

**REGISTERED COMPANY NUMBER: 03944452 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1081090**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2008  
FOR  
HAMPSHIRE FAMILY MEDIATION LIMITED**

Morris Crocker  
Chartered Accountants  
Registered Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**HAMPSHIRE FAMILY MEDIATION LIMITED**  
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**FOR THE YEAR ENDED 31ST MARCH 2008**

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**HAMPSHIRE FAMILY MEDIATION LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2008**

The Trustees who are also Directors for the purposes of the Companies Act present their report and the financial statements of the charity for the year ended 31 March 2008.

**LEGAL STATUS**

The company is a registered charity, number 1081090, and a registered company, number 3944452. It is registered under the name of Hampshire Family Mediation at Companies House and the Charity Commission. It is also known by its acronym HFM.

**GOVERNANCE AND ADMINISTRATION**

**THE BOARD OF TRUSTEES**

J A Anderson  
P V Cope  
M C Craft, Chairman  
P D Jolly  
Judge N Marston - Appointed 21 July 2008  
J T Masters  
Judge R M Shawcross – Resigned 21 July 2008  
S K Smith

**COMPANY SECRETARY**

Andrew Campbell

**REGISTERED OFFICE**

58 Northern Road  
Cosham  
Portsmouth  
PO6 3DT

**AUDITORS**

Morris Crocker  
Chartered Accountants  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**BANKERS**

Lloyds TSB  
36 Market Street  
Eastleigh  
SO50 9YT

**REGISTERED COMPANY NUMBER** 3944452

**REGISTERED CHARITY NUMBER** 1081090

## **HAMPSHIRE FAMILY MEDIATION LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2008**

The organisation is governed by its Memorandum and Articles of Association, adopted and registered at Companies House on 10<sup>th</sup> March 2000.

Trustees are appointed when a vacancy arises or when the need for an additional trustee is identified by the current serving trustees. The Board has confirmed its intention to add to its number, and would ideally like to add both a Treasurer and a representative from the Isle of Wight. Efforts to secure the services of additional Directors/Trustees have so far been unsuccessful, but are ongoing. During the year His Honour Judge Shawcross confirmed his intention to discontinue in the role of President following his retirement from the judiciary in July 2008. In the meantime he secured the services of His Honour Judge Nicholas Marston to succeed him in this role, and he was formally appointed to the Board at its meeting on 21<sup>st</sup> July 2008.

Appointments to the trustee Board are made following application and interview. Anyone interested in joining the Board will be invited for an informal discussion with the Chief Executive and then the Chair before attending a Committee meeting as an observer. If they continue to be interested in joining the Board they will be asked to submit a CV, and to attend an interview with the Chair, Chief Executive and one other trustee, who will assess their suitability to join the Board. Newly appointed trustees are provided with an induction appropriate to their skills and experience. This is provided by the Chief Executive, supported by the existing trustees.

Hampshire Family Mediation is affiliated to National Family Mediation (registered charity number 1074796). National Family Mediation provides information, resources and campaigning on behalf of mediation services throughout the UK. An affiliation fee is payable annually.

The trustees approve the business plan and budget annually.

Day to day management of the charity is delegated to the Chief Executive, whose responsibility it is to implement the decisions of the trustees in accordance with approved policies and procedures. He manages all major aspects of the organisation's day-to-day business, including its contract with the Legal Services Commission. He also works closely with the Professional Practice Consultant in managing the mediators' work.

There are no related parties or subsidiary organisations of the charity.

The trustees consider the major risks to which the organisation is exposed as part of their consideration of the business plan annually, and have adopted procedures to minimise the risks to the charity and its work.

**CHIEF EXECUTIVE** Andrew Campbell

**PROFESSIONAL PRACTICE CONSULTANT** Hedley Redhead

### **OBJECTIVES AND ACTIVITIES OF HAMPSHIRE FAMILY MEDIATION**

The objectives of the organisation are the alleviation of hardship and distress caused by the breakup of marriage and family, and to preserve and protect the physical and mental health of adults and children involved in the breakup of marriage and family by providing a mediation service.

Throughout the year the charity has continued to provide a mediation service to couples and families who are experiencing breakup of the marriage and family relationship. This service is offered at the charity's main office in Cosham and at other venues throughout Hampshire and the Isle of Wight.

Mediation services are provided by trained and registered mediators who contract their services to Hampshire Family Mediation. All administration of the service is carried out by the staff of Hampshire Family Mediation at its offices in Cosham, Portsmouth.

