

**REGISTERED COMPANY NUMBER: 08604799 (England and Wales)**

**KALEIDOSCOPE LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**KALEIDOSCOPE LEARNING TRUST**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Trustees' Report</b>	2
<b>Governance Statement</b>	9
<b>Statement on Regularity, Propriety and Compliance</b>	11
<b>Statement of Trustees' Responsibilities</b>	12
<b>Report of the Independent Auditors</b>	13
<b>Independent Accountant's Report on Regularity</b>	16
<b>Statement of Financial Activities</b>	17
<b>Balance Sheet</b>	18
<b>Cash Flow Statement</b>	19
<b>Notes to the Cash Flow Statement</b>	20
<b>Notes to the Financial Statements</b>	21

**KALEIDOSCOPE LEARNING TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**MEMBERS:**

R Naik (appointed 26.5.21)  
L Gibson (appointed 26.5.21)  
M Taylor (appointed 26.5.21)  
D Glenn  
J Whiston  
H M Madeley (resigned 26.5.21)  
R A Haffenden (resigned 26.5.21)  
J J E Swaffield (resigned 26.5.21)

**TRUSTEES**

A J Larkin (Principal and Accounting office) (resigned  
14.7.21)  
H M Madeley  
J M Pennington  
J A Szostek  
J J E Swaffield (Chair of Trustees)  
K Hay (resigned 18.8.21)  
M Taylor (resigned 26.5.21)  
G Shaw (appointed 15.9.21)

**COMPANY SECRETARY**

M Duval

**SENIOR MANAGEMENT TEAM:**

M Duval (Director of Finance/CFO) (appointed 10.11.20)  
J M Evans (Director of Finance/CFO) (resigned 9.11.20)  
R Newton (Vice Principal)  
S Howarth (Vice Principal)  
A J Larkin (Executive Principal)

**REGISTERED OFFICE**

Cloughwood Academy  
Stones Manor Lane  
Northwich  
Cheshire  
CW8 1NU

**REGISTERED COMPANY  
NUMBER**

08604799 (England and Wales)

**AUDITORS**

Murray Smith LLP  
Chartered Accountants  
Statutory Auditors  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Kaleidoscope Learning Trust (KLT) is currently a single academy Multi-academy Trust (MAT). KLT is a highly ambitious MAT and is currently seeking other schools and academies to come into the organisation.

Our current strategy reflects our commitment to future growth and to helping children and young people achieve the best possible outcomes, regardless of their background or starting point. We are particularly interested in Special Educational Needs, with a particular emphasis on ensuring our pupils are well-prepared for successfully integrating into the world of work and life beyond school.

In the pursuit of excellence, we will continue to embed the values of the Trust in the core of our curriculum and expect our schools to be beacons for educational best practice, offering rich learning environments in which creativity and personal development thrive.

Our founding school, Cloughwood Academy is a day and residential provision for pupils with Social, Emotional and Mental Health (SEMH) difficulties and other complex needs <https://www.cloughwoodacademy.co.uk/> Cloughwood Academy has just received its third Ofsted Outstanding rating in a row at a recent inspection, an achievement now of ten years' standing. The Academy's residential provision also enjoys an Outstanding rating.

See Ofsted reports at the following link

<https://www.cloughwoodacademy.co.uk/ofsted-reports/>

**Public benefit**

In addition to its prime objective of public benefit education, the Trust promotes the use of the Academy premises by the surrounding community. The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**FUNDRAISING**

The Trust ensures that all fundraising activities are carried out in a transparent and up-front manner and that "proof of donations" are displayed for staff, visitors and pupils to see after all fundraising activities. The use of funds obtained through fundraising activities is tracked by Academy's senior leadership teams and reports are completed by the School Business Manager.

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**ACHIEVEMENT AND PERFORMANCE**

**Current schools/academies of the trust**

At present, KLT is fortunate to have one of the most successful and high-performing special schools in the country as its founding Academy.

In a recent inspection of Cloughwood Academy which judged that Cloughwood continues to be an outstanding school (September 2021), Ofsted stated,

'Pupils thrive, socially, emotionally and academically at Cloughwood Academy. They access a rich and exciting set of experiences which go beyond the academic curriculum. Pupils thoroughly enjoy outdoor activities such as water sports, cycling and camping. Pupils' eyes are opened to new ideas and their imaginations are sparked by possibilities through a wide range of cultural experiences. All pupils enjoy a wide range of after-school clubs and enrichment events. This encourages pupils to immerse themselves in the arts, sports, games and languages.

Pupils are happy and safe in school. Staff and pupils enjoy each other's company and always have lunch together. The trusting and supportive relationships between pupils and staff are evident across the school. Pupils behave very well.'

