

# Academies chart of accounts and automation

Information for Finance Directors and School Business Professionals

### Brief overview of academies chart of accounts & automation

# Academies chart of accounts (CoA):

#### Facts:

- The CoA is the Academy sector standard for financial reporting
- The CoA is currently not mandatory, but the DfE is expecting trusts to adopt
- The CoA underpins the automation process

#### Figures:

At least 1/3 of trusts have now adopted the CoA

### **Automation:**

#### Facts:

- 'Automation' refers to the instant transfer of data from the trusts FMS system to the DfE's financial return
  - Accounts return
  - > Draft trust financial statements

#### Figures:

- 28% of trusts FMS suppliers used automation for 2021/22 accounts return
- 80% of trusts FMS suppliers estimated to be using automation for 2022/23 accounts return

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The DfE works closely with trusts, FMS suppliers and external auditors to facilitate adoption of CoA and use of automation

# Benefits of adopting CoA / using automation – DfE perspective

#### **Benefits – adopting CoA:**

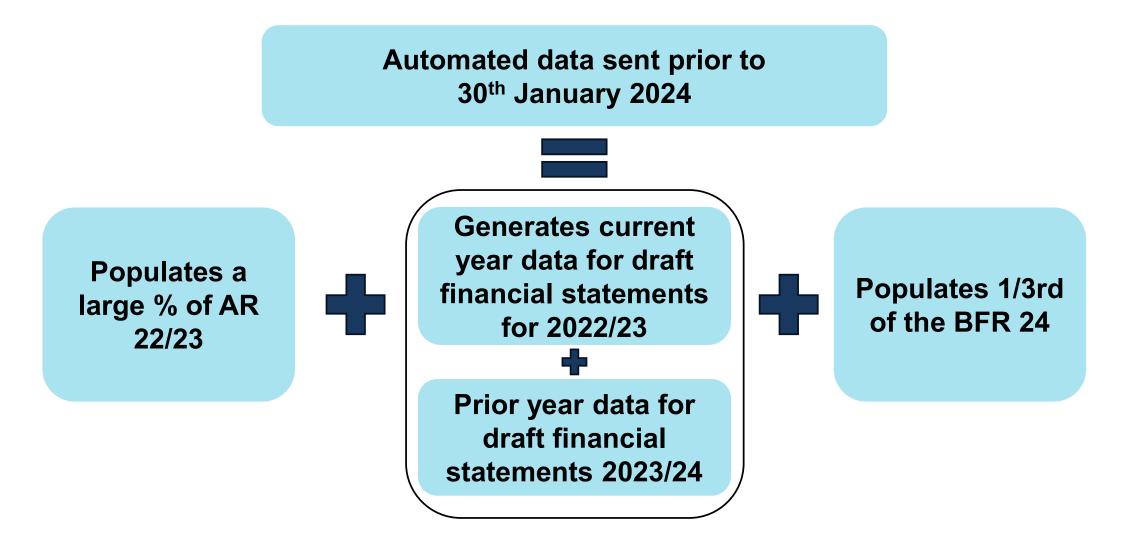
- Provides standardisation across trusts and within trusts
  - improved rebrokerage process
  - auditors using one CoA
- Improved data quality as less subjective i.e. improved insights via VMFI and benchmarking
- Potential to improve financial management
- ✓ Impact of new DfE reporting requirements are reduced
- ✓ Enables use of automation