## HAMPSHIRE FAMILY MEDIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2008

Professional supervision of the mediators is provided by the Professional Practice Consultant who supplies these services, under contract, on behalf of Hampshire Family Mediation. Mediators engaged by HFM are provided with individual monthly supervision sessions, a monthly group meeting, training news and updates, and have the PPC available to them for consultation whenever required. They are also required to undertake a minimum of 10 hours training per year to ensure that they keep abreast of developments in mediation and associated legal matters.

In responding to various external pressures, and in considering its future plans, HFM continues to keep under review the locations from which it offers mediation. As well as continuing in its existing venues HFM has put in place plans to provide mediation in Andover and Gosport by working closely with the CAB offices in these areas. On the Isle of Wight mediation is now regularly offered in Ryde, the largest population centre, and in a new, more central venue in Newport. Already one of the largest not-for-profit family mediation services in the country, HFM is committed to making mediation accessible to the greatest number of people, and will continue to search for new venues where it can have an effective presence. Mediation is currently offered in Portsmouth, Southampton, Winchester and Basingstoke.

During the year the charity dealt with 1,601 enquiries (2007: 2,013) that resulted in 1,044 initial meetings (2007:1,412), of which 566 proceeded to mediation (2007:560). The total number of mediation sessions held during the year was 3,162 (2007: 3,414), and 536 cases were closed (2007: 544). A noticeable trend in recent times is the number of cases that do not attract any public funding. During this year these cases represented 30% of the cases that were concluded, compared to 23% in 2005-06. The number of cases during the year where one client is eligible for public funding has similarly fallen from 50% in 2005-06 to 45% this year.

HFM continues to deliver for its clients a high rate of success. A written record of the agreements – full or partial - reached in mediation was produced in 58% of cases during the year, with a further 17% reaching agreement that was not recorded formally in writing, giving an overall success rate of 75%.

In October 2007 the Legal Services Commission (LSC) introduced a new contract, the 'Unified Contract', for all family mediation providers that equalised payment among all family mediation providers regardless of their size and status. The contract was subject to judicial review at the instigation of the Law Society who considered that the powers of amendment within it were weighted too strongly in LSC's favour. Although the contract was amended accordingly there was little impact on its implementation or its current day to day operation.

The **UK College of Family Mediators** is an independent national body that sets and monitors standards for mediation. Its role includes recognising and approving training courses, and assessing competence of trainee mediators to meet the Mediation Quality Mark set by the Legal Services Commission. It is a membership body whose constituents are both organisations and individual mediators. In January 2007 following some months of uncertainty about its future the Directors of the UK College took the decision that it should formally wind up with effect from 30 April 2007. A successor body will be formed by National Family Mediation, Resolution (Solicitors Family Law Association) and Family Mediators Association. Although HFM will not directly be a member of this body it will, through its ongoing membership of National Family Mediation, continue to have an interest in the regulation of the mediation profession and associated activities.

#### **Staffing**

During the year the Charity reviewed its staffing and concluded that the number of Coordinators exceeded its current and foreseeable needs. Following completion of the necessary formalities the number of Coordinators was reduced to three full time posts through making one post redundant. Following the resignation of the Finance Administrator's in November 2007 the post was reduced from 15 to 10 hours per week. In addition to these staff the Charity employs a full-time Chief Executive.

## HAMPSHIRE FAMILY MEDIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2008

#### **Public Benefit Test**

The Charity Commission introduced the Public Benefit test as part of the Charities Act 2006. From 1 April 2008 all charities are required to demonstrate that the services they provide deliver a public benefit that is not restricted only to those able to pay for such benefits. The objects of the charity identify the way in which it assists those who are in a category of need that although often temporary is nonetheless pervasive. Family mediation – in conjunction with appropriate legal advice - offers a quicker, cheaper and more effective route to resolving many marital/family disputes.<sup>1</sup> HFM provides its services free of charge to those deemed to be eligible for public funding (Legal Aid). Additionally, for those who fall outside the public funding criteria it levies its charges on a sliding scale, based on the client's income, to promote the benefit and take-up of mediation among as great a number as possible.

#### **Marketing, promotion and partnership**

During the year the Charity ran a series of workshops for solicitors and legal advisors, entitled "Working in Partnership", to promote the benefits of mediation to the members of the legal profession who refer their clients to the service. The workshop served as a useful tool to promote dialogue between the service and a group of its key stakeholders. Others who benefited from presentations about HFM and family mediation were Citizens Advice Bureaux in Andover, Newport (Isle of Wight) and Gosport.

