

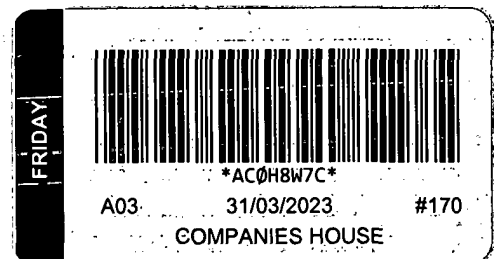
Company Registration Number: 07559293 (England & Wales)

ZENITH MULTI ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of trustees' responsibilities	17
Independent auditors' report on the financial statements	18 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities incorporating income and expenditure account	24
Balance sheet	25 - 26
Statement of cash flows	27
Notes to the financial statements	28 - 53

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Stewart Taylor Andrew Sheldon Robert Gray Brian Griffiths Ola Fashesin-Souza (appointed 1 May 2022)
Trustees	Iain Birtwell Alan Davies Sarah Foster Rob James John Marchant Ann Mathews Apoorva Sherekar Rowena Simmons Ben Steel Stewart Taylor
Company registered number	07559293
Company name	Zenith Multi Academy Trust
Principal and registered office	Shipwright Drive Benfleet Essex SS7 1RQ
Company secretary	Sarah Hanmore
Chief executive officer	Andy Hodgkinson
Senior management team	Sarah Hanmore, Chief Financial Officer
Independent auditors	Landau Baker Limited Chartered Accountants Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Lloyd Bank 77 High Street Southend on sea Essex SS1 1 HT
Solicitors	Browne Jacobson LLP 15th Floor 6 Bevis Marks London EC3A 7BA

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of Zenith Multi Academy Trust (The Trust or the Charitable Company) for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates one primary and three secondary schools serving a catchment area in Benfleet, Canvey Island, and Basildon.

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Schools:

- | | |
|---|--|
| • The King John School | converted on 01.12.17 |
| • The James Hornsby School | converted and joined the Trust on 01.12.17 |
| • Laindon Park Primary School and Nursery | converted and joined the Trust on 01.09.18 |
| • Castle View School | converted and joined the Trust on 01.09.19 |

The operation of The Trust's Schools and employment of staff are the responsibility of the Trustees. The Trust retains control of schools budgets and finances, and monitors these through its Finance, Audit, and Risk Committee. Throughout this report the Board of Trustees is referred to as BoT. Each School has appointed Local Governing Bodies (LGB) who have delegated authority to administer their school within agreed budgets.

Details of the Trustees who served throughout the period are included in the reference and administrative details section. Within this report the term Trustee refers to a member of the BoT and the term Governor to a member of an LGB.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and details of the costs are disclosed in Note 13 to the accounts.

d. Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the BoT, but does not vote. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for up to 9 Trustees plus the CEO.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable, regular training so as to enable them to perform their role effectively. To this end, the Trust links with a number of training providers, including the National Governance Association. New Trustees and Governors are required to undertake an induction programme. The induction programme may involve a tour of the relevant school, meetings with pupils/students and staff, and provision of policy and procedures documents that are appropriate to the role they undertake, with particular emphasis on the committee work that they will perform.

f. Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association, together with the Funding Agreement with the Department of Education.

The BoT met on 5 occasions NB: the BoT will meet 6 times during 22/23) and its sub committees (Finance, Audit, and Risk (FAR)) 4 times per year with the Pay Committee meeting as and when required. A newly formed Standards Committee will meet 4 times per year in 22/23. The BoT is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets, and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Governors within their LGB are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their school and monitoring performance against that budget and authorised capital limits.

The schools' Senior Leadership Teams (SLTs) control the schools at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their school, in particular organising staff, resources, and pupils/students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Trust's Leadership Team (LT) looks across the Trust and aligns SLT and LGB activity with the strategic aims of the Trust as a whole.

The Trust's CEO is the Accounting Officer.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration are approved by the appropriate sub-committee and ratified by the BoT.

Trade Union Facility Time

The number of employees who were relevant union officials during the period were none.

During the year there was no time spent on facility time.

There was £NIL spent on facility time.

However, the Trust contributed to the public duties fund.

h. Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the BoT being drawn from local public and private sector organisations, it is possible that from time to time that transactions will take place with organisations, in which Trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook.

Zenith Multi Academy Trust is sponsor to Laindon Park Primary School and Nursery, Castle View School, The James Hornsby School, and The King John School.

i. Engagement with suppliers, customers and others in a business relationship with the Academy

The Trustees have implemented clear policies and procedures for dealing fairly with suppliers. Formal orders are placed, and agreed payment terms always adhered to. To ensure service continuity during and after the current coronavirus outbreak the Trust has followed the guidelines of the Government Procurement Policy Note (PPN) that sets out information and guidance for public bodies on payment of their suppliers.

