

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 2021

JIGSAW LEARNING TRUST

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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 (Trustee)
Dr A A Jackson
K F Hern
G Batten
L Lavelle
K Barrass
A S Kingston (Chair of Trustees)
D Green (Appointed 17 December 2020)

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
United Kingdom

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
United Kingdom

Bankers

Lloyds Bank plc
5th Floor
102 Grey Street
Newcastle Upon Tyne
Tyne And Wear
NE1 6AG
United Kingdom

JIGSAW LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

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

JIGSAW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. 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 2021.

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 2021

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 2021

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 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.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies

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

Under normal circumstances 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.

During the year the trust appointed and filled vacancies on both the Members, Director's and Local Governing Body.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021

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 2021, 9 trustees declared connections to organisations or related party relationships.

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 2021

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, HR and Governance during the period 2020-2021.

- 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
- Pay Policy
- Leave of Absence
- Attendance Management
- Capability Teachers / Non-teaching
- Appraisal
- Disciplinary
- Grievance
- Managing Allegations

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 2021

Strategic report

Firstly, the pandemic has created significant challenges; it must be acknowledged that leadership within both academies of the trust have responded swiftly, safely and decisively. The level of communication across the academy trust and with parents has been well documented and has been commended.

Although the year has seen many pressures within the education sector, we have had the comfort of the guarantee of the continued receipt of government funding to support our schools. We have seen a slight reduction in income from the reduction of wrap around care, nursery provision and lettings but not to the extent of some of our commercial partners in the private sector. During these difficult times we have tried to ensure trust suppliers are paid as soon as possible and committed to support businesses by continuing with supply and service level agreements.

To summarise, school operation throughout lockdown is as follows:

- 8th March 2021 both schools re-opened fully following the 3rd lockdown.
- Both schools remained open to deliver education to children of key workers and remote learning for children at home from 5th January until 8th March 2021. At Fulwell, 50% of children attended school throughout whilst at Ouston, this averaged 35%.
- Both schools prepared packs of work for all children and delivered education remotely through their own learning platform in line with their remote education policies.
- Through the DFE laptop and internet project for disadvantaged children Ouston were awarded 18 new devices unfortunately Fulwell did not qualify through this platform but were given 15 second hand devices through the Northern Powerhouse Partnership.
- Both schools made weekly telephone calls to vulnerable families and supported pupil premium children with meals vouchers throughout.
- Communication with all families remained a priority throughout and parents received regular letters and information was readily available on school websites.
- Detailed risk assessments were completed, reviewed weekly and available to parents.
- All safeguarding for vulnerable children was dealt with and meetings held by zoom or phone calls.
- Fulwell had a COVID outbreak in late January/February but this was restricted to 4 classes through the measures in place. Ouston had a minor outbreak in late June, resulting in one class having to isolate.
- As COVID numbers have risen, both schools have tightened measures even further and restricted some activities for parents to outdoors in groups of 30.
- Completion of all HR policies for the trust to reflect the idiosyncrasies of both Sunderland and Durham LA's. Policy consultation with unions complete.
- Both schools participated in the national voucher scheme for families entitled to free school meals during the holiday periods.
- Completion of the TUPE of staff from breakfast and afterschool childcare into the trust.
- Ouston Primary initiate before and after school child care provision.
- At the beginning of the summer term, all teaching in both schools was observed twice –teaching Maths and Literacy (Ouston) and Maths and History/RSE at Fulwell. The majority of teaching was good or outstanding.
- A review of RSE at Fulwell took place on 30th June and the report was very positive.
- At Ouston a review of the curriculum and remote learning took place on 10th February and a further review of writing/maths and other priorities on 1st July. These reports were positive and a monitoring of work in English and Maths books across the school will be added to these by the end of July.
- The Trust leadership team worked together to appoint 3 ECT's to cover maternity leave in both schools.
- Ouston Primary were successful in securing a WIFI system replacement, at no cost, through the DFE programme 'Connect the Classrooms'.
- Ouston Primary achieved 'Rights Respecting School Silver Award' on 22nd June 2021.
- Fulwell Infant School achieved the Great Active Charter Mark Gold June 2021 and is working towards the Mental Health Charter Mark Bronze.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report Achievements

PERFORMANCE DATA (PREDICTED)

July 2021

RECEPTION:

FULWELL INFANT:

79.8% achieved a GLD

READING 83.6% achieved EXPECTED +

WRITING 82.4%

NUMBER 84.6%

OUSTON PRIMARY:

65% achieved a GLD (69% without 1 EHCP pupil and 1 child transferring in at the end of May 2021)

READING 65% achieved EXPECTED + (69% without the 2 pupils above)

WRITING 65% achieved EXPECTED + (69% without the 2 pupils above)

NUMBER 74% achieved EXPECTED + (79% without the 2 pupils above)

YEAR 1:

FULWELL INFANT:

Expected standard in phonics:

94% only 5 children assessed as below the standard. (1 of the children was admitted to school in September 2020. Without the late entrant, results would be 95.4%) despite COVID

OUSTON PRIMARY:

Expected standard in phonics:

Currently, this is 69% (71% without EHCP pupil) 86% (89% without EHCP pupil) are on track to reach the standard in the December Phonics screen.

