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Company no 4363293

**SURREY FAMILY & MEDIATION SERVICES**  
(A company limited by guarantee)

FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2016

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## **SURREY FAMILY & MEDIATION SERVICES LEGAL AND ADMINISTRATIVE INFORMATION**

### **CONSTITUTION**

Surrey Family & Mediation Services is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The Charity number is 1091539. The Company number is 4363273. The company changed its name by special resolution on Monday 15<sup>th</sup> December 2009 from Surrey Family Mediation Service to Surrey Family & Mediation Services. The Memorandum and Articles of Association were reviewed and updated in line with current legislation; these have been lodged with both Companies House and the Charity Commission for England and Wales following Board approval at the AGM in November 2013.

### **DIRECTORS AND TRUSTEES**

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the current Articles of Association the Executive Committee comprises the Chairman, the Company Secretary and the Honorary Treasurer supported by a team of trustees. All trustees once elected and confirmed in post at the following Annual General Meeting are required to retire by rotation every three years. Trustees who retire by rotation are eligible for re-election. The trustees serving during the year and since the year-end were as follows:

|                      |                    |                    |
|----------------------|--------------------|--------------------|
| Mr David Lugton      |                    | Chairman           |
| Frederick J West     |                    | Honorary Treasurer |
| Mr Mike Gibbons      |                    |                    |
| Mrs Bhavna Patel     |                    |                    |
| Ms Anne Powell       | Appointed 29/06/15 |                    |
| Mr Brian Smith       | Appointed 29/06/15 |                    |
| Mr Francis Preedy    | Appointed 29/06/15 |                    |
| Mrs Elbereth Donovan | Appointed 29/06/15 |                    |
| Mr Colin Swanston    | Appointed 06/06/16 |                    |
| Ms Sarah Archibald   | Appointed 05/09/16 |                    |
| Ms Sarah Pooley      | Resigned 29/06/15  |                    |
| Mr Stephen Cooksey   | Resigned 07/12/15  |                    |
| Mr Richard Rose      | Resigned 19/08/16  |                    |
| Ms Sarah Bostock     | Resigned 05/09/16  |                    |

### **SENIOR MANAGEMENT TEAM**

|                    |                   |                                  |
|--------------------|-------------------|----------------------------------|
| Mrs Eileen Pereira |                   | Director & Company Secretary     |
| Mrs Kay Day        | Resigned 21/07/15 | Professional Practice Consultant |
| Ms Elizabeth Brown | Appointed 1/10/15 | Professional Practice Consultant |
| Ms Susan Atkins    |                   | Counsellor Supervisor            |

### **PATRONS**

Dame Sarah Goad JP, Lord Lieutenant of Surrey (resigned 31/08/15)  
Mr Adrian E White CBE DL  
His Honour Michael Cook  
Mr Andrew Wates

### **REGISTERED OFFICE**

Unit A- Aviary Court, 138 Miles Road, Epsom, Surrey KT19 9AB

### **ACCOUNTANTS**

Braidwood Wheeler & Co. Chartered Certified Accountants  
Goodman House, 13a West Street, Reigate, Surrey RH2 9BL

### **BANKERS**

Barclays Bank plc, Dorking RH4 1AN  
CAF Bank Ltd, West Malling ME19 4QJ

**SURREY FAMILY & MEDIATION SERVICES  
REPORT OF THE BOARD OF TRUSTEES  
(incorporating the Director's report)  
for the year ending 31 MARCH 2016**

The Board presents the report and financial statements of the Surrey Family & Mediation Services for the year ended 31 March 2016. The statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (revised July 2014). The report and statements also comply with the Companies Act 2006 and the Charities Act 2011.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

Surrey Family & Mediation Services is a company limited by guarantee, having no share capital, governed by its Memorandum and Articles of Association dated 25 November 2013. The liability of the members, who are the Trustees, is limited to £10 in the event of the charity winding up. It is registered as a Charity with the Charity Commission.

### **Appointment of Trustees**

As set out in the Articles of Association the minimum number of Trustees is 3 and there is no upper limit. Membership is open to any person, corporate body or unincorporated association that is interested in furthering the work of the Charity and is in agreement with the aims and objectives of the Charity. Trustees are required to retire by rotation every three years, and can stand for re-election if they so wish.

Trustees' vacancies are filled in one of two ways; personal recommendations may be made by current Trustees or an advertisement will be placed across the county requesting suitable candidates. In both cases meetings with the Chairman of Trustees are held, details of the prospective new trustee are circulated to all trustees and the candidate is invited to attend a Board Meeting. If all trustees are in agreement, that candidate is invited to join the Board.

Trustees are inducted into the service; they are invited to spend time with the Director of SF&MS, taking time to learn about the way the organisation functions and meeting the staff in the administration office. The work and financing of the organisation is explained in detail and questions welcomed. New Trustees are invited to sit in on a mediation intake session to see the interaction between client and mediator at work. New Trustees receive an information pack about the organisation, including a copy of the latest annual accounts, a copy of the Memorandum and Articles of Association, service leaflets and an All Issues Mediation (AIM) Pack, the set of documents clients receive at the start of mediation.

The number of Trustees is currently ten; six Trustees have been recruited and four Trustees resigned since 1<sup>st</sup> April 2015. The Board is actively recruiting for a further two Trustees with Marketing and IT experience.

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**Organisation**

The Board of Trustees administers the charity. Following a review of the governance of the Charity the operational structure of the Board was amended to encourage active participation in the management of the services provided by SF & MS. The Board continues to meet quarterly and three distinct sub-committees have been created to inform the decision making of the Board. The committees are: Risk and Operations, Finance and Marketing, PR and Fundraising. Terms of reference have been agreed for each committee. At least three Trustees sit on each committee, together with the Director. (A Director is appointed to manage the day-to-day operations of the Charity.) To facilitate effective operations the Director has delegated authority, within the terms of the delegation approved by the Trustees, for operational matters including finance, employment and practitioner related issues. In mediator practice the Director is supported by the Professional Practice Consultant (PPC). In counselling practice the Director is supported by the Project Manager and the Counsellor Supervisor.