Cloughwood Academy has recently achieved the Nurture UK Award and will represent Nurture UK nationally as a Beacon School <https://www.nurtureuk.org/>

For a full, detailed and comprehensive description of the things on offer for pupils who attend Cloughwood Academy, please go to the website at [cloughwoodacademy.co.uk](http://cloughwoodacademy.co.uk).

**FINANCIAL REVIEW**

**Financial position**

The principal financial management policies adopted in the year are as laid down by the Academies Financial Handbook published by the ESFA. The Trust's financial position is monitored by regular reviews of income and expenditure versus planned budgets at Finance and Audit committee meetings.

The principal sources of funding are: High Needs and Grant Income from the ESFA; High Needs top-up funding from the placing authorities (predominantly Cheshire West and Chester); Residential funding from Cheshire West and Chester.

Expenditure on staffing costs and premises improvements has fully supported the Trust's objectives.

In the year ended 31 August 2021 the Trust received total income of £2,217,043 (2020 £1,923,215) resulting in a surplus of £212,584 (2020 deficit £45,595) before non cash charges in respect of the Local Government Pension Scheme. The operating surplus after the pension charge was £56,584 (2020 deficit £210,595).

The total reserves at 31 August 2021 before the Local Government Pension Scheme liability were £5,892,758 (2020 £5,680,174). Excluding fixed assets and the pension scheme liability the reserves were £878,179 (2020 £563,151).

**Investment policy and objectives**

All investments are made in line with the Trust's Treasury Policy. The Trust's funds are currently held with Lloyds Bank plc and in a 30 day deposit account with Santander UK plc.

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**FINANCIAL REVIEW**

**Reserves policy**

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies. All academies are to ensure that they hold back at least 2 months operational expenditure as ringfenced reserves to deal with unexpected or emergency expenditure. Academies can also carry forward a level of free reserves for the purposes of capital investment and school improvement subject to compliance with the scheme of financial delegation.

The Trust believes this level of reserves is appropriate, given the instability regarding future funding and funding cuts at local level to High Needs funding. Central reserves are to be held for the purposes of central costs and to enable the Trust to run projects and interventions across its academies. Free reserves can be utilised for continuous improvements and for the repair and replacement of educational equipment and materials. Free reserves may also be allocated to the repair, replacement and upgrading of the Academy's buildings, vehicles, ICT, equipment and contents, subject to necessary authorisation from the Trust.

A strategic capital plan has been prepared and reviewed by the trustees in order that reserves can be prioritised and spent according to the needs of the Academy.

**Going concern**

After making appropriate enquiries, the Board of trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

#### **PLANS FOR FUTURE PERIODS STRATEGIC GOALS**

##### **Ethos**

KLT will be known in the sector as a strong and sustainable Trust with the following distinctive characteristics, reinforced through the Trust's strategic objectives, the Trust's and LGBs' policy documents, the LGBs' development plans and practices.

##### **Governance**

A KLT Board, ELT and a Cloughwood LGB which is well balanced in terms of skills and competencies, understands its respective remits and responsibilities and works well as a team focused on delivering the strategic goals.

##### **Pupil Outcomes**

Through high quality and innovative teaching and learning and the facilitation of consistent attendance, in a state of art environment, to offer a wide range of bespoke, individualised learning and development opportunities providing personal pathways into life, work and society for all pupils.

##### **Asset Management & Development**

The life cycle and physical security of the Trust's buildings, equipment and materials are effectively managed and optimised in a financially and environmentally sustainable way.

##### **Human Resources**

A highly motivated, well-led and well-informed workforce, with a shared vision and the knowledge and skills to help achieve the Trust's purpose and goals, with effective systems in place to recruit, retain, develop and support that endeavour.

##### **Financial Viability**

A Trust which is financially viable throughout the Plan period and beyond, with adequate reserves.

##### **Moral Purpose**

A Trust that works collaboratively with external agencies and across all the Trust's academies to improve the opportunities and life choices and opportunities for all its children and young people, regardless of their needs, starting points and experiences.

To achieve the above strategic goals, KLT Trust Board has set itself a number of ambitious objectives.

#### **SHORT-TERM OBJECTIVES**

##### **Governance**

To maintain a full complement of 5 independent Members and 6 trustee/directors throughout the Plan period.

By December 2021 to have filled the current vacancy on the Cloughwood LGB and then to maintain a full complement of appropriately skilled governors throughout the Plan period.

By December 2021 to have filled the current vacancy on the Trust Board and then to maintain a full complement of appropriately skilled trustee/directors throughout the Plan period.

At 3/22 formally review the KLT/Cloughwood MoU, including the Scheme of delegation, and Balanced Scorecard for continuing relevance and effectiveness.

##### **Development of the MAT**

Expansion of the Key Stage 4 Futures Curriculum Provision at Cloughwood Academy and creation of a stand-alone vocational sixth form college.