YEAR 2:

FULWELL INFANT: (without 1 of the 2 EHCP pupils)

	EXPECTED +	NATIONAL	GD	NATIONAL
READING	83% (84%)		42%	
WRITING	81% (82%)		28%	
MATHS	86% (87%)		36%	

OUSTON PRIMARY: (without 2 EHCP pupils)

	EXPECTED +	NATIONAL	GD	NATIONAL
READING	62% (68%)		33% (36%)	
WRITING	58% (63%)		25% (27%)	
MATHS	66% (73%)		25% (27%)	

YEAR 4:

OUSTON PRIMARY:

Optional in 2021

	EXPECTED +	NATIONAL
MULTIPLICATION CHECK	42% (25/25)	23.6% (25/25) based on a National sample

YEAR 6:

OUSTON PRIMARY: (1 EHCP pupil)

	EXPECTED +	NATIONAL	GD	NATIONAL
READING	82% (84%)		38% (38%)	READING
WRITING				WRITING
MATHS	73% (75%)		20% (20%)	MATHS
GPS	78% (80%)		24% (25%)	GPS
RWM				

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reading is above the 2019 National level at both expected (73%) and GDS (27%).

GPS is in line with National level at expected (78%) and below at GDS (36%).

Maths is below 2019 National level at both expected (79%) and at GDS (27%).

A number of the children working towards the standard in Maths did not engage well during lockdown and progress stalled. The National Tutoring Programme did have an impact in the summer term but not enough to get the children to expected standard.

Priorities for 2021-2022

In response to COVID-19 and a significant loss of schooling across 2 years, to provide effective 'catch up' programmes for children identified as requiring support. This to respond to an assessment process that specifically identifies weaknesses and includes the emotional well-being, mental health and family circumstances. A range of interventions to be used including group teaching, introduction of Lexia to support phonics, reading and spelling, classroom support and first class maths (Fulwell). The effective use of the National Tuition Programme at Ouston Primary.

FULWELL

- Develop Early Years practice to reflect the new Early Years curriculum from September 2021, including the new National Baseline.
- Improve Reception outcomes to 82% at the expected level, with a focus on writing, increasing the independence of pupils in preparation for year 1.
- Improve Year 1 phonics to 95% reaching the standard through interventions and catch up for target pupils. Ensure the training of staff is updated.
- In reading and writing, maintain standards of attainment and progress.
- Continue to provide 'catch-up' for children affected by time out of school.
- Embed the newly developed 'Personal Development' programme (RSE) focusing on children's mental health and well-being.

OUSTON

- A continued focus on writing standards at the expected level in Reception, to ensure GLD is securely above national in 2022.
- A focus on writing standards across the school in 2021-2022 as writing has been most affected by the pandemic, including a number of intervention programmes.
- Maths and RWM combined results in KS2 assessments to further improve and move beyond National in 2022.
- Maintain strong Reading results at both levels seen in 2021 in KS2 assessments in 2022.
- Further improve the Science curriculum through increased focus on scientific enquiry/investigations and use of resources and equipment.

Develop Early Years practice to reflect the new Early Years curriculum from September 2021, including the new National Baseline and successfully deliver these aspects within a new Early Years Unit.

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern can be found in the Statement of Accounting Policies.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

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 2021 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 2021, total expenditure of £2,986,888 (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 £90,052.

The impact of Covid on the Trust meant reduced income was seen in areas such as Breakfast, After School Clubs and lettings. Increase in expenditure in relation to supply covering periods of isolation and staff shielding and cleaning and caretaking costs. Reduced expenditure was seen in school improvement, pupil meals, training and professional services. The Trust was able to manage additional costs during this period managing budgets and utilising additional income.

The Trust participated in the government backed national voucher scheme during the holiday periods as a way of best supporting students and families during this time.

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 2021 of £740,716 comprising of restricted and unrestricted funds.

This comprises of £353,610 of unrestricted funds and restricted general reserves of £387,106 (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.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Academy Trusts reserves will be used to support the future financial stability of the trust moving forward due to funding pressures, increasing staffing costs and pension contributions. At a meeting of the trust board 8th July 2021 it was agreed that reserves would be used to support longer term financial planning when agreeing the next three years budgets.

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 2021.

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.

Financial – assumptions regarding future pay awards, pension contribution requirements, staffing requirements and the cost of goods and services within the academies 3 year plans may not be sufficient. In addition the government may introduce changes which adversely affect the academies income streams. Forward planning, Trust reserves, prudent budgeting and rigorous financial controls are deployed to manage these threats.

