

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
THE SOCIETY OF MEDIATORS**



Bagborough Accountancy
Chartered Accountants & Business Advice

13, Wall Park Road, Brixham, Torbay, TQ5 9UE

THE SOCIETY OF MEDIATORS

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THE SOCIETY OF MEDIATORS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

In 2023, the Society completed its first decade as a Charity and its recovery from the Pandemic that gripped the world and changes dispute resolution forever. The period from 1st April 2022 to 31st March 2023 was a difficult year. However, since then, there has been a year of growth and renewal with major development projects.

Summary of Activities in 2023

The Society has again delivered its not-for-profit training courses worldwide. Students and professionals from the Caribbean to Catterick, Johannesburg to Geordieland and the Temple to Taunton have benefitted from world-class training and development, often (in about a third of cases) on free, bursary, or pro bono places to fulfil our mission. More than 500 new mediators have successfully completed our training worldwide in 2023 and many more our CPD.

But the Society is about more than education. It is also about resolution and as such the Free Mediation Project has been central to the mission and objectives we advance. Delivered by members for free over a two-month period, and backed by our Trustees and administration, the FMP offers solo and co-mediations in the courts to whoever needs them, regardless of means. This proved popular in August and September 2023 and many dozens of litigants went home happy that they met us.

We also promote mediation – in Parliament, in the Ministry and Judiciary and to the public to encourage its use. The Third Edition of our textbook on the subject, *"Practical Mediation"* was published in September 2023, and we offered new links with other charities that were readily accepted. These will mature in 2024 as set out below. We also engaged with the wider developments in the field, not just to promote uptake as encouraged by the courts through *Churchill v Merthyr Tydfil*, but more directly, through our wider work and newsletter, *"The Listening Brief"*, which is well read. We have contributed to the growth of mediation in the NHS and in Restorative Justice projects in South Africa, in the creation of centres in the Cayman Islands and Corfu.

Plans for 2024

The Society is working in four levels in 2024:

- to educate through the continuing training programme
- to promote mediation through its new mid-summer conference
- to resolve problems through the Free Mediation Project
- to expand knowledge and use with its courts and other charities.

We signed, in December 2023, a MOU with the International Dispute Resolution Institute in Pakistan to establish a chapter of the Society in Islamabad and to train mediators from March 2024. Reciprocal arrangements will see dedicated dispute resolution professionals come to London to study and develop their knowledge and skills. This is a major step in the development of bilateral work.

The Society will also work in Gaborone and in Greece, in South Africa and in the Cayman Islands in 2024 – and is looking to take its mission further afield. Potentially Lebanon, Saudi Arabia and Esawtini will come into our areas of commitment as well and certainly are part of the ambition for 2025. To support this, we will be expanding the Training Faculty, who themselves will undergo updated training and operating a reflective learning programme to be truly inclusive and diverse.

THE SOCIETY OF MEDIATORS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES - continued Plans for 2024

Our new Trustees for 2024 reflect this ambition and we celebrate the development of wider informal education programmes and plans whilst remaining true to our Governing document. We will work closely with other bodies involved in mediation and ensure that there is an effective voice for true access to mediation, which is more than just a process governed and ruled by rich interests. We are delighted to have a close relationship with the Bar Council in England and Wales, with the Association of Arbitrators of Southern Africa NPC, with the Mediation Mechanics of Botswana, and the Cayman Islands Mediation and Arbitration Centre as well as the IDRI and other major groups around the world.

Mediation is truly for all and in 2024 we will ensure that the Society continues to be London's leading school of mediation and at the front of promotion and resolution.

FINANCIAL REVIEW

It is the policy of the charity to maintain as much cash reserves as fundraising allows, as it builds reserves to fund future projects. The reserves policy and current level of reserves is kept under constant review by the Trustees.

In the year ended 31st March 2023 the income was less than the previous year. Mediation Course income was £113,280 (previous year £148,664) due partly to the increase in free, bursary, or pro bono places.

The income from the subletting of office space for other tenants and meeting rooms was significantly reduced to £11,721, (previous year £152,239) as the Society of Mediators relocated within the offices of 218 Strand from the Second floor to more suitable smaller offices on the Fourth Floor eliminating the need to sublet office space.

The operating costs also reduced significantly to £152,008 (previous year £294,263) mainly due to the relocation.

This was a transitional year with the office move, resulting in expenditure exceeding income by £17,307.

