

Company registration number: 03721723 (a company limited by guarantee)

Charity registration number: 1074796



# National Family Mediation

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Wortham Jaques Limited  
Chartered Accountants & Business Advisers  
130a High Street  
Credon  
Devon  
EX17 3LQ

# **National Family Mediation**

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# National Family Mediation

## Reference and Administrative Details

### Trustees

Julian Curtis, Treasurer  
Paul Davies  
Sarah Hewitt  
Carol Reay, Chair  
Michael Stepan  
Anne Tuckey  
Oliver Wilson

### Senior Management Team

Jane Robey, CEO

### Principal Office

1st Floor  
Civic Centre  
Paris Street  
Exeter  
Devon  
EX1 1JN

### Company Registration Number

The charity is incorporated in England and Wales.  
03721723 (a company limited by guarantee)

### Charity Registration Number

1074796

### Independent Examiner

Wortham Jaques Limited  
Chartered Accountants & Business Advisers  
130a High Street  
Crediton  
Devon  
EX17 3LQ

# National Family Mediation

## Trustees' Report

The Trustees of National Family Mediation (NFM) are pleased to present their report together with the unaudited financial statements of the charity for the year ended 31st March 2021.

The financial statements have been prepared in accordance with the Memorandum and Articles of Association, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities effective January 2019 ('the Charities SROP (FRS 102)') and the small companies regime under the Companies Act 2006.

### Administrative details

Reference and administrative information about the charity and its advisers is set out on page 1.

### Trustees

Persons who served as a Trustee for the financial year and up to the date this report was approved were as follows:

David Lawrence	Independent Trustee (Treasurer)	retired June 2020
William Downs	Independent Trustee	retired September 2020
Nigel Fishwick	Independent Trustee (Chair)	retired September 2020
Mike Stepan	Independent Trustee	
Steve Griffiths	Independent Trustee	retired July 2020
Paul Davies	Independent Trustee	
Lorraine Tuckey	Independent Trustee	
Julian Curtis	Independent Trustee (Treasurer)	appointed April 2020
Carol Reay	Independent Trustee (Chair)	appointed September 2020
Oliver Wilson	Independent Trustee	appointed September 2020
Sarah Hewitt	Independent Trustee	appointed June 2020

### Constitution and Governing Document

NFM is a registered charity and company limited by guarantee, incorporated in 2000 to take over the activities of the previously unincorporated organisation of the same name that was established in 1981. The company was set up under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. Updated Articles of Association were approved at the AGM on 5 December 2011 and subsequently at an EGM on 10 May 2017.

### Recruitment and Appointment of Trustees

The Directors of the charitable company are known as Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

At each annual general meeting one-third of the Trustees must retire from office. The Trustees to retire by rotation shall be those who have been longest in office since their last appointment. All Trustees are appointed for an initial term of three years from the date of the AGM at which they were ratified, and each may stand for re-election for a second term at the end of which they would normally stand down. On 10 May 2017, the Articles of Association were amended to permit any individual or not for profit organisation to become a member of the charity and for any individual member to be a Trustee of the charity. In addition, a Trustee may now stand for re-election for up to a maximum of two consecutive terms.

# **National Family Mediation**

## **Trustees' Report**

All Trustees receive induction training and a Trustee Induction Pack.

The Board on occasions recruits expert advisors to support the work of the organisation. This enables the professional voice of practitioners to contribute to the development of NFM and its service delivery. In this year Margaret Pendlebury resigned from the Board and is succeeded by Tanja Dodd an experienced mediator and professional practice consultant. The Board thank Margaret Pendlebury for her contribution and commitment to the development of NFM and its services and welcomes Tanja Dodd .

### **Organisation**

As set out in the Articles of Association the full complement of Trustees should be the Chair, and up to five Independent Trustees. The Board may co-opt additional Trustees as the operational needs of the charity may require. The minimum number of Trustees is three. The Board meets four times a year in addition to the AGM.

On 10 May 2017 the Articles of Association were amended such that only individual trustees may be appointed.

Day to day operations and financial matters are delegated to the Chief Executive.

### **Risk Management**

Risk is managed by the Treasurer, and, on a day to day basis, the Chief Executive and Finance Manager. Risk management is reviewed by the Board annually.

The risk management matrix considers the operation of the network as a whole and identifies the specific activities and risks of the component parts of the organisation.

The year has been dominated by the Covid 19 pandemic. Risk management became the key priority as NFM was affected by the lockdown and closure of most normal activities, in line with many other businesses and organisations.

Initially NFM had to make use of the government furlough scheme for over 50% of its staff to combat the reduction in workload and reduce the risk of permanent closure. The management team undertook weekly reporting with increased frequency of Board meetings to monitor and assess the risks. By July 2020 there was an acceptance of the new ways of working and our caseloads began to return. At the out turn of the year we remain 30% lower than pre-pandemic referral levels, but we have increased our conversion to mediation and refined our service delivery methods to cope with online and remote working for staff and clients.