**Related Parties**

SF&MS is an independent organisation. However, it is affiliated to National Family Mediation, an umbrella organisation for "not for profit" family mediation services. SF&MS pays affiliation fees to NFM, which includes a professional indemnity liability insurance premium for Trustees, staff and practitioners. NFM works to support services by providing a national training program for family mediators and taking a lead in practice matters through its Professional Practice Committee. The CEO of NFM functions at national level promoting the interests of family mediation. NFM national level with the Ministry of Justice review of family law and with such organisations as the Department of Constitutional Affairs, CAFCASS and the National Audit Office NFM also lobbies government departments on behalf of NFM members. The Director of SF&MS is a former member of the NFM Board and remains a leading figure in the South East and London regional group.

**Risk management**

Risk is managed through the Risk and Operations subcommittee which meets a minimum of four times a year. Issues raised are dealt with through the Board Meetings and the Director of the service. The committee has a rolling programme of assessments that are dealt with within the four quarterly meetings.

**OBJECTIVES AND ACTIVITIES**

The objects of the Charity are:

- To provide assistance to alleviate the hardship and distress caused by the breakup of marriage, civil partnerships and other family relationships, including assisting separating or divorcing couples to resolve disputes around children, property and finance.

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- To provide assistance to both parents and children in coming to terms with the changes in their lives which come about as a result of divorce and separation, including direct consultation with children.

The Charity aims to work with families to resolve issues around separation and divorce, with a particular emphasis on the children of couples going through the process.

The strategies employed by the Charity to achieve its objectives are to:

- Promote Family Mediation through advertising, its website and its leaflets, sixty thousand of which are produced each year and distributed through libraries, courts, CABs, Relate Offices, GP surgeries and schools throughout the County.
- Promote links with other professionals involved in the process of separation and divorce, e.g. family law solicitors, magistrates and county courts, Relate, CAFCASS and other similar services.
- Provide services across the County in seven venues, easily accessible to all clients, with a single administration base and telephone number for client contact.
- Train mediators and staff to a high standard, enabling us to maintain the LSC quality mark for family mediation services.

The two main areas of activity of the Charity continue to be:

- The provision of mediation to couples going through separation and / or divorce and those dissolving civil partnerships, supporting the couple through the process, enabling them to reach decisions that allow both parties to feel that they can sign up to the final agreements. The Charity is particularly concerned that the children of the couples going through the mediation process have the opportunity to be heard.
- Direct Consultation with Children, offered to children of couples going through the mediation process, allowing them confidential access to the mediator working with their parents. This gives the children an opportunity to express their feelings and views on the situation and to have input into the future arrangements for the family. The children agree the feedback process with the mediator, and parents can be informed of the outcome of the discussion in a number of ways; the children telling them directly, the children in the room with the mediator to hear what is said, the mediator alone. This is a very powerful tool enabling the children to feel included in the process and for the parents to not only listen to the children but also hear what is being said.

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Child and Education Services

In addition to offering mediation to couples and their children, the Charity has also offered mediation to parents and grandparents over child contact issues, to siblings over will disputes and continues to work with a view as to how we help when faced with issues that require looking outside the box for our clients in order to find a solution to their difficulties. All requests around mediation between family members are reviewed and if possible mediation is offered. SFMS continues to provide 'shuttle' mediation to couples who were unable to sit in the same room but still wished to mediate.

SF & MS offers children the opportunity to meet with and rebuild relationships with estranged parents and family members through its child contact centre. We offer this service to those who are court ordered to use such a centre, utilising our agreement with Cafcass and to those private clients who feel the need to begin the rebuilding process in a safe environment for their children and themselves.

SF & MS continue to offer education services through the Separated Parent Information Programmes (SPIP), which are offered across the County in 4 venues to clients ordered to attend by the Family Court. We are also able to offer these courses to those who wish to take part before going to court; this initiative which was intended to support families to reach solutions through Dispute Resolution rather than the lengthy and costly court process has not taken off as pre court clients do not wish to pay the sum of £150 per person we are contracted to charge. This has been the case across the country. We are also able to provide further educative services to the SPIP clients in the form of a SPIP+ meeting with a facilitator who looks at the learning from the course and works with the couple to see how it can be put into practice on a day to day level.

Within our Big Lottery funded child counselling project we have work that is directed at children in years 5 & 6 of the state education system, aimed at supporting them to understand and manage the different emotions that they may encounter as they go through parental separation or their friends so. We also work with teaching and support staff to support children in separation.

## **ACHIEVEMENTS AND PERFORMANCE**

In the year to March 2016 SF&MS worked to consolidate the work done in 2015 on planning and strategy which was facilitated by grants from the Wates Family trusts. Whilst still a period of challenge the work continue to flow and we have improved our level of mediation work again. The SPIP and OPU contracts have been maintained and the successful BIG Lottery funded counselling services moved into its final year.

### **Operations**

Over the course of 2015 the Director had been seconded to the Survive and Thrive project which provided the service with an in depth strategic review enabling the production of a strategic and business plan for the next 3 – 5 years. The support of a mentor from the Cranfield Trust was invaluable in this process. Overall the view was very positive. Two documents were produced a Draft Strategic review and Draft Business and development plan which were presented to the Trustees in their June 2015 meeting. The documents were well received and the action plan contained in the business and

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development plan was already underway. Work on this has continued throughout the year to 31.3.2016 and beyond into the year to 31.3.2017. Individual service updates are noted below.

## **Mediation**

Following two years of upheaval 2016 proved a better year for mediation largely due to the tenacity of the mediators, administrators and our Trustees. The mediation service which 60% of its work due to legislative change in 2013/14, has not only rebuilt the volume of work to previous levels but increased that level by a further 35%. The split of Private to Legal Aid clients has dropped further to 85:15. The cost of maintaining the Legal Aid contract has been called into question, but on balance the Trustees feel that as a charitable service we must be able to support free mediations and the contract should remain in place.

