

Financial Statements

For the year ended 31 March 2009

Lifeline Project

A company limited by guarantee and not
having share capital

Company No: 1842240
Registered Charity No: 515691

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Lifeline Project Ltd
Registered Charity Number 515691

Objects

The objects of Lifeline are to relieve poverty, sickness and distress among those persons affected by addiction to drugs of any kind and to educate the public on matters relating to drug misuse.

Aims

To achieve our objects Lifeline's strategy concentrates on:

- Services – The production and growth with partners where appropriate of a range of competitive and adaptable palliative, treatment, recovery, prevention and education services.
- Governance Viability and Accountability – To embed services with an active support and policy framework to ensure their viability, accountability, safety and quality.
- Workforce Development – To continuously develop and improve the skills, commitment and energy of our workforce.
- Learning, Campaigning and Educating – To develop and promote Lifeline's services, knowledge and resources and to campaign for the wellbeing of our beneficiaries.

LIFELINE PROJECT (A company limited by guarantee)

Lifeline Project Ltd

Annual Report & Financial Statements

31 March 2009

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Trustees' Annual Report

Constitution

Lifeline Project is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number: 515691. Company number: 1842240.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law. Under the Articles, the directors all serve as members of the Council of Management, which constitutes the Board of Directors for the purposes of the Companies Act 1985. Directors may be appointed by ordinary resolution.

Board of Trustees (formerly known as the Council of Management)

Trustees serving during the year and at the date the Trustees' Annual Report was approved were -

Mr John Scampion - Chair
Ms Jocelyn Jean-Pierre
Mr Davy Iredale
Mr David Mackintosh (resigned 18 December 2008)
Mr Mick Barwood (resigned 13 August 2009)
Mr Guy Berry (resigned 1 April 2009)
Ms Lynda Brady (resigned 1 December 2008)
Mr Peter Garland
Professor Eddie Kane (resigned 1 June 2009)
Mr Peter McDermott
Ms Susan Ramprogus (appointed 3 February 2009)

Chief Executive and Company Secretary

Ian Wardle

Registered office

101-103 Oldham Street, Manchester, M4 1LW

Auditors

Mazars LLP, Merchant Exchange, Whitworth Street West, Manchester, M1 5WG

Bankers

National Westminster Bank Plc, 115 Deansgate, Manchester, M3 2NW
The Co-operative Bank Plc, 1 Balloon Street, Manchester, M60 4EP

Solicitors

Hill Dickinson, 50 Fountain Street, Manchester M2 2AS

Introduction

Lifeline Project Ltd is a well-established, voluntary sector agency that has provided a range of drug and alcohol services since its original foundation as a Manchester based day centre for drug users in 1971.

Lifeline has become one of the largest charities working within the field of substance misuse delivering a broad portfolio of services throughout England. Lifeline strives to ensure that it performs to the highest standards in terms of governance, management and service delivery whilst retaining its core values of approachability and responsiveness to individual needs.

Lifeline has a reputation for independence and the provision of services that support both its service users and the broader population whose lives are directly affected by drugs. Our reputation is underpinned and guaranteed by a commitment to an independent and broad based knowledge sector that incorporates publications, research, policy review and new media technology.

As an organisation Lifeline is focused on delivering high quality, cost effective and innovative services tailored to the specific demographic and interventional needs of the communities we serve. Lifeline provides treatment and education for those affected by drug and alcohol use through a wide portfolio of services and geographical locations. Since its foundation Lifeline has evolved in response to the ever-increasing problems associated with substance misuse which is reflected in our portfolio of current services

Lifeline – Current Services & Activity

Charitable Objects and Aims

Lifeline's charitable objects are to relieve poverty, sickness and distress among those persons affected by addiction to drugs of any kind and to educate the public on matters relating to substance misuse. Lifeline promotes an organisational ethos and culture that respects the dignity of those people who require our help and support with drugs and alcohol problems.

Our overarching aim is to deliver attractive and effective responses to the challenges associated with drugs and alcohol use. This applies to the people who receive our services, their families and the wider community who live and work in areas where drug use is problematic.

Lifeline places strong emphasis on working collaboratively with service users, commissioners, funding bodies and fellow professionals who work in the sector.

Lifeline works within the Charity Commission's general guidance on public benefit. We review our objects, aims and activities each year looking at the achievements and outcomes of our key activities and the benefits these have brought to the beneficiaries we have been set up to serve.

A clear illustration of Lifeline's contribution to 'public benefit' is best illustrated in a letter received from Calderdale Integrated Offender Management Unit (West Yorkshire Police) regarding our Progress2Work service in Halifax. An extract of the letter is shown below:

'I am writing to thank you for the work you are doing and the courses you have offered. As a direct result we have people that have gained employment due to their FLT license. This has opened new doors and made them see a different side of life. One example is a man who was a prolific burglar who, when not in prison was committing up to six burglaries a day. We have worked with him, along with our partner agencies; he has undergone your FLT course, and got good reports. He has since gained employment and loves his new life. The benefits to Calderdale are that there are now six less victims of crime a day, which equates to 2190 less victims of crime a year. This has massive financial benefits, not to mention emotional aspect for victims of burglary. Without your course this may well have been an entirely different story.'

In general Lifeline's services convey substantial 'public benefit' which include

- Needle exchange services that help to reduce the number of used needles found on the streets
- Treatment provision that contributes to reduced drug related crime
- Outreach and Harm reduction services which give out condoms, provide advice and screening on Blood Borne Virus (BBV) which contributes to a decrease in the transmission of sexually transmitted diseases and BBV.
- Raising public awareness of drug issues and services
- Provide a welcoming and positive environment for service users which contributes to better outcomes of treatment and provide access to clear pathways into sustainable recovery including education, training and employment opportunities

To achieve our charitable objects Lifeline has identified four strategic aims on which to concentrate

- Services – The production and growth with partners where appropriate of a range of competitive and adaptable palliative, treatment, recovery, prevention and education services
- Governance Viability and Accountability – To embed services with an active support and policy framework to ensure their viability, accountability, safety and quality
- Workforce Development – To continuously develop and improve the skills, commitment and energy of our workforce
- Learning, Campaigning and Educating – To develop and promote Lifeline's services, knowledge and resources and to campaign for the wellbeing of our beneficiaries

Principal Achievements in 2008-09

1. Services

Our aim is the production and growth with partners where appropriate of a range of competitive and adaptable palliative, treatment, recovery, prevention and education services

In relation to direct contact with beneficiaries Lifeline's services reached out to over 28,000 individuals (2007-08 25,000) and in financial terms total incoming resources grew by 21%. The following examples illustrate a range of the activity delivered and the outcomes achieved.