Government policy remains to continue to make legal aid available for mediation, and following publication of the Private Law Working Group report "What about Me?" work is underway to develop the types of services available to families before heading into court. The pandemic has increased the backlog for families needing to resolve parenting and financial issues with most courts experiencing a minimum six-month delay before a first direction appointment. Finding alternative services to reduce conflict and reach resolution, whilst waiting to get a legal settlement, has become critical. Towards the end of the year the government announced a £1million fund to provide £500 vouchers to families to offset the cost of mediation. As a member of the Family Mediation Council, NFM was instrumental in helping get the scheme off the ground.

During the pandemic the Legal Aid Agency (LAA) introduced contingency measures to enable mediation and all other forms of legally aided work to continue. This included allowing remote work using video conferencing and allowing digital signatures to be accepted. All other reforms have been delayed whilst emergency measures were put in place as is evidenced by the delay implementing the Divorce Law Reform Act and the Domestic Violence legislation.

# **National Family Mediation**

## **Trustees' Report**

In relation to grant funding, we moved into the final year of our three-year funding from The John Ellerman Foundation. This funding was an enormous support to us, and having the IT manager in post (funded by this grant) meant we were well-placed to respond quickly to the impact of the Covid-19 pandemic and begin to convert our face-to-face services to an online offering.

During this financial year we also accessed our second and final year funding from Therium Access. This has helped to maintain staffing levels during the pandemic, providing certainty for some roles especially during the early months of lockdown to enable us to continue supporting our clients. Recruitment and training during the pandemic has been challenging, especially providing induction remotely nevertheless, throughout the year we were able to maintain a core operation, going back to full capacity in July 2020 when the work volumes returned.

Also challenging was a series of major changes at Board level as a result of a combination of personal health issues for Trustees, exacerbated by the pandemic and the requirement to retire by rotation after serving full term. This meant a new group of Trustees came into the organisation in a time of great uncertainty and with temporary management systems in place.

### **Objectives and Activities**

NFM relies on income from grants, fees and charges for mediation services supplied to the general public, and fees for membership services it provides to its affiliated members. No charges are made for information supplied to the public. The NFM website ([www.nfm.org.uk](http://www.nfm.org.uk)) is a great resource for families experiencing breakdown. NFM printed materials, including useful documents that tie in with the changing legal requirements, are regularly sent to Citizens Advice Bureaux, Children's Centres, Libraries, GP surgeries and family courts. During the pandemic many of these usual avenues for raising awareness of our services have been closed and we have relied mainly on digital marketing, especially our website.

NFM has a contract with the LAA to provide publicly funded mediation services across England and Wales, thereby ensuring the public has access to not-for-profit family mediation services in every location. The need for affordable post-separation mediation is often greatest in areas that are hard to reach and where other services have also been hardest hit. The continuing decline of support services and advice and information services means that in most areas there is a deficit of services of a range of types to meet the need of the local populations. The pandemic has also highlighted inequalities in access to digital services, and data poverty is an issue that affects many of our clients.

Increasingly we rely on our website and call handling to provide information and advice as the most cost-effective means of delivering a service.

NFM's national office has continued to provide the Separated Parents Information Programme (SPIP) across the South West of England. This contract has been extended to 2022. The contract term was initially set to tie in to the recommendations of the President's Private Law reforms. As this review has been delayed as a result of the Covid-19 pandemic, the contract term has been similarly extended. At the outset of the pandemic all SPIP programmes were suspended until online alternatives could be offered and approved by the contract awarding-body Cafcass. For the whole year all courses have been delivered using Zoom and Microsoft Teams. The numbers attending the programme have been less than in previous years of face to face attendance. This is a reflection of the crisis faced by the family courts, taking longer to establish and deliver remote hearings, rather than a reduced number of cases suitable to attend the programme.

It has been impossible to continue our promotion work with the courts in encouraging them to make early referral to both SPIP and mediation to help divert families in conflict from litigation. At the outset of the pandemic all authorities reported a reduction in the number of new applications, however as remote and online working has become the norm so the numbers of applications and referrals has exceeded previously recorded numbers, adding to the crisis.

# National Family Mediation

## Trustees' Report

Our charitable objectives as stated in our Memorandum and Articles of Association are as follows:

*“4. The objects for which the Association is established are to promote such objects as are exclusively charitable under the law of England and Wales from time to time and in particular (without prejudice to the generality) for the public benefit to:-*

*4(1) to alleviate hardship and distress caused by the breakup of marriage and family or by families in dispute or difficulty; and,*

*4(2) to preserve and protect the health, both mental and physical, of adults and children involved in the breakup of marriage and family or family disputes or difficulties; and,*

*4(3) to promote and co-ordinate services to be provided for such purposes by Members; and,*

*4(4) to promote education and training for those involved in providing mediation and conciliation services; and,*

*4(5) to provide assistance through mediation and conciliation services to couples whose relationships appear to be breaking down or who are otherwise in dispute or difficulty; and,*

*4(6) where such relationships have already broken down, to advise and help in the settlement of differences or potential differences over associated matters such as the residence of and contact with children and financial matters (“the Objects”); and*

*4(7) to advocate, promote and co-ordinate services and provide support to not for profit mediation and dispute resolution services working in other fields of mediation or dispute resolution.”*

NFM aims continue to be:

### **NFM's Vision**

Our vision is for families in relationship breakdown to resolve their issues concerning their children, finances and property through mediation wherever appropriate.