The number of couples either referred by their solicitor or self-referring to the charity in the year to 31 March 2016 was 572 (2015: 537). These figures do not include those who contacted the Charity and were referred to other more suitable organisations for support and help by our highly trained administration staff (361). Not all clients chose to follow up on mediation. The Family Courts have recently confirmed that the level of private applications to the family court has returned to pre LASPO levels and this is clearly reflected in the rise in numbers of MIAM attendees who simply want their C100 form or Form A signed to enable the application to court. SF&MS always offer the option of contacting the second party to try to bring them in for mediation but these clients can refuse this option. However, 71% (2015: 61%) of those that attended a MIAM with a view to mediation taking place went forward to mediation. Mediators have achieved a success rate of 70% (2015: 73%), success being defined as clients having reached agreement in child cases or a Memorandum of Understanding (MOU), with Open Financial Statement (OFS) in property and finance or all issues of mediation, which they are able to take to their solicitor to finalise matters. Given the stressful nature of the work that mediators are doing with the Charity's clients these are excellent success rates and are at the higher end of the scale when benchmarked against similar service across the NFM South East Region. Within our client base we have found diverse needs for support some of which have been met through the use of language interpreters (including British Sign Language) and suitable venues to ensure that all clients are able to proceed in an equal manner.

The Charity continues to promote Direct Consultation with Children (DCwC) to couples who have children of a suitable age, generally 8 plus. In order to take part both parents have to agree to the process. In the past year mediators have seen 38 children (2014: 43). Information in our leaflet introduces this service to parents and enables in depth discussion around children's needs in the mediation process.

Alongside the direct work with clients the Charity continues to strive to maintain the high standards it has achieved, ensuring that staff and mediators receive training and support throughout the year. Mediators are required to obtain the required level of Continuing Professional Development (CPD) points per year. Five CPD points must be gained externally and the Professional Practice Consultant awards the remainder of the CPD points as appropriate training opportunities arise throughout the year. Administration staff's training needs are assessed within supervision and suitable training found when required. In addition the Charity continues to provide regular group-training sessions.



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**SPIP**

SF&MS continued to provide SPIP courses to separated parents throughout the year. The level of work in the year to 31.3.2016 continued to drop slightly 321 (2015: 381); however the numbers have risen; 209 in the first 6 months of the current year reflecting the increased numbers applying to the court on child matters as noted above. Alongside the SPIP process we have continued to offer the additional learning experience of the SPIP + process, enabling separating couples to come together to discuss the learning of the SPIP course and look at their progress, or lack of it and how they can proceed further towards dispute resolution rather than court. Many of the clients who attended SPIP + meetings also attended a Mediation Information Meeting; around 35% went on to at least one mediation session. The original pilot scheme has been extended into the year ended March 2017

SFMS continue to support the London Order Processing Unit for SPIP orders with Greater London. We are processing between 80 and 100 orders per week in conjunction with the Cafcass team, sending the approved SPIP orders out to the six providers in Greater London apportioned based on the post code of the client. In 2016: 3,656 (2015: 2,954) orders were processed.

**Child Contact Centre**

The Charity continues to provide supervised contact services for those who require support and supervision when seeing their children or grandchildren. The contract held with Cafcass was extended to include Sussex in January 2015, and we have a service based in Lancing, which is providing supervised contact to Sussex based families. The Surrey and Sussex areas make up a complete Cafcass area and we are working closely with the area manager to build the services across the whole of A16.

Alongside the clients who are referred under the Cafcass contract SF&MS support families who refer privately. The private work is building and the fee income supports the contact centre to continue to thrive.

In the year to March 2016 we supported 79 (2015:43) Cafcass families and 43 (2015:52) privately funded families. Whilst fees are applicable for those who are private referrals, we are able to make adjustments based on the needs of the family.

**Child Counselling Project**

We have completed the third year of our third BIG Lottery funded child counselling project. Year three has gone well and we have seen over 2015 : (2014:246) children and provided at least one parent for each child a two hour group session on the counselling process and how they can support their child throughout the period they are in counselling and beyond. One difficulty in working with the children in the past year has been the number of children whose parents have signed them up to the counselling process and who have not arrived for their sessions. This has affected our expected outputs for the Big Lottery funding and we have kept our BIG manager informed and flagged up the issues in our year two

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report. We have also given talks and training to the teachers and home school link workers of the children we have seen, benefitting the schools and pupils that they are attached to. In year three we delivered outcome 4 in schools to years 5 & 6 called Challenges of Change. The work has gone well and feedback from both pupils and staff has been excellent. SF&MS also piloted a course for Teachers and staff of schools focussing on identifying the children who need support and how to support them. This was well received also and after a reduction in the length of the programmes is ready for roll out. Whilst this was planned in 2016 we are finalising the work in 2017, with the permission of the BIG lottery; to bring the final phase of the project to a close. Regrettably we have been unable to obtain further funding for the child counselling work and we have made the difficult decision to cease child counselling.

#### **Links with other services**

The Director of the Charity has continued to work to build and maintain links with other services and professional bodies throughout Surrey and the South East Region. The Service is a member of the London and South East Regional Committee of National Family Mediation, which meets bi-monthly to provide mutual support and share good practice and skills. In addition the Director is a member of the Surrey Local Family Justice Board. SF&MS are always open to partnership working with other services and within the year the Director has spoken at a number of conferences and taken part in group workshops working towards a bid for CAMHs work in Surrey. The outcome of the work groups was disappointing as the funder chose to go with a primary bidder which was not a possibility for SF&MS.

The Director has continued to build on the work gained under the new contracts and agreements won by the Charity over the past few years. This work has strengthened links with the local judiciary, Cafcass and referring lawyers. The Director has maintained links with NFM regional managers. The Charity continues to maintain its links with local Relate Offices, CABs and solicitors. Mediators have given talks to many Relate and CAB teams over the past year, fostering an understanding of our work and goodwill between the organisations.

The Charity leaflet has been updated and the website [www.SFMS.org.uk](http://www.SFMS.org.uk) is constantly reviewed. Clients can now submit enquires and referral forms on line. The Charity is looking into improving the links to other organisations and would welcome referrals from other services.

