
KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

KING DAVID SCHOOLS (MANCHESTER)

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KING DAVID SCHOOLS (MANCHESTER)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Trustee

KDS Trustees Limited

Directors of Trustee company:

J Rowe (Chair of Trustees)

S E Elias

A Berkeley (Treasurer)

D Loplan (Resigned 31 March 2026)

Charity registered number

526631

Principal office

Eaton Road

Crumpsall

Manchester

M8 5DY

Independent auditors

Crowe U.K. LLP

3rd floor

St Georges House,

56 Peter St,

Manchester

M2 3NQ

Bankers

The Co-operative Bank plc

1 Balloon Street

Manchester

M60 4EP

Lloyds Bank

Manchest Market Branch

PO Box 100

Andover

BX1 1LT

Solicitors

Kuit Steinart Levy

3 St Mary's Parsonage

Manchester

M3 2RD

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Trustee presents its annual report together with the audited financial statements of the Charity for the year 1 September 2024 to 31 August 2025.

Objectives and activities

a. Charity Information

The Trustee presents its annual report and the financial statements for the year ended 31 August 2025. These accounts are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Statement of Recommended Practice (SORP) 2019 and Charities Act 2011.

b. Reference and Administrative Details

King David Schools (Manchester) is a registered Charity (No. 526631), its principal address is shown on the Charity information page. The Charity is a public benefit entity.

c. Structure, Governance and Management

King David Schools (Manchester) was established under a Trust Deed dated 20 February 1873 and Articles of Government sealed 27 January 1959 as amended by Constitution dated 13 January 2003.

On 7 February 2012 the Charity Commission for England and Wales approved the replacement of the former individual Trustees by a corporate Trustee, KDS Trustees Limited. The former individual Trustees became directors of the new Trustee company.

The Trustee is responsible for the overall governance of the Schools as a charity. The Trustee's role is to have an overview of the effectiveness of the Schools and to ensure the maintenance of the faith and of the high standards of education generally. The Trustee appoints the Governors. The delivery of the education and curriculum and the management of the Schools is controlled through the various Boards of Governors of each of the schools, namely

- The King David High School (including Sixth Form and Yavneh)
- The King David Primary School
- Crèche/Nursery (incorporated within the Charity)

Effective partnership between the Trustee, Governors and staff has contributed significantly to a successful year of activity. The Trustees meet, formally, once per year to discuss the accounts and are in touch with each other throughout the year. These meetings include a review of strategy and operational performance and set operating plans and budgets as and when necessary.

New officers of the Trustee company receive an induction pack containing everything they need to know about the Schools and its work for effective and informed decision-making. The officers of the Trustee company are regularly kept up to date about their responsibilities. Remuneration of key management personnel is determined by the Trustee.

d. Bursar and Trustee

The Bursar and certain delegated officers of the Trustee company are responsible for the day to day management of King David Schools (Manchester) and for implementing policies.

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities (continued)

e. Corporate Governance

Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Treasurer of the Trustee company and its Board of Directors.

The systems of internal control are designed to provide reasonable assurance but not absolute assurance against material misstatement or loss. They include:

- An annual budget approved by the Trustee company.
- Regular consideration by the Trustee of financial results and variances from budgets.
- Delegation of day to day management authority and segregation of duties.
- Identification and management of risks.

f. Risk Management

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This has involved identifying the types of risks the School faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing the risks. As part of this process the Trustee has reviewed the adequacy of the School's current internal controls and the costs of operating particular controls relative to the benefits obtained. Procedures have been established for reporting failings immediately to the Board of Directors of the Trustee that include regular bank reconciliations as well as the production of management accounts every month which are reviewed by the officers of the Trustee.

The key risk facing the Charity is the level of voluntary contributions and donations that it receives from parents and donors. Declining receipts translate into less funds available to improve the education being offered to our pupils. The Trustee endeavours to educate parents along with the wider community of the importance of their financial support especially in the light of the reducing government funding being made to our schools on the KD campus.

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Achievements and performance

a. Objectives, Activities, Achievements and Performance

King David Schools (Manchester) exists to provide children with a meaningful orthodox Jewish religious education coupled with an excellent secular education.

