

REGISTERED COMPANY NUMBER: 05480423 (England and Wales)
REGISTERED CHARITY NUMBER: 1115017

Strategic Report, Report of the Trustees and
Group Financial Statements
for the Year Ended 31 March 2024
for
Kaleidoscope Project

Advantage Accountancy & Advisory Ltd
Chartered Accountants & Statutory Auditors
Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Kaleidoscope Project

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Kaleidoscope Project
Strategic Report
for the Year Ended 31 March 2024

The Trustees present their report, incorporating the strategic report, and financial statements for the year ended March 31, 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 (FRS102) (effective 1 January 2019)".

OBJECTIVES AND ACTIVITIES

Our Purpose

We support people with drug, alcohol and mental health issues so they can have a brighter future in their communities. We believe that social justice is fundamental to a better society and are committed to being globally responsible citizens.

Our Core Values

Integrity, Engagement, Excellence and Innovation are our core values. Our objectives framework includes a focus on:

- Research development and innovation
- People development
- Sustainable business
- Globally responsible
- Co-Production
- Quality management
- Campaigning

What we do

Since 1968, Kaleidoscope has aimed to create a culture and environment where people feel valued and service users are inspired to reach their goals. We seek to tackle the stigma that people with drug, alcohol, and mental health issues face. We do this through direct campaigning and lobbying for better government policies that support, not punish, our service user community.

To deliver a successful service we recognise:

- Service users have skills and experiences that bring about change for themselves, their peers and their communities.
- Developing and investing in our people build compassionate and pioneering teams.
- Innovation begins by listening to our colleagues and service users and involving them in service design and delivery.

We do this by recruiting and retaining high quality staff, who are critical to our success. We encourage our teams to strive for excellence and to innovate. We understand that the key to social care is engagement from people with integrity. Kaleidoscope achieves its objectives through the provision of the following services:

- Drug dependency services which take a harm reduction approach to users to enable them to reduce the risks of using drugs and to help them to stop using if that is their aim.
- Alcohol services offering support to all who are in need.
- Counselling and advice.
- Residential services catering for vulnerable adults.
- Training services to help people acquire new skills and qualifications, in order to achieve their goals in life.

PUBLIC BENEFIT

As noted in the Objectives and Activities above, we have carefully considered the Charity Commission guidance on public benefit when setting and reviewing our Aims and Objectives. We aim to benefit all those requiring services in relation to prevention and treatment of substance misuse and we are focused on successful service delivery. In order to enhance these public benefits, we work closely with organisations in the criminal justice system and other statutory bodies.

Kaleidoscope Project

Strategic Report

for the Year Ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE

Kaleidoscope provides a range of services in relation to the prevention and treatment of substance use. Services are provided in England and Wales, mainly through contracts with Area Planning Boards who decide the nature and scope of these services. We also have a Detox and Rehab facility on the Wirral called Birchwood @ Kaleidoscope House.

Kaleidoscope has had another successful year and continues to grow. We have seen increased access to all of our services. The Gwent Drug and Alcohol Service (GDAS) continues to be our largest and longest established service contract and it continues to find new ways to engage with service users, including seeing the first graduates from the Peer Academy showing the success of training Peer Volunteers who have lived or living experience. The Cardiff and Vale Drug and Alcohol Service (CAVDAS) established in 2022 is continuing to evolve, and has launched a mobile outreach harm reduction service in the form of 'Tim' the harm reduction van. We have other substance use contracts throughout Wales. Our full range of services includes, engagement and counselling, interventions, Drop In, training and education, diversionary activities, and specialist services to those out of work.

We moved into our new Birchwood Detox and Rehab Centre in May 2023 and now operate 25 rooms providing an extensive range of detox packages that are tailored to individual service user needs. We also provide residential rehabilitation programmes based on a therapeutic community model. We have made a considerable investment in this facility that is set in extensive grounds where residents have the opportunity to relax and recover in peaceful surroundings. Residents are referred from a large range of healthcare providers throughout England and Wales.

We are always focused on the quality of service provided and very proud of our Platinum Investors in People award, particularly as this is recognition by an independent body.

REVIEW OF BUSINESS

Total Income has increased by 17% in 2023-24 to £18.6m from £15.8m in 2022-23. Margins on all contracts are tight, with underlying inflation pushing costs higher when service commissioners are looking for cost savings. We continue to focus on the efficient and effective control of costs. A comparison of the headline financial amounts for the last three years are as follows:

	2023-24	2022-23
	£'000	£'000
Total incoming resource	18,669	15,881
Unrestricted incoming resources	15,424	13,046
Unrestricted surplus/(deficit)	693	758

PLANS FOR FUTURE PERIODS

Our key focus remains our support of people with drug, alcohol and mental health issues so they can have a brighter future in their communities.

In so doing we plan to retain and win new service contracts to sustain the services we have noted in Objectives and Activities.

The recruitment and retention of high quality colleagues is required to underpin our goals. We will look to recruit and retain colleagues who have a desire to strive for excellence, keen to innovate and who understand that the key to social care is engagement that comes from people who have integrity. Our priority is to provide quality services that we can benchmark against recognised external standards, as well as surveys undertaken with service users and colleagues.

We are operating in a challenging economic environment and we recognise that we need to be cost efficient and focused on continuous improvement. Energy efficiency is critical given the increase in energy costs and we are taking advantage of opportunities to expand our use of electric vehicles and solar panel solutions.

Kaleidoscope is committed to harm reduction and we will continue to work with a number of bodies and partners to increase the options that are available for our service users. We are leading the way in terms of the introduction of Co-Production, involving those with lived experience in:

- Best practice in terms of service design and delivery across a range of health and social care settings;
- Setting goals in relation to supporting service users in terms of their engagement, self-actualisation, training and development; and
- Establishing ways of combatting stigma.

Kaleidoscope Project
Strategic Report
for the Year Ended 31 March 2024

Our focus on Co-Production is aligned with our commitment to research, development and innovation. We are also exploring the implementation of Drug Consumption Rooms.

As part of our core objectives we are launching a Research, Development and Innovation programme that seeks to keep us at the forefront of pioneering service design and delivery. This is overseen by a Board Subgroup and in due course will operate within a discrete financial entity within the Kaleidoscope family of charities.

EMPLOYEE RELATIONS

We aim to be a fair, equitable and provide a diverse environment where our people are supported to be healthy safe, happy and successful in their work environments.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk exists where there is uncertainty surrounding events and their outcomes that may have a significant impact on our ability to:

- achieve our aims;
- satisfy the expectations of our stakeholders; and
- operate efficiently.

Risk management is the responsibility of the Trustees and accordingly a schedule summarising principal risks together with mitigating factors and appropriate risk management procedures is formally reviewed by the Board at least once per year.

