

Financial Statements for the year ended 31 March 2020

Creating homes. Building lives.



**Jigsaw
Support**

(formerly Threshold Housing Project Limited)

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Company Information

Registration number	Co-operative and Community Benefit Societies Act 2014, number RS008241
Registered office	Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT
Board members	G. Brown E. Clivery G. Durbin C. Green P. Marshall (appointed April 2019, retired February 2020) S. Normansell A. Powell (appointed April 2019) P. Woodcock (retired November 2019)
Senior management team	H. Roberts, Group Chief Executive B. Moran, Deputy Chief Executive P. Chisnell, Executive Director of Finance D. Kelly, Group Director of Neighbourhoods & Support (appointed July 2019) A. Marshall, Group Director of Asset Management K. Marshall, Group Director of Development
Company Secretary	B. Moran
Bankers	National Westminster Bank Plc. Manchester City Centre Branch PO Box 305 Spring Gardens Manchester M60 2DB
Auditors	BDO LLP 3 Hardman Street Manchester M3 3AT

1. Introduction



Jigsaw
Support
support.jigsawhomes.org.uk



Jigsaw Support is launched
Bringing all our support services together
under one umbrella.

Chair’s Statement

On behalf of the board of management, I am very pleased to present the report and financial statements for Jigsaw Support Limited for the 2019/20 financial year.

This document sets out a comprehensive account of our activities during 2019/20 and provides an insight into the efforts made by my colleagues on the board, our executive and by our staff to deliver the Society’s strategic priorities:

- Caring for our customers, our assets and neighbourhoods
- Building a strong corporate foundation
- Valuing staff
- Growing the business

I would like to take this opportunity to highlight the progress we have made in delivering on our plans and to also outline our position on the most pressing current and developing issues in our operating environment.

2019/20 was a busy year for us both operationally and behind the scenes where we made some important governance changes.

Perhaps most notably, we adopted the new name of Jigsaw Support during the year and became a Community Benefit Society in November 2019. These changes help to align the organisation with the vision of Jigsaw Homes Group that all contracted support services, which have historically sat under fellow Jigsaw Group members New Charter Homes and Adactus Housing, will come together under our single umbrella. The intention is that Jigsaw Support will be the new contracting organisation for all future bids for support contracts from the Group.

Delivering Our Plans

These Financial Statements provide a record of our work in 2019/20, the second year following the creation of Jigsaw Homes Group through merger. I am pleased to report that much of the groundwork that was required in bringing two large organisations together has now either been completed, or will complete during the coming

months. Of most note to Jigsaw Support, together with our fellow group members we have:

- Put in place a first class system of internal controls;
- Simplified our governance structure;
- Created the *Jigsaw Foundation* to support good works in our neighbourhoods;
- Launched *Jigsaw Support* to manage our supported housing contracts;
- Begun to harmonise terms, conditions and pay structures for our staff;
- Progressed our move to common IT systems;

This has all been necessary and vital work to complete, but it has meant that we have spent rather a long time looking inwards at ourselves. It is now time to look outwards.

This is why I am particularly pleased to announce the launch of the *Jigsaw Conversation*. During the year, we will hold a series of discussions with our staff, board members, service users and partners to help us decide on what Jigsaw should look like in five years time and — most importantly — to prioritise the impact we can and will have on the world around us.

We will have important questions to consider through this work about how much more we can do to tackle the social issues affecting our communities. Improving the housing supply, increasing life chances, reducing our environmental impact and actively addressing the inequalities faced by our black, asian and minority ethnic customers are at the top of our list as we set out on this journey. I hope that through your involvement in the Jigsaw Conversation you will influence our ideas and help to steer our future path.

Current Challenges

I expect that when we look back on the 2019/20 financial year, our memories will be dominated by the events of its final months — by the emergence of COVID-19 as a global pandemic and the rapid impact this had on both our day-to-day lives and

the continued normal operation of our businesses.

Our initial focus as the pandemic emerged was to ensure that we acted swiftly to protect the safety of our staff and customers. To this end our *Business Continuity* work prioritised the continued safe provision of our essential supported housing services and we tripled our capacity for home working within a matter of days. In a time of deep concern for us all, one positive that my colleagues on the board can certainly take has been the responsiveness and adaptability shown by the entire Jigsaw team during this time. On behalf of the board, I would like to put on record our sincere thanks to the team for the efforts that were so ably demonstrated during this unsettling period.

Inevitably, the pandemic – and particularly the associated public health response which currently includes severe restrictions on our corporate activity – will impact on our short-term plans. We do expect however that we will move from a focus on Business Continuity to one of *Business Recovery* during the second half of 2020.

Our priorities during Business Recovery will continue to be to protect our employees and customers. Initial areas of focus will be to redesign office use to allow for a phased safe return to the workplace, and provide support and a sympathetic approach to those service users who may face cuts to their income and other difficulties during this period.

We cannot yet be certain about the long term financial impact of the pandemic on our business. We have however analysed potential scenarios including a 'tail risk' where a deep and sustained recession is caused by continued disruption from the pandemic for many months to come.

