

Company no 1792921
Charity no 515060

LOCAL SOLUTIONS

ANNUAL REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2009

LOCAL SOLUTIONS

REPORT OF THE TRUSTEES

For the year ended 31 March 2009

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LEGAL AND ADMINISTRATIVE DETAILS

Local Solutions is a Company Limited by Guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

Company registration number:	1792921	
Charity registration number	515060	
Registered office:	Mount Vernon Green Hall Lane Liverpool L7 8TF	
Directors and Trustees:	Rev Steven Brookes J Ross Duggan Mumin Khan A T Robert Macfarlane David A Mathieson Shelagh McGrath Robert T H Owen Geoffrey Russell Neil Scales Richard M White Barbara H Wood W Andrew M Holroyd	- to 10.10.08 - Treasurer - Chairman - Vice Chairman - to 10.10.08 - Vice Chairman to 17.7.09 - from 15.1.09
Chief Executive:	Stephen Hawkins	
Company Secretary:	Malcolm Pearson	
Bankers:	National Westminster Bank plc Commercial Banking 10 th Floor, The Plaza 100 Old Hall Street Liverpool L3 9QJ	
Solicitors:	Brabners Chaffe Street LLP Horton House Exchange Flags Liverpool L2 3YL	Mace & Jones Drury House 19 Water Street Liverpool L2 ORP
Auditor:	Grant Thornton UK LLP Royal Liver Building L3 1PS	
Email:	info@localsolutions.org.uk	
Website:	www.localsolutions.org.uk	

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For the year ended 31 March 2009

The Trustees (who are directors of the charity for the purposes of the Companies Act 1985) present their report together with the financial statements for the year ended 31 March 2009.

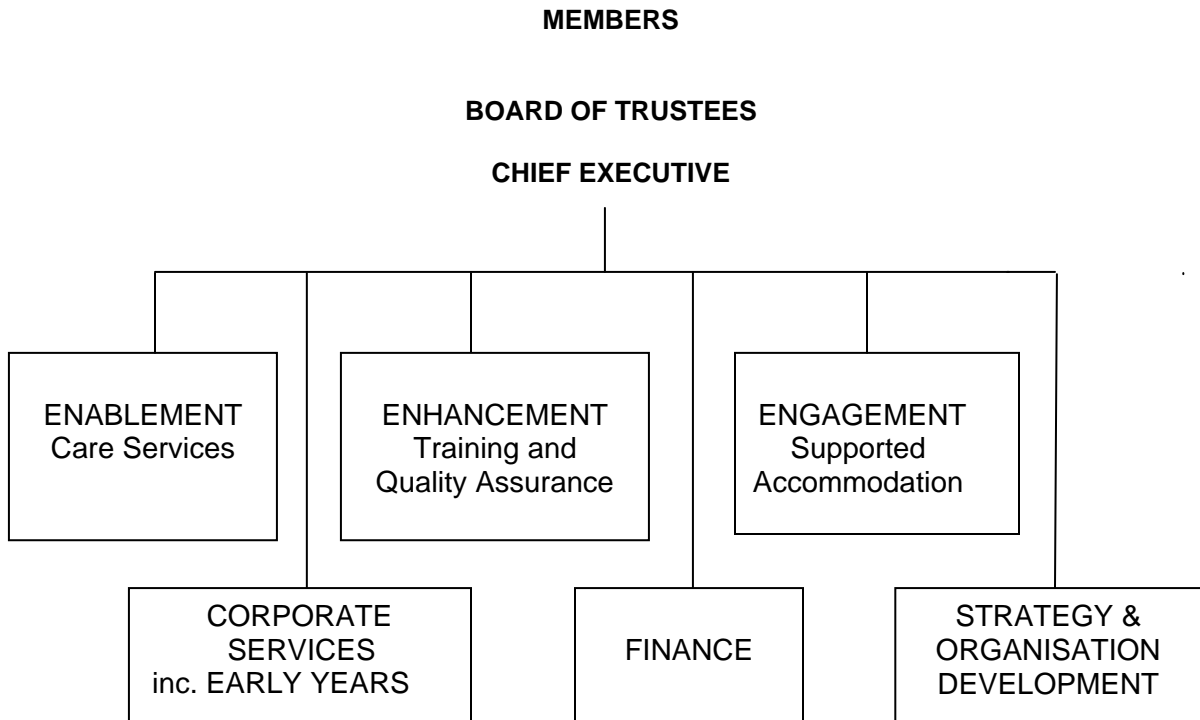
Structure, governance and management

The Trustees meet as a Board six times a year. One third of the Trustees retire each year and they may stand for re-election. Their election is determined by the membership of the company that comprises a mixture of organisations and individuals.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the organisation. The Chief Executive is supported by the management team and the organisation has a comprehensive set of policies and procedures in place in relation to finance, operations, human resources, risk management and health and safety. Performance is regularly reviewed and reports received by the Board of Trustees.

The remuneration of the Chief Executive is set by the Trustees via a remuneration committee. The Chief Executive sets the remuneration of the senior team and the rest of the organisation in consultation with the appropriate Senior Manager and the Financial Controller.

The following chart represents the organisation's structure. The headings of the principal service areas have been changed to mirror Local Solutions' strapline:



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Trustees

During the period J Ross Duggan and Neil Scales retired as Trustees. We would like to place on record our sincere thanks to Ross and Neil for their experience, generosity and invaluable contribution to Local Solutions.

The Trustees were saddened to hear of the death of Sir Kenneth Stoddart in December 2008. Sir Kenneth was a highly respected Lord Lieutenant for Merseyside for many years and was a Vice President of Local Solutions. His contribution to the region and to the organisation will be greatly missed.

The Trustees, who served on the Board throughout the year unless otherwise stated, are listed on page 1. The Trustees are kept up to date with developments within the organisation through the Trustee meeting papers that include a Chief Executive's Report and Finance Report in addition to newsletters and other communications and visits.

The Trustees regularly seek to review Board membership to ensure that within their number they have an appropriate range of relevant expertise and, should a gap be identified, seek to make an appropriate appointment. In relation to this, the Board identified at an Away Day in February 2008 that due to the growing size and complexity of Local Solutions additional Trustees may be required. The organisation subsequently decided to undertake a formal recruitment process with a revision of the procedural documentation relating to board membership including the job description and declaration documents. Local Solutions placed advertisements in the local and national press; there was some disappointment in the numbers of respondents through this formal methodology perhaps reflecting the wider sector challenges of Trustee recruitment. However the organisation was pleased to appoint Andrew Holroyd to the Board in January 2009 as a result of this process.

Presently new Trustees are inducted through a visit to the office so they can receive a full briefing on the organisation, meet staff and see the work we undertake. They are also encouraged to visit off-site operations.

Local Solutions is committed to ensuring it carries out an appropriate level of review of governance, leadership and strategy at timely intervals; in light of this the Trustees, Chief Executive and members of the Senior Management Team who report to the board, attended an Away Day in October 2008.

The session was an opportunity to review the existing organisational Vision, Mission and Values to ensure that they met with the Board's aspirations for the organisation and reflected Local Solutions work and overall strategic direction. Following discussions during the Trustees Away Day it was decided to make minor modifications to the statements of Vision, Mission and Values. The updated version is summarised here:

Our Vision

- A society where all people can make a positive contribution, try new experiences, lead fulfilled lives and unlock their potential
- A society where all people can live in dignity; feel safe and secure, free from fear, intolerance, poverty and oppression
- A society where we value and respect our differences whilst understanding our individual rights and responsibilities

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Our Mission

Local Solutions aims to improve people's lives through these objectives:

- To deliver high quality services that are inclusive and accessible
- To provide a diverse portfolio of services that reflects the demography and needs of the region
- To apply innovation, responsiveness and creativity to delivering solutions and developing opportunities

We Value

- The dignity of every human being
- The diversity of the services we offer the people of the region
- Our independence and autonomy
- Our charitable status and heritage
- Our ability to take measured risks, to demonstrate an entrepreneurial spirit in order to tackle unsolved problems
- Our inclusive approach, ensuring access to our services to all members of society
- Working collaboratively with others
- Our engaging and consultative approach to ensure an excellence of service and maximum benefit
- All our people – trustees, staff and volunteers, their talent, contribution and their continuous development

During the October away day the Trustees also participated in a 'seeing is believing' session in which the organisation invited three services users who had benefitted respectively from services within our Homecare, New Deal for Disabled People and Homeground departments to describe the impact of Local Solutions interventions and service provision. Each service user was accompanied by a staff member who had worked alongside them. The Trustees learnt from this first hand experience how Local Solutions was providing direct public benefit and continues to meet its principal charitable objective to 'improve people's lives'.

During the year the Trustees have also reviewed governance information systems. It was decided to change the nature of the Chief Executive's bi-monthly report to link directly with the established goals of the organisation – those of Reach, Reputation and Independence.

There was a reiteration of the commitment to increase and diversify the level of management information received by the Trustees through increasing the structural aspects of board reporting without compromising the qualitative, narrative style of reporting. This work will continue within the next period and governance, board membership, induction and performance is to be kept under regular review.

