

# CHILDREN FIRST FAMILY MEDIATION

England & Wales · Charity number 1137385

## Details

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**Other names** CFFM

**Status** Registered

**Legal form** Charitable company

**Company number** [07079246](#)

**Registered** 2010-08-10

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Business Lodge  
Europa House  
Barcroft Street  
Bury  
Lancashire  
BL9 5BT

**Phone** 01617638793

**Email** [admin@childrenfirstfamilymediation.org.uk](mailto:admin@childrenfirstfamilymediation.org.uk)

**Website** [www.childrenfirstfamilymediation.org.uk](http://www.childrenfirstfamilymediation.org.uk)

## Activities

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**Objects:** TO PRESERVE AND PROTECT THE MENTAL AND PHYSICAL HEALTH OF CHILDREN AND ADULTS BY PROVIDING SERVICES DIRECTED TOWARDS MEDIATION FOR PEOPLE INVOLVED OR LIKELY TO BE INVOLVED IN DISPUTE, THE BREAK-UP OF MARRIAGE OR INTERPERSONAL CONFLICT TO RELIEVE THE NEEDS OF CHILDREN AND FAMILIES DURING DIVORCE AND SEPARATION THROUGH SUPPORT WORK AND THE PROVISION OF ADVOCACY AND SIGNPOSTING"

**Activities:** A specialist not for profit family mediation service

## Classification

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- **How:** Provides Services
- **What:** Other Charitable Purposes
- **Who:** Children/young People, Other Defined Groups

## Geography

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- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Bolton
- Bury
- Manchester City
- Oldham
- Rochdale
- Salford City
- Tameside
- Trafford
- Wigan

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£125,025	£125,022	-	-
2024-03-31	£128,989	£104,701	-	-
2023-03-31	£104,706	£117,289	-	-
2022-03-31	£113,452	£128,709	-	-
2021-03-31	£146,764	£122,816	-	-

## Trustees

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Name	Role	Appointed
Carl Bradshaw		2023-10-05
Hannah Gaskell		2023-10-05
Oluwashina Esther Aluko		2024-07-10

**CHILDREN FIRST FAMILY MEDIATION**

England & Wales - Charity number 1137385

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# Accounts

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# **CHILDREN FIRST FAMILY MEDIATION**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

Registered Charity No. 1137385  
Company Registration No. 07079246

# CHILDREN FIRST FAMILY MEDIATION

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## CHILDREN FIRST FAMILY MEDIATION

### **Report of the trustees for the year ended 31<sup>st</sup> March 2025**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> March 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued on 1<sup>st</sup> January 2019.

### **Objectives and activities**

The purposes of the charity are to preserve and protect the mental and physical health of children and adults by providing services directed towards mediation for people involved or likely to be involved in disputes, the break-up of marriage or inter-personal conflict and to relieve the needs of children and families during divorce and separation through support work and the provision of advocacy and signposting. The main activities are a specialist not-for-profit family mediation service.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through reducing conflict between parents, which benefits children. They also help parents to communicate more effectively and agree on their own arrangements in future. Mediation, which resolves financial matters, reduces the burden on the state regarding child maintenance.

### **A review of achievements and major changes**

The service has now stabilised from difficulties in 2022 and is now growing steadily.

The service continues to provide an online and telephone service to families. This was initiated due to the Covid 19 pandemic situation but has proved popular and will continue to be our main method of service delivery. It is likely that some form of remote working will continue, as it seems to be well-liked by clients in terms of its flexibility and time saving properties.

The Service regained its Legal Aid contract to provide mediation to low-income families and delivered a higher volume of legally aided work than in the previous year, mainly as more clients were in receipt of state benefits and so eligible for Legal Aid.

The Mediation Service received 673 referrals in the past year, which is an increase of just under 10%% on the previous year when there was also a steep increase of 20%. As well as a high volume of additional telephone enquiries, where clients are given information and signposted to other services.

## CHILDREN FIRST FAMILY MEDIATION

A significant proportion of these enquiries continue to contain child protection issues where the service has to contact the relevant local authority Children's Services Department and check that they are aware of the risk factors raised by the clients. Of those who go on to mediate, 80% reach some or full agreement. The Service routinely seeks feedback from clients and has numerous examples of positive comments, such as:

*"I was faced with a separated father's worst nightmare, communication broke down with my child's mother, and I had no idea how I could communicate with my son. The service worked to help me massively, from the initial referral stage through to the mediation session."*

*"I initially rejected mediation as I have young children and work, so I could not see how I could fit it in. Doing it online in an hour's gap when my youngest was at nursery made it so much easier, and we sorted everything in two sessions. I also felt less pressured than if we had both been in the same room."*

The Service's contract with the Legal Aid Agency is reviewed annually through a rigorous check of a sample of files. This review was successful, and the Service gained a new 3-year contract in September 2018, which was extended and then formally renewed in September 2024.

### Financial review

The Service has the following sources of income going forward:

- a. The Legal Agency provides mediation to those on low incomes and with limited savings.
- b. Direct client fees for those above the Legal Aid limit. These are charged on a sliding scale to make the service as accessible as possible to those caught in the poverty trap, where they receive just too much income to qualify for free mediation but have limited means and/or debts.
- c. Grant funding from the Kelly Trust.

The current year shows a break-even point.

The main increase in expenditure has been the appointment of a part-time customer service worker to cope with increased referrals.

Client income had increased significantly with a related decrease in Legal Aid income as the balance shifts from those on benefits to those in work.

We have also been very pleased to gain a grant of £5000 from the Kelly Trust for child-inclusive mediation. This work gives children a voice in decisions being made about their future, but requires at least two additional sessions – one with the children and then a second to provide feedback to parents, neither of which is funded by Legal Aid.

### Investment powers and policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term, so there are few funds for any longer-term investment at present.

## CHILDREN FIRST FAMILY MEDIATION

### Reserves policy and going concern

The balance held in reserves at 31<sup>st</sup> March 2025 was £52,464, of which £51,999 are free reserves, after allowing for funds tied up in fixed assets.

The trustees have set a reserves policy which requires:

- Reserves to be maintained at a level which ensures that CFFM's core activity could continue during a period of unforeseen difficulty.
- A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from those budgeted.
- Planned activity level.
- The organisation's commitments, such as staff salaries.

The trustees consider that the level of reserves has now reached an acceptable level.

### Funds for expansion.

The Service is covering costs but has no surplus funds or scope for expansion and investment in service improvements.

There are, therefore, still limited funds for expansion.

This will be addressed by continuing to market the service and increasing income, plus targeted fundraising and grant applications.

### Risk management

There is a risk assessment policy in place.

The Directors have conducted a review of the risks facing the organisation. This is part of the review of the Service Business Plan. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures are in place to ensure compliance with the health and safety of staff, volunteers and visitors.

### Plans for Future Periods

1. Income and expenditure continue to be monitored on a monthly basis, although there are no immediate concerns regarding viability and cash flow.
2. Marketing activity will continue with the use of social media and a revamp of our website.
3. Short-term small grants will be sought from Charitable trusts.

### Structure, governance and management

Children First Family Mediation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2009. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 10 August 2010.

## CHILDREN FIRST FAMILY MEDIATION

### Appointment of trustees

As set out in the Articles of Association, trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of one year, with one third re-elected annually. Trustees are recruited through local networks, and the REACH (Retired Executives Organisation) on the basis of skills and knowledge required.

### Trustee induction and training

Most trustees are already familiar with the work of the charity as a result of a longstanding connection with the organisation.

Our two new trustees have attended meetings with the service director to familiarise themselves with the work of the charity. One is an experienced charity consultant and the other a family lawyer.

### Organisation

The Organisation has a Board of Directors.

There must be a minimum of three directors. There is no maximum number.

The Board of Directors is responsible for the strategic direction of the organisation.

A scheme of delegation is in place, and day-to-day responsibility for the provision of services rests with the senior management team.

### Related parties and co-operation with other organisations

None of our trustees receives remuneration or other benefits from their work with the charity.

Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, the self-employed senior manager, who is not a trustee, received fees totalling £3,000.

### Reference and administrative information

Company and Charity Name: Children First Family Mediation.

Charity Number: 1137385

Company Registration Number: 07079246

### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. The trustees and officers serving during the year and since the year-end were as follows:

#### Key management personnel: Trustees and Directors

Sheena Adam,	Secretary	(Director only)
Carl Bradshaw	Chair of Trustees	(Trustee & Director, appointed Trustee October 2023 and Director October 2024)
Hannah Gaskell,	Trustee	(Trustee only)
Esther Aluko	Trustee	(Trustee only, appointed July 2024)

### Senior Manager

Sheena Adam

**CHILDREN FIRST FAMILY MEDIATION****Registered Office**

Europa House  
19 Barcroft Street  
Bury  
BL9 5BT

**Independent Examiners**

Community Accountancy Service Limited  
The Grange  
Pilgrim Drive  
Beswick  
Manchester  
M11 3TQ

**Bankers**

The Co-operative Bank plc  
1 Balloon Street  
Manchester

**Professional Practice Consultant:** Sheena Adam

## CHILDREN FIRST FAMILY MEDIATION

### **Trustees' responsibilities in relation to the financial statements**

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

By order of the board of trustees

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Carl Bradshaw            Chair

Date: 10<sup>th</sup> December 2025

**Independent examiner's report to the trustees of CHILDREN FIRST FAMILY MEDIATION**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2025, which are set out on pages 8 to 17.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

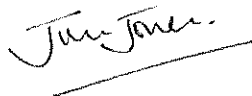
**Basis of independent examiner's report**

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

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



James Hilton Jones  
Hilton-Jones t/a Community Accountancy Service  
Hollinwood Business Centre, Albert Street  
Oldham, OL8 3QL

Date: 10<sup>th</sup> December 2025

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2025**  
**(Including Income and Expenditure Account)**

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2024 £
<b>Income from:</b>					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	125,025	-	125,025	128,969
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		-	-	-	20
<b>Total</b>		<b>125,025</b>	<b>-</b>	<b>125,025</b>	<b>128,989</b>
<b>Expenditure on:</b>					
Raising Funds	(6)	375	-	375	1,089
Charitable Activities	(6)	124,613	-	124,613	103,599
Other	(6)	34	-	34	13
<b>Total</b>		<b>125,022</b>	<b>-</b>	<b>125,022</b>	<b>104,701</b>
<b>Net income/(expenditure)</b>		<b>3</b>	<b>-</b>	<b>3</b>	<b>24,288</b>
Transfers between funds	(15)	-	-	-	-
<b>Net movement in funds</b>		<b>3</b>	<b>-</b>	<b>3</b>	<b>24,288</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	(15)	52,461	-	52,461	28,173
<b>Total funds carried forward</b>	<b>(15)</b>	<b>52,464</b>	<b>-</b>	<b>52,464</b>	<b>52,461</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 17 form part of these accounts

**BALANCE SHEET AS AT 31 MARCH 2025**

Company registration number: 07079246

	Notes	2025 £	2024 £
<b>Fixed assets:</b>			
Tangible assets	(11)	465	548
Total fixed assets		<u>465</u>	<u>548</u>
<b>Current assets:</b>			
Debtors	(12)	18,537	27,823
Cash at Bank & in Hand		44,244	33,020
Total current assets		<u>62,781</u>	<u>60,843</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(13)	10,782	8,930
Net current assets or liabilities		<u>51,999</u>	<u>51,913</u>
Total assets less current liabilities		52,464	52,461
<b>Total net assets or liabilities</b>		<u><u>52,464</u></u>	<u><u>52,461</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(15)	-	-
Unrestricted income funds	(15)	52,464	52,461
<b>Total charity funds</b>		<u><u>52,464</u></u>	<u><u>52,461</u></u>

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

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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.

Approved by the trustees on 10th December 2025

Carl Bradshaw      Chair

The notes on pages 11 to 17 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2025

## Reconciliation of net movement in funds to net cash flow from operating activities

	Year Ended 31st March 2025 £	Year Ended 31st March 2024 £
Net movement in funds	3	24,288
Add back depreciation	83	96
Deduct investment income	-	-
Decrease/(increase) in debtors	9,286	(12,243)
Increase/(decrease) in creditors	1,852	454
<b>Net cash used in operating activities</b>	<u>11,224</u>	<u>12,595</u>
<b>Cash flows from investment activities:</b>		
Interest	-	-
Purchase of fixed assets	-	-
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents during the year	11,224	12,595
Cash and cash equivalents brought forward	33,020	20,425
<b>Cash and cash equivalents carried forward</b>	<u><u>44,244</u></u>	<u><u>33,020</u></u>

## Notes to the accounts

**1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are no restricted funds.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against this heading in the financial statements.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

**(g) Costs of raising funds**

The costs of raising funds consists of costs required to generate income.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Fixtures and Fittings	15% reducing balance
Signage	15% reducing balance
Computer Equipment	33.33% straight line

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does not administer contributions to a pension scheme. The trustees operate an auto enrolment pension scheme. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**(l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). Expenses paid for the trustees in the year totalled £nil (2024: £nil).