#### **FINANCIAL REVIEW**

The results for the year and financial position of the Charity are shown in the annexed statements. The charity generated a surplus of £29,565 (2015: deficit £28,158) for the year made up of a surplus of £16,913 (2015: deficit £20,712) of unrestricted funds and a surplus of £12,652 (2015: deficit: £7,446) of restricted funds. Trading income increased by 14% in the year (2015: dropped by 3%). LAA Mediation income dropped by 9% (2015 dropped by 37% (Note 8)) and client income activity rose by 35% (2014 rose by 12%).

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Trustees continue to monitor the fees structure of the service and over the year to March 2016 have agreed not to increase fees to clients who are already in financial difficulty. It should be noted that the mediations client fees have risen as the level of LAA payments have decreased, but not to the point of replacing the whole of the lost income. The LAA contract is further explained in note 8 below. During the year the Charity's Trustees and Director have monitored the financial position of the service through monthly management accounts and meetings of the Finance Sub-committee.

Reserves Policy

Following the restructure of the Board of Trustees committees we are revisiting the Reserves policy. The revised Reserves Policy will remain linked to the risk register and the aim is to improve the current level of reserves. The policy specifically quantifies funds required for a variety of circumstances e.g. winding down of the charity, maintenance of the offices, and will establish target reserve levels. This policy is reviewed annually by the Trustees. The Reserves Policy will ensure that the Charity has sufficient funds for its purposes but does not hold excessive funds. Whilst the aim of the reserves Policy is to have cash reserves to cover a minimum of three months working capital, building to six months when funds allow; following the difficulties experienced across 2014 and 2015 the free reserves at the end of March 2016 were 6 weeks working capital (2015: 4weeks). The Operations and Risk Sub-committee of Trustees maintain a watching brief to review the financial position of the service and based on ongoing contractual agreements going forward agreed the SF&MS continue to trade.

**PLANS FOR FUTURE PERIODS**

SF&MS has continued to work towards the Strategic objectives that were identified in 2015, and has continued to work towards being a stronger leaner service ready in 2016.

The service moved out of the Epsom building in September 2016. The management and administration of SF&MS has moved to serviced offices in Leatherhead, we expect savings of upwards of £20,000 in the coming financial year ending 2017/18.

SF&MS works with Cafcass on three of our income streams, SPIP, SPIP OPU and Contact, we were expecting to retender for this work in 2015 as the contracts end in March 2016. This retendering process has been put back by Cafcass, following the changes within the MOJ after the Brexit vote. At this time we do not have a date for the process to begin and have a variation on our contracts that takes us up to March 2017. It is expected that there will be a further variation for at least the first six months of 2017/18. We have not yet heard that the re-tendering is to take place and it may be that we do not have this opportunity until mid-2017. Within the re-tendering process there is scope for growth in the SPIP geographical area for A16 which covers Surrey and Sussex. We will be re-tendering for all three contracts when the tender is announced.

The extended contract for our contact operations entered into in January 2015 was slow to get off the ground but has moved forward very well in 2016 and we have been offered an increased contract for the year ended 31.3.2017.

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The private contact provided from our Epsom office has grown substantially within 2015 and we expect to see a continuation of this growth in 2016. The staff teams within the contact centres have a family work background including in social work and this supports the quality of the service provision both to private and Cafcass clients. Epsom contact services were relocated to the Epsom Relate building in September 2016. These services is currently establishing themselves and after a period of familiarisation we remain confident that they will continue to grow.

The SPIP provision has dropped to a new low in 2015/16, but has increased in 2016/17 in line with the increased level of application to the courts. We intend to extend the geographical reach of the SPIP programme as soon as re-tendering becomes available. We continue to offer SPIP + and MIM to clients where both parties have completed the SPIP programme within the current financial year.

Like the SPIP programme the SPIP OPU provision is dictated by the number of people applying to court on separation issues. There has been an increase in the level of work coming through the unit 24% in 2015/16; again reflecting the increased numbers going through the family courts. This level is being maintained in 2016/17. We are unable to increase the reach of the service as it is linked to the London courts. We will retender next year for this work.

The Legal Aid Agency was due to offer retendering opportunities in 2015, these were deferred and the process will take place post March 2018. This is disappointing as SF&MS was planning plan to increase the number of Legal Aid venues open to our service. Despite the constraints on the Legal Aid franchise, it is clear that the ability to deliver mediation to clients free at the point of delivery is a key part of the charities work and will continue.

The BIG Lottery child counselling service funding ended in April 2016. The work continued into the current financial year as there were underspends in previous which allowed SF&MS to complete the work planned. We expect the final part of the work to be completed in March 2017. Sadly despite several attempts we have been unable to find further funding for the child counselling service and it closed in June 2016. Within our action plan we have identified adult counselling around separation issues as a possible pilot scheme we could undertake over the coming year, with a view to introducing a full service in 2017. Whilst this has yet to start we are looking at options at present.

Finally SF&MS has worked with an independent documentary maker over the past two years to produce three one hour shows that were aired in June 2016, two of our mediators featured in the shows which produced high rating for BBC2. NFM services across the country supported this venture and there was an upsurge in referrals from the NFM website following the airing of the first show. This was an excellent show case for family mediation at its best, and offer an window on our work to the general public at a time when there is a definite move towards mediation and away from lawyers as a first port of call for those who have made the painful decision to end their relationships of whatever sort.

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**PUBLIC BENEFIT**

Within the Strategic review of the service we have looked at the public benefit that we offer as a service through our various projects. SF &MS feels that it has a lot to offer in terms of public benefit and that we hold to our charitable aims well.

All our work centres on the fallout that comes from separation within a family unit, whatever make up that unit has. In the modern world family can mean a couple (of any persuasion), a couple with children in common or a couple with children from previous relationships and their current relationship, blended families are becoming a norm within our society. SF&MS works to support those in distress as a result of the breakdown of the family and we focus very strongly on the needs of the child within that breakdown. Our work supports the family to make the transition from parents and children living together to co-parents supporting the children through two homes.

We feel that the work we offer provides families and couples with a haven in which to make some of the most important decisions in their lives for themselves and for their children. Taking the route offered through Family Mediation clients are able to work through their issues in a dignified manner, without the stresses of outside interventions by family, friends or lawyers however well meaning. Parents who have reached the conclusion they are going to separate and then choose family mediation are supported to maintain communication and to come to their own decisions around children and family finances. The public benefit that can be measured as an outcome from this work is seated in the many families who have been through the service we offer and have moved on in their lives in a successful and positive way. Feedback from clients is overwhelmingly positive. In addition, the outcomes for mediation were highlighted by the National Audit Office Survey in March 2007 that recommended mediation as a long lasting and better solution for families than going through the Courts.

