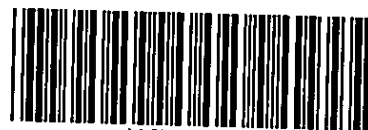


REGISTERED COMPANY NUMBER: 05480423 (England and Wales)
REGISTERED CHARITY NUMBER. 1115017

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2013
FOR
KALEIDOSCOPE PROJECT**

O'Brien & Partners
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court, main Avenue
Treforest Ind Est
Pontypridd
CF37 5YR

FF
FRIDAY



A25	*A2YRDUQB*	03/01/2014	#323
	COMPANIES HOUSE		
A76	*A2NMAMQO*	20/12/2013	#389
	COMPANIES HOUSE		

KALEIDOSCOPE PROJECT

**CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2013**

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KALEIDOSCOPE PROJECT

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05480423 (England and Wales)

Registered Charity number
1115017

Registered office
28-38 Cromwell road
Kingston Upon Thames
London
KT2 6RN

Trustees

Christopher Freegard	Chair
Pamela Francis Rutter	
Stephen Paul Davidson	
Catherine Pepinster	
Sebastian Arden Saville	
Susan Carol Dicken	
Medwyn Hughes	- resigned 25 10 12
Philip Martin Pagnamenta	
Timothy John Anderson Curry	
Kenneth Stephen Walker	

Company Secretary
David John Pritchard

Auditors

O'Brien & Partners
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court, main Avenue
Treforest Ind Est
Pontypridd
CF37 5YR

Solicitors

Clarks Legal, One Forbury Square, The Forbury, Reading, Berkshire

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Project is a registered charity (number 1115017) and is also a company limited by guarantee (number 05480423) which was incorporated on 14 June 2005. The charitable organisation's governing document is its memorandum and articles of association as amended by special resolution dated 5 April 2006.

Recruitment and appointment of new trustees

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

KALEIDOSCOPE PROJECT

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All new trustees are provided with historical and current information to enable them to appreciate the work and ethos of the charity. The Board is currently developing an induction and training programme for trustees as part of its governance strategy.

Organisational structure

The Board of Trustees is made up of members from a variety of professional backgrounds relevant to the work of the charity and aims to meet at least on a quarterly basis. Board members are proactive and undertake specific responsibilities for the governance of the Project.

The day to day running of the charity is through a structure of delegation from the Board, to the Chief Executive and to its business and service managers.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Board of Trustees has conducted a review of the major external risks to which the charity is exposed. These risks are discussed at meetings of the Board and strategy developed accordingly. Internal risks are minimised through systems of internal control which are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include an annual budget approved by the Board, regular consideration by the Board of financial results and budget variances, delegation of authority and segregation of duties, and identification and management of risks.

Training, Education and Awareness Raising

Kaleidoscope provides a training and professional development service, equipping staff and managers at all levels, with effective and informed approaches to working with marginalised people. This service is also offered to outside agencies and organisations.

OBJECTIVES AND ACTIVITIES

Objectives, aims and services

Kaleidoscope seeks to provide life enhancing services to people on the margins of society. In particular, the charity provides support to people with drug and alcohol problems, enabling them to make positive changes in their lives. At the heart of all our work is the respect for our service users.

Our primary aim is to offer respite and rehabilitation in their community to the disadvantaged who are experiencing drug and alcohol problems. We help them rebuild their skills and opportunities, and step back into independent living in mainstream society.

The organisation achieves its objectives through the provision of the following services:

- Drug dependency services which take a harm reduction approach to users to enable them to reduce the risks of using drugs and to help them to stop using if that is their aim
- An alcohol service offering support to all who are in need
- A training department to help people acquire new skills and qualifications, in order to achieve their goals in life
- Two residential services catering for vulnerable adults
- A European Social Fund Peer Mentoring Service to provide pathways for employment for service users
- A day centre for the elderly

Public Benefit

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

KALEIDOSCOPE PROJECT

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The following were the main achievements of the charity during the year