**3. Donations and Legacies**

	Unrestricted Year Ended 31st March 2025 £	Restricted Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2024 £
Donations	-	-	-	-
	-	-	-	-

**Previous reporting period**

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £
Donations	-	-	-
	-	-	-

**4. Income from charitable activities**

	Unrestricted Year Ended 31st March 2025 £	Restricted Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2024 £
Unrestricted Grants:				
The Kelly Foundation	5,000	-	5,000	-
Other Income:				
Client Fees	65,191	-	65,191	52,572
Legal Aid Income	54,834	-	54,834	76,397
	<u>125,025</u>	<u>-</u>	<u>125,025</u>	<u>128,969</u>

## Previous reporting period

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £
Other Income:			
Client Fees	52,572	-	52,572
Legal Aid Income	76,397	-	76,397
	<u>128,969</u>	<u>-</u>	<u>128,969</u>

## 5. Income from other trading activities

	Unrestricted Year Ended 31st March 2025 £	Restricted Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2025 £	Total Funds Year Ended 31st March 2024 £
Solicitors' Directory	-	-	-	-
	-	-	-	-

## Previous reporting period

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £
Solicitors' Directory	-	-	-
	-	-	-

## 6. Expenditure

	Mediation Services £	Year Ended 31st March 2025 £	Year Ended 31st March 2024 £
<b>Expenditure on raising funds:</b>			
Affiliation Fees	202	202	400
Advertising	37	37	-
Subscriptions	136	136	689
	375	375	1,089

**Expenditure on charitable activities:**

Employment Costs	60,561	60,561	43,477
Training	544	544	675
Directors' Management Fees	8,250	8,250	3,000
Mediation Fees	31,071	31,071	30,091
Interpretation Fees	306	306	262
Payroll Bureau Fees	504	504	360
Supervision Fees	-	-	770
Card Payment Machine Charges	1,214	1,214	1,048
Repairs	18	18	15
Office Administration Services	-	-	4,100
Minor Equipment	-	-	98
Professional Fees	1,042	1,042	-
Irrecoverable VAT	-	-	66
SPIP Delivery Fees	-	-	55
Telephone & Internet	149	149	235
Rent, Rates & Room Hire	10,320	10,320	10,178
Computer Costs	7,744	7,744	6,226
Insurance	1,278	1,278	1,226
Governance and Support Costs	824	824	725
Post, Printing & Stationery	705	705	896
Depreciation	83	83	96
	124,613	124,613	103,599

**Other expenditure:**

Sundry Expenses	34	34	13
	34	34	13
	125,022	125,022	104,701

Restricted funds	-	-	-
Unrestricted funds		125,022	104,701
		125,022	104,701

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total 2025	Basis of apportionment type of work undertaken
Accountancy Fees	-	824	824	
	-	824	824	
Previous reporting period				
	General Support	Governance	Total 2024	Basis of apportionment type of work undertaken
Accountancy Fees	-	725	725	
	-	725	725	

**9. Analysis of staff costs**

	Year Ended 31st March 2025 £	Year Ended 31st March 2024 £
Wages and Salaries	59,326	42,620
Redundancy	-	-
Social Security Costs	-	-
Pension Costs	1,235	857
	<u>60,561</u>	<u>43,477</u>
Charitable activities	60,561	43,477
Support costs	-	-
	<u>60,561</u>	<u>43,477</u>

The average number of employees during the year was 3 (previous year: 2).

The charity considers its key management personnel comprises the trustees and Senior Manager. The senior manager is self-employed. Management fees during the year totalled £8,250 (2024: £3,000). The senior manager is a director of the charity but not a trustee.

No employees had benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31st March 2025 £	Year Ended 31st March 2024 £
Independent examination fees	824	725
	<u>824</u>	<u>725</u>

**11. Tangible Fixed Assets**

	Signage	Computers	Fixtures & Fittings £	Total £
<b>Cost</b>				
At 1st April 2024	535	4,912	3,237	8,684
Additions	-	-	-	-
At 31st March 2025	<u>535</u>	<u>4,912</u>	<u>3,237</u>	<u>8,684</u>
<b>Depreciation</b>				
At 1st April 2024	483	4,912	2,741	8,136
Charge for Year	8	-	75	83
At 31st March 2025	<u>491</u>	<u>4,912</u>	<u>2,816</u>	<u>8,219</u>
<b>NET BOOK VALUE</b>				
At 31st March 2025	<u>44</u>	<u>-</u>	<u>421</u>	<u>465</u>
At 31st March 2024	<u>52</u>	<u>-</u>	<u>496</u>	<u>548</u>

**12. Analysis of debtors**

	2025	2024
	£	£
Debtors	17,562	26,981
Prepayments	975	842
	<u>18,537</u>	<u>27,823</u>

Debtors and prepayments comprise restricted funds £nil (2024: £nil) and unrestricted funds £ (2024: £27,823).

**13. Creditors: amounts falling due within one year**

	2025	2024
	£	£
Creditors	9,906	7,880
Short-term compensated absences (holiday pay)	-	213
Other creditors and accruals	876	837
Deferred income	-	-
Taxation and social security costs	-	-
	<u>10,782</u>	<u>8,930</u>

**14. Deferred income**

Deferred income comprises fees charged in advance for the Solicitors' Directory.

Balance as at 1st April 2024	-
Amount released to income earned from charitable activities	-
Amount deferred in year	-
Balance at 31st March 2025	<u>-</u>

**15. Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Balance at 1st April 2024	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2025
	£	£	£	£	£
General Fund	52,461	125,025	(125,022)	-	52,464
	<u>52,461</u>	<u>125,025</u>	<u>(125,022)</u>	<u>-</u>	<u>52,464</u>

**Previous reporting period**

	Balance at 1st April 2023	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2024
	£	£	£	£	£
General Fund	28,173	128,989	(104,701)	-	52,461
	<u>28,173</u>	<u>128,989</u>	<u>(104,701)</u>	<u>-</u>	<u>52,461</u>

**Name of unrestricted fund:**

General Fund

**Description, nature and purpose of the fund**

The "free reserves"

**16. Analysis of net assets between funds**

	Unrestricted funds	Designated funds	Restricted funds	Total 2025
	£	£	£	£
Tangible fixed assets	465	-	-	465
Cash at bank and in hand	44,244	-	-	44,244
Other net current assets/(liabilities)	7,755	-	-	7,755
<b>Total</b>	<u>52,464</u>	<u>-</u>	<u>-</u>	<u>52,464</u>

## Previous reporting period

	Unrestricted funds	Designated funds	Restricted funds	Total 2024
	£	£	£	£
Tangible fixed assets	548	-	-	548
Cash at bank and in hand	33,020	-	-	33,020
Other net current assets/(liabilities)	18,893	-	-	18,893
<b>Total</b>	<u>52,461</u>	<u>-</u>	<u>-</u>	<u>52,461</u>

**17. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

## Income and Expenditure Account

	Year Ended 31st March 2025 £	Year Ended 31st March 2024 £
<b>Income</b>		
Unrestricted Grants:	-	-
The Kelly Foundation	5,000	-
Client Fees	65,191	52,572
Legal Aid Income	54,834	76,397
Other	-	20
<b>Total Income</b>	<b>125,025</b>	<b>128,989</b>
<b>Expenditure</b>		
Affiliation Fees	202	400
Advertising	37	-
Subscriptions	136	689
Employment Costs	60,561	43,477
Training	544	675
Directors' Management Fees	8,250	3,000
Mediation Fees	31,071	30,091
Interpretation Fees	306	262
Payroll Bureau Fees	504	360
Supervision Fees	-	770
Card Payment Machine Charges	1,214	1,048
Repairs	18	15
Office Administration Services	-	4,100
Minor Equipment	-	98
Professional Fees	1,042	-
Irrecoverable VAT	-	66
SPIP Delivery Fees	-	55
Telephone & Internet	149	235
Rent, Rates & Room Hire	10,320	10,178
Computer Costs	7,744	6,226
Insurance	1,278	1,226
Governance and Support Costs	824	725
Post, Printing & Stationery	705	896
Depreciation	83	96
Sundry Expenses	34	13
<b>Total Expenditure</b>	<b>125,022</b>	<b>104,701</b>
<b>Surplus/(Deficit) for the Year</b>	<b>3</b>	<b>24,288</b>

**CHILDREN FIRST FAMILY MEDIATION**

England & Wales - Charity number 1137385

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# Accounts

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# **CHILDREN FIRST FAMILY MEDIATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2024**

Registered Charity No. 1137385  
Company Registration No. 07079246

# CHILDREN FIRST FAMILY MEDIATION

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## CHILDREN FIRST FAMILY MEDIATION

### **Report of the trustees for the year ended 31<sup>st</sup> March 2024**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued on 1<sup>st</sup> January 2019.

### **Objectives and activities**

The purposes of the charity are to preserve and protect the mental and physical health of children and adults by providing services directed towards mediation for people involved or likely to be involved in dispute, the break-up of marriage or inter-personal conflict and to relieve the needs of children and families during divorce and separation through support work and the provision of advocacy and signposting. The main activities are a specialist not-for-profit family mediation service.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through reducing conflict between parents which benefits children. They also help parents to communicate more effectively and agree their own arrangements in future. Mediation which resolves financial matters reduces the burden on the state regarding child maintenance.

### **A review of achievements major changes**

Following the "Rescue Plan" adopted in January 2023 the service has recovered well both in terms of increased referrals and a more secure financial situation.

This plan consisted of

- Termination of full-time manager post and reappointment of Sheena Adam, Director
- Increased marketing
- Getting clients quickly into funded appointments
- Short term fundraising
- Increasing client fees (from 16/12/22 last raised in November 2021)

The service continues to provide an online and telephone service to families. This was initiated due to the Covid 19 pandemic situation but has proved popular and will continue to be our main method of service delivery. It is likely that some form of remote working will continue as it seems to be well liked by clients in terms of its flexibility and time saving properties.

The Service regained its Legal Aid contract to provide mediation to low-income families and delivered a higher volume of legally aided work than in previous year mainly as more clients were in receipt of state benefits and so eligible for Legal Aid.

## CHILDREN FIRST FAMILY MEDIATION

The Mediation Service received 623 referrals in the past year which is an increase of 20% on the previous financial year, as well as a high volume of additional telephone enquiries where clients are given information and signposted to other services.

A significant proportion of these enquiries continue to contain child protection issues where the service has to contact the relevant local authority Children's Services Department and check that they are aware of the risk factors raised by the clients. Of those who go on to mediate 80% reach some or full agreement. The Service routinely seeks feedback from clients and has numerous examples of positive comments such as:

"I would recommend this company for any parent going through a difficult time with their ex-partner and childcare arrangements."

"Sheena and Liz were both great throughout and I couldn't have asked any more of them. Communication was great and quick with arranging meetings and moving things forward. Thank you both for your assistance throughout."

The Service's contract with the Legal Aid Agency is reviewed annually through a rigorous check of a sample of files. This review was successful, and the Service gained a new 3-year contract in September 2018. This has been extended with retendering started in February 2024 with the outcome known by September 2024.

### Financial review

The Service has the following sources of income going forward:

- a. The Legal Aid Agency to provide mediation to those on low incomes and with limited savings.
- b. Direct client fees for those above the Legal Aid limit. These are charged on a sliding scale to make the service as accessible as possible to those caught in the poverty trap where they receive just too much income to qualify for free mediation but have limited means and/or debts.

The current year shows a surplus of £24,288 compared to a loss of £12,583 in the previous year.

Income has increased by £24,283.

### Investment powers and policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term so there are few funds for any longer-term investment.

### Reserves policy and going concern

The balance held in reserves at 31<sup>st</sup> March 2024 was £52,461 of which £51,913 are free reserves, after allowing for funds tied up in fixed assets.

The trustees have set a reserves policy which requires:

- Reserves to be maintained at a level which ensures that CFFM's core activity could continue during a period of unforeseen difficulty.

## CHILDREN FIRST FAMILY MEDIATION

- A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral form of the organisation's planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted.
- Planned activity level.
- The organisation's commitments such as staff salaries.

The trustees consider that the level of reserves has now reached an acceptable level.

### **Funds for expansion.**

The Service has been able to achieve a surplus but continues to need to increase income wherever possible to provide scope for expansion and investment in service improvements. There are therefore still limited funds for expansion.

### **Risk management**

There is a risk assessment policy in place.

The Directors have conducted a review of the risks facing the organisation. This is part of the review of the Service Business Plan. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors.

### **Plans for Future Periods**

1. Income and expenditure continue to be being monitored on a monthly basis although there are no immediate concerns re viability and cashflow.
2. Marketing activity will continue with use of social media and revamp of our website if funds allow.
3. Short term small grants will be sought from Charitable trusts.

### **Structure, governance and management**

Children First Family Mediation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2009. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 10 August 2010.

### **Appointment of trustees**

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of one year with one third re-elected annually. Trustees are recruited through local networks, and the REACH (Retired Executives Organisation) on the basis of skills and knowledge required.

### **Trustee induction and training**

Most trustees are already familiar with the work of the charity as a result of longstanding connection with the organisation.

## CHILDREN FIRST FAMILY MEDIATION

Our two new trustees have attended meetings with the service director to familiarise themselves with the work of the charity. One is an experienced charity consultant and the other a family lawyer.

