

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Davey (Foundation Member) E Gregory (Foundation Member) I Blackburn (Chair) E Stacey
Trustees	T Cogan, Chair ^{1,2,3} W Lewis ² S Marriott ^{1,2,3} D Amos ¹ J Barry ³ L Gilbert ² E Carrington-Porter (appointed 12 October 2022) ² C Wilson (appointed 1 September 2023) ¹ Performance and Standards Committee ² Audit and Risk Committee ³ Heads and Chairs
Company registered number	10885386
Company name	Kaleidoscope Multi Academy Trust
Principal and registered office	St Martin's C Of E Primary School Spring Hill Worle Weston-Super-Mare BS22 9BQ
Accounting Officer	S Marriott
Senior management team	S Marriott, CEO/Headteacher St Martin's Church of England Primary School J Walters, CFO J Clark, Headteacher Ashcombe Primary School L Amos, Executive Headteacher Becket and Hutton E Bray, Headteacher Christ Church Church of England Primary School K James, Acting Headteacher Worle Village Primary School Y Barnes, Acting Headteacher St Martins (resigned 31 December 2022) S Elliott, Headteacher Crockerne Church of England Primary School C Penny, Headteacher St Martins (appointed 1 January 2023)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank Plc 2 South Parade Weston Super Mare BS23 1JL

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Solicitors	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the academic year 1st September 2022 to the 31st August 2023. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a Primary Multi-Academy Trust for pupils aged 4-11 in North Somerset. It has a pupil capacity of 2205 and had a roll of 2015 in the school census on 6th October 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Kaleidoscope Multi-Academy Trust is a 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 Multi-Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Kaleidoscope Multi-Academy Trust.

Details of the Trustees who served throughout the 2022 – 2023 year, and to the date the accounts are approved are included in the Reference and Administration Details.

Members' Liability

Each Trustee of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they cease to be a Trustee.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees comprises the CEO, and 7 other Trustees.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 3 Trustees who are appointed by [Members].
- Up to 1 staff Trustee appointed by [Trustee board].
- Any number of co-opted Trustees who are appointed by the Members.
- A Governor representative appointed by the Heads and Chairs Committee (HAC)
- The Bath and Wells Diocesan Trust is empowered under article 50AA to appoint at least 3 Trustees (50% of the Board).

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees are appointed for a four-year period, except that this time limit does not apply to the Governor representative. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. They will access these from the central Kaleidoscope Cloud drive. Induction tends to be done informally and is tailored specifically to the individual.

Kaleidoscope subscribes to the following training packages.

- NGA (Gold Service)
- Governors for Schools
- The National College (Online Training Platform)
- The Diocese of Bath and Wells
- Local Authority (North Somerset Council)
- The Confederation of School Trusts (CST)
- The School Bus

Organisational Structure

The Board of Trustees normally meets at least 6 times each year. The Board establishes an overall framework for the governance of the Academy and determines Trusteeship, Terms of Reference and procedures of Committees and other groups. It receives reports including policies for ratification. It monitors the activities and performance of the schools within the Trust through reports from the CEO, CFO, minutes and other documents, including external/internal reports and audits. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 3 committees (x2 standing and x1 as required) as follows;

- Audit and Risk Committee – this meets 3 times a year and is responsible for compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit (reports and associated action plans) and reviewing any risks including financial, staffing, safety, buildings, compliance. This committee also evaluates and reviews policy and performance relating to financial management, budgeting, short- and long-term financial position and compliance/regulatory requirements/reporting including reviewing internal audits.
- Performance and Standards Committee - this meets at least three times per academic year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Complaints (ad-hoc)

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the CEO, CFO and Clerk to the Trustees, to approve the Strategic Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring Kaleidoscope Multi-Academy Trust (KMAT) by the use of budgets and other data, and making major decisions about the direction of KMAT, capital expenditure and some staff appointments.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees and Board of Trustees have devolved responsibility for day to day management of the CEO and Senior Executive Leadership Team (SELT). The SELT comprises the CEO and CFO. The Executive Leadership Team (ELT) comprises of Headteachers, Executive Headteacher and Heads of School. This Team is responsible for the development and monitoring of key areas across the Trust.

The aim of the above leadership structure is to create a collaborative approach, devolving responsibility and encouraging involvement in decision making and raising/maintaining standards and best practice across all schools within KMAT.

Within each school there is a Senior Leadership Team (SLT), which may consist of the Headteacher/Executive Headteacher, Head of Schools/Deputy Headteacher/Assistant Headteacher and other senior staff depending on the size and context of the school. The SLT leads and manages the Academy, implementing the policies laid down by the Trustees and reporting back to the CEO and Local Governing Bodies. The Headteacher is responsible for the authorisation of spending within agreed budget (as agreed with the CFO and Trust Board); this is detailed within the Scheme of Delegation. The Headteacher/Executive Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts which should include a Governor where possible.

Kaleidoscope Academy Trust comprises 7 Primary Schools.

- Ashcombe
- Becket
- Christ Church (Church of England VC)
- Crockerne (Church of England VC)
- Hutton (Church of England VC)
- St Martin's (Church of England VC)
- Worle Village

Each school has its own Local Governing Body responsible for day to day operations and monitoring that the school operates within Kaleidoscope policies and practice. The full roles, responsibilities and composition are detailed within the Scheme of Delegation and Terms of Reference for the Local Governing Body.

The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. There have been none during this period.

The pay of key management personnel is reviewed annually as part of the appraisal process and follows national guidelines, national pay scales and best practice.

Trade union facility time

Relevant union officials:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Percentage of time spent on facility time:

Percentage of time	Number of employees
0%	2

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of Kaleidoscope Multi-Academy Trust.

Schools have their own Parent Teacher Associations.

Ashcombe Primary School has received a charity grant (over 3 years) via The Hargreaves Foundation to support the learning, outcomes and wellbeing of vulnerable pupils.

Engagement with employees (including disabled persons)

The collaborative nature of Kaleidoscope Multi-Academy Trust means that it works hard to engage with its employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Regular updates to all staff via letters, emails, presentations at meetings, feedback from Headteachers/Executive Headteacher/Head of School and Senior Leaders - feedback from Networks
- Joint Staff Meetings and INSET Days
- School visits over the year
- Staff have opportunities to play a role in determining the direction and improvement of KMAT through the Networks and Executive Leadership Team
- Wellbeing Policy – wellbeing support through the Health Assured service purchased by KMAT.
- The Trust operates within its Equalities Policy which meets statutory guidelines and requirements.