##### **Year 1 - 2021/22**

To establish on-site the teaching spaces and resources to offer NCFE Level 1 and 2 courses in:

- Motor Vehicle Maintenance
- Land-based Studies [horticulture/conservation]
- Occupational Studies for the Workplace [construction]

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

- Catering and Hospitality

For this year, engagement in the above courses will be restricted to Cloughwood Year 11 students, in addition to further courses already offered such as Sports Award, First Aid, Creative iMedia, Business Studies, Princes Trust and Duke of Edinburgh.

Together with the £320,000 set up costs funded by the Board from reserves, the annual spend of £50,000 previously paid for Cloughwood students attending The Bridge will now be committed to the project costs. There will also be a reduction in staff time and transport costs as a result of providing in-house teaching.

All courses except Motor Vehicle Maintenance will be taught by existing Academy staff. Motor Vehicle Maintenance will require a tutor for one day per week.

**Cloughwood Academy - Leadership Restructure**

Cloughwood Academy will switch to a more efficient, fit-for-purpose leadership structure, reporting to the Trust CEO from Spring 2022.

**Add another School to the Trust.**

The CEO will engage in dialogue with the Regional Commissioner for Schools office with a view to sponsoring or supporting another school as a preliminary to it joining the Trust by the end of Plan Year 1 or be engaged in a mutual due diligence exercise.

**Maintaining Excellence**

The CEO will ensure that Cloughwood Academy is prepared and ready to retain an Ofsted judgement for Cloughwood Academy of 'Outstanding' in Plan Year 1.

The CEO will ensure that Cloughwood academy is prepared and ready to retain an Ofsted judgement for Cloughwood Residential Care of 'Outstanding' in Plan Year 1.

**Financial Viability**

The Chief Finance and Operating Officer (CFOO) will achieve or exceed the 2021/22 budget forecast.

**CONCLUSION**

The next 3 years will be an exciting and challenging time for trustees and the executive leadership as these ambitious plans are brought to reality. The end of Plan Year 3 should see an expanded, financially secure Trust comprising a minimum of two partner/provider academies and a stand-alone independent vocational sixth form college, open to students from within the KLT and those from other schools in the locality.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Charity constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Kaleidoscope Learning Trust are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative details on page 1.

**Members' liability**

Each member of the academy trust undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

**Trustees' Indemnities**

In accordance with normal commercial practice, the Academy has purchased professional indemnity insurance to protect the trustees and officers from claims arising from negligence, errors or omissions whilst on Academy business.



**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

The members of the Trust are responsible for the appointment of trustees except for at least two parent trustees who will be appointed through an election process directed by the Board. Staff trustees will be appointed through such process as determined by the trustees, as long as the number of staff trustees does not exceed one third of the total number of trustees.

Trustees are appointed based on the skills that they will bring to the Board of Trustees, or based on a proposal to the Board by representative groups. On appointment, trustees receive an induction pack with information relating to the Academy Trust and the role of trustees. The Academy buys into a Service Level Agreement with Cheshire West and Chester Governance Services for training provision; throughout the year all trustees are offered, and encouraged to undertake, training relevant to their role.

**Organisational structure**

The governance of the Trust is defined in the Memorandum and Articles of Association. All trustees are members of the full Board which meets at least termly to monitor progress of the Academy's strategic objectives and receive the Principal's report. The Board also has responsibility for setting the budget and appointing the Principal.

The trustees have established four committees (Finance & Audit, Standards & Outcomes, Pay, Principal's Performance Management) and appoints trustees to serve on these throughout the year.

The Finance & Audit Committee meets at least termly and discusses all matters pertaining to finance, staffing and premises. This committee receives regular financial reports from the Accounting Officer (the Principal) and Chief Financial Officer (Vice Principal - Business Management).

Day-to-day management of the Academy is delegated to the Principal who meets regularly with the Senior Management Team.

**Induction and training of new trustees**

Trustees are appointed based on the skills that they will bring to the Board.

New trustees receive an induction pack and have a series of meetings with relevant officers of the Trust. Ongoing training is provided through external courses or internal updates based on specific aspects of the Trust's activities and regulatory environment.

**Arrangements for setting pay and remuneration of key management personnel**

The Trust's Pay Policy is reviewed every summer and takes into consideration the pay scales in the latest School Teachers' Pay and Conditions Document (for teaching staff) and guidance from Cheshire West and Chester Council (support staff).

The Pay Committee then meets in the Autumn to review the Principal's pay recommendations for staff, and to review the Principal's pay. The Board is notified of any decisions at the next available opportunity.

**Related parties**

The Trust is not connected to any other charities or organisations as defined by the Charities SORP. The members, directors, trustees, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP.

**Risk management**

The Trust has a robust risk management approach. The CEO maintains a risk register which is reviewed at Audit Committee. From the risk register, an action plan is extracted to minimise the risks and updated for every meeting.

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

The Trust does not hold any assets on behalf of others.

