

Company Registration No. 08277622 (England and Wales)

**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

# JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) CONTENTS

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**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
REFERENCE AND ADMINISTRATIVE DETAILS**

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**Trustees**

H Hartnack (Chair)  
W Angus (Accounting Officer)  
T Hope (Resigned 1 September 2017)  
J A Colclough (Resigned 1 September 2017)  
E Dunbar (Resigned 1 September 2017)  
F J Cooke (Resigned 1 September 2017)  
L Kennedy (Resigned 1 September 2017)  
H Akien  
Dr A A Jackson  
R Thompson (Resigned 12 July 2017)  
Mr A D Kingston  
L Culkin (Resigned 1 September 2017)  
B Middleton (Resigned 1 September 2017)  
P Nord (Resigned 12 July 2017)  
A G Blakelock (Resigned 19 October 2016)  
K F Hern  
G Batten

**Members**

A Kingston  
L Culkin  
L Kennedy  
B Middleton  
H Hartnack (Resigned 6 September 2016)

**Senior management team**

- Executive Headteacher W Angus  
- Deputy Headteacher L Green

**Company registration number**

08277622 (England and Wales)

**Registered office**

Ebdon Lane  
Fulwell  
Sunderland  
Tyne & Wear  
SR6 8ED

**Independent auditor**

Baldwins Audit Services Limited  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB

**Bankers**

Lloyds Bank plc  
5th Floor  
102 Grey Street  
Newcastle upon Tyne  
NE1 6AG

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
REFERENCE AND ADMINISTRATIVE DETAILS**

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**Solicitors**

Thorp Parker Newtons  
Martin House  
13 High Street  
Stokesley  
North Yorkshire  
TS9 5AD

# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a trustee's report and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 7 serving a catchment area in Sunderland North. It has a pupil capacity of 270 in school and 90 part-time in nursery. The total number on roll is 278 and 93 as at the last census in May 2016.

## **Structure, governance and management**

### Constitution

The Academy Trust is a company limited by guarantee with no capital share (registration number 08277622) and an exempt charity under the Academies Act 2010. The company commenced operation as Fulwell Infant School Academy on 1st December 2012 and became a multi academy trust (Jigsaw Learning Trust) on the 1st September 2017. Fulwell Infant School Academy is the lead school (and only school currently in the trust). The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. Directors of the charitable company are nominated by either the Secretary of State for Education or by the members.

The trustees of the Academy are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Jigsaw Learning Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details.

The full Governing Body meets at least once a term. The work of the Governing Body is delegated to Sub Committees that are formerly constituted with terms of reference.

### Members' liability

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

### Trustees' indemnities

A Trustee may benefit from any 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.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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Method of recruitment and appointment or election of trustees

The Governing Body comprises three categories of governor as set out in the Articles of Association. The Articles of Association of the Academy state that Members may appoint up to 8 Governors.

Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees including the Principal who are employees of the Academy Trust does not exceed one third of the total number of Trustees. The Head teacher is treated as an ex officio Trustee.

Parent Trustees shall be elected by parents of registered pupils at the Academy. A parent governor must be a parent of a pupil at the Academy at the time they are elected. Any election of Parent Governors which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post, or if preferred their ballot paper returned to the Academy Trust by a registered pupil.

Where a vacancy for a Parent Trustee is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person known to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that they are entitled to stand as a candidate, and given every opportunity to do so.

Governors may appoint up to 3 Co-opted Trustees, a Co-opted Trustee means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed.

The term of office for any Trustees shall be 4 years, subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. The Secretary of State may also appoint additional Trustees if he feels it appropriate and ultimately has the power to in effect take over the Governance of the Academy.

The following categories set out the broad range of skills, knowledge or prior experiences that is expected to be held across the trust.

- Leadership
- Education Performance and Curriculum
- Finance
- Human Resources
- Business
- Legal

**JIGSAW LEARNING TRUST  
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TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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Policies and procedures adopted for the induction and training of trustees

The training and induction provided for each new Trustee will depend on their existing experience. The Academy Trust purchases support in that provides for individual and full Governing Body training through an annual Course Directory which is reviewed each year to reflect any changes in practice and legislation.

New trustees are provided with an induction pack and are issued with a copy of the Code of Practice for Members of the Governing Body which covers the Seven Principles of Public Life (the Nolan Principles) which are:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Trustees attend 'Introduction to Governor' training and other courses relevant to their specific areas of interest and the committees they wish to sit on or wish to join. Trustees are invited to attend staff training days where subjects covered are relevant.

# JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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## Organisational structure

The Academy Trust holds an annual general meeting every year in addition to any other meetings in that year. The trustees hold at least 3 meetings in every school year, normally once each term. The trustees establish an overall framework for the governance of the academy and determine membership, terms of reference and procedures of committees. Trustees are responsible for setting general policy, adopting an annual plan and budget, approving statutory accounts, monitoring the academy by the use of budgets and other data, making decisions about the direction of the academy, capital expenditure and staff appointments.

Trustees are responsible for the proper stewardship of trust funds and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety.

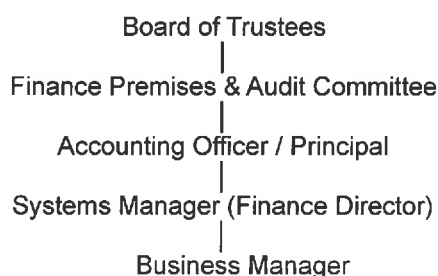
Trustees have delegated the day to day responsibility to the Principal, as Accounting Officer they have specific responsibilities for financial matters and is personally responsible to Parliament and the Accounting Officer of the ESFA. They have a personal responsibility for Regularity, Propriety and Value for Money.

These are the following committees:

- Finance Premises & Audit Committee – meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements.
- Personnel Committee – meets on a termly basis or as and when required ensuring that all procedures relating to the recruitment, selection and appointment of all staff in school meet statutory and safeguarding requirements. Approve and keep under review all HR related policies of the academy.
- Standards/Curriculum Committee – meets on a termly basis to monitor, evaluate and review academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment. To ensure the curriculum meets statutory requirements, to monitor the impact of curriculum planning and policies on pupil progress with particular reference to individual groups.
- The following committees meet as required: Attendance, Appeals, Performance Management and Complaints.

The Academy has a leadership structure which consists of the Trustees, the Senior Leadership (SLT) and Senior Management Team (SMT). The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The financial reporting structure is illustrated below





# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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

The Academy Trust is committed to taking all relevant decisions in accordance with the principles of public life as listed in DFE guidance (namely objectivity, openness and accountability).

Pay decisions at this academy trust are made by the Governing Body which has delegated certain responsibilities and decision making powers to the personnel committee and the Principal.

The personnel committee is responsible for the establishment and review of the pay policy subject to approval of the Governing Body.

Decisions relating to pay will at all times be made with reference to achievement against performance objectives, standards and career stage expectations.

The Governing Body will annually review the salaries of the members of the Leadership Group in accordance with paragraph 11 of the STCPD. All decisions regarding pay progression will be related to the individual's performance and appraisal reports.

Where the evidence demonstrates sustained high quality of performance, the Governing Body will consider the award of one point. Where the evidence shows exceptional performance, the Governing Body may consider the use of its flexibilities to pay enhanced pay progression up to the maximum of two additional points.