Objectives and activities

The objects of the organisation are set out in the Memorandum and Articles of Association. The main areas of activity are to benefit the public through the promotion of charitable purposes in the fields of education, social welfare and recreation.

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Serious Incidents

The Trustees confirm that they are conversant with the requirements to report serious incidents to the Charity Commission and will use the appropriate channels to report such incidents in the event of any occurrence.

Public Benefit

The Trustees of Local Solutions confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Our activities in 2008/9 demonstrated, in all accepted definitions, that Local Solutions provides charitable services that are of public benefit. Right across the age spectrum through engagement, enablement and enhancement we have served the public with our dynamic and responsive activities. We will continue to hold the delivery of public benefit as the key driver of our work.

Risk management

Both the Trustees and the Senior Managers carry out a formal review of the Risk Register annually.

The register covers governance and management, operational, financial, environmental and compliance aspects of the activities of Local Solutions and covers:

- The risks that the organisation may face
- The steps and control procedures in place to mitigate those risks, and an ongoing review of existing systems and procedures.

Local Solutions is exposed to a number of financial risks, principally in relation to its day-to-day activities. The credit risk associated with cash is limited as the charity manages its Treasury function by investing cash assets safely and profitably and has access to an overdraft facility. The principal credit risk arises therefore from its operating debtors. 90% of debtors are public sector bodies for which there is a low level of credit risk. The balance of the debtors are mainly private individuals, for whom the risk is higher. The credit limits are reviewed regularly taking into account debt ageing and collection history.

Local Solutions continues to take a robust approach to managing risks. Local Solutions produces a Risk Register to assess our charitable activities and operational risks and to agree any necessary action for mitigation and control.

Our systems of internal controls are designed to identify, manage and, where possible, eliminate the risks to achieving our policies, aims and objectives. Risk assessment and management is a continuing issue raised at both Board and Senior Management meetings and the risk register is viewed as a live document that is altered in the light of operational activities.

During the reporting period the Trustees benefited from the work of the Internal Auditor. This post was created in addition to the normal external audit commitments to ensure that operational, financial, risk and management processes were robustly and independently reviewed. The Internal Auditor has access to all departments and reports directly to the Board of Trustees, Chief Executive and Treasurer producing reports from audit inspections.

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PROJECTS AND SERVICES

We present a review of the year and examples of ways in which Local Solutions in all its activities has provided public benefit and assisted in improving the quality of people's lives.

STRATEGY AND ORGANISATION DEVELOPMENT

We reported in the 2007/8 Annual Report of our commitment to the delivery of three 'Big Goals' - building a strong Reputation, increasing our Reach and gaining greater Independence.

The focus has been consistently applied throughout our business planning processes and has led to significant success in terms of generating new activity and in achieving quality awards following internal and external inspections.

During the year it has been recognised that an increasingly sophisticated and geographically diverse organisation that is delivering more services requires stronger Management Information Systems in order to ensure robust governance and leadership. The charity has continued to develop its KPI reporting, improving the quality of departmental information. These will be presented to the Board of Trustees at their bi-monthly meetings and will be in addition to existing mechanisms of the Chief Executive's Report and Financial Report.

In relation to this objective the key drivers for the organisation were:

- To report succinct high-level Key Performance Indicators to the Board of Trustees;
- To increase standardisation of reporting across all service areas;
- To focus on the measures that are more relevant to the work we do and describe key activity;
- Increase the sophistication of a 'balanced scorecard' methodology where service areas report on delivery, quality and the impact of their work in addition to financial outputs.

During the business planning process Local Solutions conducted an extended vertical consultation process that involved sessions with the Trustees, frontline staff, service users, and the Senior Management Team.

The views expressed at these different forums and discussion sessions were fed back to the Senior and Operational Managers at their briefing to commence the formal Business Planning process. The key points have also been included within our organisational commitments to meet the strategic key objectives in relation to Reach and Reputation.

Communications and Fundraising

In the reporting period the Communications department produced a range of leaflets, promotional literature and posters to raise awareness of services within the organisation and enhance its reputation. The company's quarterly newsletter now has a circulation of 10,000; this is distributed to funding bodies, partner organisations, local business, schools and charitable organisations in order to promote and raise awareness of services to our target audience.

Local Solutions' website, which receives in excess of 8,000 visits each month, is an ideal channel in which to promote the work of the organisation. Upgrading and developing the site was a continuous process throughout the course of the year with news stories, job vacancies and new developments being added on a regular basis. The Virtual Suggestion Box, one of the facilities incorporated into the

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site, offers service users and employees the opportunity to make a comment, compliment or complaint in complete confidence. This facility is regularly monitored ensuring the organisation become aware of any concerns to assist in improving service delivery.

The team represented the organisation and supported various departments at key events to raise the profile of our work and enhance our reputation. These included the launch of Shopmobility at the new Liverpool One Complex, a celebratory event to mark the Northern Conference Centre's 18th anniversary, the Women's 10k Race in support of Worst Kept Secret domestic violence service and National Carers Week at St. George's Hall, Liverpool. Other events attended included the annual Winter Survival Information Fayre, Anti-Bullying Week and a Recruitment Day for the Care Sector.

We welcomed a number of notable visitors during the year. HRH The Princess Royal was welcomed to our Shopmobility service during a visit to Liverpool as part of the phase two opening of the Liverpool One city centre redevelopment. Sir Bert Massie, CBE, Commissioner for Equality for Human Rights and Compact visited to meet with the Chief Executive and senior staff. We were also pleased to pay host to Neil Scales, Merseytravel's Chief Executive and the High Sherriff of Merseyside, Judith Greensmith. Staff and unpaid carers received a real boost when they met with Lord Lieutenant for Merseyside and Local Solutions' President, Dame Lorna Muirhead and Trustees from the Duchy of Lancaster Fund, who have kindly supported our Carers Centre.

Work continued on raising the profile of the diverse programmes within Local Solutions through the media. 60 press releases were distributed, which attracted 65 media successes for various programmes such as Carers Week 08, launch of Shopmobility, Superlambanana Party at University Children's Centre, Denbighshire Supported Lodgings launch, Winter Survival Campaign, Telecare home response service and the delivery of a new Kiddie Bus for Hilltop Children's Centre. BullyBusters also had a regular column within the Liverpool Echo newspaper promoting the support available through the service. We also maintained promotion of our work through the Local Solutions Information Point.

Fundraising is ongoing and has proved difficult in this current climate. However, the team continue to approach a wide range of charitable sources and secured funding of £215k within the period to assist Local Solutions service areas.

ENABLEMENT

Homecare

During 2008-09, Homecare sustained its successful partnerships with local authorities in Liverpool, Sefton, Wirral and Knowsley to deliver domiciliary care and social support for vulnerable people living in their own homes or shared accommodation. Since its establishment in 1995, Homecare has now become one of the leading social care providers in the North West supporting over 1800 people to enable them to live independently.

The past year has been an exciting period of extending the reach of Homecare as it was successful in gaining two new local authority contracts with Manchester City Council and Halton Borough Council. The department employs in excess of 650 staff.

To ensure a constructive and successful start to these ventures a number of information and recruitment days were hosted by the team to introduce the organisation, build relationships and enhance reputation within these new areas of delivery.

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Homecare also increased its domiciliary care work in the Sefton area following a transfer of delivery commitment from a private company; this work commenced in October 2008 and saw an increase of 315 hours domiciliary care per week being delivered in the borough.

In November 2008, Homecare was successful in securing a contract from Liverpool City Council to deliver a pilot Emergency Telecare Home Response Service. The service is available 24 hours a day, seven days a week and is aimed at supporting vulnerable and older people in their own homes. We are proud to provide this invaluable service which has significant and positive effects on people's lives such as enabling independent living, increasing security and reducing the need for residential/nursing care and hospital admissions.

Once again, Homecare was subject to rigorous inspections from Local Authorities and the Care Quality Commission. All branches inspected have received 2 star 'Good' rating. Due to the successful reports, each branch will now be inspected every two years as opposed to annually. This is continued testament to the professionalism and high standards adopted by the Homecare staff.

Homecare has continued to develop a wider remit in the promotion of the care sector and good practice. Four Homecare staff were selected for the role of Ambassadors under the Care Ambassadors Scheme, an initiative promoted by Skills 4 Care, aimed at promoting the social care sector within schools, community groups and colleges. As a result, the team visited a selection of establishments, to highlight potential career progression within the social care sector with a view to recruitment.

We were pleased to be invited to join the Age Concern Wirral Steering Group to work on the PEACE (Preventing Elder Abuse and Changing Experiences) project. This will involve collaborating with a range of agencies to address the issue of abuse or harm of older people in the care sector. This work was highlighted within the year as part of Local Solutions significant work in response to promoting World Elder Abuse Day.

Carers Support

Unpaid carers throughout the city continued to receive a significant support from our Carers Project. Since the opening of the Liverpool Carers Centre in 2006 carers have the opportunity to access information and advice from one central location. The high standard of information and advice provided by the Project was recognised this year through the award of a Quality Mark from Community Legal Services.