Our analysis has demonstrated to the board's satisfaction that the Group has sufficient cash and covenant capacity even under this extreme scenario. As a result, we have not needed to furlough any staff under the government's Coronavirus Job Retention Scheme and we will have the financial capacity to continue with our current plans, although the necessity of working in a socially distanced manner will limit delivery for the foreseeable future.

We face the ongoing effects of the COVID-19 pandemic then from a position of financial

strength and with our team's proven ability to adapt and deliver under difficult conditions. The pandemic clearly presents us with a fluid situation however and we will remain vigilant.

Our conclusion is that as part of the Jigsaw Group, we will remain in a position of strength to play our part in helping the country recover when the pandemic passes. I am confident that we remain well placed to fulfil our Mission of:

"Creating homes. Building lives."



Gill Brown

Society Chair

Our vision:

We want everyone to live successfully in a home they can afford.

Our mission:

Creating homes. Building lives.

Our values and behaviours:



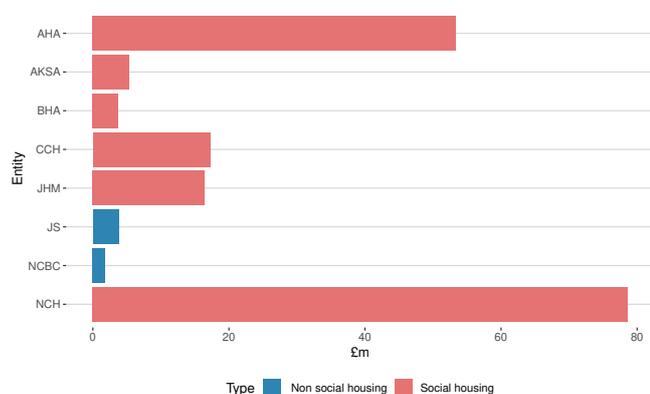
About Us

We are a member of Jigsaw Homes Group which was formed in 2018 through the merger of two of the housing sector's leading organisations: Adactus Housing Group and New Charter Housing Trust. The Group comprises 15 organisations working in unison to tackle inequality throughout the North West and East Midlands.

The largest members of the Group are:

- Adactus Housing Association Ltd (AHA).
- AKSA Housing Association Ltd (AKSA).
- Beech Housing Association Ltd (BHA).
- Chorley Community Housing Ltd (CCH).
- Jigsaw Homes Midlands (JHM)¹.
- Jigsaw Support Ltd (JS).
- New Charter Building Company Ltd (NCBC).
- New Charter Homes Ltd (NCH).

As measured by financial turnover, Jigsaw is the 30th largest housing group in the country². The turnover of the Group's principal members is shown in Figure 1 on this page.



Source: financial statements 2019/20.

Figure 1: Our turnover in comparison to other members of the Jigsaw Group.

¹Previously Gedling Homes, renamed August 2020.

²<https://www.gov.uk/government/publications/2019-global-accounts-of-private-registered-providers>

Our Activities

Jigsaw Support provides support to homeless and vulnerable people to help them to achieve greater independence and improved well-being. All of the Society's business is generated from contracts with local authorities and similar commissioning bodies.

Vision, Mission and Corporate Values

Vision

Our Vision is:

"We want everyone to live successfully in a home they can afford."

Mission

We will do this by:

"Creating homes. Building lives."

Corporate Values

We will ensure that the following values are evident through our work:

- Empowerment
- Social Impact
- Efficiency
- Collaboration
- Innovation

2. Strategic Report

Real Change Oldham

We are proud to support Real Change Oldham to help tackle homelessness.



**REAL
CHANGE**

Oldham

I'm helping to make a
Real Change to
homelessness in

Oldham

#RealChangeOldham

Review of the Year

Jigsaw Support has over 40 years' experience of delivering accommodation and support to vulnerable people. It offers services across the spectrum of needs, including staffed services which provide supported accommodation for people experiencing multiple and complex needs, community based support for people who require low to medium support, along with intensive housing management for people with lower support needs.

The company employs 217 people, manages c. 250 properties across Greater Manchester and works with in excess of 2,000 customers per year.

During the year, Jigsaw Support has been a successful partner in the Greater Manchester Housing Providers Housing First Pilot, which is currently being evaluated as one of the large scale pilots being delivered in England.

In addition, Jigsaw Support has continued to provide support to households fleeing domestic abuse and also support to both homeless families and individuals (utilising the Housing First provision), refuge provision and within supported accommodation.

Although there were a number of contracts across the service which were due to end in year ended 31 March 2020, it is pleasing to report that these have been extended until 2021 as the relevant Local Authorities commissioners have delayed the start of the procurement exercise.

The board is pleased to report that Society remains financially robust and is very satisfied with financial performance for the financial year.

Turnover for the year ended 31 March 2020 amounted to £3.9m (2019: £4.1m). Total comprehensive income for the year amounted to £0.4m (2019: £0.2m).

A summary of the Society's recent financial results are shown in Table 1 on the next page and highlights of the Society's financial position are shown in Table 2 on the following page.

Future Plans

In 2020/21, subject to COVID-19 restrictions, Jigsaw Support will continue to develop new business

approaches in line with the Group's Social Business Strategy.