In accordance with paragraph 10 of the STCPD, the Governing Body will consider awarding an additional payment to the Principal only for clearly temporary responsibilities or duties that are in addition to the post for which the salary has been determined. External independent advice will be sought before deciding whether or not to proceed.

Staff Governors and the Principal receive remuneration in respect of services they provide in their capacity as an employee under their contracts of employment, and not in respect of their role as a trustee.

The Academy Trust recognises that while governors are volunteers, they do incur costs in the course of carrying out their duties. Allowances may only be paid if the costs are wholly and necessarily incurred in carrying out their duties as a governor or representative of the academy (mainly travelling expenses).

During the period ended 31 August 2017 travelling expenses totalling £140.55 were paid to 1 trustee.

## Related parties and other connected charities and organisations

Fulwell Infant School Academy is the lead and currently the only academy in Jigsaw Learning Trust. There are currently no related parties which either control or significantly influence the decisions and operations of the Trust.

## **Objectives and activities**

### Objects and aims

The principal objective and activity of Fulwell Infant School Academy is the education of all pupils between the ages of 3-7.

# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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## Objectives, strategies and activities

The Academy Trust's principal activities are to provide each child with an education that will equip them to become responsible citizens, to make informed choices having both self respect and respect for others. In addition to this we firmly believe in providing all children with a wide range of opportunities, sporting, musical, cultural, recreational and social. Our mission is to create a safe, stimulating and happy learning environment within which every child is able to realise their potential.

In order to achieve this, we will:

- Deliver a broad and balanced curriculum, with an emphasis on the core subjects that supports the development of every child towards fulfilling their potential
- Encourage children to be respectful, compassionate and honest in all their relationships
- Encourage children to develop an understanding and respect of individual differences
- Consistently apply our policies in support of the above.
- Develop the partnership with all Parents and the community in the life of the Academy
- Create and maintain good links with our Junior School and feeder schools to provide a seamless education for our children.
- Provide opportunities for personal and professional development for all who work in the Academy.

The objectives for the period September 2016 to August 2017 were as follows:

- To continue to lead the school to improve, developing teaching, raising standards and supporting other schools through partnership.
- To ensure that 95% of teaching is good or better and that the impact of support is timely and well focused. To plan the implementation of the 'Inspire' maths teaching programme.
- To include the library in the planned development of reading, becoming a 'reading school'. To develop writing through improved handwriting and grammar, particularly in the broader curriculum. To refine the teaching of boys in reading and writing to narrow the gap.
- To raise the profile of science. To ensure that science teaching offers precise opportunities for children to demonstrate the standard of their writing and their ability to reason, hypothesise and solve problems.
- To develop opportunities for outdoor learning in both nursery and reception classes, with a focus on narrowing the gap between boys and girls in reading and writing.
- To embed restorative practice strategies for behaviour management. To reduce bullying incidents. To become an attachment friendly school as part of the North Area project (emotional well-being).
- To maintain and improve the condition of the premises and learning environment.
- To be a designated National Leader in Education
- To become a multi academy trust.

## Public benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**Strategic report**

**Achievements and performance**

**Achievements and Performance**

The Academy Trust have been successful in achieving its aims set for 2016-2017, including approval to become an academy sponsor and having a successful sponsor capacity bid. We were designated as a National Leader of Education, appointed as an Inspire maths advocate school and a key member of staff was awarded a lifetime achievement award for teaching.

**KEY STAGE 1 ASSESSMENT INFORMATION 2017**

This group of children entered nursery with skills below what was expected nationally. This was as a result of the disproportionate number of boys in the year group and the number of children with complex SEN and behaviour issues associated with autism. 1 child was moved to North View special school during year 1. PSED skills were an issue, as were basic skills in reading, writing and number were a particular concern. From this lower starting point they have made consistently good progress to reach standards above those of their peers nationally.

Pupil number (Pupil %)

ALL CHILDREN	BELOW	EXPECTED	GREATER DEPTH
Reading	12 (13%)	42 (47%)	36 (40%)
Writing	14 (16%)	49 (54%)	26 (29%)
Mathematics	10 (11%)	47 (52%)	31 (34%)

**Factors influencing results**

- 90 children in the year group
- 18 children with SEN – 2 with EHCP and 16 at school support (20% SEN)
- 12 children accessing PP funding (13%) 11 FSM (12%)
- 5 EAL children (6%)
- 29 autumn born, 28 spring born, 33 summer born children (34%)
- 51 boys (39 girls) 57% boys and 43% girls

**Key performance indicators**

The Academy continues to be oversubscribed with 128 applications for nursery places and 191 applications for a 90 place Reception class for September 2017. Waiting lists are maintained for all year groups with places allocated when available according to published admissions criteria.

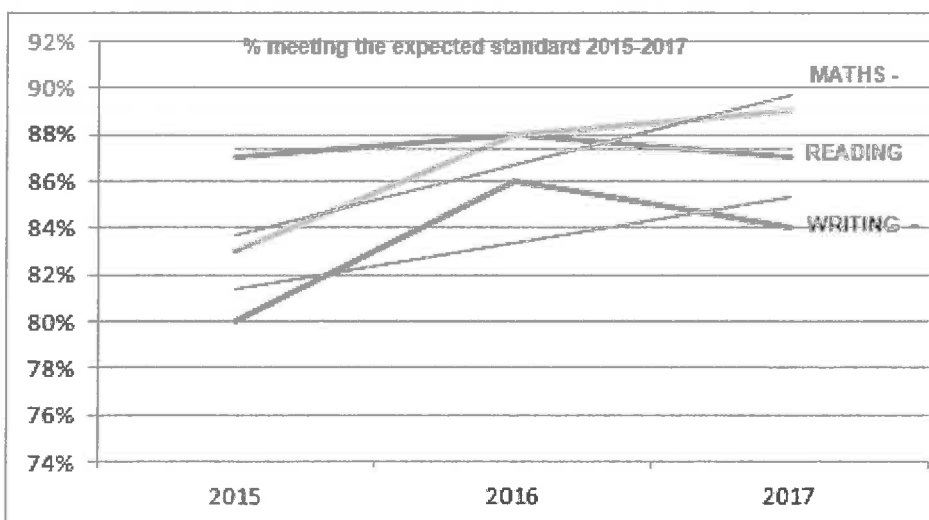
**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

ATTAINMENT and STANDARDS

**ATTAINMENT and STANDARDS**

Chart Area	SCHOOL 2015	National	SCHOOL 2016	National	SCHOOL 2017	National
<b>SCORES</b>						
<b>RWM combined</b>	17.1	16.1	80%	60%	82%	
<b>READING</b>	17.6	16.6	88%	74%	87%	76%
<b>WRITING</b>	16.4	15.3	86%	66%	84%	68%
<b>MATHS</b>	17.3	16.4	88%	73%	89%	75%
<b>1 year judgment</b>	Reading maintained at 17.5, writing dipped slightly by 0.2 despite being significantly above. Maths improved to 17.3		These TA assessments were lower than the test performance of the children.			
<b>3 year judgment</b>	It is not possible to make a 3 year judgement following the raising of expectations and new assessment system.					



SCHOOL DATA FOR 2017: (Percentages)

ATTAINMENT OF GROUPS 2016: (Expected +)

% LEVELS	L2+ 2015 (Nat 2015)	L3+ 2015 (Nat 2015)	Expected+ 2016	Greater Depth 2016	Expected+ 2017	Greater Depth 2017
READING	94 (90)	40 (32)	88	36	87	40
WRITING	92 (88)	28 (18)	86	28	84	30
MATHS	97 (93)	41 (26)	88	30	89	37
NOTES	Standards compared to 2016 are marginally below (1%) in reading and (2%) in writing. Inspire maths has resulted in a 1% improvement.					