Funding was received from a range of sources including Liverpool PCT Community Grants scheme, Liverpool John Moores Foundation, Duchy of Lancaster Benevolent Fund and Mary Clarke Trust. This enabled us to provide ongoing activities within the centre focusing on maintaining a healthy lifestyle for carers. One such event was a 'Looking After Me' course, run in conjunction with Liverpool City Council, Liverpool Primary Care Trust and a branch of the Expert Patient Programme. The course focused on the health and well-being of carers considering both the physical and psychological demands made in their lives.

Over 1,000 carers are now making use of the Carers Emergency Card Scheme. The card is carried by the carer and, in the event of an accident to the carer, it will inform emergency services that someone is heavily dependent on them resulting in immediate support. Our Home from Hospital service continued to offer a valuable follow up support service to those carers whose dependants have returned home from hospital.

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We were delighted when the Malmaison Hotel in Liverpool responded positively to our appeal for a carers respite scheme. Management at the prestigious Liverpool Malmaison hotel kindly offered a free and all inclusive 'one night' stay at the hotel; this initiative took place on a fortnightly basis and enabled carers to have a break from their caring responsibilities. Publicity was afforded in the local press, including an interview on local radio station City Talk featuring the Project Manager and the first carers to benefit.

During the spring, the Carers Centre appointed an exercise facilitator to run sessions for carers within its Wellness Centre. The 'Easy Line' exercise equipment installed provides light gentle exercise allowing access to those carers with restricted mobility. To date, the facilitator has run a series of healthy living events and activities. Funding for this provision was awarded from the Gateway to Active Living through the Working Neighbourhoods Fund and will complement the Carers Centre's other holistic therapeutic interventions.

Liverpool Learning Disabilities Partnership Board (LLDPB) commissioned the Carers Centre to organise a consultation event on 'Valuing People'. The successful event was attended by 45 carers, and subsequent feedback from carers was incorporated into a report to LLDPB. Findings will be input into wider reports and strategies in relation to caring for people with learning disabilities. Also during the reporting period Mersey Care NHS Trust delivered a Safety Training Course to carers supporting people with mental health problems. The course was delivered with the aim of helping carers to develop personal strategies for keeping safe and well and dealing with incidents in a managed and safe way including de-escalation techniques.

National Carers Week marked another success for the Carers Project, through the involvement of a series of activities promoting the needs of unpaid carers. The highlight was the annual Carers event at St. George's Hall, Liverpool. This year saw an even greater number of visitors with over 550 carers attending. One of our carers won the art and poetry competition; her winning design became the 2008 Christmas card for Liverpool City Council. The Carers Centre also had a daily slot on the Radio Merseyside breakfast show for one week to discuss issues of unpaid care.

We were delighted that Liverpool City Council extended their funding for the Learning Disabilities Transitional Worker post for a further three years. The specialist worker provides support for unpaid carers and their relations when they are become too old to carry on within their caring role and need to make transitional arrangements.

Mental Health

We continued to work closely with the Patients Council who provide invaluable support to mental health in-patients across the four wards within the Broadoak and Windsor House Units, which are part of Mersey Care (NHS) Trust.

Consultation with patients was ongoing throughout the year in an endeavour to enhance service provision on the wards. During the twelve months, the team assisted approximately 60 patients in 8 ward sessions each month with concerns about their stay on the wards. All concerns raised by patients were highlighted to Mersey Care by the team, which resulted in many improvements to the quality of care for service users. This has included more therapeutic and recreational activities, as well as access to a healthier diet and open spaces. In addition, dedicated time with named nurses is now being provided to aid with communication around treatment concerns and discharge.

As part of its ongoing work in supporting mental health in-patients, the Patients' Council attended a stakeholder event in November 2008. The event, which was held at Maghull Town Hall, was

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organised by Mersey Care to consider the 'day to day' experience of in-patients on the psychiatric wards, with a view to developing services to improve their stay. As a result, the Patients Council established an Independent In-Patient Reference Group (IIRG). IIRG is chaired by our Patients' Council Manager and consists of representatives from local service user groups, Primary Care Trusts, John Moores University and service users. The group hopes to work in partnership with Mersey Care to further improve the in-patients' experience.

Shopmobility

This year, Liverpool Shopmobility moved to new premises within the Liverpool One complex, the major £1bn city centre retail and leisure development. The new Shopmobility offers a superb facility for people with mobility restrictions to access shops and amenities within the city through the hire of wheelchairs and electric powered scooters.

An official launch took place on 26 June 2008, which was attended by over fifty people including the Deputy Lord Mayor, Mike Storey, the Leader of Liverpool City Council, Warren Bradley and guests from Grosvenor, the Liverpool One developers. Service users and staff were also in attendance and the formal speeches described the spirit of partnership between Local Solutions, Liverpool City Council and Grosvenor that had delivered this excellent new facility for people who live in, or are visitors to, Liverpool.

Thanks to funding from the Paradise Foundation and Merseytravel, we were able to purchase new equipment to meet the increase in demand from the new location. The new facility also stocks a selection of disability aids and adaptations for purchase.

During the year there were 2,280 scooter/wheelchair hires. Liverpool was the European Capital of Culture in 2008 and the city saw a significant influx of visitors, Shopmobility played a key role in ensuring that tourists with mobility restrictions could have access to the huge range of events and activities during these celebrations.

As part of the official opening of phase two of the Liverpool One development on 1 October 2008, Shopmobility received a visit from HRH The Princess Royal.

ENGAGEMENT

Youth Homelessness

In the last twelve months, 399 young homeless people were cared for under our Supported Accommodation Sector via Merseyside Accommodation Project (MAP) and Homeground. Both services continued to offer a whole programme of support for young homeless people with the ultimate aim of preparing each individual for living independently in the community.

58 young people moved into independent accommodation via our effective Resettlement Services, which are funded through The Henry Smith Charity and the Comino Foundation. Young people were provided with ongoing support from our resettlement workers to ensure the smooth transition to independence and to help them sustain their tenancies.

MAP now has an established network of registered householders across Merseyside who provide the accommodation within their own homes for young homeless teenagers aged 16 and 17, with young people receiving ongoing support through the project's key workers.

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MAP Wirral has entered into a new contract with Supporting People to develop a pilot programme aimed at avoiding the use of bed and breakfast accommodation. The pilot called STOP GAP involves MAP Wirral offering placements for young people with intensive support to assist them in stabilising their lives. The first client was accepted onto the programme in September 2008.

Last year we entered into a contract with Denbighshire Council to replicate the model of MAP within the area. We are pleased to report that the formal launch of the Denbighshire Supported Lodgings (DSL) took place on 13 May 2008 at the Eirianfa Community Centre, Denbigh. The Mayor of Denbigh, Councillor Colin Hughes, was in attendance and was joined by the Denbighshire County Council Chief Executive, other local dignitaries as well as representatives from Local Solutions. MAP householders and young people helped launch DSL by speaking about their experiences of the service.

MAP Wirral commenced work in partnership with Shelter on a Youth Participation Project – this formed part of a nationwide initiative to gather evidence about the extent of homelessness and poverty. Young people from the respective projects shared experiences and made recommendations on future homelessness provision, with MAP young people presenting their views on radio interviews. Shelter praised and promoted MAP as an example of 'best practice' for meeting the needs and engaging with young people.

Staff and young people from MAP took part in a number of events throughout the year to raise funds for the Young People's Forum activities – these included a 15 mile sponsored walk along the Wirral Coast, completion of the Knowsley Corporate Cup run and the Mersey Tunnel walk. Also, 16 young people from our Wirral branch participated in a residential weekend to Oaklands Outdoor Centre in Wales, funded through the Youth Opportunities Fund.

On the 1 October 2008 the Senior Manager for Supported Accommodation, facilitated a workshop at the National Supported Lodgings Conference in Leeds. The conference, aimed at commissioners and providers throughout the country, was part of the Department of Communities and Local Government's (DCLG) drive to have a supported lodging provision in as many areas as possible. MAP is an exemplar project for the DCLG and is promoted on their website as an illustration of good practice.

Homeground, our 29-bed hostel near to Liverpool City Centre, organised a range of information and activity sessions throughout the year. The sessions are helping residents to develop life skills, build confidence and ultimately get their lives back on track. Useful topics covered included cooking on a budget and advice on managing debt, which was delivered by CAB. Residents also took advantage of alternative therapies held at the hostel as part of promoting health and wellbeing.

Staff at Homeground encourage young people to study and take part in activities to help them to build a positive future. This year several residents participated in a Princes Royal Trust Course, which was aimed at developing the skills of unemployed people. Residents also enjoyed healthy outdoor activity days, including a number of visits to our water sports centre to take part in canoeing, sailing and windsurfing.

Residents also participated in the Liverpool Homeless Football Club (LHFC) league. LHFC aims to provide all homeless adults in the Merseyside area with the opportunity to participate in football on a regular basis. As a result, many young people were given the opportunity to enroll in educational and refereeing courses, as well as benefit from health information provided by professionals.

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A three year award from the John Paul Getty Jnr Charitable Trust enabled us to enhance our support for young homeless people aged 18 to 25 through an innovative project called the Intensive Support Mentoring (ISM) Programme. This pilot is aimed at supporting those individuals who are hardest to engage - in particular those who have a history of cyclical stays within hostels or short term accommodation. The Mentor provides intensive high level one-to-one support that allows exploration of the barriers to inclusion. We are committed to working alongside the John Paul Getty Jnr Charitable Trust to ensure a comprehensive evaluative strand of this programme that considers the cost / benefit analysis of such interventions.