Jigsaw Support has been successful in quickly adapting to the restrictions presented by the unprecedented circumstances surrounding the COVID-19 lockdown at the end of 2019/20 and into 2020/21. Jigsaw Support will continue to adapt as circumstances change and it has been successful in maintaining its full complement of services during a period of unprecedented restrictions placed on corporate activity.

As approved by board in early 2020, Jigsaw Support will undergo a harmonisation process across all staff sitting within the three contracting organisations to align pay and terms and conditions. In order to facilitate this, the board is considering the use of Jigsaw Support's financial reserves to subsidise the cost until the end of existing contracts. We are currently in the process of developing a reserves strategy for approval at Jigsaw Support Board.

Negotiations are also underway with local authority commissioners and funders to novate all existing contracts to Jigsaw Support.

In line with the Group's Social Business Strategy, Jigsaw Support will continue to look for potential development opportunities in our areas of operations and expertise to provide housing/services for the most vulnerable people in our society.

Year	Turnover £'000	Operating expenditure £'000	Operating surplus %	Retained surplus £'000	Retained surplus %
2016	5,460	5,724	(5)	(264)	(5)
2017	4,099	4,157	(1)	(58)	(1)
2018	4,150	3,825	8	325	8
2019	4,078	3,929	4	154	4
2020	3,891	3,484	10	414	11

The above figures are extracted from previous financial statements based on accounting standards effective at those dates.

Table 1: Five-year financial performance.

Year	2020	2019	2018	2017	2016
Cash at bank and short term deposits	2,820	2,612	2,566	2,516	2,218
Creditors amounts falling due within one year	763	451	533	791	667
Net current assets / (liabilities)	3,399	2,982	2,829	2,501	2,556
Total assets less current liabilities	3,399	2,982	2,829	2,504	2,562
Capital and reserves	3,399	2,982	2,829	2,504	2,562

The above figures are extracted from previous financial statements based on accounting standards effective at those dates.

Table 2: Consolidated financial position.

3. Governance

Bridges #OpenUp campaign

Raising awareness of male victims of domestic abuse

1 in 4 victims of stalking are male

Half of male victims do not tell anyone about their experience

1 in 3 victims of domestic abuse are male

Men are nearly 3 times less likely to tell anyone about their experience



Bridges provide support to all victims of domestic abuse in Tameside – men and women, of all ages and backgrounds. The support provided by Bridges is tailored to your needs and can include court support, signposting to other agencies e.g. substance misuse services, mental health, gambling support, debt support and more. You do not need to have reported any incidents to the police to access support from Bridges and it is a completely confidential service.

#16Days
#16Days
#16Days
#16Days



1 in 6 men experience domestic abuse but they are 3 times less likely than women to tell anyone.

#openup

tameside.gov.uk/domesticabuse

Tameside Metropolitan Borough

Corporate Structure and Governance

The Group's governance structure was significantly simplified in 2019/20. The current structure is shown in Figure 2 on the next page. Figure 2 highlights how the Group uses overlapped boards to simplify its governance arrangements and to make the best use of the shared skill-set of board members and directors.

Further simplification will be undertaken through a Corporate Structures Review in 2020/21. In particular, our aim through this work will be to reduce the housing associations in the Group through merger to broadly match the number of overlapped boards.

Current Board Members

Gill Brown

Chair of the board

Attendance: 4/4 100% (Board), 4/5 80% (Group Board), 2/3 67% (R&N Committee)

Gill is a non-executive director for St Helens and Knowsley Hospitals NHS Trust. Previous roles include governing body member for NHS Southport and Formby Clinical Commissioning Group and chief executive for Healthwatch Lancashire. Gill has also had a number of years' experience of working in the NHS in a variety of clinical, research and board roles. Gill is also a mentor for the Board Diversity Network.

Ed Clivery

Attendance: 3/4 75%

Ed is a highly qualified banking specialist. He has spent over 20 years working in commercial and corporate banking for a number of large retail banks. He currently heads the North West Corporate business development team for Santander.

Geoff Durbin

Attendance: 4/4 100%

Geoff has over 30 years' commercial experience predominantly in the sports sector having previously held positions with Warrington Wolves Rugby League Club, Lancashire County Cricket

Club and Manchester City Football Club. He currently runs his own business consultancy and is an associate director of 'Careers in Sport' an advice service for young people seeking a career in the sporting world. Geoff qualified as a foster carer in 2015 and is an independent panel member for a fostering agency.

Carole Green

Attendance: 3/4 75%

Carole works internationally as a freelance global health consultant, senior advisor for Manocap Advisory (based in West Africa) and also chair of the Welbodi Partnership in Sierra Leone. In the UK she is also the lay member for Quality and Performance at North Cumbria CCG and chair of the Board of Breath Champs CIC. She has a strong background in health, commissioning, management, planning and multi-partnership working with an executive career spanning more than 30 years in the public, charitable and private sectors.

Steve Normansell

Attendance: 4/4 100%

Steven has considerable experience in the affordable housing sector and for 20 years prior to retirement he operated at director level. He also has non-executive board experience in a variety of sectors including volume procurement and has chaired the board of a care home provider.