The Trustees consider pupils and parents/carers to be their "customers". Whilst pupils encounter engagement on a daily basis, engagement with parents/carers is carried out through regular newsletters, communications, and face to face meetings.

Objectives and activities

a. Objects and aims

The principal object and aim of the Charitable Company is the operation of the schools to provide free education and care for pupils/students of different abilities between the ages of 4 and 18.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

b. Objectives, strategies and activities

The Trust aims to provide a high quality educational learning focused experience for all pupils/students and staff, and, to do so, sets a culture of high expectations for staff and pupils/students to contribute to raising achievement for all pupils/students.

The Trust reviews its curriculum offer annually and is satisfied that it offers a broad and balanced curriculum, based on statutory requirements, and student preferences in Key Stage 4 and Key Stage 5, as well as providing other learning opportunities through its extensive and diverse extra-curricular programme of activities.

During the year the Trust has worked towards these aims by:

- Investing targeted resources into schools as part of the new school improvement bid system
- Completing curriculum reviews in all secondary schools with an external advisor
- Employing National Leaders in Education (NLEs)/ex-Headteachers of "outstanding" schools (one secondary and one primary) to challenge schools to produce an action plan and report of impact on improving progress of pupils/students, including those with SEND or who are disadvantaged
- Continuing to employ three trust deputy headteachers to support the Trust schools
- Developing Zenith Minds and delivering training in all schools on safeguarding and mental health
- Developing a new Trust data dashboard
- Developing a new link with Teach First across the Trust

Our success in fulfilling our aims can be measured by:

- Progress against targets on school/Trust improvement plans
- Action plans produced for disadvantaged groups, monitored throughout the year by the local governing bodies
- Ofsted gradings and external examination results
- Zenith Minds' ability to successfully support any student referred to them

c. Public benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic report

Achievements and performance

There was a successful Section 5 Ofsted inspection at James Hornsby which resulted in a "good" rating, in October 2021.

KS2, GCSE and A-level results:

- KS2 SATs provisional progress grades show improvement in all areas
- A-level results are strong for both progress and attainment
- GCSE attainment levels are improved across all schools, although progress rates are not yet consistently strong
- Attendance rates have held up well in comparison to other schools, within the context of Covid/Omicron
- Exclusions remain low across the Trust
- Recruitment and retention of staff across the Trust have been strong
- The Trust successfully secured £2.5m of CIF funding to improve our estate

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Trustees received regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies, and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2022 were 4105 increased from 4076 from the previous year.

Another key financial performance indicator is teaching staff costs as a percentage of total income. For 2021/22 this was approx. 74%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the BoT.

The LGB also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants, and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPIs were within the parameters set by the BoT.

b. Going concern

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

c. Promoting the success of the company

The Trustees have an obligation to act in a way most likely to promote the success of the Charitable Company. Details regarding engagement with employees, suppliers, parents/carers, pupils and other connected parties have been covered in separate notes within the Trustees' Report. The obligation to assess the likely consequences of decisions in the longer term is noted within the reserves policy below as Trustees balance the needs of current and future cohorts.

The Trustees have identified relevant areas as key risks, and their actions in these areas are covered within Principal risks and uncertainties later within this Strategic Report.

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2022 the Trust received £24.9m of GAG and other funding. Total income was £25.9. A high percentage of this income was spent on wages, salaries, and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £1.7m to support capital new build and improvement projects on the various School sites.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust recognises a significant pension fund deficit of £1,885,0000. This does not mean that an immediate liability for this amount crystallises, and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The Trustees are aware of the requirement to balance current and future needs, and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the CFO. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £36,153,632. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

Any additional reserves held are earmarked as follows: £390k for Castle View deficit removal; CIF bid contributions if successful of £690k; additional infrastructure investment at Castle View including a canopy, food tech provision and IT suite; playground works and toilet refurbishment at Laindon Park; completion of the new hall at James Hornsby; and vital roof repairs at King John. The Trust is fully funding both teacher and support staff pay awards which individual school revenue budgets do not meet. In addition the Trust is earmarking £500k for the continued school improvement fund bid process, which was set up in January 2022.