East Lancashire: Lifeline's East Lancashire Young Persons service worked with over 2,000 young people and their family members including providing advice and information through satellite, outreach and group-work activity.

As part of East Lancashire's plans for 2008-09 the renovation and extension of its Darwen Street property was completed on schedule and within budget. The service now benefits from additional space with improved accessibility for service users. The renovated building boasts a fully fitted treatment room for our prescribing service clients, additional 'one to one' rooms and a dedicated complementary therapies suite. Service users and professionals alike have commented favourably on how the re-configured building has improved service access and created a more comfortable and friendly environment.

East Lancashire Young Persons Service – New Reception

Calderdale: In Calderdale, Lifeline's Outlook service worked with 645 individuals who in total made over 16,000 visits to the service. The service provides a day programme for people affected by drug or alcohol use and offers diversionary activities in a welcoming and challenging environment. Provision focuses on supporting individuals in recognising and achieving their personal, social, health and vocational goals.

Lifeline's Progress2Work project in Calderdale and Kirklees provides individuals with vital skills to increase their chances of obtaining employment. During the year the project had contact with over 700 service users and training outcomes were greatly improved partly due to the introduction of intensive revision sessions for the Construction Skills Certificate Scheme (CSCS). Since implementing the revision sessions in December 2008 the project has seen a 100% pass rate which equates to 40 people holding this qualification.

Lifeline Calderdale Young Person's Service worked with over 600 children and young people to offer a range of services including needs assessment, information, advice and guidance, harm reduction, motivational interviewing, signposting, clinical treatment and a range of other interventions.

Bradford: During the year Lifeline's Piccadilly Project alcohol service reviewed the way service users access the service and now offer initial assessments at any time during opening hours. These changes resulted in improvements to service user referrals from partner agencies and a reduction in waiting times. The service has now seen increases

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in demand for its service users with new treatment starts increased by 40% and new caseloads by 47%.

Kirklees: During the year Lifeline Kirklees assisted 1,645 adults in effective drug treatment and provided 700 people with structured alcohol intervention and support.

Leeds: Lifeline's Base 10 consolidated its Tier 2 work in directly supporting Young People as well as providing support to Young People whose family situations are affected by substance use through the 'UP' project.

Manchester: Lifeline's Harm Reduction Centre had over 1,700 active clients and continued its key role with regard to the disposal of injecting equipment and blood borne virus prevention.

Lifeline Manchester Young Persons service 'Eclipse' is one of the country's largest substance misuse services for children, young people and families. In 2008/09 over 400 children and young people received specialist treatment support, over 300 young people received targeted prevention group work, 140 received diversionary activities and 72 were engaged via outreach support. Over 150 children and young people with parental substance misuse received support from the family service. There have been numerous community events which have provided advice, information and support. Eclipse has also provided a range of substance misuse training to 330 professionals from a range of agencies across Manchester.

Tameside: Lifeline Young Persons 'Branching Out' service provided on going direct support to over 255 young people, parents and carers. Group support was provided to a further 250 young people. The Branching Out service and its drop in facility was specifically identified as an area of 'good practice' in the 2008 independent external Joint Inspection Report on Tameside Youth Offending Team.

Salford: Lifeline's Young Persons 'SMART' service provided on going support to over 320 young people, parents and carers. Targeted support was also provided at Accident & Emergency units to 120 young people.

Tower Hamlets: Lifeline's Young Persons Service provided a range of targeted and specialist interventions and received over 1,000 referrals in 2008/09. Over 800 young people received structured Targeted Intervention Programmes (TIP) delivered in Youth Clubs and secondary schools, and soon to be offered in Pupil Referral Units.

North East: During the year Lifeline delivered Harm Minimisation services throughout an extended area of the North East. Our Middlesbrough and Redcar bases maintained their high levels of activity, seeing an average of over 1,000 contacts per month.

Newcastle Harm Reduction service had over 7,400 registered service users and focussed on the wider lifestyle choices of service users and promoted a safer community agenda. The service became a registered C-Card outlet which is a key way of engaging with young people and delivering harm reduction messages including discussing lifestyle issues and addressing recreational drug use and highlighting BBV transmission and Alcohol issues. The service was part of the Chlamydia screening programme for young people.

Newcastle's Outlook service had over 1,500 service users and provided 9,600 sessions covering educational recreational and social topics aimed at enhancing self-esteem and promoting constructive patterns of behaviour.

Enfield: During 2008-09 Lifeline 'Sort It' project established itself as the primary community based young people's substance misuse service in Enfield providing a range of services that include one-to-one, care planned support, family support services, health promotion events, community drug awareness programmes and professional training. Sort It were involved collaboratively in the Life Opportunities Project aimed at educating and moving Young People away from the substance abuse, knife crime and gang culture.

In addition to direct service delivery Sort It also contributed to Lifeline's 'learning and engagement' agenda through the delivery of training to fellow professionals working with children and young people in the Borough.

Tower Hamlets: 2008-09 was Lifeline's first full year of delivering a Community Drug Service in Tower Hamlets and we are now the main service provider in the Borough. Lifeline is the first provider to hold GP satellites services across the Tower Hamlets resulting in a significant uptake of clients to the service and a contribution to a decrease in crime levels within the area.

Hackney: As planned in 2008-09 the provision of community drug services to Hackney became fully operational. The service has approximately 600 clients in treatment and over 100 needle exchange clients per month. Lifeline is coming to the end of their first year of service provision in Hackney with both numbers and quality of care improving dramatically resulting in feedback from our commissioners being very positive.

Prisons: During the year Lifeline's prison work conducted substance misuse triage assessment on over 10,000 offenders and, of these, around 6,000 progressed to a more intensive, comprehensive substance misuse assessment and engagement with care planning. Offenders variously received structured one-to-one support, attended group-work and, crucially, management of their through-care on to other custodial or community settings.

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Targets for our Prison work are strategically driven by HM Prison Service and a number of these directly equate to Lifeline's charitable objectives. For example, all CARAT service clients are provided with harm minimisation, tolerance and overdose information and guidance – particularly just prior to release from prison in an attempt to address concerns about the incidence of deaths post custody.

In autumn 2008, Lifeline workers at HMP Kennett were awarded the accolade of CARAT Team of the Year by the National Offender Management Service.

