

Financial Statements

For the year ended 31 March 2015

Lifeline Project

A company limited by guarantee and not
having share capital

Company No: 1842240
Registered Charity No: 515691
Scottish Registered Charity Number SCO45486

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Lifeline Project Ltd
Registered Charity Number 515691 (Scotland SCO45486)

Objectives

The objectives 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.

Mission, Vision and Values

Lifeline's objectives are achieved through its stated Mission, Vision and Values:

Mission Statement - (why we exist)

We work with individuals, families and communities to prevent and reduce harm, promote recovery and challenge the inequalities linked to alcohol and drug misuse.

Vision Statement - (what we aspire to be)

Our vision is to provide alcohol and drug services that we are proud of; services that value people and achieve change.

Values Statement - (the behaviours that guide us)

Lifeline has four core values, namely:

Improving Lives

We believe in real and sustained change for individuals, families and communities. We build change through responsive local services, where every engagement counts towards a meaningful individual recovery experience.

Effective Engagement

We are connected to our stakeholders. We listen and respond to our beneficiaries, partners, communities and workforce in order to continually improve services, experiences and outcomes.

Exceeding Expectations

We have high expectations of what our beneficiaries and workforce can achieve together. We demonstrate this commitment through our work on customer service, diversity, leadership, and performance.

Maintaining Integrity

We are honest and realistic about the multiple issues that contribute to alcohol and drug misuse. This pragmatic and understanding approach helps us in our work to overcome these challenges and develop practical solutions together.

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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.

Registered Charity number (England & Wales): 515691.

Registered Charity number (Scotland): SCO45486 (Registered 14 March 2015).

Registered 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 2006. 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 Davy Iredale (Chair)
- Ms Jocelyn Jean-Pierre
- Ms Susan Ramprogus
- Mr Nigel de Noronha
- Ms Claire Evans
- Mr Michael Atkinson (Appointed 10 December 2014)
- Mr Michael McCarron (Appointed 10 December 2014)

Chief Executive and Company Secretary

Ian J Wardle
Registered office
Unit 14/15, Third Floor
12 Hilton Street
Manchester
M1 1JF

Auditor

BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT

Bankers

National Westminster Bank Plc, 115 Deansgate, Manchester, M3 2NW

Solicitors

Taylor, 80 Mosley Street, Manchester, M2 2AS
Hill Dickinson, 50 Fountain Street, Manchester M2 2AS

Trustees' Annual Report (continued)

Introduction

Lifeline Project Ltd has provided a range of drug and alcohol services since its original foundation in 1971 as a Manchester-based day centre for drug users. The organisation has become one of the largest charities working within the field of substance misuse, delivering services throughout England (and Scotland since April). 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 providing services that support both direct clients and the broader population whose lives are affected by drugs. Our reputation is underpinned by a commitment to an independent and broad based knowledge sector that incorporates research, policy review and new media technology.

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

Charitable Objectives, Mission, Vision and Values

Lifeline's core 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. In response to new and emerging markets in the Health sector that are now featuring as part of 'traditional' substance misuse contracts Lifeline has extended its core objectives in the year to cover wellbeing and lifestyle activity such as obesity and smoking cessation.

Lifeline's overarching aim is to deliver attractive, effective and relevant 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. We place strong emphasis on working collaboratively with clients, 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 strategy and objectives each year looking at the achievements and outcomes of our key activities and the benefits that these have brought to the beneficiaries we have been set up to serve. In general, Lifeline's services convey substantial 'public benefit' which includes:

- Environmental improvements through needle exchange services that reduce the number of used needles found on the streets
- Recovery-focussed provision that contributes to reduced drug related crime and anti-social behaviour
- Outreach and harm reduction services which give out condoms and provide advice and screening on Blood Borne Virus (BBV) which contributes to a decrease in the transmission of sexually transmitted diseases and BBV
- Harm reduction and relapse prevention interventions, reducing overdose and drug related deaths
- Specialist alcohol work, supporting reductions in alcohol related crime and improving health and wellbeing, including contribution to reductions in alcohol related hospital admissions
- Raising public awareness and knowledge of drug issues and services
- Provide a welcoming and positive environment for clients which contributes to better outcomes of treatment and provide access to clear pathways into sustainable recovery including education, training and employment opportunities

Mission, Vision and Values

Mission Statement - (why we exist)

We work with individuals, families and communities to prevent and reduce harm, promote recovery and challenge the inequalities linked to alcohol and drug misuse.

Vision Statement - (what we aspire to be)

Our vision is to provide alcohol and drug services that we are proud of; services that value people and achieve change.

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Lifeline has four core values, namely:

Improving Lives

We believe in real and sustained change for individuals, families and communities. We build change through responsive local services, where every engagement counts towards a meaningful individual recovery experience.

Effective Engagement

We are connected to our stakeholders. We listen and respond to our beneficiaries, partners, communities and workforce in order to continually improve services, experiences and outcomes.

Exceeding Expectations

We have high expectations of what our beneficiaries and workforce can achieve together. We demonstrate this commitment through our work on customer service, diversity, leadership, and performance.

Maintaining Integrity

We are honest and realistic about the multiple issues that contribute to alcohol and drug misuse. This pragmatic and understanding approach helps us in our work to overcome these challenges and develop practical solutions together.