### **NFM's Mission**

The Board of NFM aims to support the provision of timely family mediation and allied supportive services that are affordable, geographically well-distributed and of a high professional standard, to all communities in our society, regardless of ability to pay.

### **Marketing & Communications Objectives:**

i. To further the voice and profile of NFM nationally and to assist its member services to do so locally, in an effective and professional way.

ii. To inform, consult, liaise and negotiate with government ministers and civil servants and with colleagues in the Family Justice System, at national level and encourage and help services to do so at local level.

### **Professional Practice Objectives:**

i. To review, develop and extend training and supervising opportunities within the network.

ii. To develop training provided to other bodies, by increasing recognition of NFM as a specialist 'preferred' training supplier of family mediation nationwide.

iii. To establish family mediation as a career option of choice equal to other career fields.

# **National Family Mediation**

## **Trustees' Report**

### **Stability and Sustainability Objectives:**

- i. To ensure that the NFM infrastructure is adequately resourced and 'fit for purpose' in an internal and external environment.
- ii. To ensure that the CEO, staff and national office are the nerve centre for managing the overall strategy.

The pandemic has caused NFM, like every other organisation, to rethink its strategy and activities. To that end the Board approved a strategic plan and marketing plan to focus on recovery in the short term. The ongoing nature of the pandemic has given rise to NFM adopting an extended vision of the strategic plan that in the coming year will focus on three key areas:

To that end the Board approved a strategic plan and marketing plan to focus on recovery in the

- Mediation delivery
- Training
- SPIP

These three areas remain the priority for the forthcoming year and are the focus of the budget activity. However within that there are opportunities to enhance practice and delivery and improve the client experience.

The forced move from face-to-face delivery to online delivery has hastened the need to look for digital solutions to providing effective services, and in the coming year NFM will seek to develop and deliver technology-based solutions to mediation delivery.

A key aim is to move from a perennial breakeven position to improve profitability and sustainability.

### **Key Achievements and Performance**

#### ***Mediation services***

At the first national lockdown NFM saw its referrals drop and clients withdraw from services. Mediators unaccustomed to using online tools also withdrew from delivery. NFM had to make use of the government furlough scheme as a result. As we reached a realization that this new way of life would be with us for some time to come the clients and the mediators returned. Fortunately, we have in place a good level of technical support and expertise that enabled us to maintain public-facing access to services, advice and information and were able to train the mediators to deliver online and support clients with this new way of working.

NFM was particularly fortunate to receive financial support from The Rayne Foundation to deliver these activities that meant NFM was able to support mediators and NFM member services to achieve new ways of delivering and keep access to services open at this critical time.

With people being locked down, schools closed, and jobs insecure, family relationships have been under increased pressure as is evidenced sadly by the rise in reported incidents of domestic abuse and child protection reports.

As a result, we have seen a change in the type of information people are seeking before they decide what action to take. This has put increased pressure on our national office staff. In previous years we have seen a marked increase in the number of calls to the office. However, during this lockdown period we have had a marked drop in telephone calls but a huge increase in enquiries via email. It is common to receive over 100 enquiries by email per day. Pre pandemic average calls per month were 4000. These have reduced to 2500 and emails pre pandemic averaged 20 per day



# National Family Mediation

## Trustees' Report

A priority for engaging with potential clients has been the increased use of our website. It remains our main referral route, and with the increase in online working has brought flexibility for all mediation providers who can now deliver mediation without the geographic ties that previously bound providers.

In recognition of this, NFM has boosted its marketing and promotional work with the aim of restoring levels to pre-pandemic levels.

Whilst referral levels have remained lower than previous years, conversion from initial assessment meeting to mediation has increased from approximately 29% to 40%. We have found that offering appointments online has provided a flexible and convenient way for clients to engage with no discernible difference in outcomes. Cases that proceed to mediation are still achieving around 84% agreement on all issues.

Notably, one of the major changes has been the increase in numbers of people eligible for free mediation using legal aid. Whereas pre-pandemic the percentage of people eligible for legal aid was around 35%, that has now increased to around 75%, reflecting the number of people whose financial circumstances have changed for the worse and are now eligible for some form of government benefit. The predictions are that post-lockdown and when all government support is ended these numbers will increase further.

NFM is grateful to the following for their assistance during the period:

- The John Ellerman Foundation for three-year funding to provide a new website and IT management. Having this level of expertise available meant we were able to transition to home working and online working swiftly and efficiently
- Therium Access for its funding of an additional call-handler / case manager post.
- Additionally NFM received support from the Big Lottery Community Fund Covid related to provide free mediation to families who were outside the legal aid threshold for free mediation.

### **Marketing & Communications**

Marketing and communications remain the highest priority for NFM national office. With access to all advice and support being sought online it has been crucial to improve and maintain the website more than we have in previous years. Additionally all of our traditional locations for leaflets, such as CABs, Children's Centres, libraries and courts continue to offer only virtual services and so boosting our online presence was and remains our only source for marketing.

In light of this the Board agreed to increase investment in both the website and marketing and communications to aid recovery of referrals and to help maintain NFM's market position that is now threatened by all providers working online. This was initially a short-term investment that has since been incorporated into the strategic plan for the coming year.

