|
| 2025 | | | | | |
| Staff-related | 77 | 416 | 35 | 14 | 542 |
| Marketing | 9 | 8 | 18 | 58 | 93 |
| Communications | 34 | 140 | 53 | 26 | 253 |
| Premises | 78 | 208 | 99 | 46 | 431 |
| Financial | 24 | 229 | 19 | 17 | 289 |
| Depreciation/amortisation | 35 | 91 | 43 | 20 | 189 |
| | <u>257</u> | <u>1,092</u> | <u>267</u> | <u>181</u> | <u>1,797</u> |
| 2024 | | | | | |
| Staff-related | 86 | 196 | 64 | 47 | 393 |
| Marketing | - | 86 | 17 | 17 | 120 |
| Communications | 26 | 118 | 25 | 11 | 180 |
| Premises | 69 | 308 | 68 | 30 | 475 |
| Financial | 26 | 252 | 21 | 22 | 321 |
| Depreciation/amortisation | 74 | 330 | 73 | 31 | 508 |
| | <u>281</u> | <u>1,290</u> | <u>268</u> | <u>158</u> | <u>1,997</u> |

CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Notes to the Financial Statements (continued)

(c) *Analysis of governance costs (included within support costs)*

| | 2025 £'000 | 2024 £'000 |
|--|---------------|---------------|
| Audit fees | 47 | 46 |
| Apportionment of staff-related support costs | 50 | 48 |
| | <u>97</u> | <u>94</u> |

5. **NET INCOME / (EXPENDITURE)**

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Net (expenditure) income for the year is stated after charging: | | |
| Amortisation of intangible fixed assets | 74 | 344 |
| Depreciation on tangible fixed assets | 115 | 152 |
| Operating lease rentals | 430 | 344 |
| Auditors' remuneration - audit | 47 | 46 |
| Foreign exchange losses | 20 | 22 |

Notes to the Financial Statements (continued)

6. STAFF NUMBERS AND COSTS

The average number of employees, including directors, employed by the company during the year was 66 (2024: 78). Their aggregate payroll costs were as follows:

| | 2025 £'000 | 2024 £'000 |
|-------------------------|---------------|---------------|
| Wages and salaries | 3,275 | 3,961 |
| Social security costs | 382 | 434 |
| Pension costs | 264 | 273 |
| Other employee benefits | 22 | 106 |
| | <u>3,943</u> | <u>4,774</u> |

The number of employees, including directors, whose emoluments, excluding pension contributions, exceeded £60,000 were as set out in the table below. Of these employees, 15 (2024: 15) have retirement benefits accruing under a money purchase scheme. Pension contributions in relation to these employees totalled £173,881 (2024: £163,048).

| | 2025 Number | 2024 Number |
|----------------------|----------------|----------------|
| £ 6 0,001 - £ 70,000 | 4 | 6 |
| £ 70,001 - £ 80,000 | 4 | 3 |
| £ 80,001 - £ 90,000 | 3 | 1 |
| £ 90,001 - £100,000 | - | 1 |
| £100,001 - £110,000 | 1 | 2 |
| £110,001 - £120,000 | 2 | - |
| £140,001 - £150,000 | - | 1 |
| £150,001 - £160,000 | 1 | 1 |
| £160,001 - £170,000 | 1 | - |
| £180,001 - £190,000 | - | 1 |
| £270,001 - £280,000 | 1 | - |
| £380,001 - £390,000 | - | 1 |

The remuneration of a small number of employees varies by reference to the amount of paid service delivery work they personally undertook for clients.

The key management personnel of the company are the Senior Executives named on page 1. The aggregate payroll cost in relation to these individuals was £1,298,158 (2024: £1,504,451).

James South, Chief Executive, was the only director to be remunerated by the company. He received £173,319 (2024: £159,916), including benefits in kind.

The company paid pension contributions totalling £33,843 (2024: £30,900) on his behalf.

Details of transactions with other trustees are set out in note 18.