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Trust has adopted a Risk Management Policy and has undertaken a comprehensive review of all the risks to which the Academy has been exposed. Significant risks (predominantly that senior staff may not have the necessary skills to lead and teaching staff may not have the necessary skills to work strategically) have been highlighted to the Board and any actions have been delegated to committee or individual level. The risk register is reviewed annually in the Spring term.

**AUDITORS**

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

15-12-2021

Approved by order of the board of trustees on ..... and signed on its behalf by:

DocuSigned by:

J J E Swaffield

0788213E8602486.....

J J E Swaffield - Trustee

## KALEIDOSCOPE LEARNING TRUST

### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

#### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Kaleidoscope Learning Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kaleidoscope Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A J Larkin	9	9
H M Madeley	9	9
J M Pennington	7	7
J A Szostek	7	7
J J E Swaffield	7	7
K Hay	5	5
M Taylor	1	5

#### Review of Value for Money

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available.

#### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kaleidoscope Learning Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

#### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 - 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**KALEIDOSCOPE LEARNING TRUST**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**The Risk and Control Framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of the trustees;
- regular reviews by the Finance & Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing ( asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has reviewed the need for a specific internal audit function and appointed Haines Watts to carry out the internal scrutiny function..

The reviewer's role includes an audit of compliance, systems and controls within the Trust.

On a termly basis, the reviewer reports to the board of trustees through the Finance & Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**Review of Effectiveness**

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the reviewer
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

15-12-2021

Approved by order of the members of the board of trustees on ..... and signed on its behalf by:

DocuSigned by:  
  
 .....0788213E8602486.....  
 J J E Swaffield - Trustee

DocuSigned by:  
  
 .....4FD67B497216420.....  
 A Larkin - Accounting Officer

**KALEIDOSCOPE LEARNING TRUST**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2021**

As accounting officer of Kaleidoscope Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

DocuSigned by:



.....4FD67B497216420.....  
A Larkin - Accounting Officer

14-12-2021

Date: .....

**KALEIDOSCOPE LEARNING TRUST**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees (who act as governors of Kaleidoscope Learning Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 those 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 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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 that 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.

15-12-2021

Approved by order of the board of trustees on ..... and signed on its behalf by:

DocuSigned by:  
  
 0788243E8602486:.....  
 J J E Swaffield - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KALEIDOSCOPE LEARNING TRUST**

### **Opinion**

We have audited the financial statements of Kaleidoscope Learning Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KALEIDOSCOPE LEARNING TRUST**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit procedures designed to identify irregularities included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of company staff with responsibilities for tax and compliance matters to identify any instances of non-compliance with laws and regulations
- Reviewing any minutes available of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
KALEIDOSCOPE LEARNING TRUST**

**Use of our report**

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Mike Benson*

746A2245B30B444...

Michael Benson (Senior Statutory Auditor)

for and on behalf of Murray Smith LLP

Chartered Accountants

Statutory Auditors

Darland House

44 Winnington Hill

Northwich

Cheshire

CW8 1AU

15-12-2021

Date: .....

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KALEIDOSCOPE LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kaleidoscope Learning Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Kaleidoscope Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kaleidoscope Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kaleidoscope Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Kaleidoscope Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Kaleidoscope Learning Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

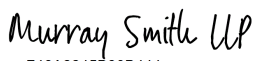
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DocuSigned by:  
  
746A2245B30B444  
Murray Smith LLP  
Chartered Accountants  
Reporting Accountant  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

15-12-2021  
Date: .....

**KALEIDOSCOPE LEARNING TRUST****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

					2021	2020
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	765	-	7,291	8,056	211
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	-	1,900,013	-	1,900,013	1,603,492
Provision of boarding activities	18	-	285,310	-	285,310	285,310
Other trading activities	4	18,174	4,998	-	23,172	33,367
Investment income	5	492	-	-	492	835
<b>Total</b>		19,431	2,190,321	7,291	2,217,043	1,923,215
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations	3	-	1,774,236	110,852	1,885,088	1,858,119
Provision of boarding activities	18	-	275,371	-	275,371	275,691
<b>Total</b>	6	-	2,049,607	110,852	2,160,459	2,133,810
<b>NET INCOME/(EXPENDITURE)</b>		19,431	140,714	(103,561)	56,584	(210,595)
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit schemes		-	(486,000)	-	(486,000)	503,000
<b>Net movement in funds</b>		19,431	(345,286)	(103,561)	(429,416)	292,405
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		140,337	(580,199)	4,955,036	4,515,174	4,222,769
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>159,768</u>	<u>(925,485)</u>	<u>4,851,475</u>	<u>4,085,758</u>	<u>4,515,174</u>