Fraud and mismanagement of funds – the Trust regularly assesses its fraud risks and strengthens its controls as needed. Along with the Trusts finance team, policies and procedures are scrutinised by an internal auditor ensuring that the controls in place meet the expectations required in the Academies Trust Handbook.

Cyber-crime, ransomware use or loss of data - with the constantly changing landscape of online threats and demands which can seriously impact the Trusts day to day running whilst systems are restored, protocols have been put in place to minimise the likelihood of such an attack as well as to mitigate the impact. The trust has a dedicated IT team, anti-virus software has been installed and backups are cloud based.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Covid 19 pandemic – The trust is following all government guidance in relation to the pandemic in order to minimise the risk to its pupils, staff and other stakeholders. Risk assessments have been completed and continue to be monitored. Government guidance and guidance from Public Health England is continually reviewed to ensure any changes are acted upon quickly. The impact on staff included an increase to staff absence due to staff shielding and self-isolation. The pandemic has seen an increased workload for staff due to the need to deal with pupils in bubbles and instances of dealing with positive covid cases. The financial implications mean an increase in supply and cleaning costs, however we do not consider this as a risk to the continued successful operations of the Trust or its financial stability.

Communication has been a key factor and Trustees have been kept up to date weekly 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.

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.

JIGSAW LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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. An upgrade of the ICT infrastructure will go ahead early next year at Ouston Primary through the DFE Connect the Classroom Project. We will continue to promote the Early Years Provision across the trust and further develop before and after school provision. To utilise the outdoor area around the playground, extending into the field creating a facility that offers the opportunity for forest school type learning activities within Fulwell.

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.

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 02 December 2021 and signed on its behalf by:



H Akien
Trustee

JIGSAW LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

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 10 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)	0	10
W Angus (Accounting Officer)	10	10
H Akien (Trustee)	10	10
Dr A A Jackson	9	10
K F Hern	9	10
G Batten	8	10
L Lavelle	8	10
K Barrass	2	10
A S Kingston (Chair of Trustees)	0	10
D Green (Appointed 17 December 2020)	2	10

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

JIGSAW LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

For the 202-2021 academic year the trust has:

- Carried out an annual review of the Scheme of Delegation
- Reviewed the calendar of meetings and schedule to allow appropriate information to be shared at the correct time and with the correct people
- Considered the way forward in separating the LGC's from the Trustees in line with guidance from the DFE
- Appointed to vacant positions on the members, directors and local governing body board
- Bought into a new SLA with South Tyneside Governor Service for Clerking to support the above.

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 :

Trustees	Meetings attended	Out of possible
H Hartnack (Resigned 12 November 2020)	0	3
W Angus (Accounting Officer)	3	3
H Akien	3	3
Dr A Jackson	2	3
K Hern	3	3
G Batten	3	3
T Hope (Finance Director)	3	3

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

Trustees	Meetings attended	Out of possible
W Angus (Accounting Officer)	1	1
H Akien	1	1
L Lavelle	1	1
D Green	1	1
Dr A Jackson	1	1

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

Trustees	Meetings attended	Out of possible
W Angus (Accounting Officer)	1	1
T Hope (Finance Director)	1	1
H Akien	1	1
K Hern	1	1
Dr A Jackson	1	1

JIGSAW LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Meetings attended	Out of possible
H Hartnack (Resigned 12 November 2020)		
W Angus (Accounting Officer)	5	5
H Akien (Trustee)	5	5
Dr A A Jackson	5	5
K F Hern	5	5
G Batten	5	5
T Hope Finance Director	3	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 lockdown 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. When replacing a significant amount of IT equipment at Ouston Primary the trust purchased these through CPC a best value purchasing framework for the education sector.

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.

JIGSAW LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and 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 for the delivery of internal audit work through a series of termly visits.

The audit programme reviewed the following areas:

- Governance arrangements;
- Financial Planning;
- Budgetary control;
- General Accounting arrangements
- Income and Expenditure management

Summary of Findings

Substantial Assurance is provided on the Effectiveness of Governance Arrangements No Improvement Actions Considered Necessary

The Trust has a clearly defined and documented organisational structure. Minutes of Trust Board and Committee meetings are detailed, reflecting the discussions and documenting decisions. Registers of the personal interests were up to date with declarations received from all relevant individuals.

The Trust is considered to have an appropriate number of Members and Directors, following current guidance in the DfE Governance Handbook. It was noted that the Chair of Directors is also a Member of the Trust however and on this, the DfE advise that any such Member shall have no greater power or 'dominance' on the Board than any other academy director. Although the current Chairing arrangements could be viewed as a risk in this regard, this is considered minimal given the audit findings on the strength of governance arrangements overall and is appropriately mitigated by the fact that the Chair of Directors is one of five Members and one of nine other Directors, all with equal voting rights.