CENTRE FOR EFFECTIVE DISPUTE RESOLUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Notes to the Financial Statements (continued)

7. INTANGIBLE ASSETS

| <i>Group</i> | Goodwill | Software & website | Total |
|-----------------------|------------|--------------------------------|--------------|
| | £'000 | £'000 | £'000 |
| COST | | | |
| At 1 April 2024 | 233 | 1,714 | 1,947 |
| Additions | - | 30 | 30 |
| At 31 March 2025 | <u>233</u> | <u>1,744</u> | <u>1,977</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 233 | 1,256 | 1,489 |
| Charge for year | - | 74 | 74 |
| At 31 March 2025 | <u>233</u> | <u>1,330</u> | <u>1,563</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>-</u> | <u>414</u> | <u>414</u> |
| At 31 March 2024 | <u>-</u> | <u>458</u> | <u>458</u> |
| <i>Company</i> | | Software & website £'000 | |
| COST | | | |
| At 1 April 2024 | | 814 | |
| Additions | | 30 | |
| At 31 March 2025 | | <u>844</u> | |
| DEPRECIATION | | | |
| At 1 April 2024 | | 376 | |
| Charge for year | | 61 | |
| At 31 March 2025 | | <u>437</u> | |
| NET BOOK VALUE | | | |
| At 31 March 2025 | | <u>407</u> | |
| At 31 March 2024 | | <u>438</u> | |

Notes to the Financial Statements (continued)

8. TANGIBLE FIXED ASSETS

Group

| | Leasehold improvements £'000 | Office equipt. & furniture £'000 | Total £'000 |
|-----------------------|------------------------------------|--|----------------|
| COST | | | |
| At 1 April 2024 | 565 | 545 | 1,110 |
| Additions | - | 36 | 36 |
| At 31 March 2025 | <u>565</u> | <u>581</u> | <u>1,146</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 91 | 330 | 421 |
| Charge for year | 40 | 75 | 115 |
| At 31 March 2025 | <u>131</u> | <u>405</u> | <u>536</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>434</u> | <u>176</u> | <u>610</u> |
| At 31 March 2024 | <u>474</u> | <u>215</u> | <u>689</u> |

Company

| | Leasehold improvements £'000 | Office equipt. & furniture £'000 | Total £'000 |
|-----------------------|------------------------------------|--|----------------|
| COST | | | |
| At 1 April 2024 | 565 | 448 | 1,013 |
| Additions | - | 36 | 36 |
| At 31 March 2025 | <u>565</u> | <u>484</u> | <u>1,049</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 91 | 233 | 324 |
| Charge for year | 40 | 75 | 115 |
| At 31 March 2025 | <u>131</u> | <u>308</u> | <u>439</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>434</u> | <u>176</u> | <u>610</u> |
| At 31 March 2024 | <u>474</u> | <u>215</u> | <u>689</u> |

All tangible fixed assets are used in furtherance of the charity's objectives.

Notes to the Financial Statements (continued)

9. INVESTMENTS

(a) Social investments (Group and Company)

| | 2025 £'000 | 2024 £'000 |
|--------------------------------|---------------|---------------|
| FAIR VALUE | | |
| At 1 April 2024 | 181 | 174 |
| Net fair value gains or losses | (50) | 7 |
| At 31 March 2025 | <u>131</u> | <u>181</u> |

On 9 June 2005, the company subscribed for 12,000 £1 ordinary shares in International Dispute Resolution Centre Limited (IDRC) at a cost of £28,080. This represents a holding of approximately 1.5% of the issued share capital of IDRC, which is an unlisted company. The principal activity of IDRC is the provision of hearing rooms and support services for dispute resolution, and the company's main premises are located within IDRC's main building. The trustees regard this as a programme-related investment.

The directors have determined the fair value of this investment by reference to the latest share sale price of IDRC and its trading performance. This has been recognised as an adjusting event after the reporting period (please see note 19).

(b) Subsidiary undertakings (Company)

The company had seven wholly owned subsidiary undertakings at 31 March 2025.

| Name | Net assets (liabilities) at 31 March 2025 |
|--|--|
| Owned directly by the company | |
| CEDR Services Limited (company no: 3271988) | £225,697 |
| CEDR Solve Limited* (company no: 4216681) | £1 |
| Centre for Dispute Resolution Limited* (company no: 4200149) | £2 |
| Mediate Direct Limited* (company no: 4102158) | £1 |
| Owned by CEDR Services Limited | |
| IDRS Limited* (company no: 5945499) | £27,415 |
| Centre for Effective Dispute Resolution Europe Limited* (incorporated in the Republic of Ireland) | €100 |
| Independent Sector Complaints Adjudication Service Limited (company no: 7474408) | £100,051 |

The subsidiaries marked *, which are held for the purpose of protecting certain business names, did not trade in the year ended 31 March 2025. The registered office of each UK subsidiary is 100 St Paul's Churchyard London EC4M 8BU.

