

Financial Statements for the year ended 31 March 2021

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Company Information

Registration number	Co-operative and Community Benefit Societies Act 2014, number RSO08241
Registered office	Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT
Board members	G. Brown E. Clivery G. Durbin (retired March 2021) C. Green P. Joyce (appointed November 2020) A. Margai (appointed November 2020) S. Normansell A. Powell
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 A. Marshall, Group Director of Asset Management K. Marshall, Group Director of Development & People
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



The children meet Father Christmas
at Tameside Women and Their Families Centre.

Chair's Statement

On behalf of the board of management, I am very pleased to present the report and financial statements for Jigsaw Support for the 2020/21 financial year.

This document sets out a comprehensive account of our activities during 2020/21 and provides an insight into the Society's efforts to deliver on its 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 reflect on this most unusual of years.

Not many people will look back on the last year with fondness, but my colleagues on the board, our executive team and employees can all at least take some satisfaction from the quality of the Society's local response to the global COVID-19 pandemic.

Our initial focus as the pandemic emerged was to ensure that we acted swiftly to protect the safety of our employees and clients. To this end we prioritised the continued safe provision of our essential services, sourcing a secure supply of personal protective equipment and increasing our capacity for home working following the announcement of the first national lockdown on 23 March 2020.

As the year progressed, we all became more accustomed to new ways of working and getting things done. Whilst many of our employees continued to deliver vital face-to-face services, others found themselves working at home and living online—communicating through video conferencing and collaborating via the web. We adjusted our service delivery to the constraints of the times and became more resilient as a team and as a service. I would like to put on record my thanks to our employees who pulled together, often helping to provide cover at short notice and adapting practices around the needs of the business and our clients.

Indeed, our teams across all services have worked tirelessly to ensure our clients have been well-supported and safe throughout the year by putting procedures in place for building and COVID management. This has included helping our front-line workers to be fully vaccinated at the earliest opportunity and I am pleased to report that COVID cases in our schemes have been well-controlled, remaining low throughout the pandemic.

Our response to the pandemic has once again proven that *necessity is the mother of invention* and whilst some of the new ways of working we introduced are perhaps best seen as temporary measures, others have genuine promise to progress the organisation. We will take stock of the lessons learned through a review in the coming year.

The result of these superb efforts has been that we provided high-quality support to 7,375 individuals and 997 families this year as both a contracting partner and also on behalf of other members of the Jigsaw Homes Group.

As an example of the high standards that were maintained in this most difficult of years, I am pleased to report that Jigsaw Support won *National Project of the Year* at the Festival of Learning Awards for our *Motiv8* employment project.

Our financial strength and proven ability to adapt give the board and myself great confidence that we not only remain well-placed to continue to deliver for our clients during uncertain times, but that we can continue to play a significant part in supporting the most vulnerable through the difficult times that undoubtedly lie ahead.

The pandemic has brought into sharp relief unfairness in our society—perhaps most clearly manifested in the disproportionate deaths due to COVID-19 within black, Asian and minority ethnic communities. More generally, we have seen how those who live on the lowest incomes and live in the poorest housing have been most impacted by health inequality, food poverty, a lack of financial resilience and indeed by a lack of trust in social and health institutions. Our core mission is to work to address these inequalities.

More positively, the national response to the pandemic also presents us with hope. The success of the government's programme to bring

Everybody In reduced rough sleeping to practically zero overnight and saved hundreds of lives in the process. The success of this scheme proves what can be achieved with political will, national resources and focused effort.

At Jigsaw Support, the experience of this generation-defining event has certainly made us a better team. My hope is that it may also lead to wider change to make us a better society.