Engagement with suppliers, customers and others in a business relationship with the Trust

Having a strong and positive relationship with our stakeholders is a key aim for Kaleidoscope as detailed within our 5Cs (see below). Our collaborative nature means that staff are involved in reviewing and shaping the direction of Kaleidoscope. This might be via networks, joint training events or specific meetings e.g. Chairs Forum and Church Schools Forum. Our schools have excellent relationships with their families and community. They regularly receive and actively seek feedback which is reviewed by leaders, Governors and Trustees. We have developed strong working relationships with external professionals/agencies, the local authority, Diocese, Regional Schools Commissioner and other Multi-Academy Trusts and schools.

We strive to achieve best value and do this by procuring high quality services and resources from a range of suppliers. The Central Team undertakes this for core supplies and services and schools manage this locally for specific ones. Suppliers undergo rigorous checks before they are engaged and we follow the procurement process as outlined within the Academies Financial Handbook.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Kaleidoscope's aim is to be a Multi Academy Trust of exceptional and distinctive schools, working in collaboration to deliver an outstanding education and learning through actively sharing best practice to raise standards and build aspiration for the children and members of its community. The aim is to educate the whole child so that they are confident socially and emotionally, contributing to their local and wider community.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

This vision is encapsulated within Kaleidoscopes 5Cs, where the Trust and its schools are or aim to develop:



Strategic Plan 2023 - 2024 Priority Development Areas

The full details of the Trusts Key priorities for the year and how they will be achieved and progress measured are contained within the Kaleidoscope Strategic Plan which is available from the Kaleidoscope Office and website. A summary of improvement areas identified for this year include:

Quality of Education and Standards	Finance/ Resources/ Estates	People	Partnerships	Leadership and Governance	Growth and KMAT Development
Raise Standards in Reading, Writing and Maths	Develop a Robust Approach to Estates Management	Develop A Centralised Approach to Allocating, Recording and Monitoring CPD	KMAT Is Represented on LA/regional Boards/Panels and plays a role in wider decision making	Achieve the DFE and CST Standards for Strong MATs	A plan is in place to mitigate the impact of declining pupil numbers.
Improve outcomes at KS1	Address recommendations within the SMRA Report and improve the 3-year budget forecast position	Plan further opportunities for the development of Middle Leaders across KMAT	Continue to Work closely with the Diocese to develop excellence at Church Schools, through the Church Schools Forum	The Trust Board is more involved in Church Schools, the SIAMs Process and drives/supports best practice in its schools through the Church Schools Forum	Further develop and widen the Central Team to facilitate the delivery of centralised MAT services.
Improve outcomes and opportunities for vulnerable pupils to narrow the gap with pupils not in these groups and to be at least in line with these groups nationally for attainment	Review the roles of the Central Team to increase capacity for increasing workload and centralised practice, systems and processes	Implement the KMAT Behaviour Curriculum	Gather a range of Stakeholder views From Across KMAT to evaluate ourselves across key areas.		
Further Improve our Curriculum Offer	Develop Centralised Approach to Risk Assessment and Health and Safety Audits	Review and improve pupil attendance.			
Becket Primary School to be graded Good in Ofsted	Further Develop KMATs Approach to Cybersecurity, Filtering and Monitoring				

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Kaleidoscope Multi-Academy Trust aims to advance for the public benefit, education in North Somerset and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating,

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

maintaining, managing and developing schools, offering a broad, relevant, progressive and exciting curriculum.

Some Kaleidoscope Academies provide facilities for recreational and other leisure time occupation for the community at large in the form of lettings.

STRATEGIC REPORT

Achievements and Performance

Kaleidoscope Multi-Academy Trust is in its sixth year of operation. Over this time, we have worked hard to develop our MAT structures, School Improvement Model, Systems, Policies and Practice. More of these have become aligned and standardised across the MAT over the past year. Our Executive Leadership Team (ELT) have worked hard to drive improvements across the KMAT. Examples of where this has had impact include a KMAT approach to SEND, Pedagogy and support for Early Careers Teachers (ELTs). The operation of our networks has been reviewed and they operate in a more focused way, linking directly to wider MAT improvement aims as well as continuing to share best practice. Our Network Delivery mechanism has created a clear school improvement structure from the ELT through to Networks which is then cascaded to schools through school leaders. A secondary aim of this structure is to ensure staff at all levels are working together and across Kaleidoscope to develop best practice. This model develops experience and supports succession planning.

2 schools received positive Ofsted Inspections achieving a 'Good' judgement. Focused support has been put in place for the school with the Requires Improvement judgement and monitoring evidences that improvements are embedding

In most cases, SATs results were broadly in line with National Averages. Where data was below national averages, this was mainly due to contextual/cohort reasons, however we have identified some key areas of focus which include raising outcomes in Key Stage 1, at Higher Standard, for SEND/vulnerable pupils and in Writing. Low pupil attendance is a national issue and this is reflected across our schools. We have plans to improve this.

A Headline Summary of our Strategic Objectives 2022-2023

Objective	Examples of Activity
Further develop and embed KMAT Leadership and Governance at all levels.	New Executive Leadership embedded - and led improvement across key areas. Networks drove improvement across subjects within the Strategic Plan. Improved systems of training, reporting, reviewing to improve MAT/Governance oversight.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

<p>To raise achievement across all Kaleidoscope schools. To develop high quality pedagogy, systems and practice.</p>	<p>Pedagogy Network led KMAT approach to pedagogy based upon best practice and research. Curriculum Milestones started to be developed. Outcomes overall positive. MAT Reviews and other reviews took place in all schools. A programme of cpd including INSET Days/Joint Staff Meetings effective at developing MAT approaches. New KMAT approach for SEND and Pupil Premium, embedded consistency through training and the use of consistent approaches to recording and reporting. EYFS Network built upon the KMAT EYFS Framework, developing assessment and recording tools. Christ Church and Crockerne achieved Good inspection judgements.</p>
<p>Pupil and staff Mental health and wellbeing is a key Kaleidoscope priority in our curriculum, pastoral care, policies, procedures, training and support.</p>	<p>A KMAT Wellbeing Policy was created. Streamlining of workload tasks. CPD on wellbeing. Wellbeing is a key part of the curriculum and PSHE. KMAT Staff worked closely with pupils and families as a growing need presented over the year. Team Teach De-escalation training and approach MAT Wide. Internal expertise benefited schools. Successful bid for Nurture Hub at Crockerne. Trust Safeguarding Audit at each school.</p>
<p>To further develop systems to improve the monitoring and management of longer-term finances taking into account local and national challenges.</p>	<p>More centralisation of financial procedures and processes. Improved monitoring of school level finances. KMAT KPIs developed. SMRA Audit. Success in Ashcombe funding bid - new extension build in progress. Successful CIF Bid for Christ Church Heating system. Savings achieved. Investigated growth.</p>
<p>All MAT schools have embedded a broad, ambitious, progressive curriculum which has a clear focus on knowledge and skills.</p>	<p>KMAT Curriculum Principles reviewed. KMAT Curriculum Milestones being developed. All schools adopted new Phonics Schemes. MAT Reviews focused on curriculum. Subject Leader development. Assessment Timetable and tools reviewed.</p>

