

Company Registration No. 08277622 (England and Wales)

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

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

# JIGSAW LEARNING TRUST

## CONTENTS

---

	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 18
Governance statement	19 - 24
Statement on regularity, propriety and compliance	25
Statement of trustees' responsibilities	26
Independent auditor's report on the accounts	27 - 29
Independent reporting accountant's report on regularity	30 - 31
Statement of financial activities including income and expenditure account	32 - 33
Balance sheet	34 - 35
Statement of cash flows	36
Notes to the accounts including accounting policies	37 - 57

---

# JIGSAW LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Members

A Kingston  
L Culkin  
L Kennedy  
B Middleton

### Trustees

H Hartnack (Resigned 12 November 2020)  
W Angus (Accounting Officer)  
H Akien  
Dr AA Jackson  
K F Hern  
G Batten  
L Lavelle  
K Barrass  
A S Kingston (Chair of Trustees)

### Senior management team

- CEO/Principal Fulwell Infant School  
- Principal Ouston Primary School  
- Finance Director

W Angus  
L Lavelle  
T Hope

### Company registration number

08277622 (England and Wales)

### Registered office

Ebdon Lane  
Fulwell  
Sunderland  
Tyne & Wear  
SR6 8ED

### Academies operated

Fulwell Infant School Academy  
Ouston Primary School

**Location**  
Sunderland  
Chester-Le-Street

### Principal

W Angus  
L Lavelle

### Independent auditor

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
Billingham  
TS22 5TB

### Bankers

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

# JIGSAW LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Solicitors

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

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

---

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a trustee's report and a directors' report under company law.

The trust operates 2 academies one for pupils aged 3 to 7 serving a catchment area in Sunderland North and one for pupils aged 3 to 11 in Chester le Street County Durham. The combined total number of pupils on roll is 628 as at the last census in May 2020.

#### **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. 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.

There are three layers of governance:-

- Members (who control the strategic direction of the Trust and appoint Trustees)
- Trustees (who are responsible for overseeing the day-to-day management and operation of the Trust led by the CEO)
- Local Governing Bodies (who guide, support and monitor the work of the academies in school improvement and education)

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

##### 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

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2020*

---

#### 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 9 Trustees.

Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees including the Chief Executive Officer if they so choose to act a Trustee 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.

Trustees 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

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2020*

---

#### Policies and procedures adopted for the induction and training of trustees

New Trustees and Governors will be given a tour of the Academies and the chance to meet staff and pupils with a view to ensuring the Trustee/Governor has a good understanding of the Academy Trust's philosophy and its day-to-day operation. Trustee and Local Governor Training is taken very seriously by the Trust.

The executive and leadership teams on governance, financial and other educational matters brief trustees and Governors regularly. The Trust's CEO provides a regular educational update on topical matters for Trustees and Governors. Members are encouraged to participate in training programmes and courses arranged by the Academies. Specific training is provided on technical issues to keep Trustees and Governors updated on all relevant developments affecting their role and responsibilities.

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 should focus on three core functions:

- ensuring clarity of vision, ethos and strategic direction
- holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
- overseeing and ensuring effective financial performance

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.

In order to assess the needs of the trust in its capacity to carry out its functions effectively a skills audit was carried out in the spring term. This was presented formally to Directors on 9th July 2020.

The skills audit reflects the high level of competence, support and challenge of trustees. It demonstrates a mixture of skills and expertise across all areas with no noticeable gaps in any area.

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### Organisational structure

The management structure of the Trust consists of the MAT Board membership, Directors and Local Governing Bodies, specific committees and the Senior Leadership Teams in each school.

The Directors fulfil a strategic role: setting general policy, approving an annual Trust plan and budget, monitoring performance against the plan and budget and making decisions about the Trustees of the charitable company, capital expenditure and the Senior Leadership Team appointments across the Trust. The CEO is the Accounting Officer. The board delegates a number of monitoring and evaluation functions to the Local Governing Bodies (LGBs) at each academy. Each Local Governing Body (LGB) reviews annual improvement plans and budgets and recommends these to the board of trustees, monitors academy performance and oversees parent and community relationships.

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 CEO, 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 – meets at least six 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 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: Admissions, Appeals, Performance Management and Complaints.

Governance structure is illustrated below:

Mat Board Members

Directors/Trustees

Finance Committee, Personnel Committee, Standards Committee

Fulwell Infant LGB

Ouston Primary LGB

The Academy has a leadership structure which consists of the Trustees, the CEO, 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.



# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 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).

The pay and remuneration of the Trust CEO and School Senior Leadership Teams is reviewed and agreed by the Trust Pay & Personnel Committee annually linked to performance management targets and appraisal.

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

Trustees 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, Trustees will consider the award of one point. Where the evidence shows exceptional performance, Trustees 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, Trustees 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, the CEO and Academy Principles 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 trustees 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).

#### Trade union facility time

The Trust recognises the right of Trade Unions to represent and protect the interests of their members both individually and collectively and has signed a Trade Union Recognition Agreement. The Trust has 7 members of staff acting as trade union representatives none of which receive paid or unpaid facility time for trade union activities within or outside of the trust.

#### Related parties and other connected charities and organisations

Trustees and Senior Leadership Team members are required to declare any business or related interests that may impact on the academy trust. The adopted policy is that if interests are declared then the relevant party will remove themselves from the decision making process. A register of pecuniary interests is published on the trust's website, and further information is held on file at each relevant academy.

For the period ending 31st August 2020, 8 trustees declared connections to organisations or related party relationships. During the reporting period we informed the Education & Skills Agency that we would be entering into a contract with the Chair of the Trust who would deliver a programme of school improvement within Ouston Primary School in accordance with the requirements on trading with connected parties as set out in the academies financial handbook. The transaction was registered as RP1000890 with the ESFA.

#### **Objectives and activities**

##### Objects and aims

The principal objective and of the charitable company is the operation of Jigsaw Learning Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the academies within the Trust by offering a broad and balanced curriculum.

Ensuring clarity of vision, ethos and strategic direction by holding the principals to account for the educational performance of the school and its' pupils. Overseeing the financial performance of the schools and making sure its money is well spent.

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 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 Academies
- 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 for the Trust.
- To raise the standards of educational achievement of all pupils
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To conduct Trust business in accordance with the highest standards of integrity, probity and openness

As trustees of a charity, academy trustees must comply with the following duties:

Compliance – they must ensure that the charity's resources are used for the charitable purpose and that the charity complies with the law and its governing document i.e. the Articles of Association.