In addition to this the Board has launched two subgroups, one focused on Finance and Business Planning to scrutinise financial risks (and opportunities) in more depth, and one on Risk and Governance to scrutinize the charity's management of all non-financial risks, including clinical and health and safety risks. These subgroups meet at least quarterly and have led to a revision of Kaleidoscope's operational key performance measures and an expansion of the scope of the organizational risk register and resolution process

All of our service contracts are performing in line with budget. The Birchwood @ Kaleidoscope House Detox and Rehab Centre is a higher risk because its financial success is determined by what we achieve in terms of room occupancy, rates achieved and good management of underlying costs, mainly staff related. This has been a key focus for us whilst we are re-establishing this facility on a larger scale and on a new site.

Another key challenge is ensuring that we fill all of our staff positions but also managing costs in a highly competitive human resources market. Tight financial control of overheads and Head Office costs is an important requirement.

PRINCIPAL FUNDING SOURCES

Kaleidoscope's principal funding partners during the year were Unitary Authorities, Local Health Boards, The Ministry of Justice and Welsh Government.

INVESTMENT POLICY AND OBJECTIVES

During the year, Kaleidoscope invested its balance of cash reserves with Barclays Bank and Natwest Banking Group. The amounts invested are in separate accounts and where possible take advantage of higher interest returns on longer term notice accounts, placed on account up to a maximum of 120 days.

RESERVES

The Trustees have set a reserves policy that requires reserves to be maintained at a level that would allow continuance of core activities in the event of a period of continued unforeseen financial difficulty and that a level of readily accessible funds is retained.

The Trustees assess the required level of Reserves on an annual basis, alongside the highlighted requirements from operating activity. This takes account of the financial environment that Kaleidoscope operates in and reviews the potential impact of risks within the annual budget. The current situation where Kaleidoscope has considerable reserves and significant amounts on deposit is considered appropriate for the time being.

The financial reserves are considered satisfactory for:

- protection against financial risks;
- expansion of the charity's business;

Kaleidoscope Project
Strategic Report
for the Year Ended 31 March 2024

- providing necessary funds for investment in fixed assets;
- providing funds for special projects such as Co-Production, RD &I and other potential new initiatives such as Drug Consumption Rooms.

The minimum reserves requirement equates to 3 months' turnover of which 1 month is required to be in cash. Kaleidoscope continues to operate considerably above this minimum level.

Key risks were assumed to include: risks identified in the financial risk review including financial IT systems, retention and recruitment of service contracts, the specific operational challenges of Birchwood, maintenance of the property base and increases in underlying costs.

23/12/2024

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


..... Trustee

Kaleidoscope Project (Registered number: 05480423)

Report of the Trustees for the Year Ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. 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).

OBJECTIVES AND ACTIVITIES

The Charity's objectives and activities are included in the Strategic Report.

PUBLIC BENEFIT

Our objectives and activities as detailed above focus on the prevention and treatment of substance misuse. We work with individuals in both England and Wales and our activities are undertaken to further our charitable purposes for the public benefit. To enhance these public benefits, we work closely with organisations in the Criminal Justice system and other statutory bodies.

ACHIEVEMENT AND PERFORMANCE

The Charity's achievements and performance have been outlined in the Strategic Report.

FINANCIAL REVIEW

A financial review is included in the Strategic Report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Kaleidoscope is a registered charity (number 115017) and is also a company limited by guarantee (number 05480423) which was incorporated on June 14, 2005. The governing documents are our memorandum and articles of association amended by special resolution April 5, 2006.

Recruitment and appointment of new trustees

Kaleidoscope has an independent Board of Trustees drawn from a variety of backgrounds thus ensuring a diverse Board with a strong mix of skills and experience to take the Charity forward. When appropriate, vacancies on the Board are advertised through media outlets and interviews conducted, to ensure new appointments will add to the skills and experience of the Board.

Organisational Structure

The Board of Trustees aims to meet at least quarterly. Board members are proactive and undertake specific responsibilities for the governance of the Charity. The day to day running of the charity is through a structure of delegation from the Board, to the Chief Executive and on to its Business and Service Managers.

Induction and training of new Trustees

All new Trustees are provided with historical and current information to enable them to appreciate the work and ethos of the charity.

Key Management Remuneration

In order to achieve our ambitious goals, the Trustees recognise it needs to attract and retain key management personnel who have the expertise, enthusiasm and ability to lead by example and contribute to the charity's success. Consequently, the ability to offer a compelling value proposition to staff is regarded as a critical success factor.

In common with other small entrepreneurial companies in the charity sector, Kaleidoscope's value proposition to staff includes supportive teamwork, personal development and significant job satisfaction from the social impact that the charity helps to generate. Remuneration is of course important, and we recognise that we also need to set pay and benefits at levels that are competitive for the sector, and which recognises an individual's abilities, responsibilities and experience. In most cases this results in remuneration that tends to be lower than the people concerned would be able to earn in the commercial sector.

The remuneration of key management is summarised in Note 11 to the financial statements. Kaleidoscope's highest paid employee is the Chief Executive and in the year ended March 31, 2024 his remuneration was £67,174.

**Report of the Trustees
for the Year Ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05480423 (England and Wales)

Registered Charity number
1115017

Registered office
1 Resolven House
St Mellons Business Park
Fortran road
St Mellons
CF3 0EY

Trustees
Kasim Aleem Ali
Daniel Leo Antebi
Julian Mark Quentin Knight
George Blackwood Charlton
Natalie Davies (resigned 14.11.23)
Stephen Paul Davison (resigned 22.12.23)
Rachael Harding-Brown (appointed 6.6.24)
Catherine Marie Pepinster
Ann Marie Procter
Pamela Frances Rutter (resigned 9.10.24)
Vijay Shanmuganathan (resigned 22.9.23)
Mark Alan Tudor
David Fairfax Vickery (appointed 6.6.24)
Alison Lewis (appointed 22.11.24)

Auditors
Stephen John Bickerton
Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants
and Statutory Auditors
Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Solicitors
Clarks Legal
5th Floor
Thames Tower
Station Road
Reading
RG1 1LX

**Report of the Trustees
for the Year Ended 31 March 2024**

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

KEY MANAGEMENT PERSONNEL

Chief Executive - Martin Blakebrough

Executive team – Lisa Kieh, Geoff Thomas, Kaniz Malekin, Gareth Watts, Rondine Molinaro

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Kaleidoscope Project for the purposes of company law) are responsible for preparing the Strategic Report, the Report of the Trustees 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 those financial statements, the trustees are required to


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 proper accounting records which 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.

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.

Approved by order of the board of trustees on 23/12/2024 and signed on its behalf by:


.....
Trustee

Report of the Independent Auditors to the Members of Kaleidoscope Project (Registered number: 05480423)

Opinion

We have audited the financial statements of Kaleidoscope Project Group (and the 'Parent charitable company') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the Parent charitable company balance sheet, the consolidated 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's and company's affairs as at 31 March 2024 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 charitable group's and company'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 Group Strategic Report and the Group Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Group Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Kaleidoscope Project (Registered number: 05480423)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable group and company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Group Report of the Trustees.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable group and 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 charitable group and company'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 charitable company 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK corporate taxation laws, employment legislation and health and safety legislation.
- We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making inquiries to management. We corroborated our inquiries through our review of legal correspondence.
- We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - performing analytical procedures to identify any unusual or unexpected relationships;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with relevant laws and regulations.