Notes to the Financial Statements (continued)

(b) Subsidiary undertakings (Company) (continued)

CEDR Services Limited provides dispute resolution, training and consultancy services, and pays all of its profits to the company by way of Gift Aid. The company owns the entire share capital of 2 ordinary shares of £1 each. The directors regard this as a programme-related investment.

The summary financial performance of CEDR Services Limited is:

| | 2025 £'000 | 2024 £'000 |
|---------------------|---------------|---------------|
| Turnover | 7,473 | 9,675 |
| Total expenses | (7,247) | (9,093) |
| Profit for the year | <u>226</u> | <u>582</u> |

At a Board meeting held after the year end, the directors of CEDR Services Limited resolved that the year's profit on ordinary activities before taxation should be transferred to the company. This donation has not been provided for as an asset in the financial statements of the company.

CEDR Services Limited is the sole member of Independent Sector Complaints Adjudication Service Limited ("ISCAS"), a company limited by guarantee which administers a Code for the resolution of complaints by patients of independent healthcare providers.

The summary financial performance of ISCAS is:

| | 2025 £'000 | 2024 £'000 |
|---------------------|---------------|---------------|
| Turnover | 543 | 536 |
| Total expenses | (501) | (453) |
| Profit for the year | <u>42</u> | <u>83</u> |

The value of the net assets of ISCAS at 31 March 2025 are fully available for distribution to the company by way of Gift Aid. As, however, it has been agreed that the company will only use such monies in furtherance of its charitable objectives within the independent healthcare sector, these amounts are included as a designated fund (see note 14).

Notes to the Financial Statements (continued)

10. DEBTORS

| | Group | | Company | |
|---------------------------------|--------------|--------------|--------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £'000 | £'000 | £'000 | £'000 |
| Trade debtors | 1,415 | 1,619 | 2 | 2 |
| Less: provisions | (15) | (41) | - | - |
| Due from subsidiary undertaking | - | - | 977 | - |
| Prepayments | 522 | 294 | 223 | 253 |
| Accrued income | 418 | 371 | - | - |
| Other debtors | 12 | 22 | - | - |
| | <u>2,352</u> | <u>2,265</u> | <u>1,202</u> | <u>255</u> |

11. CREDITORS: amounts falling due within one year

| | Group | | Company | |
|---------------------------------|--------------|--------------|------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £'000 | £'000 | £'000 | £'000 |
| Trade creditors | 734 | 774 | 133 | 188 |
| Due to subsidiary undertaking | - | - | - | 91 |
| Social security and other taxes | 463 | 389 | - | - |
| Accruals | 808 | 745 | 550 | 485 |
| Deferred income (note 12) | 994 | 1,097 | 24 | 33 |
| Other creditors | - | 38 | - | - |
| | <u>2,999</u> | <u>3,043</u> | <u>707</u> | <u>797</u> |

12. DEFERRED INCOME

| | Group | | Company | |
|---------------------------------------|------------|--------------|-----------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April 2024 | 1,097 | 981 | 33 | 32 |
| Amount released to incoming resources | (1,097) | (981) | (33) | (32) |
| Amount deferred in the year | 994 | 1,097 | 24 | 33 |
| Balance at 31 March 2025 | <u>994</u> | <u>1,097</u> | <u>24</u> | <u>33</u> |

Deferred income comprises amounts invoiced and/or received in advance of services to be provided after the year-end.

13. PENSIONS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable charged to the Consolidated Statement of Financial Activities amounted to £264,000 (2024: £273,000) with £27,000 (2024: £27,000) payable at the balance sheet date.