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Refine our comprehensive programme for staff development (at each career stage including ECT).	KMAT Essential CPD requirements reviewed and updated, Subscription and access to National College CPD. Staff Meetings and INSET to deliver cpd. Networks share and develop best practice. ECT Network and professional programme of cpd supports ECT development.
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Our Strategic Plan and school's individual development/improvement plans outline in detail our key focus areas to drive improvement. For full breakdowns of all of our schools' outcomes, please visit their individual websites.

Our Schools have the following Ofsted Judgements:

School	Ofsted Grade
Ashcombe Primary	Good
Becket	Requires Improvement
Christ Church	Good
Crockerne	Good
Hutton	Good
St Martin's	Good
Worle Village	Good

Ashcombe Primary School was successful in a funding bid and work is progressing well in building a new extension which will replace the dilapidated older part of the building.

Ashcombe have also been working with the Hargreaves Foundation. They have received a large amount of funding to pay for training, resources and programmes to raise literacy outcomes for vulnerable pupils. This funding also enabled the building and resourcing of their impressive Literacy Hub.

Crockerne was successful in working with North Somerset Local Authority in securing funding for a Nurture Hub. An area of the school was remodelled over the Summer and this is now a wonderful space benefiting the children.

Christ Church was successful in a Condition Improvement Fund (CIF) Bid to improve their heating system.

Kaleidoscope had a Senior Resource Management Audit to review all aspects of income, expenditure, staffing and procurement. This was a positive experience and demonstrated the Trusts hard work to achieve best value. Suggestions have been followed up.

The legacy of COVID and lockdowns continues to impact on our children and families. Our schools are working hard to provide support in particular for social, emotional, mental health issues. The cost of living crisis has also impacted significantly on many of our families. An additional legacy of COVID is staff absence.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Our teams have worked hard to maintain a high level of service, despite the reductions in the staffing teams.

To ensure high standards, MAT Schools are monitored through regular MAT visits from the CEO and school-based monitoring which links to school and MAT priorities. An example of this were last year's Early Years Foundation Stage (EYFS) monitoring visits which reviewed the impact of the Kaleidoscope EYFS Framework which was designed and implemented last year. All schools also received a Kaleidoscope Safeguarding Audit. Next year our MAT Reviews will return, which involves an external advisor and Ofsted Inspector to Quality Assure our practice and performance.

Kaleidoscope schools have established close professional links with other North Somerset Schools, Teaching Hubs, the Diocese of Bath and Wells, Universities and other Professional Advisers within and outside of North Somerset. Many of our schools have been involved in National Projects. Our Collaborative and Outward Looking Approach supports our primary aim of driving up standards and providing a wide range of support and opportunities for our children.

Key Performance Indicators

Our RAG Rating document outlines the Key Performance Indicators used for our schools. Many of these are closely linked to Ofsted expectations and the headings are listed below.

- Ofsted Grade
- SIAMS Grade (If a Church School)
- Pupil attainment
- Pupil progress
- Leadership and management
- Quality of Education - linked to Ofsted criteria.
- EYFS
- Attendance
- Behaviour and Attitudes - linked to Ofsted criteria.
- Wellbeing and Personal Development
- Safeguarding
- Governance
- Finance
- HR/Staffing
- Health and Safety

Schools are reviewed against these throughout the year. This review takes the form of a self-assessment, monitoring visits and analysis of key indicators.

Where a school does not meet a range of these indicators, then the Trust puts in support and targets to make the necessary improvements.

Kaleidoscope Financial KPIs

Staffing costs as a % of income - 78%

Teacher costs as a % of income - 45%

Non-curriculum support staff as a % of income - 13%

No deficit budgets

Surplus as a % of reserve - 1%

Total reserves must not drop below 1 months' salary plus supplier costs

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 Statement of Accounting Policies.

Promoting the success of the company

In its planning and decision making, Trust Leaders and Trustees have regard to:

- The likely consequences of any decision in the long term
- The interests of the Trusts employees
- The need to foster the Trusts business relationships with suppliers, those who access its services and others
- The impact of the Trusts operations on the community and environment
- The desirability of the Trust maintaining a reputation for high standards of professional and business conduct
- The need to act fairly between members/stakeholders of the Trust
-

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2023, the Academy received total income of £18,277,585 and incurred total expenditure of £12,856,496. Included within the total income above is £5,756,638 of Condition Improvement Fund (CIF) income granted in the year. The excess of income over expenditure for the year was £5,421,089. At 31 August 2023 the net book value of fixed assets was £25,913,306 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Executive Head Teacher, Head Teacher, Head of Schools, Managers, Budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be one month's salary plus supply cost, and the Trust will work towards building this level of reserve by accumulating any surplus from the top-slice charged to academies. There is currently no time limit set on achieving this.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the CEO and CFO within strict guidelines approved by the Trust Board after detailed review by the Audit and Risk Committee.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 90% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Kaleidoscope Multi-Academy Trust has agreed a Risk Management Strategy, a Risk Register and associated Business Continuity Plan (each Academy within the Trust has their own Business Continuity Plan. . These have been discussed by Trustees (and in the individual Academies case the Local Governing Bodies) and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed at least 3 times each year.

The Trustees have assessed the condition and risks relating to the Trust estate to ensure that it is safe, well maintained and complies with relevant regulations and requirements.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees are aware of the importance of Cyber security and the associated risks for the MAT. Policies and practice are reviewed on an annual basis.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere.