The main objectives of all units on Campus during the period ended 31 August 2025 were:

- Academic – The School aims to achieve the highest academic standards and ensure that every pupil realises their full potential.
- Welfare – The school has a warm and caring approach and aims to ensure the well being and happiness of every child.
- Religious – The school promotes the values, standards and discipline of the faith. It provides a strong Jewish education which imbues children with the knowledge of, and pride in, their heritage and identity. The excellent results that the School achieves as reflected in the published Government tables is testimony to the fulfilment of the Charity objectives.

The Trustee has given due consideration to the Charity Commission's guidance on public benefit requirement under the Charities Act 2011, when reviewing the Charity's aims and objectives and in planning future activities. As a leading quality school to the Jewish community, the Trustee notes that its success continues to be acknowledged nationally both in the secular and religious fields. Our pupils are well prepared to move on to leading universities, religious and secular colleges with many of our former students achieving success in the wider community.

b. Core Objectives and Strategy

The strategy is achieved by encouraging all units on the King David Campus to employ highest grade teachers who are able to instil in the pupils not only excellence in knowledge but also to experience a warm, friendly Jewish environment with a commitment to giving to the community as a whole. The Trustee continues to ensure that the facilities are up to date and suitable for the delivery of the educational and religious objectives.

The Schools are dependent on voluntary contributions from parents, donations and educational grants in order to fulfil their objectives. Failure of parents to meet their voluntary contribution commitments will threaten the school's ability to achieve its objectives.

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

a. Financial Review, Management Policies and Results for the Year

The Consolidated Statement of Financial Activities (SoFA), set out on page 13, shows that the Group received total income of £11,400,600 (2024: £10,471,324). £12,265,744 (2024: £11,468,806) was incurred as expenditure leaving a loss of £863,169 (2024: £886,687) after a depreciation charge of £671,589 (2024: £693,525) and losses arising from changes in actuarial assumptions of £1,000 (2024: gains of £107,000).

This Group position however, takes into account surpluses in actuarial gains/(losses) in the pension schemes positions, which are long term non-cash items, of (£10,000) (2024: (£2,000)) in The King David High School (KDHS) and £9,000 (2024: £109,000) in the King David Primary School (KDPS). Had these accounting entries not been included in this year's results, we would be facing a loss of around £862,169 (2024: £993,687).

The principal funding sources are donations, voluntary contributions from parents, income from the nursery and statutory government funding for the two academies, King David High School and King David Primary School.

The Charity itself before consolidation generated a loss of £294,788 (2024: loss of £554,528).

The Charity made an unrealised gain on its investments of £2,975 (2024: £3,795), leaving a total net movement in funds to be subtracted from the reserves. The Trustee remains conscious that more funds will have to be raised to maintain the ongoing excellence to which they are committed. Without parental assistance the current achievement of acclaimed success could be threatened.

The Charity continues to monitor its results against performance as its measurement of success. The Charity does not employ a professional fundraiser and relies on assistance from the Trustee, Governors and parents. Whilst it was noted that the Voluntary Contributions from parents continued below expectation, the Charity held a Fundraising event in January 2026 to raise much needed funds. The Charity must continue its fundraising activities in order for it to be able to continue providing for its primary objectives and to maintain the high levels of educational standards. The Charity has not received any complaints about its fundraising activities and has policies in place to ensure that there is no unreasonable intrusion into a person's privacy.

b. Reserves

The policy of the Trustee has been and continues to be to utilise all reserves to fund the activities of the Charity which has resulted from the development and growth of the campus, particularly the High School and to improve the religious and cultural educational experience across all the schools. Ideally the Trustee would like the trust to hold one year's net expenditure of approx £1,000,000 in the unrestricted reserve fund but with constant erosion of the Academies funding from central government resulting in the Trustee having to support the two academies on the KD campus at a greater level than was envisaged that has not been possible.

The total reserves at the year end are £22,762,191 (2024: £23,625,360). This includes unrestricted reserves of £770,848 (2024: £840,874) and restricted reserves of £21,991,343 (2023: £22,784,486).

The Trustee is seeking sources of additional funding for capital expenditure in order that total reserve levels are improved. The Trustee does not consider that this has inhibited activities in any way.

