

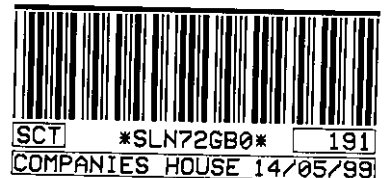
LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1998**

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LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

COMPANY INFORMATION

NAME	Lesbian, Gay and Bisexual Community Project Limited
STATUS	The Charity is a company limited by guarantee.
DIRECTORS	John Hein Fiona Horne Peter Holt Scott Gausden
SECRETARY	John Hein
BANKERS	Bank of Scotland 103 George Street Edinburgh EH2 3HR
ACCOUNTANTS	Danzig & Co Chartered Accountants 7 Rutland Court Edinburgh EH3 8ES
REGISTERED OFFICE	58a Broughton Street Edinburgh EH1 3SA
REGISTERED NUMBER	SC163596
SCOTTISH CHARITY NUMBER	SCO24473

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1998

The directors present their annual report together with the financial statements of the company for the year ended 30 June 1998.

PRINCIPAL OBJECTS

The company's principal aim is to benefit the community by the preservation and protection of good health, both physical and mental, of gay men, lesbians and bisexual people in Scotland.

REVIEW OF BUSINESS

The company over the past year has worked hard to secure the funding for the purchase of the centre from Outright Scotland which was completed after the year end. This means that the company owns all of the centre in Broughton Street. The main emphasis in the immediate future will be the remodernisation of existing facilities in the centre.

DIRECTORS

The directors of the company at 30 June 1998 were:

George Herron (resigned 1 March 1999)
John Hein
Jeffrey Davis (appointed 21 July 1997, resigned 1 March 1999)
Paul Bryan-Iverson (appointed 23 August 1997, resigned 1 March 1999)
Fiona Horne (appointed 3 February 1998)
Julia Guy (appointed 21 April 1998, resigned 1 March 1999)

In addition, Peter Holt and Scott Gaudsen were appointed directors on 1 March 1999.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act. 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.

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
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DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1998
(continued)


CONNECTED BODY

The company has a wholly owned subsidiary, SHRG Properties (Scotland) Limited.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 27 April 1999.

Signed on behalf of the board of directors



Director

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**ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS
OF LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LIMITED
(a company limited by guarantee)**

We report on the accounts for the year ended 30 June 1998 set out on pages 5 to 10.

Respective responsibilities of Directors and Reporting Accountants

As described on page 2, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

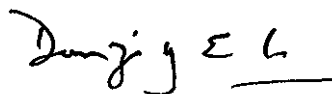
Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquires of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) The accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) Having regard to, and on the basis of, the information contained in those accounting records:
 - (1) The accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act and;
 - (2) The company satisfied the conditions for the exemption from an audit of the accounts for the year specified in section 249A(5) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Chartered Accountants

7 Rutland Court
Edinburgh
EH3 8ES

27 April 1999

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 1998

			YEAR 16 MONTHS ENDED ENDED 30 JUNE	
	Unrestricted	Restricted	1998	1997
	£	£	£	£
Incoming Resources				
Rental income	300	-	300	865
Management charges	550	-	550	5,950
Grants	-	-	-	1,400
Donations	270	-	270	521
Other income	-	-	-	59
Total Incoming Resources	1,120	-	1,120	8,795
Resources Expended				
Direct Charitable Expenditure	1,345	-	1,345	5,795
Advertising	-	-	-	118
Management and Administration	150	-	150	2,130
Total Resources Expended	1,495	-	1,495	8,043
Net (Outgoing)/Incoming Resources for the year/period	(375)	-	(375)	752
Net Movement in Funds				
Funds at 1 July 1997	(171)	923	752	-
Funds at 30 June 1998	(546)	923	377	752

All the charity's operations are classed as continuing.

Movements on reserves and all recognised gains and losses are shown above.

The notes on pages 8 to 10 form part of these financial statements.