Service Growth and Sustainability

Service growth and sustainability in terms of both service type and geographical location is critical to Lifeline's success. Through growth Lifeline will achieve its charitable objectives and provide resources to underpin its financial security.

During the year a number of new contracts have been won which will commence service delivery in 2009-10. These include:

- Kirklees Alcohol Service – £3million over 3 years to deliver an independent Alcohol Service
- Rotherham Alcohol Service – £370,000 over 2 years to provide Tier 2 Alcohol Service
- Piccadilly Project – £360,000 over 3 years to deliver a Structured Day Programme (Alcohol) to provide group work and structured wrap round support including education, training and employment, abstinence and relapse prevention.

Lifeline has also been successful in retaining a number of existing services that were retendered in 2009-10. These include:

- Tameside Young Persons Branching Out service – £630,000 over 3 years
- Tower Hamlets Young Peoples Service - £1.6m over 3 years
- Calderdale Young Persons Service – £1million over 3 years.

2. Governance Viability and Accountability

Our aim is to embed services with an active support and policy framework to ensure their viability, accountability, safety and quality

Lifeline's Policy Development group acts as the main driver ensuring that service delivery is embedded with comprehensive, relevant and robust policies and procedures.

Lifeline's policy development framework ensures that consultation with staff members takes place in order to promote ownership of policies, which in turn inform practice. Policy documents are available via a staff access area of Lifeline's website with nominated representatives from each project taking responsibility for ensuring staff are aware of changes to policy.

3. Workforce Development

Our aim is to continuously develop and improve the skills, commitment and energy of our workforce

Lifeline is seeking to enhance its quality framework by extending its Kirklees Investors in People (IIP) accreditation to the whole organisation. Significant consultation has been undertaken to identify key strengths and weaknesses in preparation for a full submission to IIP.

In December 2008 Lifeline held its Harm Reduction staff conference in York. The conference was an important staff development event facilitating an opportunity for both networking and sharing of good practice.

Lifeline Harm Reduction Conference York 2008

Lifeline's Young Persons 'Eclipse' service continues to provide training to professionals working with children and young people. The aim is to ensure all Manchester young people receive accurate advice and information delivered by a workforce who have up to date drug and alcohol information and have access to specialist drug and alcohol services when there is an identified need.

Eclipse is recognised by the Manchester Safeguarding Performance Management Team as a model of good practice and works in partnership with Manchester Safeguarding Children Board to deliver Serious Case Review training to Government Office for the North West.

4. Learning, Campaigning and Educating

Our aim is to develop and promote Lifeline's services, knowledge and resources and to campaign for the wellbeing of our beneficiaries

F.E.A.D: In October 2008 Lifeline officially launched the Film Exchange on Alcohol and Drugs website (F.E.A.D.). F.E.A.D. is an open forum for knowledge exchange and discussion and brings together short video presentations from leading figures in the alcohol and drugs field. The site covers a range of topics (including: criminal justice, harm reduction; health and wellbeing; interventions; recovery; workforce and young people) and is a key achievement in promoting Lifeline's learning agenda.

F.E.A.D Website - <http://www.fead.org.uk>

Young People: Lifeline Salford Young Persons service in collaboration with the Salford Teenage pregnancy team produced the FKD Fanzine – a magazine aimed at young people promoting alcohol and harm reduction messages and information.

Peer Education: Lifeline Kirklees' Peer Education training programme supported over 130 individuals to increase their knowledge of local support services throughout Kirklees and led to volunteering and paid employment opportunities together with progression routes into further learning for many of the individuals completing the programme.

During the year Lifeline Kirklees piloted a Mentoring Programme as a progression route for those completing the peer education programme. Working with a number of local providers (including Kirklees College and the Careers Service), the aim of the pilot was to work with frontline staff in other agencies to dispel some of the 'myths' surrounding substance misuse, and increase awareness of the issues and barriers that their service users may face through having a drug or alcohol dependency. Learners from the Mentoring programme were awarded by Kirklees Council the Learning Group of the Year award at their Adult Learning Awards Ceremony held on 14 May 2009.

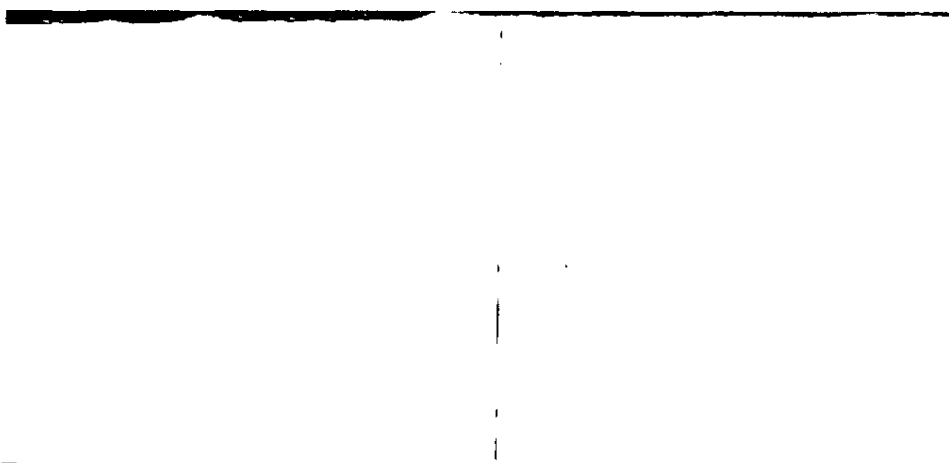
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As part of the renovation of Lifeline East Lancashire's Darwen Street property a resource room has been established to provide access to a range of information and resources related to substance use for both service users and professionals alike.

Hepatitis C: As part of Lifeline's Redcar service the project was awarded additional funding for a public awareness campaign of Hepatitis issues in the Redcar and Cleveland area. A task group was formed with partner agencies who decided to commission from Lifeline Publications a suite of six traditional Carry-On style 'Seaside Postcards' to convey key pertinent Hepatitis messages and link in with the local culture of the area.

The publicity material was circulated to relevant agencies to promote awareness and debate which, in turn, would lead to increased testing and vaccination rates. A further 500 health packs were purchased with the aim of raising awareness and to help stop the possible cross-transmission of BBV's.

Local media coverage and the individuality of the publicity materials enhanced the effectiveness and impact of the campaign. An example of one of the postcards is shown below.



Alcohol: Lifeline's Prison Service played a lead role in a major research project that looked at Alcohol and offending across the Yorkshire and Humberside regions. The work was jointly funded by the Government Office (North West) and the National Treatment Agency and examined and made recommendations on the treatment needs of offenders with alcohol misuse problems.

