

Company No. 1842240
Registered Charity No. 515691

Contents

**ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2000**

LIFELINE PROJECT LIMITED
(A company limited by guarantee
and not having share capital)

Report of the council	1
Auditors' report	3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6



LIFELINE PROJECT LIMITED (A company limited by guarantee)

COMPANY INFORMATION

Directors

Reverend Paul Flowers
Mr Charles Irvine
Ms Sheila Lee
Mr John Wilbraham
Mr John Pierce
Ms Yasmin Saloojee
Dr John Bayne
Ms Brenda Whelan
Mr Jonathan Purkiss

Secretary

I Wardle

Company number

1842240

Charity number

515691

Registered office

101-103 Oldham Street
Manchester
M4 1LW

Auditors

Mazars Neville Russell
Regent House
Heaton Lane
Stockport
Cheshire
SK4 1BS

REPORT OF THE COUNCIL

For the year ended 31 March 2000

The Council presents herewith their report together with the audited accounts of the company for the year ended 31 March 2000.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Status

The company is a registered charity and is limited by guarantee, not having share capital.

Results

The operating surplus for the year ended 31 March 2000 was £90,411.

This consists of surpluses before transfers of £40,688 and £9,720 for continuing and acquired activities respectively on unrestricted funds and a deficit before transfers of £1,875 and surplus before transfers of £41,878 for continuing and acquired activities respectively on restricted funds.

Funds amounting to £124,690 was introduced when Lifeline took over the management of another charity, Unit 51, on 1 April 1999. At that date, Unit 51's accumulated surplus funds consisted of a property with a net book value of £82,310 and net current assets with a value of £42,380.

The retained accumulated surplus funds available to Lifeline at 31 March 2000 amount to £354,100.

Principal activities and review of developments

The principal activities of the company are to assist persons and their families and dependants affected by the misuse of drugs and to provide a training and advisory service to persons and organisations who deal with the misuse of drugs and with sexually transmitted disease.

REPORT OF THE COUNCIL
For the year ended 31 March 2000

continued ...

Councillors

The persons listed below have served as members of the Council of Management, which constitutes the Board of Directors for the purposes of the Companies Act 1985.

Reverend P Flowers	
Mr C Irvine	
Ms S Lee	
Mr J Wilbraham	
Mr K Woodward	(resigned 29/8/000)
Mr J Pierce	
Mr P Willan	(resigned 5/4/2000)
Ms Saloojee	
Mr J Bayne	(appointed 17/1/00)
Ms B Whelan	(appointed 5/11/99)
Mr J Purkiss	(appointed 1/4/99)

Charitable donations

During the year the company made total UK charitable donations of £2,500 (1999 - £nil).

Year 2000 compliance

Since the beginning of January 2000 no computer problems relating to the Year 2000 have been encountered and the Members of the Council believe the programme instituted should ensure that the charity is not adversely affected in the future.

Auditors

Binder Hamlyn resigned as auditors during the year and Mazars Neville Russell were appointed to fill the casual vacancy. A resolution to re-appoint Mazars Neville Russell as auditors will be proposed at the forthcoming annual general meeting.

On behalf of the Council,



I Wardle
Secretary

10 October 2000

AUDITORS' REPORT

To the Council of Lifeline Project Limited

We have audited the accounts on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors, who also act as trustees for the charitable activities of the company, are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

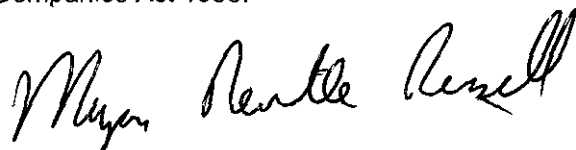
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the company's state of affairs at 31 March 2000 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MAZARS NEVILLE RUSSELL
Chartered Accountants

Regent House
Heaton Lane
Stockport SK4 1BS

10 October 2000

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000**

	Notes	Restricted Funds 2000 £	Unrestricted Funds 2000 £	Total 2000 £	Total 1999 £
Incoming resources					
On continuing activities	2	12,586	1,419,956	1,432,542	1,199,459
On acquired activities	2	52,348	769,372	821,720	-
Total incoming resources		<u>64,934</u>	<u>2,189,328</u>	<u>2,254,262</u>	<u>1,199,459</u>
Resources expended					
Direct charitable expenditure	4	24,931	1,975,470	2,000,401	1,057,943
Management and administration of the charity	5	-	163,450	163,450	161,081
Total resources expended	6	<u>24,931</u>	<u>2,138,920</u>	<u>2,163,851</u>	<u>1,219,024</u>
Net incoming resources before transfers					
On continuing operations		(1,875)	40,688	38,813	(19,565)
On acquired operations		41,878	9,720	51,598	-
		<u>40,003</u>	<u>50,408</u>	<u>90,411</u>	<u>(19,565)</u>
Transfers		<u>1,875</u>	<u>(1,875)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources for the year		<u>41,878</u>	<u>48,533</u>	<u>90,411</u>	<u>(19,565)</u>
Balance brought forward at 1 April	10	-	138,999	138,999	115,975
Funds introduced on the merger	10	-	124,690	124,690	42,589
Balance carried forward at 31 March	10	<u><u>41,878</u></u>	<u><u>312,222</u></u>	<u><u>354,100</u></u>	<u><u>138,999</u></u>

The breakdown of the above results between continuing and acquired activities is given in note 2 to the accounts.