Anthony Powell

Attendance: 3/4 75%

Tony was deputy chief executive of Jigsaw Homes Group prior to his retirement in 2019. In a long and wide ranging career in housing he developed experience across housing management, care and support services, partnership working and commercial contracts.

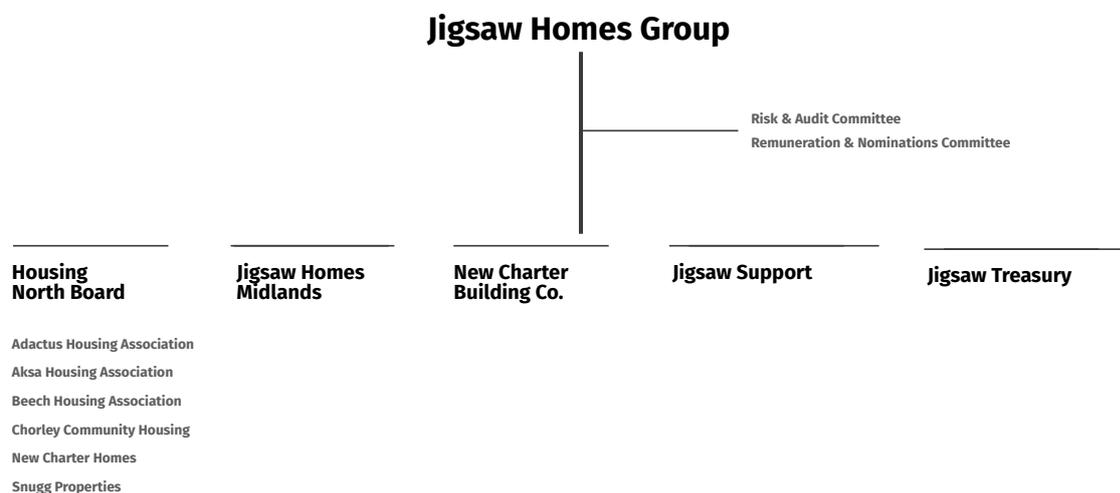


Figure 2: Corporate and governance structure – board meetings for organisations below the bold headings are held contemporaneously using overlapped meetings.

Corporate Responsibility

Employees

The Society recognises that the success of the business depends on the quality of its managers and employees. It is the policy of the Society that training, career development and promotion opportunities should be available to all employees.

The board is aware of its responsibilities on all matters relating to health & safety. The Group has prepared detailed health & safety policies and provides employee training and education on health & safety matters.

Diversity and Inclusion

The Society recognises its responsibilities to provide equality of opportunity, eliminate discrimination and promote good relations in its activities as a landlord, managing agent, employer, contractor, partner and purchaser.

We are totally opposed to all forms of discrimination on the grounds of race, national origin, ethnic origin, nationality, religion, belief or lack of religion or belief, gender, gender reassignment status, being married or a civil partner, pregnancy or maternity, sexual orientation, disability or age.

The Society’s policy in this area is available to download from the Jigsaw website: search for

‘equality and diversity’.

Modern Slavery and Human Trafficking Statement

The Society is absolutely committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking.

The Society’s policy in this area is available to download from the Jigsaw website: search for ‘modern slavery’.

Risk Management and Internal Controls

The board has overall responsibility for the system of internal control and risk management across the Society and for reviewing its effectiveness. The board also take steps to ensure the Society adheres to the Regulator of Social Housing’s *Governance and Financial Viability Standard* and its associated *Code of Practice*. The Risk & Audit Committee is responsible to the board for monitoring these arrangements and reporting on their effectiveness.

Risk Management

Figure 3 on page 17 summarises the Society’s risk map at 31 March 2020. The assessment shows 29

risks which could impact on the delivery of the Society's corporate objectives categorised by the impact areas of 'People', 'Strategic', 'Financial', 'Business Interuption' and 'Reputation'.

The diagram highlights that the ongoing COVID-19 pandemic has exposed the Group to a significant risk of Non-Cyber Business Disruption. This is a risk to which we were responding to at 31 March 2020. At the time of writing we can report that the Society's Business Continuity measures ensured that essential services were maintained throughout the period of national lockdown. However given the potential for future national or regional lockdowns to occur, the risk of disruption to the business remains significant and our business continuity team continues to meet regularly to anticipate and react to changes in government policy.

Elsewhere, the Group's controls work to mitigate the likelihood or impact of risks. As a result, the residual assessment of all but one risk falls within the acceptable levels defined in the Group's *Risk Management Strategy*.

Figure 3 also shows how the Group's risk register is dominated by 'People' risks – predominantly health & safety and safeguarding concerns. We have adopted comprehensive policies in both of these areas to ensure that these risks are given due attention.

Our most significant residual risks are:

- Non-Cyber Disruption to the Business.
- Ineffective Safeguarding of Staff, Customers and Third Parties.
- Failure of 3rd Party Landlord's Asset Management Compliance.
- Disruption to Funding Streams.