Substantial Assurance is provided on the Effectiveness of Financial Planning No Improvement Actions Considered Necessary

Academy development planning arrangements are considered satisfactory and plans are appropriately documented. Comprehensive budget papers are maintained to support the setting of the current budget and the assumptions upon which the budget was set are considered reasonable and backed by evidence where appropriate. Approval of the 2020-21 budget was given by Directors at a joint meeting of Directors and Members held on 9.7.20. Budget forecasts are also adequately supported and based on reasonable assumptions.

JIGSAW LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Substantial Assurance is provided on the Effectiveness of Budgetary Control No Improvement Actions Considered Necessary

Findings confirm that current budgets are adequately monitored to ensure that these remain on course throughout the year, with key variances explained. The budget papers and other workings presented by the Finance Director as evidence of the process followed adequately support the position and the 'headline' figures being reported. Comprehensive management accounts are produced and shared with the Board.

Substantial Assurance is provided on the Effectiveness of Income Management Two Low Risk Improvement Actions Recommended and Accepted

Testing was performed on the accuracy and completeness of data input to School Money, the automated income collection package used by both Academies, upon which subsequent collection of fees would be based. Results of testing highlighted that input at Fulwell is carried out with the dual scrutiny of the Finance Director and Business Manager, but this process is not evidenced. At Ouston, no such double-checking arrangement is in place. Appropriate corrective actions were recommended and have been accepted by the Trust for immediate implementation.

Substantial Assurance is provided on the Effectiveness of Expenditure Management No Improvement Actions Considered Necessary

Identity verification checks on a small sample of staff on the current payroll (March 2021) gave satisfactory result. Overtime payments were also selected for examination and testing on a sample of these confirmed that payments were accurate and adequately supported by signed and authorised claim forms.

Procedures for the purchase of goods and services are effective and incorporate appropriate controls. Payments to suppliers sampled were supported by evidence of prior authorisation and delivery.

Substantial Assurance is provided on the Effectiveness of Accounting Arrangements One Low Risk Improvement Action Recommended and Accepted

The Trust maintains adequate accounting records in the main and use appropriate accounting procedures to ensure the legitimacy and accuracy of financial transactions and accounts. Results of testing highlighted that the format of the cash flow statement is a summary of cash movements up to the statement date and does not include a projection of anticipated cash movements over a future period, such as to the end of the current academic year. An appropriate corrective action was recommended and accepted by the Trust for immediate implementation.

Conclusion / Opinion Statement

The findings of the audits carried out during 2020-21 provide substantial assurance overall 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 are applied consistently and effectively. Where issues have been identified, these are not deemed critical and will not prevent objectives being achieved so long as appropriate and proportionate remedial action is taken within a reasonable timescale.

Recommendations have been made to address the matters highlighted and these have been fully accepted by management for implementation

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 2021

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 02 December 2021 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 2021

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 2020.

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 2020.

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

02 December 2021

JIGSAW LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 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 2020 to 2021;
- 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 02 December 2021 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 2021

Opinion

We have audited the accounts of Jigsaw Learning Trust for the year ended 31 August 2021 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 2020 to 2021 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 2021 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 2020 to 2021.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 2021

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

JIGSAW LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

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

7/12/2021
.....

Statutory Auditor

Wynyard Park House
Wynyard Avenue
Wynyard
Billingham
United Kingdom
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 2021

In accordance with the terms of our engagement letter dated 7 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2020 to 31 August 2021 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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 2021

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 reports
- 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 2020 to 31 August 2021 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:7/12/2021.....

JIGSAW LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	9,349	-	37,546	46,895	693,391
Charitable activities:						
- Funding for educational operations	4	55,716	2,923,583	-	2,979,299	2,873,571
Other trading activities	5	88,207	-	-	88,207	77,755
Investments	6	85	-	-	85	358
Total		<u>153,357</u>	<u>2,923,583</u>	<u>37,546</u>	<u>3,114,486</u>	<u>3,645,075</u>
Expenditure on:						
Raising funds	7	62,311	2,241	-	64,552	3,633
Charitable activities:						
- Educational operations	9	73,640	3,070,696	190,028	3,334,364	3,458,754
Total	7	<u>135,951</u>	<u>3,072,937</u>	<u>190,028</u>	<u>3,398,916</u>	<u>3,462,387</u>
Net income/(expenditure)		17,406	(149,354)	(152,482)	(284,430)	182,688
Transfers between funds	20	(27,099)	(53,484)	80,583	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	85,000	-	85,000	(228,000)
Net movement in funds		(9,693)	(117,838)	(71,899)	(199,430)	(45,312)
Reconciliation of funds						
Total funds brought forward		363,303	(1,617,056)	6,123,178	4,869,425	4,914,737
Total funds carried forward		<u>353,610</u>	<u>(1,734,894)</u>	<u>6,051,279</u>	<u>4,669,995</u>	<u>4,869,425</u>