Free reserves for the Group as at 31 August 2025 stood at (£561,299) (2024: (£463,043)).

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

c. Investment Policy and Performance

The Charity has a small investment in a quoted company. The policy is to sell these shares as and when the Trustee considers the time to be propitious.

d. Staff Training and Career Development

The Schools are committed to the training, career development and welfare of its employees. An individual's career development is assessed through appraisal and supervision. Training programmes are provided to meet ongoing needs, with the aim of developing employees for both their current and their future roles.

Pay and remuneration of Key Management Personnel are reviewed independently by the Directors of the Trustee Company who themselves are not compensated.

e. Auditors

Crowe U.K. LLP will be proposed for re-appointment at the Trustee meeting.

f. Future Plans

The King David School Campus now provides top class education in both secular and Jewish religious studies, with a wide cross section of extracurricular activities covering sports, art and culture housed in the most modern buildings with enhanced advanced technological facilities supported by a most dedicated and capable staff. The Trustee is determined to reach out further in building a school of excellence which will continue to be the pride of the Jewish Community.

g. Going Concern

The Trustee has considered the Charity and Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The Charity and Group's cash flow forecasts are reliant on continued fundraising efforts and increased levels of voluntary contributions by parents, the success of which by their very nature remains uncertain at the time of signing.

To mitigate the impact of this uncertainty, the parent Charity has overhauled its fundraising processes, continues to actively encourage voluntary contributions and is actively monitoring its cashflows. The Charity and Group are exploring opportunities to generate alternative income streams and to increase pupil numbers at the two subsidiary academies whilst retaining the Jewish ethos of the academies.

These factors indicate the existence of a material uncertainty that may cast doubt on the Charity's ability to continue as a going concern. Nevertheless, the Trustee believes that, based on current plans, it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Charity were unable to continue as a going concern.

KING DAVID SCHOOLS (MANCHESTER)

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

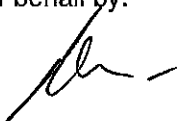
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each director of the Trustee at the time when this Trustee's report is approved has confirmed that:

- so far as the directors of the Trustee are aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that the directors of the Trustee have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustee on
their behalf by:



Andrew Berkeley
Treasurer of KDS Trustees Ltd

19/5/2026

and signed on

KING DAVID SCHOOLS (MANCHESTER)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KING DAVID SCHOOLS (MANCHESTER)

Opinion

We have audited the financial statements of King David Schools (Manchester) for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Charity's affairs as at 31 August 2025 and of the Group's 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which describes the Trustees' assessment of the Charity's and the Group's ability to continue as a going concern. As set out in that note, the Charity is reliant upon future fund raising events and donations for which amounts are uncommitted which indicates that there is a material uncertainty of the future funding of the Charity and Group. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Charity's and Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

KING DAVID SCHOOLS (MANCHESTER)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KING DAVID SCHOOLS (MANCHESTER) (CONTINUED)

Other information

The Trustee is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustee's responsibilities statement set out on page 7, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee is responsible for assessing the Group's and the parent charity'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 Trustee either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

KING DAVID SCHOOLS (MANCHESTER)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KING DAVID SCHOOLS (MANCHESTER) (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the Group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustee and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the Group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be from the management override of controls and completeness of donation income. Our audit procedures to respond to these risks included enquiries of management and the Trustee about their own identification and assessment of the risks of irregularities, testing a selection of posting of journals, comparing donation rates against history and reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

KING DAVID SCHOOLS (MANCHESTER)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KING DAVID SCHOOLS (MANCHESTER)
(CONTINUED)**

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustee 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 Charity and its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