The notes form part of these financial statements

**KALEIDOSCOPE LEARNING TRUST (REGISTERED NUMBER: 08604799)****BALANCE SHEET  
31 AUGUST 2021**

				2021	2020	
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	11	-	163,104	4,851,475	5,014,579	5,117,023
<b>CURRENT ASSETS</b>						
Debtors	12	2,006	46,575	-	48,581	61,326
Cash at bank and in hand		<u>157,762</u>	<u>721,390</u>	<u>-</u>	<u>879,152</u>	<u>583,595</u>
		159,768	767,965	-	927,733	644,921
<b>CREDITORS</b>						
Amounts falling due within one year	13	-	(49,554)	-	(49,554)	(81,770)
		<u>159,768</u>	<u>718,411</u>	<u>-</u>	<u>878,179</u>	<u>563,151</u>
<b>NET CURRENT ASSETS</b>						
		<u>159,768</u>	<u>718,411</u>	<u>-</u>	<u>878,179</u>	<u>563,151</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		159,768	881,515	4,851,475	5,892,758	5,680,174
<b>PENSION LIABILITY</b>						
	15	-	(1,807,000)	-	(1,807,000)	(1,165,000)
		<u>159,768</u>	<u>(925,485)</u>	<u>4,851,475</u>	<u>4,085,758</u>	<u>4,515,174</u>
<b>NET ASSETS</b>						
		<u>159,768</u>	<u>(925,485)</u>	<u>4,851,475</u>	<u>4,085,758</u>	<u>4,515,174</u>
<b>FUNDS</b>						
Restricted funds:	14					
Restricted Fund					(954,239)	(599,014)
Restricted fixed asset fund					4,851,475	4,955,036
Boarding Fund					<u>28,754</u>	<u>18,815</u>
					<u>3,925,990</u>	<u>4,374,837</u>
Unrestricted income fund					<u>159,768</u>	<u>140,337</u>
<b>TOTAL FUNDS</b>						
					<u>4,085,758</u>	<u>4,515,174</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15-12-2021 and were signed on its behalf by:

DocuSigned by:



0798213E8602486

J J E Swaffield - Trustee

The notes form part of these financial statements

**KALEIDOSCOPE LEARNING TRUST****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>302,179</u>	<u>101,362</u>
Net cash provided by operating activities		<u>302,179</u>	<u>101,362</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(14,405)	(80,144)
Capital grants from DfE/EFA		7,291	6,261
Interest received		<u>492</u>	<u>835</u>
Net cash used in investing activities		<u>(6,622)</u>	<u>(73,048)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		295,557	28,314
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>583,595</u>	<u>555,281</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>879,152</u>	<u>583,595</u>

The notes form part of these financial statements

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM  
OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	56,584	(210,595)
<b>Adjustments for:</b>		
Depreciation charges	116,849	120,770
Capital grants from DfE/ESFA	(7,291)	(6,261)
Interest received	(492)	(835)
Decrease in debtors	12,745	35,723
Decrease in creditors	(32,216)	(2,440)
Difference between pension charge and cash contributions	<u>156,000</u>	<u>165,000</u>
<b>Net cash provided by operations</b>	<u>302,179</u>	<u>101,362</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.20 £	Cash flow £	At 31.8.21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>583,595</u>	<u>295,557</u>	<u>879,152</u>
	<u>583,595</u>	<u>295,557</u>	<u>879,152</u>
<b>Total</b>	<u>583,595</u>	<u>295,557</u>	<u>879,152</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Kaleidoscope Learning Trust meets the definition of a public benefit entity under FRS 102.

**Going concern**

The Trustees assess whether the use of the going concern basis is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

**Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects the results from the latest full actuarial valuation performed at 31 March 2019 has been used in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The long term leasehold land and buildings within the accounts relates to the Academy premises which were donated to the Academy on conversion on a 125 year lease from Cheshire West and Chester Council. The leasehold land and buildings were valued using the ESFA valuation. No annual charge is being made for the use of the land and buildings (except for depreciation) under the term of the lease as management are not able to reliably measure the open market value.

**Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****Grants**

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

**Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

All assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long-term leasehold land	- 125 years straight line
Long-term leasehold buildings	- 50 years straight line
Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 7 years straight line
Buildings improvements	- 50 years straight line



## **KALEIDOSCOPE LEARNING TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Tangible fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

##### **Financial instruments**

The Academy Trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure by definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### **Taxation**

