

Charity Registration No. 1107640

Company Registration No. 05303883 (England and Wales)

CONFEDERATION OF SCHOOL TRUSTS

**(formerly Freedom and Autonomy for Schools - National Association
[FASNA])**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees (and Directors for Companies Act purposes)

Robert McDonough	Chair
Roy Blackwell	Vice Chair
Jane Aukett	
Ian Bauckham	
Jayne Harrison	
Lorrayne Hughes	
Martyn Oliver	
Stephen Snelson	
Carl Ward	
Pamela Wright OBE	

Officers

Leora Cruddas	Chief Executive Officer
Clare Robson-Farrelly	Executive Officer & Company Secretary
Joanna Johnson	Senior Administrative Officer
Amy Tooby	Administrative Officer
Phillippa Scott	Administrative Officer

Charity number 1107640

Company number 05303883

Registered office George Spencer Academy
Arthur Mee Road
Stapleford
Nottingham
NG9 7EW

Independent examiner Howard W Johnston FCA
Silvertribe Limited
7 Manor Farm Way
Seer Green
Buckinghamshire
HP9 2YD

Bankers Lloyds Bank Plc
39 Threadneedle Street
London
EC2R 8AU

Clydesdale Bank Plc
Business Direct
40 St Vincent PLace
Glasgow
G1 2HL

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
LEGAL AND ADMINISTRATIVE INFORMATION**

Solicitors

**Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR**

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
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CONFEDERATION OF SCHOOL TRUSTS (FORMERLY FASNA) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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) (as amended for accounting periods commencing from 1 January 2016)".

Change of name

On 21 September 2018, following a unanimous vote of our members, the charity changed its name from Freedom and Autonomy for Schools - National Association (FASNA) to Confederation of School Trusts.

Objectives and activities

Charitable object

The charitable object of the Confederation of School Trusts (CST) (formerly FASNA) is to advance education in England and Wales.

Objectives, strategies and activities

CST is now established as the national organisation and sector body for school trusts in England, advocating for, connecting and supporting executive and governance leaders.

In the financial year 2017-18, the trustees began the process of reviewing the shape of the organisation, with a view to reshaping, repositioning and rebranding the organisation, in order to better carry out our charitable object and to offer a clearer service to our beneficiaries.

In September 2017, the new CEO took up her position and the Trust Board worked hard to achieve a separation of executive and non-executive function. A scheme of delegation is now in place.

As a charity, CST (formerly FASNA) membership is offered to all types of schools and trusts in England. School trusts are themselves charitable trusts. CST believes that school trusts hold trust on behalf of children. We support our members to advance education for the public interest.

Key objectives and activities are identified in the strategic plan, informed by significant challenges and opportunities arising from national developments in education policy and funding.

Our charitable activities in 2017-18 have focused on:

- Developing and strengthening governance of school trusts to enhance their capacity to advance education as a public good;
- Developing sector-led capacity to support schools and trusts to respond strategically to cost pressures and funding constraints and ensure financial planning is led by curriculum;
- Contributing to the ethical leadership commission;
- Building strategic partnerships with credible partners to create additional capacity to pursue our charitable object; and
- Building our visibility and influencing capacity to advance education as a public good.

Public benefit statement

The charity's purpose is help to build an excellent education system in England, through supporting school trusts to advance education.

In so doing, we aim to benefit the public in general and children and young people in particular. Our vision is a system that holds trust on behalf of children – one in which *all* children (regardless of perceived intelligence, need or economic background) achieve their potential.

The trustees have paid due regard to the Charity Commission's public benefit guidance when exercising powers or duties and in deciding what activities the charity should undertake.

CONFEDERATION OF SCHOOL TRUSTS (FORMERLY FASNA) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

We have continued to support our members to join, form or grow multi-academy trusts, which are charitable trusts established for the sole purpose of advancing education in the public interest.

A key challenge for the sector is establishing strong and sustainable governance of school trusts. We bid successfully to the Department for Education to run under licence two governance development programmes:

- A governance leadership programme; and
- A development programme for professional clerks.

We are one of only five providers nationally who was awarded the contract for the governance leadership programme. The trustees believe that this is a significant achievement. We were awarded the contract in January 2018.

We brought together a powerful coalition of providers who demonstrate capacity, capability and credibility to deliver high-quality governance development programmes.