We maintain a high profile in numerous ways: for example, providing information via 'Agony Aunt' columns in mainstream media, articles for parenting websites, monthly articles in *Family Law*, and responses to government consultations as and when appropriate.

NFM's key messages for use in promotions remain:

#### *Family mediation ...*

- *is usually cheaper, quicker & less confrontational than heading straight to court*
- *provides long-term solutions that are in the best interests of children and families, not lawyers*
- *allows families to keep more control of their own destinies, instead of handing it over to courts*

# National Family Mediation

## Trustees' Report

*National Family Mediation ...*

- *is the largest provider of family mediation in the country*
- *helps families in conflict, especially those experiencing divorce or separation*
- *reduces conflict in divorce by avoiding costly court battles*
- *enables couples to typically take just over three months to finalise divorce or separation; cases going to court take four times as long*
- *enables couples to work with our mediators who are trained in all aspects of family law*
- *provides vital support in property, finance and long-term solutions for children*

On a professional level, NFM continues its work as a member organisation of the Family Mediation Council (FMC) and liaises with the other family mediation providers and the legal profession.

NFM has maintained its presence and profile with respective government departments, although all of this has been pandemic-related and crisis-led. At the end of the year, NFM worked as part of the FMC to develop and deliver the Ministry of Justice Family Mediation Voucher Scheme, as described above.

In other areas pilot pathway projects will be launched as an outcome of The President's Private Law reform programme, where mediation will be included as part of a range of services on offer to families experiencing divorce or separation to encourage early settlement.

The Department of Work and Pensions (DWP) continues to develop its understanding of Reducing Parental Conflict programme but mediation remains stubbornly absent from their work.

### ***Services' Development***

The membership has struggled through the lockdown and converted to online working. NFM was able to support them with technical advice and online meetings to share practices. Those that could convert to online work have been able to increase their workloads, and we have all benefited from the reduced overhead costs of delivering online.

Despite the concerns of converting to online delivery the numbers of referrals and cases that convert to mediation has increased. Satisfaction rates of services delivered remain high and it is likely that in the future there will continue to be a significant number of mediations that will take place online as a result of the convenience and flexibility it provides.

The number of affiliated services has remained largely static during the period, with one new member service joining.

We continue to provide direct help and support to all affiliated services through referrals, voice and representation activity. Referrals to affiliated services however have reduced during the pandemic despite our investment and promotion of the web site. There are however good links from our website to members websites and it is possible that the public is using this link through as a source of referral

We continued to freely provide affiliated services with our re-branded hard copy and PDF email-friendly leaflets to use with clients.

NFM has continued to provide support and communication to affiliated members and mediators via the new website, which has a dedicated 'services for mediators' section with a focus on training opportunities and vacancies. We have continued to provide monthly bulletins to service managers and trustees as well as providing a training bulletin to advertise our CPD events.

NFM's database continues to provide a very useful resource for communicating directly with mediators and professional practice consultants.

# **National Family Mediation**

## **Trustees' Report**

### ***Professional Practice & Training***

All training was suspended at the start of the pandemic as that too relied on face-to-face delivery. In July 2020 we were able to offer online CPD courses following work with the trainers to convert topics to an online delivery format. The foundation training programme was more complicated as we needed approval from the Family Mediation Council to convert our accredited training to this format. This took some time to achieve, but by October we had received approval and were able to start delivery. During the year we have trained 54 new mediators.

We were very fortunate to receive funding from The Rayne Foundation to provide training to our trainers in online delivery techniques, training for mediators in using online tools, and training for our members in online delivery.

Our support package for trainees was similarly suspended at the start of the pandemic and has proved challenging to get restarted. This was mainly as a result of mediators' reluctance to offer observation and co-worked practice using online delivery methods. There are now a small group of mediators offering this to trainees but we need to increase this number to be able to offer more traineeships if we are to be able to create more balance in our sustainability.

### ***Stability and Sustainability***

In recognition of the exceptional and extraordinary circumstances created by the first national lockdown, the Board agreed to suspend the affiliation fee. In April most services were closed or operating only a telephone line as they tried to work out how to deliver services. In October, NFM requested a quarter contribution as by that time there was a more established pattern of delivery and the signs were positive for many of the services being able to continue. For the new financial year the Board has agreed a 50% fee to help services towards recovery which remains uncertain.

To improve sustainability the review of processes and automation has been accelerated as a result of the pandemic but there is no doubt the ease and convenience of providing services online is extremely popular with clients, and more cost-effective for NFM. This has resulted in a significant jump in conversions to mediation as mentioned above. In response to the need to work remotely we have accelerated the use of technology for case work this includes further developments of Management of Mediation Online (MoMO) and extended smarter pay to take online payments for training. These are currently in production.

Recruitment during this time of pandemic has been met with mixed successes. It is an extraordinary situation where for some we have not yet had the opportunity to meet face to face. That includes the new Board members as well as operational staff.