Trustees' Annual Report (continued)

Strategic Report 2014/15

Principal Achievements

(1) Improving Lives

Review of Services

Our core value is to aim to promote real and sustained change for individuals, families and communities. We build change through responsive local services, where every engagement counts towards a meaningful individual recovery experience.

Lifeline Project operates on a nationwide basis to support adults, young people, families and communities affected by drugs and alcohol. Lifeline's scope is extensive and currently covers over 75 services throughout England. In 2014/15 Lifeline commenced its first service in Scotland.

The following examples provide a brief flavour of the geographical spread of Lifeline services and how they improve lives through the activity delivered and the outcomes achieved.

Tower Hamlets Young Persons Service: The new contract commenced on 1 April 2014 and continued to build on previous improvements in delivery and exceeded its target of 160 clients in treatment.

Greenwich: Lifeline's new service 'BaSIS' was commissioned by the Royal Borough of Greenwich from 1st April 2014 to provide a new free and confidential service for non-dependent alcohol and drug users in the Borough with a particular emphasis on shorter treatment journeys. The new service delivers brief interventions and works with clients whose treatment journey is expected to be less than 12 weeks treatment. Actual numbers in treatment saw an overall number of service users of 1,785 individuals.

Manchester's Eclipse Service: During 2014/15 the service engaged with 738 young people and worked with 72 families. The service also delivered professional training to 473 fellow professionals throughout the year enhancing professional awareness with regard to early screening and assessment, harm reduction and drug awareness.

Oxford: During the year the service engaged with 1,137 Service Users and 144 Service Users newly achieved abstinence. A further 32 Service Users were able to gain employment and 30 Service Users started education and training.

North Yorkshire: Since the Recovery & Mentoring service was commissioned in October 2014, it has increased peer led recovery support groups from 3 per week to over 45 per week covering 'hard to reach' rural areas such as Betham, Settle, Pickering, Malton, Ripon, Sherburn, and Knaresborough. Groups have seen over 3,111 attendees during the first 6 months. Since October the service has provided advice and support to 1,947 parents, carers and professionals.

Rotherham: The Alcohol Service provides the community with vital support and has a highly visible profile within the area, offering support to groups in the town centre, the Eastwood Maltby and Dinnington areas. Nearly 10,000 individuals were the recipients of advice and guidance around alcohol use in the borough of Rotherham which amounts to 5% of the adult population of the town.

Newcastle Harm Reduction Service: During the year the service saw steady growth in activity with 14,478 individual client visits to the service (2014 – 14,322), which involved 102,396 completed interventions (2014 – 99,651). The return rate for equipment improved significantly resulting in lower levels of drug related litter in the community.

Newcastle Outlook Service: The service delivered over 3,000 structured psychosocial and recovery support interventions and worked with over 150 different clients.

Redcar: During the year the Prevention service saw an increase in service users of 42% to 357 as at March 2015. The services work around BBV Evaluation and Testing was restructured and the new integrated approach has led to a positive impact on the performance targets. In 2013-14, Lifeline carried out 130 BBV tests on 117 Service Users (with 13 Service Users receiving second tests within 12 months). In 2014-15 Lifeline carried out 318 tests on 295 Service Users (with 23 receiving second test within 12 months).

Sunderland: The service had an average of a 78% successful completion rate for all service-users undergoing psychosocial interventions successfully. The service's work done with parents provided a basis for rebuilding stable and positive relationships with their children.

Bradford: During the year, Lifeline Bradford's Piccadilly Project saw 94% of clients completing planned discharges were alcohol free (or had reduced alcohol consumption) and 93% of clients with planned exits from treatment reported improved social and psychological functioning.

Service Growth and Sustainability

Service growth and sustainability is critical to Lifeline's success and it is through this growth that Lifeline can achieve its charitable objectives and maintain the financial resources which underpin its stability. The year has been very successful in growth terms with a total of 13 new contracts won (with an approximate annual value of £23.4m) as detailed in the table below:

Contracts Awarded in 2014/15			
Service	Location	Approximate Annual Contract Value	Contract Start Date
Drug and Alcohol Psychosocial Services	HMP Feltham	£250,000	01/07/2014
Adult Substance Misuse Treatment System & Recovery Service	North Yorkshire	£750,000	01/10/2014
Adult Drug & Alcohol Recovery Treatment System	Hull	£3,700,000	01/10/2014
Young People's Specialist Substance Misuse Service	Nottingham	£312,000	01/10/2014
Non Clinical Substance Misuse Services	North East Prisons	£3,467,000	01/04/2015
Adult & Young Persons Substance Misuse Recovery Service	Hartlepool	£1,190,000	01/04/2015
Prison Substance Misuse Service	HMP Manchester HMP Buckley Hall	£1,825,000	01/04/2015
Lewisham Young Persons	London	£431,000	01/04/2015
Young Persons Drugs, Alcohol and Tobacco Prevention and Treatment Service	Calderdale	£370,000	01/04/2015
Integrated Drug and Alcohol Service for Adults and Young People	Durham	£5,596,000	01/04/2015
Substance Misuse Housing Support	Leicester	£95,000	01/04/2015
Substance Misuse Services - HMP Hull Humber & Full Sutton	Hull & Humber	£1,913,000	01/06/2015
Tameside Integrated Recovery Services	Tameside	£3,600,000	01/08/2015
Total value:		£23,499,000	

During the year, the transfer of the services of provided by Hambleton & Richmondshire Community Addiction Service (HARCAS – Company Number 6074078 and charity number 1124000) was completed and all HARCAS assets and liabilities were transferred to Lifeline on 2 February 2015.