Vulnerable Persons Helplines

Our dedicated team of staff within our Worst Kept Secret (WKS) and Bullybusters services continued to meet the needs of people affected by domestic violence and bullying. This year the team received over 1,000 calls through the free confidential telephone helplines; as well as providing a listening ear, callers were also offered practical advice and signposted to other supportive agencies.

Local Solutions was successful in being awarded two contracts from Liverpool City Council in order to enhance its support for people affected by domestic violence funded by Supporting People. The three year contracts, one of which commenced in spring 2009, will enable us to extend our Independent Domestic Violence Advisory (IDVA) Service in addition to a new Floating Support Service for victims of domestic violence who face additional barriers. Support offered will include safety planning, advice on legal options, support through the court process, representation at the statutory Multi-Agency Risk Assessment Conference (MARAC) and signposting to supportive agencies.

WKS continued to deliver domestic violence awareness training and educational sessions to a range of agencies including registered social landlords, community wardens and voluntary agencies.

The Liverpool Women's 10k run took place in Sefton Park on 11 May 2008, and for the fifth consecutive year, WKS was the main sponsor of the event. In addition to the main race there was a one Mile Fun Run for children sponsored by BullyBusters. The successful event was attended by thousands of runners and spectators, allowing Local Solutions to promote two services that are dedicated to supporting vulnerable people to a wide and diverse audience.

The Local Solutions Target Hardening Team worked closely with WKS in providing emergency security measures within the homes of victims of domestic violence. A total of 99 homes were fitted with security measures including locks to doors and windows. In addition, mobile phones were provided for particularly vulnerable people. These measures not only increase personal protection, but also provide peace of mind, allowing people to continue living in their family home without recourse to refuge. The fact that the two services are provided by Local Solutions ensures that they work in synergy and produce effective and timely interventions to vulnerable families in crisis.

BullyBusters continued to provide a holistic range of services to young people and families that are affected by bullying. This included direct assistance through a dedicated helpline and a specialist website as well as educational sessions for young people in schools aimed at raising awareness and breaking the cycle of bullying.

During the period BullyBusters provided anti-bullying sessions within 81 schools with 12 sessions being conducted with teachers and 10 with parent groups. In total, 6,464 people attended the training. Follow-up sessions were held to address any ongoing issues and to establish peer-mentoring schemes which enable schools to address future bullying issues at an early stage.

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Case Study

BullyBusters received a call from a very distressed young girl who was locked in the school toilet and calling from her mobile phone. A gang had surrounded the toilets and were threatening to harm her. The helpline staff member who took the call obtained the name of the school whilst another staff member called her head of year who was able to intervene and ensure her safety. The BullyBusters co-ordinator visited the school to raise awareness of the affects of bullying, she made regular contact with the young girl, acting as a mediator between her parents and the school and ultimately resolved the situation between her peers using a 'support group' approach. The young girl has now confidently returned to school and the issue has been resolved.

Our BullyBusters Co-ordinator featured in a weekly column in a schools' supplement in the local newspaper, the Liverpool Echo. The column opened with a feature on the problem of cyberbullying, targeting bullies who exploit internet technology to humiliate and hurt others and featured bullying of children with disabilities.

Bullybusters played a key role in the 'Act Together' initiative. The event was funded and organised by Merseyside Police and City Safe, who worked with a number of schools in Liverpool to address social issues within local communities. The BullyBusters Co-ordinator was asked to work as a mentor with children from a school in Toxteth, Liverpool who produced anti bullying messages, including advice about internet safety. Participants were invited to showcase their achievements at a grand finale at the Echo Arena in Liverpool. The event was attended by an invited audience of over 1,500 people.

Once again Bullybusters took part in National Anti-Bullying week in November 2008. This year's campaign was based on the slogan 'Being Different, Belonging Together' and the BullyBusters team played a key part in raising awareness of bullying issues through a number of initiatives. These included an event at Liverpool Town Hall to launch a DVD about homophobic bullying, working with Wirral Anti Bullying Forum to discuss cyberbullying and collaborating with a Liverpool school taking a 'whole school' approach to tackle bullying issues.

In a demonstration of our commitment to the organisation's pro-active approach in helping to tackle social problems within our community and increase our wider public benefit Local Solutions agreed to partner Merseyside Police by becoming a Third Party Hate Crime Reporting Centre. This meant that staff at Local Solutions will report incidents of hate crime including those involving Racism, Domestic Abuse, Religion / Belief, Disability, Homophobia and Transphobia. The initiative also includes our Manchester services as Greater Manchester Police are signed up to the same arrangements.

Merseysport

We were pleased to continue to deliver watersports sessions in sailing, canoeing and windsurfing from our centre in the heart of Liverpool. In the reporting period, our total community and private membership reached 352, in addition Merseysport continued to demonstrate its wider public benefit remit by continuing to deliver free and low cost activities for people from across a broad section of the community and socially isolated groups including people with disabilities, the unemployed, children from inner city schools, those at risk of involvement in the criminal justice system and people on a low income.

Free 'taster' sessions for school children were held regularly throughout the year during school term time thanks to Liverpool Culture Company. These resulted from the highly successful programme organised last year as part of the city's pledge to engage every child in river and water-based

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activities during Liverpool's Capital of Culture themed year - 'Sea Liverpool'.

This year the Centre also played a key role in the delivery of events for the 'World Firefighter Games' that were held in Liverpool. This involved Merseysport hosting the Dragon Boat Racing competition, Open Water Swim and Canoeing races, welcoming over 400 participants from across the world. In addition, three Community Engagement days were held between 26-28 August, when the centre was open to the public to try water based activities.

During the year we have been in discussions with British Waterways in relation to the lease and the future viability of the Watersports Centre. The lease was extended for a further twelve months with the option of a more formal tender being submitted in 2009.

Mobex

Mobex maintained its close links with a range of statutory, community and voluntary organisations – these included probation, social services, drugs rehabilitation projects, homeless and mental health agencies. This collaboration has enabled the team to deliver group programmes of various sports and outdoor activities to support disadvantaged people with the aim of developing personal and social skills to assist them to become active members in the community.

Client groups benefiting from the programmes this year included young homeless people, excluded pupils, adults with learning disabilities/mental health problems and people affected by substance misuse through specifically tailored courses incorporating activities such as climbing, abseiling, canoeing, kayaking, sailing, windsurfing, orienteering, hill walking, navigation, mountain biking, raft building, team tasks and games, archery, swimming and team sports.

Mobex was involved in delivering a unique project through the delivery of a Level 1 Leadership in the Community (LinC) course for inmates at Altcourse Prison. Six young offenders participated in this innovative programme, which is funded through the Rank Foundation and the Mobex Network.

Once again we were successful in our bid to the Liverpool City Council funded programme 'Positive Activities for Young People (PAYP)'. This work involved the team engaging with 'hard to reach' young people. Ten young people participated in the programme aimed at motivating participants to build their self esteem and promote leadership.

ENHANCEMENT

Disability Training Initiatives

In recognising the importance of promoting equality for people with disabilities, our Training Department has developed specific initiatives, such as Ability First, Work Preparation Programme and New Deal for Disabled people. In partnership with the Department of Work and Pensions, all our programmes have been particularly effective in providing opportunities for disabled people to enter the workplace.

In the reporting period, Ability First delivered 50 courses across the Northwest, benefiting 454 people. Our New Deal for Disabled People Programme delivered a job broking service to 100 customers in Merseyside and our Work Preparation Programme delivered a work experience placement service to 133 clients in Merseyside and Cheshire.

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Following a Department of Work and Pensions' Financial Appraisal and Monitoring visit, we are pleased to report that our Work Preparation Programme received Full Assurance praising the 'sound risk management and control systems established and was found to be operating effectively and consistently'. The NDDP programme also received 'Full Assurance' following Audit.

The Ability First team held its bi-annual conference in spring. The conference gave the Programmes' Facilitators from across the North West the opportunity to meet and share best practice and enhance the delivery of future programmes.

The Department of Work and Pensions allocated funding for the New Deal for Disabled People Programme until the end of June 2008. However, from July 2008, we agreed a subcontract arrangement with A4e to deliver the New Deal for Disabled People Programme (now branded 'Connect to Work') in the Greater Mersey district (Knowsley, Sefton, St Helens and Halton).

Lifelong Learning

For the past 32 years, our Training Department has offered accessible provision for people to take up training courses at varied levels aimed at increasing skills and employability. We are pleased to report that in many cases, learners have gone on from initial courses to take up further education and employment.

The Training department continued to work in partnership with statutory, voluntary and educational agencies including Liverpool Community College, and Liverpool, Knowsley and Sefton Councils. These contracts enabled us to deliver tailored programmes in Childcare, Horticulture, IT, Business Administration and Customer Service and Health and Social Care.

During the period we were successful in securing the Neighbourhood Learning in Deprived Communities funding for Sefton for the provision of a range of short courses including Mentoring and Safeguarding Children.

Our Further Education provision, in partnership with Liverpool Community College, delivered courses for learners in Early Years Care, IT and Horticulture. Over 200 adults benefited from this provision leading to the achievement of NVQs and Skills for Working Life qualifications.