JIGSAW LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	3,691	-	689,700	693,391
Charitable activities:					
- Funding for educational operations	4	36,914	2,836,657	-	2,873,571
Other trading activities	5	77,755	-	-	77,755
Investments	6	358	-	-	358
Total		<u>118,718</u>	<u>2,836,657</u>	<u>689,700</u>	<u>3,645,075</u>
Expenditure on:					
Raising funds	7	3,633	-	-	3,633
Charitable activities:					
- Educational operations	9	102,110	3,201,950	154,694	3,458,754
Total	7	<u>105,743</u>	<u>3,201,950</u>	<u>154,694</u>	<u>3,462,387</u>
Net income/(expenditure)		12,975	(365,293)	535,006	182,688
Transfers between funds	20	-	323,481	(323,481)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	22	-	(228,000)	-	(228,000)
Net movement in funds		12,975	(269,812)	211,525	(45,312)
Reconciliation of funds					
Total funds brought forward		<u>350,328</u>	<u>(1,347,244)</u>	<u>5,911,653</u>	<u>4,914,737</u>
Total funds carried forward		<u>363,303</u>	<u>(1,617,056)</u>	<u>6,123,178</u>	<u>4,869,425</u>

JIGSAW LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	13		2,040		3,064
Tangible assets	14		6,079,556		5,852,287
			<u>6,081,596</u>		<u>5,855,351</u>
Current assets					
Stocks	15	6,474		6,000	
Debtors	16	37,159		631,883	
Cash at bank and in hand		870,898		742,382	
		<u>914,531</u>		<u>1,380,265</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(178,687)		(359,779)	
			<u>735,844</u>		<u>1,020,486</u>
Total assets less current liabilities			<u>6,817,440</u>		<u>6,875,837</u>
Creditors: amounts falling due after more than one year	18		(25,445)		(21,412)
			<u>6,791,995</u>		<u>6,854,425</u>
Net assets before defined benefit pension scheme liability			<u>6,791,995</u>		<u>6,854,425</u>
Defined benefit pension scheme liability	22		(2,122,000)		(1,985,000)
			<u>4,669,995</u>		<u>4,869,425</u>
Total net assets			<u>4,669,995</u>		<u>4,869,425</u>
Funds of the academy trust:					
Restricted funds	20				
- Fixed asset funds			6,051,279		6,123,178
- Restricted income funds			387,106		367,944
- Pension reserve			(2,122,000)		(1,985,000)
			<u>4,316,385</u>		<u>4,506,122</u>
Total restricted funds			<u>4,316,385</u>		<u>4,506,122</u>
Unrestricted income funds	20		353,610		363,303
			<u>4,669,995</u>		<u>4,869,425</u>
Total funds			<u>4,669,995</u>		<u>4,869,425</u>

JIGSAW LEARNING TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The accounts on pages 29 to 56 were approved by the trustees and authorised for issue on 02 December 2021 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 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	23		501,886		(304,387)
Cash flows from investing activities					
Dividends, interest and rents from investments		85		358	
Capital grants from DfE Group		33,546		689,700	
Purchase of intangible fixed assets		-		(580)	
Purchase of tangible fixed assets		(412,273)		(366,319)	
Net cash (used in)/provided by investing activities			(378,642)		323,159
Cash flows from financing activities					
Repayment of other loan		5,272		(1,419)	
Net cash provided by/(used in) financing activities			5,272		(1,419)
Net increase in cash and cash equivalents in the reporting period			128,516		17,353
Cash and cash equivalents at beginning of the year			742,382		725,029
Cash and cash equivalents at end of the year			<u>870,898</u>		<u>742,382</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 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 2021

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 2021

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:

Long leasehold land	125 years
Leasehold 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 or services it must provide.

1.8 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

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 2021

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 2021

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.

Local Government Pension Scheme

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 xx, 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 2021. 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.

Land and buildings

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

Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donated fixed assets	-	4,000	4,000	-
Capital grants	-	33,546	33,546	689,700
Other donations	9,349	-	9,349	3,691
	<u>9,349</u>	<u>37,546</u>	<u>46,895</u>	<u>693,391</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,946,368	1,946,368	1,966,358
Other DfE / ESFA grants:				
UIFSM	-	144,950	144,950	137,437
Pupil premium	-	69,268	69,268	72,272
Teachers pay grants	-	113,565	113,565	116,251
PE and sports premium	-	35,930	35,930	36,100
Rates grant	-	9,882	9,882	9,631
Others	-	250	250	9,100
	-	2,320,213	2,320,213	2,347,149
Other government grants				
Local authority grants	-	559,526	559,526	489,508
Covid-19 additional funding (DfE/ESFA)				
Other DfE/ESFA Covid-19 funding	-	2,724	2,724	-
Catch up premium	-	41,120	41,120	-
	-	43,844	43,844	-
Other funding				
Catering income	34,478	-	34,478	31,970
Other incoming resources	21,238	-	21,238	4,944
	55,716	-	55,716	36,914
Total funding	55,716	2,923,583	2,979,299	2,873,571

The trust received £41,120 of covid-19 funding for catch up premium and costs incurred in respect of this funding totalled £41,120, with none carried forward to 2021/22.