The Charity has continued throughout the year to promote its services online, and has maintained an advertising campaign on Google. The number of people visiting the site has doubled from the previous year, and the average monthly number of hits is now 10,000 per month.

#### **BBC Children in Need**

The Trustees would like to record their grateful thanks to BBC Children in Need for their support during the year. A grant of £8,500 was awarded in August 2007 to promote HFM's work in consulting children during mediation. This important aspect of our work was not well known and has historically been under-utilised. We had the benefit of the experience of other family mediation services and now introduce the idea of child consultation from clients' first joint meeting and at relevant times throughout their mediation. Uptake has been very gradual, but child consultation is slowly becoming an increasingly common part of mediation. The funds awarded have been used for publicity and to cover expenses as well as support the costs of child consultation.

The charity received no other grants during the year, but is actively seeking more as described below under Reserves Policy.

#### **FINANCIAL REVIEW**

##### **Reserves Policy**

The Trustees/Directors set the reserves policy of the charity when considering the business plan each year. It is considered appropriate to achieve an amount equivalent to three months operating expenditure as a reserve: progress towards this figure is ongoing. Based on turnover of approximately £400,000 the target level of reserves is £100,000. Current reserves of £65,008 are below this level. It is planned to increase the level of reserves in coming years through generating a modest surplus from charitable activities, and to continue to identify sources of charitable support.

Following a review of how its monies were invested the Trustees decided to place £75,000 in a 12-month deposit account to improve the return on funds to which it did not need short-term access. At the same time a decision was taken to move the Charity's funds from a High Street bank to the Charities Aid Foundation: this process is ongoing and should be concluded shortly. This will reduce the level of banking charges whilst generating a moderate interest on available balances.

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<sup>1</sup> See National Audit Office report: "Legal aid and mediation for people involved in family breakdown", March 2007

## HAMPSHIRE FAMILY MEDIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2008

#### Financial performance

During the year the charitable activities resulted in a deficit in unrestricted funds of £31,584 (2007: £34,209 deficit). At the end of the year the charity had total funds of £71,808 (2007: £98,032), of which £5,360 (2007:nil) are restricted funds from the BBC Children in Need grant.

Approximately 71% of income during the year was generated from a contract with the Legal Services Commission (LSC). Services providing mediation under this contract are required to comply with the Quality Mark Standard for Mediation as defined by the LSC. The current contract, known as the Unified Contract, came into force on 1<sup>st</sup> October 2007 and will run until March 2010. The remainder of the organisation's income comes from client fees and grants. Fees for clients who were not eligible for public funding were increased by a modest amount during the year, but continue to represent a considerably cheaper alternative to disputed court proceedings for separating couples.

The charity plans to continue to offer family mediation services, and is considering expanding into other areas of mediation, consistent with prudent employment of resources, as well as looking at the geographical coverage of its existing service. It was observed during the year that a number of solicitor firms in Hampshire are considering setting up family mediation services, account of which needs to be taken in drafting plans for growth.

The trustees have agreed a budget for the following financial year that seeks to achieve a break-even position, with a financial strategy to return the charity to surplus thereafter.

#### TRUSTEES RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which 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 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### AUDITORS

A resolution to re-appoint Morris Crocker as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
58 Northern Road  
Cosham  
Portsmouth  
PO6 3DT

Approved by the trustees on 14th October 2008

M C Craft

.....  
Signed on its behalf by  
M C Craft, Chairman

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAMPSHIRE FAMILY MEDIATION LIMITED**

We have audited the financial statements of Hampshire Family Mediation Limited for the year ended 31st March 2008 on pages five to eleven. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HAMPSHIRE FAMILY MEDIATION LIMITED**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31st March 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Morris Crocker  
Chartered Accountants  
Registered Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

Date: 14<sup>th</sup> October 2008

HAMPSHIRE FAMILY MEDIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST MARCH 2008

	Note	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Investment income	2	5,474	-	5,474	3,946
<b>Incoming resources from charitable activities</b>					
Charitable income	3	<u>398,079</u>	<u>6,800</u>	<u>404,879</u>	<u>426,238</u>
<b>Total incoming resources</b>		403,553	6,800	410,353	430,184
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Direct costs	4	224,037	1,440	225,477	247,671
General costs		209,550	-	209,550	215,133
<b>Governance costs</b>	6	<u>1,550</u>	<u>-</u>	<u>1,550</u>	<u>1,589</u>
<b>Total resources expended</b>		435,137	1,440	436,577	464,393
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
		(31,584)	5,360	(26,224)	(34,209)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		98,032	-	98,032	132,241
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>66,448</u>	<u>5,360</u>	<u>71,808</u>	<u>98,032</u>