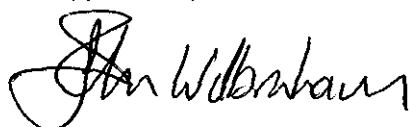
The charity has no recognised gains and losses for the year other than those stated above.

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**BALANCE SHEET
31 MARCH 2000**

	Notes	2000 £	1999 £
FIXED ASSETS	7	120,896	-
Current Assets			
Stock		35,511	34,208
Debtors	8	274,479	95,179
Cash at bank and in hand		282,504	149,821
		<u>592,494</u>	<u>279,208</u>
Creditors: amounts falling due within one year	9	(359,290)	(140,209)
Net Current Assets		<u>233,204</u>	<u>138,999</u>
TOTAL ASSETS		<u><u>354,100</u></u>	<u><u>138,999</u></u>
Funds			
Restricted funds	10	41,878	-
Unrestricted funds	10	312,222	138,999
		<u><u>354,100</u></u>	<u><u>138,999</u></u>

Approved by the Council and signed on their behalf by:



J Wilbraham
Director

10 October 2000

**Notes to the Accounts
for the year ended 31 March 2000**

1. Accounting Policies

a) Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts, incorporating a Statement of Financial Activities, have been prepared in accordance with Statement of Recommended Practice SORP – "Accounting by Charities" and applicable accounting standards.

b) Company status

The charity is a company limited by guarantee. The liability in respect of the guarantee as set out in the memorandum, is limited to £1 per member of the company. The company has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the company's activities.

c) Resources expended

The cost headings comprise expenditure, including staff costs, directly attributable to the company's activities. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

Central overheads are allocated on the basis of their use with the aim of ensuring that those costs remaining within administration relate to the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements.

d) Fund accounting

General funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Restricted funds are subject to specific restrictive conditions imposed by donors or by the nature of the appeal. The purpose and use of the restricted funds are set out in the notes to the accounts.

e) Income and expenditure

All income and expenditure is accounted for on the accruals basis.

f) Tangible fixed assets and depreciation

Tangible fixed assets that have been acquired for annually funded projects are written off in the year of acquisition, apart from Land and Buildings.

Land and Buildings are stated at cost less depreciation. Depreciation has been provided at rates calculated to write off the cost less residual value over its expected useful life as follows:

Freehold property	4%	straight line
Property improvements	20%	straight line

**Notes to the Accounts
for the year ended 31 March 2000**

g) Stock

Stock has been valued at the lower of cost or net realisable value in accordance with SSAP 9.

h) Pensions costs

Certain employees are members of a defined contribution pension scheme. The contributions to the scheme are charged to the profit and loss account as they become payable.

i) Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2. Incoming Resources

	Restricted Funds 2000 £	Unrestricted Funds 2000 £	Total 2000 £	Total 1999 £
On continuing activities				
Fees receivable	-	1,104,129	1,104,129	892,801
Sales income	-	253,905	253,905	213,133
Sundry income and donations	12,586	53,104	65,690	87,669
Less deferred income	-	-	-	(2,921)
Investment income	-	8,358	8,358	8,777
Income tax recoverable	-	460	460	-
	<u>12,586</u>	<u>1,419,956</u>	<u>1,432,542</u>	<u>1,199,459</u>
On acquired activities				
Fees receivable	52,348	759,337	811,685	-
Sundry income and donations	-	10,035	10,035	-
	<u>52,348</u>	<u>769,372</u>	<u>821,720</u>	<u>-</u>
Total incoming resources				
Fees receivable	52,348	1,863,466	1,915,814	892,801
Sales income	-	253,905	253,905	213,133
Sundry income and donations	12,586	63,139	75,725	87,669
Less deferred income	-	-	-	(2,921)
Investment income	-	8,358	8,358	8,777
Income tax recoverable	-	460	460	-
	<u>64,934</u>	<u>2,189,328</u>	<u>2,254,262</u>	<u>1,199,459</u>

Fees receivable is summarised in Note 3.