The Trust's balance on restricted general funds (excluding pension reserve) of £1,112,125 plus the balance on unrestricted funds at 31 August 2022 was £4,021,934.

b. Investment policy

An Investment Policy was approved by the FAR Committee in September 2022.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship, as and when circumstances allow.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Principal risks and uncertainties

The Trust works with the LGB in maintaining a risk register identifying the major risks, to which each school is exposed, and identifying actions and procedures to mitigate those risks. The internal control systems and the exposure to identified key risks are monitored on behalf of the Trustees at each Finance, Audit, and Risk Committee meeting. The principal risks facing the Trust are outlined below; those facing the schools at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored, and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- Each school within the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- Reputational - the continuing success of the individual schools is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- Safeguarding and health and safety - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety, and behaviour/attendance;
- Staffing - the success of the schools is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- Standards – the Trustees continue to expect the highest levels of outcomes in relation to academic progress/attainment including, and well-being, as well as Ofsted ratings - considerable resources are in place and accountability measures to mitigate this
- Fraud and mismanagement of funds - The Trust has appointed Landau Baker to carry out independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low;
- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist, the main risk to the Trust is annual cash flow funding as part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each school have continued to strengthen its risk management process throughout the year by improving the process and ensuring senior staff awareness.

Fundraising

The Trust only held small fundraising events during the year including non-uniform days and plays. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022 – UK:						
						TOTAL
Energy consumption used to calculate emissions (kWh)						3,934,235
Energy consumption break down (kWh) (optional)						
• gas,						
• electricity,						
• transport fuel						
Scope 1 emissions in metric tonnes CO₂e						
Gas consumption						
Owned transport – mini-buses						13
Total scope 1						12.76723
Scope 2 emissions in metric tonnes CO₂e						
Electricity						868
Electricity						868
Scope 3 emissions in metric tonnes CO₂e						
Business travel in employee owned vehicles						1,309
Total gross emissions in metric tonnes CO₂e						2190.19
Intensity ratio						
Number of pupils at the balance sheet date						4009
Tonnes CO₂e per pupil						0.546319

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting (continued)

Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Plans for future periods

- Improve outcomes for all, especially children with SEND or who are disadvantaged, through working with the Education Endowment Fund research base;
- Improve attendance/persistent absence rates, especially for children with SEND or who are disadvantaged;
- Introduce 'Steer' mental health identifier software across the Trust;
- Work with the Education Endowment Fund (EEF) to improve Leadership of Change;
- Respond to recommendations in the White Paper as required;
- Ensure our resources are well deployed to enhance the quality of education for all for all our pupils/students, in particular regarding our academic and well-being curriculum offer;
- CPD will continue to be a major Trust focus for 22/23.

Funds held as custodian on behalf of others

No funds are held by the Trust as Custodian Trustees on behalf of others.

Employee Involvement

Where appropriate, the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trade unions. The Trust provides information to employees generally by way of email, newsletters, and staff meetings. At each of the schools, information is channelled via the SLT meetings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust and school websites, and student progress and attainment statistics when they are made available.

Equal Opportunities Policy

It is the Trust's policy to ensure equality of opportunities is afforded to staff, pupils/students, and other stakeholders. Training, career development, and promotion opportunities are available to all employees.

Disabled Persons

Applications for employment by disabled persons are given full and fair consideration for all vacancies. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment within the Trust may continue.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

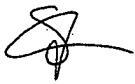
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2022 and signed on its behalf by:



Mr S V Taylor
Chair of Trustees

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 5 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Iain Birtwell	5	5
Alan Davies	4	5
Sarah Foster	5	5
Rob James	1	1
John Marchant	5	5
Ann Mathews	1	1
Apoorva Sherekar	1	1
Rowena Simmons	5	5
Ben Steel	0	1
Stewart Taylor	5	5

Changes in composition of the board of Trustees – We have increased our Trust board from six to nine. This has enabled us to secure additional expertise around estates, HR and school improvements

Processes in place to manage conflict – the Trust maintains an up to date register of interest and declarations are made at every Trust board and LGB meeting

Describe review that has been undertaken on the impact and effectiveness of the board – The Trust board commissioned a NGA review in April 2022 which resulted in a positive report

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the local governing bodies in fulfilling its oversight responsibilities with regard to the financial management of the Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Iain Birtwell	4	4
Alan Davies	4	4
Sarah Foster	4	4
Sarah Hanmore, CFO	4	4
Andy Hodgkinson, CEO	4	4
Stewart Taylor	3	4

The Pay Committee is also a sub-committee of the main Board of Trustees. Its purpose is to advise the main board on all issues relating to pay.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Iain Birtwell	1	1
Alan Davies	1	1
Sarah Foster	1	1
Stewart Taylor	1	1

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Principal has responsibility for ensuring that the Academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by [add text].

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Zenith Multi Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ [Input name] as internal auditor.