Effective Engagement

Our core value is to connect to our stakeholders. We listen and respond to our beneficiaries, partners, communities and workforce in order to continually improve services, experiences and outcomes.

Engagement with clients is integral to our service provision and provides vital feedback that enables services to maintain high standards in terms of relevance and quality.

Some examples of engagement and feedback during 2014/15 include:

York: The Young People's Team delivered targeted workshops on substance misuse to 2,148 young people in the City and developed a fun, interactive and informative approach that educates Young People on how they can access services and what they need to know about drugs to make safe and informed choices. In response to the increased levels of New Psychotic Substances (NPS – 'legal highs') used, the Young People's Team designed and delivered specific NPS training session to key professional agencies in the city.

Redcar: In the Redcar service, a lending library has been set up to encourage increased engagement with the service and improve Service Users' literacy and foster community cohesion.

Staffordshire Prisons: At the end of the year there were 878 service users actively engaged with the service across the 6 Staffordshire prisons. The service conducted 6,234 structured one-to-one interventions and 1,268 group work sessions with 7705 clients attending. The year saw 355 clients successfully completing treatment which represents an average of 30 successful completions per month (2013-14 average monthly successful completions was 22) .

Edinburgh: The Edinburgh & Midlothian Offenders Recovery Service (EMORS) started during the year with its aim of providing a seamless pathway system (i.e. use of the same service and key worker for individual clients) throughout the criminal justice system is now being achieved and has been well received by clients. At any time EMORS works with in excess of 250 clients across both the prison and community, providing structured substance misuse interventions in HMP Edinburgh and support to reintegrate into the community on release from prison. The service has provided gate pickups and through care support to individuals returning from HMP Edinburgh, HMP Barlinnie, HMP Corton Vale HMP Addiewell and HMP Shotts. Within HMP Edinburgh we provide an average of 10 group work sessions per week. The service has also provided 4 NPS education and information sessions to prison officers and inmates.

HMP Leeds: Drug Free January was an initiative introduced at HMP Leeds to challenge inmates to be drug free or commence a detox programme. Participants signed up to a compact agreeing to access support and to be drug tested and 58 participants were drug free for the month.

Calderdale: During Alcohol Awareness Week, the Branching Out service participated in a number of events including radio interviews to promote the service and raise awareness of Alcohol issues. The service was also present at the Road Traffic Collision Roadshow to promote Alcohol awareness in respect of road safety – this event was attended by over 1,000 six form students.

Kirklees: The On TRAK alcohol service have worked in partnership with EVOLVE to offer women offenders who may never have previously accessed alcohol treatment services support and advice and discuss in relaxed informal environment any concerns they have about their alcohol use, or just learn more about how their drinking may impact their long term health, and find ways to reduce this.

(2) Exceeding Expectations

Our core value is our commitment to realising high expectations of what our beneficiaries and workforce can achieve together. We demonstrate this commitment through our work on customer service, diversity, leadership, and performance.

UK Recovery Walk 2014: In September, Lifeline were the lead sponsors of the UK Recovery Walk held in Manchester. The event saw over 8,000 people come together to celebrate the achievements of individuals in recovery and acknowledge the work of prevention, treatment, and recovery service providers and commissioners. For 2015 Lifeline will be the main sponsor of the 2015 Recovery Walk to be held in Durham.

Redcar: The service has an established Redcar Choir and Music group which is held weekly for service users. The group enables service users to 'feel part of something positive' and 'boost mood and confidence'. The group have performed at various public events and are currently rehearsing new material for the 2015 Recovery Walk in Durham.

HMP Durham: The service organised a very successful recovery event in HMP Durham Chapel to celebrate recovery and cover emerging themes such as Novel Psychoactive Substances and SMART Recovery. The event included shares and success stories from internal and external clients and an excellent performance from a student acting group formed specifically for the event.

HMYOI Deerbolt: Deerbolt held a Recovery Week in June, which incorporated a number of events including a very popular series of exercise sessions, 'Insanity Training' delivered by a local personal trainer open to all service users on the Recovery Wing. The training sessions were followed by a healthy eating class, which included service users designing and making healthy wraps. An organisation called Tough Talk (a recovery based organisation) was also invited to share experiences and deliver sessions around body building and weight lifting, which was very popular.

Care Quality Commission (CQC): Under the Health and Social Care Act 2008, all providers of health and social care services must register with the Care Quality Commission (CQC). At the end of March 2015, Lifeline had 30 services registered with CQC, compared to 26 at the beginning of the year. During the year no Lifeline services experienced an inspection by the CQC which was largely due to the fact that CQC have been developing and implementing a new approach to regulating and inspecting substance misuse services over the course of the year. Lifeline was involved in consultations regarding CQC's new approach and trustees and staff have been briefed regularly on relevant developments.

HMP/YOI Isis: In October, Lifeline's Transform service was the first in the Southern Directorate to obtain national quality standard accreditation as an approved provider for all types of mentoring and befriending projects.