**Report of the Independent Auditors to the Members of
Kaleidoscope Project (Registered number: 05480423)**

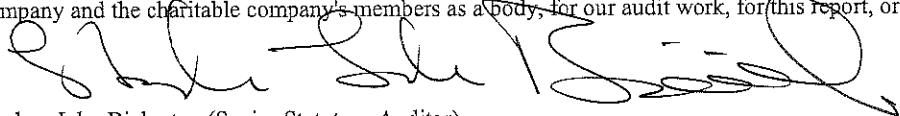
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
for and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants
and Statutory Auditors
Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date: 23/12/24

Kaleidoscope Project
Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2024


	Notes	Unrestricted fund £	Restricted funds £	Endowment fund £	31.3.24 Total funds £	31.3.23 Total funds as restated £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	3,518	226,513	-	230,031	326,811
Charitable activities	5					
Drug and alcohol treatment services		13,837,645	3,018,414	-	16,856,059	13,968,266
Residential Services		1,350,768	-	-	1,350,768	1,351,756
Other trading activities	3	-	-	-	-	52,181
Investment income	4	232,959	-	-	232,959	182,364
Total		<u>15,424,890</u>	<u>3,244,927</u>	<u>-</u>	<u>18,669,817</u>	<u>15,881,378</u>
EXPENDITURE ON						
Charitable activities	6					
Drug and alcohol treatment services		13,108,342	2,922,031	-	16,030,373	13,120,703
Residential Services		1,662,644	-	-	1,662,644	1,201,984
Capital Grants		-	258,276	-	258,276	391,025
Total		<u>14,770,986</u>	<u>3,180,307</u>	<u>-</u>	<u>17,951,293</u>	<u>14,713,712</u>
Net gains/(losses) on investments		<u>39,374</u>	<u>-</u>	<u>-</u>	<u>39,374</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		693,278	64,620	-	757,898	1,167,666
Transfers between funds		<u>123,411</u>	<u>(77,161)</u>	<u>(46,250)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		816,689	(12,541)	(46,250)	757,898	1,167,666
RECONCILIATION OF FUNDS						
Total funds brought forward						
As previously reported		4,413,077	1,327,860	123,750	5,864,687	5,789,675
Prior year adjustment		1,645,536	1,262,917	-	2,908,453	1,815,799
As restated		<u>6,058,613</u>	<u>2,590,777</u>	<u>123,750</u>	<u>8,773,140</u>	<u>7,605,474</u>
TOTAL FUNDS CARRIED FORWARD		<u>6,875,302</u>	<u>2,578,236</u>	<u>77,500</u>	<u>9,531,038</u>	<u>8,773,140</u>

The notes form part of these financial statements

**Kaleidoscope Project
Consolidated Balance Sheet
31 March 2024**

		Unrestricted fund	Restricted funds	Endowment fund	31.3.24 Total funds	31.3.23 Total funds as restated
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	15	2,981,142	1,031,024	-	4,012,166	3,676,654
Investment property	16	<u>2,503,800</u>	<u>-</u>	<u>77,500</u>	<u>2,581,300</u>	<u>2,541,926</u>
		5,484,942	1,031,024	77,500	6,593,466	6,218,580
CURRENT ASSETS						
Debtors	17	3,217,717	225,000	-	3,442,717	3,656,951
Cash at bank		<u>2,898,956</u>	<u>1,644,511</u>	<u>-</u>	<u>4,543,467</u>	<u>2,767,167</u>
		6,116,673	1,869,511	-	7,986,184	6,424,118
CREDITORS						
Amounts falling due within one year	18	(4,664,647)	1	-	(4,664,646)	(3,437,400)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>1,452,026</u>	<u>1,869,512</u>	<u>-</u>	<u>3,321,538</u>	<u>2,986,718</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,936,968	2,900,536	77,500	9,915,004	9,205,298
CREDITORS						
Amounts falling due after more than one year	19	-	(322,300)	-	(322,300)	(338,491)
PROVISIONS FOR LIABILITIES	21	(61,666)	-	-	(61,666)	(93,667)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS		<u>6,875,302</u>	<u>2,578,236</u>	<u>77,500</u>	<u>9,531,038</u>	<u>8,773,140</u>
FUNDS						
Unrestricted funds					6,875,302	6,058,613
Restricted funds					2,578,236	2,590,777
Endowment funds					<u>77,500</u>	<u>123,750</u>
TOTAL FUNDS	22				<u>9,531,038</u>	<u>8,773,140</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23/12/2024 and were signed on its behalf by:

 Trustee

The notes form part of these financial statements

Kaleidoscope Project (Registered number: 05480423)

**Balance Sheet
31 March 2024**

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds as restated £
FIXED ASSETS					
Tangible assets	15	2,981,142	1,031,024	4,012,166	3,676,654
Investment property	16	<u>2,046,300</u>	<u>-</u>	<u>2,046,300</u>	<u>2,000,000</u>
		5,027,442	1,031,024	6,058,466	5,676,654
CURRENT ASSETS					
Debtors	17	3,568,539	225,000	3,793,539	4,541,130
Cash at bank		<u>2,642,308</u>	<u>1,644,511</u>	<u>4,286,819</u>	<u>1,977,497</u>
		6,210,847	1,869,511	8,080,358	6,518,627
CREDITORS					
Amounts falling due within one year	18	<u>(4,635,032)</u>	<u>1</u>	<u>(4,635,031)</u>	<u>(3,407,426)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>1,575,815</u>	<u>1,869,512</u>	<u>3,445,327</u>	<u>3,111,201</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,603,257	2,900,536	9,503,793	8,787,855
CREDITORS					
Amounts falling due after more than one year	19	<u>-</u>	<u>(322,300)</u>	<u>(322,300)</u>	<u>(338,491)</u>
NET ASSETS		<u><u>6,603,257</u></u>	<u><u>2,578,236</u></u>	<u><u>9,181,493</u></u>	<u><u>8,449,364</u></u>
FUNDS					
Unrestricted funds				6,603,257	5,858,587
Restricted funds				<u>2,578,236</u>	<u>2,590,777</u>
TOTAL FUNDS	22			<u><u>9,181,493</u></u>	<u><u>8,449,364</u></u>