- We managed and maintained all our contracts successfully and gained extensions in the delivery of our contracts in Gwent and Carmarthen
- We developed strong partnerships with other Welsh based organisations, particularly Drug and Alcohol Charities Wales of which we are founding members
- We established a National Conference attracting over 200 delegates and showcasing our work to a wide audience
- We set in place systems designed to ensure we are in a position to attain our desired Investors in People Status
- We were successful in selling surplus property in Kingston ensuring we continued to build towards our reserves target
- We established new offices in Newport for Central Services, funded through the Welsh Government

FINANCIAL REVIEW

Reserves policy

The charity's targeted level of reserves is for unrestricted funds not invested in fixed assets to be between three and six months of the unrestricted resources expended (£1,090,000 to £2,180,000). At this level, the Board believes that the charity would be able to meet the obligations and requirements that would result in a major loss of funding. The Board of Trustees recognises that the charity's unrestricted reserves currently stand at £334,000. This shortfall will be built into the charity's future strategy so that, as far as possible, reserves are increased over time to the level required.

Principal funding sources

Kaleidoscope's principal funding partners during the year were Community Safety Partnerships, Local Authorities and the Welsh Government.

Investment policy and objectives

The Board of Trustees will consider the charity's investment policy when the level of reserves makes this relevant.

FUTURE DEVELOPMENTS

For the following financial year our aims and objectives are to

- continue to provide the range of high quality services we manage across Wales and in Kingston
- continue to work with partner agencies on developing a pan Wales Services
- develop our social enterprise, Collage, providing HR and Finance services in partnership with Drugaid
- secure appropriate rental income from K2 in Kingston
- achieve IIP status showing an improvement from our previous Bronze Status
- continue to build our reserves in line with our reserves policy

KALEIDOSCOPE PROJECT

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

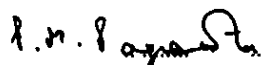
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

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

ON BEHALF OF THE BOARD



Philip Martin Pagnamenta - Trustee

Date 17th DECEMBER 2013

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KALEIDOSCOPE PROJECT

We have audited the financial statements of Kaleidoscope Project Limited for the year ended 31 March 2013 on pages seven to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page four, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KALEIDOSCOPE PROJECT**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

G. Francis

Gareth Francis FCCA (Senior Statutory Auditor)
for and on behalf of O'Brien & Partners
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court, main Avenue
Treforest Ind Est
Pontypridd
CF37 5YR

Date *19 December 2013.*

KALEIDOSCOPE PROJECT

STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	31 3 13 Total funds £	31 3 12 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	3,096	477,833	480,929	639,018
Activities for generating funds	3	35,665	-	35,665	69,399
Investment income	4	100,733	-	100,733	113,847
Incoming resources from charitable activities					
Drug treatment services	5	4,125,810	-	4,125,810	4,636,472
Residential services		53,913	297,708	351,621	346,613
Education & training		35,541	-	35,541	42,900
Elderly		75,684	71,721	147,405	147,376
Other incoming resources		457,646	-	457,646	206,000
Total incoming resources		4,888,088	847,262	5,735,350	6,201,625
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	6	92,626	-	92,626	142,159
Charitable activities					
Drug treatment services	7	4,059,938	-	4,059,938	4,609,969
Residential services		33,367	297,325	330,692	311,882
Education & training		55,654	-	55,654	51,008
Elderly		81,418	71,721	153,139	147,168
Capital grant		-	325,037	325,037	447,855
Governance costs	10	36,567	383	36,950	22,476
Other resources expended		-	-	-	161,279
Total resources expended		4,359,570	694,466	5,054,036	5,893,796
NET INCOMING RESOURCES BEFORE TRANSFERS					
		528,518	152,796	681,314	307,829
Gross transfers between funds	22	15,599	(15,599)	-	-
Net incoming/(outgoing) resources		544,117	137,197	681,314	307,829
RECONCILIATION OF FUNDS					
Total funds brought forward		447,550	1,885,267	2,332,817	2,024,988
TOTAL FUNDS CARRIED FORWARD		991,667	2,022,464	3,014,131	2,332,817