Internal, external auditors have delivered their schedule of work as planned – Internal audit has delivered their agreed schedule of works. The Trust has focused on cyber security in particular and currently exceeds recommendations.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

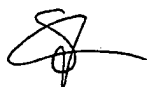
Review of effectiveness

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

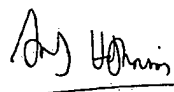
- the work of the ;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on their behalf by:



Mr S V Taylor
Chair of Trustees



Mr A Hodgkinson
Accounting Officer

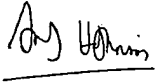
ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Zenith Multi Academy Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



Mr A Hodgkinson
Accounting Officer
Date: 15 December 2022

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

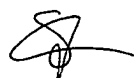
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on its behalf by:



Mr S V Taylor
Chair of Trustees

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ZENITH
MULTI ACADEMY TRUST**

Opinion

We have audited the financial statements of Zenith Multi Academy Trust (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

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

Conclusions relating to going concern

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

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

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

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ZENITH
MULTI ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are 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 Trustees 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 Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ZENITH
MULTI ACADEMY TRUST (CONTINUED)**

Auditors' 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 Auditors' 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.

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:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy trust operates in, and identified the key laws and regulations that:

- reading minutes of meetings of those charged with governance.
- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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 Auditors' report.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ZENITH
MULTI ACADEMY TRUST (CONTINUED)**

Use of our report

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



Jake Lew (Senior statutory auditor)

for and on behalf of
Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House

154 Brent Street

London

NW4 2DR

15 December 2022

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ZENITH
MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated [enter date here] and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Zenith Multi Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Zenith Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Zenith Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Zenith Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Zenith Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Zenith Multi Academy Trust's funding agreement with the Secretary of State for Education dated [enter date here] and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ZENITH
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant
Landau Baker Limited
Chartered Accountants
Statutory Auditors

Date: 15 December 2022

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	-	217,473	433,971	651,444	316,720
Other trading activities		331,384	-	-	331,384	140,910
Investments	6	2,862	-	-	2,862	879
Charitable activities		37,327	25,437,502	-	25,474,829	24,766,425
Total income		371,573	25,654,975	433,971	26,460,519	25,224,934
Expenditure on:						
Charitable activities	8	13,988	26,563,931	2,000,217	28,578,136	27,401,875
Total expenditure		13,988	26,563,931	2,000,217	28,578,136	27,401,875
Net income/(expenditure)		357,585	(908,956)	(1,566,246)	(2,117,617)	(2,176,941)
Transfers between funds	19	(29,193)	(1,383,092)	1,412,285	-	-
Net movement in funds before other recognised gains/(losses)		328,392	(2,292,048)	(153,961)	(2,117,617)	(2,176,941)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	11,192,000	-	11,192,000	(540,000)
Net movement in funds		328,392	8,899,952	(153,961)	9,074,383	(2,716,941)
Reconciliation of funds:						
Total funds brought forward		3,683,680	(9,615,638)	36,437,047	30,505,089	33,222,030
Net movement in funds		328,392	8,899,952	(153,961)	9,074,383	(2,716,941)
Total funds carried forward		4,012,072	(715,686)	36,283,086	39,579,472	30,505,089

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 28 to 53 form part of these financial statements.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07559293

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	36,503,624	36,706,752
		<u>36,503,624</u>	<u>36,706,752</u>
Current assets			
Debtors	16	1,122,195	1,101,158
Cash at bank and in hand		7,147,655	7,304,872
		<u>8,269,850</u>	<u>8,406,030</u>
Creditors: amounts falling due within one year	17	(3,174,464)	(2,667,155)
Net current assets		<u>5,095,386</u>	<u>5,738,875</u>
Total assets less current liabilities		<u>41,599,010</u>	<u>42,445,627</u>
Creditors: amounts falling due after more than one year	18	(134,538)	(202,538)
Net assets excluding pension liability		<u>41,464,472</u>	<u>42,243,089</u>
Defined benefit pension scheme liability	26	(1,885,000)	(11,738,000)
Total net assets		<u><u>39,579,472</u></u>	<u><u>30,505,089</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	36,283,086	36,437,047
Restricted income funds	19	1,169,314	2,122,362
		<u>37,452,400</u>	<u>38,559,409</u>
Restricted funds excluding pension asset	19	37,452,400	38,559,409
Pension reserve	19	(1,885,000)	(11,738,000)
Total restricted funds	19	<u>35,567,400</u>	<u>26,821,409</u>
Unrestricted income funds	19	4,012,072	3,683,680
Total funds		<u><u>39,579,472</u></u>	<u><u>30,505,089</u></u>

The financial statements on pages 24 to 53 were approved by the Trustees, and authorised for issue on 15 December 2022 and are signed on their behalf, by:

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07559293

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022



Mr S V Taylor
Chair of Trustees

The notes on pages 28 to 53 form part of these financial statements.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	1,271,039	1,010,592
Cash flows from investing activities	23	(1,360,256)	(1,784,850)
Cash flows from financing activities	22	(68,000)	(19,462)
Change in cash and cash equivalents in the year		(157,217)	(793,720)
Cash and cash equivalents at the beginning of the year		7,304,872	8,098,592
Cash and cash equivalents at the end of the year	24, 25	<u>7,147,655</u>	<u>7,304,872</u>

