

**COMPANY NO 3008942**

**CHARITY REGISTERED NUMBER:1067128**

**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**KEMPTON EMSDEN & CO.**  
**CHARTERED ACCOUNTANTS**  
**34 NAPIER ROAD**  
**BROMLEY**  
**KENT**  
**BR2 9JA**



**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**LEGAL AND ADMINISTRATIVE INFORMATION**

**Company Number:** 3008942

**Registered Charity Number:** 1067128

**Directors:** Mrs Joyce Sutton  
Mr Stephen Hodges  
Mr Julian Gibson

**Secretary:** Mr David Ely J.P MBA Banking

**Registered Office:** The Stables,  
1 North Street,  
Bromley, Kent  
BR1 1SD

**Accountants:** Kempton Emsden & Co.  
Chartered Accountants  
34 Napier Road  
Bromley  
Kent  
BR2 9JA

**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED 31 MARCH 2017**

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**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2017**

The trustees present their report and the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

**Structure, Governance and Management**

**Governing document**

The organisation is a charitable company, limited by guarantee, and is governed its Memorandum and Articles of Association dated 30<sup>th</sup> November 1994.

The company has to comply with the Companies Act 2006 and related SORP.

**Organisation and Management**

The day to day management of the South East London Family Mediation Bureau s the responsibility of the Service Manager.

The South East London Family Mediation Bureau has three Trustees (one of which is the Chair) and a Company Secretary.

An Executive Committee consists of the three Trustees, Company Secretary, Service Manager and other individuals experienced in family dispute matters and local authority work. The Executive meets at least four times a year including the Annual General Meeting, usually held in October. The Chair of the Bureau is also the Chair of the Executive Committee.

The Finance and General Purposes Committee is made up of at least three members of the Executive Committee, including the Chair, Company Secretary and the Service Manager. It meets 4-6 times a year, ordinarily two weeks before the Executive Committee. It works closely with the Service Manager to oversee the administration and finances of the bureau. It makes recommendations to the Executive Committee.

The bureau is fortunate to have His Honour Judge Atkins, from the Croydon Family Court, as its President. He presides over the Annual General Meeting and is kept aware of bureau activities by receiving minutes of all meetings and regular volume and financial summaries.

Minutes of all meetings are formally recorded and made available to all committee members.

**Risk Policy**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen those risks.

**Objectives and Activities**

The company was established firstly, to provide a mediation service to separated parents who are in dispute over contact and residence arrangements for their children and secondly, to facilitate the settlement of differences arising from family breakdown in relation to financial and property matters and the like.

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**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2017**

**Achievements and Performance**

During the course of the financial year ending 31<sup>st</sup> March 2017 South East London Family Mediation Bureau undertook each month an average of 46 Mediation Information and Assessment Meetings (MIAMs) and 38 Mediation Sessions made up of 15 Property and Finance Mediations, 15 All Issues Mediations and 8 Child Issues Mediation. This was a similar volume to the previous year. We are conscious that these numbers need to improve.

Considerable effort has gone into improving the management of the bureau with particular attention to staffing. The bureau uses the services of ten independent session mediators to undertake mediation activities.

Additionally, the bureau undertakes Independent Report Writing on behalf of London Boroughs when a resident makes a complaint about a service provided by the borough. Currently we have one client borough. The bureau has undertaken this work for over 17 years. This is a different type of mediation. It is entirely separate from the family mediation activity and has an entirely different group of session report writers. Some of our long standing report writers are retiring and we have experienced delays in settlement of outstanding invoices with the borough. We are taking the opportunity to further professionalise the service with the creation of a Service Level Agreement with the borough. This will be used as a foundation to extend the offer to other Boroughs.

**Financial Review**

Income of £158,480 and expenses of £163,983 led to a loss of £5,503; the directors consider the loss of £5,503 to be disappointing and not in line with expectations.