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities

The notes form part of these financial statements

KALEIDOSCOPE PROJECT

BALANCE SHEET
At 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	31 3 13 Total funds £	31 3 12 Total funds £
FIXED ASSETS					
Intangible assets	14	-	2	2	11,668
Tangible assets	15	657,354	1,561,537	2,218,891	2,102,319
		<u>657,354</u>	<u>1,561,539</u>	<u>2,218,893</u>	<u>2,113,987</u>
CURRENT ASSETS					
Debtors	16	920,931	42,102	963,033	626,091
Cash at bank		745,430	418,823	1,164,253	1,040,614
		<u>1,666,361</u>	<u>460,925</u>	<u>2,127,286</u>	<u>1,666,705</u>
CREDITORS					
Amounts falling due within one year	17	(1,320,288)	-	(1,320,288)	(1,354,524)
NET CURRENT ASSETS		<u>346,073</u>	<u>460,925</u>	<u>806,998</u>	<u>312,181</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,003,427	2,022,464	3,025,891	2,426,168
CREDITORS					
Amounts falling due after more than one year	18	(11,760)	-	(11,760)	(93,351)
NET ASSETS		<u>991,667</u>	<u>2,022,464</u>	<u>3,014,131</u>	<u>2,332,817</u>
FUNDS	22				
Unrestricted funds				991,667	447,550
Restricted funds				2,022,464	1,885,267
TOTAL FUNDS				<u>3,014,131</u>	<u>2,332,817</u>

The financial statements were approved by the Board of Trustees on 27th November 2013 and were signed on its behalf by


Christopher Freegard - Trustee

KALEIDOSCOPE PROJECT

CASH FLOW STATEMENT for the Year Ended 31 March 2013

	Notes	31 3 13 £	31 3 12 £
Net cash (outflow)/inflow from operating activities	1	(33,697)	1,151,942
Capital expenditure and financial investment	2	151,289	(458,189)
		<u>117,592</u>	<u>693,753</u>
Financing	2	6,047	(1,592)
		<u>123,639</u>	<u>692,161</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		123,639	692,161
Cash outflow from decrease in debt and lease financing		45,783	56,033
		<u>169,422</u>	<u>748,194</u>
Change in net debt resulting from cash flows			
Movement in net debt in the period		169,422	748,194
Net debt at 1 April		937,072	188,878
		<u>1,106,494</u>	<u>937,072</u>
Net debt at 31 March			

The notes form part of these financial statements

KALEIDOSCOPE PROJECT

NOTES TO THE CASH FLOW STATEMENT for the Year Ended 31 March 2013

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31 3 13	31 3 12
	£	£
Net incoming resources	681,314	307,829
Depreciation charges	149,621	369,747
Profit on disposal of fixed assets	(457,646)	(206,000)
Impairment of tangible fixed asset	-	161,279
(Increase)/decrease in debtors	(336,942)	790,343
Decrease in creditors	(70,044)	(271,256)
Net cash (outflow)/inflow from operating activities	(33,697)	1,151,942

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 3 13	31 3 12
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(324,842)	(664,189)
Sale of tangible fixed assets	476,131	206,000
Net cash inflow/(outflow) for capital expenditure and financial investment	151,289	(458,189)
Financing		
Capital repayments in year	6,047	(1,592)
Net cash inflow/(outflow) from financing	6,047	(1,592)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 4 12	Cash flow	At 31 3 13
	£	£	£
Net cash			
Cash at bank	1,040,614	123,639	1,164,253
Debt			
Hire purchase	(3,361)	(6,047)	(9,408)
Debts falling due within one year	(51,830)	9,218	(42,612)
Debts falling due after one year	(48,351)	42,612	(5,739)
	(103,542)	45,783	(57,759)
Total	937,072	169,422	1,106,494

KALEIDOSCOPE PROJECT

Notes to the Financial Statements for the Year Ended 31 March 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Allocation and apportionment of costs

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

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of three years

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 50% on cost
Motor vehicles	- 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

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

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

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

1 ACCOUNTING POLICIES - continued

Kaleidoscope (kingston) housing association

The Kaleidoscope Project has a management agreement with the Kaleidoscope (Kingston) Housing Association Limited. Under the management agreement the Project is responsible for the day to day management of the Association's hostel property and for providing residents with residential care and with the appropriate social, educational and mental amenities. The Project also provides services for people who are not hostel residents and leases a floor of the K2 building to the housing association on a 99 year lease from 27 February 2003. The separation of the Association and Project accounts, which should be read together, reflects this structure and the distinct services provided by the Association and the Project.