3rd floor

St Georges House,

56 Peter St,

Manchester

M2 3NQ

Date: 19 May 2026

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

KING DAVID SCHOOLS (MANCHESTER)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	651,287	848,207	1,499,494	720,545
Charitable activities	4	1,347,554	8,269,682	9,617,236	8,929,799
Other trading activities	5	281,484	-	281,484	817,637
Other income	6	2,386	-	2,386	3,343
Total income		2,282,711	9,117,889	11,400,600	10,471,324
Expenditure on:					
Charitable activities	7	2,355,712	9,910,032	12,265,744	11,468,806
Total expenditure		2,355,712	9,910,032	12,265,744	11,468,806
Net expenditure before net gains on investments					
		(73,001)	(792,143)	(865,144)	(997,482)
Net gains on investments		2,975	-	2,975	3,795
Net movement in funds before other recognised gains/(losses)		(70,026)	(792,143)	(862,169)	(993,687)
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	24	-	(1,000)	(1,000)	107,000
Net movement in funds		(70,026)	(793,143)	(863,169)	(886,687)
Reconciliation of funds:					
Total funds brought forward		840,874	22,784,486	23,625,360	24,512,047
Net movement in funds		(70,026)	(793,143)	(863,169)	(886,687)
Total funds carried forward		770,848	21,991,343	22,762,191	23,625,360

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 16 to 41 form part of these financial statements.

KING DAVID SCHOOLS (MANCHESTER)

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2025**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	23,305,261	23,965,360
Investments	13	18,229	15,254
		<u>23,323,490</u>	<u>23,980,614</u>
Current assets			
Stocks	14	18,516	10,718
Debtors	15	219,852	265,022
Cash at bank and in hand		376,802	1,124,434
		<u>615,170</u>	<u>1,400,174</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(1,176,469)	(1,429,811)
Net current liabilities		<u>(561,299)</u>	<u>(29,637)</u>
Total assets less current liabilities		<u>22,762,191</u>	<u>23,950,977</u>
Creditors: amounts falling due after more than one year	17	-	(325,617)
Total net assets		<u>22,762,191</u>	<u>23,625,360</u>
Charity funds			
Restricted funds	19	21,991,343	22,784,486
Unrestricted funds	19	770,848	840,874
Total funds		<u>22,762,191</u>	<u>23,625,360</u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:


 Andrew Berkeley
 Treasurer of KDS Trustees Limited
 Date: 19/5/2026

The notes on pages 16 to 41 form part of these financial statements.

KING DAVID SCHOOLS (MANCHESTER)

**CHARITY BALANCE SHEET
AS AT 31 AUGUST 2025**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	19,577,408	20,140,652
Investments	13	18,229	15,254
		<u>19,595,637</u>	<u>20,155,906</u>
Current assets			
Stocks	14	12,895	10,718
Debtors	15	26,193	115,689
Cash at bank and in hand		211,088	247,506
		<u>250,176</u>	<u>373,913</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(466,204)	(526,196)
Net current liabilities		<u>(216,028)</u>	<u>(152,283)</u>
Total assets less current liabilities		<u>19,379,609</u>	<u>20,003,623</u>
Creditors: amounts falling due after more than one year	17	-	(325,617)
Total net assets		<u><u>19,379,609</u></u>	<u><u>19,678,006</u></u>
Charity funds			
Restricted funds	19	18,263,491	18,826,735
Unrestricted funds	19	1,116,118	851,271
Total funds		<u><u>19,379,609</u></u>	<u><u>19,678,006</u></u>

The Charity's net movement in funds for the year was £(298,397) (2024 - £(554,528)).

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



Andrew Berkeley
Treasurer of KDS Trustees Limited
Date: 19/1/2026

The notes on pages 16 to 41 form part of these financial statements.

KING DAVID SCHOOLS (MANCHESTER)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	21	(735,320)	401,980
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,490)	(12,171)
Net cash used in investing activities		(11,490)	(12,171)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(746,810)	389,809
Cash and cash equivalents at the beginning of the year		759,073	369,264
Cash and cash equivalents at the end of the year	22	12,263	759,073

The notes on pages 16 to 41 form part of these financial statements

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

King David Schools (Manchester) is a registered Charity (No. 526631), its principal address is shown on the Charity information page. The Charity is a public benefit entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

King David Schools (Manchester) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The Charity has the right to appoint/ remove members and governors of the consolidated entities and as such has control. The subsidiaries included in the consolidation are The King David Primary School (company number 08424154) and The King David High School (company number 07716057).

2.2 Going concern

The Trustee has considered the Charity and Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The Charity and Group's cash flow forecasts are reliant on continued fundraising efforts and increased levels of voluntary contributions by parents, the success of which by their very nature remains uncertain at the time of signing.