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

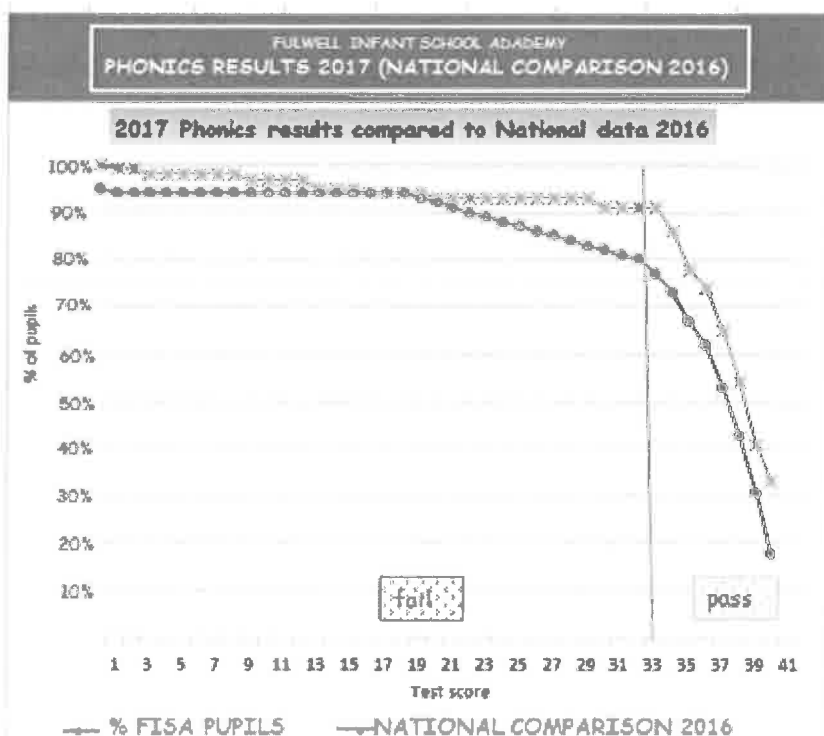
**FOR THE YEAR ENDED 31 AUGUST 2017**

GOOD progress we judge to be 1+ points a term, 3+ points a year. Outstanding progress is greater than 3.2 points a year and greater than 7 points across key stage 1 (Year 1 and year 2). (School tracking system)  
The results for year 2 progress are in the table below.

	90	51	39	12	18	5	10	33
	ALL PUPILS	BOYS	GIRLS	PP	SEN	EAL	G&T	SUMMER BORN
READING	3.3	3.2	3.4	3.1	3.3	3.2	3.1	3.4
WRITING	3.3	3.2	3.4	3.3	3.5	3.4	3.3	3.3
MATHS	3.4	3.3	3.4	3.6	3.6	3.4	3.5	3.3
ALL	3.3	3.2	3.4	3.3	3.5	3.3	3.3	3.3

Progress of all groups of learners, including the vulnerable groups is judged to be outstanding as evident in the data scores and supported by the evidence in workbooks. The progress in maths is particularly noted as the Inspire scheme can be seen to have had a positive impact on all groups of learners. Progress in maths sits above other subjects by 0.1.

**YEAR 1 PHONICS SCREEN 2017**



**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

TOTAL SCORE	% FISA PUPILS	NATIONAL COMPARISON (2016)
0	100%	95%
1	99%	94%
2	99%	94%
3	98%	94%
4	98%	94%
5	98%	94%
6	98%	94%
7	98%	94%
8	98%	94%
9	97%	94%
10	97%	94%
11	97%	94%
12	97%	94%
13	95%	94%
14	95%	94%
15	95%	94%
16	94%	94%
17	94%	94%
18	94%	94%
19	94%	93%
20	93%	92%

TOTAL SCORE	% FISA PUPILS	NATIONAL COMPARISON
21	93%	91%
22	89%	90%
23	83%	89%
24	83%	88%
25	83%	87%
26	83%	86%
27	83%	85%
28	83%	84%
29	83%	83%
30	81%	82%
31	81%	81%
32	81%	80%
33	81%	77%
34	86%	73%
35	78%	67%
36	74%	62%
37	65%	59%
38	54%	43%
39	41%	31%
40	33%	18%

**91.6% of the year group passed the phonics screen.**

As can be seen on the graph above, phonics results compare favourably with national scores in 2016. As year 1 includes 4 children with EHCP's and a further EHCP requested, 6% of the year group have complex SEN.

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. On the 12th July the Finance and Premises Committee approved the budget for 2017/18. This was then presented to the full governing body for approval. The budget forecasts an in year surplus and continued solvency through adequate cash backed reserves. 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 can be found in the Statement of Accounting Policies.

# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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## **Financial review**

### Financial and Risk Management Objectives and Policies

The main sources of income for the Academy are grants from the Education Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives Early Years grant funding and Special Educational Needs Funding for High needs pupils, the use of which is also restricted to particular purposes.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Statement of Recommended Practice such grants 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 2017, total expenditure of £1,529,910 was covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding fixed asset funds) was £46,975.

At 31 August 2017 the net book value of fixed assets was £2,736,547. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

### Reserves policy

The Governing Body is responsible for determining the level of financial reserves to be carried forward at the end of each financial year (31 August).

The Academy's free reserves are its funds after excluding restricted funds. Free reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure.

The Academy held fund balances as at 31 August 2017 of £240,552 comprising of restricted and unrestricted funds.

This comprises of £123,274 of unrestricted funds, restricted general reserves of £117,278 (excluding the impact of the deficit on the LGPS pension scheme) and £2,736,547 of restricted fixed asset reserves.

Governors review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

Governors will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The governors have determined that the appropriate level of free reserves should be equivalent to at least 1 month's cash in hand as working balances to cover salaries and monthly expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

Academy Trusts reserves have been used in 2016-2017 to replace the rubber soft pour surface in the reception playground and to install energy efficient LED lighting in Year 1 and Year 2 classrooms.

Future projects to consider, continue to install energy efficient LED lighting and refurbish ceiling tiles throughout and replace on a rolling programme all computers in the IT suite.

# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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## Investment policy and powers

The Academy will operate an interest bearing current account with a bank approved by the Governing Body and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments. Our aim is to spend the publicly funded monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The academy does not consider the investment of surplus funds as a primary activity, rather it is the result of best practice as and when circumstances allow. Monies surplus to the working requirements will be invested short term only.

The Academy has no funds invested as at 31 August 2017.

## Principal risks and uncertainties

The Trust has a Risk Register and Risk Management process which is reviewed on an annual basis. This process involves identifying the types of risk the Academy faces, scoring and prioritising the risks in terms of their potential operational and financial impact.

Governors have assessed the major risks to which the Academy is exposed, in particular those relating to strategic, operational and finance. Trustees have implemented a system to assess risks that the school faces, especially in the operational areas which includes teaching and health and safety and in relation to the control of finance. Trustees have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The principal risks and uncertainties continue to arise from the rapid pace of change in the educational landscapes arising from the change in government and the development of the Academies framework. As an outstanding school the demand for places in reception continues to increase, however data has shown of a decline in the birth rate over the next few years. Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. Changes to funding arrangements by the ESFA have been assessed; robust strategic financial plans are being developed for three years. Economies are being considered to ensure a future balanced budget and preservation of reasonable reserves.