Harm Reduction: During 2008-09 Lifeline Publications received a number of external commissions including one from Exchange Supplies on behalf of the Department of Health which resulted in the development of two short animations, the first regarding the hepatitis virus and the second in relation to the risk factors associated with heroin overdose (Mr Mange goes over – see flyer below) which will receive its public 'premiere' at the Cornerhouse cinema in Manchester in July 2009 (see flyer below) before being uploaded onto the Harm Reduction Works website www.harmreductionworks.org.uk

Research: Lifeline's Research Department has continued to develop its links with academic institutions with the aim of submitting both bids for funding and also papers for publication. Drugs and Alcohol Today have published papers written by staff. A growth in alcohol funding has created a demand for our research staff to offer their expertise in the commissioning framework of alcohol treatment services and responses for both adults and young people.

Volunteers

Volunteers are crucial to our success and Lifeline values their essential contribution. During 2008-09 over 180 volunteers (2008:150) were utilised in a variety of roles and settings. Volunteers are involved in all aspects of service delivery including supporting service users, offsite activities, liaison with partner agencies, developing information resources and service evaluation. All volunteers receive formal induction, regular supervision and training and attend volunteer team meetings including updates on training opportunities and jobs.

The 2008-09 review of Bradford Piccadilly project operation facilitated new opportunities for volunteering and now the services utilises 7 volunteers in a variety of roles which provide vital support and enhance the service effectiveness.

Volunteers at Lifeline's Calderdale Outlook project are engaged in every aspect of service delivery from reception and administrative support through to client work, session development and group facilitation. Lifeline's Halifax based Progress2Work project has begun to utilise volunteers as part of their employment workshops to provide direct support to service users to assist with test invigilation, job searches, CV writing and employment applications.

Lifeline Kirklees currently utilises 26 volunteers working across the services in a variety of roles of which 8 have just completed their NVQ Level 2 Health & Social Care. In 2009-10 in partnership with Morgan Hunt recruitment consultants, weekly Volunteer Information Sessions will be launched to support Lifeline service users into peer education and volunteering.

Lifeline's Tameside Young Persons service 'Branching Out' established its '1st stop' project to provide health advice. This project is managed by 7 young volunteers who are currently studying Health and Social Care at Tameside and Ashton Sixth form colleges and provides a vital link with local educational establishments.

Lifeline Middlesbrough has enhanced its Women's Group services led by a staff member and a volunteer to offer a range of interventions aimed at raising self-esteem and confidence. Links have been put in place with local training providers and colleges with the ultimate aim of encouraging participants to engage in employment, education or training opportunities.

During the year Lifeline Newcastle Outlook project recruited over 28 volunteers of which 10 went into employment. The benefits of volunteering are best illustrated by a Newcastle volunteer Chris who stated:

'I love volunteering at Outlook – I have enjoyed the chance to be able to give something back, show other people it can be done, and there is life after drugs. I've completed so much training and done things I thought I'd never have the confidence to do. It's great being part of something and feeling like I belong again'.

Lifeline Tower Hamlets currently has 2 volunteers who are working towards their NVQ level 3 in Advice and Guidance which is in particular an enormous personal achievement, in that both volunteers are in recovery and can act as visible role models for other service users.

Lifeline Hackney has utilised 12 volunteers of whom 2 have utilised their volunteer experience as a platform to obtain full time employment.

Relationships with service users, beneficiaries and funders

Consultation is a fundamental philosophy of Lifeline and service users are involved at all stages of service delivery. In Hackney our services are expanding onto three new sites and service user involvement in the design and layout of the new sites has been invaluable.

Service user representative groups are a feature of all our services and provide vital feedback to ensure our services maintain high standards in terms of relevance and quality. For example Lifeline's Eclipse Young Persons service utilises a focus group of young people who advise the service on a number of issues that support the development and delivery of service. During 2008-09 the focus group has been advising on service literature and promotional material as well as providing input into the development of an Eclipse website so that the young people of Manchester can access and find out about their local service.

Lifeline Kirklees added 'Your Community' sessions to its programme of activities. The sessions are run by service users whose local knowledge and experience of community provision provides vital insight for individuals nearing the end of their treatment.

Newcastle's Outlook service developed its group 'What Women Want' in partnership with Addaction and De Paul UK. This initiative is a women's peer led support group that provides a safe, relaxed and often fun environment for vulnerable women many of whom have problems with homelessness, drugs, alcohol, mental health, domestic violence and offending.

Special and Unusual Areas of Funding

Lifeline formally launched its Manchester based family service 'Lifeline for Anyone Who Cares' on 19 February 2009. The service is wholly funded through private donations and aims to support carers, parents, partners and friends of individuals with substance misuse issues. An in depth article on the service and its creation was featured in the Manchester Evening News (30 March 2009).

Lifeline for Anyone Who Cares Service – launched February 2009

Lifeline's Halifax based Positive Futures service was enhanced by the award of £350k over 2 years from the Department of Children Schools and Families (DCSF) to deliver a pilot project in the Upper Valley area of Calderdale to reduce street drinking and levels of anti-social behaviour and build bridges between young people and their community.

Lifeline's Redcar service secured £7,000 to provide an alternative suite of resources/treatments to cope with the psychological, physical and health aspects of stimulant drug use. This initiative has been well received at a regional level, with interest being shown from a number of partner agencies. Furthermore, the pilot was highlighted at the recent National Drug Treatment Conference (NDTC), where organisers requested Lifeline Redcar to deliver a presentation regarding the innovative nature of the pilot. The presentation was positively received with high levels of interest being shown throughout various partnerships in the country.

Lifeline Middlesbrough secured funding for a two year steroid pilot to develop training packages, engage with steroid users and collate information regarding steroid trends in the area. Agreement was also made with Fulcrum Medical Practice to provide a steroid-specific clinic one evening per week, which as well as offering advice, information and equipment, will enable Lifeline Middlesbrough to offer an extended range of interventions, including Liver Function Tests. The clinic will be operational during the first quarter of 2009-10.

During the year Lifeline's Newcastle Harm Reduction Service relocated to new premises which allowed a number of new initiatives including setting up a stimulant clinic to address the increasing number of stimulants users. A focus of the clinic's work is to enhance awareness and embrace complementary therapies and approaches which have been proven to be beneficial in the management of stimulant use.

Lifeline East Lancashire Young Persons Service successfully applied for funding for a healthy eating project for young people to learn about eating healthily and cooking for themselves and linked in with an allotment project where the young people grew their own vegetables. The young people then made a DVD of the project and worked with the local college to produce and edit this.