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	505	-	505	1,240
Catering income	721	-	721	757
Educational visits	9,027	-	9,027	11,675
Uniforms	2,688	-	2,688	3,664
Other income	75,266	-	75,266	60,419
	<u>88,207</u>	<u>-</u>	<u>88,207</u>	<u>77,755</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	85	-	85	358
	<u>85</u>	<u>-</u>	<u>85</u>	<u>358</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2021 £	Total 2020 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	58,925	-	5,627	64,552	3,633
Academy's educational operations					
- Direct costs	1,873,254	-	72,982	1,946,236	1,910,383
- Allocated support costs	687,435	374,298	326,395	1,388,128	1,548,371
	<u>2,619,614</u>	<u>374,298</u>	<u>405,004</u>	<u>3,398,916</u>	<u>3,462,387</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	6,700	6,700
- Other services	4,100	4,100
Operating lease rentals	12,861	13,936
Depreciation of tangible fixed assets	189,004	152,317
Amortisation of intangible fixed assets	1,024	2,377
Net interest on defined benefit pension liability	33,000	27,000
	<u>33,000</u>	<u>27,000</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Central services

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

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

Fulwell Infant School has supported Ouston Primary School in these areas during the year, with an £8,000 (2020: £nil) charge made to cover the cost of providing these services. In addition, Fulwell Infant School contributed £19,500 in the year towards capital costs at Ouston Primary School.

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	39,162	1,907,074	1,946,236	1,910,383
Support costs				
Educational operations	34,478	1,353,650	1,388,128	1,548,371
	<u>73,640</u>	<u>3,260,724</u>	<u>3,334,364</u>	<u>3,458,754</u>
			2021	2020
			£	£
Analysis of support costs				
Support staff costs			687,435	639,815
Depreciation and amortisation			190,028	154,694
Technology costs			57,041	50,419
Premises costs			184,270	423,839
Legal costs			8,092	7,924
Other support costs			236,877	249,337
Governance costs			24,385	22,343
			<u>1,388,128</u>	<u>1,548,371</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	1,810,215	1,733,841
Social security costs	161,113	148,589
Pension costs	581,792	516,174
Staff costs - employees	2,553,120	2,398,604
Agency staff costs	56,793	42,919
Staff restructuring costs	9,701	10,400
	2,619,614	2,451,923
Staff development and other staff costs	3,957	8,584
Total staff expenditure	2,623,571	2,460,507

Staff restructuring costs comprise:

Redundancy payments	9,701	10,400
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Staff numbers

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

	2021 Number	2020 Number
Teachers	50	51
Administration and support	33	35
Management	7	7
	90	93

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 £288,636 (2020: £277,720).

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	£90,001 - £95,000 (2020: £85,001 - £90,000)
Employer's pension contributions	£20,001 - £25,000 (2020: £20,001 - £25,000)

L Lavelle (Headteacher and trustee):

Remuneration	£70,001 - £75,000 (2020: £65,001 - £70,000)
Employer's pension contributions	£15,001 - £20,000 (2020: £15,001 - £20,000)

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

12 Trustees' and officers' insurance

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

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2020	13,750
Disposals	(9,500)
At 31 August 2021	<u>4,250</u>
Amortisation	
At 1 September 2020	10,686
On disposals	(9,500)
Charge for year	1,024
At 31 August 2021	<u>2,210</u>
Carrying amount	
At 31 August 2021	<u>2,040</u>
At 31 August 2020	<u><u>3,064</u></u>

14 Tangible fixed assets

	Long leasehold land £	Leasehold improvements £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 September 2020	5,305,991	995,040	112,396	185,748	6,599,175
Additions	-	379,274	30,749	6,250	416,273
Disposals	-	-	(73,084)	(48,561)	(121,645)
At 31 August 2021	<u>5,305,991</u>	<u>1,374,314</u>	<u>70,061</u>	<u>143,437</u>	<u>6,893,803</u>
Depreciation					
At 1 September 2020	393,786	141,596	92,116	119,390	746,888
On disposals	-	-	(73,084)	(48,561)	(121,645)
Charge for the year	121,770	26,027	20,787	20,420	189,004
At 31 August 2021	<u>515,556</u>	<u>167,623</u>	<u>39,819</u>	<u>91,249</u>	<u>814,247</u>
Net book value					
At 31 August 2021	<u>4,790,435</u>	<u>1,206,691</u>	<u>30,242</u>	<u>52,188</u>	<u>6,079,556</u>
At 31 August 2020	<u><u>4,912,205</u></u>	<u><u>853,444</u></u>	<u><u>20,280</u></u>	<u><u>66,358</u></u>	<u><u>5,852,287</u></u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