In accordance with the Group's *Risk Management Strategy*, the risk map is reviewed quarterly by the Group's Risk & Audit Committee and by board. The committee presides over a programme of internal audit work which is based on the risks identified.

Internal Controls Assurance

The board acknowledges its overall responsibility for establishing and maintaining the whole

system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Society is ongoing and has been in place throughout the period commencing 1 April 2019 up to the date of approval of this document.

Key elements of the control framework include:

- Formal policies and procedures are in place, including the documentation of key processes and rules for the delegation of authorities (Scheme of Delegation). These policies and procedures are reviewed by the board and executive management team on an agreed cycle.
- A performance management framework is in place to provide monitoring information to the board and management. Employee progress against agreed, documented objectives is formally reviewed.
- Management report regularly on risks and how these are managed.
- The board receives quarterly information on the financial performance of the business together with a summary of key performance indicators covering the main business risks.
- Forecasts and budgets are prepared which allow the board and management to monitor financial objectives and risks. Monthly management accounts are prepared promptly and reported to board on a quarterly basis; with significant variances from budget investigated and accounted for. This reporting includes the monitoring of all loan covenants.
- There is a robust approach to treasury management supported by third party advisors.
- Regular monitoring of loan covenants and requirements of new loan facilities is in place.



The area of each rectangle is proportional to the assessment of Inherent Risk, darker shading indicates higher Residual Risk.

Figure 3: Risk analysis – the ongoing COVID-19 pandemic has resulted in a significant risk to the business of Non-Cyber Business Disruption.

- All significant new initiatives and projects are subject to formal appraisal and authorisation procedures by the appropriate board with clear links to the requirements of the Risk Management Policy.
- The Remuneration and Nominations Committee has oversight of the Society’s approach to board appraisal, recruitment and succession.
- Experienced and suitably qualified employees are responsible for important business functions.
- A co-sourced internal audit service is provided by the Group, incorporating a team managed by a qualified, full-time employed audit manager complemented by third party expertise. The Risk & Audit Committee approves the annual audit plan and reviews internal audit reports as well as those from management and any third-party reviews including reports from tenant scrutiny.
- The Risk & Audit Committee reports



Figure 4: Examples from the Group’s suite of performance dashboards.

quarterly to the board and reviews the assurance procedures, ensuring that an appropriate range of techniques is used to obtain the level of assurance required by the board.

- Risks are identified, assessed and documented in a risk register with details of how each risk will be managed. The risk register is reviewed on a quarterly basis by the executive management team and Risk & Audit Committee. Quarterly risk updates are also provided to each board within the Group. Internal audit independently reviews the risk identification procedures and control process implemented by management and reports to Risk & Audit Committee.
- The executive management team also reports to the board on significant changes in the business and external environment which affect significant risks.
- The Group's *Probity and Anti-Fraud Policy* clearly lays out the approach to be taken with respect to whistle-blowing, anti-corruption and fraud.
- The Risk & Audit Committee and board review and approve this statement of the Society's internal controls assurance.
- A theft and fraud register is maintained by the Group Company Secretary and any fraud is reported to the Risk & Audit Committee.



Figure 5: Our tenant scrutiny panels undertake deep-dive investigations into areas voted for by tenants.

Compliance

This document has been prepared in accordance with applicable reporting standards and legislation. The board confirms that the Society has complied with the regulator's *Governance and Financial Viability Standard*.

NHF Code of Governance

The Society has adopted *Excellence in Governance* (National Housing Federation, 2015) as its Code of Governance. The board is pleased to report full compliance with the Code.

Statement of Responsibilities of the Board for the Report and Financial Statements

The board members are responsible for preparing the report of the board and the financial statements in accordance with applicable law and regulations.

Under the Co-operative and Community Benefit Societies Act 2014 and social housing legislation the board are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the *Statement of Recommended Practice: Accounting by registered social housing providers 2018* have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the transactions of the Association and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board is responsible for ensuring that the report of the board is prepared in accordance with the *Statement of Recommended Practice: Accounting by registered social housing providers 2018*.

Financial statements are published on the Society's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Society's website is the responsibility of the board members. The board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Going Concern

Based on the following assessment the board is comfortable that the Society continues to be a going concern and have therefore produced financial statements on a going concern basis.

The Society's activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The Board approved the Society's 2020/21 budget and thirty year financial plan in March 2020 and were content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

The impact of the COVID-19 pandemic and its potential financial effect has meant that the executive team and board agreed amended assumptions in revising both the 2020/21 budget and financial plan, in order to obtain assurance that the Society remains a going concern over the period of twelve months from the approval of these financial statements.

The length of the COVID-19 pandemic and the impact of the measures taken by the Government to contain this are unknown and outside of the Society's control however the Board have implemented processes to manage cashflow on a weekly basis and review financial stability as the situation progresses.

In addition, the board has considered the anticipated impact of Brexit based on known information at this stage, assuming that the Brexit transition period will end on 31 December 2020. As a result, the board do not expect Brexit, within a period of 12 months from the approval of these financial statements, to significantly impact the finances of the Group in relation to the validity of the going concern assumption.