The notes form part of these financial statements

**HAMPSHIRE FAMILY MEDIATION LIMITED**

**BALANCE SHEET  
AT 31ST MARCH 2008**

	Note s	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	7,222	-	7,222	11,690
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	11	3,382	-	3,382	5,730
Cash at bank and in hand		<u>113,779</u>	<u>5,360</u>	<u>119,139</u>	<u>133,954</u>
		117,161	5,360	122,521	139,684
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>(57,935)</u>	-	<u>(57,935)</u>	<u>(53,342)</u>
<b>NET CURRENT ASSETS</b>					
		<u>59,226</u>	<u>5,360</u>	<u>64,586</u>	<u>86,342</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>66,448</u>	<u>5,360</u>	<u>71,808</u>	<u>98,032</u>
<b>NET ASSETS</b>					
		<u>66,448</u>	<u>5,360</u>	<u>71,808</u>	<u>98,032</u>
<b>FUNDS</b>					
Unrestricted funds	14			66,448	98,032
Restricted funds				<u>5,360</u>	<u>-</u>
<b>TOTAL FUNDS</b>					
				<u>71,808</u>	<u>98,032</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on 14<sup>th</sup> October 2008 and were signed on its behalf by:

M C Craft

.....  
Trustee

The notes form part of these financial statements

# HAMPSHIRE FAMILY MEDIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2008

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

#### Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

#### Charitable activities

Charitable activities include direct expenditure related to mediation fees.

#### Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### Support costs

Support costs include central functions. These are administrative expenses that relate directly to direct charitable expenditure.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture and equipment	-25% on cost
Property Improvements	-20% on cost

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Fund accounting

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

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

### 2. INVESTMENT INCOME

	2008	2007
	£	£
Bank interest received	<u>5,474</u>	<u>3,946</u>

**HAMPSHIRE FAMILY MEDIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2008**

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Activity</b>	2008 £	2007 £
Grants	Charitable income	303,355	322,821
Fees receivable	Charitable income	99,945	103,417
PPM Projects and Misc income	Charitable income	1,179	-
Paye online filing incentive	Charitable income	<u>400</u>	<u>-</u>
		<u>404,879</u>	<u>426,238</u>

Grants received, included in the above, are as follows:

	2008 £	2007 £
Legal Services Commission Contract	293,778	311,666
Local authority grant	2,777	11,155
Children in need	<u>6,800</u>	<u>-</u>
	<u>303,355</u>	<u>322,821</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs (See note 5) £	Totals £
Direct costs	225,477	-	225,477
General costs	<u>-</u>	<u>209,550</u>	<u>209,550</u>
	<u>225,477</u>	<u>209,550</u>	<u>435,027</u>

**5. SUPPORT COSTS**

	Management £	Finance £	Other £	Totals £
General costs	<u>164,637</u>	<u>984</u>	<u>43,929</u>	<u>209,550</u>

**6. GOVERNANCE COSTS**

	2008 £	2007 £
Board meeting refreshments	-	89
Auditors' remuneration	<u>1,550</u>	<u>1,500</u>
	<u>1,550</u>	<u>1,589</u>

**HAMPSHIRE FAMILY MEDIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2008**

**7. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2008	2007
	£	£
Auditors' remuneration	1,550	1,500
Depreciation - owned assets	4,706	4,649
Hire of plant and machinery	1,091	1,123
Operating lease: Land and Building	15,000	15,000
Operating lease: Office equipment	1,091	1,123
Auditors remuneration:Non audit fees	<u>1,130</u>	<u>1,025</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2008 nor for the year ended 31st March 2007.

**Trustees' Expenses**

Trustees were reimbursed Nil (2007:£380) for travel, recruitment and training expenses.

**9. STAFF COSTS**

	2008	2007
	£	£
Wages and salaries	119,455	113,448
Social security costs	<u>11,308</u>	<u>10,304</u>
	<u>130,763</u>	<u>123,752</u>

The average monthly number of employees during the year was as follows:

	2008	2007
Administrative staff	<u>6</u>	<u>6</u>

No employee had remuneration exceeding £60,000.