Over the last three financial years we have moved from an operating loss of £39,695 (March 2014), operating surplus of £5,835 (March 2015) and an operating surplus of £14,999 last year (March 2016).

Our negative positions were £29,019 (March 2014), £23,256 (March 2015) and stood at £8,257 last year (March 2016). Our plan was to eliminate the loss over three years finishing March 2017. This has not been achieved. We have met the target of ensuring payments to mediators are current. We have reduced Directors loans from £11,000 to £8,000 which we anticipate clearing during the next financial year.

There have been a number of contributing factors to the disappointing performance:

1. Legal Aid business has stabilised at approximately £20,000 per annum.
2. Mediation private business is marginally below (2%) from last year's level (£2,000).
3. Bromley Community Mediation Service closed; no longer rent space (£2,000).
4. We received an historical invoice from our landlord re utility services (£3,600).
5. We received an historical invoice from our Professional Practice Consultant (£1,800) arising from a misunderstanding with the previous Service Manager.
6. The office boiler had to be replaced at £1,400.
7. Independent Report Writing fell from £61,000 last year to £33,000 in 2017. This affected net income by £4,000.

The overall effect is a reduction in income of £15,000 which allowing for our outstanding debt of £8,257 at the end of the last financial year and our loss this year of £5,503 we would have cleared the outstanding loss and moved into positive territory. We finished the year with a deficit of £13,760. We anticipate eliminating this next year.

We do not hold reserves but any excess funds are kept on deposit with our bank.

**Plans for Next Year**

We hired a new Service Manager, Andrew Sims, who started September 2016. He is looking at other income streams to further insulate us from changes in the marketplace and is doing further work on our core Family Mediation business. He has identified a number of areas which should increase the financial strength of the bureau during the next financial year:

- Standardisation of fees schedules for all types of mediation;
- Review of mediation rates;
- Out of hours premium priced service;
- Target non-traditional forms of family mediation, other than separating and divorcing couples, but involving

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**(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2017**

- relationship and communication breakdown within families, (e.g. intergenerational disputes & sibling rivalry);
- Modernisation of website including ability to pay on line;
- Introduced time-limited mediator practice/apprentice placement scheme (for newly trained mediators to gain case experience);
- Rebranding of Independent Report Writing into the Conflict Resolution Service;
- Marketing of Conflict Resolution Service to other local authorities;
- Renegotiation of premises lease and upgrading of local office environment;
- Detailed review of day to day administration to be more customer focussed.

The Trustees are grateful to the mediators for their unceasing loyalty, the administration team for their tireless efforts, the Independent Report Writing Team for their commitment and to the Executive Committee for guidance and support throughout the year. Whilst we know there will be further challenges in the years ahead we are confident that the combined efforts of all involved will see us grow and prosper over time. We look to the future with confidence.

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

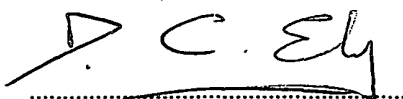
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

This report was approved by the board of directors and trustees on 12<sup>th</sup> October 2017 and signed on its behalf.



**DAVID ELY – Company Secretary**

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF SOUTH EAST LONDON FAMILY MEDIATION BUREAU**  
**(COMPANY LIMITED BY GUARANTEE)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

I report on the accounts which are set out on pages 5 to 11.

**Respective responsibilities of the Directors and examiner**

The trustees who are also directors of the company for the purpose 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. Having satisfied myself that the charity is not subject under company law and is eligible for independent examination, it is my responsibility to:

Examine the accounts under section 145 of the 2011 Act; follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and 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:
  - a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - b) 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
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
Kempton Emsden & Co.  
Chartered Accountants  
34 Napier Road  
Bromley  
Kent BR2 9JA