Trustees have reviewed and adopted the following policies relating to Finance and Governance during the period 2019/20.

- Scheme of Delegation
- Academy Financial Handbook
- Anti-fraud Bribery and Corruption
- Investment Policy
- Assets and Disposal Policy
- Confidential reporting (whistleblowing)
- Risk management Policy
- Business Continuity Policy
- Fundraising Policy

#### 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

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### Strategic report

#### Achievements and Performance - Fulwell

The onset of COVID-19 and subsequent lockdown of schools from March 2020 had a major impact on the operation of Fulwell Infant School in 2020. School staff worked diligently throughout, attending school on a rota basis to maintain provision for critical worker children and their families. Throughout this period we had up to 36 children accessing provision on some days each week. We offered reception and year 1 children their school places on a fortnightly rota from 8th June 2020 with 60% of year 1 and 55% of reception returning to school. Systems were established that secured a reduction in the risk from COVID-19 to both staff, children and their families. A one way system, staggered entry and exit times, small group teaching of between 6 and 8 children across school was maintained at this time. Supplementary cleaning, supervised toilet breaks and hand washing together with social distancing were routinely established. Staff used PPE. Regular communication with parents and the use of the school website for risk assessments, letters, children's home learning etc. were praised by parents during this time. Nursery children returned from 22nd June with 40% of this group returning. Year 2 children (82 out of 90 children) came back for the last week of term, with year 1 children concluding their year the week before to enable this to be managed.

The school maintained its strength in teaching for the first two terms and predicted results for both reception and year 2 year groups were well above expectations. Children's workbooks evidenced the standards achieved by March 2020. We continued to support other schools, working intensively with a primary school in South Tyneside and operated as an Inspire Maths advocate school in both terms. We have been appointed again for 2020-2021.

#### 2019-2020 FULWELL INFANT PREDICTED OUTCOMES

It is clear that children's attainment across school continues to be at a high level. This is consistent across year groups with reception and year 2 being particularly strong. Progress continues to be very positive through excellent teaching and high expectations.

The headline figures are:

#### FULWELL RECEPTION PREDICTED Good Level of Development 2020 (GLD)

81 children were on role. 84% were on track to achieve a Good Level of Development with 93% of girls predicted to reach the standard and 74% of boys. The gap in achievement between boys and girls was significant but was accelerated by the higher number of boys with SEND (special needs), including 1 boy with an EHCP education and health care plan).

The children made outstanding progress from an average starting point, to reach the standards evident in March.

#### 2020 PREDICTED EXPECTED LEVEL +

READING	85%	expected +	27% higher standards
WRITING	84%	expected +	20% higher standards
NUMBER	84%	expected +	22% higher standards

#### FULWELL YEAR 1 PHONICS SCREEN PREDICTION 2020

Year 1 are a complex cohort with 2 children with an EHCP and a group of others with additional needs. 90% were predicted to achieve the year 1 phonics pass mark, which was lower than the 98% who achieved the standard in 2019, but still reflects excellent progress from a lower starting point.

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### FULWELL YEAR 2 PREDICTED KEY STAGE 1 OUTCOMES

Year 2 children performed at a high standard throughout key stage 1 and their predicted results were as follows:

READING	91%	expected +	41% greater depth standard
WRITING	86%	expected +	26% greater depth standard
MATHS	93%	expected +	36% greater depth standard

#### SCIENCE

96% predicted to achieve the expected standard

#### FULWELL PRIORITIES FOR DEVELOPMENT 2020-2021

The predicted results above sit comfortably with our current Ofsted judgment and we will continue to support other schools, as a National Support School / Academy Sponsor in developing their practice to achieve similar standards to our own in the coming year.

Our focus will be in recovering the teaching and learning that was sacrificed during COVID-19 between March and July 2020. Despite comprehensive systems for providing children with work and on line learning, the majority of children returning to school had clearly regressed in key areas of learning and a planned recovery programme will be needed. This will be a priority for 2020-2021, supporting children to 'catch up'. After formative/ diagnostic assessments have been completed at the start of the year, additional teaching will target key children in year 1 and year 2. For example, in maths, teaching will begin where the previous teacher had reached before lockdown. Year 2 children will complete term 3 of year 1 curriculum before progressing to year 2 learning.

We will continue to develop the implementation of our curriculum and the threads that weave through it. Committing knowledge to long term memory whilst developing the critical skills that underpin all future learning for our children will steer this priority. (Focus on science and history within this).

We will introduce the Relationships education, relationships and sex education (RSE) and health education and further develop our delivery of emotional support for the children, particularly after the impact of COVID-19.

Reading will continue to be a clear focus for next year and a daily reading recovery programme will supplement reading within the whole curriculum, the use of the library, reading for pleasure as well as the teaching of comprehension skills. The daily teaching of phonics will also feature and lexia will provide a structured catch up programme for children who need interventions to support them to 'catch up'.

In writing, we will further develop spelling, punctuation and grammar embedding these through writing across the curriculum. In maths, we will focus on fluency and reasoning.

1. To plan a recovery programme to enable children to 'catch up' and overcome barriers to learning as a result of time lost during the COVID-19 lockdown.
2. To continue to develop the curriculum to embed key skills and common threads identified within our curriculum intent statement. To maintain high standards in basic skills whilst enriching the learning experiences of our children and embedding learning and committing this to long term memory.
3. To develop Relationships education, relationships and sex education (RSE) and health education in line with the new guidance and to further our support for the emotional well-being of children.
4. To recover standards in reading and in writing through raising further the profile of reading and embedding spelling, punctuation, grammar and accurate handwriting in regular, varied writing tasks.
5. To develop children's mental fluency and rapid recall of number bonds and times tables together with their ability to reason and problem solve through the Daily Maths meeting. In reception classes embed children's ability to count on and count back within computation to 20, securing fluency with teen numbers.

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

### Strategic Reports

#### Achievements and Performance – Ouston Primary School

#### ACHIEVEMENTS

Planning and response to the COVID-19 outbreak was effective and all planned procedures and systems have operated smoothly. Communication with parents has been very effective. 190 pupils in total attended school at some point during the Summer term. This included 2 x half days for Year 2, 3, 4, 5 non-key worker pupils and 1 day a week for Pupil Premium and SEND pupils in these year groups. All 33 of our Year 6 pupils returned full time and just over half of Nursery, Reception and Year 1. A great deal of very positive feedback and support from parents.

School assessments show standards are rising and progress is more consistent across the school (see end of EYFS/KS1/KS2 predictions below). Additional booster support in Year 6 had had a positive impact on Year 6 Maths outcomes.