Our Theory of Change (given the highest score of any provider by the DfE) outlines how the six features of effective governance in the Governance Handbook and the 16 competencies in the Competency Framework for Governance underpin the programme and will lead to our desired outcome: *high quality, effective governance leaders who have the capability and capacity to lead their boards and hold executive leaders to account for the outcomes and opportunities for children and young people, particularly the most disadvantaged, in the schools/ groups of schools for which they are accountable.*

Our programme draws on a range of other evidence including Ofsted's 2016 thematic report, Improving Governance; the OECD's Centre for Educational Research and Innovation's Governing Complex Education Systems; and evidence on effective governance from other sectors.

In the period January to March 2018, we worked with our delivery partners, Ambition School Leadership on the governance leadership programme and the Institute of School Business Leaders (ISBL) on the clerking programme to develop the curriculum for each programme. We also opened recruitment to the first cohorts.

We have continued to work hard to develop relationships with Members of Parliament, to progress our vision of education that every school should be part of a strong and sustainable group so that every child is a powerful learner and adults learn and develop together as teachers and leaders.

We have long argued for a national funding formula to ensure that school funding is sufficient, equitable and sustainable. We continue to support our schools and trusts to respond strategically to cost pressures and funding constraints and ensure financial planning is led by curriculum. A key achievement is our work with the Institute of School Business Leadership (ISBL) to train and accredit School Resource Management Advisors whose role it is to work with schools and trusts in financial difficulties to enable them to reach a recovery position. 159 reviews took place in the pilot period and £53m in efficiencies was identified.

We are very proud to have contributed to the Commission on Ethical Leadership in Education. Our CEO was invited to be a commissioner. The Commission published for consultation a draft framework for ethical leadership, based on the Nolan Principles of Public Life. We continue to advocate for the Principles of Public Life as underpinning good decision making within school trusts, and advise trusts to adopt these principles corporately as a board and individually as trustees and directors.

CONFEDERATION OF SCHOOL TRUSTS (FORMERLY FASNA) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

We have reviewed our capacity and began in the process in 2017-18 of building strategic partnerships with credible partners to create additional capacity to pursue our charitable objects. As mentioned above, Ambition School Leadership is our delivery partner on the governance leadership programme and we have worked with the Institute of School Business Leadership (ISBL) on both the development of the clerking programme and piloting to the school resource management approach.

We have increased significantly our visibility and influencing capacity. Our CEO has been invited to sit on a number of advisory groups and round tables, including the National Foundation for Educational Research (NFER) advisory group on teacher recruitment, Ambition School Leadership's teacher research advisory panel, a roundtable on transforming children and young people's mental health provision and Ofsted's roundtable on the proposed inspection of multi-academy trusts. We have responded to a number of public consultations including working together to safeguard children, the Government's green paper on mental health provision, T-level implementation and changes to the teaching of sex and relationship education and PSHE.

Financial review

Total income for the year is £282,445 (2017: £365,841). Subscription income of £117,267 represents a decrease on the £123,922 in the previous period. Conference income is £21,950 compared to £79,675 in the previous period because our Autumn 2017 and Spring 2018 conferences were delivered by our new trading company. Seminar and advice income relates to advisory services provided to schools. It is an income stream that has decreased from £116,871 in the previous period to £55,721 during this year. Total costs of £333,334 (2017: £373,045) relate primarily to the direct costs of providing the member services plus governance costs and bear a direct relationship to the income streams. They include an element of administrative support costs as disclosed in the notes to the financial statements.

The assets of CST are mainly represented by cash which is held in interest bearing accounts.

Reserves policy

The Trustees, having given due consideration to the risks faced by the organisation and its financial and other commitments to members and other stakeholders, consider that an appropriate level of reserves needs to be sufficient to allow an orderly wind down of activities and repay any unexpired memberships. Based on current activity this would equate to a level of reserves of approximately £300,000. Unrestricted funds have been designated to cover this level of contingency reserves plus an amount for development of CST's activities.

It is the policy of the charity to invest any surplus funds in term deposits with the charity's bankers and other financial institutions that are covered by the Financial Services Compensation Scheme.

Investment policy

It is the policy of the charity to invest any surplus funds in term deposits with the charity's bankers and other financial institutions that are covered by the Financial Services Compensation Scheme.

Risk management

The Trustees have considered the risks faced by the charity and have put in place a risk policy and comprehensive risk register with controls in place to mitigate those risks.

The Trustees consider, whilst no system of controls can give absolute assurance against all risks, arrangements in place at CST are adequate.

