

# News story: Better financial reporting for academy trusts

The new [academies chart of accounts](#) is DfE's standard for financial data that underpins the academies accounts return and budget forecast returns.

Academy trusts that choose to adopt the standard will benefit from potential automated data transfer from their finance system to ESFA for financial returns relating to the 2019/20 financial year. An additional benefit is that DfE can provide richer and more accurate financial benchmarking information allowing academies to compare their finances with other similar academies with greater confidence.

Lord Agnew, Parliamentary Under Secretary of State for the School System said:

"Our better financial reporting programme is a great step forward in our work to improve efficiency in schools. We have recognised that the current system of submitting financial data to the department is time consuming and offers insufficient benefit to academy trusts.

"By having a standard chart of accounts, we create the essential building blocks for the new system as it provides a consistent way of recording financial data for all academy trusts. This will allow us to reduce the burden on trusts through the electronic submission of financial data directly from finance systems and adding greater value to trusts by enabling us to create new financial efficiency tools as well as improve the timeliness and quality of the existing tools."

Adopting the new chart of accounts will require an investment of time and effort from trusts but this will lead to significant future benefits. For example, around 65% of the accounts return comes from data within a trial balance. Being able to have that data pre-populated will be extremely helpful to trusts.

Trusts can view the [academies chart of accounts](#) and a guide to adopting the new standard.

Adopting the academies chart of accounts is voluntary.