The development of a strong Senior Leadership Team, following the appointment of a new Deputy Headteacher and new English and Maths leads from September 2019.

The school's provision for pupils' personal development is a strength of the school's work. Provision for Relationships and Sex Education (RSE) is well-established and meets national requirements.

Increased numbers in Nursery

Successful CIF bid at end of Spring Term

End of Key Stage predictions based on achievement at end of Spring Term 2020

<b>RECEPTION</b>	<b>PREDICTION</b>	<b>PREDICTION</b>
% slightly higher without EHCP pupil	<b>Expected</b>	<b>Exceeding</b>
<b>Reading</b>	80	28
<b>Writing</b>	76	28
<b>Number</b>	83	28
<b>SSM</b>	83	31
<b>GLD</b>	GLD: 72% (75% without EHCP pupil.	

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### Year 1 Phonics

83% (91% without 2 EHCP pupils)

<b>YEAR 2</b>	<b>PREDICTION Expected</b>	<b>PREDICTION Greater Depth</b>
Reading	80	30
Writing	77	23
Mathematics	80	26
R/W/M	74	20
Science	82	

<b>YEAR 6</b>	<b>PREDICTION Expected</b>	<b>PREDICTION Greater Depth</b>
Reading	81	37
Writing	81	25
Mathematics	81	31
R/W/M	72	12
Grammar, Punctuation & Spelling	75	30 (Potentially higher)
Science	84	

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### PRIORITIES for 2020-2021

Recovery Curriculum. This includes:

- Year 6 set into 3 Maths groups
- Year 5 set into 2 Maths groups
- Recap/consolidate/teach previous year group key concepts in Maths before moving onto new year group objectives. Teachers will use DfE Maths and White Rose Maths guidance which highlights what should be secure before moving on.
- Daily 30 minute reading sessions across the school
- Daily handwriting/letter and number formation practice
- Additional weekly arithmetic lesson
- Additional weekly English and Maths skills lesson (carousel of activities to include TTRS, Guided Reading, Spelling Frame, Readworks/Lexia, Handwriting Practice)
- One of the weekly English lessons to initially focus on catching up Grammar KPIs from Summer Term.
- Lunchtime and after school Intervention for target groups
- Year 6 teacher covered one afternoon a week to address gaps with individuals/groups
- Consolidate Summer Term Science and ICT blocks before starting new year group topics. Science and ICT now being taught weekly so enough time to cover all topics in 20-21.
- Weekly RSE/PSHE lesson to cover emotional well-being and resilience activities initially

Year 6 levels to be above national averages

Accelerated progress for Pupil Premium pupils

Year 1 and Year 3 teaching to reach a consistently good standard

Strengthen the teaching of Science across school, including a focus on scientific enquiry

Strengthen assessment in Foundation subjects, following the model being used for History and Geography

Achieve Rights Respecting Schools Silver Award and Arts Mark Award

#### 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 9th July at a meeting of the MAT Board and Trust Directors the budget forecast for 2020-2021 was approved for both schools. The Fulwell Infant School budget will be supported 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

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### **Financial review**

##### Financial and Risk Management Objectives and Policies

##### Financial and Risk Management Objectives and Policies

The main sources of income for the Trust 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 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust 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 Trust 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 Trusts accounting policies.

During the year ended 31 August 2020, total expenditure of £3,142,693 (excluding depreciation and LGPS movements) was covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding capital income, depreciation and pension movements) was £136,163.

At 31 August 2020 the net book value of fixed assets was £5,855,351. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

##### 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 Trusts 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 Trusts purposes once it has met its commitments and covered its other planned expenditure.

The Trust held fund balances as at 31 August 2020 of £731,247 comprising of restricted and unrestricted funds.

This comprises of £363,303 of unrestricted funds and restricted general reserves of £367,944 (excluding the impact of the deficit on the LGPS pension scheme).

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

Trustees 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.

Trustees 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 will be used to support future financial stability of the trust moving forward due to funding pressures, increasing staffing costs and pension contributions .



# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### Investment policy

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 2020.

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### 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, 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. Changes to funding arrangements by the ESFA have been assessed; robust strategic financial plans are being developed. Economies are being considered to ensure a future balanced budget and preservation of reasonable reserves.

During meetings, Trustees consider and monitor the potential risks arising from the Trusts operations. They assess the materiality and likelihood of risks occurring and determine the actions that are needed to reduce and mitigate these risks.

Trustees are clear that the principal risks to the Academy are any potential future changes to Government funding, falling pupil numbers and staffing costs through pay awards and pension increases.

Currently the increase in relation to Teachers Pay and Pensions is being funded by the Department For Education this is currently paid separately from the NFF and will continue in 20/21 however it is not known how long this will continue. The deficit attached to the Local Government Pension Scheme (LGPS) has increased. The pension fund is reviewed on a triennial basis by the scheme actuary with the latest valuation results finalised 31st March 2019, proposed changes to take effect from April 2020. This has had an impact across the trust with support staff costs increasing significantly.

This year we found ourselves in uncharted territory given the current unprecedented issues presented by Covid 19. Schools within the Trust closed for the majority of pupils on March 20th only allowing for the pupils of key workers, vulnerable families and pupils with Education, Health and Care Plans to attend. This presented a significant challenge and the rule book had to be re written on a daily basis in order to ensure the wellbeing of all staff and pupils and continued operation of the Trust. We continued to follow DFE, Government and Public Health England advice measures were put in place and a comprehensive risk assessment was written to support the wider opening of the academy. Communication has been a key factor and Trustees have been kept up to date and meetings have gone ahead as planned through an online platform.

There is no assurance that government policy and practice will remain the same or that public funding will continue at the same levels or on the same terms. The trend at the moment is a reduction in funding these reductions are accompanied by increased financial pressures. Trustees monitor financial performance carefully and where possible steps are taken to ensure if necessary costs can be scaled back or varied accordingly.

The ongoing viability and continued success of the trust is dependent on attracting pupils by maintaining educational standards and maintaining a good reputation within the wider community. Trustee's staff and all other stakeholders are expected to show the highest standards of governance and probity in all aspects of their dealings with school and particularly with regard to the maintenance of the highest educational standards.

# **JIGSAW LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

---

### **Fundraising**

Fundraising is seen by Jigsaw Learning Trust as a legitimate means of improving the school's ability to purchase goods, equipment or services, which are not available within capital or revenue budgets. For the public donating cash or equipment, or actively raising funds is seen as a positive way of supporting the schools.