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1998

		YEAR ENDED 1998 £	16 MONTHS ENDED 30 JUNE 1997 £
	Note		
Turnover		850	6,815
		<hr/>	<hr/>
Net operating expenses			
Selling expenses		-	118
Administrative expenses		1,495	7,448
		<hr/>	<hr/>
		1,495	7,566
		<hr/>	<hr/>
Operating deficit	3	(645)	(751)
Other income		270	580
		<hr/>	<hr/>
Deficit for the year/period		(375)	(171)
		<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains or losses other than those included in the income and expenditure account.

None of the company's activities were acquired or discontinued during the above year.

The notes on pages 8 to 10 form part of these financial statements.

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
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BALANCE SHEET - 30 JUNE 1998

	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	5		1,555		2,073
Current assets					
Cash at bank and in hand		1,382		1,121	
		<u>1,382</u>		<u>1,121</u>	
Creditors: amounts falling due within one year	6	2,560		495	
Net current (liabilities)/assets			(1,178)		626
Total assets less current liabilities			<u>377</u>		<u>2,699</u>
Creditors: amounts falling due after more than one year	7		-		1,947
			<u>377</u>		<u>752</u>
Funds					
Unrestricted fund			(546)		(171)
Restricted fund	8		923		923
			<u>377</u>		<u>752</u>

The directors consider that for the year ended 30 June 1998 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts on pages 5 to 10 were approved by the board of directors on 27 April 1999 and signed on its behalf by:



Director

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1998

1 ACCOUNTING POLICIES

The principal accounting policies which are adopted in the preparation of the financial statements are set out below.

- a) The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (SORP) issued October 1995.
- b) Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when received.
- c) Grants including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year in which they are received.
- d) Expenditure costs, where possible, have been allocated directly to charitable, fundraising and publicity, or management and administration. Where this is not possible costs have been apportioned on the basis of time spent on each activity.
- e) Restricted funds are to be used for the specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.
- f) Unrestricted funds are other income received or generated for the objects of the charity without further specified purpose and are available as general funds.
- g) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life. Depreciation rates are as follows:

Fixtures and fittings - 25% Reducing Balance

Capital grants, which comprise grants received towards the cost of property improvements, have been deducted from the cost of these improvements.

- h) The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

2 GRANTS

	<u>1998</u>	<u>1997</u>
	£	£
Charities Project Limited:		
For Disability Access	-	1,400
	<u> </u>	<u> </u>

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LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1998
(continued)

3 OPERATING DEFICIT

The operating deficit is stated after charging:

	1998	1997
	£	£
Depreciation of owned fixed assets	518	691

4 DIRECTORS' REMUNERATION AND EXPENSES

The directors did not receive any remuneration during the year (1997 - £nil) The directors did not receive any reimbursement for office expenses (1997 - £918).

5 TANGIBLE FIXED ASSETS

	Fixtures and Fittings
	£
<u>Cost</u>	
At 1 July 1997 and 30 June 1998	2,764
<u>Depreciation</u>	
At 1 July 1997	691
Charge for the year	518
At 30 June 1998	1,209
<u>Net book value</u>	
At 30 June 1998	£1,555
At 30 June 1997	£2,073

6 CREDITORS: amounts falling due within one year

	1998	1997
	£	£
Other creditors	495	495
Amount due to connected body	2,065	-
	2,560	495

LESBIAN, GAY AND BISEXUAL COMMUNITY PROJECT LTD
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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1998
(continued)

7 CREDITORS: amounts falling due after more than one year

	1998	1997
	<u>£</u>	<u>£</u>
Amounts due to connected body:		
Loan	-	1,947
	<u> </u>	<u> </u>

8 RESTRICTED FUNDS

	At 30 June 1997	Movement	At 30 June 1998
	<u>£</u>	<u>£</u>	<u>£</u>
Disability Access Grant	923	-	923
	<u> </u>	<u> </u>	<u> </u>