The notes on pages 28 to 53 form part of these financial statements

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

• **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

1.4 Expenditure

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £NIL or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 5-50 years straight-line
Long-term leasehold property	- 20-100 years straight-line
Furniture and equipment	- 10-20 years straight-line
Computer equipment	- 5-50 years straight-line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Trustees.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
--	--	---------------------------------------	---------------------------------------

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants (continued)

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	217,473	-	217,473	111,043
Capital Grants	-	433,971	433,971	205,677
	<u>217,473</u>	<u>433,971</u>	<u>651,444</u>	<u>316,720</u>
	<u>217,473</u>	<u>433,971</u>	<u>651,444</u>	<u>316,720</u>
Total 2021	<u>111,043</u>	<u>205,677</u>	<u>316,720</u>	

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Funding for the Academy's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational Activities				
DfE/ESFA grants				
General annual grant (GAG)	-	22,979,648	22,979,648	21,352,304
Other DfE/ESFA grants				
Pupil premium	-	1,032,533	1,032,533	1,013,133
UiFSM	-	12,252	12,252	53,028
Other DfE/ESFA grants	-	894,548	894,548	1,378,843
	-	24,918,981	24,918,981	23,797,308
Other Government grants				
Local Authority Grants	-	376,494	376,494	365,939
	-	376,494	376,494	365,939
Other income from the Academy's educational activities	37,327	-	37,327	104,736
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	87,621	87,621	291,320
Other DfE/ESFA Covid-19 funding	-	54,406	54,406	204,122
	-	142,027	142,027	495,442
COVID-19 additional funding (non-DfE/ESFA)				
Other Covid-19 funding	-	-	-	3,000
	-	-	-	3,000
	37,327	25,437,502	25,474,829	24,766,425
	37,327	25,437,502	25,474,829	24,766,425
Total 2021	104,736	24,661,689	24,766,425	

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	159,321	159,321	2,202
Other Income	172,063	172,063	138,708
	<u>331,384</u>	<u>331,384</u>	<u>140,910</u>
Total 2021	<u>140,910</u>	<u>140,910</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	2,862	2,862	879
Total 2021	<u>879</u>	<u>879</u>	

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational Activities:					
Direct costs	16,185,119	-	1,932,514	18,117,633	17,108,056
Allocated support costs	4,187,480	4,174,748	2,098,275	10,460,503	10,293,819
	<u>20,372,599</u>	<u>4,174,748</u>	<u>4,030,789</u>	<u>28,578,136</u>	<u>27,401,875</u>
Total 2021	<u>19,622,022</u>	<u>4,431,225</u>	<u>3,348,628</u>	<u>27,401,875</u>	

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational Activities	13,988	28,564,148	28,578,136	27,401,875
Total 2021	8,350	27,393,525	27,401,875	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational Activities	18,117,633	10,460,503	28,578,136	27,401,875
Total 2021	17,108,056	10,293,819	27,401,875	

Analysis of direct costs

	Educational Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	16,084,169	16,084,169	15,450,924
Educational supplies	1,146,779	1,146,779	958,945
Examination fees	351,154	351,154	253,283
Staff development	120,634	120,634	78,340
Teaching supply costs	100,950	100,950	48,306
Technology costs	170,853	170,853	170,309
Educational consultancy	122,840	122,840	131,821
Other support costs	20,254	20,254	16,128
	18,117,633	18,117,633	17,108,056
Total 2021	17,108,056	17,108,056	

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Analysis of support costs

	Educational Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Pension finance costs	186,000	186,000	157,000
Staff costs	3,033,842	3,033,842	3,272,792
Depreciation	2,000,217	2,000,217	2,144,784
Staff development	111,001	111,001	98,422
Technology costs	276,732	276,732	303,291
Maintenance of premises and equipment	438,480	438,480	373,018
Support supply staff costs	638	638	-
Cleaning	343,594	343,594	352,858
Rent and rates	130,418	130,418	121,027
Energy costs	473,242	473,242	427,835
Insurance	85,945	85,945	80,722
Security and transport	75,528	75,528	58,538
Catering	218,205	218,205	359,959
Other support costs	502,340	502,340	405,424
Legal and professional fees	272,408	272,408	205,295
Governance	27,270	27,270	30,370
Premises - PFI	1,030,179	1,030,179	973,589
Other occupancy costs	101,464	101,464	78,895
Non cash pension costs	1,153,000	1,153,000	850,000
	<u>10,460,503</u>	<u>10,460,503</u>	<u>10,293,819</u>
	<u>10,460,503</u>	<u>10,460,503</u>	<u>10,293,819</u>
Total 2021	<u>10,293,819</u>	<u>10,293,819</u>	<u>10,293,819</u>