### Organisation

The Organisation has a Board of Directors.

There must be a minimum of three directors. There is no maximum number.

The Board of Directors is responsible for the strategic direction of the organisation.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the senior management team.

Two new trustees have bene recruited and this has injected new energy into the service.

### Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year the self-employed senior manager, who is not a trustee, received fees totalling £3,000.

### Reference and administrative information

Company and Charity Name: Children First Family Mediation.

Charity Number: 1137385

Company Registration Number: 07079246

### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

#### Key management personnel: Trustees and Directors

Jill Duffy		(Director only, resigned December 2023)
Sheena Adam	Secretary	(Director only)
Carl Bradshaw	Chair of Trustees	(Trustee and Director, appointed trustee October 2023 and Director October 2024)
Hannah Gaskell	Trustee	(Trustee only, appointed October 2023)
Olwashino Aluko	Trustee	(Trustee only, appointed July 2024)

### Senior Manager

Sheena Adam

### Registered Office

Europa House  
19 Barcroft Street  
Bury  
BL9 5BT

**CHILDREN FIRST FAMILY MEDIATION****Independent Examiners**

Community Accountancy Service Limited  
The Grange  
Pilgrim Drive  
Beswick  
Manchester  
M11 3TQ

**Bankers**

The Co-operative Bank plc  
1 Balloon Street  
Manchester

**Professional Advisors**

Val Hewertson, supervisor

## CHILDREN FIRST FAMILY MEDIATION

### **Trustees' responsibilities in relation to the financial statements**

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

By order of the board of trustees

-----  
Carl Bradshaw            Chair

Date: 13<sup>th</sup> November 2024

## **Independent examiner's report to the trustees of CHILDREN FIRST FAMILY MEDIATION**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2024, which are set out on pages 8 to 17.

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

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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

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

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A. M. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 13<sup>th</sup> November 2024

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2024**  
**(Including Income and Expenditure Account)**

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2023 £
<b>Income from:</b>					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	128,969	-	128,969	104,694
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		20	-	20	12
<b>Total</b>		128,989	-	128,989	104,706
<b>Expenditure on:</b>					
Raising Funds	(6)	1,089	-	1,089	274
Charitable Activities	(6)	103,599	-	103,599	117,002
Other	(6)	13	-	13	13
<b>Total</b>		104,701	-	104,701	117,289
<b>Net income/(expenditure)</b>		24,288	-	24,288	(12,583)
Transfers between funds	(15)	-	-	-	-
<b>Net movement in funds</b>		24,288	-	24,288	(12,583)
<b>Reconciliation of funds</b>					
Total funds brought forward	(15)	28,173	-	28,173	40,756
<b>Total funds carried forward</b>	(15)	52,461	-	52,461	28,173

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 17 form part of these accounts

**BALANCE SHEET AS AT 31 MARCH 2024**

Company registration number: 07079246

	Notes	2024 £	2023 £
<b>Fixed assets:</b>			
Tangible assets	(11)	548	644
Total fixed assets		<u>548</u>	<u>644</u>
<b>Current assets:</b>			
Debtors	(12)	27,823	15,580
Cash at Bank & in Hand		33,020	20,425
Total current assets		<u>60,843</u>	<u>36,005</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(13)	8,930	8,476
Net current assets or liabilities		<u>51,913</u>	<u>27,529</u>
Total assets less current liabilities		52,461	28,173
<b>Total net assets or liabilities</b>		<u><u>52,461</u></u>	<u><u>28,173</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(15)	-	-
Unrestricted income funds	(15)	52,461	28,173
<b>Total charity funds</b>		<u><u>52,461</u></u>	<u><u>28,173</u></u>

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

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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.

Approved by the trustees on 13th November 2024

Carl Bradshaw      Chair

The notes on pages 11 to 17 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2024

## Reconciliation of net movement in funds to net cash flow from operating activities

	Year Ended 31st March 2024 £	Year Ended 31st March 2023 £
Net movement in funds	24,288	(12,583)
Add back depreciation	96	986
Deduct investment income	-	-
Decrease/(increase) in debtors	(12,243)	188
Increase/(decrease) in creditors	454	906
<b>Net cash used in operating activities</b>	<u>12,595</u>	<u>(10,503)</u>
<b>Cash flows from investment activities:</b>		
Interest	-	-
Purchase of fixed assets	-	-
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents during the year	12,595	(10,503)
Cash and cash equivalents brought forward	20,425	30,928
<b>Cash and cash equivalents carried forward</b>	<u><u>33,020</u></u>	<u><u>20,425</u></u>

**Notes to the accounts****1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is 1 restricted fund.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against this heading in the financial statements.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

**(g) Costs of raising funds**

The costs of raising funds consists of costs required to generate income.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Fixtures and Fittings	15% reducing balance
Signage	15% reducing balance
Computer Equipment	33.33% straight line

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does not administer contributions to a pension scheme.

The trustees implemented an auto enrolment pension scheme from May 2017. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**(l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2023: £nil). Expenses paid for the trustees in the year totalled £nil (2023: £nil).

**3. Donations and Legacies**

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2023 £
Donations	-	-	-	-
	-	-	-	-

Previous reporting period

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £
Donations	-	-	-
	-	-	-

## 4. Income from charitable activities

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2023 £
Other Income:				
Client Fees	52,572	-	52,572	62,281
Legal Aid Income	76,397	-	76,397	30,201
Cafcass Contracts for SPIP	-	-	-	10,989
Unrestricted Grants:				
The Woodward Charitable Trust	-	-	-	1,000
Marsh Charitable Trust	-	-	-	500
HMRC CVJRS (repaid)	-	-	-	(277)
	<u>128,969</u>	<u>-</u>	<u>128,969</u>	<u>104,694</u>

## Previous reporting period

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £
Other Income:			
Client Fees	62,281	-	62,281
Legal Aid Income	30,201	-	30,201
Cafcass Contracts for SPIP	10,989	-	10,989
Unrestricted Grants:			
The Woodward Charitable Trust	1,000	-	1,000
Marsh Charitable Trust	500	-	500
HMRC CVJRS (repaid)	(277)	-	(277)
	<u>104,694</u>	<u>-</u>	<u>104,694</u>

## 5. Income from other trading activities

	Unrestricted Year Ended 31st March 2024 £	Restricted Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2024 £	Total Funds Year Ended 31st March 2023 £
Solicitors' Directory	-	-	-	-
	-	-	-	-

Previous reporting period

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £
Solicitors' Directory	-	-	-
	-	-	-

## 6. Expenditure

	Mediation Services £	Year Ended 31st March 2024 £	Year Ended 31st March 2023 £
<b>Expenditure on raising funds:</b>			
Affiliation Fees		400	135
Subscriptions		689	139
		1,089	274

**Expenditure on charitable activities:**

Employment Costs		43,477	69,551
Training		675	-
Directors' Management Fees		3,000	3,000
Mediation Fees		30,091	18,718
Interpretation Fees		262	175
Payroll Bureau Fees		360	529
Supervision Fees		770	1,120
Card Payment Machine Charges		1,048	900
Repairs		15	61
Office Administration Services		4,100	-
Minor Equipment		98	-
Bad Debts		-	-
Irrecoverable VAT		66	490
SPIP Delivery Fees		55	2,815
Telephone & Internet		235	19
Rent, Rates & Room Hire		10,178	10,224
Computer Costs		6,226	5,550
Insurance		1,226	1,174
Governance and Support Costs		725	775
Post, Printing & Stationery		896	915
Depreciation		96	986
		103,599	117,002

**Other expenditure:**

Sundry Expenses		13	13
		13	13
		104,701	117,289

Restricted funds		-	872
Unrestricted funds		104,701	116,417
		104,701	117,289

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total 2024	Basis of apportionment
Accountancy Fees	-	725	725	type of work undertaken
	-	725	725	
Previous reporting period				
	General Support	Governance	Total 2023	Basis of apportionment
Accountancy Fees	-	775	775	type of work undertaken
	-	775	775	

**9. Analysis of staff costs**

	Year Ended 31st March 2024	Year Ended 31st March 2023
	£	£
Wages and Salaries	42,620	67,942
Redundancy	-	-
Social Security Costs	-	321
Pension Costs	857	1,288
	<u>43,477</u>	<u>69,551</u>
Charitable activities	43,477	69,551
Support costs	-	-
	<u>43,477</u>	<u>69,551</u>

The average number of employees during the year was 2 (previous year: 4).

The charity considers its key management personnel comprises the trustees and Senior Manager. The senior manager is self-employed. Management fees during the year totalled £3,000 (2023: £3,000). The senior manager is a director of the charity but not a trustee.

No employees had benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31st March 2024	Year Ended 31st March 2023
	£	£
Independent examination fees	650	700
Other financial services	75	75
	<u>725</u>	<u>775</u>

**11. Tangible Fixed Assets**

	Signage	Computers	Fixtures & Fittings	Total
Cost			£	£
At 1st April 2023	535	4,912	3,237	8,684
Additions	-	-	-	-
At 31st March 2024	<u>535</u>	<u>4,912</u>	<u>3,237</u>	<u>8,684</u>
<b>Depreciation</b>				
At 1st April 2023	474	4,912	2,654	8,040
Charge for Year	9	-	87	96
At 31st March 2024	<u>483</u>	<u>4,912</u>	<u>2,741</u>	<u>8,136</u>
<b>NET BOOK VALUE</b>				
At 31st March 2024	<u>52</u>	<u>-</u>	<u>496</u>	<u>548</u>
At 31st March 2023	<u>61</u>	<u>-</u>	<u>583</u>	<u>644</u>

**12. Analysis of debtors**

	2024	2023
	£	£
Debtors	26,981	15,207
Prepayments	842	373
	<u>27,823</u>	<u>15,580</u>

Debtors and prepayments comprise restricted funds £nil (2023: £nil) and unrestricted funds £27,823 (2023: £15,580).

**13. Creditors: amounts falling due within one year**

	2024	2023
	£	£
Creditors	7,880	1,441
Short-term compensated absences (holiday pay)	213	184
Other creditors and accruals	837	775
Deferred income	-	-
Taxation and social security costs	-	6,076
	<u>8,930</u>	<u>8,476</u>

**14. Deferred income**

Deferred income comprises fees charged in advance for the Solicitors' Directory.

Balance as at 1st April 2023	-
Amount released to income earned from charitable activities	-
Amount deferred in year	-
Balance at 31st March 2024	<u>-</u>

**15. Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Balance at 1st April 2023	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2024
	£	£	£	£	£
General Fund	28,173	128,989	(104,701)	-	52,461
	<u>28,173</u>	<u>128,989</u>	<u>(104,701)</u>	<u>-</u>	<u>52,461</u>

## Previous reporting period

	Balance at 1st April 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2023
	£	£	£	£	£
General Fund	39,884	104,706	(116,417)	-	28,173
	<u>39,884</u>	<u>104,706</u>	<u>(116,417)</u>	<u>-</u>	<u>28,173</u>

**Name of unrestricted fund:**

General Fund

**Description, nature and purpose of the fund**

The "free reserves"

**15. Analysis of charitable funds****Analysis of movements in restricted funds**

Previous reporting period

	Balance at 1st April 2022 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31st March 2023 £
The Clothworkers Foundation	872	-	(872)	-	-
	<u>872</u>	<u>-</u>	<u>(872)</u>	<u>-</u>	<u>-</u>

**Name of restricted fund:**

The Clothworkers Foundation

**Description, nature and purpose of the fund**

For computers

**16. Analysis of net assets between funds**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £
Tangible fixed assets	548	-	-	548
Cash at bank and in hand	33,020	-	-	33,020
Other net current assets/(liabilities)	18,893	-	-	18,893
<b>Total</b>	<u>52,461</u>	<u>-</u>	<u>-</u>	<u>52,461</u>

Previous reporting period

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	644	-	-	644
Cash at bank and in hand	20,425	-	-	20,425
Other net current assets/(liabilities)	7,104	-	-	7,104
<b>Total</b>	<u>28,173</u>	<u>-</u>	<u>-</u>	<u>28,173</u>

**17. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

CHILDREN FIRST FAMILY MEDIATION

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Income and Expenditure Account

	Year Ended 31st March 2024 £	Year Ended 31st March 2023 £
<b>Income</b>		
Client Fees	52,572	62,281
Legal Aid Income	76,397	30,201
Cafcass Contracts for SPIP	-	10,989
Other	20	12
Unrestricted Grants:		
The Woodward Charitable Trust	-	1,000
Marsh Charitable Trust	-	500
HMRC CVJRS (repaid)	-	(277)
<b>Total Income</b>	<b>128,989</b>	<b>104,706</b>
<b>Expenditure</b>		
Affiliation Fees	400	135
Subscriptions	689	139
Employment Costs	43,477	69,551
Training	675	-
Directors' Management Fees	3,000	3,000
Mediation Fees	30,091	18,718
Interpretation Fees	262	175
Payroll Bureau Fees	360	529
Supervision Fees	770	1,120
Card Payment Machine Charges	1,048	900
Repairs	15	61
Office Administration Services	4,100	-
Minor Equipment	98	-
Bad Debts	-	-
Irrecoverable VAT	66	490
SPIP Delivery Fees	55	2,815
Telephone & Internet	235	19
Rent, Rates & Room Hire	10,178	10,224
Computer Costs	6,226	5,550
Insurance	1226	1174
Governance and Support Costs	725	775
Post, Printing & Stationery	896	915
Depreciation	96	986
Sundry Expenses	13	13
<b>Total Expenditure</b>	<b>104,701</b>	<b>117,289</b>
<b>Surplus/(Deficit) for the Year</b>	<b>24,288</b>	<b>(12,583)</b>

**CHILDREN FIRST FAMILY MEDIATION**

England & Wales - Charity number 1137385

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# Accounts

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**CHILDREN FIRST FAMILY MEDIATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2023**

Registered Charity No. 1137385  
Company Registration No. 07079246

# CHILDREN FIRST FAMILY MEDIATION

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## CHILDREN FIRST FAMILY MEDIATION

### **Report of the trustees for the year ended 31<sup>st</sup> March 2023**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued on 1<sup>st</sup> January 2019.