ICT security is fast becoming a heightened risk as a number of schools have been subjected to malware resulting in ransomware requests. Even the best anti-virus software cannot stop an employee from opening a malicious email attachment which can result in huge losses of data. In order to mitigate this risk regular backups of the system take place, operating system patches are up to date and staff are kept apprised of current risks and trends.

The trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance and Premises Committee meetings. The trustees also ensure sufficient funds are held to cover all known and anticipated commitments.

Pupil numbers remain the key driving force behind funding and the academy will continue to make every effort to ensure our numbers continue to remain stable.

In addition the trust is a member of the Local Government Pension Scheme (LGPS) which results in the recognition of a significant liability on the trusts balance sheet. The academy recently underwent a revaluation of the scheme which has resulted in an increase to the employer contribution rate to 19.3% from 15.6% plus additional liabilities totalling £32,500 paid over a 14 month period.



**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**Plans for future periods**

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

The Academy Trust expects both pupil numbers and staffing to be stable. Budget forecasts have been submitted to the ESFA within the required timescale, Governors in partnership with the Head teacher have prepared an Academy development plan which considers the aims and objectives for the forthcoming year.

It is very likely that we will be joined by Ouston Primary School from the 1st February 2018.

The Academy will continue to work with and explore the possibility of other schools and academies joining the trust and look at sponsoring an academy or maintained school if approached by the SFA.

As the trust grows we will look at centralising back office functions and extend the admin facility of the school. We will look at IT systems, finance, school improvement and HR services in order to build capacity within the trust.

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

To use the reserves held in an efficient manner and continue replacing ceiling tiles and install energy efficient LED lighting throughout the school.

Replace on a rolling programme all computers in the IT suite.

**Funds held as custodian trustee on behalf of others**

There are no funds held as Custodian Trustee on behalf of others.

**Auditor**

The trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7.12.17 and signed on its behalf by:



H Hartnack

Chair

# JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) GOVERNANCE STATEMENT

*FOR THE YEAR ENDED 31 AUGUST 2017*

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## Scope of responsibility

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

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

## Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 13 times during the year. Attendances during the year at meetings of the Board of Trustees were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
H Hartnack (Chair)	4	4
W Angus (Accounting Officer)	4	4
T Hope (Resigned 1 September 2017)	4	4
J A Colclough (Resigned 1 September 2017)	4	4
E Dunbar (Resigned 1 September 2017)	2	4
F J Cooke (Resigned 1 September 2017)	3	4
L Kennedy (Resigned 1 September 2017)	1	4
H Akien	4	4
Dr A A Jackson	4	4
R Thompson (Resigned 12 July 2017)	2	4
Mr A D Kingston	1	4
L Culkin (Resigned 1 September 2017)	1	4
B Middleton (Resigned 1 September 2017)	0	0
P Nord (Resigned 12 July 2017)	0	4
A G Blakelock (Resigned 19 October 2016)	0	4
K F Hern	4	4
G Batten	0	0

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

The finance and general purposes committee is a sub-committee of the main board of trustees. Its purpose is to:

- Provide assurance over the sustainability of and compliance with its financial systems and controls.
- Review detailed budget and management accounts (including variance analysis).
- Appraise financial performance and report back to the full Governing Body.
- Review Risk Management Procedures
- Oversee statutory compliance in areas related to the specific work of the Personnel, Health & Safety, Premises and Finance Committees.

Attendance during the year at meetings of the Finance and Audit Committee were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
H Hartnack (Chair)	4	4
W Angus (Accounting Officer)	4	4
T Hope (Resigned 1 September 2017)	4	4
J A Colclough (Resigned 1 September 2017)	3	4
Dr AA Jackson	4	4
K F Hern	4	4

Attendance during the year at meetings of the Personnel Committee were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
H Hartnack (Chair)	3	3
W Angus (Accounting Officer)	3	3
T Hope (Resigned 1 September 2017)	3	3
F J Cooke (Resigned 1 September 2017)	3	3
H Akien	3	3

Attendance during the year at meetings of the Standards Committee were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mrs Hilary Aiken	0	1
Mrs Wendy Angus	1	1
Mrs Janet Colclough	1	1
Mrs Jenny Cooke	0	1
Mrs Eve Dunbar	1	1
Mrs Hilary Hartnack	1	1
Mrs Theresa Hope	1	1
Mr Anthony Jackson	1	1
Mrs Rachel Thompson	0	1

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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Attendance during the year at meetings of the trust members were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mrs Wendy Angus	1	1
Mrs Hilary Hartnack	1	1
Mr A Kingston	0	1
Mrs Theresa Hope	1	1
Mrs L Kennedy	1	1
Mr B Middleton	1	1
Ms L Culkin	1	1

**The governance of the school**

The governing body is extremely well informed regarding how well pupils are performing, including those eligible for the pupil premium. Senior members of the governing body have a professional background in education enabling them to be acutely aware of the quality of teaching on offer. Subject leaders, as well as the headteacher, write regular informative reports, and members of the governing body visit lessons to look at the quality of pupils' work. As a result, they are very well placed to offer support and challenge in equal measure.

The governors insist on making sure that central to any extra remuneration for teachers is a link to their performance, their overall contribution to the school and to pupils' achievement. A dedicated governor responsible for safeguarding ensures that governors thoroughly monitor the policies and school's procedures and that the school's arrangements to safeguard pupils meet government requirements.

As we prepared to become a multi academy trust it was necessary to look at the skills and attributes needed for effective governance. We looked at the finance, legal and business elements of leading a mat and decided to increase the number of members from 3 to 5 moving forward and bringing on board members and directors with experience in Business, Legal, HR, Finance and Education.

All members of the Governing Body and staff complete a Register of Business Interests form on an annual basis. Business interests of governors and senior leaders are published on the academy's website.

**Review of value for money**

I accept that as accounting officer of Fulwell Infant School Academy I am responsible and accountable for ensuring that the trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the Education Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The academy trust has focused on targeted improvement linked to the Academy Improvement Plan to ensure maximum impact for pupils. This has included ensuring that the academy is delivering the new curriculum fully and correctly and in an engaging way which enable its pupils to thrive.

The investment in the curriculum is an element of the budget which has a direct impact on outcomes for pupils.

Specific examples include:

- Significant development work in implementation of the new national curriculum, including both core and other subjects
- Ensuring standards remain high by monitoring teacher and teaching assistant performance
- Achieving efficiencies through the delivery of school meals in house.
- Following best value practices when appointing contractors, work carried out this year included the installation of Energy saving LED lighting, ceiling tile replacement and new reception playground softpour surface and equipment.

All expiring contracts are appraised and where appropriate renegotiated in a timely manner assessing value for money. The school ensures that tenders are sourced where appropriate to ensure value for money. The trust has developed procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost.

Financial governance and oversight is strong in the academy. The governing body has considerable financial and management experience and ensure strong challenge is in place. Reserve levels are reviewed annually, taking into consideration the future plans of the academy, the uncertainty over future income streams and other key risks identified. Regular budget to actual comparisons are produced and discussed with the finance and premises committee.

