



Education & Skills  
Funding Agency

Education and Skills Funding Agency  
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[esfa-enquiry-form](#)

30 June 2017

Dear Accounting Officer,

I have written to you recently about my commitment to improve the process for academy trusts when submitting financial information to the ESFA. Compliance with the returns is vitally important and we acknowledge the time and costs required from trusts to submit their returns on time. We are therefore working on a number of enhancements to the existing arrangements, including significant investment in our IT systems, to reduce the impact of these requirements.

One area of feedback from trusts has been about the importance of greater clarity on the financial returns we will require. We recognise this, and have therefore set out below all of the academy sector financial returns – including the associated deadlines – that we will require from trusts through to the end of the summer term 2018.

Return	Guidance made available	Online form launch date	Deadline for submission
<a href="#">Budget forecast return (2017)</a>	14 June 2017	22 June 2017	28 July 2017
Land and buildings collection tool (new return from 2017)	10 July 2017	1 October 2017	31 October 2017
Financial statements, auditor's management letter, accounts submission coversheet online form	13 June 2017 (via <a href="#">Academies Accounts Direction</a> )	6 October 2017	31 December 2017
Accounts return	1 September 2017	1 October 2017	19 January 2018
Budget forecast return outturn	28 February 2018	19 March 2018	18 May 2018
Budget forecast return (2018)	1 June 2018	1 June 2018	27 July 2018

### Land and buildings collection tool

There is a new return in the list above: the land and buildings collection tool (LBCT).

Currently, the Department has a long-standing audit qualification due to the lack of underlying data we hold for the recognition of land and buildings within the academy sector. We have a commitment to Parliament to remove this audit qualification for the 2016/17 Sector Annual Report & Accounts (SARA).

The most efficient way to collect full information on the land and buildings held across the sector, on a consistent and current basis, is to collect the relevant data directly from academy trusts via a new online tool. This new LBCT will be an online form using the same registration as the academies accounts return. However, it is necessary for this to be a separate return because an earlier submission date is needed in order to achieve the laying of the SARA before Parliament prior to the 2018 summer recess.

The LBCT will ask for a listing of land and buildings (specifying freehold, leasehold, right of use etc.), in some cases supported by uploaded documents to provide the evidence required to demonstrate the recognition criteria under the Department's accounting framework. The return will not be asking for valuations, there are no complex validations and there will not be a need for significant explanations within the return. The return will be submitted directly to the Department without a requirement for local auditor clearance.

I acknowledge that, being the first year of the return, this exercise will be initially more time consuming than in future years. The form has been designed after consultation with sector working groups with a view to collecting the minimum required data in the most user-friendly format. In future years the exercise for existing academies will be minimal since the prior year's data will be rolled over, to be updated only with any in-year changes.

From 10 July the LBCT workbook and guidance will be available with a link from our [academies financial returns](#) page on GOV.UK. Further details of the LBCT itself will be provided to the sector over the summer.

I also want to take this opportunity to update you on some work we are doing around the budget forecast return (BFR). We are assessing the benefits of asking trusts to forecast their financial position over a three-year period, rather than over a single year as is currently the case. We plan to undertake some pilot work on this in the coming months and discuss further with sector representatives before taking a final decision.

I hope that providing this information now will support trusts in their financial planning over the next academic year and continue the strong record of compliance with these returns.

If you have any further questions about this letter then please contact us using our [enquiry form](#).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Lauener', with a long horizontal stroke at the end.

**Peter Lauener**

Chief Executive, Education & Skills Funding Agency