Dated: 12<sup>th</sup> October 2017

**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2017 £</b>	<b>Total Funds 2016 £</b>
<b>Income and endowments from:</b>			
Donations	1,000	1,000	-
Charitable activities	157,480	157,480	184,318
Other income	-	-	1,965
<b>Total income and endowments</b>	<b>158,480</b>	<b>158,480</b>	<b>186,283</b>
<b>Expenditure on:</b>			
Charitable activities	64,930	64,930	85,978
Other	99,053	99,053	85,306
<b>Total resources expended</b>	<b>163,983</b>	<b>163,983</b>	<b>171,284</b>
<b>Net movement in funds</b>	<b>(5,503)</b>	<b>(5,503)</b>	<b>14,999</b>
<b>Total funds brought forward</b>	<b>£ (8,257)</b>	<b>£ (8,257)</b>	<b>(23,256)</b>
<b>Total funds carried forward</b>	<b>£(13,760)</b>	<b>£(13,760)</b>	<b>£ (8,257)</b>

All income and expenditure derive from continuing activities.

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**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

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**BALANCE SHEET**

**AT 31 MARCH 2017**

	Note	2017	2016
		£	£
<b>Tangible fixed assets</b>			
Tangible assets	7	2,493	2,508
<b>Current assets</b>			
Debtors	8	10,663	40,267
Bank accounts		7,171	8,988
Cash accounts		278	191
		<u>18,112</u>	<u>49,446</u>
<b>Creditors</b>			
Amounts falling due within one year	9	34,365	60,211
<b>Net current liabilities</b>		<u>(16,253)</u>	<u>(10,765)</u>
<b>Total assets less current liabilities</b>		<u>(13,760)</u>	<u>(8,257)</u>
<b>Net liabilities</b>		<u>£(13,760)</u>	<u>£ (8,257)</u>
<b>Capital funds</b>			
Unrestricted funds		<u>(13,760)</u>	<u>(8,257)</u>
<b>Total funds</b>		<u>£(13,760)</u>	<u>£ (8,257)</u>

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

**Directors' responsibilities:**

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 financial statements have been prepared in accordance with the special provisions relating to the small companies regime within Part 15 of the Companies Act 2006). Approved by the trustees on 12<sup>th</sup> October 2017 and signed on its behalf.

  
S. HODGES - Director

The annexed notes form part of these financial statements.

**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

**(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**1. Accounting policies**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 (as updated through Bulletin 1 published on 2 February 2016), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical convention (modified to include certain items at fair value). The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

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

**Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

**Income**

Income represents grants and fees receivable by the Company in the course of its work.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation and impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	- 33% per annum reducing balance
Office equipment	- 20% per annum reducing balance

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees for particular purposes.

**Leasing**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Grants received**

Legal aid grants are recognised at fair value, and as income when the company has complied with the conditions attaching to them. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

**Debtors**

Known bad debts are written off and provision is made for any debtors considered to be doubtful.

**2. Income**

	<b>Unrestricted Funds 2017 £</b>	<b>Total Funds 2017 £</b>	<b>Total Funds 2016 £</b>
<b>Donations and legacies</b>			
Donation	1,000	1,000	-
	<u>£ 1,000</u>	<u>£ 1,000</u>	<u>-</u>
<b>Charitable activities</b>			
Legal Aid Agency grant	20,422	20,422	20,503
Independent person receipts	32,625	32,625	60,910
AIM receipts - private	27,640	27,640	23,973
Mediation information/assessment meeting	40,268	40,268	44,949
Child issues mediation clients	9,712	9,712	6,840
Property and finance receipts	26,813	26,813	27,143
	<u>£ 157,480</u>	<u>£ 157,480</u>	<u>£184,318</u>
<b>Other income</b>			
Rent receivable	-	-	1,965
	<u>£ -</u>	<u>£ -</u>	<u>1,965</u>

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**(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**3. Expenditure on charitable activities**