Mediators are self employed and work part time for the charity. Mediators costs in the year amounted to £224,448 (2007:£247,671).

There are 10 currently contracted in a part time capacity by the charity which gives an equivalent of 4 full time positions ( 2007:4).

**HAMPSHIRE FAMILY MEDIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2008**

**10. TANGIBLE FIXED ASSETS**

	Furniture and equipment £	Property Improvements £	Totals £
<b>COST</b>			
At 1st April 2007	23,947	3,000	26,947
Additions	<u>238</u>	<u>-</u>	<u>238</u>
At 31st March 2008	<u>24,185</u>	<u>3,000</u>	<u>27,185</u>
 <b>DEPRECIATION</b>			
At 1st April 2007	14,057	1,200	15,257
Charge for year	<u>4,106</u>	<u>600</u>	<u>4,706</u>
At 31st March 2008	<u>18,163</u>	<u>1,800</u>	<u>19,963</u>
 <b>NET BOOK VALUE</b>			
At 31st March 2008	<u>6,022</u>	<u>1,200</u>	<u>7,222</u>
At 31st March 2007	<u>9,890</u>	<u>1,800</u>	<u>11,690</u>

All of the above assets are used for the direct furtherance of the charity's objectives.

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £	2007 £
Portsmouth City Council grant	-	2,775
Prepayments and accrued income	2,927	2,500
Rental deposit held	<u>455</u>	<u>455</u>
	<u>3,382</u>	<u>5,730</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £	2007 £
Bank loans and overdrafts	-	3,310
Trade creditors	15,654	24,552
Social security and other taxes	19,566	18,041
Accruals and deferred income	3,905	5,979
LSC Income owed	<u>18,810</u>	<u>1,460</u>
	<u>57,935</u>	<u>53,342</u>

**HAMPSHIRE FAMILY MEDIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2008**

**13. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	2008 £	2007 £
Expiring:		
Within one year	628	-
Between one and five years	<u>15,000</u>	<u>15,628</u>
	<u>15,628</u>	<u>15,628</u>

**14. MOVEMENT IN FUNDS**

	At 1.4.07 £	Net movement in funds £	At 31.3.08 £
<b>Unrestricted funds</b>			
General fund	98,032	(31,584)	66,448
<b>Restricted funds</b>			
Children in need fund	-	5,360	5,360
	<u>98,032</u>	<u>(26,224)</u>	<u>71,808</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	403,553	(435,137)	(31,584)
<b>Restricted funds</b>			
Children in need fund	6,800	(1,440)	5,360
	<u>410,353</u>	<u>(436,577)</u>	<u>(26,224)</u>

**15. CONTINGENT LIABILITIES**

The charity has no contingent liabilities at 31 March 2008 or at 31 March 2007

**16. MEMBERS' LIABILITY**

The company is limited by guarantee. On dissolution of the company, each member is liable to pay up to £1.

**HAMPSHIRE FAMILY MEDIATION LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST MARCH 2008**

	2008 £	2007 £
<b>INCOMING RESOURCES</b>		
<b>Investment income</b>		
Bank interest received	5,474	3,946
<b>Incoming resources from charitable activities</b>		
Grants	303,355	322,821
Fees receivable	99,945	103,417
PPM Projects and Misc income	1,179	-
Paye online filing incentive	<u>400</u>	<u>-</u>
	<u>404,879</u>	<u>426,238</u>
<b>Total incoming resources</b>	410,353	430,184
<b>RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Mediator fees	200,637	233,247
PPC Costs	23,811	14,424
PPM Project expenditure	<u>1,029</u>	<u>-</u>
	225,477	247,671
<b>Governance costs</b>		
Board meeting refreshments	-	89
Auditors' remuneration	<u>1,550</u>	<u>1,500</u>
	1,550	1,589
<b>Support costs</b>		
<b>Management</b>		
Salaries	119,455	113,448
Social security	11,308	10,304
Equipment hire	1,091	1,123
Travel expenses	1,376	1,276
NFM affiliation fees	3,667	3,622
Training costs	2,698	2,784
Repairs and renewals	2,742	3,864
Accountancy and bookkeeping	1,777	2,407
Marketing and Advertising	4,563	7,016
Sundries	1,703	2,332
Legal and professional	50	3,170
Computer costs	1,216	2,546
Postage and stationery	8,285	11,856
Depreciation	4,706	4,649
Recruitment costs	<u>-</u>	<u>1,062</u>
	164,637	171,459

This page does not form part of the statutory financial statements