In the past few years we have seen changes in legislation which have affected the support systems in place for families going through breakdown. The loss of legal aid to all but a few under LASPO in 2013, followed by the introduction of compulsory MIAMs for those applying to the family courts in 2014 under the Children and Families Act 2014 has provided a time of uncertainty for families in distress. Matters have started to settle down and the number of families are seeking mediation before going to court is growing rapidly and with it the number of people who are able to access legal aid is also growing, slowly.

Within our mediation we offer DCwC and child counselling which provide a framework for the children to move on in their lives, better equipped to understand and manage the changes arising from the separation of their parents. Discussions with parents over both types of work help to foster better understanding of the child's needs during the separation and afterwards. This support benefits not only the child but their family and wider social circle such as their classmates.

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The SPIP programme has been reviewed by an independent researcher and it has been reported that clients are taking heed of the course and that a good number are not returning to court after they have attended a course. This course is intended to reduce the conflict between parents and to show them the damage their conflict is doing to their children. Each couple that makes an agreement outside the Family Justice System is a successful outcome and offers a huge public benefit to both the public purse and the individuals themselves. Most importantly we are taking the children out of the court system. SPIP plus involves an additional meeting with a SPIP provider at which both parties attend. The meeting will build towards their mediation assessment meeting and we hope lead them into mediation and out of court saving the public purse.

Our child contact centre works with a number of families that have not entered the court system (as well as those referred by Cafcass) and are working out their problems themselves. Facilities such as the centre enable parents and grandparents to find ways to arrange contact with the non-resident parent for their children safely and to work towards being able to manage the arrangements without outside support.

The hidden public benefit of our work is the number of adults and children who do not enter the support systems provided through Social Services, the NHS and Department of Families and Education. Children who have been offered early interventions in their lives learn to manage their feeling and expectations. The ongoing evaluation of the SPIP project undertaken by researchers from Essex University clearly indicates that SPIP helps parents to understand the damage their conflict is doing to their children. Parents and adults learn to manage their conflict and who enter mediation support their children to better outcomes in life.

**SURREY FAMILY & MEDIATION SERVICES  
REPORT OF THE BOARD OF TRUSTEES  
(incorporating the Director's report) (cont'd)  
for the year ending 31 MARCH 2016**

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charitable company's trustees (who are also the directors of Surrey Family & Mediation Services for the purposes of company law) are responsible for preparing the 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 state of affairs of the charitable company 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 policies and then 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 the going concern basis unless it is inappropriate to presume that the charity will 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 the safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


**INDEPENDENT EXAMINERS**

Braidwood Wheeler & Co. has indicated their willingness to be re-appointed as Independent Examiners for the forthcoming year.

BY ORDER OF THE BOARD

D Lugton  
Trustee

Date:

  
5.12.2016

## **INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF THE SURREY FAMILY & MEDIATION SERVICES**

I report on the accounts for the year ended 31<sup>st</sup> March 2016 set out on pages 16 to 26.

### **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. They consider that an audit is not required under s. 144 of the Charities Act 2011 and that an independent examination is needed.

Having been satisfied 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 Charities Act 2011
- To follow procedures laid down in the general directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 act; and
- To state whether particular matters have come to my attention.

### **Basis of independent examiners' report**

My examination was carried out in accordance with the general directions given by the Charity Commissioners. 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 the seeking of explanation 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, I do not express an opinion on the view given by the accounts, and the report is limited to those matters set out in the statement below.

### **Independent examiners' statement**

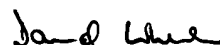
In connection with my examination, no matter has come to my attention:

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 and to comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principals of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Goodman House  
13a West Street  
Reigate  
Surrey RH2 9BL



**David Wheeler, F.C.C.A**  
**Braidwood Wheeler & Co**  
**Chartered Certified Accountants**

Date: 9. December 2016



## SURREY FAMILY &amp; MEDIATION SERVICES

STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME & EXPENDITURE ACCOUNT)  
YEAR ENDED 31 MARCH 2016

|  | Note     | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2016 | Total Funds<br>2015 |
|--|----------|-----------------------|---------------------|---------------------|---------------------|
|  |          | £                     | £                   | £                   | £                   |
| <b>Income</b>  | <b>2</b> |                       |                     |                     |                     |
| Donations and Legacies   |          | 6,967                 | -                   | 6,967               | 47,924              |
| Income from Charitable Activities                                      |          |                       |                     |                     |                     |
| Trading Activities   |          | 331,807               | 129,769             | 461,576             | 389,195             |
| Other Trading Activities   |          | 4,443                 | -                   | 4,443               | 18,800              |
| Investment Income  |          | 121                   | -                   | 121                 | 94                  |
| <b>Total Income</b>  |          | <b>343,338</b>        | <b>129,769</b>      | <b>473,107</b>      | <b>456,013</b>      |
| <b>Expenditure</b>   | <b>3</b> |                       |                     |                     |                     |
| Cost of Raising Funds  |          | 13,016                | -                   | 13,016              | 13,676              |
| Expenditure on Charitable Activities                                   |          | 303,008               | 117,117             | 420,125             | 460,100             |
| Other Expenditure  |          | 6,422                 | -                   | 6,422               | 6,422               |
| Governance Costs   | <b>4</b> | 3,979                 | -                   | 3,979               | 3,973               |
| <b>Total Expenditure</b>   |          | <b>326,425</b>        | <b>117,117</b>      | <b>443,542</b>      | <b>484,171</b>      |
| <b>Net Income/(expenditure) and net movement in funds for the year</b> | <b>5</b> | <b>16,913</b>         | <b>12,652</b>       | <b>29,565</b>       | <b>(28,158)</b>     |
| <b>Reconciliation of funds</b>   |          |                       |                     |                     |                     |
| <b>Total funds brought forward</b>                                     |          | <b>23,014</b>         | <b>9,158</b>        | <b>32,172</b>       | <b>60,330</b>       |
| <b>Total Funds carried forward</b>                                     |          | <b>£39,927</b>        | <b>£21,810</b>      | <b>£61,737</b>      | <b>£32,172</b>      |

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

The notes on pages 18 to 26 form part of these accounts.