Local Solutions were pleased to launch their new 'Train to Gain' programme at an event in the autumn 2008. Over 50 representatives of local businesses requiring training for their staff attended the launch, where they gained information on courses available. As a subcontractor to Training West Lancashire, Local Solutions delivered National Vocational Qualifications Level 2 awards in the workplace for Horticulture, Early Years Care, IT, Business Administration and Customer Service.

We were delighted to secure a contract to deliver the Children and Family Information Service which enabled us to deliver a range of childcare and child minding training courses. During the year, we were also commissioned by Knowsley College's Personal, Community Development and Learning Fund to develop a wide range of non-accredited healthy living and leisure courses to the local community.

All Local Solutions' training programmes are externally assessed in their delivery, and are monitored throughout the year. This year we received strong grades from the British Computer Society's External Verifier visit achieving a Grade A for delivery of the new Information Technology Qualification. We also achieved a Grade 'A' award for Social Care and Childcare Levels 2 and 3 NVQ Qualifications. Specific areas of strength were the one-to-one support with students and the

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promotion of high standards for equal opportunities. The department also passed the annual Momenta Jobcentre Plus accreditation process being commended for good equality practice and continuous development throughout the service provision.

Dyslexia

We are grateful to both KPMG Foundation and The Henry Smith Charity for providing continuation funding to enable us to deliver screenings/assessments and tuition through our Dyslexia Service.

The KPMG Foundation grant enabled us to work with service users who are drawn from our internal programmes and include young homeless people, unpaid carers, and pupils excluded from mainstream education and learners on our training programmes who are experiencing difficulties with their studies. This grant also helped us to support people with disabilities who have come to us for help to re-enter the workplace. The grant from The Henry Smith Charity enabled us to work with a range of external organisations – these have included Local Education Authorities, Connexions Service and the Youth Offending Team. We have also been able to work with a number of colleges, employers, health services and local charities.

In addition to assessment and screening, all of these clients have had the opportunity to access specialist tuition services which are designed to support clients with their individual needs. This has included specialist literacy support, exam support, organisation techniques and negotiation with employers and education establishments.

Case Study

A young homeless person being cared for under our supported accommodation was referred to the Dyslexia Service for assessment. The young person had recently left school with very low grades but with high ability and potential. Although the young person was struggling with issues at home, they still wished to enter further education but felt hesitant as they lacked confidence and were anxious of failing. Following screening through our dyslexia service it was discovered that there was a medium to high possibility of dyslexia. As a result, they were put forward for a full psychological report; since the outcome of the report the young person is now completing the first year of a foundation course in Fashion and Design.

Whilst it has been our aim to generate income to independently fund this service for the longer term, this has proven to be particularly difficult to secure funds to the current level. However, we were successful in securing a grant from the Neighbourhood Learning in Deprived Communities in Sefton to deliver dyslexia awareness sessions in the area. We are keenly aware of the pressures facing the department when current charitable grant funding will cease but it is our intention to generate additional funding through some direct charging to those organisations that are in a position to fund assessments and provide wider public benefit by securing donations to fund individual assessments for disadvantaged groups.

Welfare Benefits Advice

Our Welfare Rights Service continued to play a key role in improving the quality of life for thousands of Liverpool residents living in poverty by ensuring that they are in receipt of appropriate benefit entitlements. During the period the team secured £1.3m of benefits for our service users. The main client groups assisted are older people, individuals with disabilities and carers.

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141 appeal tribunals were undertaken on behalf of service users where our staff team challenge unfavourable decisions. The tribunals involve a significant level of case work and research, using case law such as previous decisions by commissioners decisions and consultation with General Practitioners and other medical professionals.

We were pleased to secure a further three year contract from Liverpool City Council to deliver this invaluable service. Also we obtained an eighteen month contract with Legal Services Commission, which was due for renewal at the end of this financial year. The Legal Aid System is currently undergoing significant changes in the way it will fund in the future and therefore is only awarding short term contracts to providers. We were pleased to receive an extension until October 2010.

Regular outreach surgeries continued throughout the year ensuring accessibility to those most isolated. These included weekly sessions in the Linda McCartney Centre for cancer patients and fortnightly sessions at the Broadoak Unit to support mental health service users. Our specialist multilingual worker continued to provide outreach sessions with ethnic minority communities, with sessions being held at the Al-Rahma Day Centre and the Somali Women's Group.

As part of our information and activities programme for unpaid carers, the team hosted weekly Welfare Rights Sessions. Feedback from carers was very positive, particularly those carers who have had to leave the workplace to provide care, and carers whose dependant was the main wage earner prior to becoming ill. These played a part in alleviating some of the stresses faced by carers through highlighting support that is available. The team also hosted sessions for service users accessing our Work Preparation Programmes who have had to come out of work due to a disability or injury.

We are pleased to report that The Welfare Rights Team successfully passed the Legal Services Commission Peer Review Audit in addition to passing the Liverpool City Council Audit and receiving an 'Excellent' rating.

Keep Safe and Warm

In these challenging times, energy efficiency is high on the government and householder's agendas. Our Keep Safe and Warm (KSW) team of energy conservation staff continued to provide draught proofing, loft, pipe and cavity wall insulation in the homes of vulnerable people in the community. This service is particularly beneficial to our older and disabled service users, who are at greater risk of ill health during the winter months.

In the reporting period KSW has also been involved in the process of networking with the utility companies regarding funding for clients on benefits and also grants towards costs of insulation for people who work.

Following Prime Minister Gordon Brown's announcement regarding insulation grants being made more widely available, KSW's surveyor was interviewed on Sky News and featured on bulletins throughout the day highlighting the work of the department.

Since 1995 we have been actively involved in supporting victims of crime and vulnerable people in the community through our target hardening programme. This work has involved the installation of window and door locks on properties of individuals that are susceptible to crime including older people, those with disabilities, victims of domestic violence and households that have been burgled. During this reporting period, 310 properties have been secured, providing residents with increased confidence and peace of mind.

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The Handy person service has been in operation for two years providing household maintenance and gardening services. This is achieved in partnership with Liverpool City Council and Housing Associations - Riverside Housing, South Liverpool Housing and Arena Housing. This initiative is aimed at people over 60 years of age and people with disabilities and the team delivered services to 250 customers during the period.

Once again, the KSW team played a key role in the Annual Winter Survival Fayre at St. Georges Hall on 19 November 2008. The event, open to the general public, saw organisations and charities on hand to offer advice and information on topics such as reducing fuel bills, energy grants and healthy eating. Also, for the third year running, Local Solutions ran a successful Winter Survival Campaign involving the distribution of hundreds of essential Winter Survival Packs to vulnerable service users within the organisation. Funding for the packs was received from a range of charitable trusts.

Horticulture

The Horticulture project had a successful year. We maintained productive links with Liverpool City Council and community environmental and regeneration projects - Community 7 and IN Environmental Services. This involved providing grounds maintenance work, cleaning up derelict public areas, landscaping and planting trees within the Dingle, Toxteth, Bootle, Kensington and Picton areas of Liverpool.

Unfortunately our service level agreement ceased with IN Environmental at the end of November 2008. This was the result of a merger which meant that the company decided that they would no longer outsource the provision to Local Solutions but directly employ staff instead.

Our team, in conjunction with Community 7, worked closely with residents in Kensington, Liverpool to turn an area of open land into a community garden to include seating, barbeque and a lawned area for residents to enjoy; we also developed a composting system so residents can become more efficient in recycling. This development led to us being short listed for an entry for 'Britain in Bloom' 2008.

This year our horticulture project, in conjunction with Sefton Park Allotment Society, achieved two awards through the 'Britain in Bloom' competition. These were 'Britain's Best Allotment Community Project' 2008 and a Bronze award for the specially designed allotment for people with disabilities.

We are pleased to report that we also received an award for Outstanding Achievement in the 'Britain in Bloom Neighbourhood Awards' for our work at the Stockbridge Village Resource Centre. This development transformed the outside area of the centre and involved services users and local residents, who had a range of disabilities, engaging in activities to include sensory garden, woodland trail seating area and assisting in the building of a polytunnel to enable residents to grow produce and be self-sustainable. Horticulture training was adapted to meet the specific needs of the people involved.

Care Training Unit

During 2008/09 the Care Training Unit delivered specialised training courses in social care to 418 individuals. In addition, 95 successfully completed their NVQ Level 2 and 3 qualifications. The team continued to provide a varied timetable of sector specific social care training to external agencies and also supporting our internal Homecare staff.

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Due to the successful delivery of the Public Sector Routeway contract held with Liverpool City Council, the team were presented with a 'Silver Award' for quality of service. The contract enabled unemployed Liverpool residents to access free training and significant job opportunities.

Care Training was successful in securing funding from Skills for Care to train 5 migrant Care Support Workers from our Homecare Department to become migrant mentors to newly employed migrant workers. During this reporting period, each mentor achieved an NVQ Level 3 Certificate in Mentoring in the Workplace. The course equipped the mentors with the skills and knowledge to ensure that they were confident in their role enabling them to engage in one-to-one sessions with new employees in their first 12 months of employment.

