

# **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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**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 and 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.



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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

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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:



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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.

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### 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**

		Unrestricted Funds	Restricted Funds	Total Funds Year Ended 31st March 2021	Total Funds Year Ended 31st March 2020
	Further Details	£	£	£	£
<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>56,013</u>	<u>32,065</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>56,013</u>	<u>32,065</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	709	3,996
Advertising	-	-	144
Subscriptions	-	-	148
	709	709	4,288
<b>Expenditure on charitable activities:</b>			
Employment Costs	39,634	39,634	41,825
Training	-	-	20
Travel Expenses	-	-	5
Directors' Management Fees	9,000	9,000	9,000
Mediation Fees	38,015	38,015	37,361
Interpretation Fees	133	133	222
Payroll Bureau Fees	440	440	449
Supervision Fees	1,210	1,210	1,045
Card Payment Machine Charges	1,146	1,146	1,450
Cleaning	-	-	1,500
Minor Equipment	216	216	48
Repairs	1,511	1,511	495
Heat, Light & Water	1,252	1,252	2,632
Bad Debts	-	-	195
Irrecoverable VAT	253	253	276
SPIP Delivery Fees	600	600	2,100
Telephone & Internet	6,933	6,933	4,896
Rent, Rates & Room Hire	15,859	15,859	27,387
Computer Costs	168	168	1,612
Website	416	416	965
Insurance	1,573	1,573	1,559
Governance and Support Costs	875	875	740
Post, Printing & Stationery	1,835	1,835	2,933
Depreciation	1,025	1,025	179
	122,094	122,094	138,894
<b>Other expenditure:</b>			
Sundry Expenses	13	13	13
	13	13	13
	122,816	122,816	143,195
Restricted funds		6,901	1,330
Unrestricted funds		115,915	141,865
		122,816	143,195

**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
	40	835	875	

**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
	39,634	41,825
Charitable activities	39,634	41,825
Support costs	-	-
	39,634	41,825

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	-
	835	740

**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	535	4,912	3,237	8,684
<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	453	3,165	2,454	6,072
<b>NET BOOK VALUE</b>				
At 31st March 2021	82	1,747	783	2,612
At 31st March 2020	97	-	921	1,018

**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	1573	1559
Governance and Support Costs	875	740
Post, Printing & Stationery	1835	2933
Depreciation	1025	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>