### ***Finance Review***

The year to 31 March 2021 has seen further development in the financial position of NFM. The rate of growth stalled in the early part of the year as a result of the continued uncertainty around Brexit and the onset of the COVID pandemic and lockdown. This impacted seriously on our ability to deliver our services and NFM had to make use of the government Furlough scheme. Gradually we recovered our referral base and consequently reinstated staff, and by November 2020 we were back up to full compliment with all staff working remotely. The referral numbers have not recovered to pre COVID levels yet however the conversions from initial meetings into full mediation have grown offsetting the losses in referral numbers.

# **National Family Mediation**

## **Trustees' Report**

The Trustees agreed not to charge services affiliation fees at the beginning of the financial year in recognition of the challenges that all members faced coping with the pandemic and lockdown. The board agreed to make nominal charges at six months in recognition of the fact that the services were continuing to be delivered online and fees support the operation of the national office. For the forthcoming year the Trustees have agreed a 50% reduction in affiliation fees to further support services in the recovery. This decision led to Affiliation income decreasing by 73% to £10,422 during the year (2020 - £38,161).

At the outset of the pandemic, most of our delivery, Training, SPIP and Mediation, was suspended as this was all delivered face to face. We then developed remote working techniques and have been able to re-open all our operations. The net result of being able to deliver online has been a reduction in overhead and direct costs improving overall profitability.

The contribution to surplus from of each major line of activity has improved during the year due to the actions taken to change from face to face to online operations.

Total activity based income for the year was £807,490 (2020 - £874,978). We received Furlough grants of £23,544 (2020 - £Nil) and grant income of £36,000 (2020 - £47,000)

In the year to 31 March 2021 there was an increase in unrestricted reserves of £212,903 (2020 surplus £63,524).

### **Investment Policy**

To maintain liquidity the Board places surplus funds on short-term deposit.

### **Reserves Policy**

The Trustees have determined a minimum of reserves as three to six months operating costs plus any long-term contractual liabilities that may be outstanding. For these purposes, operating costs exclude the costs of products and services purchased and supplied directly to Member Services – such as training.

The Trustees review progress towards this policy regularly and the policy itself annually. As a result of the year's surplus unrestricted funds now stand at £338,841 (2020 - £125,938). The Trustees monitor the position closely and adopt the necessary controls to ensure that there will be adequate liquid reserves to meet their obligations.

### **Plans for the Future**

In 2021/22, NFM's focus will be to continue to manage the impact of the Covid-19 pandemic, and re-grow business. The whole year has been impacted by lockdown and remote working. There is the prospect of a return to face-to-face work in 2021, however there is wide spread anxiety given that the virus remains in circulation and despite the massive vaccination programme.

The levels of work we have experienced have fluctuated wildly and are closely associated with government announcements. Additionally, we have seen an exponential growth in legally aided cases which reflect the changing nature of the economy and employment. The predictions for employment post-lockdown are gloomy and this means we are likely to see a further rise in clients being eligible for legal aid. This will ultimately have a knock-on effect for our sustainability which will need to be closely monitored.

# National Family Mediation

## Trustees' Report

There is however a growing awareness of the benefits of family mediation in helping to reduce the back log of families waiting to go to court. In response the Ministry of Justice launched its voucher scheme, outlined above, offering a £500 contribution to families to resolve their disputes outside of court. The scheme provided a total of £1m, helping in the region of 2,000 families. The signs are that this scheme may be extended and data so far shows agreement rates between 65% - 79% with over 70% of cases not proceeding to court. A priority agreed by the Board for the coming year is to continue to invest in our marketing and website as the major source of referrals especially during this year of lockdown. As the mediation market is now wholly online we face increased competition as geographic boundaries have been swept away. We do not know how or if these geographic boundaries will be restored.

In the coming year we will also see the implementation of the new Divorce Reform Act allowing, for the first time, no fault divorce. This should further accelerate the need for families to make their own privately agreed arrangements when safe to do so.

In this coming year the Board has agreed a strategic plan with the priority to focus on:

- Recover the mediation referrals for NFMD and members
- Deliver training both accredited and non-accredited
- Maintain SPIP delivery

We will increase our investment in PR and marketing in line with our strategy as this is the most cost-effective means of making the public aware of our services and has the added benefit of supporting our members.

We will continue to maintain our position as leader in the field by:

- Continuing to provide expert comment to government consultations; policy developments; and all types of media;
- Maintaining our commitment to professional standards that will continue to exceed the minimum standards set by the FMC;
- Maintaining our marketing strategy;
- Investing in our IT infrastructure to support the delivery of more efficient services;
- Monitoring our delivery outcomes to maintain a high service-user satisfaction at affordable cost;
- Using our upgraded website to extend our services.

Strategic work will continue to ensure the 'NFM Direct' delivery model not only becomes sustainable in the longer-term, but that it also proactively engages affiliated member organisations, and involves them, where appropriate, in delivering mediation in places outside their own traditional areas.

It remains the case that our direct action through PR and Marketing has produced much better results regarding referral rates and awareness raising than any of the government policy changes and legislative changes that have been introduced. It is therefore vitally important that we maintain and build on this profile-raising activity.

Despite the many challenges that we have faced as a result of the pandemic we have been able to maintain our delivery and have grown our business. We have adapted all services to meet these complexities and challenges and head into a new financial year with more resources than in previous years.

The pandemic has forced us to review our operation and many of the changes, especially in relation to technology, are likely to remain with us going into the future.