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

.....
Trustee

The notes form part of these financial statements

Kaleidoscope Project

Consolidated Cash Flow Statement for the Year Ended 31 March 2024

		31.3.24	31.3.23 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	<u>2,015,901</u>	<u>93,822</u>
Net cash provided by operating activities		<u>2,015,901</u>	<u>93,822</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(392,431)	(2,404,698)
Interest received		<u>152,830</u>	<u>69,280</u>
Net cash (used in)/provided by investing activities		<u>(239,601)</u>	<u>(2,335,418)</u>
Change in cash and cash equivalents in the reporting period		<u>1,776,300</u>	<u>(2,241,596)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>2,767,167</u>	<u>5,008,763</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>4,543,467</u></u>	<u><u>2,767,167</u></u>

The notes form part of these financial statements

Kaleidoscope Project

Notes to the Consolidated Cash Flow Statement for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24	31.3.23 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	757,898	1,167,666
Adjustments for:		
Depreciation charges	56,919	32,096
Interest received	(152,830)	(69,280)
Losses on investments	(39,374)	-
Loss on disposal of fixed assets	-	-
Provisions movement	(32,001)	(58,333)
(Increase)/decrease in debtors	214,234	(1,619,581)
Increase/(decrease) in creditors	<u>1,211,055</u>	<u>641,254</u>
Net cash provided by operations	<u>2,015,901</u>	<u>93,822</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	<u>2,767,167</u>	<u>1,776,300</u>	<u>4,543,467</u>
	<u>2,767,167</u>	<u>1,776,300</u>	<u>4,543,467</u>
Total	<u>2,767,167</u>	<u>1,776,300</u>	<u>4,543,467</u>

The notes form part of these financial statements

Kaleidoscope Project

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The Group's functional and presentational currency is the pound sterling (£), and balances are rounded to the nearest £1.

Basis of consolidation

The Group financial statements include the results of the Charitable Company and of its wholly controlled subsidiary. The consolidated entity is known as the 'Group'. The subsidiary undertakings are consolidated on a line by line basis within the Consolidated Statement of Financial Activities.

No separate Statement of Financial Activities (SOFA) has been prepared for the Charitable Company as permitted by Section 408 of the Companies Act 2006.

The subsidiary is Arch initiative, Company number 02812012, charity number 1024945. Their results for 31 March 2024 were turnover of £75,074, expenditure of £49,305 giving a net result for this year of £25,769 surplus. The overall balance sheet year end position of £349,545 which is made up of assets of £791,648 less liabilities of £442,103.

Income

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

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from charitable activities includes amounts received under contract, and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when the contract specified that they must be used in future accounting periods.

Rental income is recognised in the period to which it relates.

Other income consist of monies/assets received from subsidiary entities. This is recognised when the risks and rewards have been transferred.

Legacies are recognised either when the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor (s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt from a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Allocation and apportionment of costs

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. As the charitable company has only one charitable activity all costs are allocated directly to this activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% to 33.33% on cost

Long leasehold - 1% on cost

Fixtures and Fittings - 10-50% on cost and 20% reducing balance

Motor Vehicles - 33% on cost

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Investments

Fixed asset investments in subsidiaries are held at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Debtors

Amounts recoverable on contracts are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Taxation

The group is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 charity. 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.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The subsidiary of the group has a defined benefit pension scheme. the full details of this scheme are included in the notes to the accounts which shows the calculation and assumption provided by the actuary to include the amounts in the financial statements.

The parent operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the statement of financial activities in the period to which they relate.

Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates 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 year are detailed below:

Critical accounting estimates and judgements

(i) The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimates useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimate, based on the current estimate and the physical condition of the assets.

Related Organisation

The Kaleidoscope Project has a management agreement with a related organisation, the Kaleidoscope (Kingston) Housing Association Limited. This agreement was significantly revised during the year. Under the current agreement, the Housing Association maintains and insures its hostel property in Kingston while the Project takes responsibility for the day to day management of the hostel and for providing residents with residential care and with the appropriate social, educational and medical amenities. In return for access to the Hostel, the Project pays an annual management fee to the Association that is based on the costs incurred during the year by the Association. The Project also leases a floor of its K2 building in Kingston to the Housing Association on a 99 year lease from 27 February 2003 and takes responsibility for the services provided to the users of that floor on behalf of the Association.

The separation of the Association's and Project's accounts (which should be read together) reflects this structure and the distinct services provided by the Association and the Project.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23 as restated
	£	£
Donations	3,518	1,342
Capital grants	<u>226,513</u>	<u>325,469</u>
	<u>230,031</u>	<u>326,811</u>

Included in the above is a specific grant from Newport City Council to cover dilapidation at locations at which the charity undertakes their services.

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

	31.3.24	31.3.23 as restated
	£	£
Capital Grants	<u>226,513</u>	<u>325,469</u>

3. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23 as restated
	£	£
Miscellaneous income	<u>-</u>	<u>52,181</u>

4. INVESTMENT INCOME

	31.3.24	31.3.23 as restated
	£	£
Rents received	64,440	113,084
Deposit account interest	15,689	-
Interest receivable-trading	<u>152,830</u>	<u>69,280</u>
	<u>232,959</u>	<u>182,364</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.24	31.3.23 as restated
		£	£
Service Level Agreements	Drug and alcohol treatment services	16,856,059	13,968,266
Hostel, detox and rehabilitation provision	Residential Services	<u>1,350,768</u>	<u>1,351,756</u>
		<u>18,206,827</u>	<u>15,320,022</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Drug and alcohol treatment services	15,020,066	1,010,307	16,030,373
Residential Services	1,662,644	-	1,662,644
Capital Grants	258,276	-	258,276
	<u>16,940,986</u>	<u>1,010,307</u>	<u>17,951,293</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24 £	31.3.23 as restated £
Staff costs	7,316,016	6,152,102
Leasing of premises and equipment	5,731	5,111
Premises costs	910,485	1,108,933
Medical supplies	4,061,215	2,604,873
Catering costs	104,755	93,357
Training and staff costs	112,762	110,637
Office expenses	538,136	648,773
Travel & subsistence	206,657	123,346
Partners, Agency workers and Sub-contractors	3,459,847	2,701,880
Client related costs	184,952	242,474
Bad debts	(12,386)	(30,974)
Legal and professional	29,142	38,878
Finance costs	271	4,965
Depreciation	23,403	-
	<u>16,940,986</u>	<u>13,804,355</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

8. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
Drug and alcohol treatment services	<u>984,947</u>	<u>21,360</u>	<u>4,000</u>	<u>1,010,307</u>
	<u>984,947</u>	<u>21,360</u>	<u>4,000</u>	<u>1,010,307</u>

Support costs, included in the above, are as follows:

	31.3.24	31.3.23 as restated
	£	£
Wages	579,757	489,951
Licences & registration	75,805	71,695
Office expenses	113,167	18,530
Legal & professional fees	50,643	61,387
Audit & accountancy	18,109	17,304
Management charge	10,000	10,000
Insurance, health & safety	91,944	89,160
Dilapidation provision movement	(116,189)	-
Finance charges	6,007	4,841
Travel & Subsistence	29,582	40,532
Training	50,375	14,709
Premises cost	39,720	32,037
Catering costs	6,504	-
Depreciation	33,515	32,096
Pensions	21,360	22,413
Bank charges	8	-
	<u>1,010,307</u>	<u>904,655</u>

9. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23 as restated
	£	£
Depreciation - owned assets	56,919	32,096
Other operating leases	5,731	5,111
	<u>62,650</u>	<u>37,207</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

Arch Initiatives:- There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Kaleidoscope Project:- During the year, 5 trustees were reimbursed travel expenses to £1,282 (2023: £582).