Value for money is a key part of ensuring we are able to improve through better systems that lead to better outcomes for pupils.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Fulwell Infant School Academy for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

In order to deliver assurance the academy trust has considered the need for a specific internal audit function and has appointed Sunderland City Council as internal auditor. Trustees agreed a programme of work carried out on an annual basis and an audit was carried out by Beth Foster in July 2017.

**Introduction and Objectives**

In accordance with the agreement between Fulwell Infant School Academy and Sunderland City Council for the provision of internal audit services, the above audit was recently completed.

The objective of the audit was to determine the level of assurance that can be provided on the Academy's governance and financial management arrangements.

The scope of the audit included a review of the following:

- Roles and responsibilities;
- Delegation arrangements;
- Awareness of and compliance with laid down rules and procedures (including compliance with the Academies' Financial Handbook);
- Anti-fraud and corruption measures;
- Financial planning, monitoring and reporting;
- Collection, recording and banking of income;
- Expenditure, including payroll administration; and
- Accounting arrangements.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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Income and expenditure arrangements were reviewed through testing samples of transactions processed through the academy's main financial systems.

Key risks to the achievement of the objectives of the area under review were identified. The key controls to manage those risks were then identified, assessed for adequacy and tested to confirm whether they are operating as planned.

Discussions were held with the following officers:

- Mrs T. Hope, Finance Director
- Mrs Anne Gibson, Business Manager

**Summary of Findings**

It is pleasing to report that the findings of the audit are positive, with no recommended actions considered necessary as a result.

*Roles and responsibilities*

Governance arrangements are considered appropriate. The Academy has an appropriate reporting structure with regular meetings of the Governing Body and Finance, Premises & Audit Committee. Meetings are well attended and the minutes evidence governor participation and key decisions are recorded in bold.

The Academy's latest set of accounts including its governance statement has been presented to Governors and has been published on their website.

The Academy is currently in the process of converting to a Multi Academy Trust and the governance arrangements will be changing going forward. These will be reviewed in full at the time of the next annual audit.

*Delegation arrangements*

The Academy has adopted the Local Authority's Terms of Reference for the operation of the Governing Body, Sub-Committees and the responsibilities key staff. This was reviewed as part of the visit and found to be appropriate.

*Awareness of and compliance with laid down rules and procedures*

The Academy has a detailed Financial Regulations Manual setting out the systems of financial control within the Academy. This is reviewed and updated, as required. The manual includes appropriate separation of duties within the purchasing and cash receipting processes. The Academy also has an appropriate Code of Conduct for its staff.

*Anti-fraud and corruption measures*

The Academy has appropriate anti-fraud and corruption measures in place which include a full set of procedural documentation (including a whistleblowing policy) of which relevant staff are aware.

*Financial planning, monitoring and reporting*

Budget management arrangements are effective. The Systems Manager undertakes regular budget monitoring and the Academy's financial position is regularly reported to Governors.

*Collection, recording and banking of income*

Sample testing confirmed that income collected by the Academy is brought into account, consolidated appropriately and banked in its entirety. Income is now banked less frequently although the Financial Regulations Manual has been updated to reflect this and the Academy ensure that the cash held does not exceed the cash insurance limit.

*Expenditure, including payroll administration*

The Academy has appropriate arrangements in place to manage its expenditure. Testing on a sample of purchases confirmed that all were authorised in accordance with the Academy's Delegation Scheme. Evidence of seeking value for money in the selection of suppliers was also noted.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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Of a sample of 10 purchases examined, there was one instance where the purchase had been raised retrospectively where it was not considered appropriate to do so. No recommendation has been made in this regard as discussions with the Finance Director confirmed it is normal practice to raise the official order at the time of ordering.

A sample of payroll transactions was also examined and confirmed to be legitimate and appropriately authorised.

*Accounting arrangements*

Accounting arrangements are also considered satisfactory with regular bank reconciliations taking place.

The findings of the audit give substantial assurance that the Academy Trust has effective governance and financial management arrangements in place.

The controls evaluated are well designed, appropriate in scope and applied consistently and effectively. No issues were identified which could prevent the objectives of the Academy being achieved.

**Review of effectiveness**

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and ensures continuous improvement of the system is in place.

Approved by order of the board of trustees on 27.12.17 and signed on its behalf by:

H Hartnack

Chair *H. Hartnack*

W Angus

Accounting Officer

*W Angus*



**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2017**

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As accounting officer of Jigsaw Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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.

W Angus  
Accounting Officer

  
7/12/17

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 7.12.17 and signed on its behalf by:

H Hartnack

Chair *H. Hartnack*

# **JIGSAW LEARNING TRUST (FORMERLY FULWELL INFANT SCHOOL ACADEMY) INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING TRUST**

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## **Opinion**

We have audited the accounts of Jigsaw Learning Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

## **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 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

## **Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. 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.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING  
TRUST (CONTINUED)**

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

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

- the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING  
TRUST (CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Baldwins*

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Baldwins Audit Services Limited**

*13/12/17*  
.....

**Chartered Accountants  
Statutory Auditor**

Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO JIGSAW LEARNING TRUST AND THE EDUCATION AND SKILLS  
FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 15 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Jigsaw Learning Trust during the period 1 September 2016 to 31 August 2017 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 Jigsaw Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Jigsaw Learning 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 Jigsaw Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Jigsaw Learning Trust's funding agreement with the Secretary of State for Education dated 1 December 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 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 academy trust's income and expenditure.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO JIGSAW LEARNING TRUST AND THE EDUCATION AND SKILLS  
FUNDING AGENCY (CONTINUED)**

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The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Assurance report
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

**Conclusion**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Baldwin's*

**Reporting Accountant**  
Baldwins Audit Services Limited

Dated: *13/12/17*.....

**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2017 £	Total 2016 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	2,371	-	7,659	10,030	9,338
Charitable activities:						
- Funding for educational operations	4	7,512	1,524,957	-	1,532,469	1,521,846
Other trading activities	5	41,765	-	-	41,765	60,368
Investments	6	280	-	-	280	452
<b>Total income and endowments</b>		<b>51,928</b>	<b>1,524,957</b>	<b>7,659</b>	<b>1,584,544</b>	<b>1,592,004</b>
<b>Expenditure on:</b>						
Raising funds	7	25,256	-	-	25,256	54,293
Charitable activities:						
- Educational operations	8	-	1,575,654	68,592	1,644,246	1,512,675
<b>Total expenditure</b>	<b>7</b>	<b>25,256</b>	<b>1,575,654</b>	<b>68,592</b>	<b>1,669,502</b>	<b>1,566,968</b>
<b>Net income/(expenditure)</b>		<b>26,672</b>	<b>(50,697)</b>	<b>(60,933)</b>	<b>(84,958)</b>	<b>25,036</b>
Transfers between funds		-	(55,717)	55,717	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	371,000	-	371,000	(511,000)
<b>Net movement in funds</b>		<b>26,672</b>	<b>264,586</b>	<b>(5,216)</b>	<b>286,042</b>	<b>(485,964)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		96,602	(636,308)	2,741,763	2,202,057	2,688,021
Total funds carried forward		123,274	(371,722)	2,736,547	2,488,099	2,202,057