Plans for the future

Following the review of the shape and resilience of the organisation, the trustees will consult with Members on reshaping, repositioning and rebranding the organisation, in order to better carry out our charitable object and to offer a clearer service to our beneficiaries.

We aim to make a distinctive and high profile contribution to the national debate that is underpinned by our commitment to education as a public good.

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

The organisation must increase membership in order to become resilient and sustainable. The trustees are developing a recruitment and retention strategy built around a clear value proposition, aligned to our core object and purposes.

As we build a strong and resilient organisation, we will keep our capacity under review so that we are sure we are able to deliver our charitable object and support our members to build an excellent education system in England.

We will continue to support our wholly owned subsidiary, National Teacher Accreditation (NTA) to set the standard for teacher induction to improve the quality of education received by pupils in subscriber schools and trusts. We will contribute to and influence the debate on the reform of qualified teacher status and the proposals for the early career development of teachers.

We aim to articulate more strongly our values of selflessness, integrity, objectivity, accountability, openness, honesty and Leadership both in our external-facing work with our members and beneficiaries, and in our governance.

We are reviewing membership of our trust board, our governance structure, corporate culture and governing document. We aim to put in place a code of governance (based on the Charity Commission's Code) and a code of ethics for trustees. The trustees have agreed a robust declaration of interests policy. In light of our consultation on change, the trust board intends to undertake a constitutional review and amend our Articles of Association.

Structure, governance and management

The Confederation of School Trusts is constituted as a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association (currently being revised) and was incorporated on 3 December 2004.

The trustees, who are also the directors for the purpose of company law, and who served since the commencement of the year were:

Robert McDonough	Chair
Roy Blackwell	Vice Chair
Jane Aukett	
Ian Bauckham	(appointed 21 September 2018)
Joan Binder	(resigned 17 March 2018)
Tom Clark CBE	(resigned 17 March 2018)
Debbie Clinton	(resigned 21 March 2018)
Susan Darbyshire	(resigned 20 April 2018)
Jayne Harrison	
Lorrayne Hughes	
Andrew Johnson	(resigned 13 October 2018)
Martyn Oliver	(appointed 20 April 2018)
Martin Shevill	(resigned 18 March 2018)
Stephen Snelson	
Carl Ward	(appointed 21 September 2018)
David Wilson	(resigned 17 March 2018)
Pamela Wright CBE	

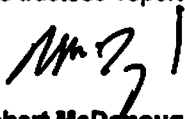
**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2018

The ultimate decision making body of CST is its Trust Board which is made up of up to 15 Appointed Trustees who are elected or appointed by the Trust Board in accordance with Article 5.8 and any number of Nominated Trustees who may be appointed by the Trust Board from time to time in accordance with Article 5.3.

The Trust Board meets six times per year. The Trust Board have various powers in the administration of the charity in their capacity as Trustees. One of these powers is to appoint a Chair and Vice Chair.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Robert McDonough

Trustee

Dated: 14 December 2018

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2018**

The trustees, who are also the directors of Confederation of School Trusts for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF CONFEDERATION OF SCHOOL TRUSTS**

I report to the trustees on my examination of the financial statements of Confederation of School Trusts (the charity) for the year ended 31 March 2018.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Howard W Johnston FCA

Silvertribe Limited
7 Manor Farm Way
Seer Green
Buckinghamshire
HP9 2YD

Dated: 21/12/18

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<u>Income from:</u>			
Donations	3	55,016	21,800
Income from charitable activities	4	209,626	320,468
Investments	5	7,878	7,936
Other income	6	9,925	15,637
Total income		282,445	365,841
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Member Services	7	296,263	275,094
Conference	7	26,059	74,693
Seminars and Advice	7	11,012	23,258
Total expenditure		333,334	373,045
Net expenditure for the year/ Net movement in funds		(50,889)	(7,204)
Fund balances at 1 April 2017		632,374	639,578
Fund balances at 31 March 2018		581,485	632,374

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
BALANCE SHEET
AS AT 31 MARCH 2018**