Some of our Academies are affected by a fall in the birth rate and therefore a fall in numbers., Therefore there are risks to revenue funding from a falling roll. This in conjunction with the reduction in real terms on the overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly challenging in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Fundraising

Kaleidoscope MAT does not use any external fundraisers. All fundraising undertaken during the year is monitored by the Trustees.

STREAMLINED ENERGY AND CARBON REPORTING

A section for Trusts where two of three statements apply for two or more consecutive financial year:

- Gross annual income of over £36m
- Gross (total) assets of over £18m
- More than 250 employees

AND

- The Trust consumes more than 40,000 kWh of energy in a reporting period.

It must include within the trustees' report:

- its UK energy use and associated greenhouse gas emissions, as a minimum relating to gas, purchased electricity and transport fuel in the period
- its energy use and emissions
- an emissions intensity ratio
- methodologies used in the calculations
- measures taken to improve energy efficiency in the period

OR where the Trust meets 2/3 factors but does not consume 40,000 kWh of energy in the reporting period:

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	1,071,584	1,309,571
Total gross emissions in metric tonnes CO ₂ e	221.89	253.56
Intensity ratio Tonnes CO ₂ e per pupil	0.11	0.13

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We are investigating the installation of smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

PLANS FOR FUTURE PERIODS

Kaleidoscope Multi-Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Trustees have agreed our Strategic Plan which focuses on raising standards, developing and supporting staff, families and pupils (this is particularly relevant in the current climate of post COVID, cost of living crisis and a rise in mental health concerns). We are working to develop new leaders at senior and middle level to respond to leadership changes in place for this academic year. Our key aim is to develop the influence of Kaleidoscope within the local and wider area.

We will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Due to the reduction in pupil numbers in North Somerset, we will focus on managing this reduction and maintain the high-quality education and opportunities that we offer our pupils.

Full details of our plans for the future are given in the Kaleidoscope Strategic Plan, a summary of this is available on the Trust website.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust does not act or hold funds on behalf of others.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- 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 auditor is aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 7/11/2023 and signed on the board's behalf by:

A handwritten signature in blue ink, reading 'Tristan Cogan', with a long horizontal flourish extending to the right.

Dr Tristan Cogan
Chair of Trustees

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Kaleidoscope Multi-Academy 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 or loss.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Multi-Academy 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 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Name of Trustee	Meetings attended	Total meetings whilst in post
David Amos	7	8
Jane Barry	6	8
Tristan Cogan	8	8
Walter Lewis	6	8
Simon Marriott	8	8
Lynda Gilbert	7	8
Elizabeth Carrington-Porter - appointed 12.10.22	7	7

It has oversight and direction of key aspects of the organisation and running of the Trust and its schools as set out in the Scheme of Delegation (which is reviewed annually) and the Terms of reference for the Board and its committees. The Board uses a range of data to assess the performance of the Trust and that it meets all statutory requirements. These include internal reports, external reports (including auditors, SIAMs and Ofsted), internal and external performance data, local authority data, the Risk Register. From a wide range of evidence, the Trustees can gain an accurate picture of the strengths and areas to develop across the Trust.

Performance and Standards Committee

The purpose of this committee is to provide the Board with a detailed oversight of standards of outcomes, quality of teaching and learning, leadership, professional development across Kaleidoscope schools. It monitors the impact of the CEO on monitoring and driving school improvement and to ensure that all statutory requirements are met within these areas.

Information is reported to the committee by external and attainment/progress data reports, internal and external monitoring reviews (including Ofsted), CEO visit reports, internal development plans and progress towards these, the impact that the Trust has on improving its schools. From this information, Trustees are able to challenge and review these areas across the MAT.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Name of Trustee	Meetings attended	Total meetings whilst in post
David Amos	3	3
Tristan Cogan	3	3
Simon Marriott	3	3

Audit and Risk Committee

The purpose of this committee is to provide the Trust with assurances over the suitability, and compliance with, the trusts financial systems and controls. Internal and external audit reports are reviewed and progress towards any associated actions are monitored. In addition to this, risks to the trust are monitored and evaluated as well as plans to mitigate them. These risks may apply to estates, staffing, security (including cyber security) and health and safety. Information is reported to this committee via CEO and CFO reports, any MAT wide audits including financial audits, internal trackers, external data including benchmarking data. From this information, the committee is able to challenge leaders and build a comprehensive picture of the Trust.

Name of Trustee	Meetings attended	Total meetings whilst in post
Walter Lewis	4	4
Tristan Cogan	4	4
Simon Marriott	4	4
Lynda Gilbert	3	4

CONFLICTS OF INTEREST

At all levels of governance an annual register of interests is completed. This is reviewed at the start of all meetings. There are clear procedures in place to manage any potential conflicts of interest – e.g. the people this may involve do not take part in discussions or in decisions where a conflict could occur.

GOVERNANCE REVIEWS

The Board completes a review against the DFE and Confederation of School Trust Quality Descriptors. This is completed at least annually. Where priorities for improvement/development are identified, these are incorporated into our Strategic Plan and progress towards these are monitored and reviewed throughout the year. Governance at all levels was reviewed as part of the Ofsted MATSE in June 2022 and was also reviewed by our Internal Auditor during 2022.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO 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 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,

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Engage a Compliance Contractor and independent Health and Safety advice to ensure the school site and estates are safe and well maintained – complying with statutory regulations
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

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 ongoing process designed to identify and prioritise the risks and 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 Multi-Academy Trust for the period from 1 September 2022 to 31 August 2023 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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 trustees
- regular reviews by the finance and general purposes 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

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The Board of Trustees has decided to buy-in an internal audit service from One West to carry out a programme of internal checks. This option has been chosen because it ensures independent scrutiny of Kaleidoscope's systems, policies and procedures, financial property and best value in line with the Academies Handbook.

During September 2022 to August 2023, the Internal Auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Purchasing and credit cards
- Central Trust accounting system and Trust DFE Returns
- HR and payroll

On an annual basis, the Internal Auditor reports to the Board of Trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

REVIEW OF EFFECTIVENESS

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

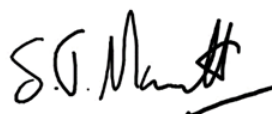
- the work of the Internal Auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the
- development and maintenance of the internal control framework
- the work of the External Auditor
- correspondence from ESFA

The Accounting Officer has been advised of the implications of the result of external reviews of the system of internal control and provides this information to the Audit and Risk Committee, with a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Trustees of the Board of Trustees on 7/11/2023 and signed on its behalf by:



Dr Tristan Cogan
Chair of Trustees



Simon Marriott
Accounting Officer

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Kaleidoscope Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, 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 Trust Handbook 2023, including responsibilities for estates safety and management.