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:



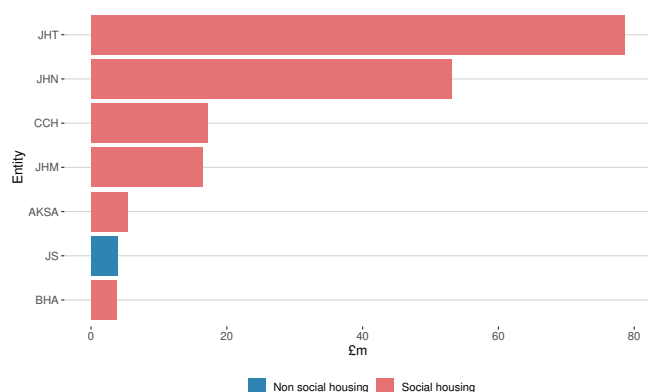
About Us

Our Group comprises ten organisations working in unison to tackle inequality throughout the North West and East Midlands.

Following further work to simplify our corporate structure in the year (see Note 1 to the Financial Statements on page 30), the principal members of the Group are:

- Chorley Community Housing Limited
- Jigsaw Homes Midlands
- Jigsaw Homes North
- Jigsaw Homes Tameside
- Jigsaw Support

As measured by financial turnover, Jigsaw is the 34th largest housing group in the country¹. The turnover of the Group's principal members during 2020/21 is shown in Figure 1 on the current page.



Source: financial statements 2020/21.

Figure 1: Turnover analysis — the vast majority of the Group's turnover is based on social housing activities. Note that AKSA and BHA transferred their engagements to Jigsaw Homes North in June 2021.

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.

¹<https://www.gov.uk/government/publications/2019-global-accounts-of-private-registered-providers>

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



Supporting Women and Their Families
in Tameside during lockdown with art project.

Review of the Year

Jigsaw Support has over 40 years' experience of delivering accommodation and support to vulnerable people. We offer services across a wide 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. Jigsaw Support continues to support people fleeing domestic abuse and also support to both homeless families and individuals with refuge provision and within supported accommodation.

The Society employs 76 people, manages its contracted services from 774 properties across 14 local authority areas and works with in excess of 7,000 clients per year.

It is pleasing to report that Jigsaw Support has continued to deliver all its contracted services across 2020/21 despite the issues raised by the COVID-19 pandemic. As a business, we have made sure that throughout this challenging period we have maintained continued and safe service provision for our clients and ensured our staff became fully mobilised where required as well as enjoying a COVID-safe working environment.

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 were extended into 2021 as the relevant Local Authorities commissioners delayed the start of the procurement exercise. A notable success was for The Great Moves Tameside service which had an extension granted to September 2021, where the original contract was due to end in March 2021. In addition, work commenced in the year with local authority commissioners and funders to novate all existing contracts to Jigsaw Support, but this has been delayed due to COVID pressures within these partners.

During the year, we were chosen to partner a three-year service to provide support to rough sleepers under the Rough Sleepers Accommodation Programme. This service commenced in March 2021.

Jigsaw Support continues to be a successful partner in the Greater Manchester Housing

Providers Housing First Pilot, which is one of the large scale pilots being delivered in England.

Also in the year and in line with its reserves strategy, the board approved two pilot schemes to explore a wellbeing service across Jigsaw Support's sphere of operations and a tenancy sustainment programme for fellow Group member, Jigsaw Homes Midlands. These services commenced in May 2021.

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

As a result of our response to operating within the COVID-19 guidelines and restrictions, in the year ending 31 March 2021 the Society has suffered increased staffing costs, additional expenditure to support enhanced security arrangements, increased void costs together with additional expenditure on necessary PPE and contract cleaning to maintain COVID-safe environments for both clients and staff. This in the main relates to our 24/7 supported accommodation and we have been successful in securing funding of c£48k from Oldham Council to off-set some of the additional costs.

Turnover for the year ended 31 March 2021 amounted to £3.6m (2020: £3.9m). Total comprehensive income for the year amounted to £0.1m (2020: £0.4m).

A summary of the Society's recent financial results are shown in Table 1 on page 12 and highlights of the Society's financial position are shown in Table 2 on page 12.

Future Plans

In 2021/22, subject to COVID-19 restrictions, Jigsaw Support will continue to develop new business approaches in line with the Group's *Jigsaw Support Strategy*.

Jigsaw Support continues to be successful in adapting quickly to the changing restrictions presented by the unprecedented circumstances surrounding the COVID-19 lockdown. 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.