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	874,605	700,393
Depreciation of tangible fixed assets	2,000,217	2,144,784
Fees paid to auditors for:		
- audit	12,000	12,000
- other services	6,000	4,400
	<u>18,000</u>	<u>16,400</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	14,396,644	14,173,278
Social security costs	1,515,277	1,432,041
Pension costs	3,206,090	3,118,397
	<u>19,118,011</u>	<u>18,723,716</u>
Agency staff costs	100,950	48,306
Agency support costs	638	-
Non cash pension costs	1,153,000	850,000
	<u>20,372,599</u>	<u>19,622,022</u>

b. Staff numbers

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

	2022 No.	2021 No.
Management	5	5
Teaching	258	244
Administration and support	194	229
	<u>457</u>	<u>478</u>

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Staff (continued)

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	17	12
In the band £70,001 - £80,000	4	1
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	1	6
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	1	-
In the band £180,001 - £190,000	-	1
	<u>-</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £229,009 (2021 - £260,183).

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Central services

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

- Appointment of a Chief Executive Officer (CEO) to act as Accounting Officer and provide expertise and support on School monitoring and improvement and Headteacher performance management;
- Appointment of a Chief Financial Officer to provide financial management support;
- Appointment of a Director of Human Resources to provide HR and recruitment support;
- Curriculum expertise in specific areas;
- School business management support;
- IT support and Trust Finance System including maintaining the finance system central platform and support setting new schools up in the Trust;
- IT support services at a reduced consolidated rate offering best value;
- Provision of year-end audit and financial statements at a reduced consolidated rate offering best value;
- An ongoing programme of procurement services to realise economies of scale across the trust;
- Clerk to Trust Board and Trust Committees: and
- Communications and marketing to promote all Schools within the Trust.
- Estate management support, including compliance software

The Academy charges for these services on the following basis:

The recharges are 4% of GAG income for outstanding Schools, 5% for good & RI schools and 6% for any other Ofsted rating.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
King John School	569,531	625,176
James Hornsby School	312,057	254,927
Laindon Park Primary	46,459	36,441
Castle View School	290,703	254,161
Total	1,218,750	1,170,705

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, expenses totalling £72 were reimbursed or paid directly to 1 Trustee (2021 - £NIL to Trustee). This was for mileage reimbursements.

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was £61,633 (2021 - £74,860). The cost of this insurance is included in the total insurance cost.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 September 2021	35,927,580	9,491,256	-	2,265,321	1,624,621	21,890	49,330,668
Additions	558,840	424,609	339,102	144,779	329,759	-	1,797,089
At 31 August 2022	<u>36,486,420</u>	<u>9,915,865</u>	<u>339,102</u>	<u>2,410,100</u>	<u>1,954,380</u>	<u>21,890</u>	<u>51,127,757</u>
Depreciation							
At 1 September 2021	9,242,537	1,299,143	-	858,144	1,202,202	21,890	12,623,916
Charge for the year	1,298,662	402,689	-	217,527	81,339	-	2,000,217
At 31 August 2022	<u>10,541,199</u>	<u>1,701,832</u>	<u>-</u>	<u>1,075,671</u>	<u>1,283,541</u>	<u>21,890</u>	<u>14,624,133</u>
Net book value							
At 31 August 2022	<u>25,945,221</u>	<u>8,214,033</u>	<u>339,102</u>	<u>1,334,429</u>	<u>670,839</u>	<u>-</u>	<u>36,503,624</u>
At 31 August 2021	<u>26,685,043</u>	<u>8,192,113</u>	<u>-</u>	<u>1,407,177</u>	<u>422,419</u>	<u>-</u>	<u>36,706,752</u>

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	9,790	13,113
Other debtors	257,577	293,509
Prepayments and accrued income	854,828	794,536
	<u>1,122,195</u>	<u>1,101,158</u>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	86,000	86,000
Trade creditors	1,230,473	1,231,067
Other taxation and social security	743,409	729,236
Other creditors	11,282	4,942
Accruals and deferred income	1,103,300	615,910
	<u>3,174,464</u>	<u>2,667,155</u>

	2022 £	2021 £
Deferred income at 1 September 2021	206,852	180,803
Resources deferred during the year	386,985	206,852
Amounts released from previous periods	(206,852)	(180,803)
	<u>386,985</u>	<u>206,852</u>

18. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	134,538	202,538

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	3,683,680	371,573	(13,988)	(29,193)	-	4,012,072
Restricted general funds						
GAG	1,897,958	22,979,648	(22,325,200)	(1,383,092)	-	1,169,314
Pupil premium	167,757	1,032,533	(1,200,290)	-	-	-
UiFSM	-	12,252	(12,252)	-	-	-
Other DfE/ESFA grants	-	910,570	(910,570)	-	-	-
SEN	-	256,532	(256,532)	-	-	-
Other LA	-	119,961	(119,961)	-	-	-
General Fund	-	217,474	(217,474)	-	-	-
Covid Catch up premium	56,647	71,599	(128,246)	-	-	-
Other ESFA/DfE covid-19 funding	-	54,406	(54,406)	-	-	-
Pension reserve	(11,738,000)	-	(1,339,000)	-	11,192,000	(1,885,000)
	<u>(9,615,638)</u>	<u>25,654,975</u>	<u>(26,563,931)</u>	<u>(1,383,092)</u>	<u>11,192,000</u>	<u>(715,686)</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	36,437,047	433,971	(2,000,217)	1,412,285	-	36,283,086
Total Restricted funds	<u>26,821,409</u>	<u>26,088,946</u>	<u>(28,564,148)</u>	<u>29,193</u>	<u>11,192,000</u>	<u>35,567,400</u>
Total funds	<u>30,505,089</u>	<u>26,460,519</u>	<u>(28,578,136)</u>	<u>-</u>	<u>11,192,000</u>	<u>39,579,472</u>

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

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	1,728,000	-	-	-	-	1,728,000
General funds						
General Funds - all funds	1,717,505	246,525	(8,350)	-	-	1,955,680
Total Unrestricted funds	3,445,505	246,525	(8,350)	-	-	3,683,680
Restricted general funds						
GAG	2,949,238	21,352,304	(20,887,560)	(1,516,024)	-	1,897,958
Pupil Premium	158,157	1,013,133	(1,003,533)	-	-	167,757
UiFSM	-	53,028	(53,028)	-	-	-
Other DfE/ESFA grants	-	1,378,843	(1,378,843)	-	-	-
SEN (LA funding)	-	287,350	(287,350)	-	-	-
Other LA funding	-	106,589	(106,589)	-	-	-
General fund	-	84,043	(84,043)	-	-	-
Other Covid-19 funding	-	3,000	(3,000)	-	-	-
Covid Catch-up premium	-	291,320	(234,673)	-	-	56,647
Other ESFA/DfE Covid-19 funding	-	204,122	(204,122)	-	-	-
Pension reserve	(10,191,000)	-	(1,007,000)	-	(540,000)	(11,738,000)
	(7,083,605)	24,773,732	(25,249,741)	(1,516,024)	(540,000)	(9,615,638)
Restricted fixed asset funds						

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Class II Restricted Funds - all funds	36,860,130	205,677	(2,144,784)	-	-	36,437,047
Total Restricted funds	<u>29,776,525</u>	<u>24,979,409</u>	<u>(27,394,525)</u>	<u>(1,516,024)</u>	<u>(540,000)</u>	<u>26,821,409</u>
Total funds	<u><u>33,222,030</u></u>	<u><u>25,225,934</u></u>	<u><u>(27,402,875)</u></u>	<u><u>(1,516,024)</u></u>	<u><u>(540,000)</u></u>	<u><u>30,505,089</u></u>

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
James Hornsby School	860,538	2,989,879
The King John School	2,067,872	7,612,868
Lainden Park Primary	141,135	345,971
Castlevue School	185,854	156,121
Central services	1,925,987	(5,298,797)
Total before fixed asset funds and pension reserve	<u>5,181,386</u>	<u>5,806,042</u>
Restricted fixed asset fund	36,283,086	36,437,047
Pension reserve	(1,885,000)	(11,738,000)
Total	<u><u>39,579,472</u></u>	<u><u>30,505,089</u></u>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
James Hornsby School	3,698,301	759,360	319,676	753,047	5,530,384	5,484,947
The King John School	7,714,082	1,071,069	787,219	927,781	10,500,151	10,597,405

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Lainden Park Primary	689,918	167,534	35,733	241,356	1,134,541	909,832
Castlevue School	3,577,142	556,491	289,855	1,624,927	6,048,415	6,033,982
Central services	404,726	510,771	65,449	1,044,482	2,025,428	1,223,925
LGPS costs	-	1,153,000	-	186,000	1,339,000	1,007,000
Academy	16,084,169	4,218,225	1,497,932	4,777,593	26,577,919	25,257,091

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	36,503,624	36,503,624
Current assets	4,012,072	4,257,778	-	8,269,850
Creditors due within one year	-	(3,088,464)	(86,000)	(3,174,464)
Creditors due in more than one year	-	-	(134,538)	(134,538)
Provisions for liabilities and charges	-	(1,885,000)	-	(1,885,000)
Total	4,012,072	(715,686)	36,283,086	39,579,472