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 Trust Handbook 2023.

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.



Mr S Marriott
Accounting Officer

Date: 11/12/2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees (who 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 published 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 . 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Dr T Cogan
Chair of Trustees

Date: 11/12/2023

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KALEIDOSCOPE MULTI ACADEMY TRUST**

OPINION

We have audited the financial statements of Kaleidoscope Multi Academy Trust (the 'Trust') for the period ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KALEIDOSCOPE MULTI ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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.

OPINION 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 period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the 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 in relation to which 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Trust 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 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 Trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KALEIDOSCOPE MULTI ACADEMY TRUST (CONTINUED)**

AUDITORS' 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 an Auditors' Report 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KALEIDOSCOPE MULTI ACADEMY TRUST (CONTINUED)**

with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

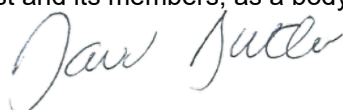
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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.

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 Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable 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 charitable 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 charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL
Chartered Accountants
Statutory Auditors

Date: 14 December 2023

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 6 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kaleidoscope Multi Academy Trust during the period 1 September 2022 to 31 August 2023 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 Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kaleidoscope Multi Academy Trust and 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 Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF KALEIDOSCOPE MULTI ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Kaleidoscope Multi Academy Trust's funding agreement with the Secretary of State for Education dated 26 July 2017 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
KALEIDOSCOPE MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 14 December 2023

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	82,965	303,228	5,761,609	6,147,802	393,167
Other trading activities	6	343,590	43,258	-	386,848	342,407
Investments	7	12,617	-	-	12,617	765
Charitable activities	4	405,523	11,324,795	-	11,730,318	11,448,436
Total income		844,695	11,671,281	5,761,609	18,277,585	12,184,775
Expenditure on:						
Charitable activities	8	617,729	11,465,402	773,365	12,856,496	13,085,352
Total expenditure		617,729	11,465,402	773,365	12,856,496	13,085,352
NET INCOME/ (EXPENDITURE)		226,966	205,879	4,988,244	5,421,089	(900,577)
Transfers between funds	17	-	(169,583)	169,583	-	-
Actuarial (losses)/gains	23	-	1,516,000	-	1,516,000	7,500,000
Net movement in funds		226,966	1,552,296	5,157,827	6,937,089	6,599,423
Reconciliation of funds:						
Total funds brought forward		1,228,701	(3,708,213)	24,005,501	21,525,989	14,926,566
Net movement in funds		226,966	1,552,296	5,157,827	6,937,089	6,599,423
Total funds carried forward		1,455,667	(2,155,917)	29,163,328	28,463,078	21,525,989

The Statement of Financial Activities includes all gains and losses recognised in the period.


The notes on pages 32 to 60 form part of these financial statements.

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10885386

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	25,913,306	24,005,501
		<u>25,913,306</u>	<u>24,005,501</u>
Current assets			
Debtors	15	3,400,195	287,408
Cash at bank and in hand		2,505,316	1,640,124
		<u>5,905,511</u>	<u>1,927,532</u>
Creditors: amounts falling due within one year	16	(1,117,739)	(676,044)
Net current assets		<u>4,787,772</u>	<u>1,251,488</u>
Total assets less current liabilities		<u>30,701,078</u>	<u>25,256,989</u>
Defined benefit pension scheme liability	23	(2,238,000)	(3,731,000)
Total net assets		<u><u>28,463,078</u></u>	<u><u>21,525,989</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	17	29,163,328	24,005,501
Restricted income funds	17	82,083	22,787
		<u>29,245,411</u>	<u>24,028,288</u>
Restricted funds excluding pension reserve	17	29,245,411	24,028,288
Pension reserve	17	(2,238,000)	(3,731,000)
Total restricted funds	17	<u>27,007,411</u>	<u>20,297,288</u>
Unrestricted income funds	17	<u>1,455,667</u>	<u>1,228,701</u>
Total funds		<u><u>28,463,078</u></u>	<u><u>21,525,989</u></u>

The financial statements on pages 29 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Dr T Cogan
Chair of Trustees
Date: 11/12/2023

The notes on pages 32 to 60 form part of these financial statements.

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	6,521,298	773,617
Cash flows from investing activities	20	(5,656,106)	(651,846)
Change in cash and cash equivalents in the period		865,192	121,771
Cash and cash equivalents at the beginning of the period		1,640,124	1,518,353
Cash and cash equivalents at the end of the period	21, 22	2,505,316	1,640,124

The notes on pages 32 to 60 form part of these financial statements

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Trust have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 INCOME

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable 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.

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 year 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 the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Trust has provided the goods or services.

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 TANGIBLE FIXED ASSETS

Assets costing £5,000 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Leasehold land	- 125 years straight line
Furniture and equipment	- 15% straight line
Plant and machinery	- 5% straight line
Computer equipment	- 25% straight line
Leasehold improvements	- 2% straight line

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.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount prepaid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and 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 and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 OPERATING LEASES

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

1. ACCOUNTING POLICIES (continued)

1.12 PENSIONS

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

1.13 AGENCY ARRANGEMENTS

The Trust acts as an agent for a number of school trips. Payments received from the students and subsequent disbursements to the relevant supplier are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds.