Auditor

All of the current board members have taken the steps that they ought to have taken to ensure they are aware of any information needed by the Society's auditor for the purposes of their audit, and to establish that the auditor is aware of that information. The board members are not aware of any relevant audit information of which the auditor is not aware.

BDO LLP has expressed their willingness to continue in office as the Society's auditors.

Approved by the board on 10th September 2020.

Signed on their behalf on 29th September 2020:

A handwritten signature in black ink that reads "Gill Brown". The signature is written in a cursive, flowing style.

Gill Brown

Society Chair



SPICED CARROT CAKE WITH
GINGERBREAD WREATH AND
MERINGUE SNOW BALLS
CONTAINS NUTS.

Housing First Bake Off
We help raise money for our Housing First customers

4. Financial Statements

Independent Auditor's Report to the Members of Jigsaw Support Limited

Opinion

We have audited the financial statements of Jigsaw Support Limited ("the Society") for the year ended 31 March 2020 which comprises the Society statement of comprehensive income, Society statement of financial position, Society statement of changes in equity and notes to the financial statements, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2020 and of the Society's surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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

Conclusions Relating to Going Concern

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

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

Other Information

The board are responsible for the other information. Other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information including the Strategic Report and Governance and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

Matters on Which We Are Required to Report By Exception

We have nothing to report in respect of the following matters:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Society;
- a satisfactory system of control has not been maintained over transactions;
- the Society financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the board members' responsibilities statement set out on page 18, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board are responsible for assessing the Society'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 board either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

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 financial statements.

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

Use of Our Report

This report is made solely to the members of the Society, as a body, in accordance with applicable laws. Our audit work has been undertaken so that we might state to the Society'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 Society and the members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

BDO LLP, Statutory Auditor

Manchester

BDO LLP is a limited liability partnership registered in England and Wales (with registered number oc305127).

30 September 2020

Statement of Comprehensive Income

Year ended 31 March 2020	Notes	2020	2019
		£'000	£'000
Turnover	3	3,891	4,078
Operating expenditure	3	(3,484)	(3,929)
Operating surplus	6	407	149
Interest receivable	5	7	5
Surplus for the year		414	154
Total comprehensive income for the year		414	154

The financial statements and notes on pages 25 to 36 were approved and authorised for issue by the Board on 10th September 2020 and were signed on its behalf on 29th September 2020 by:



G. Brown
Chair



B. Moran
Secretary

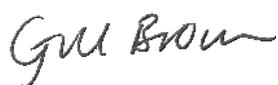


S. Normansell
Board Member

Statement of Financial Position

At 31 March 2020		2020	2019
	Notes	£'000	£'000
Current assets			
Trade and other debtors	9	1,342	821
Cash and cash equivalents	10	2,820	2,612
		4,162	3,433
Less: Creditors: amounts falling due within one year	11	(763)	(451)
Net current assets		3,399	2,982
Total assets less current liabilities		3,399	2,982
Total net assets		3,399	2,982
Reserves			
Revenue reserve		3,277	2,860
Designated reserve		122	122
Total reserves		3,399	2,982

The financial statements and notes on pages 25 to 36 were approved and authorised for issue by the Board on 10th September 2020 and were signed on its behalf on 29th September 2020 by:



G. Brown
Chair



B. Moran
Secretary



S. Normansell
Board Member

Statement of Changes in Equity

	Designated reserve £'000	Restricted reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 March 2018	122	29	2,677	2,828
Surplus from Statement of Comprehensive	–	(29)	183	154
Balance at 31 March 2019	122	–	2,860	2,982
Surplus from Statement of Comprehensive Income	–	–	414	414
Transfer of engagements (Note 17)	–	–	3	3
Balance at 31 March 2020	122	–	3,277	3,399

The financial statements and notes on pages 25 to 36 were approved and authorised for issue by the Board on 10th September 2020 and were signed on its behalf on 29th September 2020 by:



G. Brown
Chair



B. Moran
Secretary



S. Normansell
Board Member

The results for the year relate wholly to continuing activities and the notes on pages 28 to 36 form an integral part of these financial statements.

Notes to the Financial Statements

1. Legal Status

Jigsaw Support Limited is incorporated in England under the Co-operative and Community Benefit Societies Act 2014.

The registered office is Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT.

The Association is a member of the Jigsaw Homes Group Structure (the Group), of which Jigsaw Homes Group Limited is the parent company. The Group comprises the following principal entities:

Name	Incorporation	RSH registration	Parent
Adactus Housing Association Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JS
AKSA Housing Association Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JS
Beech Housing Association Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JS
Chorley Community Housing Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JS
Cavendish Property Developments Limited	Companies Act 2006	Non-registered	JS
Jigsaw Homes Midlands	Co-operative and Community Benefit Societies Act 2014	Registered	JS
Jigsaw Support Limited	Co-operative and Community Benefit Societies Act 2014	Non-registered	JS
Jigsaw Treasury Limited	Companies Act 2006	Non-registered	JS
New Charter Building Company Limited	Companies Act 2006	Non-registered	JS
New Charter Homes Limited	Companies Act 2006	Registered	JS
Palatine Contracts Limited	Companies Act 2006	Non-registered	AHA
Snugg Properties Limited	Companies Act 2006	Non-registered	AHA

Table 3: Principal group members.