York: For the second year in a row the service entered a team (Row to Recovery) in the annual York Boat Race which served to raise the profile of the service and the challenges associated with alcohol and drug misuse.

(3) Maintaining Integrity

Our core value is that we are honest and realistic about the multiple issues that contribute to alcohol and drug misuse. This pragmatic and understanding approach helps us in our work to overcome these challenges and develop practical solutions together.

Lifeline's original philosophy and mission was that of 'telling the truth about drugs' and developing services that educate and provide a practical response to substance misuse issues.

Manchester: Lifeline's Recovery service maintained a close partnership with Manchester Metropolitan University through the design and development of a bespoke drug awareness programme which aimed at raising awareness of substances such as cannabis, alcohol and New Psychoactive Substances (NPS - 'Legal Highs'). The 7 week course is open to all students and focuses on specific theme and topics, including:

- Helping students come to terms with drug and substance misuse issues;
- Building awareness of the short and long term effects of substance misuse;
- Detailed investigation into specific drugs and risks surrounding misuse;
- An opportunity to reflect on their individual role as students in responding to issues that substance misuse poses;
- Harm reduction advice regarding NPS, and acknowledging the lack of accurate information.

Redcar: It is accepted that both alcohol and illicit drugs are among the top ten risk factors for mortality and morbidity in Europe (European Commission, 2006) and, accordingly, substance misuse by older people is now a growing public health problem. The Redcar service has been given funding to recruit a dedicated Older Persons Substance Misuse Worker. This is a joint piece of work that Lifeline are conducting with Teesside Age UK and the worker will address specific health and lifestyle choices facing these service users.

Stockton: The service is currently building links to Royal British Legion and, during the year, a presentation event was held and it is planned to hold drop in advice sessions for ex forces personnel. The service is also developing links with Justice First (an organisation that works with asylum seekers) to explore what outreach service could be provided.

York: The service introduced the Substance Misuse Development Programme (SMDP) which was created for students in the city with the intention of increasing their understanding of our services and the issues we deal with and potentially developing a workforce for the future. The first recruitment drive attracted 33 applications, of which 27 were interviewed, and accepted 12 on to the programme. The students recruited are highly capable and potentially future employees with Lifeline. There is significant potential for the SMDP to dramatically increase awareness and improve the calibre and capabilities of staff that we attract across Lifeline.

Calderdale: The Branching Out service supported by Ryburn Valley High School produced an educational DVD for year 10 and above pupils. This DVD, aimed at young people, explored the risks of alcohol and was funded through Big Lottery and Calderdale and Huddersfield Foundation Trust. To date the DVD has been shown to 1,135 young people in the 3 month period from January to March 2015. At all showings Lifeline staff were present to introduce and discuss the issues raised. The DVD has now been screened in classes, full year assemblies and smaller groups of harder to engage groups of young people.

HMP Wealstun: In August 2014, Steroid Awareness sessions were held and attended by 40 prisoners with very positive feedback that resulted in a more open approach to discussing and talking about steroid issues.

Kirklees: Kirklees College have invited Lifeline to be a delivery partner of a pilot project sponsored by the Department for Business Innovation and Skills (BIS) and supported by the Department of Health and National Health Service (NHS). The purpose of the project is to develop, deliver and evaluate educational approaches to support recovery from mental health problems, in order to identify the potential for sustainability and wider dissemination.

Use of Volunteers and Students

Volunteers and students provide a unique and diverse range of academic, personal and professional experience that enriches services with new and emerging theories and practices which remain vital to the continued 'character' and 'freshness' of Lifeline services. Their contribution to the success and individual culture of Lifeline services is critical.

The continued importance and commitment that Lifeline attaches to Volunteers is evidenced by maintaining our Investors in Volunteers accreditation. Volunteers and students are used in a variety of roles and all receive formal induction, supervision and training. All volunteers attend regular volunteer team meetings which include updates on training opportunities and jobs. Volunteers are involved in all aspects of service delivery including supporting clients, offsite activities, liaison with partner agencies, developing information resources and service evaluation. Some examples of Lifeline's volunteer activity include:

Stockton: Volunteers and peer mentors are used throughout the Stockton service, all are fully trained to facilitate activities within the Service and Community Hubs such as Relapse prevention, service user group meetings and diversionary activities (Walking groups, art therapy, alcohol etc.). Volunteers are pivotal to raising public awareness of the service and promoting recovery.

Greenwich: Lifeline's new service 'BaSIS' utilised six volunteers of which two obtained full time employment, including one individual who went on to train and facilitate the service's SMART in-house group.

Bolton: The service currently has 17 volunteers contributing an average of 220 hours per month through facilitating service user inclusion activities, assisting group based interventions with staff and supporting the administration team and running the service's Café. Volunteers are extensively trained and such training has included areas such as Customer Service Skills, Accredited Information Advice and Guidance, Working with Ex-Offenders, Legal Highs and Needle Exchange. During the year the service supported 12 volunteers into employment and following last year's accreditation of Approved Provider Standard for volunteering there has been a focus on improving the recruitment programme, training provision and evaluation of the volunteer programme.

HMYOI Deerbolt: Links were established with Durham University to deliver a number of group work sessions around developing client's debating skills. The sessions were well attended and the feedback from both clients and the University was extremely positive and it is envisaged that this activity will be built on in 2015-16.