The academy trust is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****Pension costs and other post-retirement benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the costs of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they related.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	765	-	765	211
Grants	<u>-</u>	<u>7,291</u>	<u>7,291</u>	<u>-</u>
	<u>765</u>	<u>7,291</u>	<u>8,056</u>	<u>211</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Other grants	<u>7,291</u>	<u>-</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>DfE/ESFA grants</b>				
General Annual Grant(GAG)	-	700,000	700,000	602,369
Other DfE/EFSA grant				
Pupil Premium	-	52,986	52,986	-
Other ESFA Grants	-	79,983	79,983	122,586
	<u>-</u>	<u>832,969</u>	<u>832,969</u>	<u>724,955</u>
<b>DfE/ESFA capital grant</b>				
Capital grants	-	-	-	6,261
<b>Other Government grant</b>				
Local Authority Grants	-	984,221	984,221	872,276
<b>COVID-19 additional funding (non-DfE/ESFA)s</b>				
Coronavirus Job Retention Scheme Grant	-	1,842	1,842	-
Other Covid-19 funding	-	7,505	7,505	-
	<u>-</u>	<u>993,568</u>	<u>993,568</u>	<u>878,537</u>
<b>COVID-19 additional testing (DfE/ESFA)</b>				
Other DfE/ESFA COVID-19 funding	-	73,476	73,476	-
	<u>-</u>	<u>1,900,013</u>	<u>1,900,013</u>	<u>1,603,492</u>

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Rental income	644	-	644	4,164
Lettings income	11,930	-	11,930	6,312
Catering income	3,441	-	3,441	1,931
Sales of other goods and services	2,159	-	2,159	1,308
Other income	-	4,998	4,998	19,652
	<u>18,174</u>	<u>4,998</u>	<u>23,172</u>	<u>33,367</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****5. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	<u>492</u>	<u>-</u>	<u>492</u>	<u>835</u>

**6. EXPENDITURE**

	Non-pay expenditure			2021	2020
	Staff costs £	Premises £	Other costs £	Total £	Total £
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	1,197,343	-	129,731	1,327,074	1,279,226
Allocated support costs	202,696	246,005	109,313	558,014	578,893
<b>Provision of boarding activities</b>					
Direct costs	208,845	-	-	208,845	209,622
Allocated support costs	<u>-</u>	<u>63,320</u>	<u>3,206</u>	<u>66,526</u>	<u>66,069</u>
	<u>1,608,884</u>	<u>309,325</u>	<u>242,250</u>	<u>2,160,459</u>	<u>2,133,810</u>

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	7,518	7,150
Auditors' remuneration for non audit work	1,350	1,000
Depreciation - owned assets	<u>116,849</u>	<u>120,770</u>

**7. CHARITABLE ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Direct costs - academy's educational operations	-	1,327,074	1,327,074	1,279,226
Direct costs - provision of boarding activities	-	208,845	208,845	209,622
Support costs - academy's educational operations	-	558,014	558,014	578,893
Support costs - provision of boarding activities	<u>-</u>	<u>66,526</u>	<u>66,526</u>	<u>66,069</u>
	<u>-</u>	<u>2,160,459</u>	<u>2,160,459</u>	<u>2,133,810</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****7. CHARITABLE ACTIVITIES - continued**

				2021	2020
	Academy's educational operations £	Provision of boarding activities £	Teaching schools £	Total £	Total £
<b>Analysis of support costs</b>					
Support staff costs	202,696	-	-	202,696	179,458
Depreciation	29,761	-	-	29,761	33,682
Technology costs	17,742	-	-	17,742	29,171
Premises costs	224,569	62,010	-	286,579	323,382
Other support costs	52,942	3,206	-	56,148	51,438
Governance costs	<u>30,304</u>	<u>1,310</u>	<u>-</u>	<u>31,614</u>	<u>27,831</u>
Total support costs	<u>558,014</u>	<u>66,526</u>	<u>-</u>	<u>624,540</u>	<u>644,962</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

One of more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles as Trustees. The value of Trustees' remuneration and other benefits were as follows:

		2021 £	2020 £
Mr A Larkin, Principal	Remuneration	105,000 - 110,000	105,000 - 110,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2021 (£0 31 August 2020)

**Trustees' and officers' insurance**

The Trust has joined the government backed Risk Protection Arrangement which provides insurance cover for trustees and officers.

**9. KEY MANAGEMENT PERSONNEL**

	2021 £	2020 £
Wages and salaries	1,135,364	1,076,523
Social security costs	101,839	105,388
Operating costs of defined benefit pension schemes	<u>368,671</u>	<u>390,520</u>
	1,605,874	1,572,431
Supply teacher costs	<u>3,010</u>	<u>-</u>
	<u>1,608,884</u>	<u>1,572,431</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****9. KEY MANAGEMENT PERSONNEL - continued**

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2021	2020
Teachers	13	13
Support staff	22	21
Management	<u>4</u>	<u>4</u>
	<u>39</u>	<u>38</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£100,001 - £110,000	<u>1</u>	<u>1</u>

The key management personnel of the trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the academy trust was £365,548 (2020 - £346,114)