Notes to the Financial Statements (continued)

14. RECONCILIATION OF MOVEMENTS IN RETAINED RESERVES

| | Group | | Company | |
|-----------------------------------|--------------|--------------|--------------|--------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £'000 | £'000 | £'000 | £'000 |
| FUNDS AT 1 APRIL 2024 | | | | |
| Revaluation reserve | 153 | 146 | 153 | 146 |
| Designated funds | 289 | 206 | 178 | 40 |
| Unrestricted funds | <u>2,306</u> | <u>2,515</u> | <u>1,694</u> | <u>1,869</u> |
| | <u>2,748</u> | <u>2,867</u> | <u>2,025</u> | <u>2,055</u> |
| NET INCOME / (EXPENDITURE) | | | | |
| FOR THE FINANCIAL YEAR | | | | |
| Revaluation reserve | (50) | 7 | (50) | 7 |
| Designated funds | 41 | 83 | 41 | 138 |
| Unrestricted funds | <u>(701)</u> | <u>(209)</u> | <u>(303)</u> | <u>(175)</u> |
| | <u>(710)</u> | <u>(119)</u> | <u>(312)</u> | <u>(30)</u> |
| FUNDS AT 31 MARCH 2025 | | | | |
| Revaluation reserve | 103 | 153 | 103 | 153 |
| Designated funds | 330 | 289 | 219 | 178 |
| Unrestricted funds | <u>1,605</u> | <u>2,306</u> | <u>1,391</u> | <u>1,694</u> |
| | <u>2,038</u> | <u>2,748</u> | <u>1,713</u> | <u>2,025</u> |

The designated fund arises from the activities of ISCAS (see note 9) as it has been decided that the company will use such monies in furtherance of its charitable objectives within the independent healthcare sector over the next 2-3 years.

Unrestricted funds are available to be spent for any of the company's charitable purposes.

16. FINANCIAL COMMITMENTS

The company occupies leasehold premises at 100 St Paul's Churchyard London EC4M 8BU under an arrangement which will run until 26 February 2036.

In addition, CEDR Services Limited has taken on a six-year operating lease commitment for the provision of office equipment until 31 January 2031.

The total future minimum commitments payable under these leases are:

| | Group | | Company | |
|----------------------------|--------------|--------------|--------------|--------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £'000 | £'000 | £'000 | £'000 |
| Due within one year | 287 | 280 | 280 | 280 |
| Between two and five years | 1,146 | 1,119 | 1,119 | 1,119 |
| Over five years | 1,662 | 1,934 | 1,655 | 1,934 |
| | <u>3,094</u> | <u>3,333</u> | <u>3,054</u> | <u>3,333</u> |

Notes to the Financial Statements (continued)

17. INDEMNITY INSURANCE

During the year, the company purchased and maintained professional indemnity insurances at a total cost of £40,000 (2024: £41,000).

During the year, the company purchased and maintained liability insurance at a cost of £4,399 (2024: £4,149) for its directors and officers as permitted by section 234 of the Companies Act 2006.

18. TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

Under its Memorandum of Association, the company and its subsidiaries are permitted to pay reasonable and proper remuneration to directors for professional Alternative Dispute Resolution services supplied by them provided that only a minority of directors benefit from such arrangements.

No such payments were made by the company during the year.

Travel expenses totalling £297 were reimbursed to Hannah Tumpel.

The company has also taken advantage of the exemption not to disclose any transactions or balances with wholly owned subsidiaries that have been eliminated on consolidation.

19. EVENTS AFTER THE REPORTING PERIOD

The company has an investment in IDRC (see note 9), and fair value assessments have been based on the current financial position of IDRC and its trading performance. The company has been notified that the share price in the May 2025 share sale equated to £10.95 per share and therefore, the Trustees consider that this therefore represents the current fair value of the shares held. Although the share sale took place in May 2025, the Trustees consider that the level of impact meets the criteria for an adjusting event after the reporting period and have therefore adjusted the value of the investment in these accounts. The company have therefore reported a fair value loss of £50k for the 2024-25 reporting year.

20. CHARITABLE STATUS

The company is a registered charity under the Charities Act 2011 and as such is potentially exempt from direct tax on its income and gains to the extent that such income and gains are applied for charitable purposes.

The company's trading subsidiaries, CEDR Services Limited and Independent Sector Complaints Adjudication Service Limited, pass profits on which tax would be payable to the charity under a gift aid arrangement. Accordingly, there is no corporation tax charge in these financial statements.