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	36,706,752	36,706,752
Current assets	3,683,680	4,703,517	18,833	8,406,030
Creditors due within one year	-	(2,581,155)	(86,000)	(2,667,155)
Creditors due in more than one year	-	-	(202,538)	(202,538)
Provisions for liabilities and charges	-	(11,738,000)	-	(11,738,000)
Total	3,683,680	(9,615,638)	36,437,047	30,505,089

21. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(2,117,617)	(2,176,941)
Adjustments for:		
Depreciation	2,000,217	2,144,784
Capital grants from DfE and other capital income	(433,971)	(205,677)
Interest receivable	(2,862)	(879)
Defined benefit pension scheme cost less contributions payable	1,153,000	850,000
Defined benefit pension scheme finance cost	186,000	157,000
Increase in debtors	(21,037)	(187,742)
Increase in creditors	507,309	430,047
Net cash provided by operating activities	1,271,039	1,010,592

22. Cash flows from financing activities

	2022 £	2021 £
Repayments of borrowing	(68,000)	(19,462)
Net cash used in financing activities	(68,000)	(19,462)

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

23. Cash flows from investing activities

	2022 £	2021 £
Interest receivable	2,862	879
Purchase of tangible fixed assets	(1,797,089)	(1,991,406)
Capital grants from DfE Group	433,971	205,677
Net cash used in investing activities	(1,360,256)	(1,784,850)

24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	7,147,655	7,304,872
Total cash and cash equivalents	7,147,655	7,304,872

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	7,304,872	(157,217)	7,147,655
Debt due within 1 year	(86,000)	-	(86,000)
Debt due after 1 year	(202,538)	68,000	(134,538)
	7,016,334	(89,217)	6,927,117

26. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

26. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £ - (2021 - £2,301,381).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,017,000 (2021 - £1,011,000), of which employer's contributions totalled £821,000 (2021 - £816,000) and employees' contributions totalled £ 196,000 (2021 - £195,000). The agreed contribution rates for future years are 23.4 per cent for employers and 8.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

26. Pension commitments (continued)

Principal actuarial assumptions

Essex Pension Fund

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022	2021
	Years	Years
Retiring today		
Males	21.0	21.6
Females	23.5	23.6
Retiring in 20 years		
Males	22.3	22.9
Females	24.9	25.1

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	761	(549)
Discount rate -0.1%	825	564
Mortality assumption - 1 year increase	821	912
Mortality assumption - 1 year decrease	765	(876)
CPI rate +0.1%	825	524
CPI rate -0.1%	760	(511)

Share of scheme assets

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

26. Pension commitments (continued)

The Academy's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	6,555,000	6,884,000
Gilts	224,000	271,000
Corporate bonds	515,000	500,000
Property	1,102,000	751,000
Cash and other liquid assets	349,000	299,000
Alternative assets	1,745,000	1,194,000
Other managed fund	1,158,000	856,000
Total market value of assets	11,648,000	10,755,000

The actual return on scheme assets was £(156,000) (2021 - £1,926,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	2021 £
Current service cost	(1,969,000)	(1,661,000)
Interest income	185,000	134,000
Interest cost	(371,000)	(291,000)
Total amount recognised in the Statement of financial activities	(2,155,000)	(1,818,000)

Changes in the present value of the defined benefit obligations were as follows:

	2022 £	2021 £
At 1 September	22,493,000	18,138,000
Current service cost	1,969,000	1,661,000
Interest cost	371,000	291,000
Employee contributions	196,000	195,000
Actuarial (gains)/losses	(11,348,000)	2,332,000
Benefits paid	(148,000)	(124,000)
At 31 August	13,533,000	22,493,000

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

26. Pension commitments (continued)

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2022 £	2021 £
At 1 September	10,755,000	7,947,000
Interest income	185,000	134,000
Actuarial (losses)/gains	(156,000)	1,792,000
Employer contributions	821,000	816,000
Employee contributions	196,000	195,000
Benefits paid	(148,000)	(124,000)
Admin charge	(5,000)	(5,000)
At 31 August	11,648,000	10,755,000

27. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	39,185	79,183
Later than 1 year and not later than 5 years	36,380	72,427
Later than 5 years	771,860	712,404
	847,425	864,014

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

ZENITH MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

30. Agency arrangements

The academy trust distributes 16 -19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the trust received £20,455 (2021: £22,789) and disbursed £13,128 (2021: £13,305) from the fund. An amount of £6,000 (2021: £5,161) is included in other creditors relating to undistributed funds that is repayable to the ESFA.