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	211	-	211
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	1,597,231	6,261	1,603,492
Provision of boarding activities	-	285,310	-	285,310
Other trading activities	8,243	25,124	-	33,367
Investment income	<u>-</u>	<u>835</u>	<u>-</u>	<u>835</u>
<b>Total</b>	8,243	1,908,711	6,261	1,923,215
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	-	1,741,487	116,632	1,858,119
Provision of boarding activities	-	275,691	-	275,691
<b>Total</b>	<u>-</u>	<u>2,017,178</u>	<u>116,632</u>	<u>2,133,810</u>
<b>NET INCOME/(EXPENDITURE)</b>	8,243	(108,467)	(110,371)	(210,595)
<b>Other recognised gains/(losses)</b>				
Actuarial gains on defined benefit schemes	<u>-</u>	<u>503,000</u>	<u>-</u>	<u>503,000</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>Net movement in funds</b>	8,243	394,533	(110,371)	292,405

**RECONCILIATION OF FUNDS**

<b>Total funds brought forward</b>	132,094	(974,732)	5,065,407	4,222,769
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>140,337</u>	<u>(580,199)</u>	<u>4,955,036</u>	<u>4,515,174</u>

**11. TANGIBLE FIXED ASSETS**

	Long leasehold £	Improvements to property £	Fixtures and fittings £
<b>COST</b>			
At 1 September 2020	4,955,593	813,576	33,364
Additions	-	-	6,660
At 31 August 2021	<u>4,955,593</u>	<u>813,576</u>	<u>40,024</u>
<b>DEPRECIATION</b>			
At 1 September 2020	609,616	70,458	20,912
Charge for year	87,088	16,272	5,958
At 31 August 2021	<u>696,704</u>	<u>86,730</u>	<u>26,870</u>
<b>NET BOOK VALUE</b>			
At 31 August 2021	<u>4,258,889</u>	<u>726,846</u>	<u>13,154</u>
At 31 August 2020	<u>4,345,977</u>	<u>743,118</u>	<u>12,452</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 September 2020	34,419	54,017	5,890,969
Additions	-	7,745	14,405
At 31 August 2021	<u>34,419</u>	<u>61,762</u>	<u>5,905,374</u>
<b>DEPRECIATION</b>			
At 1 September 2020	30,801	42,159	773,946
Charge for year	571	6,960	116,849
At 31 August 2021	<u>31,372</u>	<u>49,119</u>	<u>890,795</u>
<b>NET BOOK VALUE</b>			
At 31 August 2021	<u>3,047</u>	<u>12,643</u>	<u>5,014,579</u>
At 31 August 2020	<u>3,618</u>	<u>11,858</u>	<u>5,117,023</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	2,808	4,548
Other debtors	4,011	-
VAT recoverable	17,414	17,964
Prepayments and accrued income	<u>24,348</u>	<u>38,814</u>
	<u>48,581</u>	<u>61,326</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade creditors	-	37,183
Social security and other taxes	27,649	26,286
Accruals and deferred income	<u>21,905</u>	<u>18,301</u>
	<u>49,554</u>	<u>81,770</u>

**14. MOVEMENT IN FUNDS**

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
<b>Restricted general funds</b>			
Restricted Fund	(599,014)	(355,225)	(954,239)
Restricted fixed asset fund	4,955,036	(103,561)	4,851,475
Boarding Fund	<u>18,815</u>	<u>9,939</u>	<u>28,754</u>
	<u>4,374,837</u>	<u>(448,847)</u>	<u>3,925,990</u>
<b>Unrestricted fund</b>			
General fund	140,337	19,431	159,768
	<u>4,515,174</u>	<u>(429,416)</u>	<u>4,085,758</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Restricted general funds</b>				
Restricted Fund	1,905,011	(1,774,236)	(486,000)	(355,225)
Restricted fixed asset fund	7,291	(110,852)	-	(103,561)
Boarding Fund	<u>285,310</u>	<u>(275,371)</u>	<u>-</u>	<u>9,939</u>
	<u>2,197,612</u>	<u>(2,160,459)</u>	<u>(486,000)</u>	<u>(448,847)</u>
<b>Unrestricted fund</b>				
General fund	19,431	-	-	19,431
	<u>2,217,043</u>	<u>(2,160,459)</u>	<u>(486,000)</u>	<u>(429,416)</u>



**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****14. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Restricted general funds</b>			
Restricted Fund	(983,928)	384,914	(599,014)
Restricted fixed asset fund	5,065,407	(110,371)	4,955,036
Boarding Fund	<u>9,196</u>	<u>9,619</u>	<u>18,815</u>
	<u>4,090,675</u>	<u>284,162</u>	<u>4,374,837</u>
<b>Unrestricted fund</b>			
General fund	<u>132,094</u>	<u>8,243</u>	<u>140,337</u>
<b>TOTAL FUNDS</b>	<u><u>4,222,769</u></u>	<u><u>292,405</u></u>	<u><u>4,515,174</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Restricted Fund	1,623,401	(1,741,487)	503,000	384,914
Restricted fixed asset fund	6,261	(116,632)	-	(110,371)
Boarding Fund	<u>285,310</u>	<u>(275,691)</u>	<u>-</u>	<u>9,619</u>
	<u>1,914,972</u>	<u>(2,133,810)</u>	<u>503,000</u>	<u>284,162</u>
<b>Unrestricted fund</b>				
General fund	<u>8,243</u>	<u>-</u>	<u>-</u>	<u>8,243</u>
<b>TOTAL FUNDS</b>	<u><u>1,923,215</u></u>	<u><u>(2,133,810)</u></u>	<u><u>503,000</u></u>	<u><u>292,405</u></u>