During 2008-09 the East Lancashire service also secured funding for a part time worker to be placed within Project Engage, a multi agency team established to respond to sexual exploitation in the area. The project is made up of social workers, the police, a Lifeline Worker, a Sexual Health Worker from Brook Advisory Service, and workers from Barnados. The project has developed a very good reputation for work within the field of sexual exploitation and other agencies are following this example as model of best practice.

East Lancashire also secured £150k from the Parenting Fund over 2 years to enhance its work in parenting and family support.

Lifeline Salford Young Persons service has been particularly successful in drawing down additional funding. Successful bids to New Deal for Communities and Comic Relief resulted in funding of £350,000 over 3 years to develop Hidden Harm and Alcohol services to enhance core activity.

Financial Review

Despite the challenging and uncertain economic climate, Lifeline has, through sound financial management and the support of its staff and volunteers, produced a very positive financial outcome for the year with a net increase in resources (before reserve transfers) of £679,576 (2008: £264,734).

The net increase in resources of £679,576 included a surplus on the disposal of our Portland Street property in Huddersfield of £149,781.

Income during the year amounted to £19,800,880 (2008: £16,359,970) representing a growth of 21% on the previous year. The amount of "Voluntary income" was £152,290 (2008: £85,059) and investment income decreased to £44,040 (2008: £78,819) reflecting the current downturn in the economy.

Income from charitable activity increased by 20% to £19,454,769 (2008: £16,196,092), the majority of which derives from contracts commissioned from a wide spectrum of public bodies. Lifeline's sustained growth has been fuelled by a combination of accepting opportunities to expand on existing service provision, as well as winning new and developing new services aimed at specific needs within communities across the country (See note 3 to the accounts).

Total resources expended during the year amounted to £19,121,304 (2008: £16,095,236) an increase of 19% broadly in proportion with income.

The liquidity of the organisation has further strengthened with cash balances amounting to £1,752,173 (2008: £1,432,866).

Disabled Persons

Lifeline's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitude and abilities. Lifeline meets all legislative requirements, including the Disability Discrimination Act, to ensure equality of access and opportunity regarding recruitment and professional development.

Disabled employees receive appropriate training to promote their career development within the charity and those employees who become disabled are retained wherever possible in their existing posts or retrained for suitable alternative posts.

Plans for 2009-10 and beyond

Lifeline has developed comprehensive business plans at service and corporate level. At a corporate level major plans for 2009-10 include:

- Recruitment of additional Trustees
- Achievement of Investors in People accreditation across Lifeline
- On-going development and review of existing policies
- Recruitment of Clinical Governance lead
- Financial Targets including income growth of 10% and maintaining general reserves

At a service level major plans include:

- Lifeline Hackney to undergo major property redevelopment by taking over 3 additional sites in order to establish a new after care and family service and developing enhanced harm reduction facilities and extending opening times for service users.
- Lifeline Middlesbrough to open up a weekly steroid specific clinic in 2009-10
- Lifeline Kirklees new Alcohol Service to be fully operational during 2009-10
- Piccadilly Project's new contract for Structured Day Programme to be operational in 2009-10.
- Rotherham Tier 2 Alcohol Service to be fully operational in 2009-10

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Structure, Governance and Management

The Board of Trustees (formerly referred to as Members of the Council of Management)

The Board of Trustees is responsible for setting the strategic direction and providing leadership to the organisation.

Trustees are selected on the basis of their relevant skills and undergo a formal induction programme. All Trustees regularly visit Lifeline projects and operational commands, in order to familiarise themselves with the work undertaken in respect of the achievement of Lifeline's charitable objects.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

The full Board of Trustees meets every two months and met formally on 6 occasions during 2008/9 and is supported by the Trustee Management Board, which alternates between the full Board meetings.

Committee Structure

At the start of the year Lifeline had a number of established sub-committees that reported to the Board of Trustees including the Finance Sub-Committee, the Human Resources, Remuneration and Policy Sub-Committee and the Strategy Sub-Committee. These committees looked at relevant detailed issues in order to allow the main Board to concentrate on strategic and higher level issues.

Following a review by Trustees it was felt that governance would be enhanced by consolidating all Sub-Committees into a single Trustee Management Board comprising of a selected number of Trustees who meet every two months. This Board would then report to the main Trustee Board at each full Board meeting.

Management Reorganisation and the Role of Senior Staff

The Board of Trustees delegates the day-to-day running of the organisation to the Chief Executive including the formulation and implementation of appropriate policies.

During the year and following full consultation with Trustees and staff Lifeline's senior management was restructured, leading to the creation of four Heads of Directorate (covering Young Persons, Integrated Services, Adult & Prison Services and Finance and Central Services). The Heads of Directorate now report directly to the Chief Executive.

The Chief Executive attends all Board and Management Board meetings together with the Heads of Directorate. The Chief Executive and Heads of Directorate regularly report on operational matters and the Head of Finance and Central Services Directorate presents a comprehensive report on the financial position including out-turn against budget, management accounts and cash flow forecasts.

Information and Key Reports

An annual budget is prepared each year by the Head of Finance and Central Services Directorate for approval by the Board of Trustees, together with regular financial reports and forecasts, which inform Trustees of financial performance.

Management information and performance analysis is continually reviewed in order to ensure that the Board of Trustees receives adequate and appropriate information. At each Board meeting it is common for senior members of staff with different operational areas of responsibility to attend and give a presentation to Trustees on various topics. This ensures that Trustees are kept fully abreast of developments and opportunities, and enables senior staff to have regular contact with Trustees.

Reports on bidding activity are now a fixed agenda items at Board meetings, informing Trustees of bids for new work made or ones that are in progress. This ensures that Trustees are fully aware of developments in this important area and allows monitoring of Lifeline's strategic aim of service growth.

Reserves Policy

Following the Trustees' adoption of Lifeline's medium term financial strategy, the target for free reserves was revised to achieve a level of general free reserves equal to £1 million which, it was felt, would ensure that the core activities of the charity are secure, as well as the overall financial position.

Trustees have set a current target for general reserves of £1 million. As at 31 March 2009 general reserves were £998,753.

LIFELINE PROJECT (A company limited by guarantee)

Total Reserves as at 31 March 2009 were £2,950,586 of which £69,818 was classified as restricted.