The Migrant Mentors Scheme has had a positive impact on our service users improving service delivery and assisting with the retention of our key service staff. The initiative was used as a model of good practice at both the local and national Skills for Care conferences, at which the team delivered seminars; it was also included in the best practice guide produced by the Migrant Workers North West.

In partnership with Liverpool John Moores University, a researcher was employed to undertake a body of work focussing on accessing unpaid carers attitudes and perceptions of healthy lifestyles. The findings contributed to a European programme known as CHANCE (Community Health Management to Enhance Behaviour).

Quality Assurance

As part of the ongoing commitment to raise quality throughout the organisation, a new team was established during the year to focus on Quality Assurance. The team will utilise the existing expertise within the company to advise departments on how they can successfully measure and continuously improve quality within service areas.

The quality assurance department was launched with a formal event attended by over 70 staff from across the organisation. This was an opportunity to examine current quality provision and explore opportunities and innovative ways of working in the future. As a result, the Quality Assurance Team reviewed the findings and delivered an action plan considering all aspects of quality including standardisation, continuous professional development, best practice and contract compliance.

The Quality Assurance team played a key role in successfully securing the Matrix Quality Standard for Advice and Guidance for our Training Department and Welfare Rights Service. This was a significant achievement and demonstrates the quality of our advice and guidance in both service areas. The team will seek to widen the scope of the Matrix Standard in future periods to include additional areas within our service provision. The Quality Assurance Team will also take a lead on ensuring that Local Solutions is focused on retaining its Investors in People Award when re-inspected in January 2010.

As part of the commitment to increase our service user feedback the Quality Assurance Team devised and circulated a number of project specific customer satisfaction questionnaires. The results reflected good to high levels of satisfaction across a broad spectrum of service delivery and the team worked with relevant departments to consider how they could further improve quality.

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EARLY YEARS

Our Early Years Care Sector has continued to offer high quality, affordable and flexible childcare throughout a number of centres across Liverpool and Knowsley. Hundreds of working families and parents who wish to pursue education or career opportunities took advantage of the nursery, breakfast/after-school clubs and holiday playschemes on offer at each facility.

The summer playschemes were a real success with the children enjoying a wide variety of activities - these included sessions run by the RSPCA, Guide Dogs for the Blind, Merseyside Police and the Healthy Eating Team. There was also a 'beauty therapy' week and events linked to the 2008 Olympics. Other additional events held during the year included a road safety awareness day, a sponsored walk to raise funds for Barnardo's and a wildlife information session. A particular highlight of the year was when a group of eight children had their work published in a book as a result of a poetry competition, 'Little Voices', which was organised by Liverpool City Council.

A number of grants were secured during the period which helped us to enhance our provision. These included an award from Liverpool Early Years to improve Language, Literacy and Communication in our pre-school room and a substantial level of funding from the Lottery fund 'Awards for All' for the purchase of sport and dance equipment and volunteer training playscheme. We also received support from two local radio stations, Radio City and Radio Merseyside, who funded the purchase of two Turtle Kiddie Buses. The vehicles are enabling us to take groups of up to six children out for walks and educational outings to local amenities.

We were delighted when Mace and Jones Solicitors marked Liverpool's year as European Capital of Culture by hosting a short story competition and chose our Early Years Sector as the charitable beneficiary. The award was used towards providing children in the nurseries with wet weather clothing.

A number of refurbishments took place to enhance our provision and improve our childcare environments; this included the development of a multi-sensory room at our Hilltop Children's Centre.

Two parents attended a post-natal depression support group that was being run at one of our Knowsley site's by Sure Start. On the completion of the course the parents had gained new skills and the overall impact on both parents and their children has been extremely positive. Subsequently both parents signed up to our Local Solutions NVQ Level 2 in Early Years and have encouraged other parents to participate.

Early Years has continued to experience a challenging financial situation with sub-optimal occupancy across our sites. The question of viability in sustaining all of our existing provision continues and the situation is under review with the possibility of a reduction of our services. We are pleased to report subsequent to the year-end we have transferred the responsibility of running three of the sites to other providers.

CORPORATE SERVICES

Northern Conference Centre

The Northern Conference Centre (NCC) continued to provide a high standard of meeting, conference and catering facilities for internal and external customers drawn principally from the charity sector.

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This year the NCC held a celebratory event to mark its 18th anniversary. The team were joined by over fifty guests for this milestone occasion.

NCC has built up excellent relationships with local businesses, statutory, voluntary and educational organisations including Liverpool Primary Care Trust, the Parkinson's Society, Liverpool City Council, Merseyside Pre-Retirement Association, Merseytravel, Probation Service and Mersey Care.

On 3 December 2008 the NCC hosted a luncheon to mark International Volunteer Day. Our dedicated volunteers were joined by Local Solutions' Chairman and Chief Executive, plus other members of our management team and were thanked for their hard work and commitment.

Estate Management

During the reporting period the Estate Management team has provided a support service to managers at all Local Solutions' bases. This has included full Health and Safety inspections and ongoing advice and training with all health and safety and fire safety issues. In addition inspections were carried out to ensure organisational compliance in terms of the Disability Discrimination Act.

This year all our Senior and Operational Managers received training on the new Corporate Manslaughter and Homicide Regulations that came into force on 6 April 2008. The legislation alters the degree of accountability for Trustees and Senior Managers of organisations in relation to Health and Safety Performance.

Estate Management continued to keep a watching brief in terms of the future of the headquarters at Mount Vernon Green within the context of wider regeneration programmes within the locale likely to affect the long term viability of the existing headquarters premises.

Human Resources

Our Human Resource Department plays a diverse and key role within the organisation. During 2008/09 our Human Resources team supported employees with a broad range of traditional HR issues, including job advertising, interviewing and induction. The team has also taken on additional responsibilities to support the organisation including training, staff development and the revision of company policy documentation.

The team delivered a variety of courses throughout the year which included Data Protection, Bullying and Harassment, Customer Service, Foundation for Leadership and Equal Opportunities. New courses will be added next year to reflect requirements identified through the organisation's annual appraisal system.

In an endeavour to provide an opportunity for all staff to get involved in company wide issues, the HR Department established a new Staff Focus Group. This year the group considered the Investors in People feedback as well as policy development and human resource issues.

Local Solutions is committed to the learning and development of all employees. We have developed a multi-layered approach to meeting both operational and individual needs, with training needs of staff being continually reviewed through annual appraisals and learning requirements of operational issues being identified during Business Planning processes.

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The organisation remains committed to its Equal Opportunities Policy in providing opportunities for all its employees regardless of sex, sexual orientation, race, colour, nationality, religion, ethnic or national origins, disability or marital status. All employees continue to receive a full copy of our Equal Opportunities Policy and Strategy during their Induction with Line Managers clarifying policy documents, ensuring staff fully understand their role in adherence to our policy and practice.

Each year Jobcentre Plus undertake a review of the five commitments under the “two ticks” disability symbol, these include: applicants who meet the minimum criteria, consulting with employees with a disability, retaining people who become disabled, developing awareness and reviewing progress. We are happy to report that Local Solutions met with all requirements under the kite mark which demonstrates our commitment to job seekers with a disability.

Achievements and performance

In the previous Annual report we identified various objectives that we would pay particular attention to during the 2008/9 period. We are pleased to report the following progress on these objectives.

The organisation has continued to focus on three ‘Big Goals’ of Reach, Reputation and Independence to enhance the organisation’s effectiveness. These drivers have been firmly embedded within our business planning culture. We have been more pro-active in seeking out and developing opportunities across the region and have extended our reach within our area of benefit. For example Homecare has developed opportunities for new market entry and gained significant additional work through their responsiveness and partnership approach following an existing provider in Liverpool being unable to continue operating. Homecare has also been pro-active in tendering for work in new areas and has successfully negotiated several stages of tendering for domiciliary care work for Manchester City Council and Halton Borough Council. Local Solutions has also firmly established the Denbighshire Supported Lodgings project for young homeless people in North Wales. These developments represent our objective to develop into a regional organisation.

There has been a drive to focus on quality and develop the work of the Quality Assurance Team through company wide events and a systematic programme of work to assist projects in developing their quality through specific interventions.

We have engaged and collaborated, where appropriate, with other third sector, public sector organisations and commissioners to deliver an enhanced service portfolio and add value to the experience of service users. This is demonstrated in projects such as the unique partnership with the Malmaison Hotel, Liverpool to provide carers respite breaks.

We have ensured greater staff representation throughout the organisation by establishing a Staff Focus Group.

Within the reporting period we also established an organisation wide ‘Innovation in Participation’ group consisting of service users and volunteers. This initiative involves training and developing the skills of the participants to enable them to increase participation within the organisation. Relevant training was put in place to enable the group to become involved in policy review and future departmental planning. Representatives from the group attended a showcasing event at Haydock Race Course where they received an award from Skills for Care in recognition of their achievements. However we are aware that we have not significantly met our stated objective to increase the number and scope of volunteers within the organisation and this will remain a target for the organisation in subsequent years.

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Financial Review

Income and expenditure

The overall surplus for the year was £50k, which resulted in a further increase of reserves.