# **National Family Mediation**

## **Trustees' Report**

Looking at the progress that has been made, and whilst hopefully securing our financial future by focussing on our activities through the strategic plan, we will be able to maintain this positive position.

This gives us an opportunity to consolidate our sustainability and expand our service offering by building new products and services. This will hopefully take us from a perennial breakeven point to longer term profitability, sustainability and growth.

The legislative changes brought in since 2013 have, as anticipated, created a rise in enquiries but the conversion to full mediation remains stubbornly low. Increasingly the Mediation Information and Assessment Meeting (MIAM) is being seen by the public as just a hoop to jump through on their way to court with or without a solicitor. The government message of 'sort it out yourself' is understood but there are still no comprehensive information portals that can guide people to the right services at the right time.

The problems created in the family courts as a result of this attitude have prompted The President of the Family Division to review the family court rules and procedures and engage more widely with the reducing parental conflict agenda as a means of trying to encourage many more people to look at alternative services especially mediation before applications are made to court. We hope in the coming months some concrete proposals about these issues will be published and action taken by the courts and other statutory bodies to make other options seriously effective.<sup>3</sup>

### **Covid Going Concern**

In December 2019, the global pandemic of Covid-19 started in Asia, and reached the UK in March 2020. The impact of the pandemic has severely affected the whole UK economy. As a charity that had always provided face to face mediation and training, we saw an impact on the charity's activities. Management took immediate action to develop an online method of delivering our core services. The Trustees have been assessing the impact on NFM from the beginning of the pandemic and putting in place secure plans to ensure NFM remains able to continue and in a good position to face the future in a post Covid-19 world. So far NFM have managed successfully; however there is still significant uncertainty of how long the economy will be affected and how long the recovery will take. We therefore face uncertainty for the foreseeable future.

The main uncertainties facing NFM because of Covid-19 are:

- A short to medium-term expectation of reduced demand for NFM's services, and
- A short to medium-term expectation of reduced funding streams, and hence the level of free cashflow generated from operations.

In facing these risks and uncertainties the Trustees have taken proactive, immediate and decisive action in managing the situation by liaising closely with all stakeholders to discuss, plan and start to deliver strategies that will stabilise NFM and provide a road map through the current situation.

In addressing these challenges, the Trustees have undertaken the following decisive action:

- Monitoring the cashflow weekly and increased the frequency of Board meetings to ensure any steps needed can be taken in an efficient and prompt manner
- Utilised HMRC's Coronavirus Job Retention Scheme to protect employment whilst allowing the charity to operate as necessary during the pandemic.
- Utilised the VAT deferment announced by the government
- Eliminated discretionary revenue and capital spending.
- Recalculated cashflow forecasts and budgets to include the likely effects of the pandemic on income and expenditure

## National Family Mediation

### Trustees' Report

- Reviewed and implemented changes in NFM's operating structure to meet the anticipated new economic conditions.

In addition to the decisive action taken above, the Trustees are refocussing all aspects of strategy within NFM to adapt to the evolving market conditions by focusing on areas in which it is currently under represented and seeking simplification where possible whilst remaining true to its core values.

The outbreak of the virus and consequent action that NFM had to take to close down all face to face activity initially had a very dramatic impact and threatened NFM's future. As it became clear that normal service would not be resumed so clients and mediators returned to try and resolve their cases using on line tools, Teams and Zoom. This has proven to be very effective and convenient for all concerned. Staff continue to work from home and with technology in place we have been able to manage the volume of cases and work as a team despite the distances between us. For the coming year and assuming remote working and lockdown restrictions continue to ease we will be implementing a blended and flexible way of working that will meet staff and client need.

The Trustees have assessed the current reserves policy and have decided that at present no change to this policy is required, given the upwards trend of unrestricted funds against the current level policy figure. The only designed funds relate to the activity of Training and the Trustees do not see this changing in the foreseeable future.

The control measures put in place as described above are continually reviewed by the Trustees. We ceased to utilise the Furlough support in November and have paid the deferred VAT in full. All other measures remain in place and are reviewed.

NFM has seen the steady recovery of activity from the significant drop in April 2020 to more positive recent levels.

The Trustees remain committed to taking all reasonable actions in a decisive manner to guide NFM through this period. The Trustees have assessed that NFM is a going concern for the foreseeable future and therefore prepared the current year financial statements on a going concern basis.

The annual report was approved by the trustees of the charity on 23 December 2021 and signed on its behalf by:

.....  
Carol Reay  
Trustee

## **National Family Mediation**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of National Family Mediation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the trustees of the charity on 23 December 2021 and signed on its behalf by:

.....  
Carol Reay  
Trustee



## **National Family Mediation**

### **Independent Examiner's Report to the trustees of National Family Mediation**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 16 to 31.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of National Family Mediation (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of National Family Mediation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since National Family Mediation's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of National Family Mediation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Charlotte Gibbs BFP ACA  
Wortham Jaques Limited