The target level of general free reserves is reviewed regularly by Trustees to ensure that the target is appropriate. Reserves are held to enable Lifeline to discharge its commitments to its stakeholders and in particular such commitments reflect:

- The need to cover predominant financial risks of the organisation
- The need to maintain operational working capital
- The need to provide funds for developing existing and new services

A summary of the year-end reserve position is shown below

Investment Policy

The majority of Lifeline's income results from contracts for the provision of services, and therefore resources are not available to enter into long-term investments. When available, surplus cash is invested in money market accounts to earn additional investment income however during 2008-09 investment income fell to £44,040 reflecting the current economic climate.

Management of Key Risks

Lifeline's policy with regard to risk identification, assessment and management is now embedded and regularly reviewed. Trustees have overall responsibility for ensuring that the charity has proper systems in place to identify and manage the organisation's major strategic, financial and operational risks.

Trustees and senior management ensure that such risks are regularly reviewed and appropriate actions taken, where possible, to mitigate the probability and impact of these risks.

The major financial risk for Lifeline is the extent of reliance placed on major contracts from commissioners. Lifeline continues to monitor and mitigate these risks wherever possible and adheres to Charity Commission Guidance (CC37 – Charities & Public Service Delivery).

Lifeline manages its cash flow through close monitoring of liquidity and cash flow forecasts are regularly reported to Trustees.

Trustees have assessed the relevant major risks to which Lifeline is exposed and are satisfied that systems are in place to mitigate the effects of these risks. The Board of Trustees receives regular advice from their solicitors in connection with compliance with law and regulation and the solicitor attends Board meetings as and when required.

LIFELINE PROJECT (A company limited by guarantee)

Trustees' Responsibilities

The Board of Trustees are the directors for the purposes of company law, which requires them 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 net income or expenditure 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
- 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.

The directors also confirm that, as far as they are aware, there is no relevant audit information of which the charity's auditors are unaware and they have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Public Benefit Statement

The Trustees confirm they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit 'Charities and Public Benefit'.

Lifeline's charitable mission is to 'relieve poverty, sickness and distress among those persons affected by addiction to drugs of any kind and to educate the public on matters relating to drug misuse'. The Trustees ensure that this purpose is carried out for the public benefit by delivering such services that are valued by service users and commissioners.

Lifeline's services are available to everyone and are provided free to beneficiaries at the point of need.

Appointment of Auditors

A resolution to reappoint Mazars LLP as auditors to the Company will be proposed at the Annual General Meeting in December 2009.

Signed on behalf of the Board of Trustees

 2/9/09

Signed
D Iredale
Trustee

Independent auditors' report to the Members of Lifeline Project Limited

We have audited the financial statements of Lifeline Project Limited for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the 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 company's members those matters we are required to state to them 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Trustees' Responsibilities, the directors, who also act as trustees of Lifeline Project Limited, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the 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 transactions with the charity is not disclosed.

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

Basis of audit opinion

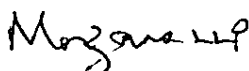
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.



Mazars LLP
Chartered Accountants and Registered Auditors
Merchant Exchange
Whitworth Street
Manchester
M1 5WG
21.9.09

LIFELINE PROJECT (A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	General Funds 2009 £	Designated Funds 2009 £	Restricted Funds 2009 £	Total 2009 £	Total 2008 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Donations	2	16,431	-	135,859	152,290	85,059
Activities for generating funds:						
Investment income and interest		44,040	-	-	44,040	78,819
Incoming resources from charitable activities	3	19,454,769	-	-	19,454,769	16,196,092
Other Incoming Resources		149,781	-	-	149,781	-
Total incoming resources		<u>19,665,021</u>	<u>-</u>	<u>135,859</u>	<u>19,800,880</u>	<u>16,359,970</u>
Resources expended						
Charitable activities	4	18,635,086	371,447	83,741	19,090,274	16,047,890
Governance costs	5	31,030	-	-	31,030	47,346
Total resources expended		<u>18,666,116</u>	<u>371,447</u>	<u>83,741</u>	<u>19,121,304</u>	<u>16,095,236</u>
Net incoming/(outgoing) resources before transfers	6	998,905	(371,447)	52,118	679,576	264,734
Transfers	15	(898,624)	898,624	-	-	-
Net incoming resources for the year		<u>100,281</u>	<u>527,177</u>	<u>52,118</u>	<u>679,576</u>	<u>264,734</u>
Balance brought forward at 1 April 2008	15	<u>898,472</u>	<u>1,354,838</u>	<u>17,700</u>	<u>2,271,010</u>	<u>2,006,276</u>
Balance carried forward at 31 March 2009	15	<u>998,753</u>	<u>1,882,015</u>	<u>69,818</u>	<u>2,950,586</u>	<u>2,271,010</u>

The statement of financial activities includes all gains and losses recognised in the year.

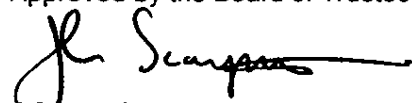
All incoming and expended resources derive from continuing activities.

LIFELINE PROJECT (A company limited by guarantee)

**BALANCE SHEET
AS AT 31 MARCH 2009**

	Notes	2009 £	2008 £
Fixed assets	9	1,286,475	1,264,493
Current assets			
Stock		43,691	41,376
Debtors	10	2,985,258	2,929,491
Cash at bank and in hand		1,752,173	1,432,866
		4,781,122	4,403,733
Creditors: amounts falling due within one year	11	(2,882,551)	(3,145,664)
Net current assets		1,898,571	1,258,069
Total assets less current liabilities		3,185,046	2,522,562
Creditors: amounts falling due after more than one year	12	(234,460)	(251,552)
Net assets		2,950,586	2,271,010
Unrestricted funds	15		
Designated funds		1,882,015	1,354,838
General funds		998,753	898,472
		2,880,768	2,253,310
Restricted funds	15	69,818	17,700
		2,950,586	2,271,010

Approved by the Board of Trustees and signed on their behalf by:



J. Scampion
Chair

2/9/09

LIFELINE PROJECT (A company limited by guarantee)**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 £	2008 £
Operating activities			
Net incoming resources		679,576	264,734
Surplus on disposal of property		(149,781)	-
Investment income and interest		(44,040)	(78,819)
Interest paid		15,865	21,013
Depreciation		344,432	235,390
Cash (outflow)/inflow from movements in stock		(2,315)	1,306
Cash (outflow) from movements in debtors		(108,449)	(875,459)
Cash (outflow)/inflow from movements in creditors		(263,113)	173,603
Cash flows from operating activities		472,175	(258,232)
Returns on investment and servicing of finance			
Investment income and interest		44,040	78,819
Interest paid		(15,865)	(21,013)
Cash inflow from returns on investments and servicing of finance		28,175	57,806
Capital expenditure			
Payments to acquire tangible fixed assets		(366,414)	(295,051)
Proceeds from property held as current asset		202,463	-
Cash outflow from capital expenditure		(163,951)	(295,051)
Cash inflow/(outflow) before financing		336,399	(495,477)
Financing			
Bank loan paid	17	(17,092)	(11,719)
Cash inflow from financing		(17,092)	(11,719)
Increase/(Decrease) in cash in the year	17	319,307	(507,196)