	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Independent person reports	29,003	29,003	54,041
AIM mediation fees and expenses	16,228	16,228	10,953
MIAM assessment claims	16,879	16,879	15,437
Child issues	2,775	2,775	5,367
Other mediation costs	45	45	180
	<u>£ 64,930</u>	<u>£ 64,930</u>	<u>£ 85,978</u>

**4. Other costs**

	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
North Street expenses	23,172	23,172	22,037
Book-keeping services	3,520	3,520	1,439
Other AIM expenses	185	185	219
Training costs	-	-	400
Insurance	1,537	1,537	1,460
Computer maintenance	3,984	3,984	2,517
Subscriptions	3,035	3,035	3,926
Publicity	228	228	-
Bank charges	1,348	1,348	1,610
Payroll charges	214	214	134
Sundry expenses	708	708	172
Staff salaries	58,397	58,397	49,387
Employer's pension contributions	983	983	151
Depreciation - owned assets	967	967	954
Accountancy	775	775	900
	<u>£ 99,053</u>	<u>£ 99,053</u>	<u>£ 85,306</u>

**5. Loss before tax**

	2017 £	2016 £
This is stated after charging:		
Accountancy	775	900
Depreciation of owned assets	967	954
Pension costs	983	151

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**(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**6. Staff costs**

The average number of persons employed by the company during the year was as follows:

	2017	2016
Administration	<u>5</u>	<u>4</u>

The aggregate payroll costs of these persons were as follows:

	2017 £	2016 £
Wages and salaries	58,397	49,387
Other pension costs	983	151
	<u>£59,380</u>	<u>£49,538</u>

**7. Tangible fixed assets**

	Fixtures and Fittings £
Cost:	
At 1 April 2016	9,400
Additions	952
Disposals	(999)
At 31 March 2017	<u>9,353</u>
Depreciation:	
At 1 April 2016	6,892
Charge for the year	967
On disposals	(999)
At 31 March 2017	<u>6,860</u>
Net book value:	
At 31 March 2017	<u>£2,493</u>
At 31 March 2016	<u>£2,508</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**8. Debtors and prepayments**

Amounts falling due within one year:

	2017 £	2016 £
Other debtors	1,615	24,884
Prepayments	3,535	6,715
Accrued income	5,513	8,668
	<u>£10,663</u>	<u>£40,267</u>

**9. Creditors**

Amounts falling due within one year:-

	2017 £	2016 £
Sundry creditors	23,778	41,625
VAT liability	7,074	9,141
PAYE and NIC	586	1,161
Accruals and deferred income	2,927	8,284
	<u>£ 34,365</u>	<u>£ 60,211</u>

**10. Related party transactions**

Other creditors include loans from the directors totalling £8,000 (2016 - £8,000).

**SOUTH EAST LONDON FAMILY MEDIATION BUREAU**

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**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
Turnover		
Donation	1,000	-
Legal Aid Agency grant	20,422	20,503
Independent person receipts	32,625	60,910
AIM receipts - private	27,640	23,973
Mediation information/assessment meeting	40,268	44,949
Child issues mediation clients	9,712	6,840
Property and finance receipts	26,813	27,143
Rent receivable	-	1,965
	<hr/> 158,480	<hr/> 186,283
<b>Resources Expended</b>		
Staff costs	59,380	49,538
Independent person reports	29,003	54,041
AIM mediation fees and expenses	16,228	10,953
MIAM assessment claims	16,879	15,437
Child issues	2,775	5,367
Other mediation costs	45	180
North Street expenses	23,172	22,037
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Training costs	-	400
Insurance	1,537	1,460
Computer maintenance	3,984	2,517
Subscriptions	3,035	3,926
Publicity	228	-
Bank charges	1,348	1,610
Payroll charges	214	134
Sundry expenses	708	172
Accountancy charges	775	900
Depreciation	967	954
	<hr/> (163,983)	<hr/> (171,284)
Net expenditure over income for the year	<hr/> <hr/> £ (5,503)	<hr/> <hr/> £ 14,999