11. STAFF COSTS

	31.3.2024	31.03.2023 as restated
	£	£
Kaleidoscope Project:-		
Wages & salaries	7,041,854	5,927,034
Social security costs	629,804	523,498
Other pension costs	<u>224,115</u>	<u>191,521</u>
	<u><u>7,895,773</u></u>	<u><u>6,642,053</u></u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23 as restated
Charitable activities	254	224
Management and administration	<u>17</u>	<u>25</u>
	<u><u>271</u></u>	<u><u>249</u></u>

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

	31.3.24	31.3.23 as restated
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>-</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The total employee benefits including pension contributions of the key management personnel were £342,894 (2023: £303,975).

Arch Initiatives:- There are no staff employed as the charity is administered by Kaleidoscope Project.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Endowment fund	Total funds as restated £
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,342	325,469	-	326,811
Charitable activities				
Drug and alcohol treatment services	11,467,368	2,500,898	-	13,968,266
Residential Services	1,351,756	-	-	1,351,756
Other trading activities	52,181	-	-	52,181
Investment income	174,104	8,260	-	182,364
Total	<u>13,046,751</u>	<u>2,834,627</u>	<u>-</u>	<u>15,881,378</u>
Charitable activities				
Drug and alcohol treatment services	11,049,341	2,017,579	-	13,066,920
Residential Services	1,201,984	-	-	1,201,984
Elderly	-	-	-	-
Capital Grant	-	391,025	-	391,025
Drug Treatments	53,783	-	-	53,783
Total	<u>12,305,108</u>	<u>2,408,604</u>	<u>-</u>	<u>14,713,712</u>
Net gains on investments	-	-	-	-
NET INCOME	741,643	426,023	-	1,167,666
Transfers between funds	<u>11,250</u>	<u>-</u>	<u>(11,250)</u>	<u>-</u>
Net movement in funds	752,893	426,023	(11,250)	1,167,666
RECONCILIATION OF FUNDS				
Total funds brought forward				
As previously reported	4,269,519	1,385,156	135,000	5,789,675
Prior year adjustment	<u>1,036,201</u>	<u>779,598</u>	<u>-</u>	<u>1,815,799</u>
As restated	<u>5,305,720</u>	<u>2,164,754</u>	<u>135,000</u>	<u>7,605,474</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>6,058,613</u></u>	<u><u>2,590,777</u></u>	<u><u>123,750</u></u>	<u><u>8,773,140</u></u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

13. PRIOR YEAR ADJUSTMENT

The executive directors reviewed the historic treatment of revenue recognition. It was identified that some revenue had previously been treated as deferred income in creditors rather than being recognised in the Statement of Financial Activities in the year it was received. In order to ensure we demonstrate good financial integrity, deferred income amounting to £1,815,798 at March 31 2022 has been re-stated in the opening reserves for the year ended March 31,2023. In the year end March 31,2023 deferred income of £2,908,452 previously treated in creditors was also re-stated and accounted for in the 2023 comparative data in the Statement of Financial Activities for the year.

14. CHARITABLE COMPANY RESULTS

The Charitable Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure in these financial statements. The results of Kaleidoscope Project (the Charitable Company) are:

	Total 2024	Total 2023 as restated
	£	£
Total income resources	18,594,743	15,820,510
Total resources expended	(17,908,914)	(14,659,929)
Net gains on investments	46,300	-
Net surplus/(deficit)	732,129	1,160,581
Funds:		
At 1 April 2023	<u>8,449,364</u>	<u>7,288,783</u>
At 31 March 2024	<u>9,181,493</u>	<u>8,449,364</u>

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
COST				
At 1 April 2023	3,752,229	245,481	960,289	4,957,999
Additions	<u>250,893</u>	<u>20,816</u>	<u>120,722</u>	<u>392,431</u>
At 31 March 2024	<u>4,003,122</u>	<u>266,297</u>	<u>1,081,011</u>	<u>5,350,430</u>
DEPRECIATION				
At 1 April 2023	422,199	15,041	844,105	1,281,345
Charge for year	<u>28,389</u>	<u>2,256</u>	<u>26,274</u>	<u>56,919</u>
At 31 March 2024	<u>450,588</u>	<u>17,297</u>	<u>870,379</u>	<u>1,338,264</u>
NET BOOK VALUE				
At 31 March 2024	<u>3,552,534</u>	<u>249,000</u>	<u>210,632</u>	<u>4,012,166</u>
At 31 March 2023	<u>3,330,030</u>	<u>230,440</u>	<u>116,184</u>	<u>3,676,654</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

15. TANGIBLE FIXED ASSETS - continued

CHARITABLE FIXED ASSETS (CHARITABLE COMPANY)

	Freehold Property £	Long Leasehold £	Fixtures and fixtures £	Total £
Cost or Valuation				
At 1 April 2023	3,752,229	245,481	675,525	4,673,235
Additions	250,893	20,816	120,722	392,431
Disposals				
At 31 March 2024	<u>4,003,122</u>	<u>266,297</u>	<u>796,247</u>	<u>5,065,666</u>
Depreciation				
At 1 April 2023	422,199	15,041	559,341	996,581
Charge	28,389	2,256	26,274	56,919
Eliminated				
At 31 March 2024	<u>450,588</u>	<u>17,297</u>	<u>585,615</u>	<u>1,053,500</u>
Net Book Value				
At 31 March 2024	<u>3,552,534</u>	<u>249,000</u>	<u>210,632</u>	<u>4,012,166</u>
At 31 March 2023	<u>3,330,030</u>	<u>230,440</u>	<u>116,184</u>	<u>3,676,655</u>

Charitable Company

The Group, and Charitable Company received grants of £423,684 and £66,697 in prior years for property and fixtures and fittings expenditure respectively. These grants have been deducted from the cost of the assets brought forward.

The Welsh Assembly Government has a legal charge over the property at Powells Place, Newport which has a net book value of £525,970 (2023: £540,881) at the balance sheet date.

16. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	2,541,926
Revaluation	<u>39,374</u>
At 31 March 2024	<u>2,581,300</u>
NET BOOK VALUE	
At 31 March 2024	<u>2,581,300</u>
At 31 March 2023	<u>2,541,926</u>

The investment property held in Kaleidoscope Project been sold in September 2024 for £2,046,300. This has been used for market value as at 31 March 2024. The investment property held in Arch Initiatives, had an independent valuation undertaken post year end on 19 September 2024. The trustees consider this to be an accurate reflection of fair value at 31 March 2024.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

16. INVESTMENT PROPERTY - continued

Charitable Company

MARKET VALUE

As at 1 April 2023

Revaluation

As at 31 March 2024

NET BOOK VALUE

At 31 March 2024

At 31 March 2023

Fair value at 31 March 2024 is represented by:

Valuation in 2024

Cost

£

2,000,000

46,300

2,046,300

2,046,300

2,000,000

£

609,374

1,971,926

2,581,300

17. DEBTORS

31.3.24

31.3.23

as restated

Amounts falling due within one year:

£

£

Trade debtors

2,888,624

3,480,782

Other debtors

249,988

115,863

Prepayments and accrued income

304,105

60,306

3,442,717

3,656,951

Charitable Company

31.3.24

31.3.23

as restated

£

£

Amounts falling due within one year:

Trade debtors

2,888,624

3,471,032

Other debtors

249,988

115,863

Prepayments and accrued income

304,105

60,306

Amounts falling due after more than one year:

Amounts owned by group undertaking

350,822

893,929

3,793,539

4,541,130

Included within other debtors, in both the Group and Charitable Company, is £9,589 (2023: £106,508) due from Kaleidoscope (Kingston) Housing Association Limited.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23 as restated
	£	£
Trade creditors	1,751,587	1,299,226
Social security and other taxes	156,638	125,571
Other creditors	2,067,469	1,480,309
Accruals and deferred income	688,952	532,294
	<u>4,664,646</u>	<u>3,437,400</u>

Charitable Company

	31.3.24	31.3.23 as restated
	£	£
Trade creditors	1,741,587	1,284,252
Social security and other taxes	156,638	125,571
Other creditors	2,067,469	1,480,309
Accruals and deferred income	669,337	517,294
	<u>4,635,031</u>	<u>3,407,426</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23 as restated
	£	£
Other creditors	<u>322,300</u>	<u>338,491</u>

Charitable Company

	31.3.24	31.3.23 as restated
	£	£
Other creditors	<u>322,300</u>	<u>338,491</u>
	<u>322,300</u>	<u>338,491</u>

20. LEASING AGREEMENTS

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

	31.3.24	31.3.23 as restated
	£	£
Within one year	89,384	84,347
Between one and five years	<u>355,920</u>	<u>335,389</u>
	<u>445,304</u>	<u>419,736</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

21. PROVISIONS FOR LIABILITIES

	31.3.24	31.3.23
	£	£
Provisions	<u>61,666</u>	<u>93,667</u>

A provision of £61,666 is being carried for the amount due on the Charity's defined pension scheme. The details of the scheme are disclosed in note 21.

At the end of the year the actuarial valuation indicated that the scheme was in an asset position of £201,000. This amount has not been recognised in the accounts as it is the Charity's intention to withdraw from the scheme should a reasonable buy out position be negotiated. Current discussions have highlighted that the amount would be in the region of £42,000 to £102,000. Due to this it is felt that the current liability held is a more accurate reflection of the Charity's position than the £201,000 asset.

22. MOVEMENT IN FUNDS

	At 01.04.23	Prior year adjustment	Net movement in funds	Transfers between funds	At 31.03.24
	£	£	£	£	£
Unrestricted funds					
General fund	4,413,077	1,645,536	693,278	123,411	6,875,302
Restricted funds					
Asset Fund	1,327,860	-	(37,199)	-	1,290,661
Other restricted funds	-	161,438	(34,547)	(107,892)	18,999
Powys Counselling	-	28,057	-	-	28,057
Powys Co-Production	-	(1,377)	16,591	4,785	19,999
GDAS Harm Reduction	-	175,764	306	-	176,070
GDAS External Training	-	10,400	(8,814)	25,946	27,532
DDAS Pathways to Change	-	27,800	5,510	-	33,310
GDAS Co-occurring Pilot	-	46,225	(8,013)	-	38,212
Buvidal Funding	-	771,580	2,635	-	774,215
Powys Housing	-	33,030	-	-	33,030
Peter Harrison Foundation	-	10,000	-	-	10,000
Lighthouse – ABP/health	-	-	12,238	-	12,238
GDAS Big Lottery	-	-	18,613	-	18,613
Leases	-	-	97,300	-	97,300
	<u>1,327,860</u>	<u>1,262,917</u>	<u>64,620</u>	<u>(77,161)</u>	<u>2,578,236</u>
Endowment funds					
Wirral PCT	123,750	-	-	(46,250)	77,500
Total funds	<u>5,864,687</u>	<u>2,908,453</u>	<u>757,898</u>	<u>-</u>	<u>9,531,038</u>

See note 13 for prior year adjustment.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expanded £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	15,424,890	(14,770,986)	39,374	693,278
Restricted funds				
Asset Fund	226,513	(263,712)	-	(37,199)
Other restricted funds	490,640	(525,187)	-	(34,547)
Powys Co-Production	20,000	(3,409)	-	16,591
GDAS Harm Reduction	241,995	(241,689)	-	306
GDAS External Training	-	(8,814)	-	(8,814)
DDAS Pathways to Change	31,200	(25,690)	-	5,510
GDAS Co-occurring Pilot	-	(8,013)	-	(8,013)
Buvidal Funding	2,203,428	(2,200,793)	-	2,635
Lighthouse – APB/Health	12,538	(300)	-	12,238
GDAS Big Lottery	18,613	-	-	18,613
Leases	-	97,300	-	97,300
	<u>3,244,927</u>	<u>(3,180,307)</u>	<u>-</u>	<u>64,620</u>
Endowment funds				
Wirral PCT	-	-	-	-
Total funds	<u><u>18,669,817</u></u>	<u><u>(17,951,293)</u></u>	<u><u>39,374</u></u>	<u><u>757,898</u></u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 01.04.22	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.03.23 £
Unrestricted funds					
General fund	4,269,519	1,036,201	741,643	11,250	6,058,613
Restricted funds					
Asset Fund	1,385,156	-	(57,296)	-	1,327,860
Other restricted funds	-	140,080	23,940	(2,581)	161,439
Powys Counselling	-	28,536	(480)	-	28,056
Powys Co-Production	-	-	(1,377)	-	(1,377)
GDAS Harm Reduction	-	88,056	85,126	2,581	175,763
GDAS External Training	-	-	10,400	-	10,400
DDAS Pathways to Change	-	11,134	16,666	-	27,800
GDAS Co-occurring Pilot	-	52,474	(6,249)	-	46,225
Buvidal Funding	-	440,538	331,043	-	771,581
Powys Housing	-	18,780	14,250	-	33,030
Peter Harrison Foundation	-	-	10,000	-	10,000
	<u>1,385,156</u>	<u>779,598</u>	<u>426,023</u>	<u>-</u>	<u>2,590,777</u>
Endowment funds					
Wirral PCT	135,000	-	-	(11,250)	123,750
Total funds	<u>5,789,675</u>	<u>1,815,799</u>	<u>1,167,666</u>	<u>-</u>	<u>8,773,140</u>