The board of Adactus Housing Association Limited is the corporate trustee of the James Tomkinson Memorial Cottages Trust.

During the year, the following changes to the Group's corporate structure were made:

- In November 2019, Threshold Housing Project Limited was registered as a Community Benefit Society and changed its name to Jigsaw Support Limited.
- In March 2020 Gedling Homes was registered as a Community Benefit Society and subsequently changed its name to Jigsaw Homes Midlands Limited in August 2020.
- In March 2020, Jigsaw Treasury Limited was incorporated.
- Three minor group members were dissolved during the year as part of work to simplify the Group's corporate structure: Family Support Charity, Great Neighbourhoods and The Stanley Road Management Co. Limited.

2. Principal Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with applicable law, the United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP). The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Society's accounting policies.

The financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of investments and are presented in pounds sterling.

The Society has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”:

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Basic Financial Instruments; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Jigsaw Homes Group Limited as at 31 March 2020 and these financial statements may be obtained from their registered office.

Going Concern

Based on the following assessment the board is comfortable that the Society continues to be a going concern and have therefore produced financial statements on a going concern basis.

The Society’s activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The Board approved the Society’s 2020/21 budget and thirty year financial plan in March 2020 and were content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

The impact of the COVID-19 pandemic and its potential financial effect has meant that the executive team and board agreed amended assumptions in revising both the 2020/21 budget and financial plan, in order to obtain assurance that the Society remains a going concern over the period of twelve months from the approval of these financial statements.

The length of the COVID-19 pandemic and the impact of the measures taken by the Government to contain this are unknown and outside of the Society’s control however the Board have implemented processes to manage cashflow on a weekly basis and review financial stability as the situation progresses.

In addition, the board has considered the anticipated impact of Brexit based on known information at this stage, assuming that the Brexit transition period will end on 31 December 2020. As a result, the board do not expect Brexit, within a period of 12 months from the approval of these financial statements, to significantly impact the finances of the Group in relation to the validity of the going concern assumption.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Other key sources of estimation and assumptions:

Tangible fixed assets

Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

Following the assessment of the indicators of impairment, it was viewed that the COVID-19 pandemic was a potential trigger for impairment in relation to stock and work in progress. Following a review, no adjustment to carrying values was required.

Turnover and Revenue Recognition

The majority of turnover represents rental income receivable, revenue grants from local authorities and other income recognised in relation to the period when the goods or services have been supplied.

Turnover is recognised once the Society has entitlement to the resources, it is certain that the income will be received and the monetary value can be measured with sufficient reliability.

Grants relating to revenue are recognised over the same period as the expenditure to which they relate once performance related conditions have been met in line with the “performance method” as outlined in FRS 102.

Supporting People contract income received from Administering Authorities is accounted for as ‘Charges for support services’.

Value Added Tax

The Society charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the financial statements are inclusive of VAT to the extent that it is suffered by the Society and not recoverable.

Tangible Fixed Assets and Depreciation

Other fixed assets

Other tangible fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following rates:

Asset type	Rate
Land & buildings	3.33% on cost or length of lease
Furniture, fixtures & fittings	10% per annum on cost
Office & computer equipment	25% per annum on cost
Motor vehicles	25% per annum on cost

Table 4: Fixed Asset Depreciation Rates.

Leasing

Rental payments under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the term of the lease.

Reverse premiums and similar incentives received on leases to enter into operating lease agreements are released to Statement of Comprehensive Income over the term of the lease.

Assets held under finance leases are included in the Statement of Financial Position and depreciated in accordance with the Society's accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the income statement for the period of the lease in proportion to the balance of capital repayments outstanding.

Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in operating expenditure.

Non-Government Grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as turnover.

Retirement Benefits

Defined benefit pensions schemes

Under defined benefit accounting, for all such schemes the Society participates in, the scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

Defined contribution pensions schemes

In relation to defined contribution schemes in which the Society participates in, contributions payable are charged to the Statement of Comprehensive Income in the period to which they relate.

Reserves

The Society designates those reserves which have been set aside for uses which, in the judgement of the board, prevent them from being regarded as part of the general reserves of the Society.

General reserves reflects accumulated surpluses for the Society which can be applied at its discretion for any purpose.

3. Turnover

3a) Turnover, cost of sales, operating expenditure and operating surplus.

2020			
	Turnover £'000	Operating expenditure £'000	Operating surplus £'000
Other social housing activities:			
Other rental	1,916	(1,715)	201
Supporting people contract income	988	(885)	103
Other activities	987	(884)	103
Non-social housing activities:			
Total	3,891	(3,484)	407

3b) Turnover, cost of sales, operating expenditure and operating surplus.

2019			
	Turnover £'000	Operating expenditure £'000	Operating surplus £'000
Other social housing activities:			
Other rental	2,175	(2,095)	80
Supporting people contract income	1,698	(1,636)	62
Other activities	205	(198)	7
Total	4,078	(3,929)	149

4. Accommodation Owned and Managed

	2020 Owned	No. of units Managed	2019 Owned	No. of units Managed
Social Housing				
General needs housing				
Social rent	–	52	–	199
Supported housing	–	148	–	1
Total units social housing	–	200	–	200

The Society owns 0 (2019: 0) properties which are managed by others.

