



Academies better financial reporting programme

This document provides information on the aims of the better financial reporting programme, the work we are doing to achieve these aims, and information about upcoming changes we are making that the sector should know about.

The better financial reporting programme is looking to improve the existing end-to-end process for financial reporting by academy trusts. We have been working with academy trusts and their software suppliers to develop a series of system improvements with the ultimate aims of: a) reducing the existing burden of financial reporting by academy trusts; and b) producing more information and insight to support trusts in managing their resources.

The work we are doing

Key areas of work across the programme include:

- investigating the best ways to transform the financial data that you send to us in order to create valuable insights to enable more empowered decision-making by academy trusts
- reassessing the financial data that we collect from trusts to ensure that it is complete, relevant and only collected once
- introducing automated data collection wherever possible to reduce the need for filling in lengthy forms

Automated data collection

The automated data collection solution will allow you to upload trial balance data directly from your financial management systems, which will pre-populate the financial returns required wherever possible.

Depending on the level of granularity of the data held in your finance and budgeting systems, we estimate that 50%-75% of the data we require can be automated this way, saving a significant amount of time on data entry.

We have developed this function to be a 'push' from trusts, rather than us 'pulling' the data from your systems, so your data will only be shared with the DfE once you choose to send it to us.

We have a prototype for this solution that we will test and develop further with a few trusts and auditors in the autumn before a wider roll out.

Academies chart of accounts

To transfer this data in a consistent way, it has been necessary for us to develop a standard chart of accounts for the academies sector. We have worked with academy trusts to develop this in a way

that will not only enable automation, but also be detailed enough that trusts can use this for their own internal reporting requirements.

The chart of accounts aims to provide a useable data structure for academies and be the single dataset that underpins the accounts return and budget forecast return / budget forecast return outturn forms.

Adopting the CoA would also mean that you could access further benchmarking data. As the chart of accounts is standardised it would allow us to provide your trust with extra benchmarking and efficiency metrics; this would help you understand with greater clarity the relative performance of your trust.

Whilst adoption of the chart of accounts will not be mandatory, it will enable trusts to achieve the maximum benefit from the automated data collection function. As such, we do encourage you to consider adopting it.

Getting involved

There are a number of areas of activity across the programme and it is critical that they are all driven by what academy trusts need. We would therefore like to work with representatives from across the academy sector to develop our proposals. There are a number of opportunities to feed back about how the existing financial reporting process could be improved.

Help us to get better

If your trust would like to help develop and test future financial reporting, please contact the [better financial reporting team](#).

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