### **Objectives and activities**

The purposes of the charity are to preserve and protect the mental and physical health of children and adults by providing services directed towards mediation for people involved or likely to be involved in dispute, the break-up of marriage or inter-personal conflict and to relieve the needs of children and families during divorce and separation through support work and the provision of advocacy and signposting. The main activities are a specialist not-for-profit family mediation service.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through reducing conflict between parents which benefits children. They also help parents to communicate more effectively and agree their own arrangements in future. Mediation which resolves financial matters reduces the burden on the state regarding child maintenance.

### **A review of achievements major changes**

Referrals have decreased and the Service is looking at website redevelopment and other promotional measures to address this.

The service continues to provide an online and telephone service to families. This was initiated due to the Covid 19 pandemic situation but has proved popular and will continue to be our main method of service delivery. It is likely that some form of remote working will continue as it seems to be well liked by clients in terms of its flexibility and time saving properties.

The Service regained its Legal Aid contract to provide mediation to low income families and delivered a higher volume of legally aided work than in previous year mainly as more clients were in receipt of state benefits and so eligible for Legal Aid.

The Mediation Service received 534 referrals in the past year as well as a high volume of additional telephone enquiries where clients are given information and signposted to other services This represents a further decrease of from the previous year and is an area of concern

A significant proportion of these enquiries continue to contain child protection issues where the service has to contact the relevant local authority Children's Services Department and check that they are aware of the risk factors raised by the clients. Of those who go on to mediate 80% reach some or full agreement. The Service routinely seeks feedback from

## CHILDREN FIRST FAMILY MEDIATION

clients and has numerous examples of positive comments such as *"Our mediator had a lovely manner and was quite understanding of our situation in a non-judgemental manner"* It is difficult to gain feedback as clients understandably move on, but we are asking them now to complete Google Reviews which is a quick and very visible way of gaining feedback.

The Contract to deliver the Separated Parents Course has ended as Cafcass chose to offer this on a national basis and this organisation was not in a position to apply for that contract.

The Service's contract with the Legal Aid Agency is reviewed annually through a rigorous check of a sample of files. This review was successful, and the Service gained a new 3-year contract in September 2018. This has been extended with retendering likely to be in 2023

### Major changes

1. The appointment of Imogene Firth as manager from 1/8/21 which significantly increased staffing costs has unfortunately not proved successful. There was no significant increase in referrals or income and the result has been that the service was running at an increasing loss(see Financial section below.

The decision was therefore taken to terminate that appointment with the post holder leaving in January 2023

2. Sheena Adam has returned as operational director and other staff have expanded their roles to create some changes in working practices designed to
  - Ensure all appointments are funded through Legal Aid or client income before they are set up
  - Appointments are set up quickly with less time spent on telephone help as a more cost effective approach
  -

### Financial review

The Service has the following sources of income going forward

- a. The Legal Agency to provide mediation to those on low incomes and with limited savings.
- b. Direct client fees for those above the Legal Aid limit. These are charged on a sliding scale to make the service as accessible as possible to those caught in the poverty trap where they receive just too much income to qualify for free mediation but have limited means and/or debts.

The current year shows an increase of revenue of £15,167 compared to a loss of £12,399 in the previous year.

This was largely due to

- The cost of the manager post and its lack of impact
- No increase in income or referrals during her tenure

This led to major trustee discussions as to whether the service was viable in December 2022 as reserves were being depleted by the growing losses.

## CHILDREN FIRST FAMILY MEDIATION

The decision was made to attempt a Recue plan based on the staff changes above and the following

- Increased marketing
- Short term fundraising
- Increasing client fees(from 16/12/22 last raised in November 2021)

In the short period since this decision and restructure the financial situation has slowly stabilised with income growing and costs reduced but the full effect of this will not be seen until the next financial year.

### **Investment powers and policy**

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term so there are few funds for any longer-term investment.

### **Reserves policy and going concern**

The balance held in reserves at 31<sup>st</sup> March 2023 was £28,173 of which £27,529 are free reserves, after allowing for funds tied up in fixed assets.

The trustees have set a reserves policy which requires:

Reserves to be maintained at a level which ensures that CFFM's core activity could continue during a period of unforeseen difficulty.

A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral form of the organisation's planning, budget and forecast cycle.

It takes into account:

Risks associated with each stream of income and expenditure being different from that budgeted. Planned activity level.

The organisation's commitments such as staff salaries.

The trustees consider that the level of reserves reached an unacceptable level Nov/Dec 2022 but is now slowly building up again..

### **Funds for expansion.**

The Service has been able to achieve a surplus mainly due to charitable grants which are one-off and continues to need to increase income wherever possible.to break even in a normal year without such grants.

There are therefore still limited funds for expansion.

### **Risk management**

There is a risk assessment policy in place.

The Directors have conducted a review of the risks facing the organisation. This is part of the review of the Service Business Plan. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors.

## CHILDREN FIRST FAMILY MEDIATION

### Plans for Future Periods

1. Income and expenditure is being monitored on a monthly basis to ensure continued viability
2. Intensive work will be undertaken to seek to increase turnover via website development and other promotional activity
3. Short term small grants will be sought from Charitable trusts

### Structure, governance and management

Children First Family Mediation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2009. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 10 August 2010.

### Appointment of trustees

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of one year with one third re-elected annually. Trustees are recruited through local networks, and the REACH (Retired Executives Organisation) on the basis of skills and knowledge required.

### Trustee induction and training

Most trustees are already familiar with the work of the charity as a result of longstanding connection with the organisation.

Additionally, new trustees are invited and encouraged to attend the meetings and activities of the service to familiarise themselves with the work of the charity and the context within which it operates.

### Organisation

The Organisation has a Board of Directors.

There must be a minimum of three directors. There is no maximum number.

The Board of Directors is responsible for the strategic direction of the organisation.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the senior management team.

One director chose to leave as he was sceptical about the service's viability and new directors are being recruited

### Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year the self-employed senior manager, who is not a trustee, received fees totalling £3,000

### Reference and administrative information

Company and Charity Name: Children First Family Mediation.

Charity Number: 1137385

Company Registration Number: 07079246

**CHILDREN FIRST FAMILY MEDIATION****Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

**Key management personnel: Trustees and Directors**

Jill Duffy	Chair of Trustees	
Eric Stelfox	Treasurer	(resigned January 2023)
Sheena Adam	(Director only)	
Sheena Adam	Company Secretary	

**Registered Office**

Europa House  
19 Barcroft Street  
Bury  
BL9 5BT

**Independent Examiners**

Community Accountancy Service Limited  
The Grange  
Pilgrim Drive  
Beswick  
Manchester  
M11 3TQ

**Bankers**

The Co-operative Bank plc  
1 Balloon Street  
Manchester

**Professional Advisors**

Val Hewertson, supervisor

**CHILDREN FIRST FAMILY MEDIATION****Trustees' responsibilities in relation to the financial statements**

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

By order of the board of trustees

-----  
Jill Duffy  
Chair

Date: 28<sup>th</sup> November 2023

**Independent examiner's report to the trustees of CHILDREN FIRST FAMILY MEDIATION**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2023, which are set out on pages 8 to 17.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

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

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA      *A.M. King*  
Community Accountancy Service Ltd  
The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 28<sup>th</sup> November 2023

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2023**  
**(Including Income and Expenditure Account)**

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2022 £
<b>Income from:</b>					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	104,694	-	104,694	112,928
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		12	-	12	524
<b>Total</b>		<u>104,706</u>	<u>-</u>	<u>104,706</u>	<u>113,452</u>
<b>Expenditure on:</b>					
Raising Funds	(6)	274	-	274	51
Charitable Activities	(6)	116,130	872	117,002	128,645
Other	(6)	13	-	13	13
<b>Total</b>		<u>116,417</u>	<u>872</u>	<u>117,289</u>	<u>128,709</u>
<b>Net income/(expenditure)</b>		(11,711)	(872)	(12,583)	(15,257)
Transfers between funds	(15)	-	-	-	-
<b>Net movement in funds</b>		<u>(11,711)</u>	<u>(872)</u>	<u>(12,583)</u>	<u>(15,257)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	(15)	39,884	872	40,756	56,013
<b>Total funds carried forward</b>	(15)	<u>28,173</u>	<u>-</u>	<u>28,173</u>	<u>40,756</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 17 form part of these accounts

**BALANCE SHEET AS AT 31 MARCH 2023**

Company registration number: 07079246

	Notes	2023 £	2022 £
<b>Fixed assets:</b>			
Tangible assets	(11)	644	1,630
Total fixed assets		<u>644</u>	<u>1,630</u>
<b>Current assets:</b>			
Debtors	(12)	15,580	15,768
Cash at Bank & in Hand		20,425	30,928
Total current assets		<u>36,005</u>	<u>46,696</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(13)	8,476	7,570
Net current assets or liabilities		<u>27,529</u>	<u>39,126</u>
Total assets less current liabilities		28,173	40,756
<b>Total net assets or liabilities</b>		<u><u>28,173</u></u>	<u><u>40,756</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(15)	-	872
Unrestricted income funds	(15)	28,173	39,884
<b>Total charity funds</b>		<u><u>28,173</u></u>	<u><u>40,756</u></u>

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

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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.

Approved by the trustees on 28th November 2023

Jill Duffy                      Chair

The notes on pages 11 to 17 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2023

## Reconciliation of net movement in funds to net cash flow from operating activities

	Year Ended 31st March 2023 £	Year Ended 31st March 2022 £
Net movement in funds	(12,583)	(15,257)
Add back depreciation	986	982
Deduct investment income	-	-
Decrease/(increase) in debtors	188	6,457
Increase/(decrease) in creditors	906	1,238
<b>Net cash used in operating activities</b>	<u>(10,503)</u>	<u>(6,580)</u>
<b>Cash flows from investment activities:</b>		
Interest	-	-
Purchase of fixed assets	-	-
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents during the year	(10,503)	(6,580)
Cash and cash equivalents brought forward	30,928	37,508
<b>Cash and cash equivalents carried forward</b>	<u><u>20,425</u></u>	<u><u>30,928</u></u>

## Notes to the accounts

**1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is 1 restricted fund.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against this heading in the financial statements.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

**(g) Costs of raising funds**

The costs of raising funds consists of costs required to generate income.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Fixtures and Fittings	15% reducing balance
Signage	15% reducing balance
Computer Equipment	33.33% straight line

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does not administer contributions to a pension scheme.

The trustees implemented an auto enrolment pension scheme from May 2017. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**(l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2022: £nil). Expenses paid for the trustees in the year totalled £nil (2022: £nil).