**Notes to the Financial Statements
for the year ended 31 March 2009**

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in March 2005 (SORP 2005) and applicable accounting standards.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

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) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Incoming resources from charitable activities, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

d) Resources expended

Resources expended are recognised on an accruals basis as a liability is incurred. Resources expended include any VAT which cannot be fully recovered, and are reported as part of the expenditure to which they relate.

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.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of staff resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to the strategic management of the charity.

e) Fund accounting

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

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

LIFELINE PROJECT (A company limited by guarantee)

Notes to the Financial Statements for the year ended 31 March 2009

continued...

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 financial statements.

f) Tangible fixed assets and depreciation

Tangible fixed assets that have been acquired for annual or short term funded projects are written off in the year of acquisition, apart from land and buildings.

In general, tangible fixed assets with a cost over £500 and all vehicles are capitalised in the financial statements, and are stated at cost less depreciation. Depreciation has been provided at rates calculated to write off the cost less residual value over their expected useful lives as follows:

Freehold property	4%	straight line
Property improvements	20%	straight line
Computer equipment	33%/100%	straight line
Vehicle	25%	straight line
Leasehold improvements		over the term of the lease

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 statement of financial activities as they become payable in accordance with FRS17.

i) Leasing

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

2. Donations

	Unrestricted	Restricted	2009 Total	2008 Total
	£	£	£	£
General donations	16,431	-	16,431	24,657
Lifeline for Anyone	-	35,505	35,505	20,202
Comic Relief	-	100,354	100,354	40,200
	<u>16,431</u>	<u>135,859</u>	<u>152,290</u>	<u>85,059</u>

**Notes to the Financial Statements
for the year ended 31 March 2009****3. Incoming resources from charitable activities**

	Unrestricted	Restricted	2009 Total	2008 Total
	£	£	£	£
Substance misuse services	19,139,809	-	19,139,809	15,783,140
Educational publications, information, research, training and consultancy	314,960	-	314,960	412,952
	<u>19,454,769</u>	<u>-</u>	<u>19,454,769</u>	<u>16,196,092</u>

Substance misuse services - income received for delivering a service to assist persons and their families and dependants affected by the misuse of drugs. Fees were received as follows:

	2009 £	2008 £
HM Prison Service	5,547,501	5,157,473
Kirklees PCT	4,426,850	3,782,239
Hackney Council	1,435,333	-
Manchester City Council	1,382,161	1,223,875
London Borough of Tower Hamlets	1,230,935	1,015,760
Kirklees Metropolitan Borough Council	649,572	711,941
Calderdale Safer & Stronger/Calderdale PCT	550,695	523,939
Safer Newcastle Drug Support Unit	471,886	384,434
Blackburn & Darwen PCT	404,350	246,255
Sunderland Safer Communities Drug Team	379,000	221,500
Job Centre Plus	328,465	353,558
Safer Leeds Community	320,000	315,000
Bradford & Airedale PCT	276,526	238,627
Safer Middlesbrough Partnership	265,407	222,278
Enfield Council	242,504	243,674
Salford Council	216,042	188,349
Redcar & Cleveland PCT	201,878	-
Tameside Metropolitan Borough Council	175,875	151,321
Others	634,829	802,917
	<u>19,139,809</u>	<u>15,783,140</u>

Sales income

Income received from publication sales and the provision of training and consultancy.

4. Resources expended - cost of activities in furtherance of the charity's objects

	Direct costs £	Support costs £	2009 £	2008 £
Substance misuse services	17,426,914	1,332,520	18,759,434	15,698,304
Educational publications, information, research, training and consultancy	311,628	19,212	330,840	349,586
	<u>17,738,542</u>	<u>1,351,732</u>	<u>19,090,274</u>	<u>16,047,890</u>

LIFELINE PROJECT (A company limited by guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2009**

5. Governance costs

	2009	2008
	£	£
Legal and professional fees	-	20,129
Travel	1,106	1,671
Insurance	11,185	10,121
Room hire and accommodation	3,789	3,412
Auditors' remuneration - statutory audit	14,950	12,013
	<u>31,030</u>	<u>47,346</u>

6. Net incoming resources

	2009	2008
	£	£
This is stated after charging/(crediting):		
Depreciation	344,432	235,390
Operating lease rentals – land and buildings	413,007	348,334
Operating lease rentals – other	72,307	39,356
Surplus on disposal of property	(149,781)	-
Loan interest paid	15,865	21,013
Trustees' indemnity insurance	11,185	10,121
Auditors' remuneration – audit services	14,950	12,013
– other services	4,160	-
	<u>646,961</u>	<u>666,227</u>

7. Staff costs and numbers

<i>Staff costs</i>	2009	2008
	£	£
Wages and salaries	12,704,035	11,109,595
Social security costs	1,261,386	1,094,141
Pensions	502,133	435,998
	<u>14,467,554</u>	<u>12,639,734</u>

Employee emoluments over £60,000

	2009	2008
	No.	No.
Salary £60,000 to £70,000	-	2
Salary £70,000 to £80,000	1	-
Salary £80,000 to £90,000	1	1

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 £502,133 (2008 - £435,998). Contributions totalling £62,731 (2008 - £48,347) were payable to the fund at the year end.

LIFELINE PROJECT (A company limited by guarantee)

Notes to the Financial Statements for the year ended 31 March 2009

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

	2009	2008
Project activities	514	465
Management and policy development	3	3
Administration	11	10
	<u>528</u>	<u>478</u>

Directors' expenses

Expenses of £926 (2008 - £1,637) were reimbursed to five directors (2008 – nine) during the year. No remuneration was paid to any director during the year.