Jigsaw Support is in the process of completing a harmonisation process across all staff sitting within the three contracting organisations to align pay and terms and conditions. This is expected to be completed within 2021/22. Alongside this, negotiations continue with both local authority commissioners and funders to novate all existing contracts to Jigsaw Support.

The Society continues to look for opportunities to expand services in line with its Support Strategy for all 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 %
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
2021	3,571	3,472	3	101	3

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

Table 1: Five-year financial performance.

Year	2021	2020	2019	2018	2017
Cash at bank and short term deposits	2,918	2,820	2,612	2,566	2,516
Creditors amounts falling due within one year	708	763	451	533	791
Net current assets / (liabilities)	3,500	3,399	2,982	2,829	2,501
Total assets less current liabilities	3,500	3,399	2,982	2,829	2,504
Capital and reserves	3,500	3,399	2,982	2,829	2,504

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

Table 2: Consolidated financial position.

3. Governance



A fresh start

Jigsaw Support provides Inside Out tenancy starter packs.

Corporate Structure and Governance

In 2020/21 work continued to simplify the Group's corporate and governance arrangements², resulting in the structure 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.

At the time of writing, the Group is progressing the transfer of engagements of Chorley Community Housing into Jigsaw Homes North, a process that is expected to complete during 2021/22.

Board Members Serving at the End of the Financial Year

Gill Brown

Chair of the board

Attendance: 4/4 100% (Board), 5/5 100% (Group Board), 4/4 100% (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 and an Independent Member of Blackpool Council's Audit Committee.

Ed Clivery

Attendance: 4/4 100%

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.

Carole Green

Attendance: 4/4 100%

²See Note 1 to the Financial Statements on page 30 for details.

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.

Paul Joyce

Attendance: 2/2 100%

Paul has twelve years of experience working on housing association boards, mostly at chair or vice chair level and is currently vice chair of Rochdale Boroughwide Housing. He is a sociologist who specialised in the understanding of risk management, health policy and the production of social value. His most recent employment was as the senior researcher at a digital agency specialising in social investment reporting.

Albert Margai

Attendance: 2/2 100%

Albert is a housing professional who works as a principal officer in the Strategic Housing department of Oldham MBC. His work concentrates on addressing homelessness by working with the private rented sector, specifically with regard to temporary accommodation. Away from housing, Albert has a strong background in sport and takes on various roles in chosen discipline as a player, coach and mentor.

Steve Normansell

Attendance: 3/4 75%, 3/3 100% (R&A Committee)

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: 4/4 100%

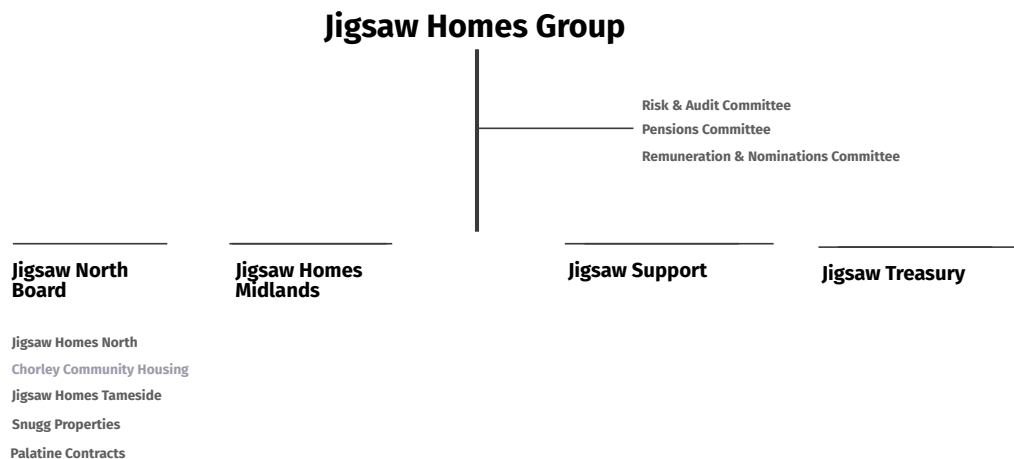


Figure 2: Corporate and governance structure — board meetings for the organisations that fall under Jigsaw North are held contemporaneously using overlapped meetings.