**3. Donations and Legacies**

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2022 £
Donations	-	-	-	-
	-	-	-	-
Previous reporting period				
	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £	
Donations	-	-	-	-
	-	-	-	-

## 4. Income from charitable activities

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2022 £
Other Income:				
Client Fees	62,281	-	62,281	40,580
Legal Aid Income	30,201	-	30,201	58,617
Cafcass Contracts for SPIP	10,989	-	10,989	13,731
Unrestricted Grants:				
The Woodward Charitable Trust	1,000	-	1,000	-
Marsh Charitable Trust	500	-	500	-
HMRC CVJRS (repaid)	(277)	-	(277)	-
	<u>104,694</u>	<u>-</u>	<u>104,694</u>	<u>112,928</u>

Previous reporting period

	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £
Other Income:			
Client Fees	40,580	-	40,580
Legal Aid Income	58,617	-	58,617
Cafcass Contracts for SPIP	13,731	-	13,731
	<u>112,928</u>	<u>-</u>	<u>112,928</u>

## 5. Income from other trading activities

	Unrestricted Year Ended 31st March 2023 £	Restricted Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2023 £	Total Funds Year Ended 31st March 2022 £
Solicitors' Directory	-	-	-	-
	-	-	-	-

Previous reporting period

	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £
Solicitors' Directory	-	-	-
	-	-	-

## 6. Expenditure

	Mediation Services £	Year Ended 31st March 2023 £	Year Ended 31st March 2022 £
<b>Expenditure on raising funds:</b>			
Affiliation Fees		135	45
Subscriptions		139	6
		<u>274</u>	<u>51</u>
<b>Expenditure on charitable activities:</b>			
Employment Costs		69,551	66,271
Training		-	40
Directors' Management Fees		3,000	5,000
Mediation Fees		18,718	29,216
Interpretation Fees		175	44
Payroll Bureau Fees		529	500
Supervision Fees		1,120	1,190
Card Payment Machine Charges		900	848
Repairs		61	184
Office Move Costs		-	372
Heat, Light & Water		-	399
Bad Debts		-	111
Irrecoverable VAT		490	441
SPIP Delivery Fees		2,815	700
Telephone & Internet		19	3,818
Rent, Rates & Room Hire		10,224	8,949
Computer Costs		5,550	5,660
Website		-	169
Insurance		1,174	1,232
Governance and Support Costs		775	745
Post, Printing & Stationery		915	1,774
Depreciation		986	982
		<u>117,002</u>	<u>128,645</u>
<b>Other expenditure:</b>			
Sundry Expenses		13	13
		<u>13</u>	<u>13</u>
		<u>117,289</u>	<u>128,709</u>
Restricted funds		872	9,116
Unrestricted funds		116,417	119,593
		<u>117,289</u>	<u>128,709</u>

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total 2023	Basis of apportionment
Accountancy Fees	-	775	775	type of work undertaken
	-	775	775	

Previous reporting period

	General Support	Governance	Total 2022	Basis of apportionment
Accountancy Fees	-	745	745	type of work undertaken
	-	745	745	

**9. Analysis of staff costs**

	Year Ended 31st March 2023	Year Ended 31st March 2022
	£	£
Wages and Salaries	67,942	64,702
Redundancy	-	-
Social Security Costs	321	339
Pension Costs	1,288	1,230
	<u>69,551</u>	<u>66,271</u>
Charitable activities	69,551	66,271
Support costs	-	-
	<u>69,551</u>	<u>66,271</u>

The average number of employees during the year was 4 (previous year: 4).

The charity considers its key management personnel comprises the trustees and Senior Manager. The senior manager is self-employed. Management fees during the year totalled £3,000 (2022: £5,000). The senior manager is a director of the charity but not a trustee.

No employees had benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31st March 2023	Year Ended 31st March 2022
	£	£
Independent examination fees	700	670
Other financial services	75	75
	<u>775</u>	<u>745</u>

**11. Tangible Fixed Assets**

	Signage	Computers	Fixtures & Fittings	Total
<b>Cost</b>			£	£
At 1st April 2022	535	4,912	3,237	8,684
Additions	-	-	-	-
At 31st March 2023	<u>535</u>	<u>4,912</u>	<u>3,237</u>	<u>8,684</u>
<b>Depreciation</b>				
At 1st April 2022	463	4,040	2,551	7,054
Charge for Year	11	872	103	986
At 31st March 2023	<u>474</u>	<u>4,912</u>	<u>2,654</u>	<u>8,040</u>
<b>NET BOOK VALUE</b>				
At 31st March 2023	<u>61</u>	<u>-</u>	<u>583</u>	<u>644</u>
At 31st March 2022	<u>72</u>	<u>872</u>	<u>686</u>	<u>1,630</u>

**12. Analysis of debtors**

	2023	2022
	£	£
Debtors	15,207	14,678
Prepayments	373	1,090
	<u>15,580</u>	<u>15,768</u>

Debtors and prepayments comprise restricted funds £nil (2022: £nil) and unrestricted funds £15,580 (£2022: £15,768).

**13. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Creditors	1,441	1,330
Short-term compensated absences (holiday pay)	184	835
Other creditors and accruals	775	775
Deferred income	-	-
Taxation and social security costs	6,076	4,630
	<u>8,476</u>	<u>7,570</u>

**14. Deferred income**

Deferred income comprises fees charged in advance for the Solicitors' Directory.

Balance as at 1st April 2022	-
Amount released to income earned from charitable activities	-
Amount deferred in year	-
Balance at 31st March 2023	<u>-</u>

**15. Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Balance at 1st April 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2023
	£	£	£	£	£
General Fund	39,884	104,706	(116,417)	-	28,173
Designated Funds	-	-	-	-	-
	<u>39,884</u>	<u>104,706</u>	<u>(116,417)</u>	<u>-</u>	<u>28,173</u>

**Previous reporting period**

	Balance at 1st April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2022
	£	£	£	£	£
General Fund	46,025	113,452	(119,593)	-	39,884
Designated Funds	-	-	-	-	-
	<u>46,025</u>	<u>113,452</u>	<u>(119,593)</u>	<u>-</u>	<u>39,884</u>

**Name of unrestricted fund:**

General Fund  
Designated Funds

**Description, nature and purpose of the fund**

The "free reserves"  
For future redundancy and closure costs

**15. Analysis of charitable funds****Analysis of movements in restricted funds**

	Balance at 1st April 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2023
	£	£	£	£	£
The Clothworkers Foundation	872	-	(872)	-	-
	<u>872</u>	<u>-</u>	<u>(872)</u>	<u>-</u>	<u>-</u>

## Previous reporting period

	Balance at 1st April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2022
	£	£	£	£	£
The Clothworkers Foundation	3,404	-	(2,532)	-	872
Big Lottery Fund	6,584	-	(6,584)	-	-
	<u>9,988</u>	<u>-</u>	<u>(9,116)</u>	<u>-</u>	<u>872</u>

**Name of restricted fund:**

The Clothworkers Foundation

**Description, nature and purpose of the fund**

For computers

**16. Analysis of net assets between funds**

	Unrestricted funds	Designated funds	Restricted funds	Total 2023
	£	£	£	£
Tangible fixed assets	644	-	-	644
Cash at bank and in hand	20,425	-	-	20,425
Other net current assets/(liabilities)	7,104	-	-	7,104
<b>Total</b>	<u>28,173</u>	<u>-</u>	<u>-</u>	<u>28,173</u>

## Previous reporting period

	Unrestricted funds	Designated funds	Restricted funds	Total 2022
	£	£	£	£
Tangible fixed assets	758	-	872	1,630
Cash at bank and in hand	30,928	-	-	30,928
Other net current assets/(liabilities)	8,198	-	-	8,198
<b>Total</b>	<u>39,884</u>	<u>-</u>	<u>872</u>	<u>40,756</u>

**17. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

## Income and Expenditure Account

	Year Ended 31st March 2023 £	Year Ended 31st March 2022 £
<b>Income</b>		
Client Fees	62,281	40,580
Legal Aid Income	30,201	58,617
Cafcass Contracts for SPIP	10,989	13,731
Other	12	524
Unrestricted Grants:		
The Woodward Charitable Trust	1,000	-
Marsh Charitable Trust	500	-
HMRC CVJRS (repaid)	(277)	-
<b>Total Income</b>	<b>104,706</b>	<b>113,452</b>
<b>Expenditure</b>		
Affiliation Fees	135	45
Subscriptions	139	6
Employment Costs	69,551	66,271
Training	-	40
Directors' Management Fees	3,000	5,000
Mediation Fees	18,718	29,216
Interpretation Fees	175	44
Payroll Bureau Fees	529	500
Supervision Fees	1,120	1,190
Card Payment Machine Charges	900	848
Repairs	61	184
Office Move Costs	-	372
Heat, Light & Water	-	399
Bad Debts	-	111
Irrecoverable VAT	490	441
SPIP Delivery Fees	2,815	700
Telephone & Internet	19	3,818
Rent, Rates & Room Hire	10,224	8,949
Computer Costs	5,550	5,660
Website	-	169
Insurance	1,174	1,232
Governance and Support Costs	775	745
Post, Printing & Stationery	915	1,774
Depreciation	986	982
Sundry Expenses	13	13
<b>Total Expenditure</b>	<b>117,289</b>	<b>128,709</b>
<b>Surplus/(Deficit) for the Year</b>	<b>(12,583)</b>	<b>(15,257)</b>

**CHILDREN FIRST FAMILY MEDIATION**

England & Wales - Charity number 1137385

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# Accounts

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# **CHILDREN FIRST FAMILY MEDIATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2022**

Registered Charity No. 1137385  
Company Registration No. 07079246

# CHILDREN FIRST FAMILY MEDIATION

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## CHILDREN FIRST FAMILY MEDIATION

### **Report of the trustees for the year ended 31<sup>st</sup> March 2022**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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).

### **Objectives and activities**

The purposes of the charity are to preserve and protect the mental and physical health of children and adults by providing services directed towards mediation for people involved or likely to be involved in dispute, the break-up of marriage or inter-personal conflict and to relieve the needs of children and families during divorce and separation through support work and the provision of advocacy and signposting. The main activities are a specialist not-for-profit family mediation service.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through reducing conflict between parents which benefits children. They also help parents to communicate more effectively and agree their own arrangements in future. Mediation which resolves financial matters reduces the burden on the state regarding child maintenance. The Service also delivers the Separated Parents Information Programme (SPIP) which is a short course for parents ordered to attend by the courts covering aspects such as the effect of adult conflict on children and improved communication as parents. This reduces the length of court proceedings and the risk of further court applications as the parents develop the skills to resolve matters themselves and focus more on their children's needs rather than their own battles.

### **A review of achievements major changes**

Referrals have decreased and the Service is looking at website redevelopment and other promotional measures to address this.

The service continues to provide an online and telephone service to families. This was initiated due to the Covid 19 pandemic situation but has proved popular and will continue to be our main method of service delivery until government guidelines mean a full offer of face to face meetings. It is likely that some form of remote working will continue as it seems to be well liked by clients in terms of its flexibility and time saving properties.

The Service regained its Legal Aid contract to provide mediation to low income families and delivered a higher volume of legally aided work than in previous year mainly as more clients were in receipt of state benefits and so eligible for Legal Aid.

The Mediation Service received 623 referrals in the past year as well as a high volume of additional telephone enquiries where clients are given information and signposted to other services This represents a further decrease of from the previous year. And is an area of

## CHILDREN FIRST FAMILY MEDIATION

concern We consider it is partly a result of economic pressures on families who cannot then afford mediation and as indicated we are looking at marketing opportunities and updating our

A significant proportion of these enquiries continue to contain child protection issues where the service has to contact the relevant local authority Children's Services Department and check that they are aware of the risk factors raised by the clients. Of those who go on to mediate 80% reach some or full agreement. The Service routinely seeks feedback from clients and has numerous examples of positive comments such as *"Our mediator had a lovely manner and was quite understanding of our situation in a non-judgemental manner"* It is difficult to gain feedback as clients understandably move on, but we are asking them now to complete Google Reviews which is a quick and very visible way of gaining feedback. The SPIP has helped 121 parents in the past year (increase from 92 in previous year) and has drawn praise from courts, social work agencies and the parents themselves who are all asked to commit to some changes at the end of the short course. Evaluations are collected at the end of each course with comments such as *"The course opened my mind to the effects on the children and gave me lots of ideas for how to reduce conflict"*

As indicated in the previous year's report, the service now delivers a much-reduced volume of SPIP courses following Cafcass re-tendering but numbers are slowly building up.

The Service's contract with the Legal Aid Agency is reviewed annually through a rigorous check of a sample of files. This review was successful, and the Service gained a new 3-year contract in September 2018. This has been extended with retendering likely to be in 2023

### Major changes

- a. The service moved from a large dedicated rented office to a small, serviced office unit on 1 August 2021. This will produce a saving of c14,000 per year although there were several one-off costs to end contracts for phones and office equipment
- b. Restructuring as Sheena Adam director indicated early in the financial year that she was no longer in a position to work 3 days per week (reduced to 1 day). This led to the appointment of Imogene Firth as manager from 1/8/21 which has significantly increased staffing costs
- c. Small increase to administrative staff salaries (10%) which was necessary to retain highly experienced and skilled staff where there had been no increase in c 8 years.

### Impact of Covid – 19 Virus

The trustees have continued to consider the impact of the COVID-19 pandemic on the business. The trustees have taken appropriate steps to mitigate the impact.

The COVID-19 pandemic has severely impacted many local economies around the world. Measures taken by governments to control the spread of the virus have included travel bans, quarantines, social distancing and closing of non-essential services and this has resulted in many businesses having to cease or limit their activities for long or indefinite periods of time resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions. It is not possible to estimate the duration and impact of the COVID-19 pandemic on the financial position and results of the charity for future.

This had an impact on the majority of the financial year with referrals and client income falling initially and the building up again once the service was able to offer an online and telephone service.

## CHILDREN FIRST FAMILY MEDIATION

However, client income remains low as many families can no longer afford mediation fees. The Service has done the following to mitigate the impact of the pandemic including the following

- Move to effective remote working including offer of online mediation via video link
- Seeking emergency grants where available (see below)

There is no longer any easy access to grants in relation to the impact of the pandemic.

### Financial review

The Service has the following sources of income going forward

- a. The Legal Agency to provide mediation to those on low incomes and with limited savings.
- b. Direct client fees for those above the Legal Aid limit. These are charged on a sliding scale to make the service as accessible as possible to those caught in the poverty trap where they receive just too much income to qualify for free mediation but have limited means and/or debts.
- c. The Cafcass contract to deliver the Separated Parents Information Programme (Reduced income following re-tendering in late 2017)

The current year shows a loss of £15,257 compared to a surplus of £23,948 in the previous year.