See note 13 for prior year adjustment.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expanded £	Movement in funds £
Unrestricted funds			
General fund	13,046,751	(12,305,108)	741,643
			-
Restricted funds			
Asset Fund	333,729	(391,025)	(57,296)
Other restricted funds	280,392	(256,452)	23,940
Powys Counselling	-	(480)	(480)
Powys Co-Production	15,460	(16,837)	(1,377)
GDAS Harm Reduction	312,693	(227,567)	85,126
GDAS External Training	10,400	-	10,400
DDAS Pathways to Change	38,699	(22,033)	16,666
GDAS Co-occurring Pilot	26,949	(33,198)	(6,249)
Buvidal Funding	1,792,055	(1,461,012)	331,043
Powys Housing	14,250	-	14,250
Peter Harrison Foundation	10,000	-	10,000
	<u>2,834,627</u>	<u>(2,408,604)</u>	<u>426,023</u>
	<u>15,881,378</u>	<u>(14,713,712)</u>	<u>1,167,666</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

Charitable Company

	At 1.4.23 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds					
General fund	4,213,051	1,645,536	667,509	77,161	6,603,257
Restricted funds					
Asset fund	1,327,860	-	(37,199)	-	1,290,661
Other restricted funds	-	161,438	(34,547)	(107,892)	18,999
Powys Counselling	-	28,057	-	-	28,057
Powys Co-Production	-	(1,377)	16,591	4,785	19,999
GDAS Harm Reduction	-	175,764	306	-	176,070
GDAS External Training	-	10,400	(8,814)	25,946	27,532
DDAS Pathways to Change	-	27,800	5,510	-	33,310
GDAS Co-occurring Pilot	-	46,225	(8,013)	-	38,212
Buvidal Funding	-	771,580	2,635	-	774,215
Powys Housing	-	33,030	-	-	33,030
Peter Harrison Foundation	-	10,000	-	-	10,000
Lighthouse - APB/Health	-	-	12,238	-	12,238
GDAS Big Lottery	-	-	18,613	-	18,613
Leases	-	-	97,300	-	97,300
	<u>1,327,860</u>	<u>1,262,917</u>	<u>64,620</u>	<u>(77,161)</u>	<u>2,578,236</u>
TOTAL FUNDS	<u>5,540,911</u>	<u>2,908,453</u>	<u>732,129</u>	<u>-</u>	<u>9,181,493</u>

Comparatives for movement in funds

	At 1.4.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds					
General fund	4,087,828	1,036,201	734,558	-	5,858,587
Restricted funds					
Asset fund	1,385,156	-	(57,296)	-	1,327,860
Other restricted funds	-	140,080	23,940	(2,581)	161,439
Powys Counselling	-	28,536	(480)	-	28,056
Powys Co-Production	-	-	(1,377)	-	(1,377)
GDAS Harm Reduction	-	88,056	85,126	2,581	175,763
GDAS External Training	-	-	10,400	-	10,400
DDAS Pathways to Change	-	11,134	16,666	-	27,800
GDAS Co-occurring Pilot	-	52,474	(6,249)	-	46,225
Buvidal Funding	-	440,538	331,043	-	771,581
Powys Housing	-	18,780	14,250	-	33,030
Peter Harrison Foundation	-	-	10,000	-	10,000
	<u>1,385,156</u>	<u>779,598</u>	<u>426,023</u>	<u>-</u>	<u>2,590,777</u>
TOTAL FUNDS	<u>5,472,984</u>	<u>1,815,799</u>	<u>1,160,581</u>	<u>-</u>	<u>8,449,364</u>

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

Arch Initiatives:-

Unrestricted funds

The unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

Endowment funds

The Wirral PCT endowment fund is a grant expressly for the purpose of purchasing and refurbishing the property known as 88-90 Argyle Street. In accordance with the grant agreement these grants will be credited to the endowment fund and likewise restricted to the purpose of the development of the property

Kaleidoscope Project:-

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

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

Restricted funds comprise:-

Asset Fund

The asset fund represents property and fixtures and fittings which have been secured with the help of grant funding. The fund increases each year with the receipt of further capital grants and reduces by an amount each year equivalent to the depreciation charges on those assets and /or by repair costs treated as revenue expenditure.

Other Restricted Funds

Other restricted funds with balances less than £5,000.

Powys Counselling

Delivery of counselling provision for Powys service users.

Powys Co-Production

Funding from APB Commissioning team to deliver peer volunteer activities and harm reduction events/groups.

GDAS Harm Reduction

Funding received from Gwent APB to purchase harm reduction equipment and delivery of harm reduction initiatives (BBV/Nalaoxone etc).

GDAS External Training

Revenue received for the delivery of training to external agencies. Utilised for training materials and purchasing of external training.

DDAS Pathways to Change

Funding received from Dyfed APB to deliver counselling to Dyfed Service Users.

GDAS Co-occurring Pilot

Funding for the delivery of co-occurring mental health and substance use service.

Buvidal Funding

Funding for the purchase of Buvidal.

Powys Housing

Funding for Powys Outreach Workers.

Peter Harrison Foundation

Grant funding subsequently cancelled and returned.

Lighthouse - APB/Health Grant

Funding from Gwent Health Services for building costs & building administration/management.

GDAS Big Lottery

Funding for Diversionary Activities (Outdoor Pursuits).

Leases

Funding for leases that relate to future periods.

Transfers between funds

Transfers between funds are due to a mis-allocation between funds in prior years. See note 13 for the prior year adjustment.

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

23. EMPLOYEE BENEFIT OBLIGATIONS

Arch Initiatives participates in the Mercer DB Master Trust (the scheme) formerly known as The Federation Plan.

The scheme is a multi-employer defined benefit scheme. We are now reporting the results of the 2024 actuarial valuation.