It is anticipated that the year ended 31st March 2024 will return to a surplus of income over expenditure, replenishing the reserves.

The Trustees are wholly satisfied that the structure meets the SOM's needs and is effective. The Society of Mediators had no loan debts, no significant liabilities, is insured and strongly managed financially. All risks are covered by E&O and general insurance by Hiscox.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The Trustees plan to conduct a ten-year review of the deed trust and bring in any amendments in 2024 with the Charity Commissions' guidance.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1151526

THE SOCIETY OF MEDIATORS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS - continued

Principal address

The Society of Mediators
Fourth Floor
218 Strand
London
WC2R IAT

Trustees

I Strathcarron
D Collis
J Sephton
R Sandhu
J Hodge
K Ealey
J Mulrooney
D M Cawdell-Trew
D Ingle
M Edforth
A Agbeze
E Tack
M Ganesan

REFERENCE AND ADMINISTRATIVE DETAILS - continued

Independent Examiner

Bagborough Accountancy
Chartered Accountants
13, Wall Park Road
Brixham
Torbay
TQ5 9UE

Approved by order of the board of Trustees on 26 January 2024 and signed on its behalf by:

Lord Ian Strathcarron – Trustee (Vice Chairman)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SOCIETY OF MEDIATORS

Independent examiner's report to the trustees of The Society of Mediators

I report to the charity trustees on my examination of the accounts of The Society of Mediators (the Trust) for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Michael January BA FCA
Fellow of the Institute of Chartered Accountants in England and Wales
Bagborough Accountancy
Chartered Accountants
13, Wall Park Road
Brixham
Torbay
TQ5 9UE

26 January 2024

THE SOCIETY OF MEDIATORS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

		2023	2022
		Unrestricted fund	Unrestricted fund
	Notes	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies		14,470	9,700
Other trading activities	2	125,001	300,903
Investment income	3	-	-
		<hr/>	<hr/>
Total		139,471	310,603
 EXPENDITURE ON			
Raising funds		152,008	294,263
Charitable activities			
Governance costs		4,770	7,903
		<hr/>	<hr/>
Total		156,778	302,166
		<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		(17,307)	8,437
 RECONCILIATION OF FUNDS			
Total funds brought forward		58,803	50,366
		<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		41,496	58,803
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

THE SOCIETY OF MEDIATORS

**BALANCE SHEET
31 MARCH 2023**

		2023	2022
		Unrestricted fund	Unrestricted fund
	Notes	£	£
CURRENT ASSETS			
Debtors		42,999	52,498
Cash at bank	6	4,390	12,306
		<hr/>	<hr/>
		47,389	64,804
CREDITORS			
Amounts falling due within one year	7	(5,893)	(6,001)
		<hr/>	<hr/>
NET CURRENT ASSETS		41,496	58,803
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,496	58,803
		<hr/>	<hr/>
NET ASSETS		41,496	58,803
		<hr/>	<hr/>
FUNDS			
Unrestricted Funds	8	41,496	58,803
		<hr/>	<hr/>
TOTAL FUNDS		41,496	58,803
		<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2024 and were signed on its behalf by:

Lord Ian Strathcarron – Trustee (Vice Chairman)

The notes form part of these financial statements

THE SOCIETY OF MEDIATORS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Mediation courses	113,280	148,664
Rents received	<u>11,721</u>	<u>152,239</u>
	<u>125,001</u>	<u>300,903</u>

THE SOCIETY OF MEDIATORS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

3. INVESTMENT INCOME

	2023 £	2022 £
Deposit account interest	-	-

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

Some Trustees are reimbursed for expenses, travel, accommodation, photocopying, books, exam and assessment fees, room hires, and costs throughout the year, in year doing work of the society - mainly on free courses or mediations. Disclosure of these amounts can be seen in the Related Party Disclosures not to the financial statements.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	9,700
Other trading activities	300,903
Investment income	-
	<hr/>
Total	310,603
 EXPENDITURE ON	
Raising funds	269,643
Charitable activities	
Governance costs	32,523
	<hr/>
Total	302,166
	<hr/>
NET INCOME/(EXPENDITURE)	8,437
 RECONCILIATION OF FUNDS	
Total funds brought forward	50,366
	<hr/>
TOTAL FUNDS CARRIED FORWARD	58,803
	<hr/>