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Investments	11		1		-
Current assets					
Debtors	13	58,592		67,949	
Investments	14	526,265		518,525	
Cash at bank and in hand		93,949		206,131	
		<u>678,806</u>		<u>792,605</u>	
Creditors: amounts falling due within one year	15	<u>(97,322)</u>		<u>(160,231)</u>	
Net current assets			<u>581,484</u>		<u>632,374</u>
Total assets less current liabilities			<u><u>581,485</u></u>		<u><u>632,374</u></u>
Income funds					
Unrestricted funds					
Designated funds	17	400,000		225,000	
General unrestricted funds		<u>181,485</u>		<u>407,374</u>	
			<u>581,485</u>		<u>632,374</u>
			<u><u>581,485</u></u>		<u><u>632,374</u></u>

The Balance Sheet continues on the next page

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018**

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14 December 2018



Robert McDonough
Trustee

Company Registration No. 05303883

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies

Charity information

Confederation of School Trusts is a private company limited by guarantee incorporated in England and Wales. The registered office is George Spencer Academy, Arthur Mee Road, Stapleford, Nottingham, NG9 7EW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies (Continued)

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Support costs are allocated on the basis of time spent on each activity.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies (Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds	Total
	2018	2017
	£	£
Donations and gifts	55,016	21,800

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

4 Income from charitable activities

	Member Services	Conferences	Seminars and Advice	Total 2018	Total 2017
	£	£	£	£	£
Membership subscriptions	117,267	-	-	117,267	123,922
Ancillary trading income	14,688	21,950	55,721	92,359	196,546
	<u>131,955</u>	<u>21,950</u>	<u>55,721</u>	<u>209,626</u>	<u>320,468</u>

5 Investments

	Unrestricted funds	Total
	2018	2017
	£	£
Interest receivable	<u>7,878</u>	<u>7,936</u>

6 Other income

	Unrestricted funds	Total
	2018	2017
	£	£
Other income	<u>9,925</u>	<u>15,637</u>

**CONFEDERATION OF SCHOOL TRUSTS
(FORMERLY FASNA)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

7 Charitable activities

	Member Services	Conference	Seminars and Advice	Total 2018	Total 2017
	£	£	£	£	£
Fees and travel representing CST	96,061	-	-	96,061	160,371
Conference costs	-	18,359	-	18,359	53,926
Seminar costs	-	-	3,312	3,312	18,065
Office costs	5,546	-	-	5,546	4,280
Computer costs	4,040	-	-	4,040	4,523
Promotional and marketing	5,566	-	-	5,566	7,073
Accountancy services	17,375	-	-	17,375	15,500
Professional fees	910	-	-	910	270
Miscellaneous costs	-	-	-	-	4,000
	<u>129,498</u>	<u>18,359</u>	<u>3,312</u>	<u>151,169</u>	<u>268,008</u>
Share of support costs (see note 8)	138,578	7,700	7,700	153,978	103,837
Share of governance costs (see note 8)	28,187	-	-	28,187	1,200
	<u>296,263</u>	<u>26,059</u>	<u>11,012</u>	<u>333,334</u>	<u>373,045</u>

**CONFEDERATION OF SCHOOL TRUSTS
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FOR THE YEAR ENDED 31 MARCH 2018**

8 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Staff costs	144,637	-	144,637	92,019	Usage
Office costs	4,047	-	4,047	4,062	Usage
Examiners fees	-	1,200	1,200	1,200	Usage
Insurance	3,600	-	3,600	5,430	Usage
Professional fees	1,132	-	1,132	1,616	Usage
Bank charges	562	-	562	710	Usage
Legal and professional	-	26,987	26,987	-	Usage
	<u>153,978</u>	<u>28,187</u>	<u>182,165</u>	<u>105,037</u>	
Analysed between					
Charitable activities	<u>153,978</u>	<u>28,187</u>	<u>182,165</u>	<u>105,037</u>	

Support costs relate to administrative costs and have been allocated on the basis of estimated usage or where this is not practicable, in proportion to other expenditure.

Governance costs includes payments to the independent examiner of £1,200 (2017- £1,200) for examination fees.

Governance costs also include legal and professional fees which arose from a matter which required a Serious Incident Report (SIR) to be made to the Charity Commission. As this was a complex matter specialist legal advice was required and so the charity's solicitors, who are experts in Charity Law, were engaged by the Trustees to compile the SIR and file it with the Charity Commission.

9 Trustees

The charity has the power to make payment for services provided by trustees under the provisions of its Memorandum and Articles of Association.