## SURREY FAMILY &amp; MEDIATION SERVICES

## BALANCE SHEET AT 31 MARCH 2016

|   | Notes | 2016<br>£      | 2015<br>£      |
|---|-------|----------------|----------------|
| <b>FIXED ASSETS</b>                                   | 7     | 2,548          | 7,008          |
| <b>CURRENT ASSETS:</b>                                |       |                |                |
| LSC Work in progress                                  | 8     | 5,544          | 5,817          |
| Debtors   | 9     | 32,482         | 31,694         |
| Cash at bank and in hand                              |       | 79,436         | 41,778         |
|   |       | 117,462        | 79,289         |
| <b>CURRENT LIABILITIES:</b>                           |       |                |                |
| <b>Creditors: amounts falling due within one year</b> |       |                |                |
| General fund  | 10    | 47,468         | 43,857         |
| Big Lottery Fund                                      | 10    | 10,805         | 10,268         |
|   |       | 58,273         | 54,125         |
| <b>NET CURRENT ASSETS</b>                             |       | <b>59,189</b>  | <b>25,164</b>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | <b>£61,737</b> | <b>£32,172</b> |
| <b>FUNDS</b>  |       |                |                |
| General reserve fund - unrestricted                   | 12    | 39,927         | 23,014         |
| Big Lottery Fund – restricted                         | 12    | 21,810         | 9,158          |
| <b>TOTAL FUNDS</b>                                    |       | <b>£61,737</b> | <b>£32,172</b> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its surplus for the year then ended in accordance with the requirements of sections 394 & 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company. The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
D Lugton – Trustee

.....  
Date

The notes on pages 18 to 26 form part of these financial statements.

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### 1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

##### **Basis of preparation of accounts**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Statement for Smaller Entities, (effective January 2015) the Charities Act 2011 and the requirements the Statement of Recommended Practice – Accounting and Reporting by Charities. (published July 2014)

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of SFMS.

Restricted funds are made up of the Big Lottery Fund (BIG) grant received for the Child Counselling Scheme, and may only be applied for their stated purpose. Any changes to the BIG agreed budgets must be agreed with the BIG using the appropriate forms.

##### **Income**

All income is included in the Statement of Financial Activities when SFMS has entitlement to the income and there is certainty of receipt and the amount is quantifiable. The following specific policies are applied to particular categories of income:

Donated goods are shown at the value to the Charity where this can be quantified, as shown in note 5b.

Voluntary income is received by way of grants, donations and gifts and is included in full when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Interest receivable is included when receivable.

##### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with organisational administration and compliance with constitutional and statutory requirements.

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### Tangible fixed assets and depreciation

The Trustees at their meeting in March 2014 agreed that the fixed assets obtained under the Awards for All Scheme or being of high value should be capitalised as noted below. In prior years tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

|                                   |                   |
|-----------------------------------|-------------------|
| Improvement to Leasehold property | 34% Straight Line |
| Office Fixtures & Fittings        | 25% Straight Line |
| Computers                         | 33% Straight Line |

#### 2. INCOME

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total funds<br>2016 | Total Funds<br>2015 |
|--|-----------------------|---------------------|---------------------|---------------------|
| <b>Charitable Activities</b>                     |                       |                     |                     |                     |
| LSC Contract                                     | 34,167                | -                   | 34,167              | 37,609              |
| LSC - Work-in-Progress<br>(net of mediator fees) | (273)                 | -                   | (273)               | (6,183)             |
| Local Authority Grants                           | 14,840                | -                   | 14,840              | -                   |
| Client Fees                                      | 170,731               | 160                 | 170,891             | 124,397             |
| Cafcass contact Centre                           | 40,622                | -                   | 40,622              | 39,190              |
| S P I P Grant                                    | 71,720                | -                   | 71,720              | 67,838              |
| Big Lottery Fund – 2                             | -                     | 129,609             | 129,609             | 126,344             |
|  | 331,807               | 129,769             | 461,576             | 389,195             |
| <b>Donations and Legacies</b>                    |                       |                     |                     |                     |
| Subscriptions Solicitor Patrons                  | 3,475                 | -                   | 3,475               | 10,115              |
| Wates Foundation                                 | -                     | -                   | -                   | 25,800              |
| Other Donations                                  | 3,492                 | -                   | 3,492               | 12,009              |
|  | 6,967                 | -                   | 6,967               | 47,924              |
| <b>Other Trading Activities</b>                  |                       |                     |                     |                     |
| Training course fees                             | (525)                 | -                   | (525)               | 1,983               |
| Letting Income                                   | 5,031                 | -                   | 5,031               | 2,420               |
| Other Income                                     | (63)                  | -                   | (63)                | 14,397              |
|  | 4,443                 | -                   | 4,443               | 18,800              |
| <b>Investment Income</b>                         | 121                   | -                   | 121                 | 94                  |
| <b>Total Income</b>                              | 343,338               | 129,769             | 473,107             | 456,013             |