130a High Street  
Crediton  
Devon  
EX17 3LQ

12 January 2022

## National Family Mediation

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	35,741	-	35,741
Charitable activities	4	802,759	26,000	828,759
Investment income	5	211	-	211
Total income		<u>838,711</u>	<u>26,000</u>	<u>864,711</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(621,073)</u>	<u>(69,729)</u>	<u>(690,802)</u>
Total expenditure		<u>(621,073)</u>	<u>(69,729)</u>	<u>(690,802)</u>
Net income/(expenditure)		217,638	(43,729)	173,909
Transfers between funds		<u>(4,735)</u>	<u>4,735</u>	<u>-</u>
Net movement in funds		212,903	(38,994)	173,909
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>125,938</u>	<u>53,433</u>	<u>179,371</u>
Total funds carried forward	16	<u>338,841</u>	<u>14,439</u>	<u>353,280</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	2,850	-	2,850
Charitable activities	4	870,462	48,206	918,668
Investment income	5	379	-	379
Total income		<u>873,691</u>	<u>48,206</u>	<u>921,897</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(810,167)</u>	<u>(41,257)</u>	<u>(851,424)</u>
Total expenditure		<u>(810,167)</u>	<u>(41,257)</u>	<u>(851,424)</u>
Net income		<u>63,524</u>	<u>6,949</u>	<u>70,473</u>
Net movement in funds		63,524	6,949	70,473
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>62,414</u>	<u>46,484</u>	<u>108,898</u>
Total funds carried forward	16	<u>125,938</u>	<u>53,433</u>	<u>179,371</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 18 to 31 form an integral part of these financial statements.

# National Family Mediation

**(Registration number: 03721723 (a company limited by guarantee))**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	13	142,213	143,841
Cash at bank and in hand	14	<u>396,096</u>	<u>202,535</u>
		538,309	346,376
<b>Creditors: Amounts falling due within one year</b>	15	<u>(185,029)</u>	<u>(167,005)</u>
<b>Net assets</b>		<u>353,280</u>	<u>179,371</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		14,439	53,433
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>338,841</u>	<u>125,938</u>
<b>Total funds</b>	16	<u>353,280</u>	<u>179,371</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 16 to 31 were approved by the trustees, and authorised for issue on 23 December 2021 and signed on their behalf by:

.....  
Carol Reay  
Trustee

The notes on pages 18 to 31 form an integral part of these financial statements.

# **National Family Mediation**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

1st Floor  
Civic Centre  
Paris Street  
Exeter  
Devon  
EX1 1JN

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

National Family Mediation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

# **National Family Mediation**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

### ***Government grants***

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

# National Family Mediation

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	20% straight line basis

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations from individuals	2,197	2,197	2,850
Grants, including capital grants;			
Government grants	33,544	33,544	-
	<u>35,741</u>	<u>35,741</u>	<u>2,850</u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Income from charitable activities

	<b>Unrestricted funds Designated £</b>	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Service Support & Development	-	8,450	-	8,450	63,171
Training	140,587	-	5,000	145,587	124,024
Direct Service Provision	-	653,722	21,000	674,722	731,473
	<u>140,587</u>	<u>662,172</u>	<u>26,000</u>	<u>828,759</u>	<u>918,668</u>

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>211</u>	<u>211</u>	<u>379</u>



## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 6 Expenditure on charitable activities

		Unrestricted funds	Restricted	Total	Total
	Note	Designated	funds	2021	2020
		£	£	£	£
Service Support & Development		-	420	1,676	954
Training		60,252	4,234	64,486	73,871
Direct Service Provision		-	7,921	272,066	403,234
Staff costs		39,994	50,966	287,038	300,805
Allocated support costs	7	7,541	6,188	62,873	67,738
Governance costs	7	384	-	2,663	4,822
		<u>108,171</u>	<u>69,729</u>	<u>690,802</u>	<u>851,424</u>

	Activity	Activity	2021	2020
	undertaken	support		
	directly	costs	£	£
	£	£		
Service Support & Development	23,068	64,756	87,824	81,157
Training	74,542	38,244	112,786	107,920
Direct Service Provision	443,053	44,476	487,529	657,525
Governance	2,663	-	2,663	4,822
	<u>543,326</u>	<u>147,476</u>	<u>690,802</u>	<u>851,424</u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 7 Analysis of governance and support costs

##### Charitable activities expenditure

		Unrestricted funds		Restricted	Total
	Basis of allocation	Designated £	General £	funds £	2021 £
Direct costs		53,543	258,524	9,626	321,693
					<b>Total 2020 £</b>

##### Support costs allocated to charitable activities

		Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Service Support & Development	A, B, C	-	12,801	23,689	4,260	16,833	7,172	64,755
Training	A, B, C	-	3,515	30,060	825	2,953	891	38,244
Direct Service Provision	A, B, C	-	10,184	30,855	1,982	179	1,277	44,477
<b>Total for 2021</b>		-	26,500	84,604	7,067	19,965	9,340	147,476
<b>Total for 2020</b>		4,805	24,698	72,165	17,249	22,404	109	141,430

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Basis of allocation

Reference	Method of allocation
A	Staff time
B	Activity
C	Equipment allocated

#### Governance costs

	Unrestricted funds Designated £	General £	Total 2021 £	Total 2020 £
Independent examiner fees				
Examination of the financial statements	384	2,179	2,563	2,420
Other governance costs	-	100	100	2,402
	<u>384</u>	<u>2,279</u>	<u>2,663</u>	<u>4,822</u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Other non-audit services	<u>2,563</u>	<u>2,420</u>

#### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Indemnity insurance was purchased by the trustees in both 2021 and 2020. This is included in the charity's office policy and therefore no individual cost is ascertainable.