8. Taxation

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

9. Fixed assets

	Leasehold Improvements £	Freehold Property £	Property Improvements £	Computer Equipment £	Vehicle £	Total £
<u>Cost</u>						
At 1 April 2008	226,599	853,557	161,273	981,164	26,253	2,248,846
Additions during the year	-	-	185,472	180,942	-	366,414
At 31 March 2009	<u>226,599</u>	<u>853,557</u>	<u>346,745</u>	<u>1,162,106</u>	<u>26,253</u>	<u>2,615,260</u>
<u>Depreciation</u>						
At 1 April 2008	67,701	102,427	63,790	730,746	19,689	984,353
Charge for the year	36,581	34,142	69,348	197,797	6,564	344,432
At 31 March 2009	<u>104,282</u>	<u>136,569</u>	<u>133,138</u>	<u>928,543</u>	<u>26,253</u>	<u>1,328,785</u>
<u>Net Book value</u>						
At 31 March 2009	<u>122,317</u>	<u>716,988</u>	<u>213,607</u>	<u>233,563</u>	<u>-</u>	<u>1,286,475</u>
At 31 March 2008	<u>158,898</u>	<u>751,130</u>	<u>97,483</u>	<u>250,418</u>	<u>6,564</u>	<u>1,264,493</u>

10. Debtors

	2009 £	2008 £
Trade debtors	24,319	70,656
Other debtors	2,802,546	2,753,825
Prepayments	158,393	105,010
	<u>2,985,258</u>	<u>2,929,491</u>

LIFELINE PROJECT (A company limited by guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2009****11. Creditors: amounts falling due within one year**

	2009	2008
	£	£
Trade creditors	265,291	294,329
Other taxes and social security	378,703	326,191
Accruals	269,547	116,950
Deferred income (note 13)	1,949,010	2,388,194
Bank loan	20,000	20,000
	<u>2,882,551</u>	<u>3,145,664</u>

In the previous year, the charity negotiated an overdraft facility with its bankers. This facility has a limit of £450,000 and has not been utilised during the year. If used, the facility is secured on the charity's debtors.

12. Creditors: amounts falling due after more than one year

	2009	2008
	£	£
Bank loan	<u>234,460</u>	<u>251,552</u>
	2009	2008
	£	£
Analysis of debt maturity – bank loan:		
In one year or less	20,000	20,000
In more than one year but not more than two years	20,000	20,000
In more than two years but not more than five years	60,000	60,000
After five years	154,460	171,552
	<u>254,460</u>	<u>271,552</u>
Included in current liabilities	(20,000)	(20,000)
	<u>234,460</u>	<u>251,552</u>

The bank loan is secured by a first legal charge on the freehold property, 3 Wellington Street. The loan is for the period of 15 years to June 2020 bearing an interest rate of 2% per annum over the bank's base rate.

**Notes to the Financial Statements
for the year ended 31 March 2009****13. Deferred income**

	2009 £	2008 £
Balance at 1 April 2008	2,388,194	2,117,511
Fees received	18,700,625	16,053,823
Released to statement of financial activities	(19,139,809)	(15,783,140)
	<u>1,949,010</u>	<u>2,388,194</u>
Balance at 31 March 2009	<u>1,949,010</u>	<u>2,388,194</u>
Deferred income	24,567	302,630
Amounts invoiced in advance	1,924,443	2,085,564
	<u>1,949,010</u>	<u>2,388,194</u>
Balance at 31 March 2009	<u>1,949,010</u>	<u>2,388,194</u>

14. Analysis of net assets between funds

	Designated Funds £	General Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,286,475	-	-	1,286,475
Current assets	850,000	3,861,304	69,818	4,781,122
Current liabilities	(20,000)	(2,862,551)	-	(2,882,551)
Long term liabilities	(234,460)	-	-	(234,460)
	<u>1,882,015</u>	<u>998,753</u>	<u>69,818</u>	<u>2,950,586</u>

LIFELINE PROJECT (A company limited by guarantee)

Notes to the Financial Statements for the year ended 31 March 2009

15. Movement of funds

	1 April 2008 £	Incoming Resources £	Outgoing Resources £	Transfers £	31 March 2009 £
Restricted funds:					
Lifeline for Anyone	7,277	35,505	(15,644)	-	27,138
Comic Relief - Salford	10,423	37,850	(36,780)	-	11,493
Comic Relief – Tameside	-	40,759	(31,317)	-	9,442
Comic Relief – Leeds	-	21,745	-	-	21,745
	<u>17,700</u>	<u>135,859</u>	<u>(83,741)</u>	<u>-</u>	<u>69,818</u>
Unrestricted funds:					
General funds	898,472	19,665,021	(18,666,116)	(898,624)	998,753
Designated fixed asset funds	1,045,623	-	(344,432)	330,824	1,032,015
Designated project funds	309,215	-	(27,015)	567,800	850,000
	<u>2,253,310</u>	<u>19,665,021</u>	<u>(19,037,563)</u>	<u>-</u>	<u>2,880,768</u>
Total funds	<u>2,271,010</u>	<u>19,800,880</u>	<u>(19,121,304)</u>	<u>-</u>	<u>2,950,586</u>

Purposes of restricted funds:

Lifeline for Anyone

Funding received to develop 'Lifeline for anyone' support service for parents, partners and carers.

Comic Relief

Funding received from Comic Relief to develop and deliver specific alcohol services for young people in Salford, Tameside and Leeds.

Purposes of designated funds:

Fixed Asset funds

The designated assets funds represent the net book value of fixed assets owned by Lifeline Project less any restricted funds and loans relating to these assets.

Project funds

The designated project funds represent funds as yet unspent which relate to particular projects.

16. Financial commitments

At 31 March 2009 the charity had annual commitments under the non-cancellable operating leases which expire as follows:

	Land and buildings 2009 £	Other 2009 £	Land and buildings 2008 £	Other 2008 £
Less than one year	22,500	21,376	34,185	12,095
Between two and five years	306,654	50,931	267,293	31,484
In over five years	124,742	-	45,250	-
	<u>453,896</u>	<u>72,307</u>	<u>346,728</u>	<u>43,579</u>

LIFELINE PROJECT (A company limited by guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2009**

17. Analysis and reconciliation of funds

	At 1 April 2008	Cash flow	At 31 Mar 2009
	£	£	£
Cash	1,432,866	319,307	1,752,173
Bank loan	(271,552)	17,092	(254,460)
	<u>1,161,314</u>	<u>336,399</u>	<u>1,497,713</u>
		2009	2008
		£	£
Net funds at 1 April 2008		1,161,314	1,656,791
Cash flow in period		319,307	(507,196)
Bank loan paid/(received)		17,092	11,719
Net funds at 31 March 2009		<u>1,497,713</u>	<u>1,161,314</u>