This is due to several factors

- a. Lower demand and turnover – see above re volume of referrals
- b. Restructuring as Sheena Adam director is no longer in a position to work 3 days per week (reduced to 1 day). This led to the appointment of Imogene Firth as manager (28 hours per week) from 1/8/21 which has significantly increased staffing costs
- c. One off Covid related and government furlough payments received in previous year totalling £25,305.
- d. Small increase to administrative staff salaries (10%) which was necessary to retain highly experienced and skilled staff where there had been no increase in c 8 years.

In the light of this the service did increase client fees from November 2021

Legal Aid rates have not been increased since 2004 and that is an area of concern which is difficult to change.

### Investment powers and policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term so there are few funds for any longer-term investment.

### Reserves policy and going concern

The balance held in reserves at 31<sup>st</sup> March 2022 was £39,884 of which £39,126 are free reserves, after allowing for funds tied up in fixed assets.

The trustees have set a reserves policy which requires:

Reserves to be maintained at a level which ensures that CFFM's core activity could continue during a period of unforeseen difficulty.

A proportion of reserves be maintained in a readily realisable form.

## CHILDREN FIRST FAMILY MEDIATION

The calculation of the required level of reserves is an integral form of the organisation's planning, budget and forecast cycle.

It takes into account:

Risks associated with each stream of income and expenditure being different from that budgeted. Planned activity level.

The organisation's commitments such as staff salaries.

The trustees consider that the level of reserves is now close to an unacceptable level and this will be carefully monitored in the forthcoming year.

### **Funds for expansion.**

The Service has been able to achieve a surplus mainly due to charitable grants which are one-off and continues to need to increase income wherever possible to break even in a normal year without such grants.

There are therefore still limited funds for expansion.

### **Risk management**

There is a risk assessment policy in place.

The Directors have conducted a review of the risks facing the organisation. This is part of the review of the Service Business Plan. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors.

### **Plans for Future Periods**

The move to smaller premises and the appointment of a salaried manager will be monitored in terms of their impact on costs

Work will be undertaken to seek to increase turnover via website development and other promotional activity

### **Structure, governance and management**

Children First Family Mediation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2009. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 10 August 2010.

### **Appointment of trustees**

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of one year with one third re-elected annually. Trustees are recruited through local networks, and the REACH (Retired Executives Organisation) on the basis of skills and knowledge required.

### **Trustee induction and training**

Most trustees are already familiar with the work of the charity as a result of longstanding connection with the organisation.

Additionally, new trustees are invited and encouraged to attend the meetings and activities of the service to familiarise themselves with the work of the charity and the context within which it operates.

## CHILDREN FIRST FAMILY MEDIATION

### Organisation

The Organisation has a Board of Directors.

There must be a minimum of three directors. There is no maximum number.

The Board of Directors is responsible for the strategic direction of the organisation.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the senior management team.

### Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity.

Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year the self-employed senior manager, who is not a trustee, received fees totalling £9,000..

### Reference and administrative information

Company and Charity Name: Children First Family Mediation.

Charity Number: 1137385

Company Registration Number: 07079246

### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

#### Key management personnel: Trustees and Directors

Jill Duffy	Chair of Trustees	
Eric Stelfox	Treasurer	
Sheena Adam		(Director only)
Sheena Adam	Secretary	
Caroline Ramos		(retired June 2021)

#### Senior managers

Sheena Adam	(until August 2021)
Imogene Firth	(from August 2021)

#### Registered Office

Europa House  
19 Barcroft Street  
Bury  
BL9 5BT

## CHILDREN FIRST FAMILY MEDIATION

### Independent Examiners

Community Accountancy Service Limited  
The Grange  
Pilgrim Drive  
Beswick  
Manchester  
M11 3TQ

### Bankers

The Co-operative Bank plc  
1 Balloon Street  
Manchester

### Professional Advisors

Val Hewertson, supervisor

### Trustees' responsibilities in relation to the financial statements

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

By order of the board of trustees

-----  
Jill Duffy  
Chair

Date: 14<sup>th</sup> September 2022

## **Independent examiner's report to the trustees of CHILDREN FIRST FAMILY MEDIATION**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2022, which are set out on pages 8 to 17.

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

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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

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

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A.M. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 14<sup>th</sup> September 2022

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2022**  
(Including Income and Expenditure Account)

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2021 £
<b>Income from:</b>					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	112,928	-	112,928	146,764
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		524	-	524	-
<b>Total</b>		<b>113,452</b>	<b>-</b>	<b>113,452</b>	<b>146,764</b>
<b>Expenditure on:</b>					
Raising Funds	(6)	51	-	51	709
Charitable Activities	(6)	119,529	9,116	128,645	122,094
Other	(6)	13	-	13	13
<b>Total</b>		<b>119,593</b>	<b>9,116</b>	<b>128,709</b>	<b>122,816</b>
<b>Net income/(expenditure)</b>		<b>(6,141)</b>	<b>(9,116)</b>	<b>(15,257)</b>	<b>23,948</b>
Transfers between funds	(15)	-	-	-	-
<b>Net movement in funds</b>		<b>(6,141)</b>	<b>(9,116)</b>	<b>(15,257)</b>	<b>23,948</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	(15)	46,025	9,988	56,013	32,065
<b>Total funds carried forward</b>	<b>(15)</b>	<b>39,884</b>	<b>872</b>	<b>40,756</b>	<b>56,013</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 17 form part of these accounts

**BALANCE SHEET AS AT 31 MARCH 2022**

Company registration number: 07079246

	Notes	2022 £	2021 £
<b>Fixed assets:</b>			
Tangible assets	(11)	1,630	2,612
Total fixed assets		<u>1,630</u>	<u>2,612</u>
<b>Current assets:</b>			
Debtors	(12)	15,768	22,225
Cash at Bank & in Hand		30,928	37,508
Total current assets		<u>46,696</u>	<u>59,733</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(13)	7,570	6,332
Net current assets or liabilities		<u>39,126</u>	<u>53,401</u>
Total assets less current liabilities		40,756	56,013
<b>Total net assets or liabilities</b>		<u><u>40,756</u></u>	<u><u>56,013</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(15)	872	9,988
Unrestricted income funds	(15)	39,884	46,025
<b>Total charity funds</b>		<u><u>40,756</u></u>	<u><u>56,013</u></u>

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

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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.

Approved by the trustees on 14th September 2022

Jill Duffy                      Chair

The notes on pages 11 to 17 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2022

## Reconciliation of net movement in funds to net cash flow from operating activities

	Year Ended 31st March 2022 £	Year Ended 31st March 2021 £
Net movement in funds	(15,257)	23,948
Add back depreciation	982	1,025
Deduct investment income	-	-
Decrease/(increase) in debtors	6,457	(5,552)
Increase/(decrease) in creditors	1,238	(5,055)
<b>Net cash used in operating activities</b>	<u>(6,580)</u>	<u>14,366</u>
<b>Cash flows from investment activities:</b>		
Interest	-	-
Purchase of fixed assets	-	(2,619)
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>(2,619)</u>
Increase/(decrease) in cash and cash equivalents during the year	(6,580)	11,747
Cash and cash equivalents brought forward	37,508	25,761
<b>Cash and cash equivalents carried forward</b>	<u><u>30,928</u></u>	<u><u>37,508</u></u>

**Notes to the accounts****1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are 2 restricted funds.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against this heading in the financial statements.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

**(g) Costs of raising funds**

The costs of raising funds consists of costs required to generate income.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Fixtures and Fittings	15% reducing balance
Signage	15% reducing balance
Computer Equipment	33.33% straight line

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does not administer contributions to a pension scheme. The trustees implemented an auto enrolment pension scheme from May 2017. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**(l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil). Expenses paid for the trustees in the year totalled £nil (2021: £nil).

**3. Donations and Legacies**

	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2021 £
Donations	-	-	-	-
Previous reporting period				
	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £	
Donations	-	-	-	-

## 4. Income from charitable activities

	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2021 £
Other Income:				
Client Fees	40,580	-	40,580	40,179
Legal Aid Income	58,617	-	58,617	70,740
Cafcass Contracts for SPIP	13,731	-	13,731	10,323
Unrestricted Grants:				
Charities Aid Foundation	-	-	-	3,000
Co-op Community Donation Fund	-	-	-	1,000
Crowdfunder Income	-	-	-	217
Forever Manchester	-	-	-	1,000
National Lottery Covid-19 Response Fund	-	-	-	10,000
Restricted Grants:				
The Clothworkers Foundation	-	-	-	4,800
HMRC CVJRS	-	-	-	5,505
	<u>112,928</u>	<u>-</u>	<u>112,928</u>	<u>146,764</u>

## Previous reporting period

	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £
Other Income:			
Client Fees	40,179	-	40,179
Legal Aid Income	70,740	-	70,740
Cafcass Contracts for SPIP	10,323	-	10,323
Unrestricted Grants:			
Charities Aid Foundation	3,000	-	3,000
Co-op Community Donation Fund	1,000	-	1,000
Crowdfunder Income	217	-	217
Forever Manchester	1,000	-	1,000
National Lottery Covid-19 Response Fund	10,000	-	10,000
Restricted Grants:			
The Clothworkers Foundation	-	4,800	4,800
HMRC CVJRS	-	5,505	5,505
	<u>136,459</u>	<u>10,305</u>	<u>146,764</u>

## 5. Income from other trading activities

	Unrestricted Year Ended 31st March 2022 £	Restricted Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2022 £	Total Funds Year Ended 31st March 2021 £
Solicitors' Directory	-	-	-	-
	-	-	-	-

Previous reporting period

	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £
Solicitors' Directory	-	-	-
	-	-	-

## 6. Expenditure

	Mediation Services £	Year Ended 31st March 2022 £	Year Ended 31st March 2021 £
<b>Expenditure on raising funds:</b>			
Affiliation Fees	45	45	709
Subscriptions	6	6	-
	51	51	709
<b>Expenditure on charitable activities:</b>			
Employment Costs	66,271	66,271	39,634
Training	40	40	-
Directors' Management Fees	5,000	5,000	9,000
Mediation Fees	29,216	29,216	38,015
Interpretation Fees	44	44	133
Payroll Bureau Fees	500	500	440
Supervision Fees	1,190	1,190	1,210
Card Payment Machine Charges	848	848	1,146
Minor Equipment	-	-	216
Repairs	184	184	1,511
Office Move Costs	372	372	-
Heat, Light & Water	399	399	1,252
Bad Debts	111	111	-
Irrecoverable VAT	441	441	253
SPIP Delivery Fees	700	700	600
Telephone & Internet	3,818	3,818	6,933
Rent, Rates & Room Hire	8,949	8,949	15,859
Computer Costs	5,660	5,660	168
Website	169	169	416
Insurance	1,232	1,232	1,573
Governance and Support Costs	745	745	875
Post, Printing & Stationery	1,774	1,774	1,835
Depreciation	982	982	1,025
	128,645	128,645	122,094
<b>Other expenditure:</b>			
Sundry Expenses	13	13	13
	13	13	13
	128,709	128,709	122,816
Restricted funds		9,116	-
Unrestricted funds		119,593	122,816
		128,709	122,816

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total 2022	Basis of apportionment
Accountancy Fees	-	745	745	type of work undertaken
	-	745	745	
Previous reporting period				
	General Support	Governance	Total 2021	Basis of apportionment
Accountancy Fees	-	835	835	type of work undertaken
Professional Fees	40	-	40	type of work undertaken
	40	835	875	

**9. Analysis of staff costs**

	Year Ended 31st March 2022	Year Ended 31st March 2021
	£	£
Wages and Salaries	64,702	39,024
Redundancy	-	-
Social Security Costs	339	-
Pension Costs	1,230	610
	66,271	39,634
Charitable activities	66,271	39,634
Support costs	-	-
	66,271	39,634

The average number of employees during the year was 4 (previous year: 3).

The charity considers its key management personnel comprises the trustees and Senior Manager. The senior manager is self-employed. Management fees during the year totalled £5,000 (2021: £9,000). The senior manager is a director of the charity but not a trustee.

No employees had benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31st March 2022	Year Ended 31st March 2021
	£	£
Independent examination fees	670	760
Other financial services	75	75
	745	835

**11. Tangible Fixed Assets**

	Signage	Computers	Fixtures & Fittings	Total
			£	£
<b>Cost</b>				
At 1st April 2021	535	4,912	3,237	8,684
Additions	-	-	-	-
At 31st March 2022	535	4,912	3,237	8,684
<b>Depreciation</b>				
At 1st April 2021	453	3,165	2,454	6,072
Charge for Year	10	875	97	982
At 31st March 2022	463	4,040	2,551	7,054
<b>NET BOOK VALUE</b>				
At 31st March 2022	72	872	686	1,630
At 31st March 2021	82	1,747	783	2,612

**12. Analysis of debtors**

	2022	2021
	£	£
Debtors	14,678	20,569
Prepayments	1,090	1,656
	<u>15,768</u>	<u>22,225</u>

Debtors and prepayments comprise restricted funds £nil (2021: £nil) and unrestricted funds £15,768 (£2021: £22,225).