15	Stocks	2021	2020
		£	£
	Materials	6,474	6,000
		<u>6,474</u>	<u>6,000</u>
16	Debtors	2021	2020
		£	£
	VAT recoverable	2,235	39,907
	Other debtors	1,130	-
	Prepayments and accrued income	33,794	591,976
		<u>37,159</u>	<u>631,883</u>
17	Creditors: amounts falling due within one year	2021	2020
		£	£
	Other loans	4,872	3,633
	Accruals and deferred income	173,815	356,146
		<u>178,687</u>	<u>359,779</u>
18	Creditors: amounts falling due after more than one year	2021	2020
		£	£
	Other loans	25,445	21,412
		<u>25,445</u>	<u>21,412</u>
	Analysis of loans	2021	2020
		£	£
	Wholly repayable within five years	30,317	25,045
	Less: included in current liabilities	(4,872)	(3,633)
	Amounts included above	<u>25,445</u>	<u>21,412</u>
	Loan maturity		
	Debt due in one year or less	4,872	3,633
	Due in more than two years but not more than five years	25,445	21,412
		<u>30,317</u>	<u>25,045</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Creditors: amounts falling due after more than one year (Continued)

Included in other loans are Salix and CIF interest free loans.

19 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	92,406	96,097
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	96,097	93,448
Released from previous years	(96,097)	(93,448)
Resources deferred in the year	92,406	96,097
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	92,406	96,097
	<u> </u>	<u> </u>

Deferred income includes Universal Infant Free School Meals funding, early years funding and rates relief received in advance of the 2021/22 academic year.

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	367,944	1,946,368	(1,873,722)	(53,484)	387,106
UIFSM	-	144,950	(144,950)	-	-
Pupil premium	-	69,268	(69,268)	-	-
Teachers pay and pension grants	-	113,565	(113,565)	-	-
PE and sports premium	-	35,930	(35,930)	-	-
Rates grant	-	9,882	(9,882)	-	-
Covid-19 funding (DfE/ESFA)	-	43,844	(43,844)	-	-
Other DfE / ESFA grants	-	250	(250)	-	-
Other government grants	-	559,526	(559,526)	-	-
Pension reserve	(1,985,000)	-	(222,000)	85,000	(2,122,000)
	<u>(1,617,056)</u>	<u>2,923,583</u>	<u>(3,072,937)</u>	<u>31,516</u>	<u>(1,734,894)</u>
Restricted fixed asset funds					
Inherited on conversion	4,943,907	-	(131,012)	-	4,812,895
DfE group capital grants	829,585	33,546	(19,316)	-	843,815
Capital expenditure from GAG	349,686	-	(38,983)	53,484	364,187
Donated assets	-	4,000	(667)	-	3,333
PTA donation	-	-	(50)	7,599	7,549
Contributions by trust	-	-	-	19,500	19,500
	<u>6,123,178</u>	<u>37,546</u>	<u>(190,028)</u>	<u>80,583</u>	<u>6,051,279</u>
Total restricted funds	<u>4,506,122</u>	<u>2,961,129</u>	<u>(3,262,965)</u>	<u>112,099</u>	<u>4,316,385</u>
Unrestricted funds					
General funds	<u>363,303</u>	<u>153,357</u>	<u>(135,951)</u>	<u>(27,099)</u>	<u>353,610</u>
Total funds	<u>4,869,425</u>	<u>3,114,486</u>	<u>(3,398,916)</u>	<u>85,000</u>	<u>4,669,995</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

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

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 and CIF of £33,546 which was utilised on asset additions. All capital funds have been utilised in the period, with asset additions also funded by GAG and unrestricted funds, represented by a transfer. No capital grants have been carried forward.

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 £740,716 at 31 August 2021.

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	244,756	1,966,358	(2,166,651)	323,481	367,944
UIFSM	-	137,437	(137,437)	-	-
Pupil premium	-	72,272	(72,272)	-	-
Teachers pay grants	-	116,251	(116,251)	-	-
PE and sports premium	-	36,100	(36,100)	-	-
Rates	-	9,631	(9,631)	-	-
Other DfE / ESFA grants	-	9,100	(9,100)	-	-
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>
Restricted fixed asset funds					
Transfer 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>
Total restricted funds	<u>4,564,409</u>	<u>3,526,357</u>	<u>(3,356,644)</u>	<u>(228,000)</u>	<u>4,506,122</u>
Unrestricted funds					
General funds	<u>350,328</u>	<u>118,718</u>	<u>(105,743)</u>	<u>-</u>	<u>363,303</u>
Total funds	<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 2021

20 Funds (Continued)

Total funds analysis by academy

	2021	2020
	£	£
Fund balances at 31 August 2021 were allocated as follows:		
Fulwell Infant School Academy	494,714	520,276
Ouston Primary School	246,002	210,971
Total before fixed assets fund and pension reserve	740,716	731,247
Restricted fixed asset fund	6,051,279	6,123,178
Pension reserve	(2,122,000)	(1,985,000)
Total funds	4,669,995	4,869,425