Total income increased from £15.45m to £15.74m, a rise of 2%. This is the same as last year's growth, highlighting the financial constraints under which we operate. Whilst there was a decrease in the turnover in Early Years and Training activities there were increases in Homecare, Supported Accommodation and Keep Safe and Warm.

Balance sheet

There was an increase in the net book value of fixed assets from £222k at the start of the year to £238k at the end of the year represented by a capital spend during the year of £63k, £10k on Motor Vehicles and £53k on Fixtures, Fittings and Equipment and offset by an overall depreciation charge for the year of £47k.

The most significant movement on the balance sheet is the increase of the debtors figure from £2,152k last year to £2,717k this year. This increase is due to a rise in operating debtors and accrued income. Since the year-end credit control has been reviewed and a significant proportion of the operating debtors at the year-end have been collected by the date of this report.

At the end of the year the cash at bank and in hand figure was £433k, a decrease of £280k. This represents a consistent level of funds with the bank and on deposit during the year. The charity's working capital remains under constant review.

Reserves policy

As part of a policy of good financial management, the charity holds reserves in its unrestricted funds, in order to establish an appropriate level of working capital and to protect the future operations of the charity from the effects of any unforeseen variations in its income streams. The Trustees have considered the level of free reserves required to ensure that the charity has sufficient resources available should the charity suffer from a material reduction in its income stream. They have decided, after undertaking an assessment of the charity's needs based upon the likely costs associated with such a reduction, that a reserve of £3m, equivalent to three months running costs, should be created. Unrestricted Reserves at present are £1.8m. This is below our desired figure by £1.2m. Our budget for 2009/2010 predicts a modest surplus, which will enable us to reduce this "free reserves" shortfall. The Trustees are aware of the need to ensure the reserves are appropriate for the size of the organisation.

Investment policy

The Memorandum and Articles of Association sets out the company's powers of investment. The financial position means that it is not prudent to hold any long-term investments. Short term surplus funds are placed in cash deposit investment schemes with the company's bankers and the Trustees are satisfied with the return achieved, bearing in mind the limited funds available for investment and the period of time for which they were available.

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Funding

The Trustees remain satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

Plans for future periods

Following continuous strategic review and organisational development work carried out during the year, we have established a range of objectives for the next period.

In 2009/10 we will:

- Improve our Governance and Management Information Systems through developing more sophisticated reporting of project specific high-level Key Performance Indicators to the Board of Trustees and the Senior Management Team;
- Increase standardisation of reporting across all service areas including 'balanced scorecard' methodologies that measure the impact of our work;
- Develop an increased focus on the risks associated with the organisation and ensure that our management processes are robust in minimising risk;
- Ensure that every department is using appropriate measures of customer satisfaction and customer need;
- Become increasingly involved in developing social research;
- Expand the geographical reach within our area of benefit through individual departmental development.

Statement of trustees' responsibilities

The trustees (who are also directors of Local Solutions for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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For the year ended 31 March 2009

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees' are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Status

The company is a registered charity (number 515060).

The company is limited by guarantee and permission has been obtained from the Registrar of Companies to dispense with the use of the word "Limited".

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 385 of the Companies Act 1985.

Acknowledgement

No report on the work of the organisation would be complete without an expression of heartfelt thanks to all those who made our achievements possible.

We have many who support us in different ways. Our strong relationships with our partners, funders and commissioners help us to develop new areas of work and understand our organisational strengths. We continue to receive funds from a range of Charitable Trusts; their generosity and faith in Local Solutions as an organisation that can deliver real outcomes, often within innovative areas of work, is a constant source of pride and achievement for the organisation.

2009 is the 35th Anniversary of Local Solutions. The organisation hosted an event in the House of Lords to celebrate this milestone and to give thanks to the many partners, collaborators, colleagues and friends who have helped shape, develop and contribute to our success.

Once again particular mention must be made of our staff and volunteers who contribute so significantly to the success of Local Solutions. Many of the Trustees were fortunate to be present at the annual 'Employee of the Year' Award ceremony in December 2008. The competition for these awards and the dedication of the individual recipients is testament to the wider commitment and contribution of those who work for Local Solutions in ensuring that it continues to improve the quality of life for so many people across the North West.

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For the year ended 31 March 2009

ON BEHALF OF THE TRUSTEES

Robert T H Owen
Chairman

17 September 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

LOCAL SOLUTIONS

We have audited the financial statements of Local Solutions for the year ended 31 March 2009, which comprise the principal accounting policies, the statement of financial activities, the summary income and expenditure account, the balance sheet, the cash flow statement and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable company its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The trustees' (who are also directors of Local Solutions for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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, are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Annual Report is consistent with the financial statements.

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

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. The other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of opinion

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LOCAL SOLUTIONS**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the 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, for the year ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Annual Report is consistent with the financial statements for the year ended 31 March 2009.

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LIVERPOOL**

2009

LOCAL SOLUTIONS

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting by Charities (SORP 2005) and in accordance with the Companies Act 1985. They have been prepared under the historical cost convention except that certain freehold properties are shown at their re-valued amounts.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

INCOMING RESOURCES

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made and the amount involved can be quantified. They are included in the statement of financial activities.

Gifts-in-kind are accounted for at the trustees' estimate of value to the charity or sale value as follows:

- assets received for distribution by the charity are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold
- gifts of fixed assets for charity use or funds for acquiring fixed assets for charity use are accounted for (as restricted funds) immediately on receipt.

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. An equivalent amount is charged as expenditure. No income is recognised when there is no financial cost borne by a third party. Voluntary help is not included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future year, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

LOCAL SOLUTIONS

PRINCIPAL ACCOUNTING POLICIES

RESOURCES EXPENDED

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable);
- expenditure incurred directly in the effort to raise voluntary contributions (fundraising and publicity); and,
- expenditure incurred in the management and administration of the charity (support costs).

FUND ACCOUNTING

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

The charity has projects for which funding consists of Restricted and Unrestricted income. The charity's policy is to apply Restricted income against expenditure in priority to unrestricted income to meet the conditions attaching to the Restricted funds.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

The company capitalises all individual items of fixed assets in excess of £1,000.

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Freehold properties	2% on valuation
Leasehold improvements	Remaining life of leases
Motor vehicles	25% on cost
Fixtures, fittings and equipment	25% on cost

ASSET RESERVE

Where donors specify that their donation is for a restricted purpose, income received from donors for the purchase of fixed assets is transferred from the income and expenditure account to the asset reserve. The income is released to the income and expenditure account on the same basis as the depreciation charge, and is included in grants and donations. The asset reserve is a restricted fund.

STOCK

Stock is stated at the lower of cost and net realisable value.

LOCAL SOLUTIONS

PRINCIPAL ACCOUNTING POLICIES

VALUE ADDED TAX

The company is partially exempt from VAT and all irrecoverable VAT is shown in direct charitable expenditure.

RETIREMENT BENEFITS

Defined Contribution Pension Scheme

The pension costs charged against the operating surplus are the contributions payable to the scheme in respect of the accounting year.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of financial activities over the year of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

LOCAL SOLUTIONS

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME & EXPENDITURE ACCOUNT

For the year ended 31 March 2009

	Note	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Income					
Incoming resources	1				
<i>Income in furtherance of the charity's objects</i>					
Donations and gifts		28,994	186,499	215,493	307,252
Project income including Grants		14,690,253	823,819	15,514,072	15,118,013
Investment income	3	11,055	-	11,055	20,823
Total incoming resources		<u>14,730,302</u>	<u>1,010,318</u>	<u>15,740,620</u>	<u>15,446,088</u>
Expenditure					
Resources expended	2				
Direct charitable expenditure		14,629,818	1,010,318	15,640,136	15,077,169
Governance costs		49,991	-	49,991	44,392
Total resources expended		<u>14,679,809</u>	<u>1,010,318</u>	<u>15,690,127</u>	<u>15,121,561</u>
Net incoming resources for the year being the surplus of income over expenditure		50,493	-	50,493	324,527
Total funds brought forward at 1 April 2008	10	1,842,097	-	1,842,097	1,517,570
Total funds carried forward at 31 March 2009	11	<u>1,892,590</u>	<u>-</u>	<u>1,892,590</u>	<u>1,842,097</u>

All of the principal activities of the charity are continuing.

There were no other recognised gains or losses other than the result for the year.