Staffordshire Prisons: A significant growth in volunteer activity by the service was demonstrated by the service now having 299 peer support volunteers, 295 mutual aid groups. The establishment of a Drug Recovery Wing resulted in enhanced opportunities for voluntary work.

Innovative and New Areas of Funding and Service Delivery

Some examples of innovative and new areas of funding and service delivery include:

Tower Hamlets: The Young Persons Service through the local authority was involved in the national Child Rights Partner Programme which ran a number of projects run with UNICEF UK. The Lifeline service was one of these projects and has developed and embedded service provision that incorporates the three Child Rights: Participation, Holistic, Transparency and Accountability. The service is currently working with UNICEF and Commissioners to inform an overarching practice model for embedding Child Rights in other services.

Oxfordshire: The service received a grant from the Thames Valley Domestic Abuse Coordinators to fund a dedicated domestic violence lead to establish and facilitate the Freedom Programme which saw remarkable improvements to client's recovery progress.

Rotherham: A capital grant of £875,000 was secured from Public Health England, to purchase and renovate a new recovery hub in Rotherham Town centre. Carnson House has been acquired as a location for the hub and is scheduled to open in July 2015. The hub will significantly expand Rotherham's recovery community and enhance the level and variety of services on offer to provide service users with increased opportunities for recovery.

Bradford: Lifeline's Piccadilly project successfully submitted a bid to the police crime commissioners for £5,000 to fund the breakfast club on a Tuesday and Thursday morning. The project is vital to the service and has created strong links with the Police. The opening event drew the local press coverage and positively promoted the impact and work done by the Piccadilly Project.

York: As part of the City's commitment to community reintegration the service has developed a ground breaking relationship with York Minster which now annually provides the venue for the Recovery Sings event which is an opportunity for the York in Recovery Choir to showcase their talents at one of the City's most prestigious venues.

Redcar: Public Health Capital Funding was granted to the Redcar Services to develop and deliver a supported housing programme for individuals and families during their recovery journey. This is a joint piece of work with Living Sober and, to qualify for tenancies, service users are required to be abstinent, involved in a peer 12-step based programme and engage in community/voluntary work or paid employment. Lifeline will be responsible for managing the detoxification process of the tenants.

Financial Review

Lifeline continues to operate in a challenging funding and commissioning environment and during the year significant investment was made in corporate resources in order to increase capacity to meet future challenges. During the year there was an increase in resources of £573,791 (2014 Decrease - £792,271). Once appropriate reserve transfers were made and project funds designated, an increase in free funds of £612,334 was shown.

Income during the year amounted to £42,616,262 (2014 - £33,861,874) representing a significant increase of 26% on the previous year. The amount of Voluntary income was £9,545 (2014 - £5,291) and investment income amounted to £4,077 (2014 - £3,553) a result of both the low interest rates and the reduced availability of surplus funds.

Income from charitable activity increased by 26% to £42,602,640 (2014 - £33,853,030), the majority of which derives from contracts commissioned from a wide spectrum of public bodies.

Total resources expended during the year amounted to £42,042,471 (2014 - £34,654,145), which was an increase of 21% on the previous year.

Year end cash balances remained healthy and amounted to £4,113,016 (2014 - £1,906,019).

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 2015/16 and beyond

At a corporate level major plans for 2015/16 include:

- Achievement of Financial Targets
- Sponsorship of the 2015 UK Recovery Walk (to be held in Durham).

At a service level, major plans include:

- **Staffordshire & Styal Prisons:** To successfully integrate clinical services in house with a view to improving the quality and value for money efficiency of service delivery.
- **Rotherham:** The successful refurbishment and launch of Lifeline's new building, Carnson House which will be the new recovery hub and the base for Lifeline's current alcohol, peer mentoring and community projects in conjunction with other treatment partners.
- **Northallerton:** To develop a social enterprise facility at our site in Northallerton.
- **Oxford:** To develop a stand alone recovery hub in Oxford having now secured premises in the Blackbird Leys area of Oxford.

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 process. All trustees regularly visit Lifeline projects and activities, in order to understand 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 met formally on 4 occasions during 2014/15.

Trustees are supported by 3 sub-committees who report directly to the Board, these being:

- The Finance Sub-Committee, which met formally on 4 occasions during 2014/15:
- The Strategy Sub-Committee, which met formally on 4 occasions during 2014/15;
- The Integrated Governance Sub-Committee, which met formally on 4 occasions during 2014/15.

Management and the Role of Senior Staff

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

The Chief Executive attends all Board and Sub-Committee 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, cash flow forecasts and bidding activity.

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 and together with regular financial reports and forecasts, informs trustees of financial performance towards budget.

Lifeline's Strategy Sub-Committee provides a forum for discussing issues concerned with Lifeline's strategic approach and direction. The Strategy Sub-committee then report to the Board of Trustees.

Lifeline's Integrated Governance Sub-Committee are provided with regular information and analysis on incidents, accidents and complaints. The Integrated Governance Sub-Committee then report to the Board of Trustees.

The content and format of Management Information and performance analysis is continually reviewed to ensure that the Board are provided with adequate and appropriate information. At each Board meeting, it is common for Heads of Directorate and other 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.

