

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 31st March 2022

The trustees present their annual directors' report and financial statements of the charity for the year ended 31st 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

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.

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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 31st 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.

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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.

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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

Jill Duffy
Chair

Date: 14th 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 31st 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: 14th 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 £
Income from:					
Donations and legacies	(3)	-	-	-	-
Charitable Activities	(4)	112,928	-	112,928	146,764
Other Trading Activities	(5)	-	-	-	-
Investment Income		-	-	-	-
Other		524	-	524	-
Total		113,452	-	113,452	146,764
Expenditure on:					
Raising Funds	(6)	51	-	51	709
Charitable Activities	(6)	119,529	9,116	128,645	122,094
Other	(6)	13	-	13	13
Total		119,593	9,116	128,709	122,816
Net income/(expenditure)		(6,141)	(9,116)	(15,257)	23,948
Transfers between funds	(15)	-	-	-	-
Net movement in funds		(6,141)	(9,116)	(15,257)	23,948
Reconciliation of funds					
Total funds brought forward	(15)	46,025	9,988	56,013	32,065
Total funds carried forward	(15)	39,884	872	40,756	56,013

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 £
Fixed assets:			
Tangible assets	(11)	1,630	2,612
Total fixed assets		<u>1,630</u>	<u>2,612</u>
Current assets:			
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>
Liabilities:			
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
Total net assets or liabilities		<u>40,756</u>	<u>56,013</u>
The funds of the charity:			
Restricted income funds	(15)	872	9,988
Unrestricted income funds	(15)	39,884	46,025
Total charity funds		<u>40,756</u>	<u>56,013</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)
Net cash used in operating activities	(6,580)	14,366
Cash flows from investment activities:		
Interest	-	-
Purchase of fixed assets	-	(2,619)
Net cash provided by investing activities	-	(2,619)
Increase/(decrease) in cash and cash equivalents during the year	(6,580)	11,747
Cash and cash equivalents brought forward	37,508	25,761
Cash and cash equivalents carried forward	30,928	37,508

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 £
Expenditure on raising funds:			
Affiliation Fees	45	45	709
Subscriptions	6	6	-
	51	51	709

Expenditure on charitable activities:

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

Other expenditure:

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 £
Cost				
At 1st April 2021	535	4,912	3,237	8,684
Additions	-	-	-	-
At 31st March 2022	535	4,912	3,237	8,684
Depreciation				
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
NET BOOK VALUE				
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)	-	-
	9,988	-	(9,116)	-	872

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
	7,914	10,305	(8,231)	-	9,988

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
Total	39,884	-	872	40,756

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
Total	46,025	-	9,988	56,013

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 £
Income		
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
Total Income	113,452	146,764
Expenditure		
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
Total Expenditure	128,709	122,816
Surplus/(Deficit) for the Year	(15,257)	23,948