**13. Creditors: amounts falling due within one year**

	2022	2021
	£	£
Creditors	1,330	3,156
Short-term compensated absences (holiday pay)	835	-
Other creditors and accruals	775	800
Deferred income	-	-
Taxation and social security costs	4,630	2,376
	<u>7,570</u>	<u>6,332</u>

**14. Deferred income**

Deferred income comprises fees charged in advance for the Solicitors' Directory.

Balance as at 1st April 2021	-
Amount released to income earned from charitable activities	-
Amount deferred in year	-
Balance at 31st March 2022	<u>-</u>

**15. Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Balance at 1st April 2021	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31st March 2022 £
General Fund	46,025	113,452	(119,593)	-	39,884
Designated Funds	-	-	-	-	-
	<u>46,025</u>	<u>113,452</u>	<u>(119,593)</u>	<u>-</u>	<u>39,884</u>

Previous reporting period

	Balance at 1st April 2020	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31st March 2021 £
General Fund	25,481	136,459	(115,915)	-	46,025
Designated Funds	-	-	-	-	-
	<u>25,481</u>	<u>136,459</u>	<u>(115,915)</u>	<u>-</u>	<u>46,025</u>

**Name of unrestricted fund:**

General Fund  
Designated Funds

**Description, nature and purpose of the fund**

The "free reserves"  
For future redundancy and closure costs

**15. Analysis of charitable funds****Analysis of movements in restricted funds**

	Balance at 1st April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2022
	£	£	£	£	£
The Clothworkers Foundation	3,404	-	(2,532)	-	872
Big Lottery Fund	6,584	-	(6,584)	-	-
	<u>9,988</u>	<u>-</u>	<u>(9,116)</u>	<u>-</u>	<u>872</u>

## Previous reporting period

	Balance at 1st April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2021
	£	£	£	£	£
Big Lottery Fund	7,914	-	(1,330)	-	6,584
HMRC CVJRS	-	5,505	(5,505)	-	-
The Clothworkers Foundation	-	4,800	(1,396)	-	3,404
	<u>7,914</u>	<u>10,305</u>	<u>(8,231)</u>	<u>-</u>	<u>9,988</u>

**Name of restricted fund:**

The Clothworkers Foundation  
Big Lottery Fund

**Description, nature and purpose of the fund**

For computers  
For Communication for children in divorce project

**16. Analysis of net assets between funds**

	Unrestricted funds	Designated funds	Restricted funds	Total 2022
	£	£	£	£
Tangible fixed assets	758	-	872	1,630
Cash at bank and in hand	30,928	-	-	30,928
Other net current assets/(liabilities)	8,198	-	-	8,198
<b>Total</b>	<u>39,884</u>	<u>-</u>	<u>872</u>	<u>40,756</u>

## Previous reporting period

	Unrestricted funds	Designated funds	Restricted funds	Total 2021
	£	£	£	£
Tangible fixed assets	865	-	1,747	2,612
Cash at bank and in hand	29,267	-	8,241	37,508
Other net current assets/(liabilities)	15,893	-	-	15,893
<b>Total</b>	<u>46,025</u>	<u>-</u>	<u>9,988</u>	<u>56,013</u>

**17. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

## Income and Expenditure Account

	Year Ended 31st March 2022 £	Year Ended 31st March 2021 £
<b>Income</b>		
Client Fees	40,580	40,179
Legal Aid Income	58,617	70,740
Cafcass Contracts for SPIP	13,731	10,323
Other	524	-
Unrestricted Grants:		
Charities Aid Foundation	-	3,000
Co-op Community Donation Fund	-	1,000
Crowdfunder Income	-	217
Forever Manchester	-	1,000
The Clothworkers Foundation	-	4,800
National Lottery Covid-19 Response Fund	-	10,000
Restricted Grants:		
HMRC CVJRS	-	5,505
<b>Total Income</b>	<b>113,452</b>	<b>146,764</b>
<b>Expenditure</b>		
Affiliation Fees	45	709
Subscriptions	6	-
Employment Costs	66,271	39,634
Training	40	-
Directors' Management Fees	5,000	9,000
Mediation Fees	29,216	38,015
Interpretation Fees	44	133
Payroll Bureau Fees	500	440
Supervision Fees	1,190	1,210
Card Payment Machine Charges	848	1,146
Minor Equipment	-	216
Repairs	184	1,511
Office Move Costs	372	-
Heat, Light & Water	399	1,252
Bad Debts	111	-
Irrecoverable VAT	441	253
SPIP Delivery Fees	700	600
Telephone & Internet	3,818	6,933
Rent, Rates & Room Hire	8,949	15,859
Computer Costs	5,660	168
Website	169	416
Insurance	1232	1573
Governance and Support Costs	745	875
Post, Printing & Stationery	1774	1835
Depreciation	982	1025
Sundry Expenses	13	13
<b>Total Expenditure</b>	<b>128,709</b>	<b>122,816</b>
<b>Surplus/(Deficit) for the Year</b>	<b>(15,257)</b>	<b>23,948</b>

**CHILDREN FIRST FAMILY MEDIATION**

England & Wales - Charity number 1137385

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# Accounts

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# **CHILDREN FIRST FAMILY MEDIATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2021**

Registered Charity No. 1137385  
Company Registration No. 07079246

# CHILDREN FIRST FAMILY MEDIATION

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17	TRADITIONAL INCOME AND EXPENDITURE ACCOUNT

## CHILDREN FIRST FAMILY MEDIATION

### **Report of the trustees for the year ended 31<sup>st</sup> March 2021**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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).

### **Objectives and activities**

The purposes of the charity are to preserve and protect the mental and physical health of children and adults by providing services directed towards mediation for people involved or likely to be involved in dispute, the break-up of marriage or inter-personal conflict and to relieve the needs of children and families during divorce and separation through support work and the provision of advocacy and signposting. The main activities are a specialist not-for-profit family mediation service.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through reducing conflict between parents which benefits children. They also help parents to communicate more effectively and agree their own arrangements in future. Mediation which resolves financial matters reduces the burden on the state regarding child maintenance. The Service also delivers the Separated Parents Information Programme (SPIP) which is a short course for parents ordered to attend by the courts covering aspects such as the effect of adult conflict on children and improved communication as parents. This reduces the length of court proceedings and the risk of further court applications as the parents develop the skills to resolve matters themselves and focus more on their children's needs rather than their own battles.

### **A review of our achievements and performance**

The main achievements during the year were to continue to help a sustained high level of separating families with the number of referrals slightly lower than in the previous year.

The service also adjusted quickly and effectively to primarily providing an online and telephone service to families due to the Covid 19 pandemic situation. This will continue to be our main method of service delivery until government guidelines mean a safe offer of face to face meetings. It is likely that some form of remote working will continue as it seems to be well liked by clients in terms of its flexibility and time saving properties.

The Service regained its Legal Aid contract to provide mediation to low income families and delivered a higher volume of legally aided work than in previous year mainly as more clients were in receipt of state benefits and so eligible for Legal Aid.

## CHILDREN FIRST FAMILY MEDIATION

The Mediation Service received 884 referrals in the past year as well as a high volume of additional telephone enquiries where clients are given information and signposted to other services. This represents a decrease of from the previous year. This was mainly due to the few months when activity slowed down dramatically at the beginning of the pandemic, referrals are now back at previous levels.

A significant proportion of these enquiries continue to contain child protection issues where the service has to contact the relevant local authority Children's Services Department and check that they are aware of the risk factors raised by the clients. Of those who go on to mediate 80% reach some or full agreement. The Service routinely seeks feedback from clients and has numerous examples of positive comments such as *"Our mediator had a lovely manner and was quite understanding of our situation in a non-judgemental manner"*

It is difficult to gain feedback as clients understandably move on, but we are asking them now to complete Google Reviews which is a quick and very visible way of gaining feedback.

The SPIP has helped 92 parents in the past year and has drawn praise from courts, social work agencies and the parents themselves who are all asked to commit to some changes at the end of the short course. Evaluations are collected at the end of each course with comments such as *"The course opened my mind to the effects on the children and gave me lots of ideas for how to reduce conflict"*

As indicated in the previous year's report, the service now delivers a much reduced volume of SPIP courses following Cafcass re-tendering.

The Service's contract with the Legal Aid Agency is reviewed annually through a rigorous check of a sample of files. This review was successful, and the Service gained a new 3-year contract in September 2018. This has been extended with retendering likely to be in 2023

### **Impact of Covid – 19 virus**

The trustees have continued to consider the impact of the COVID-19 pandemic on the business. The trustees have taken appropriate steps to mitigate the impact. The COVID-19 pandemic has severely impacted many local economies around the world. Measures taken by governments to control the spread of the virus have included travel bans, quarantines, social distancing and closing of non-essential services and this has resulted in many businesses having to cease or limit their activities for long or indefinite periods of time resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions. It is not possible to estimate the duration and impact of the COVID-19 pandemic on the financial position and results of the charity for future.

This had an impact on the majority of the financial year with referrals and client income falling initially and the building up again once the service was able to offer an online and telephone service.

However, client income remains low as many families can no longer afford mediation fees

## CHILDREN FIRST FAMILY MEDIATION

The Service has done the following to mitigate the impact of the pandemic including the following

- Move to effective remote working including offer of online mediation via video link
- Seeking emergency grants where available (see below)

### Financial review

The Service has the following sources of income going forward

- a. The Legal Agency to provide mediation to those on low incomes and with limited savings.
- b. Direct client fees for those above the Legal Aid limit. These are charged on a sliding scale to make the service as accessible as possible to those caught in the poverty trap where they receive just too much income to qualify for free mediation but have limited means and/or debts.
- c. The Cafcass contract to deliver the Separated Parents Information Programme (Reduced income following re-tendering in late 2017)

The current year shows a surplus of £23,948 which is a significant increase on the previous year.

This is mainly due to fundraising for emergency grants due to the Covid 19 situation(15K) and a capital; grant for IT equipment from the Clothworkers foundation of £4800

In addition the service was able to claim £5,505 from the Government job retention scheme for the salary of staff who were furloughed.

The service will review its plans to increase client fees(last increased in October 2018) once the overall economic situation and Covid 19 have stabilised.as these are still having an effect on families' ability to pay.

### Investment powers and policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term so there are few funds for any longer-term investment.

### Reserves policy and going concern

The balance held in reserves at 31<sup>st</sup> March 2021 was £46,025 of which £45,160 are free reserves, after allowing for funds tied up in fixed assets.

The trustees have set a reserves policy which requires:

Reserves to be maintained at a level which ensures that CFFM's core activity could continue during a period of unforeseen difficulty.

A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral form of the organisation's planning, budget and forecast cycle.

It takes into account:

## CHILDREN FIRST FAMILY MEDIATION

Risks associated with each stream of income and expenditure being different from that budgeted. Planned activity level.

The organisation's commitments such as staff salaries.

The trustees consider that there are now sufficient reserves to adhere to that policy.

### **Funds for expansion.**

The Service has been able to achieve a surplus mainly due to charitable grants which are one -off and continues to need to increase income wherever possible.to break even in a normal year without such grants.

There are therefore still limited funds for expansion.

### **Risk management**

There is a risk assessment policy in place.

The Directors have conducted a review of the risks facing the organisation. This is part of the review of the Service Business Plan. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors.

### **Plans for Future Periods**

The Covid-19 virus situation still makes planning difficult.

In the light of that and the move to more remote working the service will review its need for existing quite extensive rented premises and continue to seek charitable funding wherever possible

Fees will also be increased when it is viewed as appropriate in terms of the Covid 19 situation and pressures on families.

### **Structure, governance and management**

Children First Family Mediation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 November 2009. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 10 August 2010.

### **Appointment of trustees**

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of one year with one third re-elected annually. Trustees are recruited through local networks, and the REACH (Retired Executives Organisation) on the basis of skills and knowledge required.

### **Trustee induction and training**

Most trustees are already familiar with the work of the charity as a result of longstanding connection with the organisation.

Additionally, new trustees are invited and encouraged to attend the meetings and activities of the service to familiarise themselves with the work of the charity and the context within which it operates.

## CHILDREN FIRST FAMILY MEDIATION

### Organisation

The Organisation has a Board of Directors.

There must be a minimum of three directors. There is no maximum number.

The Board of Directors is responsible for the strategic direction of the organisation.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the senior management team.

### Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year the self-employed senior manager, who is not a trustee, received fees totalling £9,000..

### Reference and administrative information

Company and Charity Name: Children First Family Mediation.

Charity Number: 1137385

Company Registration Number: 07079246

### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

#### Key management personnel: Trustees and Directors

Jill Duffy	Chair of Trustees	
Eric Stelfox	Treasurer	
Sheena Adam		(Director only)
Sheena Adam	Secretary	
Caroline Ramos		(retired June 2021)

#### Senior managers

Sheena Adam	(until August 2021)
Imogene Firth	(from August 2021)

#### Registered Office

Europa House  
19 Barcroft Street  
Bury  
BL9 5BT

## CHILDREN FIRST FAMILY MEDIATION

### Independent Examiners

Community Accountancy Service Limited  
The Grange  
Pilgrim Drive  
Beswick  
Manchester  
M11 3TQ

### Bankers

The Co-operative Bank plc  
1 Balloon Street  
Manchester

### Professional Advisors

Val Hewertson, supervisor

### Trustees' responsibilities in relation to the financial statements

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

By order of the board of trustees

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Jill Duffy  
Chair

Date: 4<sup>th</sup> December 2021

## **Independent examiner's report to the trustees of CHILDREN FIRST FAMILY MEDIATION**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2021, which are set out on pages 8 to 16.