The Board of Trustees is responsible for ensuring that:

- Correct procedures are in place and followed for fundraising activities,
- Expenditure is properly validated,
- All funds raised are properly accounted for and audited,
- The money is expended in accordance with the objectives agreed with the fund raisers.

Fundraising activities will be recognised so long as they are generally within the strategic direction of the Trust's plans and ethos. Fundraising by staff must be approved in advance, fundraising by external bodies will be recognised, although such bodies will be encouraged to advise the Trust of their intentions and be guided by the Trust.

### **Plans for future periods**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. A key strength of the Trust is the range of expertise and talent available within the workforce and this will continue to be deployed in a collaborative manner to provide challenge and support.

The Trust will continue to work in partnership with other schools developing and improving educational opportunities for all children as part of local and national forums and as part of the CEO' role as a National Leader in Education and as an advocate for the Inspire Maths programme.

Further improvement of the Trusts estate ensuring compliance with requirements around Health and Safety and welfare of pupils and other users of Trust buildings. Ouston Primary has been successful in securing additional CIF Funding in order to replace boilers and install a new heating system, work to start work with immediate effect. We will continue to promote the Early Years Provision across the trust and further develop before and after school provision.

The Trust will be proactive with changes in the education landscape and respond accordingly to ensure all pupils continue to be offered the best opportunities they can be.

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 ESFA.

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.

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

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

# JIGSAW LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### **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 communication to the auditor.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2020 and signed on its behalf by:



H Akien  
Trustee

# JIGSAW LEARNING TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

### 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 CEO, as Accounting Officer, for ensuring financial controls conform to 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 9 times during the year. Attendances during the year at meetings of the Board of Trustees were as follows:

Trustees	Meetings attended	Out of possible
H Hartnack (Resigned 12 November 2020)	2	9
W Angus (Accounting Officer)	8	9
H Akien	7	9
Dr A A Jackson	4	9
K F Hem	6	9
G Batten	3	9
L Lavelle	5	9
K Barrass	4	9
A S Kingston (Chair of Trustees)	3	9

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 Principle, 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.

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

Governance Reviews:

An in depth review of governance was carried out at the time the academy applied to become a Multi Academy Trust and Academy Sponsor, thus ensuring a balance of diversity, knowledge, skills and experience providing strategic leadership and accountability, covering three core functions

- Ensuring clarity of vision, ethos and strategic direction;
- Holding senior leaders to account for the educational performance of the school and its pupils;
- Overseeing the financial performance of the school and making sure its money is well spent

In order to continue to deliver these functions effectively a skills audit will be carried out on an annual basis.

# JIGSAW LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

The Directors Finance & Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Review detailed budget and management accounts (including variance analysis).
- Review the effectiveness of the School's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
- 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 Directors Finance Committee were as follows :

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
H Hartnack (Resigned 12 November 2020)	1	3
W Angus (Accounting Officer)	3	3
H Akien	3	3
Dr A A Jackson	2	3
K F Hern	2	3
G Batten	2	3
T Hope Finance Director	3	3

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

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Kingston	0	1
W Angus (Accounting Officer)	1	1
T Hope Finance Director	0	1
H Akien	1	1
L Lavelle	1	1
K Hern	1	1
Dr A Jackson	1	1
H Hartnack		

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

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
H Hartnack	0	2
W Angus (Accounting Officer)	2	2
T Hope Finance Director	2	2
H Akien	2	2
K Hern	2	2
Dr A Jackson	2	2

# JIGSAW LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

Attendance during the year at the meetings of the Trust Members were as follows :

Trustees	Meetings attended	Out of possible
A Kingston	2	3
B Middleton	3	3
L Kennedy	0	3
L Culkin	2	3

### Review of value for money

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.

The Trust recognises the need to continually develop and improve its processes around securing the most competitive process to maximise the quality of outputs and benefit from economies of scale.

All expiring contracts will be 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.

During the coronavirus pandemic (March-August 2020), it was necessary to source supplies that were available which restricted our ability to source competitive quotes in some cases.

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.

Examples of how value for money is being achieved are detailed below.

- Increased awareness across the trust of achieving Best Value and economies of scale, using government procured contracts where possible.

### 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.

### 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 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

# **JIGSAW LEARNING TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

---

### **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 Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties;
- Identification and management of risks.

### **Introduction and Objectives**

In accordance with the agreement between Jigsaw Learning Trust and JGT Internal Audit the The Trust to the delivery of audit work through a series of themed termly visits.

Such visits have taken place during the Autumn and Summer Terms. The visit due to take place during the Spring Term had to be postponed however due to the lockdown arrangements implemented by the Trust in response to the Covid-19 pandemic. This work was carried forward and included within the scope of the Summer Term's programme, which was successfully completed during May 2020. Trust agreed to the delivery of audit work through a series of themed termly visits.

The audit programme covered the following areas:

- Governance arrangements;
- Financial Planning;
- Budgetary control;
- Controls over income and expenditure transactions.



# **JIGSAW LEARNING TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

---

### **Summary of Findings**

Findings resulting from the audits carried out during 2019-20 are positive and would indicate that appropriate controls are in place to effectively manage risk. These are summarised below

Governance arrangements are effective. The Trust has a clearly defined and operational board and committee structure. Meetings of the Trust Board and Committees are held regularly and are appropriately minuted. Minutes are detailed, reflecting the discussions and documenting decisions. Regular status reports, at Trust and Academy level, are also presented for consideration. In addition, related party transactions are managed appropriately and registers of personal interest declarations are also maintained. Copies of the required governance documentation are also available on the Trust's/Academies' websites.

Financial planning is effective. Development/Improvement Plans are in place for both Academies in the Trust setting out key priorities, referencing any financial implications and the supporting budget area. The planning and budgeting cycles align and a rolling three-year forecast is maintained in line with ESFA requirements. Assumptions on the future budget position appear reasonable and are supported by appropriate evidence.

Budgetary control is effective. The current budget was approved by Trustees on 11.7.19 and at the time of the audit fieldwork, a balanced outturn was anticipated. Budget monitoring arrangements are well developed and regular, timely reports on the budget position are presented to Trustees.

Control over income and expenditure transactions is effective. The results of transaction testing provide satisfactory assurance that cash income is being collected when due, consolidated, recorded and banked promptly and in its entirety. The Trust's payroll is subject to regular checking to ensure that payments to staff are accurate and in line with contractual terms. Procedures for the purchase of goods and services are also well controlled. Supplier payments examined were adequately supported by evidence of prior authorisation and delivery.