During the year Trustees were paid for services provided to the charitable company as follows:

Tom Clark - £25,281 (2017: £47,942)
Joan Binder - £16,050 (2017: £33,420)
David Wilson - £7,250 (2017: £17,800)
Martin Shevill - £833 (2017: £5,833)

The trustees took the decision, following the appointment of the Chief Executive Officer during the year, to separate the executive and non-executive functions and to cease payments to trustees for services provided.

In addition 11 trustees were re-imbursed for travel and subsistence and office costs totalling £18,672 (2017: 15 trustees re-imbursed £26,917).

**CONFEDERATION OF SCHOOL TRUSTS
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FOR THE YEAR ENDED 31 MARCH 2018**

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2018	2017
	Number	Number
Member services	<u>5</u>	<u>4</u>
Employment costs	2018	2017
	£	£
Wages and salaries	115,690	84,140
Social security costs	8,174	1,377
Other pension costs	20,773	6,502
	<u>144,637</u>	<u>92,019</u>

There were no employees who received remuneration of more than £60,000 during the year.

11 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2017		-
Additions		<u>1</u>
At 31 March 2018		<u>1</u>
Carrying amount		
At 31 March 2018		<u>1</u>
At 31 March 2017		<u>-</u>
Other investments comprise:	Notes	2018
		£
Investments in subsidiaries	19	<u>1</u>
		<u>-</u>

**CONFEDERATION OF SCHOOL TRUSTS
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12	Financial Instruments		2018	2017
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		49,553	60,174
	Instruments measured at fair value through profit or loss		526,265	518,525
			<u> </u>	<u> </u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		15,124	29,963
			<u> </u>	<u> </u>
13	Debtors		2018	2017
			£	£
	Amounts falling due within one year:			
	Trade debtors		46,748	60,174
	Amounts owed by subsidiary undertakings		2,805	-
	Prepayments and accrued income		9,039	7,775
			<u> </u>	<u> </u>
			58,592	67,949
			<u> </u>	<u> </u>
14	Current asset investments		2018	2017
			£	£
	Fixed term deposits		526,265	518,525
			<u> </u>	<u> </u>
15	Creditors: amounts falling due within one year		2018	2017
			£	£
		Notes		
	Other taxation and social security		4,606	22,835
	Deferred income	16	77,592	107,433
	Trade creditors		6,195	20,583
	Other creditors		4,870	6,280
	Accruals		4,059	3,100
			<u> </u>	<u> </u>
			97,322	160,231
			<u> </u>	<u> </u>
16	Deferred income		2018	2017
			£	£
	Other deferred income		77,592	107,433
			<u> </u>	<u> </u>

**CONFEDERATION OF SCHOOL TRUSTS
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2017 £	Transfers £	Balance at 31 March 2018 £
Contingency Fund	200,000	100,000	300,000
Development Fund	25,000	75,000	100,000
	<u>225,000</u>	<u>175,000</u>	<u>(400,000)</u>

The contingency and development fund has been created to:

- set aside funds to enable the charity to develop its services and activities; and
- provide funds to enable continuation of the charity's services in the event of a loss or downturn of funding streams.

The transfers during the year are from unrestricted funds.

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate benefits	<u>103,748</u>	<u>104,995</u>

Key management personnel includes the senior management team and trustees.

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Donations received		Administration charges received	
	2018 £	2017 £	2018 £	2017 £
CST Professional Development Limited	23,016	-	14,688	-
National Teacher Accreditation Ltd	32,000	21,800	6,490	10,066
	<u>55,016</u>	<u>21,800</u>	<u>21,178</u>	<u>10,066</u>

**CONFEDERATION OF SCHOOL TRUSTS
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

18 Related party transactions (Continued)

At the end of the accounting period CST Professional Development Limited owed Confederation of School Trusts £801 (2017: £Nil).

At the end of the accounting period National Teacher Accreditation Ltd owed Confederation of School Trusts £2,004 (2017: £Nil).

19 Subsidiaries

These financial statements are separate charity financial statements for Confederation of School Trusts.

Separate company financial statements are required to be prepared by law. Consolidated financial statements for the Confederation of School Trusts Group have not been prepared using the exemptions available to small groups.

Details of the charity's subsidiaries at 31 March 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
CST Professional Development	UK	Commercial activities	Ordinary	100.00	
National Teacher Accreditation Ltd	UK	Educational support activities	Guarantee	100.00	

The aggregate capital and reserves and the result for the last complete accounting year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
CST Professional Development	-	1
National Teacher Accreditation Ltd	(672)	22,556

The investments in subsidiaries are all stated at cost.