Retaining and winning contracts is a key strategic goal for Lifeline and Bidding Activity Reports represent a fixed agenda item at all Board meetings. Trustees are informed of the result of bids for new work as well as bidding work that is 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

Trustees are responsible for reviewing the appropriate level of free reserves, and a target of £2 million is viewed as sufficient to secure the Charity's overall financial position and core activities. As at 31 March 2015 general reserves were £1,817,714. Total Reserves as at 31 March 2015 were £5,025,589 of which £102,161 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.

Investment Policy

The majority of Lifeline's income derives from ongoing service contracts, and therefore resources available to enter into long-term investments are limited. When available, surplus cash is invested in money market accounts to earn additional investment income. During 2014/15 investment income amounted to £4,077 (2014 - £3,553).

Management of Key Risks

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

Lifeline's Risk Register is a standing item at all Board and Committee meetings and this allows Trustees and senior management assurance that major 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 remains a reliance on major public sector contracts. 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.

Trustees' Responsibilities

The Trustees are responsible for preparing the Strategic report, the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm, as far as they are aware, that there is no relevant audit information which the charity's auditors are unaware of and they have taken all steps that they ought to 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 clients 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 appoint auditors to the Company will be proposed at the Annual General Meeting in December.

Signed on behalf of the Board of Trustees:



Signed
C Evans
Trustee

28 / 7 / 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFELINE PROJECT LIMITED

We have audited the financial statements of Lifeline Project Limited for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's 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 charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

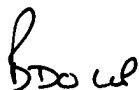
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mark Sykes Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Manchester
United Kingdom

Date: 28 July 2015

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2015**

		Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total 2015 £	Total 2014 £
	Notes				
Incoming resources					
Incoming resources from generated funds:					
Voluntary income:					
Donations	2	9,545	-	9,545	5,291
Activities for generating funds:					
Investment income and interest		4,077	-	4,077	3,553
Incoming resources from charitable activities	3	42,314,463	288,177	42,602,640	33,853,030
<hr/>					
Total incoming resources		42,328,085	288,177	42,616,262	33,861,874
<hr/>					
Resources expended					
Charitable activities	4	41,553,133	437,024	41,990,157	34,613,752
Governance costs	5	52,314	-	52,314	40,393
<hr/>					
Total resources expended		41,605,447	437,024	42,042,471	34,654,145
<hr/>					
Net incoming resources before transfers	6	722,638	(148,847)	573,791	(792,271)
Transfers	14	(8,493)	8,493	-	-
<hr/>					
Net incoming resources for the year		714,145	(140,354)	573,791	(792,271)
Balance brought forward at 1 April 2014	14	4,209,283	242,515	4,451,798	5,244,069
<hr/>					
Balance carried forward at 31 March 2015	14	4,923,428	102,161	5,025,589	4,451,798
<hr/>					

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

All incoming and expended resources derive from continuing activities.

The notes on pages 22-30 form part of these accounts.

BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	2014 £
Fixed assets	8	2,679,114	2,717,230
Current assets			
Debtors	9	3,674,075	3,981,892
Cash at bank and in hand		4,113,016	1,906,019
		7,787,091	5,887,911
Creditors: amounts falling due within one year	10	(5,440,616)	(3,653,343)
Net current assets		2,346,475	2,234,568
Total assets less current liabilities		5,025,589	4,951,798
Provisions for liabilities		-	(500,000)
Net Assets		5,025,589	4,451,798
Unrestricted funds	14		
Designated funds		3,105,714	3,003,903
General funds		1,817,714	1,205,380
		4,923,428	4,209,283
Restricted funds	14	102,161	242,515
		5,025,589	4,451,798

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

 28. 7. 15

D Iredale
Chair

The notes on pages 22-30 form part of these accounts.

A company limited by guarantee and not having share capital
Company No: 1842240
Registered Charity No: 515691
Registered Charity number (Scotland): SCO45486

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	2015 £	2014 £
Operating activities			
Net incoming/(outgoing) resources		573,791	(792,271)
Investment income and interest		(4,077)	(3,553)
Depreciation		823,534	729,351
Cash inflow from movements in stock		-	34,340
Cash inflow/(outflow) from movements in debtors		307,817	(1,445,061)
Cash inflow from movements in creditors		1,787,273	164,593
Cash (outflow)/inflow from movements in provisions		(500,000)	500,000
Fixed asset donations		(241,430)	-
Cash flows from operating activities		2,746,908	(812,601)
Returns on investment and servicing of finance			
Investment income and interest		4,077	3,553
Cash inflow from returns on investments and servicing of finance		4,077	3,553
Capital expenditure			
Payments to acquire tangible fixed assets		(543,988)	(863,704)
Cash outflow from capital expenditure		(543,988)	(863,704)
Cash outflow before financing		2,206,997	(1,672,752)
Decrease in cash in the year	16	2,206,997	(1,672,752)

The notes on pages 22-30 form part of these accounts.

**Notes to the Financial Statements
for the year ended 31 March 2015**

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 2006 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in March 2005 (SORP 2005) and applicable accounting standards.

b) Going concern

The charity's forecasts and projections show that the charity should be able to operate within its current working capital resources.

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They thus continue to adopt the going concern basis of accounting in preparing these financial statements.

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

c) 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 the provisions in the Companies Act and adapted the Companies Act formats to reflect the special nature of the company's activities.

d) 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.

e) 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.