**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2016</b>		<b>Funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	<b>3</b>	1,695	-	7,643	9,338
Charitable activities:					
- Funding for educational operations	<b>4</b>	5,762	1,516,084	-	1,521,846
Other trading activities	<b>5</b>	60,368	-	-	60,368
Investments	<b>6</b>	452	-	-	452
<b>Total income and endowments</b>		<u>68,277</u>	<u>1,516,084</u>	<u>7,643</u>	<u>1,592,004</u>
<b>Expenditure on:</b>					
Raising funds	<b>7</b>	54,293	-	-	54,293
Charitable activities:					
- Educational operations	<b>8</b>	-	1,439,515	73,160	1,512,675
<b>Total expenditure</b>	<b>7</b>	<u>54,293</u>	<u>1,439,515</u>	<u>73,160</u>	<u>1,566,968</u>
<b>Net income/(expenditure)</b>		13,984	76,569	(65,517)	25,036
Transfers between funds		-	(84,903)	84,903	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	<b>21</b>	-	(511,000)	-	(511,000)
<b>Net movement in funds</b>		13,984	(519,334)	19,386	(485,964)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>82,618</u>	<u>(116,974)</u>	<u>2,722,377</u>	<u>2,688,021</u>
Total funds carried forward		<u>96,602</u>	<u>(636,308)</u>	<u>2,741,763</u>	<u>2,202,057</u>

**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12		5,333		-
Tangible assets	13		2,731,214		2,741,763
			<u>2,736,547</u>		<u>2,741,763</u>
<b>Current assets</b>					
Stocks	14	7,331		6,963	
Debtors	15	46,903		51,215	
Cash at bank and in hand		384,388		302,694	
		<u>438,622</u>		<u>360,872</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(188,846)		(101,644)	
<b>Net current assets</b>			<u>249,776</u>		<u>259,228</u>
<b>Total assets less current liabilities</b>			<u>2,986,323</u>		<u>3,000,991</u>
Creditors: amounts falling due after more than one year	17		(9,224)		(9,934)
<b>Net assets excluding pension liability</b>			<u>2,977,099</u>		<u>2,991,057</u>
Defined benefit pension liability	21		(489,000)		(789,000)
<b>Net assets</b>			<u>2,488,099</u>		<u>2,202,057</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	19				
- Fixed asset funds			2,736,547		2,741,763
- Restricted income funds			117,278		152,692
- Pension reserve			(489,000)		(789,000)
<b>Total restricted funds</b>			<u>2,364,825</u>		<u>2,105,455</u>
<b>Unrestricted income funds</b>	19		<u>123,274</u>		<u>96,602</u>
<b>Total funds</b>			<u>2,488,099</u>		<u>2,202,057</u>

The accounts set out on pages 30 to 53 were approved by the board of trustees and authorised for issue on 7/12/17 and are signed on its behalf by:

H Hartnack  
H Hartnack  
Chair

Company Number 08277622

**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	22		137,841		(7,283)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		280		452	
Capital grants from DfE and ESFA		7,659		7,643	
Payments to acquire intangible fixed assets		(6,000)		-	
Payments to acquire tangible fixed assets		(57,376)		(92,546)	
			(55,437)		(84,451)
<b>Cash flows from financing activities</b>					
Repayment of other loan		(710)		-	
			(710)		-
<b>Change in cash and cash equivalents in the reporting period</b>					
			81,694		(91,734)
<b>Cash and cash equivalents at 1 September 2016</b>					
			302,694		394,428
<b>Cash and cash equivalents at 31 August 2017</b>					
			384,388		302,694

**JIGSAW LEARNING TRUST**  
**(FORMERLY FULWELL INFANT SCHOOL ACADEMY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**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**

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**1.2 Going concern**

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

The reported share of the LGPS deficit in the year has a significant impact on our restricted funds, however we draw your attention to the cash reserves held by the academy as well as the balances held in unrestricted and restricted general reserves.

**1.3 Income**

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants receivable

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

**1 Accounting policies**

**(Continued)**

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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

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

**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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1 Accounting policies**

**(Continued)**

**1.5 Intangible fixed assets and amortisation**

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 3 years

**1.6 Tangible fixed assets and depreciation**

Assets costing £500 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 that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	not depreciated
Buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The basis of valuation has been disclosed within the fixed assets note.

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.

**1.7 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 academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods of services it must provide.

**1.8 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1 Accounting policies**

**(Continued)**

**1.9 Financial instruments**

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.10 Stock**

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

**1.11 Taxation**

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

**1.12 Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

**1 Accounting policies**

**(Continued)**

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

**1.13 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

**2 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.



**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>3 Donations and capital grants</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Capital grants	-	7,659	7,659	7,643
Other donations	2,371	-	2,371	1,695
	<u>2,371</u>	<u>7,659</u>	<u>10,030</u>	<u>9,338</u>
<b>4 Funding for the academy trust's educational operations</b>				
	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,032,042	1,032,042	1,057,560
Other DfE / ESFA grants	-	180,353	180,353	142,836
	<u>-</u>	<u>1,212,395</u>	<u>1,212,395</u>	<u>1,200,396</u>
<b>Other government grants</b>				
Local authority grants	-	312,562	312,562	315,688
	<u>-</u>	<u>312,562</u>	<u>312,562</u>	<u>315,688</u>
<b>Other funds</b>				
Catering income	6,991	-	6,991	5,762
Other incoming resources	521	-	521	-
	<u>7,512</u>	<u>-</u>	<u>7,512</u>	<u>5,762</u>
<b>Total funding</b>	<u>7,512</u>	<u>1,524,957</u>	<u>1,532,469</u>	<u>1,521,846</u>
<b>5 Other trading activities</b>				
	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Hire of facilities	2,425	-	2,425	3,451
Catering income	273	-	273	464
Educational visits	3,698	-	3,698	3,339
Uniforms	2,187	-	2,187	2,324
Other income	33,182	-	33,182	50,790
	<u>41,765</u>	<u>-</u>	<u>41,765</u>	<u>60,368</u>

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>6</b>	<b>Investment income</b>				
		<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
	Short term deposits	280	-	280	452
		<u>280</u>	<u>-</u>	<u>280</u>	<u>452</u>

<b>7</b>	<b>Expenditure</b>					
		<b>Staff costs £</b>	<b>Premises &amp; equipment £</b>	<b>Other costs £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
	Expenditure on raising funds	-	-	25,256	25,256	54,293
	Academy's educational operations					
	- Direct costs	1,020,698	-	29,384	1,050,082	987,481
	- Allocated support costs	281,370	164,366	148,428	594,164	525,194
		<u>1,302,068</u>	<u>164,366</u>	<u>203,068</u>	<u>1,669,502</u>	<u>1,566,968</u>

**Net income/(expenditure) for the year includes:**

	<b>2017 £</b>	<b>2016 £</b>
Fees payable to auditor for:		
- Audit	6,000	6,000
- Other services	3,758	2,756
Operating lease rentals	11,621	15,001
Depreciation of tangible fixed assets	68,421	72,967
Loss on disposal of fixed assets	171	193
Net interest on defined benefit pension liability	15,000	9,000
	<u>110,571</u>	<u>113,917</u>

**8 Charitable activities**

	<b>2017 £</b>	<b>2016 £</b>
<b>All from restricted funds:</b>		
Direct costs - educational operations	1,050,082	987,481
Support costs - educational operations	594,164	525,194
	<u>1,644,246</u>	<u>1,512,675</u>

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>8 Charitable activities</b>	<b>(Continued)</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Analysis of support costs</b>		
Support staff costs	281,370	160,081
Depreciation and amortisation	68,592	73,160
Technology costs	4,459	5,549
Premises costs	81,777	80,131
Other support costs	138,192	189,115
Governance costs	19,774	17,158
	<u>594,164</u>	<u>525,194</u>

<b>9 Staff costs</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	939,125	888,839
Social security costs	76,550	63,295
Operating costs of defined benefit pension schemes	227,663	148,928
	<u>1,243,338</u>	<u>1,101,062</u>
Staff costs	1,243,338	1,101,062
Supply staff costs	380	3,356
Staff restructuring costs	52,692	-
Staff development and other staff costs	5,658	14,982
	<u>1,302,068</u>	<u>1,119,400</u>
Total staff expenditure	<u>1,302,068</u>	<u>1,119,400</u>

**Staff numbers**

The average number of persons employed by the academy trust during the year was as follows:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Teachers	29	29
Administration and support	22	19
Management	5	5
	<u>56</u>	<u>53</u>

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**9 Staff costs (Continued)**

**Higher paid staff**

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

	2017 Number	2016 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
	<u>          </u>	<u>          </u>

**Non statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £52,692 (2016: £nil). Individually, the payments were: £12,692 and £40,000.

**Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £181,220 (2016: £162,416).

**10 Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

<b>W Angus (Headteacher and trustee):</b>	
Remuneration	£75,001 - £80,000 (2016: £70,001 - £75,000)
Employer's pension contributions	£10,001 - £15,000 (2016: £10,001 - £15,000)
<b>T Hope (Trustee):</b>	
Remuneration	£35,001 - £40,000 (2016: £30,001 - £35,000)
Employer's pension contributions	£5,001 - £10,000 (2016: £5,001 - £10,000)
<b>E Dunbar (Trustee):</b>	
Remuneration	£35,001 - £40,000 (2016: £25,001 - £30,000)
Employer's pension contributions	£5,001 - £10,000 (2016: £5,001 - £10,000)
<b>J Colclough (Trustee):</b>	
Remuneration	£10,001 - £15,000 (2016: £5,001 - £10,000)
Employer's pension contributions	£1 - £5,000 (2016: £1 - £5,000)

During the year, travel and subsistence payments totalling £317 (2016: £nil) were reimbursed or paid directly to one trustee (2016: nil trustees).

Other related party transactions involving the trustees are set out within the related parties note.

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**11 Trustees and officers insurance**

The academy trust has opted into the Department for 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 trust 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.

**12 Intangible fixed assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 September 2016	-
Additions	6,000
	<hr/>
At 31 August 2017	6,000
	<hr/>
<b>Amortisation</b>	
At 1 September 2016	-
Charge for year	667
	<hr/>
At 31 August 2017	667
	<hr/>
<b>Net book value</b>	
At 31 August 2017	5,333
	<hr/> <hr/>
At 31 August 2016	-
	<hr/> <hr/>

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

13 Tangible fixed assets	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2016	2,856,074	59,091	86,450	3,001,615
Additions	44,733	12,643	-	57,376
Disposals	-	(4,649)	(242)	(4,891)
At 31 August 2017	2,900,807	67,085	86,208	3,054,100
<b>Depreciation</b>				
At 1 September 2016	172,735	57,237	29,880	259,852
On disposals	-	(4,585)	(135)	(4,720)
Charge for the year	51,055	4,378	12,321	67,754
At 31 August 2017	223,790	57,030	42,066	322,886
<b>Net book value</b>				
At 31 August 2017	2,677,017	10,055	44,142	2,731,214
At 31 August 2016	2,683,339	1,854	56,570	2,741,763
<b>14 Stocks</b>			<b>2017</b>	<b>2016</b>
			£	£
Materials			7,331	6,963
<b>15 Debtors</b>			<b>2017</b>	<b>2016</b>
			£	£
VAT recoverable			25,835	29,127
Other debtors			818	-
Prepayments and accrued income			20,250	22,088
			46,903	51,215
<b>16 Creditors: amounts falling due within one year</b>			<b>2017</b>	<b>2016</b>
			£	£
Other loans			1,420	1,420
Other taxation and social security			1,879	1,750
Other creditors			146	10,709
Accruals and deferred income			185,401	87,765
			188,846	101,644

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

17 Creditors: amounts falling due after more than one year	2017	2016
	£	£
Other loans	9,224	9,934
	<u>9,224</u>	<u>9,934</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	10,644	11,354
Less: included in current liabilities	(1,420)	(1,420)
	<u>9,224</u>	<u>9,934</u>
Amounts included above	<u>9,224</u>	<u>9,934</u>
<b>Loan maturity</b>		
Debt due in one year or less	1,420	1,420
Due in more than two years but not more than five years	5,680	5,680
Due in more than five years	3,544	4,254
	<u>10,644</u>	<u>11,354</u>
	<u>10,644</u>	<u>11,354</u>
<b>18 Deferred income</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	115,030	54,170
	<u>115,030</u>	<u>54,170</u>
Deferred income at 1 September 2016	54,170	59,243
Released from previous years	(54,170)	(59,243)
Amounts deferred in the year	115,030	54,170
	<u>115,030</u>	<u>54,170</u>
<b>Deferred income at 31 August 2017</b>	<b>115,030</b>	<b>54,170</b>
	<u>115,030</u>	<u>54,170</u>

Deferred income includes Universal Infant Free School Meals funding and regional growth funding received in advance of the 2017/18 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**19 Funds**

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant	152,692	1,032,042	(1,011,739)	(55,717)	117,278
Other DfE / ESFA grants	-	180,353	(180,353)	-	-
Other government grants	-	312,562	(312,562)	-	-
	<u>152,692</u>	<u>1,524,957</u>	<u>(1,504,654)</u>	<u>(55,717)</u>	<u>117,278</u>
Funds excluding pensions	152,692	1,524,957	(1,504,654)	(55,717)	117,278
Pension reserve	(789,000)	-	(71,000)	371,000	(489,000)
	<u>(636,308)</u>	<u>1,524,957</u>	<u>(1,575,654)</u>	<u>315,283</u>	<u>(371,722)</u>
<b>Restricted fixed asset funds</b>					
Transferred on conversion	2,318,695	-	(45,861)	-	2,272,834
DfE / ESFA capital grants	233,879	7,659	(16,498)	-	225,040
Capital expenditure from GAG	189,189	-	(6,233)	55,717	238,673
	<u>2,741,763</u>	<u>7,659</u>	<u>(68,592)</u>	<u>55,717</u>	<u>2,736,547</u>
<b>Total restricted funds</b>	<u>2,105,455</u>	<u>1,532,616</u>	<u>(1,644,246)</u>	<u>371,000</u>	<u>2,364,825</u>
<b>Unrestricted funds</b>					
General funds	96,602	51,928	(25,256)	-	123,274
	<u>96,602</u>	<u>51,928</u>	<u>(25,256)</u>	<u>-</u>	<u>123,274</u>
<b>Total funds</b>	<u>2,202,057</u>	<u>1,584,544</u>	<u>(1,669,502)</u>	<u>371,000</u>	<u>2,488,099</u>



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**19 Funds**

**(Continued)**

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE/ESFA grants include regional growth grant, PE grant, pupil premium and universal infant free school meals funding.

Other government grants includes funding for pupils with special educational needs, outreach and early years grants.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

Capital grants include Devolved Formula Capital grants which has been utilised to fund asset additions.

The inherited fixed asset fund reflects the fixed assets acquired on conversion. Depreciation on these assets is charged against this fund.