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 2021 £	Total 2020 £
Fulwell Infant School Academy	1,086,121	309,492	36,153	288,183	1,719,949	1,600,393
Ouston Primary School	846,058	188,943	32,871	199,065	1,266,937	1,542,300
	1,932,179	498,435	69,024	487,248	2,986,886	3,142,693

21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Intangible fixed assets	-	-	2,040	2,040
Tangible fixed assets	-	-	6,079,556	6,079,556
Current assets	353,610	530,522	30,399	914,531
Creditors falling due within one year	-	(143,416)	(35,271)	(178,687)
Creditors falling due after one year	-	-	(25,445)	(25,445)
Defined benefit pension liability	-	(2,122,000)	-	(2,122,000)
Total net assets	353,610	(1,734,894)	6,051,279	4,669,995

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

(Continued)

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£	£	£	£
Fund balances at 31 August 2020 are represented by:				
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)
Total net assets	363,303	(1,617,056)	6,123,178	4,869,425

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.

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

(Continued)

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 £220,578 (2020: £209,780).

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

Under the definitions set out in FRS 102, the TPS is 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.

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 20.7% and 27.5% 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	2021 £	2020 £
Employer's contributions	171,000	172,000
Employees' contributions	45,000	43,000
Total contributions	216,000	215,000

Principal actuarial assumptions	2021	2021	2020
	Fulwell %	Ouston %	%
Rate of increase in salaries	4.1	3.7	3.6
Rate of increase for pensions in payment/inflation	2.6	2.7	2.3
Discount rate for scheme liabilities	1.7	1.7	1.7
Inflation assumption (CPI)	2.6	2.7	2.3

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

(Continued)

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

	2021 Years Fulwell	2021 Years Ouston	2020 Years
Retiring today			
- Males	21.9	22.3	22.0
- Females	25.1	24.3	24.6
Retiring in 20 years			
- Males	23.6	23.3	23.4
- Females	26.9	25.8	26.3

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

	2021 £	2020 £
Discount rate + 0.1%	4,951,000	4,175,000
Discount rate - 0.1%	5,189,000	4,377,000
Mortality assumption + 1 year	4,881,000	4,122,000
Mortality assumption - 1 year	5,264,000	4,432,000
CPI rate + 0.1%	5,162,000	4,353,000
CPI rate - 0.1%	4,980,000	4,200,000

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

	2021 Fair value £	2020 Fair value £
Equities	1,649,000	1,211,021
Government bonds	146,000	151,687
Cash	121,000	57,132
Corporate bonds	576,000	489,424
Property	225,000	201,987
Other assets	238,000	186,749
Total market value of assets	2,955,000	2,298,000

The actual return on scheme assets was £458,000 (2020: £(104,000)).

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2021	2020
	£	£
Current service cost	360,000	310,000
Interest income	(40,000)	(44,000)
Interest cost	73,000	71,000
Total operating charge	<u>393,000</u>	<u>337,000</u>
Changes in the present value of defined benefit obligations	2021	2020
	£	£
At 1 September 2020	4,283,000	3,848,000
Current service cost	360,000	310,000
Interest cost	73,000	71,000
Employee contributions	45,000	43,000
Actuarial loss	333,000	80,000
Benefits paid	(17,000)	(69,000)
At 31 August 2021	<u>5,077,000</u>	<u>4,283,000</u>
Changes in the fair value of the academy trust's share of scheme assets	2021	2020
	£	£
At 1 September 2020	2,298,000	2,256,000
Interest income	40,000	44,000
Actuarial (gain)/loss	418,000	(148,000)
Employer contributions	171,000	172,000
Employee contributions	45,000	43,000
Benefits paid	(17,000)	(69,000)
At 31 August 2021	<u>2,955,000</u>	<u>2,298,000</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Reconciliation of net expenditure to net cash flow from operating activities	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(284,430)	(116,730)
Adjusted for:		
Capital grants from DfE and other capital income	(37,546)	(689,700)
Investment income receivable	(85)	(358)
Defined benefit pension costs less contributions payable	189,000	138,000
Defined benefit pension scheme finance cost	33,000	27,000
Depreciation of tangible fixed assets	189,004	152,317
Amortisation of intangible fixed assets	1,024	2,377
(Increase)/decrease in stocks	(474)	919
Decrease/(increase) in debtors	594,724	(333,415)
(Decrease)/increase in creditors	(182,331)	215,784
Net cash provided by/(used in) operating activities	501,886	(603,806)

24 Analysis of changes in net funds	1 September	Cash flows	31 August
	2020		2021
	£	£	£
Cash	742,382	128,516	870,898
Loans falling due within one year	(3,633)	(1,239)	(4,872)
Loans falling due after more than one year	(21,412)	(4,033)	(25,445)
	<u>717,337</u>	<u>123,244</u>	<u>840,581</u>

25 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
Amounts due within one year	12,219	12,763
Amounts due in two and five years	18,834	16,623
	<u>31,053</u>	<u>29,386</u>

JIGSAW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 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.

There were no related parties in the period.

27 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.