**Notes to the Financial Statements
for the year ended 31 March 2015**

continued...

f) Fund accounting

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

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

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.

g) 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 per annum
Property improvements	20%	straight line per annum
Computer equipment	33%/100%	straight line per annum
Vehicle	25%	straight line per annum
Leasehold improvements		over the term of the lease

h) Stock

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

i) Pension 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 FRS 17.

As a result of a previous staff transfers, the charity has a defined benefit pension scheme. However, there are only 5 members of the scheme and the FRS 17 valuation at 31 March 2015 revealed a scheme surplus of £24,644 (2014:£24,189 surplus). As a result, the impact has been considered immaterial and FRS 17 defined benefit pension scheme disclosure requirements have not been followed. The scheme has therefore been accounted for as a defined contribution scheme.

j) Leasing

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

k) Taxation

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

**Notes to the Financial Statements
for the year ended 31 March 2015**

continued...

2. Donations

	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
General donations	9,545	-	9,545	5,291
	<u>9,545</u>	<u>-</u>	<u>9,545</u>	<u>5,291</u>

3. Incoming resources from charitable activities

	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
Substance misuse services	42,228,250	288,177	42,516,427	33,795,580
Educational publications, information, research, training and consultancy	86,213	-	86,213	57,450
	<u>42,314,463</u>	<u>288,177</u>	<u>42,602,640</u>	<u>33,853,030</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:

	2015 £	2014 £
Adult Services	31,107,502	22,853,551
Young People	2,805,541	3,071,324
Prison	8,603,384	7,870,705
	<u>42,516,427</u>	<u>33,795,580</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	2015	2014
	£	£	£	£
Substance misuse services	38,214,041	3,673,747	41,887,788	34,477,877
Educational publications, information, research, training and consultancy	102,369	-	102,369	135,875
	<u>38,316,410</u>	<u>3,673,747</u>	<u>41,990,157</u>	<u>34,613,752</u>

**Notes to the Financial Statements
for the year ended 31 March 2015**

5. Governance costs

	2015	2014
	£	£
Professional fees	3,427	6,540
Directors expenses	1,705	1,536
Insurance	25,697	16,447
Room hire and accommodation	3,897	1,778
Auditors' remuneration - statutory audit	13,000	13,000
Auditors' remuneration – other fees	4,588	1,092
	<u>52,314</u>	<u>40,393</u>

6. Net incoming resources

	2015	2014
	£	£
This is stated after charging:		
Depreciation	823,534	729,351
Operating lease rentals - land and buildings	1,796,191	1,113,259
Operating lease rentals - other	159,623	198,023
Trustees' indemnity insurance	25,697	16,447
Provision for staff costs	-	500,000
Auditors' remuneration - statutory audit	13,000	13,000
Auditors' remuneration – other fees	4,588	1,092
	<u></u>	<u></u>

7. Staff costs and numbers

<i>Staff costs</i>	2015	2014
	£	£
Wages and salaries	21,558,129	18,284,529
Redundancies	292,551	649,849
Social security costs	1,919,019	1,699,675
Pensions	1,196,185	782,022
	<u>24,965,884</u>	<u>21,416,075</u>

**Notes to the Financial Statements
for the year ended 31 March 2015**
7. Staff costs and numbers (continued)
Employee emoluments over £60,000

	2015 No.	2014 No.
Salary £60,000 to £70,000	1	2
Salary £70,000 to £80,000	4	1
Salary £80,000 to £90,000	2	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. It also has a small defined benefit pension scheme as detailed in note 1(i).

The pension cost charge represents contributions payable by the charity to the schemes and amounted to £1,196,185 (2014 - £782,022). Contributions totalling £169,936 (2014 - £91,959) were payable to the funds at the year end.

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

	2015 No.	2014 No.
Project activities	949	764
Management and policy development	8	9
Central administration and business development	39	31
	<u>996</u>	<u>804</u>

Trustees expenses

Expenses of £1,705 (2014 - £1,535) were reimbursed to four directors (2014 - four) during the year. No remuneration was paid to any director during the year.

8. Fixed assets

	Leasehold Improvements £	Freehold Property £	Property Improvements £	Computer Equipment £	Vehicle £	Total £
Cost						
At 1 April 2014	2,832,205	853,557	1,145,917	2,322,587	37,274	7,191,540
Additions during the year	-	241,430	196,102	345,682	2,204	785,418
At 31 March 2015	<u>2,832,205</u>	<u>1,094,987</u>	<u>1,342,019</u>	<u>2,668,269</u>	<u>39,478</u>	<u>7,976,958</u>
Depreciation						
At 1 April 2014	1,556,675	307,279	597,987	1,981,862	30,507	4,474,310
Charge for the year	248,702	43,800	199,056	328,670	3,306	823,534
At 31 March 2015	<u>1,805,377</u>	<u>351,079</u>	<u>797,043</u>	<u>2,310,532</u>	<u>33,813</u>	<u>5,297,844</u>
Net Book value						
At 31 March 2015	<u>1,026,828</u>	<u>743,908</u>	<u>544,976</u>	<u>357,737</u>	<u>5,665</u>	<u>2,679,114</u>
At 31 March 2014	<u>1,275,530</u>	<u>546,278</u>	<u>547,930</u>	<u>340,725</u>	<u>6,767</u>	<u>2,717,230</u>

**Notes to the Financial Statements
for the year ended 31 March 2015**

9. Debtors

	2015	2014
	£	£
Trade debtors	2,428,202	3,191,251
Other debtors	574,328	158,859
Prepayments	671,545	631,782
	<u>3,674,075</u>	<u>3,981,892</u>

10. Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	2,380,496	954,338
Other taxes and social security	567,623	449,879
Accruals	958,267	542,030
Deferred income (note 11)	1,534,231	1,707,096
	<u>5,440,617</u>	<u>3,653,343</u>

The charity's bankers, National Westminster Bank plc, hold a debenture over all the charity's assets.