LOCAL SOLUTIONS

BALANCE SHEET AT 31 MARCH 2009

	Note	£	2009 £	£	2008 £
Fixed assets					
Tangible assets	6		237,564		221,671
Current assets					
Stock	7	31,839		33,864	
Debtors	8	2,717,600		2,151,658	
Cash at bank and in hand		433,578		713,022	
			<u>3,183,017</u>	<u>2,898,544</u>	
Creditors: amounts falling due within one year	9	<u>(1,527,991)</u>		<u>(1,278,118)</u>	
Net current assets			1,655,026		1,620,426
Net assets			<u>1,892,590</u>		<u>1,842,097</u>
Funds					
Restricted	10		-		-
Unrestricted	10		<u>1,892,590</u>		<u>1,842,097</u>
			<u>1,892,590</u>		<u>1,842,097</u>

The financial statements were approved by the Board of Trustees on 17 September 2009, and signed on their behalf by:

Trustee

LOCAL SOLUTIONS

CASH FLOW STATEMENT

For the year ended 31 March 2009

	Note	£	2009 £	£	2008 £
Net cash (outflow)/inflow from operating activities	12		(227,908)		88,028
Returns of investments and servicing of finance					
Interest received		11,055		20,823	
Interest paid		<u>(73)</u>		<u>(124)</u>	
Net cash inflow from returns on Investments and servicing of finance			10,982		20,699
Capital expenditure					
Purchase of tangible fixed assets		(62,518)		(7,500)	
Sale proceeds of tangible fixed assets		<u>0</u>		<u>2,480</u>	
Net cash outflow from capital expenditure			(62,518)		(5,020)
(Decrease)/Increase in cash	13		<u>(279,444)</u>		<u>103,707</u>

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

1 ANALYSIS OF INCOMING RESOURCES

	2009 £	2008 £
Donations deferred at 1 April 2008	84,921	144,233
Donations receivable in the year	348,721	247,940
Credit for the year	<u>(215,493)</u>	<u>(307,252)</u>
Donations deferred at 31 March 2009	<u>218,149</u>	<u>84,921</u>

	£	£
Project income deferred at 1 April 2008	234,481	235,698
Project income receivable in the year	15,480,412	15,116,796
Credit for the year	<u>(15,514,072)</u>	<u>(15,118,013)</u>
Project income deferred at 31 March 2009	<u>200,821</u>	<u>234,481</u>

	£	£
Analysis of income		
Project income for charitable services provided	15,514,072	15,118,013
Donations	215,493	307,252
Investment income	<u>11,055</u>	<u>20,823</u>
	<u>15,740,620</u>	<u>15,446,088</u>

Income is analysed by projects as follows:

	£	£
Enhancement/Training & QA	2,461,036	2,747,702
Enablement/Homecare	8,681,164	8,120,704
Early Years	1,470,460	1,548,543
Engagement/Supported Accommodation	2,836,002	2,634,428
Central Services	<u>65,410</u>	<u>66,636</u>
	<u>15,514,072</u>	<u>15,118,013</u>

Project income is derived from various funding sources including Liverpool, Sefton, Knowsley, Wirral and St Helens Local Authorities.

Restricted Grants within Project Income

	£
Knowsley Metropolitan Borough Council	300,896
Liverpool City Council	462,767
Health Authorities/Trusts	36,486
John Moores Foundation	5,000
Others	<u>18,670</u>
	<u>823,819</u>

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

1 ANALYSIS OF INCOMING RESOURCES (CONTINUED)

Investment income comprises income from:

	2009 £	2008 £
Bank deposits	<u>11,055</u>	<u>20,823</u>

2 ANALYSIS OF RESOURCES EXPENDED

	Staff costs £	Other costs £	Depreciation £	2009 £	2008 £
Direct charitable expenditure	12,459,327	3,134,185	46,624	15,640,136	15,077,169
Governance costs	26,414	23,577	0	49,991	44,392
	<u>12,485,741</u>	<u>3,157,762</u>	<u>46,624</u>	<u>15,690,127</u>	<u>15,121,561</u>

Within Direct charitable expenditure other costs represents all direct and indirect charitable activity costs covering the various projects operated by the charity and certain support costs.

Support costs covering Management, Finance, IT support and HR including ancillary costs amount to £1,404,581, which figure includes fundraising costs of £105,722.

Governance costs relate to the general running of the charity. They include external audit costs and costs associated with constitutional and statutory requirements.

3 NET INTEREST (RECEIVABLE)/PAYABLE

	2009 £	2008 £
On bank overdraft	73	124
Other interest receivable and similar income	<u>(11,055)</u>	<u>(20,823)</u>
	<u>(10,982)</u>	<u>(20,699)</u>

4 EMPLOYEES

Staff costs during the year were as follows:

	2009 £	2008 £
Wages and salaries	11,422,533	11,084,915
Social security costs	912,841	889,534
Other pension costs	150,367	144,345
	<u>12,485,741</u>	<u>12,118,794</u>

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

4 EMPLOYEES (CONTINUED)

The average number of full time equivalent employees during the year was 684 (2008: 729).

	2009 Number	2008 Number
Project staff	671	715
Fundraising and publicity	3	3
Management and administration of the charity	10	11
	684	729

The emoluments of higher-paid employees fell within the following ranges:

	2009 Number	2008 Number
£70,001 to £80,000	1	1

During the year the following amounts were paid in respect of money purchase pension schemes:

	2009 £	2008 £
Pension contributions to money purchase schemes	5,121	5,127

During the year one higher paid employee (2008: one higher paid employee) participated in a money purchase pension scheme.

5 TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

No trustee or person with a family or business connection with a trustee received remuneration in the year, directly or indirectly, from either the charity or an institution or company controlled by the charity. Travel expenses of £242 were reimbursed to one trustee (2008: £151) during the year. There were no related party transactions in the year.

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

6 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold improvements £	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost or valuation					
At 1 April 2008	170,000	142,487	128,129	597,181	1,037,797
Additions	0	0	9,950	52,568	62,518
Disposals	0	0	-8,000	0	-8,000
At 31 March 2009	<u>170,000</u>	<u>142,487</u>	<u>130,079</u>	<u>649,749</u>	<u>1,092,315</u>
Depreciation					
At 1 April 2008	28,576	111,500	115,665	560,385	816,126
Provided in the year	3,396	8,568	8,609	26,051	46,624
Eliminated on disposals	0	0	-7,999	0	-7,999
At 31 March 2009	<u>31,972</u>	<u>120,068</u>	<u>116,275</u>	<u>586,436</u>	<u>854,751</u>
Net book amount at 31 March 2009	<u>138,028</u>	<u>22,419</u>	<u>13,804</u>	<u>63,313</u>	<u>237,564</u>
Net book amount at 31 March 2008	<u>141,424</u>	<u>30,987</u>	<u>12,464</u>	<u>36,796</u>	<u>221,671</u>

All tangible fixed assets were used for charitable purposes.

The figures stated above for cost or valuation include a valuation as follows:

	Freehold land and buildings	
	2009 £	2008 £
At cost	3,404	3,404
At valuation	<u>166,596</u>	<u>166,596</u>
	<u>170,000</u>	<u>170,000</u>

The freehold land and buildings were valued on 10 February 1999 by Messrs Thomson & Moulton, Chartered Surveyors, Liverpool. The basis of the valuation used was open market value, existing use basis.

The Trustees have adopted this valuation as surrogate cost for the purpose of compliance with FRS15 and are of the opinion that there is no material difference between the accounts carrying value and the current value, on an existing use basis.

7 STOCK

	2009 £	2008 £
Materials	<u>31,839</u>	<u>33,864</u>

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

8 DEBTORS

	2009 £	2008 £
Accrued income	937,162	712,573
Operating debtors	1,659,480	1,310,054
Other debtors	3,119	8,695
Prepayments	117,839	120,336
	<u>2,717,600</u>	<u>2,151,658</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Operating creditors	228,551	147,081
Social security and other taxes	338,254	321,141
Accruals	542,216	490,493
Deferred income	418,970	319,403
	<u>1,527,991</u>	<u>1,278,118</u>

Included in Accruals is an amount of £15,159 owing in respect of the charity's pension scheme. This liability was paid subsequent to the year end.

10 FUNDS

	Restricted fund £	Unrestricted fund £	Total £
At 1 April 2008	-	1,842,097	1,842,097
Incoming resources	-	15,740,620	15,740,620
Resources expended	-	(15,690,127)	(15,690,127)
At 31 March 2009	-	<u>1,892,590</u>	<u>1,892,590</u>

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total £
Tangible fixed assets	237,564
Current assets	3,183,017
Current liabilities	<u>(1,527,991)</u>
Net assets	<u>1,892,590</u>

The above analysis is in respect of Unrestricted Funds.

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

12 RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Net incoming resources	50,493	324,527
Depreciation	46,624	70,799
Deficit/(Surplus) on sale of tangible fixed assets	1	(554)
Decrease in stock	2,025	10,251
Increase in debtors	(565,942)	(275,991)
Increase/(Decrease) in creditors	249,873	(20,305)
Net interest received	(10,982)	(20,699)
Net cash (outflow)/inflow from operating activities	<u>(227,908)</u>	<u>88,028</u>

13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2009 £	2008 £
(Decrease)/Increase in cash in the year	(279,444)	103,707
Net funds at 1 April 2008	<u>713,022</u>	<u>609,315</u>
Net funds at 31 March 2009	<u>433,578</u>	<u>713,022</u>

14 CAPITAL COMMITMENTS

	2009 £	2008 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>-</u>

15 CONTINGENT LIABILITIES

There were no Contingent Liabilities at 31 March 2009 (31 March 2008 – none).

16 RETIREMENT BENEFITS

Defined Contribution Pension Scheme

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

LOCAL SOLUTIONS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

17 LEASING COMMITMENTS

Operating lease payments amounting to £283,185 (2008: £261,554) are due within one year. The leases to which these amounts relate expire as follows:

	Leasehold properties 2009 £	Leasehold properties 2008 £
In one year or less	160,948	123,398
Between one and five years	122,237	138,156
	<u>283,185</u>	<u>261,554</u>