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

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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

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

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A.M. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 4<sup>th</sup> December 2021

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2021**

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2020 £
<b>Income from:</b>					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	136,459	10,305	146,764	145,490
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		-	-	-	-
<b>Total</b>		<u>136,459</u>	<u>10,305</u>	<u>146,764</u>	<u>145,490</u>
<b>Expenditure on:</b>					
Raising Funds	(6)	709	-	709	4,288
Charitable Activities	(6)	115,193	6,901	122,094	138,894
Other	(6)	13	-	13	13
<b>Total</b>		<u>115,915</u>	<u>6,901</u>	<u>122,816</u>	<u>143,195</u>
<b>Net income/(expenditure)</b>		20,544	3,404	23,948	2,295
Transfers between funds	(15)	-	-	-	-
<b>Net movement in funds</b>		<u>20,544</u>	<u>3,404</u>	<u>23,948</u>	<u>2,295</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	(15)	25,481	6,584	32,065	29,770
<b>Total funds carried forward</b>	(15)	<u>46,025</u>	<u>9,988</u>	<u>56,013</u>	<u>32,065</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 16 form part of these accounts

**BALANCE SHEET AS AT 31 MARCH 2021**

Company registration number: 07079246

	Notes	2021 £	2020 £
<b>Fixed assets:</b>			
Tangible assets	(11)	2,612	1,018
Total fixed assets		<u>2,612</u>	<u>1,018</u>
<b>Current assets:</b>			
Debtors	(12)	22,225	16,673
Cash at Bank & in Hand		37,508	25,761
Total current assets		<u>59,733</u>	<u>42,434</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(13)	6,332	11,387
Net current assets or liabilities		<u>53,401</u>	<u>31,047</u>
Total assets less current liabilities		56,013	32,065
<b>Total net assets or liabilities</b>		<u><u>56,013</u></u>	<u><u>32,065</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(15)	9,988	6,584
Unrestricted income funds	(15)	46,025	25,481
<b>Total charity funds</b>		<u><u>56,013</u></u>	<u><u>32,065</u></u>

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

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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.

Approved by the trustees on 4th December 2021

Jill Duffy                      Chair

The notes on pages 11 to 16 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2021

	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
<b>Net cash used in operating activities</b>	14,366	4,821
<b>Cash flows from investment activities:</b>		
Interest	-	-
Purchase of fixed assets	(2,619)	-
<b>Net cash provided by investing activities</b>	<u>(2,619)</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents during the year	11,747	4,821
Cash and cash equivalents brought forward	25,761	20,940
<b>Cash and cash equivalents carried forward</b>	<u><u>37,508</u></u>	<u><u>25,761</u></u>

**Notes to the accounts****1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are 2 restricted funds.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

**(c) Income recognition**

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against this heading in the financial statements.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

**(g) Costs of raising funds**

The costs of raising funds consists of costs required to generate income.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Fixtures and Fittings	15% reducing balance
Signage	15% reducing balance
Computer Equipment	33.33% straight line

**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Pensions**

The charity currently does not administer contributions to a pension scheme.

The trustees implemented an auto enrolment pension scheme from May 2017. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**(l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil). Expenses paid for the trustees in the year totalled £nil (2020: £nil).

**3. Donations and Legacies**

	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2020 £
Donations	-	-	-	-
Previous reporting period	-	-	-	-

**4. Income from charitable activities**

	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2020 £
Other Income:				
Client Fees	40,179	-	40,179	67,542
Legal Aid Income	70,740	-	70,740	64,406
Cafcass Contracts for SPIP	10,323	-	10,323	13,542
Unrestricted Grants:				
Charities Aid Foundation	3,000	-	3,000	-
Co-op Community Donation Fund	1,000	-	1,000	-
Crowdfunder Income	217	-	217	-
Forever Manchester	1,000	-	1,000	-
National Lottery Covid-19 Response Fund	10,000	-	10,000	-
Restricted Grants:				
The Clothworkers Foundation	-	4,800	4,800	-
HMRC CVJRS	-	5,505	5,505	-
	136,459	10,305	146,764	145,490
Previous reporting period	145,490	-	145,490	

## 5. Income from other trading activities

	Unrestricted Year Ended 31st March 2021 £	Restricted Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2021 £	Total Funds Year Ended 31st March 2020 £
Solicitors' Directory	-	-	-	-
Previous reporting period	-	-	-	-

## 6. Expenditure

	Mediation Services £	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
<b>Expenditure on raising funds:</b>			
Affiliation Fees		709	3,996
Advertising		-	144
Subscriptions		-	148
		<u>709</u>	<u>4,288</u>
<b>Expenditure on charitable activities:</b>			
Employment Costs		39,634	41,825
Training		-	20
Travel Expenses		-	5
Directors' Management Fees		9,000	9,000
Mediation Fees		38,015	37,361
Interpretation Fees		133	222
Payroll Bureau Fees		440	449
Supervision Fees		1,210	1,045
Card Payment Machine Charges		1,146	1,450
Cleaning		-	1,500
Minor Equipment		216	48
Repairs		1,511	495
Heat, Light & Water		1,252	2,632
Bad Debts		-	195
Irrecoverable VAT		253	276
SPIP Delivery Fees		600	2,100
Telephone & Internet		6,933	4,896
Rent, Rates & Room Hire		15,859	27,387
Computer Costs		168	1,612
Website		416	965
Insurance		1,573	1,559
Governance and Support Costs		875	740
Post, Printing & Stationery		1,835	2,933
Depreciation		1,025	179
		<u>122,094</u>	<u>138,894</u>
<b>Other expenditure:</b>			
Sundry Expenses		13	13
		<u>13</u>	<u>13</u>
		<u>122,816</u>	<u>143,195</u>
Restricted funds		6,901	1,330
Unrestricted funds		<u>115,915</u>	<u>141,865</u>
		<u>122,816</u>	<u>143,195</u>

**7. Analysis of expenditure on charitable activities**

As per note 6.

**8. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total	Basis of apportionment
Accountancy Fees	-	835	835	type of work undertaken
Professional Fees	40	-	40	type of work undertaken
	<u>40</u>	<u>835</u>	<u>875</u>	

**9. Analysis of staff costs**

	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
Wages and Salaries	39,024	41,120
Redundancy	-	-
Social Security Costs	-	-
Pension Costs	610	705
	<u>39,634</u>	<u>41,825</u>
Charitable activities	39,634	41,825
Support costs	-	-
	<u>39,634</u>	<u>41,825</u>

The average number of employees during the year was 3 (previous year: 3).

The charity considers its key management personnel comprises the trustees and Senior Manager. The senior manager is self-employed. Management fees during the year totalled £9,000 (2020: £9,000). The senior manager is a director of the charity but not a trustee.

No employees had benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
Independent examination fees	760	740
Other financial services	75	-
	<u>835</u>	<u>740</u>

**11. Tangible Fixed Assets**

	Signage	Computers	Fixtures & Fittings £	Total £
<b>Cost</b>				
At 1st April 2020	535	2,293	3,237	6,065
Additions	-	2,619	-	2,619
At 31st March 2021	<u>535</u>	<u>4,912</u>	<u>3,237</u>	<u>8,684</u>
<b>Depreciation</b>				
At 1st April 2020	438	2,293	2,316	5,047
Charge for Year	15	872	138	1,025
At 31st March 2021	<u>453</u>	<u>3,165</u>	<u>2,454</u>	<u>6,072</u>
<b>NET BOOK VALUE</b>				
At 31st March 2021	<u>82</u>	<u>1,747</u>	<u>783</u>	<u>2,612</u>
At 31st March 2020	<u>97</u>	<u>-</u>	<u>921</u>	<u>1,018</u>

**12. Analysis of debtors**

	2021	2020
	£	£
Debtors	20,569	13,914
Prepayments	1,656	2,759
	<u>22,225</u>	<u>16,673</u>

Debtors and prepayments comprise restricted funds £nil (2020: £82) and unrestricted funds £22,225 (£2020: £16,591).

**13. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Creditors	3,156	1,789
Short-term compensated absences (holiday pay)	-	-
Other creditors and accruals	800	1,663
Deferred income	-	-
Taxation and social security costs	2,376	7,935
	<u>6,332</u>	<u>11,387</u>

**14. Deferred income**

Deferred income comprises fees charged in advance for the Solicitors' Directory.

Balance as at 1st April 2020	-
Amount released to income earned from charitable activities	-
Amount deferred in year	-
Balance at 31st March 2021	<u>-</u>

**15. Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Balance at 1st April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2021
	£	£	£	£	£
General Fund	25,481	136,459	(115,915)	-	46,025
	<u>25,481</u>	<u>136,459</u>	<u>(115,915)</u>	<u>-</u>	<u>46,025</u>

Previous reporting period

	Balance at 1st April 2019	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2020
	£	£	£	£	£
General Fund	21,856	145,490	(141,865)	-	25,481
	<u>21,856</u>	<u>145,490</u>	<u>(141,865)</u>	<u>-</u>	<u>25,481</u>

**Name of unrestricted fund:**

General Fund

**Description, nature and purpose of the fund**

The "free reserves"

**Analysis of movements in restricted funds**

	Balance at 1st April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2021
	£	£	£	£	£
HMRC CVJRS	-	5,505	(5,505)	-	-
The Clothworkers Foundation	-	4,800	(1,396)	-	3,404
Big Lottery Fund	6,584	-	-	-	6,584
	<u>6,584</u>	<u>10,305</u>	<u>(6,901)</u>	<u>-</u>	<u>9,988</u>

Previous reporting period

	Balance at 1st April 2019	Incoming Resources	Resources Expended	Transfers	Balance at 31st March 2020
	£	£	£	£	£
Big Lottery Fund	7,914	-	(1,330)	-	6,584
	<u>7,914</u>	<u>-</u>	<u>(1,330)</u>	<u>-</u>	<u>6,584</u>

**Name of restricted fund:**

HMRC CVJRS  
The Clothworkers Foundation  
Big Lottery Fund

**Description, nature and purpose of the fund**

For salaries  
For computers  
For Communication for children in divorce project

**16. Analysis of net assets between funds**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	865	-	1,747	2,612
Cash at bank and in hand	29,267	-	8,241	37,508
Other net current assets/(liabilities)	15,893	-	-	15,893
<b>Total</b>	<b>46,025</b>	<b>-</b>	<b>9,988</b>	<b>56,013</b>

Previous reporting period

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	1,018	-	-	1,018
Cash at bank and in hand	19,189	-	6,572	25,761
Other net current assets/(liabilities)	5,274	-	12	5,286
<b>Total</b>	<b>25,481</b>	<b>-</b>	<b>6,584</b>	<b>32,065</b>

**17. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
Net movement in funds	23,948	2,295
Add back depreciation	1,025	179
Deduct investment income	-	-
Decrease/(increase) in debtors	(5,552)	(2,437)
Increase/(decrease) in creditors	(5,055)	4,784
<b>Net cash used in operating activities</b>	<b>14,366</b>	<b>4,821</b>

## Income and Expenditure Account

	Year Ended 31st March 2021 £	Year Ended 31st March 2020 £
<b>Income</b>		
Client Fees	40,179	67,542
Legal Aid Income	70,740	64,406
Cafcass Contracts for SPIP	10,323	13,542
Unrestricted Grants:		
Charities Aid Foundation	3,000	-
Co-op Community Donation Fund	1,000	-
Crowdfunder Income	217	-
Forever Manchester	1,000	-
The Clothworkers Foundation	4,800	-
National Lottery Covid-19 Response Fund	10,000	-
Restricted Grants:		
HMRC CVJRS	5,505	-
<b>Total Income</b>	<b>146,764</b>	<b>145,490</b>
<b>Expenditure</b>		
Affiliation Fees	709	3,996
Advertising	-	144
Subscriptions	-	148
Employment Costs	39,634	41,825
Training	-	20
Travel Expenses	-	5
Directors' Management Fees	9,000	9,000
Mediation Fees	38,015	37,361
Interpretation Fees	133	222
Payroll Bureau Fees	440	449
Supervision Fees	1,210	1,045
Card Payment Machine Charges	1,146	1,450
Cleaning	-	1,500
Minor Equipment	216	48
Repairs	1,511	495
Heat, Light & Water	1,252	2,632
Bad Debts	-	195
Irrecoverable VAT	253	276
SPIP Delivery Fees	600	2,100
Telephone & Internet	6,933	4,896
Rent, Rates & Room Hire	15,859	27,387
Computer Costs	168	1,612
Website	416	965
Insurance	1,573	1,559
Governance and Support Costs	875	740
Post, Printing & Stationery	1,835	2,933
Depreciation	1,025	179
Sundry Expenses	13	13
<b>Total Expenditure</b>	<b>122,816</b>	<b>143,195</b>
<b>Surolus/(Deficit) for the Year</b>	<b>23,948</b>	<b>2,295</b>