## SURREY FAMILY &amp; MEDIATION SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

## 3. EXPENDITURE

## Analysis of expenditure

| Unrestricted funds                            | Basis of Allocation | Voluntary Income | Charitable Activities | Generated Activity | Governance | 2016 Total | Total   |
|---|---------------------|------------------|-----------------------|--------------------|------------|------------|---------|
| <b>Costs Directly Allocated to Activities</b> |                     |                  |                       |                    |            |            |         |
| Mediator Costs and Expenses                   | Direct              | -                | 87,796                | -                  | -          | 87,796     | 72,822  |
| Mediator Supervision                          | Direct              | -                | 16,264                | -                  | -          | 16,264     | 17,025  |
| Mediator Recruitment and Training             | Direct              | -                | 620                   | -                  | -          | 620        | 765     |
| Mediator Travel                               | Direct              | -                | 1,904                 | -                  | -          | 1,904      | 2,977   |
| Volunteer Expenses                            | Direct              | -                | 1,134                 | -                  | -          | 1,134      | 1,518   |
| Affiliation Fees & Public Liability Insurance | Direct              | -                | 4,818                 | -                  | 100        | 4,918      | 5,456   |
|   |                     | -                | 112,536               | -                  | 100        | 112,636    | 100,563 |
| <b>Support Costs Allocated to Activities</b>  |                     |                  |                       |                    |            |            |         |
| Premises                                      | Usage               | -                | 51,236                | -                  | 822        | 52,058     | 35,196  |
| Staff Costs                                   | Direct              | 12,016           | 110,273               | 6,422              | 1,552      | 130,263    | 136,660 |
| Staff Recruitment and Training                | Direct              | -                | 550                   | -                  | -          | 550        | 2,295   |
| Staff Travel                                  | Direct              | -                | 3,486                 | -                  | -          | 3,486      | 6,057   |
| Communications & IT                           | Direct              | 1,000            | 18,694                | -                  | 305        | 19,999     | 33,197  |
| Legal & Professional                          | Direct              | -                | 2,838                 | -                  | 1,200      | 4,038      | 4,147   |
| Depreciation                                  | Usage               | -                | 1,767                 | -                  | -          | 1,767      | 1,771   |
| Bank Charges                                  | Direct              | -                | 1,628                 | -                  | -          | 1,628      | 1,893   |
|   |                     | 13,016           | 190,472               | 6,422              | 3,879      | 213,789    | 221,216 |
| <b>Total Unrestricted Expenditure</b>         |                     | 13,016           | 303,008               | 6,422              | 3,979      | 326,425    | 321,779 |

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### Analysis of total expenditure - continued

| <b>Restricted funds</b>                       | <b>Basis of Allocation</b> | <b>Charitable Activities</b> | <b>Governance</b> | <b>2016 Total</b> | <b>2015 Total</b> |
|---|----------------------------|------------------------------|-------------------|-------------------|-------------------|
| <b>Big Lottery Fund</b>                       |                            |                              |                   |                   |                   |
| <b>Costs Directly Allocated to Activities</b> |                            |                              |                   |                   |                   |
| Counsellor Costs and Expenses                 | Direct                     | 47,617                       | -                 | 47,617            | 53,224            |
| Counsellor Supervision                        | Direct                     | 600                          | -                 | 600               | 3,370             |
| Counsellor Recruitment and Training           | Direct                     | 315                          | -                 | 315               | 195               |
| Counsellor Travel                             | Direct                     | 2,417                        | -                 | 2,417             | 428               |
| Volunteer Expenses                            | Direct                     | 566                          | -                 | 566               | 986               |
| Affiliation fees                              | Direct                     | 342                          | -                 | 342               | 334               |
|   |                            | <u>51,857</u>                | <u>-</u>          | <u>51,857</u>     | <u>58,537</u>     |
| <b>Support Costs Allocated to Activities</b>  |                            |                              |                   |                   |                   |
| Staff Costs and Expenses                      | Direct                     | 47,172                       | -                 | 47,172            | 76,087            |
| Staff Travel                                  | Direct                     | 258                          | -                 | 258               | -                 |
| Communications & IT                           | Direct                     | 2,364                        | -                 | 2,364             | 1,645             |
| Legal & Professional                          |                            | 416                          | -                 | 416               | 500               |
| Premises Costs                                |                            | 11,113                       | -                 | 11,113            | 22,934            |
| Consultancy                                   |                            | 1,244                        | -                 | 1,244             | -                 |
| Depreciation                                  |                            | 2,693                        | -                 | 2,693             | 2,689             |
|   |                            | <u>65,260</u>                | <u>-</u>          | <u>65,260</u>     | <u>103,855</u>    |
| <b>Total Restricted Expenditure</b>           |                            | <u>117,117</u>               | <u>-</u>          | <u>117,117</u>    | <u>162,392</u>    |

#### 4 GOVERNANCE COSTS

|                               | <b>2016</b>  | <b>2015</b>  |
|-------------------------------|--------------|--------------|
| Trustee Indemnity Insurance   | 100          | 100          |
| Director Time                 | 1,552        | 1,552        |
| Premises Allocation           | 822          | 816          |
| AGM Communication             | 305          | 305          |
| Independent Examiners Fees    | 1,200        | 1,200        |
| <b>Total Governance Costs</b> | <u>3,979</u> | <u>3,973</u> |

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### 5. NET INCOME FOR THE YEAR

|  | 2016<br>£    | 2015<br>£    |
|--|--------------|--------------|
| a) <b>This is stated after charging:</b>             |              |              |
| Independent Examiners fee (included in note 4 above) | <u>1,200</u> | <u>1,200</u> |

#### b) **Valuation of donated goods**

No goods were donated to the charity with the year (2015: nil)

#### 6. STAFF COSTS

##### Trustee and Employee information

##### Trustees

No remuneration or expenses were paid to any trustee during the year (2015: nil).

| Employees               | 2016<br>£      | 2015<br>£       |
|-------------------------|----------------|-----------------|
| Freelance mediators     | 83,201         | 77,307          |
| Freelance counsellors   | 48,217         | 57,176          |
| Freelance PIP providers | 9,207          | 15,516          |
| Sussex contact costs    | 13,556         | -               |
| Staff salaries          | 168,582        | 176,379         |
| Social security         | 8,728          | 10,915          |
| Staff training          | 1,170          | 1,920           |
| Staff recruitment       | 315            | 1,215           |
| Other staff costs       | <u>6,286</u>   | <u>12,831</u>   |
|                         | <u>339,262</u> | <u>£353,259</u> |

The number of employees whose emoluments amounted to over £60,000 during the year was nil (2015: nil)

The average number of persons employed in the year was 11 (2015:10), 3 full-time and 15 part-time (FTE 8).

The average number of freelance part-time mediators and counsellors (including trainees) during the year was 16 (2015:13) all working part-time. The number of volunteers during the year excluded trustees was 5 part-time (2015-4). The work of the volunteers is essential to supporting the counsellors and mediators.