1.14 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

Critical areas of judgement:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	82,965	138,697	-	221,662	239,954
Capital Grants	-	164,531	5,761,609	5,926,140	153,213
TOTAL 2023	<u>82,965</u>	<u>303,228</u>	<u>5,761,609</u>	<u>6,147,802</u>	<u>393,167</u>
TOTAL 2022	<u>73,224</u>	<u>218,946</u>	<u>100,997</u>	<u>393,167</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Education	208,888	11,323,445	11,532,333	11,241,985
Nursery	196,635	1,350	197,985	206,451
TOTAL 2023	<u>405,523</u>	<u>11,324,795</u>	<u>11,730,318</u>	<u>11,448,436</u>
TOTAL 2022	<u>480,984</u>	<u>10,967,452</u>	<u>11,448,436</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DfE/ESFA Grants				
GAG	-	8,977,702	8,977,702	9,083,599
Pupil Premium	-	695,402	695,402	708,850
Universal Infant Free School Meals	-	263,693	263,693	224,426
PE and Sports Grant	-	129,603	129,603	129,461
Recovery Premium Grant	-	68,550	68,550	75,583
Other DfE/ESFA Grants	-	574,980	574,980	295,539
	-	-	10,709,930	10,517,458
OTHER GOVERNMENT GRANTS				
High Needs	-	590,238	590,238	446,895
Other Non-DFE/ESFA Grants	-	23,277	23,277	-
	-	613,515	613,515	446,895
Other income from the Trust's education	208,888	-	208,888	274,533
COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)				
Covid Funding	-	-	-	3,099
	-	-	-	3,099
TOTAL EDUCATION	208,888	11,323,445	11,532,333	11,241,985
	208,888	11,323,445	11,532,333	11,241,985
TOTAL 2022	274,533	10,967,452	11,241,985	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	36,059	-	36,059	35,609
Breakfast and After School Clubs	229,839	-	229,839	202,011
Other trading income	77,692	43,258	120,950	104,787
TOTAL 2023	343,590	43,258	386,848	342,407

In the prior year all amounts related to unrestricted income except £23,587 of other trading income.

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	12,617	12,617	765

All prior year amounts related to unrestricted income.

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	8,851,616	3,697,314	12,548,930	12,907,042
Nursery	154,428	153,138	307,566	178,310
TOTAL 2023	9,006,044	3,850,452	12,856,496	13,085,352
TOTAL 2022	9,058,917	4,026,435	13,085,352	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Education 2023 £	Nursery 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	71,207	-	71,207	80,000
Staff costs	7,905,211	154,428	8,059,639	7,937,801
Depreciation	369,130	-	369,130	342,099
Educational materials	155,026	-	155,026	389,265
Staff training	15,943	-	15,943	26,602
Other costs	21,421	-	21,421	17,731
Supply teachers	125,630	-	125,630	63,742
Technology costs	48,571	-	48,571	70,267
Educational consultancy	139,477	-	139,477	131,410
TOTAL 2023	8,851,616	154,428	9,006,044	9,058,917
TOTAL 2022	8,907,732	151,185	9,058,917	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2023 £	Nursery 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	88,793	-	88,793	108,000
Staff costs	1,508,582	15,688	1,524,270	1,792,222
Depreciation	150,852	-	150,852	159,814
Staff training	10,433	-	10,433	11,867
Non educational consumables	4,423	-	4,423	4,217
Admin support services	65,532	8,870	74,402	63,141
Recruitment and support	4,212	-	4,212	3,754
Maintenance of premises and equipment	381,575	3,485	385,060	483,436
Cleaning	157,611	-	157,611	155,850
Rent and rates	72,457	-	72,457	64,240
Energy costs	307,301	26,706	334,007	136,991
Insurance	70,020	-	70,020	84,015
Security and transport	2,959	-	2,959	7,005
Catering	410,068	-	410,068	446,999
Technology costs	78,744	1,354	80,098	109,921
Office overheads	114,516	40,309	154,825	173,711
Legal and professional	86,339	-	86,339	128,253
Bank interest and charges	360	-	360	428
Licences	26,544	-	26,544	48,615
Occupancy costs	155,993	56,726	212,719	43,956
TOTAL 2023	3,697,314	153,138	3,850,452	4,026,435
TOTAL 2022	3,999,310	27,125	4,026,435	

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the period includes:

	2023	2022
	£	£
Depreciation of tangible fixed assets owned by the Trust	538,089	501,338
Internal audit costs	2,964	4,285
Operating lease rentals	139,796	47,135
Fees paid to auditors for:		
- audit	16,250	14,700
	=====	=====

10. STAFF

a. STAFF COSTS

Staff costs during the period were as follows:

	2023	2022
	£	£
Wages and salaries	7,360,508	6,939,433
Social security costs	649,749	596,722
Pension costs	1,573,652	2,193,868
	9,583,909	9,730,023
Agency staff costs	191,162	122,534
	9,775,071	9,852,557
	=====	=====

b. STAFF NUMBERS

The average number of persons employed by the Trust during the period was as follows:

	2023	2022
	No.	No.
Teachers	98	103
Educational Support	187	203
Administration and Clerical	25	25
Management	11	12
	321	343
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. STAFF (CONTINUED)

b. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	81	86
Educational Support	106	107
Administration and Clerical	15	14
Management	10	10
	212	217

c. HIGHER PAID STAFF

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	3	2
In the band £90,001 - £100,000	1	1

d. KEY MANAGEMENT PERSONNEL

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 contributions) received by key management personnel for their services to the Trust was £774,686 (2022 £864,410).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. CENTRAL SERVICES

The Trust has provided the following central services to its academies during the period:

- Preparing financial statements in line with the Department for Education (DfE) and Education and Skills Funding Agency (ESFA) requirements
- Accounting Officer and Responsible officer reporting
- CEO and CFO support
- Core school improvement package
- Budget preparation and monitoring
- Licences and costs for the Finance package (Access)
- Licences and costs for the HR / Payroll package (Access)
- Monthly/Quarterly management accounts
- Finance support
- VAT returns
- Taxation advice (detailed advice would incur an additional charge)
- Core package of HR support & consultancy (additional charges may be incurred for complex matters)
- Professional memberships - e.g. NGA, GDPR, FFT, The Key
- Online safeguarding training package and online recording and reporting system
- Brokerage of other core services on request

The Trust charges for these services on the following basis:

The Trust charges 5.5% of School Budget Share (excluding notional SEN) and Education Services Grant to the academies to cover the central services detailed above.

The actual amounts charged during the period were as follows:

	2023	2022
	£	£
Ashcombe Primary School	118,371	105,168
Becket Primary School	33,001	32,588
Christ Church Church of England Primary School	42,267	35,199
Crockerne Church of England Primary School	53,638	50,387
Hutton Church of England Primary School	37,069	36,124
St Martin's Church of England Primary School	74,748	73,398
Worle Village Primary School	35,392	31,087
TOTAL	394,486	363,951

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and other staff, and not in respect of services as Trustees. Other Trustees did not receive any payments, other than expenses from the Trust, in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: S Marriott: Remuneration £90,000 - £95,000 (2022: £90,000 - £95,000), Employer's pension contributions £20,000-£25,000 (2022: £20,000 - £25,000).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022: £Nil).