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.

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".

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.

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".

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

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 the following page summarises the Society's risk map at 31 March 2021. 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 Interruption' and 'Reputation'.

The diagram highlights that the ongoing COVID-19 pandemic continues to expose the Society to a significant risk of Non-Cyber Business Disruption due to the potential for staff shortages and / or restrictions on corporate activity. This risk continues to be actively managed by the Group's COVID Response Team.

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 2020 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.



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.



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

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.
- 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 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.

Code of Governance

During 2020/21 the Society's Code of Governance was *Excellence in Governance* (National Housing Federation, 2015). 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 2021/22 budget prior to the start of the financial year and approved the Society's thirty year financial plan shortly afterwards. The board is content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

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 9th September 2021 and signed on its behalf on 23rd September 2021 by:



Gill Brown

Society Chair



Winning smile

Jigsaw Support's Motiv8 programme wins national award.

4. Financial Statements

Independent Auditor's Report to the Members of Jigsaw Support

Opinion on the Financial Statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2021 and of the Society's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

We have audited the financial statements of Jigsaw Support ("the Society") for the year ended 31 March 2021 which comprises the statement of Society comprehensive income, the Society statement of financial position, the 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the board members' 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 Society'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 board with respect to going concern are described in the relevant sections of this report.

Other Information

The board are responsible for the other information. The 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. Our responsibility is to read the other information including the Chair's Report, Strategic Report and Statement of Corporate Governance and Internal Controls 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 where we are required by the Co-operative and Community Benefit Societies Act 2014 to report to you if, in our opinion:

- 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; or
- a satisfactory system of control has not been maintained over transactions; or
- 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 Statement of Board Responsibilities set out on page 20, 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.

Extent to Which the Audit Was Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Society and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Financial Conduct Authority FCA, and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Charities SORP and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates and judgements in relation to the impairment, defined benefit obligation, investment property valuation and useful economic lives
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management and journals posted after the year end.
- In respect of income from contracts, projects and property sales, these will be agreed to support providing evidence of delivery and timing of delivery
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator of Social Housing

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.

DocuSigned by:
HELEN KNOWLES
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BDO LLP, Statutory Auditor

Manchester 30 September 2021

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 the Co-operative and Community Benefit Societies Act 2014. 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

Statement of Comprehensive Income

Year ended 31 March 2021		2021	2020
	Notes	£'000	£'000
Turnover	3	3,571	3,891
Operating expenditure	3	(3,472)	(3,484)
Operating surplus	6	99	407
Interest receivable	5	2	7
Surplus before tax	6	101	414
Suplus for the year		101	414
Total comprehensive income for the year		101	414

The Financial Statements and notes on pages 27 to 37 were approved and authorised for issue by the Board on 9th September 2021 and signed on its behalf on 23rd September 2021 by:



G. Brown
Chair



B. Moran
Secretary



S. Normansell
Member

Statement of Financial Position

At 31 March 2021	Notes	2021 £'000	2020 £'000
Fixed assets			
Current assets			
Trade and other debtors	9	1,290	1,342
Cash and cash equivalents	10	2,918	2,820
		4,208	4,162
Less: Creditors: amounts falling due within one year	11	(708)	(763)
Net current assets		3,500	3,399
Total assets less current liabilities		3,500	3,399
Total net assets		3,500	3,399
Reserves			
Revenue reserve		3,378	3,277
Designated reserve		122	122
Total reserves		3,500	3,399

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G. Brown
Chair



B. Moran
Secretary



S. Normansell
Member

Statement of Changes in Equity

	Designated reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 March 2019	122	2,860	2,982
Surplus from Statement of Comprehensive Income	–	414	414
Transfer of engagements	–	3	3
Balance at 31 March 2020	122	3,277	3,399
Surplus from Statement of Comprehensive Income	–	101	101
Balance at 31 March 2021	122	3,378	3,500

The results for the year relate wholly to continuing activities and the notes on pages 30 to 37 form an integral part of these financial statements.