### **Conclusion / Opinion Statement**

The findings of the audits carried out during 2019-20 provide substantial assurance that the governance and financial management arrangements adopted by the Jigsaw Learning Trust are in accordance with the requirements of the Academies' Financial Handbook and operate effectively in practice to safeguard public funds and those officers involved in their administration.

The controls evaluated are well designed, appropriate in scope and applied consistently and effectively. No issues were identified which would prevent the Trust meeting its key objectives and no action points were considered necessary.

### **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.

# JIGSAW LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

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 17 December 2020 and signed on its behalf by:



W Angus  
Accounting Officer



H Akien  
Trustee

# **JIGSAW LEARNING TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020**

---

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 terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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 2019.

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**

17 December 2020

# JIGSAW LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2020

---

The trustees (who 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 Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare 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 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 members of the board of trustees on 17 December 2020 and signed on its behalf by:



H Akien  
Trustee

# JIGSAW LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING TRUST

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### **Opinion**

We have audited the accounts of Jigsaw Learning Trust for the year ended 31 August 2020 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 2019 and the Academies Accounts Direction 2019 to 2020 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 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

### **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 trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. 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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING TRUST (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

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

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

- the information given in the trustees' report 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 has 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.

### **Auditor's responsibilities for the audit of the accounts**

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.

# JIGSAW LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JIGSAW LEARNING TRUST (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

### Use of our report

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

*Azets Audit Services*

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

*11 January 2021*

.....  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
Billingham  
TS22 5TB

# JIGSAW LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

---

In accordance with the terms of our engagement letter dated 17 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, 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 2019 to 31 August 2020 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 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 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

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JIGSAW LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Azets Audit Services*

**Reporting Accountant**

Azets Audit Services

Dated: ..... 11 January 2021

# JIGSAW LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	3,691	-	689,700	693,391	554,204
Charitable activities:						
- Funding for educational operations	4	36,914	2,836,657	-	2,873,571	2,748,486
Other trading activities	5	77,755	-	-	77,755	120,889
Investments	6	358	-	-	358	403
<b>Total</b>		<b>118,718</b>	<b>2,836,657</b>	<b>689,700</b>	<b>3,645,075</b>	<b>3,423,982</b>
<b>Expenditure on:</b>						
Raising funds	7	3,633	-	-	3,633	23,066
Charitable activities:						
- Educational operations	9	102,110	3,201,950	154,694	3,458,754	3,317,208
<b>Total</b>	<b>7</b>	<b>105,743</b>	<b>3,201,950</b>	<b>154,694</b>	<b>3,462,387</b>	<b>3,340,274</b>
<b>Net income/(expenditure)</b>		<b>12,975</b>	<b>(365,293)</b>	<b>535,006</b>	<b>182,688</b>	<b>83,708</b>
Transfers between funds	20	-	323,481	(323,481)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	22	-	(228,000)	-	(228,000)	(447,000)
<b>Net movement in funds</b>		<b>12,975</b>	<b>(269,812)</b>	<b>211,525</b>	<b>(45,312)</b>	<b>(363,292)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		350,328	(1,347,244)	5,911,653	4,914,737	5,278,029
Total funds carried forward		363,303	(1,617,056)	6,123,178	4,869,425	4,914,737

# JIGSAW LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2019 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	7,160	-	547,044	554,204
Charitable activities:					
- Funding for educational operations	4	48,038	2,700,448	-	2,748,486
Other trading activities	5	120,889	-	-	120,889
Investments	6	403	-	-	403
<b>Total</b>		<u>176,490</u>	<u>2,700,448</u>	<u>547,044</u>	<u>3,423,982</u>
<b>Expenditure on:</b>					
Raising funds	7	23,066	-	-	23,066
Charitable activities:					
- Educational operations	9	121,063	3,036,004	160,141	3,317,208
<b>Total</b>	7	<u>144,129</u>	<u>3,036,004</u>	<u>160,141</u>	<u>3,340,274</u>
<b>Net income/(expenditure)</b>		32,361	(335,556)	386,903	83,708
Transfers between funds	20	-	184,468	(184,468)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	22	-	(447,000)	-	(447,000)
<b>Net movement in funds</b>		32,361	(598,088)	202,435	(363,292)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>317,967</u>	<u>(749,156)</u>	<u>5,709,218</u>	<u>5,278,029</u>
Total funds carried forward		<u>350,328</u>	<u>(1,347,244)</u>	<u>5,911,653</u>	<u>4,914,737</u>

# JIGSAW LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	13		3,064		4,861
Tangible assets	14		5,852,287		5,638,286
			<u>5,855,351</u>		<u>5,643,147</u>
<b>Current assets</b>					
Stocks	15	6,000		6,919	
Debtors	16	631,883		298,468	
Cash at bank and in hand		742,382		725,029	
		<u>1,380,265</u>		<u>1,030,416</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(359,779)		(141,782)	
<b>Net current assets</b>			<u>1,020,486</u>		<u>888,634</u>
<b>Total assets less current liabilities</b>			<u>6,875,837</u>		<u>6,531,781</u>
Creditors: amounts falling due after more than one year	18		(21,412)		(25,044)
<b>Net assets before defined benefit pension scheme liability</b>			<u>6,854,425</u>		<u>6,506,737</u>
Defined benefit pension scheme liability	22		(1,985,000)		(1,592,000)
<b>Total net assets</b>			<u>4,869,425</u>		<u>4,914,737</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	20				
- Fixed asset funds			6,123,178		5,911,653
- Restricted income funds			367,944		244,756
- Pension reserve			(1,985,000)		(1,592,000)
<b>Total restricted funds</b>			<u>4,506,122</u>		<u>4,564,409</u>
<b>Unrestricted income funds</b>	20		<u>363,303</u>		<u>350,328</u>
<b>Total funds</b>			<u>4,869,425</u>		<u>4,914,737</u>

# JIGSAW LEARNING TRUST

## BALANCE SHEET (CONTINUED)

**AS AT 31 AUGUST 2020**

---

The accounts on pages 32 to 57 were approved by the trustees and authorised for issue on 17 December 2020 and are signed on their behalf by:



H Akien  
Trustee

Company Number 08277622

# JIGSAW LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

---

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	23		(304,387)		(381,180)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		358		403	
Capital grants from DfE Group		689,700		547,044	
Purchase of intangible fixed assets		(580)		(3,670)	
Purchase of tangible fixed assets		(366,319)		(96,138)	
<b>Net cash provided by investing activities</b>			323,159		447,639
<b>Cash flows from financing activities</b>					
Repayment of other loan		(1,419)		17,240	
<b>Net cash (used in)/provided by financing activities</b>			(1,419)		17,240
<b>Net increase in cash and cash equivalents in the reporting period</b>			17,353		83,699
Cash and cash equivalents at beginning of the year			725,029		641,330
<b>Cash and cash equivalents at end of the year</b>			<u>742,382</u>		<u>725,029</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, 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

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### 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 accounts 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.