13. TRUSTEES' AND OFFICERS' INSURANCE

The Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

KALEIDOSCOPE MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Leasehold Improve ments £	Total £
COST OR VALUATION							
At 1 September 2022	25,447,567	-	47,701	10,620	197,084	630,795	26,333,767
Additions	236,666	2,166,379	105,834	-	16,529	46,738	2,572,146
Disposals	(144,600)	-	-	-	-	-	(144,600)
Transfers between classes	(96,462)	96,462	-	-	-	-	-
At 31 August 2023	25,443,171	2,262,841	153,535	10,620	213,613	677,533	28,761,313
DEPRECIATION							
At 1 September 2022	2,179,510	-	13,067	2,225	99,318	34,146	2,328,266
Charge for the period	447,817	-	10,544	531	48,356	12,734	519,982
On disposals	(241)	-	-	-	-	-	(241)
At 31 August 2023	2,627,086	-	23,611	2,756	147,674	46,880	2,848,007
NET BOOK VALUE							
At 31 August 2023	22,816,085	2,262,841	129,924	7,864	65,939	630,653	25,913,306
At 31 August 2022	23,268,057	-	34,634	8,395	97,766	596,649	24,005,501

KALEIDOSCOPE MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	-	520
Other debtors	362,218	153,967
Prepayments and accrued income	3,037,977	132,921
	<u>3,400,195</u>	<u>287,408</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	358,565	232,590
Other taxation and social security	137,403	138,533
Other creditors	272,319	162,765
Accruals and deferred income	349,452	142,156
	<u>1,117,739</u>	<u>676,044</u>

DEFERRED INCOME

	2023 £	2022 £
Deferred income at 1 September	134,075	133,284
Resources deferred during the year	111,584	134,075
Amounts released from previous periods	(134,075)	(133,284)
Deferred income at 31 August	<u>111,584</u>	<u>134,075</u>

At the balance sheet date the Trust was holding funds received in advance for Universal Free School Meal Funding for 2022/23.

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	1,108,168	648,060	(310,163)	-	-	1,446,065
Nursery	120,533	196,635	(307,566)	-	-	9,602
	<u>1,228,701</u>	<u>844,695</u>	<u>(617,729)</u>	<u>-</u>	<u>-</u>	<u>1,455,667</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	8,977,702	(8,977,702)	-	-	-
Universal Infant Free School Meals	-	263,693	(263,693)	-	-	-
High Needs	-	590,238	(590,238)	-	-	-
Pupil Premium	-	696,752	(694,566)	-	-	2,186
Devolved formula capital	-	164,531	(71,001)	(62,808)	-	30,722
PE Grant	2,895	129,603	(127,195)	-	-	5,303
Other DfE/ESFA grants	4,666	643,530	(640,145)	-	-	8,051
Other LA funds	-	23,277	(23,277)	-	-	-
Covid Funding	15,226	-	(15,226)	-	-	-
Other restricted funds	-	62,853	(33,484)	(7,184)	-	22,185
Hargreaves Donation	-	119,102	(5,875)	(99,591)	-	13,636
Pension reserve	(3,731,000)	-	(23,000)	-	1,516,000	(2,238,000)
	<u>(3,708,213)</u>	<u>11,671,281</u>	<u>(11,465,402)</u>	<u>(169,583)</u>	<u>1,516,000</u>	<u>(2,155,917)</u>

**KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	22,969,287	-	-	-	-	22,969,287
Fixed assets purchased from grants	1,036,214	-	-	2,465,371	-	3,501,585
DfE/ESFA Capital Grants	-	5,761,609	(773,365)	(2,402,563)	-	2,585,681
Fixed assets purchased from donations	-	-	-	106,775	-	106,775
	<u>24,005,501</u>	<u>5,761,609</u>	<u>(773,365)</u>	<u>169,583</u>	<u>-</u>	<u>29,163,328</u>
TOTAL RESTRICTED FUNDS	20,297,288	17,432,890	(12,238,767)	-	1,516,000	27,007,411
TOTAL FUNDS	21,525,989	18,277,585	(12,856,496)	-	1,516,000	28,463,078

The specific purposes for which the funds are to be applied are as follows:

Restricted funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Universal Infant Free School Meals - Grant received from the ESFA to provide free school meals to reception and key stage 1 pupils.

High Needs Funding - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Trust to address the current inequalities between those children and their wealthier peers.

PE Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Other DfE/ESFA Grants - This represents funding received from the DfE and ESFA for other specific purposes.

Other restricted funds - This includes other grants and donations and income received from parents to contribute towards educational trips and other activities.

Pension reserve – This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Trust.

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. STATEMENT OF FUNDS (CONTINUED)

Fixed asset funds

Fixed assets transferred on conversion – This represents the incoming property and equipment upon Academy conversion.

Fixed assets purchased from GAG and other restricted funds - This represents funding from the ESFA used to cover the purchase of the Trust's assets.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund at the year end represents the NBV of assets and any unspent grant amounts.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	1,069,087	801,850	(762,769)	-	-	1,108,168
Nursery	131,991	166,852	(178,310)	-	-	120,533
	<u>1,201,078</u>	<u>968,702</u>	<u>(941,079)</u>	<u>-</u>	<u>-</u>	<u>1,228,701</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	9,083,599	(8,781,675)	(301,924)	-	-
Universal Infant Free School Meals	-	224,426	(224,426)	-	-	-
High Needs	-	446,895	(446,895)	-	-	-
Pupil Premium	53,761	708,850	(762,611)	-	-	-
PE Grant	28,404	129,461	(154,970)	-	-	2,895
Other DfE/ESFA grants	-	371,122	(366,456)	-	-	4,666
Covid Funding	70,046	3,099	(57,919)	-	-	15,226
Other restricted funds	-	95,408	(95,408)	-	-	-
Pension reserve	(10,479,000)	-	(752,000)	-	7,500,000	(3,731,000)
	<u>(10,326,789)</u>	<u>11,062,860</u>	<u>(11,642,360)</u>	<u>(301,924)</u>	<u>7,500,000</u>	<u>(3,708,213)</u>