To mitigate the impact of this uncertainty, the parent Charity has overhauled its fundraising processes, continues to actively encourage voluntary contributions and is actively monitoring its cashflows. The Charity and Group are exploring opportunities to generate alternative income streams and to increase pupil numbers at the two subsidiary academies whilst retaining the Jewish ethos of the academies.

These factors indicate the existence of a material uncertainty that may cast doubt on the Charity's ability to continue as a going concern. Nevertheless, the Trustee believes that, based on current plans, it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Charity were unable to continue as a going concern.

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. As pledges of donations made at fundraising events over multiple years are not considered certain, they are not recognised as income until they are received.

Grants are included in the Consolidated 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property and buildings	- 2% Straight line
Motor vehicles	- 20% Straight line
Fixtures and fittings	- 15% Reducing balance
Computer equipment	- 33% Straight line

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 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.

2.9 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.

2.10 Liabilities and provisions

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 Charity 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.12 Pensions

The Group operates a two defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. Contributions for personal pension schemes are accounted for in the year to which they relate.

Retirement benefits to employees of the academies 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.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations & grants	4,031	841,253	845,284
Parental voluntary contributions	548,665	6,954	555,619
Tax refund	98,591	-	98,591
	<u>651,287</u>	<u>848,207</u>	<u>1,499,494</u>
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations & grants	-	37,209	37,209
Parental voluntary contributions	570,366	6,914	577,280
Tax refund	106,056	-	106,056
	<u>676,422</u>	<u>44,123</u>	<u>720,545</u>

4. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Operation of the schools	<u>1,347,554</u>	<u>8,269,682</u>	<u>9,617,236</u>
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Operation of the schools	<u>1,161,715</u>	<u>7,768,084</u>	<u>8,929,799</u>

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

5. Fundraising income

Income from fundraising events

	Unrestricted funds 2025 £	Total funds 2025 £
Donations	281,484	281,484

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	817,637	817,637

6. Other income

	Unrestricted funds 2025 £	Total funds 2025 £
Interest received	2,386	2,386

	Unrestricted funds 2024 £	Total funds 2024 £
Interest received	3,343	3,343

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Operation of the schools	2,355,712	9,910,032	12,265,744
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Operation of the schools	2,762,575	8,706,231	11,468,806

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Operation of the schools	9,979,550	2,286,194	12,265,744
	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Operation of the schools	8,998,938	2,469,868	11,468,806

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Operation of the schools 2025 £	Total funds 2025 £
Staff costs	8,075,441	8,075,441
Educational materials	788,765	788,765
Food & meal costs	809,016	809,016
Trips	275,180	275,180
Teacher training	26,507	26,507
Other direct costs	1,428	1,428
Potential bad debt	3,213	3,213
	<u>9,979,550</u>	<u>9,979,550</u>
	<i>Operation of the school 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	7,074,661	7,074,661
Educational materials	799,436	799,436
Food & meal costs	743,746	743,746
Trips	318,223	318,223
Travel costs	786	786
Teacher training	56,626	56,626
Other direct costs	5,460	5,460
	<u>8,998,938</u>	<u>8,998,938</u>

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Operation of the school 2025 £	Total funds 2025 £
Staff costs	276,138	276,138
Depreciation	671,590	671,590
Governance	42,069	42,069
Security and transport	288,686	288,686
Repair costs	195,572	195,572
Light & heat	298,577	298,577
Loan interest	5,495	5,495
Cleaning	28,729	28,729
Printing, postage and stationery	8,208	8,208
Bank charges and interest	6,474	6,474
Insurance	92,737	92,737
Sundries	27,302	27,302
Telephone	2,758	2,758
Legal and professional fees	341,859	341,859
	<hr/> 2,286,194 <hr/>	<hr/> 2,286,194 <hr/>

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Operation of the school 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	203,982	203,982
Depreciation	693,525	693,525
Governance	44,204	44,204
Security and transport	339,270	339,270
Repair costs	175,821	175,821
Light & heat	439,571	439,571
Loan interest	6,242	6,242
Cleaning	50,851	50,851
Printing, postage and stationery	8,111	8,111
Bank charges and interest	6,892	6,892
Insurance	79,733	79,733
Sundries	159,023	159,023
Telephone	5,745	5,745
Legal and professional fees	256,898	256,898
	<u>2,469,868</u>	<u>2,469,868</u>

9. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Group's auditor in respect of:		
Audit of subsidiaries	21,833	16,225
Audit of Charity	11,500	6,690
Accounts preparation of subsidiaries	2,400	2,410
Accounts preparation of Charity	1,800	1,292
	<u>21,833</u>	<u>16,225</u>

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

10. Staff costs

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	6,514,307	5,504,961	1,659,563	1,083,053
Social security costs	589,779	551,340	83,209	98,545
Contribution to defined contribution pension schemes	1,247,494	1,222,342	39,593	58,512
	<u>8,351,580</u>	<u>7,278,643</u>	<u>1,782,365</u>	<u>1,240,110</u>

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

	Group 2025 No.	Group 2024 No.
Teaching	124	125
Educational Support	52	58
Administration	8	5
Premises	3	3
Management	7	6
LA/SLA	15	10
	<u>209</u>	<u>207</u>

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

	Group 2025 No.	Group 2024 No.
In the band £60,001 - £70,000	8	3
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

The remuneration (excluding employer pension and NI costs) received by key management personnel of the Charity was £101,158 (2024: £92,705). The remuneration received by key management personnel of the academies was £933,677 (2024: £849,665).

Key management of the Charity include the bursar and the governors' administrator. Key management of the academies include the Trustee and senior management team.

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

11. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no Trustee expenses have been incurred (2024 - £NIL).

12. Tangible fixed assets

Group

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2024	31,628,263	56,175	938,176	474,271	33,096,885
Additions	-	-	-	11,490	11,490
At 31 August 2025	31,628,263	56,175	938,176	485,761	33,108,375
Depreciation					
At 1 September 2024	7,907,834	49,843	740,689	433,159	9,131,525
Charge for the year	632,565	3,799	26,591	8,634	671,589
At 31 August 2025	8,540,399	53,642	767,280	441,793	9,803,114
Net book value					
At 31 August 2025	23,087,864	2,533	170,896	43,968	23,305,261
At 31 August 2024	23,720,429	6,332	197,487	41,112	23,965,360

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

12. Tangible fixed assets (continued)

Charity

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2024	27,590,718	530,837	5,130	28,126,685
At 31 August 2025	27,590,718	530,837	5,130	28,126,685
Depreciation				
At 1 September 2024	7,526,268	454,635	5,130	7,986,033
Charge for the year	551,814	11,430	-	563,244
At 31 August 2025	8,078,082	466,065	5,130	8,549,277
Net book value				
At 31 August 2025	19,512,636	64,772	-	19,577,408
At 31 August 2024	20,064,450	76,202	-	20,140,652

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

13. Fixed asset investments

Group and Charity	Listed Investments £
Cost or valuation	
At 1 September 2024	15,254
Revaluations	2,975
At 31 August 2025	<u>18,229</u>
Net book value	
At 31 August 2025	18,229
At 31 August 2024	<u>15,254</u>

14. Stocks

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Kitchen supplies	<u>18,516</u>	<u>10,718</u>	<u>12,895</u>	<u>10,718</u>

15. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Due within one year				
Trade debtors	1,226	7,337	1,226	7,337
Amounts owed by Group undertakings	-	-	-	50
Other debtors	26,443	41,974	15,178	58,216
Prepayments and accrued income	192,183	215,711	9,789	50,086
	<u>219,852</u>	<u>265,022</u>	<u>26,193</u>	<u>115,689</u>

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

16. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank overdrafts	364,539	365,361	364,539	365,361
Bank loans	-	12,836	-	12,836
Trade creditors	257,958	78,616	36,646	56,042
Amounts owed to Group undertakings	-	-	-	1,750
Other taxation and social security	31,320	21,735	31,320	21,735
Other creditors	394,771	777,310	19,542	21,576
Accruals and deferred income	127,881	173,953	14,157	46,896
	1,176,469	1,429,811	466,204	526,196
	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deferred income at 1 September 2024	108,702	26,238	7,716	13,119
Resources deferred during the year	-	108,702	2,167	197
Amounts released from previous periods	(108,702)	(26,238)	(7,716)	(5,600)
	-	108,702	2,167	7,716

KING DAVID SCHOOLS (MANCHESTER)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

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

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Other loans	-	325,617	-	325,617

Included within the above are amounts falling due as follows:

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Between one and two years				
Other loans	-	325,617	-	325,617

Included within creditors are balances due to lenders in respect of bank loans. At 31 August 2025 this loan was fully repaid (2024: £12,836 outstanding). The interest charged on the loan is 3.5% over bank base rate. The loans are secured by a letter of set off over credit balances.