### 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



# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### 1 Accounting policies

(Continued)

#### 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 & buildings	50 years
Leasehold improvements	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. Land and buildings are valued on a depreciated replacement cost basis derived from ESFA and local authority valuations.

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 Leased assets

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

#### 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.

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### 1 Accounting policies (Continued)

#### 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 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### 1 Accounting policies (Continued)

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 22, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### McCloud

In 2015 the government introduced reforms to public sector pensions resulting in most public sector workers being transferred to a new scheme. In December 2018, the Court of Appeal ruled that the 'transitional protections' offered to some members of the judges and firefighter schemes as part of the reforms amounted to unlawful discrimination. Following developments in employment tribunals and other public service schemes, and subsequently the consultation on the proposed remedy for the LGPS on 16 July 2020, actuaries have assumed a remedy that an underpin would apply to all those in the scheme on 1 April 2012, will not apply on withdrawal and will apply to spouse's pensions. These assumptions have been reflected in the valuation, with the overall impact dependent on the profile of each employer.

#### GMP

This case related to the equalisation for men and women of guaranteed minimum pension (GMP) for those who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled that equalisation of GMP was required. Allowance has been made in the valuation for members whose state pension age is on or after 6 April 2016.

Assets on conversion have been estimated based on information from the local authority and the predecessor schools.

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	689,700	689,700	547,044
Other donations	3,691	-	3,691	7,160
	<u>3,691</u>	<u>689,700</u>	<u>693,391</u>	<u>554,204</u>

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,975,989	1,975,989	2,000,746
Other DfE group grants	-	371,160	371,160	289,161
	<u>-</u>	<u>2,347,149</u>	<u>2,347,149</u>	<u>2,289,907</u>
<b>Other government grants</b>				
Local authority grants	-	489,508	489,508	410,541
	<u>-</u>	<u>489,508</u>	<u>489,508</u>	<u>410,541</u>
<b>Other funding</b>				
Catering income	31,970	-	31,970	39,937
Other incoming resources	4,944	-	4,944	8,101
	<u>36,914</u>	<u>-</u>	<u>36,914</u>	<u>48,038</u>
<b>Total funding</b>	<u>36,914</u>	<u>2,836,657</u>	<u>2,873,571</u>	<u>2,748,486</u>

Other DfE group grants includes the following:

	2020 £	2019 £
Pupil Premium	72,272	82,163
Universal Free School Meals	137,437	142,681
PE Sports Grant	36,100	37,919
Teachers Pay Grant	116,251	19,758
Other DfE grants	9,100	6,640
	<u>371,160</u>	<u>289,161</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	1,240	-	1,240	5,625
Catering income	757	-	757	875
Educational visits	11,675	-	11,675	22,403
Uniforms	3,664	-	3,664	4,477
Other income	60,419	-	60,419	87,509
	<u>77,755</u>	<u>-</u>	<u>77,755</u>	<u>120,889</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	358	-	358	403
	<u>358</u>	<u>-</u>	<u>358</u>	<u>403</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2020 £	Total 2019 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	3,633	3,633	23,066
Academy's educational operations					
- Direct costs	1,812,108	-	98,275	1,910,383	1,856,030
- Allocated support costs	639,815	578,533	330,023	1,548,371	1,461,178
	<u>2,451,923</u>	<u>578,533</u>	<u>431,931</u>	<u>3,462,387</u>	<u>3,340,274</u>

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

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	6,700	6,450
- Other services	4,100	4,000
Operating lease rentals	13,936	14,846
Depreciation of tangible fixed assets	152,317	155,768
Amortisation of intangible fixed assets	2,377	4,373
Net interest on defined benefit pension liability	27,000	24,000
	<u>207,330</u>	<u>207,437</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Central services

The academy trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- school improvement and leadership

Fulwell Infant School has supported Ouston Primary School in these areas during the year, with no charge made between the two schools.

### 9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Direct costs</b>				
Educational operations	77,039	1,833,344	1,910,383	1,856,030
<b>Support costs</b>				
Educational operations	25,071	1,523,300	1,548,371	1,461,178
	<u>102,110</u>	<u>3,356,644</u>	<u>3,458,754</u>	<u>3,317,208</u>
			<b>2020</b> £	<b>2019</b> £
<b>Analysis of support costs</b>				
Support staff costs			639,815	564,791
Depreciation and amortisation			154,694	160,141
Technology costs			50,419	14,078
Premises costs			423,839	393,253
Legal costs			7,924	4,273
Other support costs			249,337	304,483
Governance costs			22,343	20,159
			<u>1,548,371</u>	<u>1,461,178</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	1,733,841	1,624,523
Social security costs	148,589	140,713
Pension costs	516,174	466,372
Staff costs - employees	2,398,604	2,231,608
Agency staff costs	42,919	65,891
Staff restructuring costs	10,400	16,887
	2,451,923	2,314,386
Staff development and other staff costs	8,584	11,873
Total staff expenditure	2,460,507	2,326,259

Staff restructuring costs comprise:

Redundancy payments	10,400	16,887
---------------------	--------	--------

#### Staff numbers

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

	2020 Number	2019 Number
Teachers	51	47
Administration and support	35	36
Management	7	7
	93	90

#### Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 10 Staff

(Continued)

#### 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 and employer national insurance) received by key management personnel for their services to the academy trust was £277,720 (2019: £251,938).

### 11 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:

#### W Angus (Headteacher and trustee):

Remuneration	£85,001 - £90,000 (2019: £80,001 - £85,000)
Employer's pension contributions	£10,001 - £15,000 (2019: £10,001 - £15,000)

#### L Lavelle (Headteacher and trustee):

Remuneration	£65,001 - £70,000 (2019: £35,001 - £40,000)
Employer's pension contributions	£10,001 - £15,000 (2019: £5,001 - £10,000)

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

### 12 Insurance for trustees and officers

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.



# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 13 Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1 September 2019	13,170
Additions	580
At 31 August 2020	<u>13,750</u>
<b>Amortisation</b>	
At 1 September 2019	8,309
Charge for year	2,377
At 31 August 2020	<u>10,686</u>
<b>Carrying amount</b>	
At 31 August 2020	<u>3,064</u>
At 31 August 2019	<u>4,861</u>

### 14 Tangible fixed assets

	Land & buildings £	Leasehold improvements £	Computer equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>					
At 1 September 2019	4,992,991	957,108	104,063	178,694	6,232,856
Additions	-	350,932	8,333	7,054	366,319
At 31 August 2020	<u>4,992,991</u>	<u>1,308,040</u>	<u>112,396</u>	<u>185,748</u>	<u>6,599,175</u>
<b>Depreciation</b>					
At 1 September 2019	293,926	128,485	79,371	92,788	594,570
Charge for the year	99,860	13,111	12,745	26,602	152,318
At 31 August 2020	<u>393,786</u>	<u>141,596</u>	<u>92,116</u>	<u>119,390</u>	<u>746,888</u>
<b>Net book value</b>					
At 31 August 2020	<u>4,599,205</u>	<u>1,166,444</u>	<u>20,280</u>	<u>66,358</u>	<u>5,852,287</u>
At 31 August 2019	<u>4,699,065</u>	<u>828,623</u>	<u>24,692</u>	<u>85,906</u>	<u>5,638,286</u>

### 15 Stocks

	2020 £	2019 £
Materials	<u>6,000</u>	<u>6,919</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

<b>16 Debtors</b>	<b>2020</b>	<b>2019</b>
	£	£
VAT recoverable	39,907	52,141
Prepayments and accrued income	591,976	246,327
	<u>631,883</u>	<u>298,468</u>
<b>17 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	£	£
Other loans	3,633	1,420
Accruals and deferred income	356,146	140,362
	<u>359,779</u>	<u>141,782</u>
<b>18 Creditors: amounts falling due after more than one year</b>	<b>2020</b>	<b>2019</b>
	£	£
Other loans	21,412	25,044
	<u>21,412</u>	<u>25,044</u>
<b>Analysis of loans</b>	<b>2020</b>	<b>2019</b>
	£	£
Wholly repayable within five years	25,045	26,464
Less: included in current liabilities	(3,633)	(1,420)
Amounts included above	<u>21,412</u>	<u>25,044</u>
<b>Loan maturity</b>		
Debt due in one year or less	3,633	1,420
Due in more than two years but not more than five years	21,412	25,044
	<u>25,045</u>	<u>26,464</u>
Included in other loans is a Salix interest free loan, repayable by September 2023.		
<b>19 Deferred income</b>	<b>2020</b>	<b>2019</b>
	£	£
Deferred income is included within:		
Creditors due within one year	<u>96,097</u>	<u>93,448</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Deferred income	(Continued)	
Deferred income at 1 September 2019	93,448	91,096
Released from previous years	(93,448)	(91,096)
Resources deferred in the year	96,097	93,448
<b>Deferred income at 31 August 2020</b>	<b>96,097</b>	<b>93,448</b>

Deferred income includes Universal Infant Free School Meals funding, breakfast club income and rates relief received in advance of the 2020/21 academic year.

20 Funds	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	244,756	1,975,989	(2,176,282)	323,481	367,944
Other DfE / ESFA grants	-	371,160	(371,160)	-	-
Other government grants	-	489,508	(489,508)	-	-
Pension reserve	(1,592,000)	-	(165,000)	(228,000)	(1,985,000)
	<u>(1,347,244)</u>	<u>2,836,657</u>	<u>(3,201,950)</u>	<u>95,481</u>	<u>(1,617,056)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	5,058,063	-	(114,156)	-	4,943,907
DfE group capital grants	502,673	689,700	(25,748)	(337,040)	829,585
Capital expenditure from GAG	350,917	-	(14,790)	13,559	349,686
	<u>5,911,653</u>	<u>689,700</u>	<u>(154,694)</u>	<u>(323,481)</u>	<u>6,123,178</u>
<b>Total restricted funds</b>	<u>4,564,409</u>	<u>3,526,357</u>	<u>(3,356,644)</u>	<u>(228,000)</u>	<u>4,506,122</u>
<b>Unrestricted funds</b>					
General funds	350,328	118,718	(105,743)	-	363,303
<b>Total funds</b>	<u>4,914,737</u>	<u>3,645,075</u>	<u>(3,462,387)</u>	<u>(228,000)</u>	<u>4,869,425</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2

### 20 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 2020.

Other DfE/ESFA grants include PE grant, pupil premium and universal infant free school meals funding and other grants received from DfE/ESFA.

Other government grants includes funding for pupils with special educational needs 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 of £14,775 in addition to £2,542 brought forward. £12,646 of this was utilised on asset additions, with £4,671 carried forward. CIF capital grants of £715,628 were receivable in the year, with £265,966 brought forward from the prior year. £311,955 of this has been utilised on building repairs which have been expensed, and this is represented by a funds transfer. A balance of £306,860 has been carried forward and will be utilised in 2020/21.

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 £731,247 at 31 August 2020.

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	195,844	2,000,746	(2,136,302)	184,468	244,756
Other DfE / ESFA grants	9,000	289,161	(298,161)	-	-
Other government grants	-	410,541	(410,541)	-	-
Pension reserve	(954,000)	-	(191,000)	(447,000)	(1,592,000)
	<u>(749,156)</u>	<u>2,700,448</u>	<u>(3,036,004)</u>	<u>(262,532)</u>	<u>(1,347,244)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	5,181,666	-	(123,603)	-	5,058,063
DfE group capital grants	223,113	547,044	(26,672)	(240,812)	502,673
Capital expenditure from GAG	304,439	-	(9,866)	56,344	350,917
	<u>5,709,218</u>	<u>547,044</u>	<u>(160,141)</u>	<u>(184,468)</u>	<u>5,911,653</u>
<b>Total restricted funds</b>	<u>4,960,062</u>	<u>3,247,492</u>	<u>(3,196,145)</u>	<u>(447,000)</u>	<u>4,564,409</u>
<b>Unrestricted funds</b>					
General funds	<u>317,967</u>	<u>176,490</u>	<u>(144,129)</u>	<u>-</u>	<u>350,328</u>
<b>Total funds</b>	<u>5,278,029</u>	<u>3,423,982</u>	<u>(3,340,274)</u>	<u>(447,000)</u>	<u>4,914,737</u>