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**Notes to the Accounts
for the year ended 31 March 2000**

3. Fees Receivable

	2000 £	1999 £
Blackburn with Darwen Borough Council	18,369	8,917
Bury and Rochdale Health Authority	17,912	32,042
City of Manchester	201,652	207,630
Department of Health	28,360	8,873
East Lancashire Health Authority	162,756	166,099
European project	45,211	11,498
Home Office	576	65,763
Greater Manchester Drug Action Partnership (YOI)	81,000	78,728
Greater Manchester Probation Committee	10,221	9,446
HM Prison Service	84,447	72,578
Manchester Health Authority	93,100	115,612
North Cheshire Health Authority	24,528	23,930
North Cheshire Health Authority (Halton)	5,266	5,137
Trafford – HCT	47,037	42,542
Warrington Borough Council	41,970	44,006
Salford & Trafford Health Authority	17,052	-
Tameside Metropolitan Borough Council	2,222	-
Burnley Borough Council	18,000	-
Calderdale & Kirklees Health Authority	709,370	-
Kirklees Metropolitan Borough Council	106,778	-
Youth Justice Board	77,692	-
Know How Fund (Charities Aid Foundation)	14,050	-
CARATS (HM Prison Service)	108,245	-
	<u>1,915,814</u>	<u>892,801</u>

4. Direct Charitable Expenditure

	2000 £	1999 £
Counselling services, information and research	1,776,451	862,957
Educational publications	223,950	194,986
	<u>2,000,401</u>	<u>1,057,943</u>

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**Notes to the Accounts
for the year ended 31 March 2000**

5. Management and administration of the charity

	2000 £	1999 £
Salaries and office costs	137,878	136,947
Legal and professional fees	19,697	19,772
Audit fees	5,875	4,362
	<u>163,450</u>	<u>161,081</u>

6. Total resources expended

	2000 £	1999 £
Direct charitable expenditure	2,000,401	1,057,943
Management and administration of the charity	163,450	161,081
	<u>2,163,851</u>	<u>1,219,024</u>

<i>Staff costs</i>	2000 £	1999 £
Wages and salaries	1,261,663	641,658
Social security costs	98,811	62,340
Pensions	39,492	24,883
	<u>1,399,966</u>	<u>728,881</u>

No employee earned £40,000 per annum or more.

Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounted to £39,492 (1999 - £24,883). Contributions totalling £Nil (1999 - £Nil) were payable to the fund at the year end and are included in creditors.

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

	2000	1999
Project activities	67	40
Management and policy development	2	2
Administration	2	2
	<u>71</u>	<u>44</u>

Director's expenses

Expenses of £16,225 (1999 - £12,153) were reimbursed to directors during the year. No remuneration was paid to these directors during the year (1999 - £Nil).

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**Notes to the Accounts
for the year ended 31 March 2000**

7. Fixed Assets

	Freehold Property £	Property Improvements £	Total £
<u>Cost</u>			
Opening	-	-	-
Assets transferred with the merger	82,310	-	82,310
Additions during the year	-	52,348	52,348
Disposals	-	-	-
	<u>82,310</u>	<u>52,348</u>	<u>134,658</u>
<u>Depreciation</u>			
Opening	-	-	-
Charge for the year	3,292	10,470	13,762
On disposals	-	-	-
	<u>3,292</u>	<u>10,470</u>	<u>13,762</u>
<u>Net book value</u>			
At 31/3/2000	<u>79,018</u>	<u>41,878</u>	<u>120,896</u>
At 31/3/1999	<u>-</u>	<u>-</u>	<u>-</u>

8. Debtors

	2000 £	1999 £
Trade debtors	41,886	35,514
Other debtors	191,511	46,486
Prepayments and accrued income	41,082	13,179
	<u>274,479</u>	<u>95,179</u>

9. Creditors: Amounts falling due within one year

	2000 £	1999 £
Trade creditors	128,976	30,281
Other taxes and social security	31,611	18,279
Accruals and deferred income	198,703	91,649
	<u>359,290</u>	<u>140,209</u>

LIFELINE PROJECT LIMITED (A company limited by guarantee)

**Notes to the Accounts
for the year ended 31 March 2000**

10. Statement of funds

	1 April 1999 £	Incoming Resources £	Outgoing Resources £	Funds Introduced £	Transfers £	31 March 2000 £
Restricted funds						
Substance abuse	-	12,586	(14,461)	-	1,875	-
Property improvements	-	52,348	(10,470)	-	-	41,878
	-	64,934	(24,931)	-	1,875	41,878
General funds	138,999	2,189,328	(2,138,920)	124,690	(1,875)	312,222
	138,999	2,254,262	(2,163,851)	124,690	-	354,100

The restricted funds represent:

Substance Abuse

A National Lottery Charities Board funded project which provided for the employment of a person to carry out research and produce publications for specific target groups of drug users.

Property Improvements

Kirklees MBC agreed to fund the improvements of the freehold property at 36 Portland Street, Huddersfield as part of the merger with another charity, Unit 51, in order to bring the facilities in line with those of other Lifeline Project limited depots.

Funds introduced represent:

The merger with Lifeline Project Limited and Unit 51, another registered charity, on 1 April 1999. Unit 51 is now under the management of Lifeline and has ceased to exist as a separate charity. The balance introduced with the merger consists of a property with a net book value of £82,310 and net current assets of £42,380.

11. Financial commitments

At 31 March 2000 the charity had annual commitments under the non-cancellable leases which expire as follows:

	Land and buildings 2000 £	Other 2000 £	Land and buildings 1999 £	Other 1999 £
Less than one year	6,000	-	-	1,005
Between two and five years	20,250	10,762	-	-
In over five years	28,800	-	22,500	-
	55,050	10,762	22,500	1,005