In the year to 31 August 2025, a concessionary loan from J Rowe, a trustee of King David Schools (Manchester) of £325,617 was waived and the funds donated to the Charity. This balance was included within creditors above for the year ended 31 August 2024. Before the waiver, the loan was unsecured, subject to a 12 month notice period and not subject to interest.

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

18. Financial instruments

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Financial assets				
Financial assets measured at amortised cost	551,311	<i>1,389,456</i>	221,055	<i>363,195</i>
	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Financial liabilities				
Financial liabilities measured at amortised cost	1,131,574	<i>1,755,428</i>	432,211	<i>815,813</i>

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors and accruals.

Financial assets measured at fair value through income and expenditure comprise investments and total £18,229 (2024: £15,524) for both the Group and Charity.

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

19. Statement of funds - Group

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds					
General Funds - all funds	840,874	2,282,711	(2,355,712)	2,975	770,848
Restricted funds					
Academy funds	3,957,751	7,863,270	(8,092,168)	(1,000)	3,727,853
Donations	-	845,284	(845,284)	-	-
SEN income	-	128,801	(128,801)	-	-
Nursery grant	-	273,580	(273,580)	-	-
Further education grant	-	6,954	(6,954)	-	-
Grant of buildings and fixtures from BSF	18,826,735	-	(563,245)	-	18,263,490
	22,784,486	9,117,889	(9,910,032)	(1,000)	21,991,343
Total of funds	23,625,360	11,400,600	(12,265,744)	1,975	22,762,191

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

19. Statement of funds (continued)

Statement of funds - Group - prior year

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Unrestricted funds					
General Funds	940,537	2,659,117	(2,762,575)	3,795	840,874
Restricted funds					
Academy funds	4,279,513	7,463,030	(7,784,792)	-	3,957,751
Donations	(100,000)	110,113	(10,113)	-	-
SEN income	-	130,701	(130,701)	-	-
Nursery grant	-	101,449	(101,449)	-	-
Further education grant	-	6,914	(6,914)	-	-
Grant of buildings and fixtures from BSF	19,391,997	-	(565,262)	-	18,826,735
Pension reserve	-	-	(107,000)	107,000	-
	<u>23,571,510</u>	<u>7,812,207</u>	<u>(8,706,231)</u>	<u>107,000</u>	<u>22,784,486</u>
Total of funds	<u>24,512,047</u>	<u>10,471,324</u>	<u>(11,468,806)</u>	<u>110,795</u>	<u>23,625,360</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,559,946	21,745,315	23,305,261
Fixed asset investments	18,229	-	18,229
Current assets	250,839	364,331	615,170
Creditors due within one year	(1,058,166)	(118,303)	(1,176,469)
Total	<u>770,848</u>	<u>21,991,343</u>	<u>22,762,191</u>

KING DAVID SCHOOLS (MANCHESTER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	22,661,443	1,303,917	23,965,360
Fixed asset investments	-	-	15,254	15,254
Current assets	-	1,026,938	373,236	1,400,174
Creditors due within one year	-	(903,895)	(525,916)	(1,429,811)
Creditors due in more than one year	-	-	(325,617)	(325,617)
Total	-	22,784,486	840,874	23,625,360

21. Reconciliation of net movement in funds to net cash flow from operating activities

	<i>Group 2025 £</i>	<i>Group 2024 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(862,169)	(993,687)
Adjustments for:		
Depreciation charges	671,589	693,525
Gains/(losses) on investments	(2,975)	3,795
Decrease/(increase) in stocks	(7,798)	2,042
Decrease/(increase) in debtors	45,833	56,962
Increase/(decrease) in creditors	(578,800)	516,478
LGPS pension movement	(1,000)	107,000
Defined benefit pension scheme cost less contributions payable	-	15,865
Net cash provided by/(used in) operating activities	(735,320)	401,980