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### 7. FIXED ASSETS

|                                       | Improvements to<br>Leasehold property | Office Fixtures<br>& Fittings | Computers | Total  |
|---------------------------------------|---------------------------------------|-------------------------------|-----------|--------|
| Cost                                  |                                       | £                             | £         | £      |
| Value at 1 <sup>st</sup> April 2015   | 6,935                                 | 5,429                         | 14,225    | 26,589 |
| Additions in the year                 | -                                     | -                             | -         | -      |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |
|                                       | 6,935                                 | 5,429                         | 14,225    | 26,589 |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |
| Depreciation                          |                                       |                               |           |        |
| Balance at 1 <sup>st</sup> April 2015 | 6,935                                 | 3,882                         | 8,764     | 19,581 |
| Charge in the year                    | -                                     | 774                           | 3,686     | 4,460  |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |
|                                       | 6,935                                 | 4,656                         | 12,450    | 24,041 |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |
| Book Value at<br>31st March 2016      | £ -                                   | £773                          | £1,775    | £2,548 |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |
| Book Value at<br>31st March 2015      | £ -                                   | £1,547                        | £5,461    | £7,008 |
|                                       | <hr/>                                 | <hr/>                         | <hr/>     | <hr/>  |

#### 8. WORK-IN-PROGRESS - LEGAL SERVICES COMMISSION (LSC) CONTRACT

The Charity continues to hold a franchise to provide mediation clients who are eligible with Legal Aid to support the mediation process. Payments are made monthly based on agreed volumes of work and returns sent monthly to confirm the work done. The schedule which, dropped to £4.5K including VAT at the end of March 2014, dropped further to £3K per month including VAT in 2015 where it has remained to date. However, we are seeing a regular surplus of work returned to the LAA in the current year to March 2016. The contract performed as noted below in 2015.



## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

|   | 2016              | 2015              |
|---|-------------------|-------------------|
|   | £                 | £                 |
| Surplus brought forward at 1.4.15                               | 2,547             | 1,776             |
| Value of work reported during year                              | 34,167            | 38,130            |
| Contractual payments received in year                           | (34,167)          | (37,359)          |
|   | <u>          </u> | <u>          </u> |
| Surplus carried forward at 31.3.16<br>(Earned but not yet paid) | £2,547            | £2,547            |
|   | <u>          </u> | <u>          </u> |
| Work-In-Progress on LAA account at 31.3.16 equates to           | £5,544            | £5,817            |
|   | <u>          </u> | <u>          </u> |

The work in progress noted above represents a significant investment by the charity in funding the contract in advance of payment by the LAA. These funds are due and payable under the contract for work done to date. Since the Charity reached agreement on the reconciliation of the account with the LAA it has been agreed that the outstanding work in progress be included in as a debtor to the service within the accounts each year.

Work-in-progress represents mediation cases that have been opened and are ongoing. Once a case is opened a single session fee is due and payable to the service, on reaching the second and any subsequent session a multi case payment is due and payable. (Private clients pay on an ongoing basis so are cost neutral to the work in progress position.) The net value of the cases open at 31st March 2016 is calculated based on the point the case has reached on that date. Future mediator fees to be set against these costs are calculated based on the average number further sessions that may be required to complete the case.

#### 9. DEBTORS

|                             | 2016              | 2015              |
|-----------------------------|-------------------|-------------------|
|                             | £                 | £                 |
| Trade debtors               | 12,628            | 15,696            |
| Other debtors & prepayments | 11,168            | 7,312             |
| Accrued Income (Contact)    | 2,547             | 2,547             |
| Deposit on Lease            | 6,139             | 6,139             |
|                             | <u>          </u> | <u>          </u> |
|                             | £32,482           | £31,694           |
|                             | <u>          </u> | <u>          </u> |

## SURREY FAMILY & MEDIATION SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### 10. CREDITORS – amounts falling due within one year

|   | 2016<br>£      | 2015<br>£      |
|---|----------------|----------------|
| Trade Creditors   | 21,591         | 26,559         |
| Other taxes and social security costs                     | 13,226         | 11,850         |
| Accruals and deferred income                              | 12,651         | 5,448          |
| BLF Grant in advance – restricted - deferred April income | 10,805         | 10,268         |
|   | <u>£58,273</u> | <u>£54,125</u> |

#### 11. LEASE COMMITMENTS

At 31st March 2016 the charity had annual commitments under non-cancellable operating leases as follows:-

|                      | <b>Land and Buildings</b> |
|----------------------|---------------------------|
| Expiry date          |                           |
| Within 1 year (rent) | 10,500                    |

The Charity entered into a new 3 year lease commencing on 1<sup>st</sup> October 2013 for the existing property at Unit A, Aviary Court. The building is being vacated on 23<sup>rd</sup> September 2016

#### 12. STATEMENT OF FUNDS

|                                 | At 1 April<br>2015<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfers<br>£ | At 31 March<br>2016<br>£ |
|---------------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| Unrestricted – general          | 17,197                  | 343,338                    | 326,425                    | 273            | 34,383                   |
| Unrestricted – Work in Progress | 5,817                   | -                          | -                          | (273)          | 5,544                    |
| Restricted funds – BLF          | 9,158                   | 129,769                    | 117,117                    | -              | 21,810                   |
|                                 | <u>£32,172</u>          | <u>473,107</u>             | <u>443,542</u>             | <u>-</u>       | <u>61,737</u>            |

#### 13. ANALYSIS OF FUNDS

|                             | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>Funds<br>2016<br>£ | Total<br>Funds<br>2015<br>£ |
|-----------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Fixed assets                | 2,548                      | -                        | 2,548                       | 7,008                       |
| Current assets              | 84,847                     | 32,615                   | 117,462                     | 79,289                      |
| Creditors due within 1 year | (47,468)                   | (10,805)                 | (58,273)                    | (54,125)                    |
|                             | <u>£39,927</u>             | <u>21,810</u>            | <u>61,737</u>               | <u>32,172</u>               |

**SURREY FAMILY & MEDIATION SERVICES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016**

**14. RELATED PARTY TRANSACTIONS**

During the year the company was under the control of its trustees  
There are no other related party transactions,