5. Interest Receivable

	2020	2019
	£'000	£'000
Bank interest receivable	7	5
Total	7	5

6. Operating Surplus

	2020	2019
	£'000	£'000
The operating surplus is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit of subsidiaries	5	8

7. Directors' Remuneration

The group chief executive, executive directors and non-executive directors are remunerated by Jigsaw Homes Group Limited. Their costs are recharged to all Group subsidiaries on an on-going basis.

8. Employee Information

	2020	2019
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:		
Management and administration	9	8
Housing, support and care	57	49
Total	66	57

	2020	2019
	£'000	£'000
Staff costs		
Wages and salaries	1,625	1,772
Social security costs	140	142
Other pension costs	62	46
Total	1,827	1,960

During the year, there were no employees who received more than £60,000 per annum in remuneration.

9. Trade and Other Debtors

	2020	2019
	£'000	£'000
Rent arrears	1,028	898
Less: provision for bad debts	(907)	(734)
Sub-total	121	164
Trade debtors	803	561
Less: provision for bad debts	(26)	(26)
Sub-total	777	535
Prepayments and accrued income	395	26
Amounts owed by group undertakings	23	24
Other debtors	26	72
Total	1,342	821

A number of tenants in arrears are in formal repayment agreements with the Society. An assessment of the net present value of those repayment agreements was carried out. The potential adjustment identified was insignificant and was less than the provision for bad debts against those tenancies. On this basis, no adjustment has been made in the financial statements in relation to the net present value of the repayment agreements.

10. Cash and Cash Equivalents

	2020	2019
	£'000	£'000
Cash at bank	2,820	2,612
Total	2,820	2,612

11. Creditors: Amounts Falling Due Within One Year

	2020	2019
	£'000	£'000
Trade creditors	13	130
Amounts owed to group undertakings	451	125
Rents and service charges paid in advance	81	123
Other taxation and social security payable	20	27
Accruals and deferred income	107	18
Other creditors	91	28
Total	763	451

12. Non-Equity Share Capital

The Society is limited by guarantee and therefore has no share capital.

13. Reserves

Revenue reserves records retained earnings and accumulated losses. Share capital represents the nominal values of shares that have been issued.

14. Related Parties

	Income	Expenditure	Gift Aid	Debtors/ (Creditors)
	£'000	£'000	£'000	£'000
Jigsaw Homes Group Ltd	–	(103)	–	1
Adactus Housing Association	–	–	–	(4)
AKSA Homes	20	–	–	22
New Charter Homes	–	–	–	(447)
New Charter Building Company	–	(3)	–	–

The Jigsaw Group Structure is shown in Note 1.

Jigsaw Homes Group Limited provides core administration, finance, development, management and maintenance services for each of the Group's subsidiaries. All transactions are recharged from the Group under a management agreement at an agreed return on cost.

15. Financial Instruments

	2020	2019
	£'000	£'000
Financial Assets		
Financial assets measured at historical cost		
· Trade receivables	898	699
· Other receivables	444	122
· Cash and cash equivalents	2,820	2,612
Total Financial Assets	4,162	3,433
Financial Liabilities		
Financial Liabilities measured at historical cost		
· Trade creditors	13	130
· Other creditors	750	321
Total Financial Liabilities	763	451

16. Pensions

Defined Contribution Pension Obligations

The Society participates in defined contribution schemes where the amount charged to the statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period.

17. Transfer of Engagements

During the year the Society accepted a transfer of engagements from Family Support Charity. Net assets received amounted to £3k.

18. Ultimate Controlling Party

The ultimate controlling party of the Association is Jigsaw Homes Group Limited, which is an entity registered under the Co-operative and Community Benefit Societies Act 2014 and a registered provider of social housing under the Housing Act. The consolidated financial statements of Jigsaw Homes

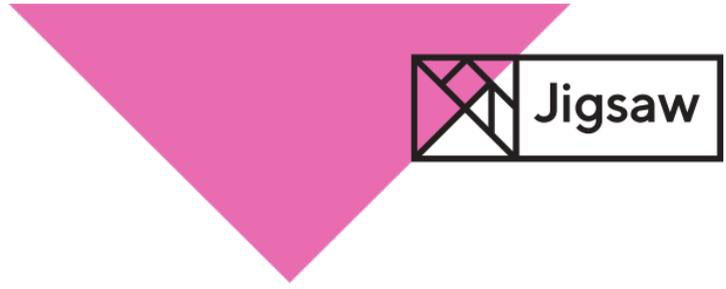
Group Limited can be obtained via the Group's website at www.jigsawhomes.org.uk or from Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT.



Connect awarded CCA Global Standard

The independent assessment involved both connect offices in Ashton-under-Lyne and Leigh.





Creating homes. Building lives.

Jigsaw Support Limited

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Cavendish Street
Ashton-under-Lyne
OL6 7AT

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Registered under the Co-operative and Community Benefit Societies Act 2014, Registration No. RS008241