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

22. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	376,802	1,124,434
Overdraft facility repayable on demand	(364,539)	(365,361)
Total cash and cash equivalents	12,263	759,073

23. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	1,124,434	(747,632)	376,802
Bank overdrafts repayable on demand	(365,361)	822	(364,539)
Loan due within 1 year	(12,836)	12,836	-
Loans due after 1 year	(325,617)	325,617	-
	420,620	(408,357)	12,263

24. Pension commitments

The Charity operates a defined contribution pension scheme. Contributions totalling £11,862 (2024: £15,900) were payable to the fund at the balance sheet date and are included in creditors.

The Group operates a defined benefit pension scheme.

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

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

Teachers' Pension Scheme

The pension charge for the year includes contributions payable to the TPS of £39,593 (2024: £58,512) and at the year-end £11,862 (2024 - £15,900) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

24. Pension commitments (continued)

amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk>).

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 2025 was £257,000 (2024 - £245,000), of which employer's contributions totalled £191,000 (2024 - £182,000) and employees' contributions totalled £66,000 (2024 - £63,000). The agreed contribution rates for future years are 19.1 per cent for employers and 5.5 - 12 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2025	At 31 August 2024
	%	%
Discount rate	6.05	5.00
Rate of increase in salaries	3.50	3.45
Rate of increase for pensions in payment/inflation	2.70	2.65

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

24. Pension commitments (continued)

	At 31 August 2025 Years	<i>At 31 August 2024 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	20.3	20
- at 65 for a male aged 45 now	20	19.9
- for a female aged 65 now	22.3	22.2
- at 65 for a female aged 45 now	24.4	24.2

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

	At 31 August 2025 £	<i>At 31 August 2024 £</i>
Equities	3,701,100	2,280,450
Gilts	967,980	495,750
Property	512,460	264,400
Cash and other liquid assets	512,460	264,400
Total fair value of assets	5,694,000	3,305,000

The actual return on scheme assets was £427,050 (2024 - £310,670).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2025 £	<i>2024 £</i>
Current service cost	216,000	321,000
Interest cost	220,000	208,000
Total amount recognised in the Consolidated Statement of Financial Activities	436,000	529,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

24. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2025 £
Opening defined benefit obligation	4,312,000
Actuarial gains	(796,000)
Benefits paid	(88,000)
Current service cost	216,000
Interest cost	220,000
Employee contributions	66,000
Closing defined benefit obligation	3,930,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025 £
Opening fair value of scheme assets	4,312,000
Interest income	246,000
Actuarial losses	(797,000)
Contributions by scheme participants	66,000
Benefits paid	(88,000)
Employer contributions	191,000
Closing fair value of scheme assets	3,930,000

The fair value of the Group's share of scheme assets at 31 August 2025 totalled £5,694k (2024 - £5,133k). An asset ceiling has been applied and as such a derecognition of the asset was made totalling £943k (2024 - £821k) and is included within actuarial losses. The total derecognition to date is £1,764k.

The present value of the defined benefit pension has been in a surplus position over the past two years. Our accounting policy states that a net surplus is recognised only to the extent that it is recoverable by the Group through reduced contributions or through refunds from the plan. Neither applies to the Pension surplus therefore, the present value has been adjusted to nil.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

25. Operating lease commitments

At 31 August 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £
Not later than 1 year	15,340	6,600
Later than 1 year and not later than 5 years	25,332	24,750
	40,672	31,350

26. Related party transactions

During the year J Rowe, a Director of the Trustee Company, provided £nil (2024: £40,000) of additional loan funding to the Charity. In the year to 31 August 2025, a concessionary loan from J Rowe, a Trustee of King David Schools (Manchester) of £325,617 was waived and the funds donated to the Charity. This balance was included within creditors above for the year ended 31 August 2024. Before the waiver, the loan was unsecured, subject to a 12 month notice period and not subject to interest.

The Charity has claimed exemption under FRS 102 section 33.1A to not disclose related party transactions with wholly owned subsidiaries King David High School and King David Primary School which form part of the consolidated financial statements.