11. Deferred income and amounts invoiced in advance

	2015	2014
	£	£
Balance at 1 April 2014	1,707,096	1,772,279
Fees received	42,343,562	33,730,397
Released to statement of financial activities	(42,516,427)	(33,795,580)
	<u>1,534,231</u>	<u>1,707,096</u>
Balance at 31 March 2015	<u>1,534,231</u>	<u>1,707,096</u>
Deferred income	107,435	214,520
Amounts invoiced in advance	1,426,796	1,492,576
	<u>1,534,231</u>	<u>1,707,096</u>
Balance at 31 March 2015	<u>1,534,231</u>	<u>1,707,096</u>

**Notes to the Financial Statements
for the year ended 31 March 2015**
12. Provision

	£
Balance at 1 April 2014	500,000
Charged released during the year	(500,000)
Balance at 31 March 2015	Nil

The charity had agreed to fund a liability arising due to the transfer of staff from a contract it took over in 2012. At the date of these financial statements, the amount has now been settled and no liability is now due.

13. Analysis of net assets between funds

	Designated Funds £	General Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	2,679,114	-	-	2,679,414
Current assets	426,600	7,258,330	102,161	7,787,091
Current liabilities	-	(5,440,616)	-	(5,440,616)
	<u>3,105,714</u>	<u>1,817,714</u>	<u>102,161</u>	<u>5,025,589</u>

14. Movement of funds

	1 April 2014 £	Incoming Resources £	Outgoing Resources £	Transfers £	31 March 2015 £
Restricted funds:					
Comic Relief - Salford	10,106	10,000	(20,197)	91	-
John Paul Getty Junior Charitable Trust	8,333	-	(15,885)	7,552	-
Big Lottery	24,465	78,010	(103,325)	850	-
Volunteer Exchange	19,711	199,501	(194,452)	-	24,760
Greenwich – Social Enterprises	179,900	666	(103,165)	-	77,401
	<u>242,515</u>	<u>288,177</u>	<u>(437,024)</u>	<u>8,493</u>	<u>102,161</u>
Unrestricted funds:					
General funds	1,205,380	42,328,085	(40,781,913)	(933,838)	1,817,714
Designated fixed asset fund	2,717,230	-	(823,534)	785,418	2,679,114
Designated project funds	286,673	-	-	139,927	426,600
	<u>4,209,283</u>	<u>42,328,085</u>	<u>(41,605,447)</u>	<u>(8,493)</u>	<u>4,923,428</u>
Total funds	<u>4,451,798</u>	<u>42,616,262</u>	<u>(42,042,471)</u>	<u>-</u>	<u>5,025,589</u>

Purposes of restricted funds:
Comic Relief

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

**Notes to the Financial Statements
for the year ended 31 March 2015**

14. Movement of funds (continued)

John Paul Getty Junior Charitable Trust

Funding received from J Paul Getty Jnr Charitable Trust towards assertive outreach for offenders who have substance misuse issues.

Big Lottery

Funding received from Big Lottery under the Reaching Communities Fund for our Families and Communities United Project. The Reference is RC/4/010386436.

Volunteer Exchange

Funding received from ECORYS UK through its delegated authority from The Department of Health. The money is received in regards the Health and Social Care Volunteering Fund.

Greenwich Social Enterprises

Funding was received from Royal Borough of Greenwich to pilot social enterprise activity. Part of the grant has been used to set up a bicycle maintenance and repair social enterprise which will train and employ service users within our Greenwich services. The remaining funds will be utilised as start up funding for other social enterprise activity.

Purpose of Designated Funds:

Designated Fixed Asset Fund

Fixed Asset funds represent the net book value of fixed assets less any attributable loans relating to those assets.

Designated Project Fund

Project funds represent funds received for discrete projects as yet unspent and for which expenditure will be incurred in the following year.

15. Financial commitments

At 31 March 2015 the charity had annual commitments under the non-cancellable operating leases which expire as follows:

	Land and buildings 2015 £	Other 2015 £	Land and buildings 2014 £	Other 2014 £
Less than one year	265,580	80,602	270,397	71,823
Between two and five years	536,931	30,895	374,234	115,415
In over five years	305,628	-	376,109	-
	<u>1,108,139</u>	<u>111,497</u>	<u>1,020,740</u>	<u>187,238</u>

**Notes to the Financial Statements
for the year ended 31 March 2015**

16. Analysis and reconciliation of funds

	At 1 April 2014 £	Cash flow £	At 31 Mar 2015 £
Cash	1,906,019	2,206,997	4,113,016
		2015 £	2014 £
Net funds at 1 April 2014		1,906,019	3,578,771
Cash flow in period		2,206,997	(1,672,752)
Net funds at 31 March 2015		4,113,016	1,906,019