Notes to the Financial Statements

1. Legal Status

Jigsaw Support 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. At the year end, the Group comprised the following principal entities:

Name	Incorporation	RSH registration	Parent
AKSA Housing Association Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Beech Housing Association Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Cavendish Property Developments Limited	Companies Act 2006	Non-registered	JHG
Chorley Community Housing Limited	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Homes Midlands	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Homes North	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Homes Tameside	Companies Act 2006	Registered	JHG
Jigsaw Support	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Treasury Limited	Companies Act 2006	Non-registered	JHG
Palatine Contracts Limited	Companies Act 2006	Non-registered	JHN
Snugg Properties Limited	Companies Act 2006	Non-registered	JHN

Table 3: Principal group members.

The board of Jigsaw Homes North 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 January 2021 New Charter Homes changed its name to Jigsaw Homes Tameside.
- In February 2021 Adactus Housing Association changed its name to Jigsaw Homes North.
- On 31 March 2021 New Charter Building Company Limited transferred its assets and liabilities by way of a Business Transfer Agreement to Jigsaw Homes Group Limited.

Shortly after the financial year-end, further changes were made:

- In June 2021 AKSA Housing Association Limited transferred its engagements to Jigsaw Homes North.
- In June 2021 Beech Housing Association Limited transferred its engagements to Jigsaw Homes North.

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 2021 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 2021/22 budget prior to the start of the financial year and approved the Society's thirty year financial plan shortly afterwards. The board is content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

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.

2021			
	Turnover £'000	Operating expenditure £'000	Operating surplus £'000
Other social housing activities:			
Other rental	1,691	(1,644)	47
Supporting people contract income	1,020	(992)	28
Other activities	860	(836)	24
Non-social housing activities:			
Total	3,571	(3,472)	99

3b) 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

4. Accommodation Owned and Managed

	2021 Owned	No. of units Managed	2020 Owned	No. of units Managed
Social Housing				
General needs housing				
Affordable rent	–	–	–	52
Supported housing	–	90	–	148
Properties managed for others	–	58	–	–
Total units social housing	–	148	–	200

The Society owns 0 (2020: 0) properties which are managed by others.

5. Interest Receivable

	2021 £'000	2020 £'000
Bank interest receivable	2	7
Total	2	7

6. Operating Surplus

	2021	2020
	£'000	£'000
The operating surplus is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit of subsidiaries	6	5

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

	2021	2020
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:		
Management and administration	6	9
Housing, support and care	52	57
Total	58	66

	2021	2020
	£'000	£'000
Staff costs		
Wages and salaries	1,832	1,625
Social security costs	158	140
Other pension costs	94	62
Total	2,084	1,827

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

9. Trade and Other Debtors

	2021 £'000	2020 £'000
Rent arrears	1,077	1,028
Less: provision for bad debts rents	(985)	(907)
Sub-total	92	121
Trade debtors	939	803
Less: provision for bad debts trade	(25)	(26)
Sub-total	914	777
Prepayments and accrued income	85	395
Amounts owed by group undertakings	105	23
Other debtors	94	26
Total due within one year	1,290	1,342
Total	1,290	1,342

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

	2021 £'000	2020 £'000
Cash at bank	2,918	2,820
Total	2,918	2,820

11. Creditors: Amounts Falling Due Within One Year

	2021 £'000	2020 £'000
Trade creditors	21	13
Amounts owed to group undertakings	178	451
Rents and service charges paid in advance	172	81
Other taxation and social security payable	115	20
Accruals and deferred income	185	107
Other creditors	37	91
Total	708	763

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	–	(138)	–	(16)
Jigsaw Homes North	–	–	–	84
AKSA Housing Association	–	–	–	20
Jigsaw Homes Tameside	–	–	–	(161)

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. 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.

16. 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.



Creating homes. Building lives.

Jigsaw Support

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