Donations made by the trustees without any conditions attached totalled £Nil for the year (2020 - £1,760).

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	241,453	252,849
Social security costs	10,834	14,288
Pension costs	4,495	4,340
Other staff costs	30,256	29,328
	<u>287,038</u>	<u>300,805</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>19</u>	<u>23</u>

No employee received emoluments of more than £60,000 during the year.

#### 11 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>2,563</u>	<u>2,420</u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Debtors

	2021 £	2020 £
Trade debtors	133,207	135,241
Prepayments	9,006	8,600
	<u>142,213</u>	<u>143,841</u>

#### 14 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	46	46
Cash at bank	396,050	202,489
	<u>396,096</u>	<u>202,535</u>

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

	2021 £	2020 £
Trade creditors	43,137	40,311
Other taxation and social security	38,196	44,972
Accruals	36,409	22,006
Deferred income	67,287	59,716
	<u>185,029</u>	<u>167,005</u>

Creditors amounts falling due within one year includes deferred income:

	2021 £
Deferred income at 1 April 2020	59,716
Resources deferred in the period	(59,716)
Amounts released from previous periods	<u>67,287</u>
Deferred income at 31 March 2021	<u>67,287</u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 16 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<i><b>General</b></i>					
General unrestricted funds	61,687	698,124	(512,902)	(7,198)	239,711
<i><b>Designated</b></i>					
Training	64,251	140,587	(108,171)	2,463	99,130
<b>Total unrestricted funds</b>	<u>125,938</u>	<u>838,711</u>	<u>(621,073)</u>	<u>(4,735)</u>	<u>338,841</u>
<b>Restricted funds</b>					
Marketing Development	22,445	-	(27,180)	4,735	-
Therium	16,453	11,000	(22,266)	-	5,187
IT Project Fund	13,206	-	(9,976)	-	3,230
Avril Reid Award	1,329	-	-	-	1,329
NLCF	-	10,000	(5,307)	-	4,693
Rayne Trust	-	5,000	(5,000)	-	-
	<u>53,433</u>	<u>26,000</u>	<u>(69,729)</u>	<u>4,735</u>	<u>14,439</u>
<b>Total funds</b>	<u><u>179,371</u></u>	<u><u>864,711</u></u>	<u><u>(690,802)</u></u>	<u><u>-</u></u>	<u><u>353,280</u></u>

## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>				
<i><b>General</b></i>				
General unrestricted funds	13,984	749,667	(701,963)	61,688
<i><b>Designated</b></i>				
Training	48,430	124,024	(108,203)	64,251
<b>Total unrestricted funds</b>	62,414	873,691	(810,166)	125,939
<b>Restricted funds</b>				
Marketing Development	33,155	25,000	(35,710)	22,445
Therium	-	22,000	(5,547)	16,453
IT Project Fund	12,000	1,206	-	13,206
Avril Reid Award	1,329	-	-	1,329
	46,484	48,206	(41,257)	53,433
<b>Total funds</b>	108,898	921,897	(851,423)	179,372

The specific purposes for which the funds are to be applied are as follows:

Designated Funds Training - The board has agreed that any surplus from the sale of training courses will be designated to be spent on the professional development of the charity's training programmes.

#### Restricted Funds

Marketing Development - a grant from the John Ellerman Fund to build a new website and provide IT support.

Therium – a grant from Theirum Access was awarded in 2019 grant awarded to fund a case manager's salary.

IT Project Fund- a grant awarded to develop online mediation services.

Avril Reid Award - The Avril Reid Award was established in 2007 and is a fund provided by Michael Reid to be awarded at the NFM AGM. It is an award for innovation in mediation practice and is reserved for this purpose.

NLCF – a grant from NLCF awarded as a Covid crisis fund to provide mediation to cases that did not qualify for legal aid to enable low income families to access mediation.

The Rayne Foundation – a grant awarded from The Rayne Trust to provide training and support to mediators to develop on line skills and knowledge to enable mediators to continue delivering mediation during the pandemic.



## National Family Mediation

### Notes to the Financial Statements for the Year Ended 31 March 2021

The transfer of funds from unrestricted, general funds represents an amount of the grant income received under the Coronavirus Job Retention Scheme to cover the related staff costs charged to designated and restricted funds.

#### 17 Analysis of net assets between funds

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total funds at 31 March 2021</b>
	<b>General</b>	<b>Designated</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current assets	424,740	99,130	14,439	538,309
Current liabilities	(185,029)	-	-	(185,029)
Total net assets	<u>239,711</u>	<u>99,130</u>	<u>14,439</u>	<u>353,280</u>
	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total funds at 31 March 2020</b>
	<b>General</b>	<b>Designated</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current assets	228,693	64,251	53,433	346,377
Current liabilities	(167,005)	-	-	(167,005)
Total net assets	<u>61,688</u>	<u>64,251</u>	<u>53,433</u>	<u>179,372</u>