2. VOLUNTARY INCOME

	31 3 13	31 3 12
	£	£
Donations	3,082	15,450
Legacies	100,000	109,631
Grants	377,847	513,937
	<u>480,929</u>	<u>639,018</u>

3. ACTIVITIES FOR GENERATING FUNDS

	31 3 13	31 3 12
	£	£
Social enterprise	-	25,115
Miscellaneous income	35,665	44,284
	<u>35,665</u>	<u>69,399</u>

4. INVESTMENT INCOME

	31 3 13	31 3 12
	£	£
Rents received	100,702	113,354
Bank interest	31	493
	<u>100,733</u>	<u>113,847</u>

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	31 3 13	31 3 12
		£	£
Service level agreements	Drug treatment services	4,125,810	4,636,472
Spear hostel	Residential services	36,106	29,867
Cairn House	Residential services	315,515	316,746
Student unit	Education & training	35,541	42,900
Alfriston day centre	Elderly	147,405	147,376
		<u>4,660,377</u>	<u>5,173,361</u>

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

6. COSTS OF GENERATING VOLUNTARY INCOME

	31 3 13	31 3 12
	£	£
Staff costs	23,693	54,286
Catering costs	103	6,548
Premises costs	46,059	69,881
Travel expenses	54	380
Telephone	6,540	294
Depreciation	16,177	6,180
Support costs	-	4,590
	<u>92,626</u>	<u>142,159</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8)	Support costs (See note 9)	Totals
	£	£	£
Drug treatment services	3,831,554	228,384	4,059,938
Residential services	321,082	9,610	330,692
Education & training	55,654	-	55,654
Elderly	151,042	2,097	153,139
Capital grant	325,037	-	325,037
	<u>4,684,369</u>	<u>240,091</u>	<u>4,924,460</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31 3 13	31 3 12
	£	£
Staff costs	3,317,337	3,666,685
Leasing of premises and equipment	141,618	84,554
Premises costs	297,035	299,444
Medical supplies	434,579	468,422
Catering costs	34,034	4,760
Training and staff costs	75,769	83,527
Office expenses	140,721	197,017
Travel & subsistence	108,558	124,239
Restructuring costs	1,384	42,484
Depreciation	133,334	364,093
	<u>4,684,369</u>	<u>5,335,225</u>

9. SUPPORT COSTS

	Management £
Governance costs	5,606
Drug treatment services	228,384
Residential services	9,610
Elderly	2,097
	<u>245,697</u>

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

10. GOVERNANCE COSTS

	31 3 13	31 3 12
	£	£
Staff costs	3,982	4,699
Leasing of premises and equipment	16,663	550
Other operating leases	3,019	4,234
Accountancy	7,570	7,070
Depreciation	110	673
Support costs	5,606	5,250
	<u>36,950</u>	<u>22,476</u>

11. NET INCOMING/(OUTGOING) RESOURCES

	31 03 13	31 03 12
	£	£
Depreciation - owned assets	138,802	360,294
Leasing of premises and equipment	158,281	85,104
Other operating leases	3,019	4,234
Goodwill amortisation	11,666	11,666
Exceptional items (net)	-	(44,721)
	<u></u>	<u></u>

Exceptional items represent the net financial outcome of the settlement of a longstanding Kingston building dispute

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2013 nor for the year ended 31 March 2012

The number of employees whose emoluments exceeded £60,000 in the year was one (2012 one)

Trustees' expenses

During the year, two trustees were reimbursed travel expenses amounting to £522 (2012 £142)

13. STAFF COSTS

	31 3 13	31 3 12
	£	£
Wages and salaries	3,450,618	3,813,344
Other pension costs	25,569	23,691
	<u>3,476,187</u>	<u>3,837,035</u>

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

	31 3 13	31 3 12
Charitable activities	133	149
Management and administration	8	9
	<u>141</u>	<u>158</u>

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

14. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2012	35,000
AMORTISATION	
At 1 April 2012	23,332
Charge for year	11,666
At 31 March 2013	34,998
NET BOOK VALUE	
At 31 March 2013	2
At 31 March 2012	11,668

15. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2012	2,321,873	470,790	23,754	2,816,417
Additions	157,786	116,073	-	273,859
Disposals	(42,500)	-	(10,395)	(52,895)
At 31 March 2013	2,437,159	586,863	13,359	3,037,381
DEPRECIATION				
At 1 April 2012	288,489	414,657	10,952	714,098
Charge for year	68,513	65,881	4,408	138,802
Eliminated on disposal	(24,015)	-	(10,395)	(34,410)
At 31 March 2013	332,987	480,538	4,965	818,490
NET BOOK VALUE				
At 31 March 2013	2,104,172	106,325	8,394	2,218,891
At 31 March 2012	2,033,384	56,133	12,802	2,102,319

The company has received grants of £1,440,320 and £66,697 in prior years for property and furniture and equipment expenditure respectively. These grants have been netted off the cost of those assets brought forward.

During the year the project received capital grants to purchase and refurbish properties.

The Welsh Assembly Government has a legal charge over the property at Powells Place, Newport which has a net book value of £689,994 (2012 £704,905) at the balance sheet date.

Land and buildings includes freehold properties with a book value of £17,635 which, in the opinion of the Board of trustees, have a market value of approximately £575,000.

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13	31 3 12
	£	£
Trade debtors	779,539	435,350
Prepayments and accrued income	183,494	190,741
	<u>963,033</u>	<u>626,091</u>

Included within other debtors is £110,767 (2012 £116,535) due from Kaleidoscope (Kingston) Housing Association

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13	31 3 12
	£	£
Other loans (see note 19)	42,612	51,830
Hire purchase (see note 20)	3,387	3,361
Trade creditors	261,466	320,130
Social security and other taxes	83,925	76,795
Other creditors	904,395	901,575
Deferred government grants	24,503	833
	<u>1,320,288</u>	<u>1,354,524</u>

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

	31 3 13	31 3 12
	£	£
Other loans (see note 19)	5,739	48,351
Hire purchase (see note 20)	6,021	-
Other creditors	-	45,000
	<u>11,760</u>	<u>93,351</u>

19. LOANS

An analysis of the maturity of loans is given below

	31 3 13	31 3 12
	£	£
Amounts falling due within one year on demand		
Other loans	<u>42,612</u>	<u>51,830</u>
Amounts falling between one and two years		
Other loans - 1-2 years	<u>5,739</u>	<u>48,351</u>

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

20. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	31 3 13	31 3 12
	£	£
Net obligations repayable		
Within one year	3,387	3,361
Between one and five years	6,021	-
	<u>9,408</u>	<u>3,361</u>

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	31 3 13	31 3 12
	£	£
Expiring		
Between one and five years	97,270	51,919
	<u>97,270</u>	<u>51,919</u>

21. SECURED DEBTS

The following secured debts are included within creditors

	31 3 13	31 3 12
	£	£
Hire purchase contracts	9,408	3,361
	<u>9,408</u>	<u>3,361</u>

22. MOVEMENT IN FUNDS

	At 1 4 12	Net movement	Transfers	At 31 3 13
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	447,550	528,518	15,599	991,667
Restricted funds				
Asset fund	1,790,336	52,796	-	1,843,132
Legacy income	94,931	100,000	(15,599)	179,332
	<u>1,885,267</u>	<u>152,796</u>	<u>(15,599)</u>	<u>2,022,464</u>
TOTAL FUNDS	<u>2,332,817</u>	<u>681,314</u>	<u>-</u>	<u>3,014,131</u>

KALEIDOSCOPE PROJECT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2013

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,888,088	(4,359,570)	528,518
Restricted funds			
Asset fund	377,833	(325,037)	52,796
Legacy income	100,000	-	100,000
Residential services	297,708	(297,708)	-
Elderly	71,721	(71,721)	-
	<u>847,262</u>	<u>(694,466)</u>	<u>152,796</u>
TOTAL FUNDS	<u><u>5,735,350</u></u>	<u><u>(5,054,036)</u></u>	<u><u>681,314</u></u>

Restricted funds are funds which have been given for a particular purpose

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

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