**15. PENSION AND SIMILAR OBLIGATIONS**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****15. PENSION AND SIMILAR OBLIGATIONS - continued****Teachers' pension scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the teachers' pension scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £125,000 (2020 - £125,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £120,000 (2020 - £130,000), of which employer's contributions totalled £89,000 (2020 - £101,000). and employees' contributions totalled £31,000 (2020 - £29,000). The agreed contribution rates for future years are 19.1% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****15. PENSION AND SIMILAR OBLIGATIONS - continued**

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021 £	2020 £
Present value of funded obligations	(4,483,000)	(3,460,000)
Fair value of plan assets	<u>2,676,000</u>	<u>2,295,000</u>
	(1,807,000)	(1,165,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(1,807,000)</u>	<u>(1,165,000)</u>
Net liability	<u>(1,807,000)</u>	<u>(1,165,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021 £	2020 £
Current service cost	224,000	237,000
Net interest from net defined benefit asset/liability	21,000	29,000
Past service cost	<u>-</u>	<u>-</u>
	<u>245,000</u>	<u>266,000</u>
Actual return on plan assets	<u>266,000</u>	<u>158,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021 £	2020 £
Opening defined benefit obligation	3,460,000	3,526,000
Current service cost	224,000	237,000
Contributions by scheme participants	31,000	29,000
Interest cost	61,000	66,000
Actuarial losses/(gains)	752,000	(345,000)
Benefits paid	<u>(45,000)</u>	<u>(53,000)</u>
	<u>4,483,000</u>	<u>3,460,000</u>

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****15. PENSION AND SIMILAR OBLIGATIONS - continued**

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	2,295,000	2,023,000
Contributions by employer	89,000	101,000
Contributions by scheme participants	31,000	29,000
Interest income on plan assets	40,000	37,000
Actuarial gains/(losses)	266,000	158,000
Benefits paid	<u>(45,000)</u>	<u>(53,000)</u>
	<u>2,676,000</u>	<u>2,295,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial gains/(losses)	<u>486,000</u>	<u>(503,000)</u>
	<u>486,000</u>	<u>(503,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
Equities	46%	45%
Bonds	42%	41%
Property	10%	10%
Cash	<u>2%</u>	<u>4%</u>
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	2020
Discount rate	1.65%	1.70%
Future salary increases	3.60%	2.90%
Future pension increases	2.90%	2.20%

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****15. PENSION AND SIMILAR OBLIGATIONS - continued**

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2021	2020
Retiring today		
Males	21.4	21.2
Females	24	23.6
Retiring in 20 years		
Males	22.4	21.9
Females	25.7	25

## Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	(111,000)	(87,400)
Discount rate -0.1%	111,000	87,400
Mortality assumption - 1 year increase	179,000	152,000
Mortality assumption - 1 year decrease	(179,000)	(152,000)
CPI rate +0.1%	100,000	78,400
CPI rate -0.1%	(100,000)	(78,400)

**16. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	7,861	13,868
Between one and five years	<u>14,471</u>	<u>22,332</u>
	<u>22,332</u>	<u>36,200</u>

**17. RELATED PARTY DISCLOSURES**

No related party transactions took place in the period of account.

**KALEIDOSCOPE LEARNING TRUST****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021****18. ACADEMY BOARDING TRADING ACCOUNT**

	2021 £	2020 £
<b>Income</b>		
General Annual Grant (GAG)	<u>285,310</u>	<u>285,310</u>
	285,310	285,310
<b>Expenditure</b>		
<b>Direct costs</b>		
Teaching and educational support staff	208,845	209,622
<b>Indirect costs</b>		
Rent and rates	4,500	5,073
Energy costs	18,000	17,059
Insurance	4,000	4,000
Security and transport	11,000	10,843
Catering	3,206	3,268
Other support costs	<u>25,820</u>	<u>25,826</u>
	66,526	66,069
	<u>275,371</u>	<u>275,691</u>
<b>Total operating costs</b>		
	275,371	275,691
<b>Net surplus on boarding</b>	9,939	9,619
<b>Surplus brought forward</b>	<u>18,815</u>	<u>9,196</u>
<b>Surplus carried forward</b>	<u>28,754</u>	<u>18,815</u>