Scheme Membership

Membership of the scheme is made up of 6 deferred pensioners and 2 retired pensioners, there are no active pensioners. The data attributable by type of member is as follows:

Member	Description	5 April 2023	5 April 2020
Deferred members	Total deferred pensions revalued to valuation date - (£ p.a.)	5,845	6,808
Deferred members	Average age weighted	47	44
Pensioners	Total pensions payable (£ p.a.)	2,484	2,103
Pensioners	Average age weighted by pension	71	68

The breakdown of the liability is set out below:

Description	2023 Valuation £'000s	2020 Valuation £'000s
Assets	419	234
Liabilities – Pensioners	(42)	(54)
Liabilities - Deferred members	(176)	(332)
Overall position	201	(152)
Funding Level	192%	61%

Assets Summary	5 April 2023 Allocation £'000	5 April 2023 Allocation %	Revised Investment strategy after 5 April 2023 %
Pooled Investment Vehicles	414	99	30
Bank	5	1	0
Tailored Credit	0	0	20
UK Inflation Linked Gifts	0	0	40
Sterling Inflation Linked LDI	0	0	10
Total	419	100	100

Analysis of Experience Since Last Valuation

	£'000
Shortfall on 5 April 2023	(152)
Interest	(2)
Contributions less expenses	58
Changes in market conditions (liability impact)	183
Excess investment returns	128
Inflation experience	(40)
Impact of changes to statement of funding principles	28
Miscellaneous	(2)
Surplus on 2023 assumptions	201
Expected 2023 shortfall	(96)
Estimated shortfall at 2023 on 2020 assumptions	175

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes Since the Valuation Date

The return on the pension assets in the period April 1, 2023 to August 31, 2023 was estimated at - 4%. This does not take into account any contributions received or benefits paid out since the valuation date. Had the conditions at August 31, 2023 applied at the valuation date, it is estimated that the technical provision would have been 15% lower than the value in this report. Taken together the change in financial conditions would have led to an improvement in the overall funding position.

Financial Assumptions - Main Financial assumptions for Technical provisions

	2023 Valuation	2020 Valuation
Pre retirement discount rate	Gilt curve +1.4% p.a.	Gilt curve +1.5% p.a.
Post retirement discount rate	Gilt curve +0.5% p.a.	Gilt curve +0.5% p.a.
RPI inflation	Inflation curve	Inflation curve
CPI inflation	RPI -0.75% until 2030 RPI from that year	RPI - 0.75% p.a. until 2030 RPI from that year
RPI pension increases	In line with RPI assumptions	In line with RPI assumptions
CPI pension increases	In line with CPI assumptions	In line with CPI assumptions
Recovery plan return	Gilt curve +0.5% p.a.	Gilt curve +2.0% p.a.
Average Gilt Yield curve	3.65% p.a.	0.69% p.a.
Average inflation curve	3.35% p.a.	2.71% p.a.

Demographic assumptions - for Technical provisions

	2023 Valuation	2020 Valuation
Mortality - base table	115% of S3PxA	115% of S3PxA
Mortality - future improvements	CMI 2022[1.5%, S Core]	CMI 2019 [1.5%,S=7.5]
CPI inflation	RPI -0.75% until 2030 RPI from that year	RPI -0.75% until 2030 RPI from that year
Proportions married	90% married for both males and females	90% married for both males and females
Age of retirement	All members assumed to retire at normal retirement age. Members who are past their normal retirement are assumed to retire at the valuation date.	All members assumed to retire at normal retirement age. Members who are past their normal retirement are assumed to retire at the valuation date.
Commutation	Commutation No cash commutation where benefit formula includes cash. Where the benefit formula does not include cash, members are assumed to take 50% of their maximum cash entitlement, based on the current cash commutation factor. 50% of 3/80ths using current commutation factors for members without cash on top.	50% of 3/80ths using current commutation factors for members without cash on top
Expenses	No allowance (funded by separate contributions by the employer.)	No allowance (funded by separate contributions by the employer.)

Other Assumptions

	Assumed rate at last valuation p.a.	Assumed rate during inter valuation period p.a.
Investment returns - assumed for the purpose of the 2020 recovery plan	0.63%	15.73%
Revaluation up to retirement in line with RPI	2.57%	6.09%
in line with CPI	1.82%	4.49%
Pension increases in payment in line with RPI	2.57%	6.09%
in line with CPI	1.82%	4.49%

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Global Pandemics and Climate Change

For the 2023 valuation the potential impacts of global pandemics and climate change have been considered. These included the following climate change shock scenarios:

	Potential Impact (2023 and 2020 valuation)
UK long dated interest date	-0.5% p.a.
Inflation	+0.5% p.a.
UK life expectancy -0.25 years	-0.25 years
Equity market re-pricing	-15%
Diversified growth fund re-pricing -7.5%	-7.5%
Investment grade credit spread widening	0.2% p.a.
Impact on high yield debt	-5%

Technical Provisions Sensitivity

	% Change in Liability
Pre retirement discount rate reduced by 0.25%p.a. at each term +2.3%	+2.3%
Post retirement discount rate reduced by 0.25% p.a. at each term	+3.2%
Inflation assumption increased by 0.25% p.a. at each term +5.5%	+5.5%
Members one year younger	+2.8%
Cash commutation assumption increased by 10%	+less than 0.1%

Summary of Benefits

Main benefits of the two underlying schemes:

	NHSPS Scheme	LGPS Scheme
Normal retirement date	60th Birthday	65th Birthday
Normal retirement pension	1/80th of final pay for each complete year of service	1/60th of final pay for each complete year of service
Normal retirement cash	Up to 3 times the members pension	Part of pension can be exchanged for a cash free sum
Increase to pension	In line with rpi	In line with cpi
Early retirement pension	Available after the age of 55 or on ill health	From age 55 to 60
Death after retirement: * lump sum	On death within 5 years of commencement of pension	On death within 10 years of commencement of pension
* dependant's pension	One half of members pension	37.5% of members pension

Kaleidoscope Project

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2024

24. CONTINGENT LIABILITIES

The charity may be required to repay funding if it fails to comply with conditions laid down by the various funding providers.

Included in Investment properties is the purchase and refurbishment costs of a building on Argyle Street, Birkenhead. A grant of £500,000 was received from the Wirral Primary Care Trust (WPCT) towards these costs. WPCT hold a legal charge over the property dated 31 March 2009, the terms of which are that should the property be sold within 20 years a set percentage of the sales proceeds will revert back to WPCT. The percentage remittable is tapered down to 0% over 20 years. As at 31 March 2024 the amount repayable would be: £77,500 (2023 - £135,000)

25. RELATED PARTY DISCLOSURES

Kaleidoscope Project:-

During the year, Kaleidoscope Project Limited paid management fees to Kaleidoscope (Kingston) Housing Association Limited of £25,000 (2023: £nil). At the year end, included in debtors (note 14) is a balance of £9,590 (2023 £106,508) which remained outstanding from Kaleidoscope (Kingston) Housing Association Limited. This amount is repayable on demand and is non-interest bearing.

There were no other related party transactions in either the year ended.

Arch Initiatives:-

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

26. POST BALANCE SHEET EVENTS

The sale of the property at Kingston is due to be completed at September 20, 2024 £2,046,300 for an agreed sum.

27. ULTIMATE PARENT COMPANY

The charity's parent company at the balance sheet date was Kaleidoscope Project (company number 05480423, charity number 1115017), a charitable company incorporated in the UK. The parent's principal activities include the provision of holistic care and support services to those suffering due to poverty, age, infirmity, substance abuse or physical and mental hardship or distress. Copies of group accounts are available from either Companies House or from the registered office at Resolven House, St Mellons Business Park, Fortran Road, St Mellons, Cardiff CF3 0EY. The ultimate controlling party are the trustees of the parent company Kaleidoscope Project.