THE SOCIETY OF MEDIATORS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	5,000	14,499
Other debtors	37,999	37,999
VAT	-	-
	<u>42,999</u>	<u>52,498</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	827	827
Other creditors	3,860	3,860
VAT	1,206	1,314
	<u>5,893</u>	<u>6,001</u>

8. MOVEMENT IN FUNDS

	At 01.04.22 £	Net movement in funds £	At 31.03.23 £
Unrestricted funds			
General fund	58,803	(17,307)	41,496
	<u>58,803</u>	<u>(17,307)</u>	<u>41,496</u>
TOTAL FUNDS	<u>58,803</u>	<u>(17,307)</u>	<u>41,496</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	139,471	(156,778)	(17,307)
	<u>139,471</u>	<u>(156,778)</u>	<u>(17,307)</u>
TOTAL FUNDS	<u>139,471</u>	<u>(156,778)</u>	<u>(17,307)</u>

Comparatives for movement in funds

	At 01.04.21 £	Net movement in funds £	At 31.03.22 £
Unrestricted funds			
General fund	50,366	8,437	58,803
	<u>50,366</u>	<u>8,437</u>	<u>58,803</u>
TOTAL FUNDS	<u>50,366</u>	<u>8,437</u>	<u>58,803</u>

THE SOCIETY OF MEDIATORS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

8. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	310,603	(302,166)	8,437
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>310,603</u>	<u>(302,166)</u>	<u>8,437</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 01.04.21 £	Net movement in funds £	At 31.03.23 £
Unrestricted funds			
General fund	50,366	(8,870)	41,496
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>50,366</u>	<u>(8,870)</u>	<u>41,496</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	450,074	(458,944)	(8,870)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>450,074</u>	<u>(458,944)</u>	<u>(8,870)</u>

THE SOCIETY OF MEDIATORS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

9. RELATED PARTY DISCLOSURES

The charity operates from a premises at 218 The Strand, London. The charity has a service agreement with 218 Strand Limited to sub-let rooms at the property. This is done on an arms length basis to third parties, and the rent received by the charity is then passed to 218 Strand Limited. 218 Strand Limited then donates to The Society of Mediators.

This allows the charity to have:

1. Infrastructure provided risk free
2. Very little financial risk
3. A valuable income stream within minimal investment

218 Strand Limited is primarily controlled by Mr J C Dingle, who is also a honorary CEO of the charity. The Trustees believe that the arrangement is in the best interest of the charity as it allows the charity to continue raising funds. Mr J C Dingle underpins both 218 Strand Limited and the charity.

Some Trustees are reimbursed for expenses, travel, accommodation, photocopying, books, exam and assessment fees, room hires, and costs throughout the year, doing the work of the society - mainly on free courses or mediations. These are not payments for being a trustee of the charity, but rather re-imbursement of costs for the various courses throughout the year.

	2023	2022
	£	£
C Keane	-	25,970
D Ingle	1,304	2,341
K Ealey	215	-
J Mulrooney	1,447	-
J Shepton	500	-
	<u>3,466</u>	<u>28,311</u>

THE SOCIETY OF MEDIATORS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	Unrestricted fund	Unrestricted fund
	£	£
INCOME AND ENDOWMENTS FROM		
Donations and legacies		
Charitable and political donations	5,000	-
Membership subscriptions	<u>9,470</u>	<u>9,700</u>
	14,470	9,700
Other trading activities		
Mediation courses	113,280	148,664
Rents received	<u>11,721</u>	<u>152,239</u>
	125,001	300,903
Investment income		
Deposit account interest	<u>-</u>	<u>-</u>
Total incoming resources	139,471	310,603
EXPENDITURE		
Other trading activities		
Other operating leases	94,739	158,865
Consultancy	-	24,620
Rates and water	(588)	7,910
Other operating expenses	-	-
Tutor fees	<u>57,857</u>	<u>102,868</u>
	152,008	294,263
Support costs		
Management	243	761
Insurance	212	-
Subscriptions	246	-
Telephone	-	2,692
Accountancy	<u>660</u>	<u>460</u>
	1,361	3,913
Finance		
Bank charges	2,828	1,858
Information technology		
Website development	<u>581</u>	<u>2,132</u>
Total resources expended	<u>156,778</u>	<u>302,166</u>
Net expenditure	<u>(17,307)</u>	<u>8,437</u>

This page does not form part of the statutory financial statements