#### Total funds analysis by academy

	2020 £	2019 £
Fund balances at 31 August 2020 were allocated as follows:		
Fulwell Infant School Academy	520,276	410,149
Ouston Primary School	210,971	184,935
Total before fixed assets fund and pension reserve	<u>731,247</u>	<u>595,084</u>
Restricted fixed asset fund	6,123,178	5,911,653
Pension reserve	(1,985,000)	(1,592,000)
Total funds	<u>4,869,425</u>	<u>4,914,737</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Funds (Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Fulwell Infant School Academy	1,012,930	303,593	38,616	245,254	1,600,393	1,579,153
Ouston Primary School	799,178	198,222	39,398	505,502	1,542,300	1,409,980
	<u>1,812,108</u>	<u>501,815</u>	<u>78,014</u>	<u>750,756</u>	<u>3,142,693</u>	<u>2,989,133</u>

### 21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2020 are represented by:</b>				
Intangible fixed assets	-	-	3,064	3,064
Tangible fixed assets	-	-	5,852,287	5,852,287
Current assets	363,901	723,492	292,872	1,380,265
Creditors falling due within one year	(598)	(355,548)	(3,633)	(359,779)
Creditors falling due after one year	-	-	(21,412)	(21,412)
Defined benefit pension liability	-	(1,985,000)	-	(1,985,000)
<b>Total net assets</b>	<u>363,303</u>	<u>(1,617,056)</u>	<u>6,123,178</u>	<u>4,869,425</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Intangible fixed assets	-	-	4,861	4,861
Tangible fixed assets	-	-	5,638,286	5,638,286
Current assets	351,442	410,468	268,506	1,030,416
Creditors falling due within one year	(1,114)	(140,668)	-	(141,782)
Creditors falling due after one year	-	(25,044)	-	(25,044)
Defined benefit pension liability	-	(1,592,000)	-	(1,592,000)
<b>Total net assets</b>	<u>350,328</u>	<u>(1,347,244)</u>	<u>5,911,653</u>	<u>4,914,737</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 22 Pension and similar obligations

The academy trust's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Schemes (LGPS) for non-teaching staff, which is managed by South Tyneside and County Durham Councils. 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 2016, and that of the LGPS related to the period ended 31 March 2019.

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

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £209,780 (2019: £141,069).

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

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 22 Pension and similar obligations

(Continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension 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% and 21.7% 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.

Total contributions made	2020 £	2019 £
Employer's contributions	172,000	155,000
Employees' contributions	43,000	39,000
Total contributions	215,000	194,000

Principal actuarial assumptions	2020 Fulwell %	2020 Ouston %	2019 %
Rate of increase in salaries	3.8	3.3	3.6
Rate of increase for pensions in payment/inflation	2.3	2.3	2.1
Discount rate for scheme liabilities	1.7	1.7	1.8
Inflation assumption (CPI)	2.3	2.3	2.1

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

	2020 Years Fulwell	2020 Years Ouston	2019 Years
Retiring today			
- Males	21.8	22.2	22.3
- Females	25.0	24.2	23.8
Retiring in 20 years			
- Males	23.5	23.2	24.0
- Females	26.8	25.7	25.7



# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 22 Pension and similar obligations

(Continued)

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

	2020	2019
	£	£
Discount rate + 0.1%	4,175,000	3,755,000
Discount rate - 0.1%	4,377,000	3,929,000
Mortality assumption + 1 year	4,122,000	3,713,000
Mortality assumption - 1 year	4,432,000	3,970,000
CPI rate + 0.1%	4,353,000	3,891,000
CPI rate - 0.1%	4,200,000	3,792,000

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

	2020	2019
	Fair value	Fair value
	£	£
Equities	1,211,021	1,396,719
Government bonds	151,687	196,518
Cash	57,132	55,488
Corporate bonds	489,424	262,161
Property	201,987	192,879
Other assets	186,749	152,235
Total market value of assets	2,298,000	2,256,000

The actual return on scheme assets was £(104,000) (2019: £152,000).

#### Amount recognised in the Statement of Financial Activities

	2020	2019
	£	£
Current service cost	310,000	222,000
Past service cost	-	100,000
Interest income	(44,000)	(57,000)
Interest cost	71,000	81,000
Total operating charge	337,000	346,000

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2020	2019
	£	£
At 1 September 2019	3,848,000	2,876,000
Current service cost	310,000	222,000
Interest cost	71,000	81,000
Employee contributions	43,000	39,000
Actuarial loss	80,000	542,000
Benefits paid	(69,000)	(12,000)
Past service cost	-	100,000
At 31 August 2020	<u>4,283,000</u>	<u>3,848,000</u>
Changes in the fair value of the academy trust's share of scheme assets	2020	2019
	£	£
At 1 September 2019	2,256,000	1,922,000
Interest income	44,000	57,000
Actuarial loss/(gain)	(148,000)	95,000
Employer contributions	172,000	155,000
Employee contributions	43,000	39,000
Benefits paid	(69,000)	(12,000)
At 31 August 2020	<u>2,298,000</u>	<u>2,256,000</u>
23 Reconciliation of net income to net cash flow from operating activities	2020	2019
	£	£
Net income for the reporting period (as per the statement of financial activities)	182,689	83,708
Adjusted for:		
Capital grants from DfE and other capital income	(689,700)	(547,044)
Investment income receivable	(358)	(403)
Defined benefit pension costs less contributions payable	138,000	167,000
Defined benefit pension scheme finance cost	27,000	24,000
Depreciation of tangible fixed assets	152,317	155,768
Amortisation of intangible fixed assets	2,377	4,373
Decrease in stocks	919	1,485
(Increase) in debtors	(333,415)	(231,072)
Increase/(decrease) in creditors	215,784	(38,995)
<b>Net cash used in operating activities</b>	<u>(304,387)</u>	<u>(381,180)</u>

# JIGSAW LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 24 Analysis of changes in net funds

	1 September 2019	Cash flows	31 August 2020
	£	£	£
Cash	725,029	17,353	742,382
Loans falling due within one year	(1,420)	(2,213)	(3,633)
Loans falling due after more than one year	(25,044)	3,632	(21,412)
	<u>698,565</u>	<u>18,772</u>	<u>717,337</u>

### 25 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	£	£
Amounts due within one year	12,763	13,686
Amounts due in two and five years	16,623	15,380
	<u>29,386</u>	<u>29,066</u>

### 26 Capital commitments

	2020	2019
	£	£
Expenditure contracted for but not provided in the accounts	<u>306,860</u>	<u>-</u>

### 27 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.

Mr Kingston (Chair of Trust) provided education services in the year totalling £900. No balances were outstanding at the end of the year. These services have been provided in accordance with the requirements of the Academies Financial Handbook 2019.

### 28 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.