Capital expenditure in the year has also been funded by GAG and unrestricted funds. Transfers between these funds are reflected in the gains, losses and transfers column.

Unrestricted funds can be used for any purpose at the discretion of the academy.

The academy's restricted general and unrestricted funds were £240,552 at 31 August 2017.

**JIGSAW LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**19 Funds**

(Continued)

**Movements in funds - previous year**

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant	157,026	1,057,560	(976,991)	(84,903)	152,692
Other DfE / ESFA grants	-	142,836	(142,836)	-	-
Other government grants	-	315,688	(315,688)	-	-
	<u>157,026</u>	<u>1,516,084</u>	<u>(1,435,515)</u>	<u>(84,903)</u>	<u>152,692</u>
Funds excluding pensions	157,026	1,516,084	(1,435,515)	(84,903)	152,692
Pension reserve	(274,000)	-	(4,000)	(511,000)	(789,000)
	<u>(116,974)</u>	<u>1,516,084</u>	<u>(1,439,515)</u>	<u>(595,903)</u>	<u>(636,308)</u>
<b>Restricted fixed asset funds</b>					
Transferred on conversion	2,366,986	-	(48,291)	-	2,318,695
DfE / ESFA capital grants	248,305	7,643	(22,069)	-	233,879
Capital expenditure from GAG	107,086	-	(2,800)	84,903	189,189
	<u>2,722,377</u>	<u>7,643</u>	<u>(73,160)</u>	<u>84,903</u>	<u>2,741,763</u>
<b>Total restricted funds</b>	<u>2,605,403</u>	<u>1,523,727</u>	<u>(1,512,675)</u>	<u>(511,000)</u>	<u>2,105,455</u>
<b>Unrestricted funds</b>					
General funds	82,618	68,277	(54,293)	-	96,602
	<u>82,618</u>	<u>68,277</u>	<u>(54,293)</u>	<u>-</u>	<u>96,602</u>
<b>Total funds</b>	<u>2,688,021</u>	<u>1,592,004</u>	<u>(1,566,968)</u>	<u>(511,000)</u>	<u>2,202,057</u>

**20 Analysis of net assets between funds**

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
<b>Fund balances at 31 August 2017 are represented by:</b>				
Intangible fixed assets	-	-	5,333	5,333
Tangible fixed assets	-	-	2,731,214	2,731,214
Current assets	123,274	315,348	-	438,622
Creditors falling due within one year	9,224	(198,070)	-	(188,846)
Creditors falling due after one year	(9,224)	-	-	(9,224)
Defined benefit pension liability	-	(489,000)	-	(489,000)
	<u>123,274</u>	<u>(371,722)</u>	<u>2,736,547</u>	<u>2,488,099</u>

**JIGSAW LEARNING TRUST  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**20 Analysis of net assets between funds**

(Continued)

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2016
	£	£	£	£
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	2,741,763	2,741,763
Current assets	96,602	264,270	-	360,872
Creditors falling due within one year	9,934	(111,578)	-	(101,644)
Creditors falling due after one year	(9,934)	-	-	(9,934)
Defined benefit pension liability	-	(789,000)	-	(789,000)
	<u>96,602</u>	<u>(636,308)</u>	<u>2,741,763</u>	<u>2,202,057</u>

**21 Pensions and similar obligations**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**21 Pensions and similar obligations**

**(Continued)**

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £86,522 (2016:£84,762).

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

Under the definitions set out in FRS 102, the TPS is a 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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.3% for employers and 5.5 - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

<b>Total contributions made</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Employer's contributions	85,000	69,000
Employees' contributions	20,000	17,000
<b>Total contributions</b>	<b>105,000</b>	<b>86,000</b>

<b>Principal actuarial assumptions</b>	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	3.5	3.4
Rate of increase for pensions in payment	2.0	1.9
Discount rate	2.5	2.0
Inflation assumption (CPI)	2.0	1.9

**JIGSAW LEARNING TRUST  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**21 Pensions and similar obligations**

**(Continued)**

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

	<b>2017</b>	<b>2016</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22.8	23.2
- Females	26.3	24.8
Retiring in 20 years		
- Males	25.0	25.3
- Females	28.6	27.1

Scheme liabilities would have been affected by changes in assumptions as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Discount rate + 0.1%	1,750,000	1,813,000
Discount rate - 0.1%	1,839,000	1,908,000
Mortality assumption + 1 year	1,741,000	1,800,000
Mortality assumption - 1 year	1,847,000	1,921,000
CPI rate + 0.1%	1,819,000	1,884,000
CPI rate - 0.1%	1,769,000	1,836,000

**The academy trust's share of the assets in the scheme**

	<b>2017</b>	<b>2016</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	848,063	710,073
Government bonds	50,037	40,698
Cash	50,037	32,130
Corporate bonds	147,545	123,165
Property	115,470	107,100
Other assets	71,848	57,834
<b>Total market value of assets</b>	<b>1,283,000</b>	<b>1,071,000</b>
Actual return on scheme assets - gain/(loss)	113,000	160,000

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>21</b>	<b>Pensions and similar obligations</b>	<b>(Continued)</b>	
	<b>Amounts recognised in the statement of financial activities</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Current service cost	141,000	64,000
	Interest income	(22,000)	(33,000)
	Interest cost	37,000	42,000
		<hr/>	<hr/>
	Total operating charge	156,000	73,000
		<hr/> <hr/>	<hr/> <hr/>
	<b>Changes in the present value of defined benefit obligations</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Obligations at 1 September 2016	1,860,000	1,114,000
	Current service cost	141,000	64,000
	Interest cost	15,000	42,000
	Employee contributions	20,000	17,000
	Actuarial (gain)/loss	(258,000)	638,000
	Benefits paid	(6,000)	(15,000)
		<hr/>	<hr/>
	At 31 August 2017	1,772,000	1,860,000
		<hr/> <hr/>	<hr/> <hr/>
	<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Assets at 1 September 2016	1,071,000	840,000
	Interest income	-	33,000
	Actuarial gain	113,000	127,000
	Employer contributions	85,000	69,000
	Employee contributions	20,000	17,000
	Benefits paid	(6,000)	(15,000)
		<hr/>	<hr/>
	At 31 August 2017	1,283,000	1,071,000
		<hr/> <hr/>	<hr/> <hr/>

**JIGSAW LEARNING TRUST  
(FORMERLY FULWELL INFANT SCHOOL ACADEMY)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

22 Reconciliation of net income/(expenditure) to net cash flows from operating activities	2017	2016
	£	£
Net (expenditure)/income for the reporting period	(84,958)	25,036
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(7,659)	(7,643)
Investment income receivable	(280)	(452)
Defined benefit pension costs less contributions payable	56,000	(5,000)
Defined benefit pension net finance cost	15,000	9,000
Depreciation of tangible fixed assets	68,421	72,967
Loss on disposal of fixed assets	171	193
(Increase)/decrease in stocks	(368)	544
Decrease/(increase) in debtors	4,312	(9,548)
Increase/(decrease) in creditors	87,202	(92,380)
<b>Net cash provided by operating activities</b>	<b>137,841</b>	<b>(7,283)</b>

**23 Commitments under operating leases**

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017	2016
	£	£
Amounts due within one year	13,120	10,123
Amounts due in two and five years	19,305	23,432
	<u>32,425</u>	<u>33,555</u>

**24 Related party transactions**

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

**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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.