KALEIDOSCOPE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	23,411,505	-	(442,218)	-	-	22,969,287
Fixed assets purchased from grants	596,511	-	(59,695)	499,398	-	1,036,214
DfE/ESFA Capital Grants	44,261	153,213	-	(197,474)	-	-
	<u>24,052,277</u>	<u>153,213</u>	<u>(501,913)</u>	<u>301,924</u>	<u>-</u>	<u>24,005,501</u>
TOTAL RESTRICTED FUNDS	<u>13,725,488</u>	<u>11,216,073</u>	<u>(12,144,273)</u>	<u>-</u>	<u>7,500,000</u>	<u>20,297,288</u>
TOTAL FUNDS	<u><u>14,926,566</u></u>	<u><u>12,184,775</u></u>	<u><u>(13,085,352)</u></u>	<u><u>-</u></u>	<u><u>7,500,000</u></u>	<u><u>21,525,989</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Ashcombe Primary School	343,464	70,857
Becket Primary School	227,141	194,031
Christ Church Church of England Primary School	146,830	41,052
Crockerne Church of England Primary School	40,834	112,582
Hutton Church of England Primary School	250,955	280,424
St Martin's Church of England Primary School	176,162	326,365
Worle Village Primary School	161,303	114,790
Central	191,061	111,387
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,537,750	1,251,488
Restricted fixed asset fund	29,163,328	24,005,501
Pension reserve	(2,238,000)	(3,731,000)
	<hr/>	<hr/>
TOTAL	28,463,078	21,525,989
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

Expenditure incurred by each academy during the period was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Ashcombe Primary School	2,363,268	331,692	63,744	610,365	3,369,069	3,409,492
Becket Primary School	831,920	127,770	16,677	237,968	1,214,335	1,215,119
Christ Church Church of England Primary School	929,911	134,213	27,759	225,279	1,317,162	1,224,734
Crockerne Church of England Primary School	1,168,208	271,602	43,402	279,123	1,762,335	1,617,724
Hutton Church of England Primary School	809,483	143,958	43,209	194,856	1,191,506	1,037,014
St Martin's Church of England Primary School	1,318,113	414,089	40,050	339,438	2,111,690	2,095,476
Worle Village Primary School	695,986	140,828	52,210	150,115	1,039,139	971,855
Central	129,380	110,520	-	91,378	331,278	1,213,852
TRUST	8,246,269	1,674,672	287,051	2,128,522	12,336,514	12,785,266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	25,913,306	25,913,306
Current assets	1,455,667	1,199,822	3,250,022	5,905,511
Creditors due within one year	-	(1,117,739)	-	(1,117,739)
Provisions for liabilities and charges	-	(2,238,000)	-	(2,238,000)
TOTAL	1,455,667	(2,155,917)	29,163,328	28,463,078

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	24,005,501	24,005,501
Current assets	1,228,701	698,831	-	1,927,532
Creditors due within one year	-	(676,044)	-	(676,044)
Provisions for liabilities and charges	-	(3,731,000)	-	(3,731,000)
TOTAL	1,228,701	(3,708,213)	24,005,501	21,525,989

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	5,421,089	(900,577)
ADJUSTMENTS FOR:		
Depreciation	519,741	501,913
Capital grants from DfE and other capital income	3,241,178	153,213
Interest receivable	(12,617)	(765)
Defined benefit pension scheme cost less contributions payable	(137,000)	564,000
Defined benefit pension scheme finance cost	160,000	188,000
(Increase)/decrease in debtors	(3,112,788)	141,810
Increase in creditors	441,695	126,023
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,521,298	773,617

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Interest received	12,617	765
Purchase of tangible fixed assets	(2,427,546)	(499,398)
Capital grants from DfE Group	(3,241,177)	(153,213)
NET CASH USED IN INVESTING ACTIVITIES	(5,656,106)	(651,846)

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	2,505,316	1,640,124
TOTAL CASH AND CASH EQUIVALENTS	2,505,316	1,640,124

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,640,124	865,192	2,505,316
	<u>1,640,124</u>	<u>865,192</u>	<u>2,505,316</u>

23. PENSION COMMITMENTS

The 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 North Somerset County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £166,327 were payable to the schemes at 31 August 2023 (2022 - £162,765) and are included within creditors.

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 full-time 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. PENSION COMMITMENTS (CONTINUED)

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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 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, 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 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £923,266 (2022 - £927,264).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 period ended 31 August 2023 was £1,017,000 (2022 - £943,000), of which employer's contributions totalled £847,000 (2022 - £784,000) and employees' contributions totalled £ 170,000 (2022 - £159,000). The agreed contribution rates for future years are 20.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	4.3	4.3
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	5.3	4.3
Inflation assumption (CPI)	2.8	2.8

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

	2023	2022
	Years	Years
Retiring today		
Males	22.0	23.1
Females	24.0	25.3
Retiring in 20 years		
Males	23.2	24.6
Females	25.7	27.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(183)	(243)
Mortality assumption - 1 year increase	203	225
CPI rate +0.1%	187	248

SHARE OF SCHEME ASSETS

The Trust's share of the assets in the scheme was:

	At 31	At 31 August
	August 2023	2022
	£	£
Equities	2,716,000	3,207,000
Government bonds	1,681,000	769,000
Other bonds	720,000	567,000
Property	513,000	567,000
Cash and other liquid asset	83,000	23,000
Other	2,566,000	2,633,000
Total	8,279,000	7,766,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £-175,000 (2022 - £-150,000).

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

	2023 £	2022 £
Current service cost	(710,000)	(1,348,000)
Interest income	334,000	111,000
Interest cost	(494,000)	(299,000)
Total	(870,000)	(1,536,000)

Changes in the present value of the defined benefit obligations were as follows:

	2023 £	2022 £
Opening defined benefit obligation	11,497,000	17,629,000
Business contributions	170,000	159,000
Benefits paid	(179,000)	(160,000)
Current service cost	710,000	1,348,000
Interest cost	494,000	299,000
Actuarial losses/(gains)	(2,175,000)	(7,778,000)
Closing defined benefit obligation	10,517,000	11,497,000

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	7,766,000	7,150,000
Interest income	352,000	128,000
Actuarial losses/(gains)	(659,000)	(278,000)
Employer contributions	847,000	784,000
Member contributions	170,000	159,000
Benefits paid	(179,000)	(160,000)
Admin expenses	(18,000)	(17,000)
Closing fair value of scheme assets	8,279,000	7,766,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	79,099	35,744
Later than 1 year and not later than 5 years	35,743	71,487
	<u>114,842</u>	<u>107,231</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023	2022
	£	£
Operating lease rentals	<u>139,796</u>	<u>47,135</u>

25. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain Trustees' remuneration already disclosed in note 12.