#### Added benefits – using automation:

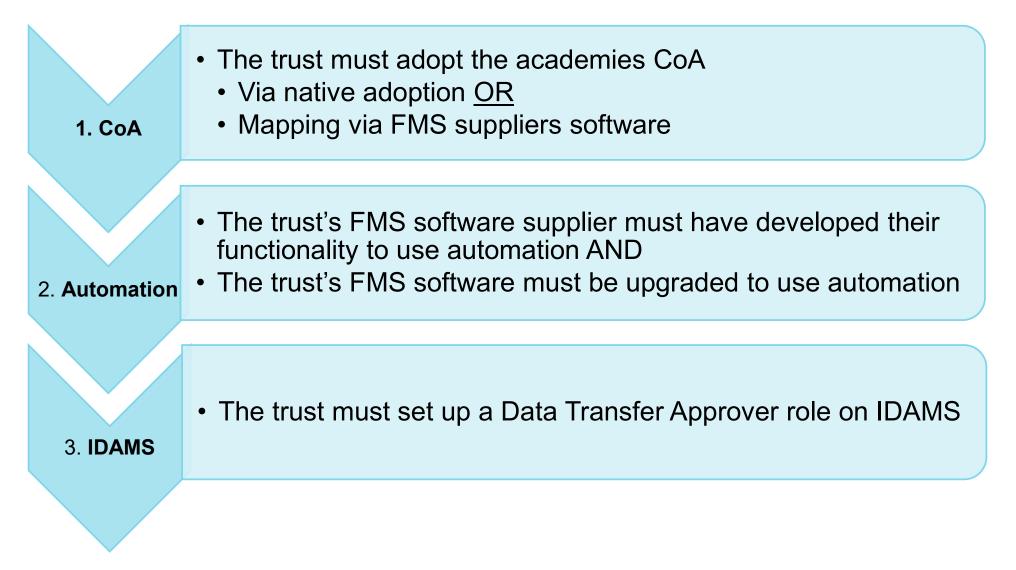
- Time saving for completing the AR in terms of:
  - input time (high % of AR auto completed), larger trusts benefit most
  - reduction in human error
  - validation triggers are prevented through mapping and rounding
- ✓ Make use of draft financial statements
- ✓ Pre-populates 1/3<sup>rd</sup> BFR
- $\checkmark\,$  End to end audit trail
- ✓ DfE receive granular data
- ✓ Take advantage of new developments

The more trusts that adopt, the greater the benefit to all

# What will my automated data populate?

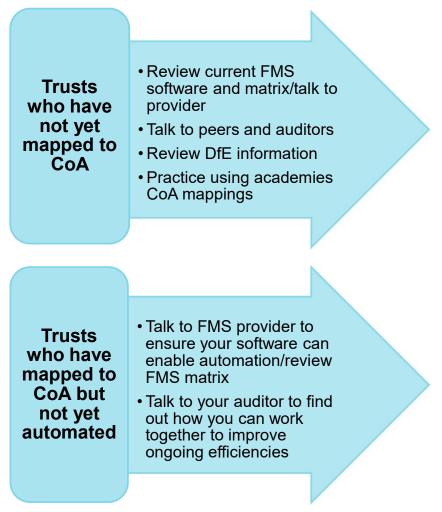


### The 3 steps to using automation



### Next steps towards better financial reporting

- Review your FMS software is it fit for purpose?
- Talk to your FMS provider will it allow you to adopt the academies CoA and use automation?
- Talk to your auditor how can they help?
  - initial mapping
  - ongoing efficiencies
- Talk to your peers more than 1/3<sup>rd</sup> of trusts have already adopted the academies CoA
- Review information available
  - FMS comparison matrix (see next slide)
  - Academies chart of accounts and automation webpage
- Use the Academies CoA mappings helpful to <u>all</u> trusts



## **FMS comparison matrix**



# 'Good' financial management is underpinned by a dynamic financial management system (FMS).

The idea stemmed from trusts telling us they weren't sure which FMS providers were offering the Academies CoA and automation functionality

Developed into an idea to provide better information to trusts who are looking to upgrade/move FMS provider

Information provides:

- The matrix comparing circa 50 FMS providers
- A guide including tips and a checklist for reviewing your FMS

# Search 'choosing a trusts financial management system' in your browser

I GOV.UK	
	ion, training and skills > School and academy financial management and assurance academy trust finance and reporting
Guidance	ng a trust's financial
	ement system (FMS)
academy tr	elps you compare different FMS providers so your ust is able to choose a provider who will enable mate your financial returns to DfE.
From: Education	and Skills Funding Agency
🜲 Get emails a	bout this page
Applies to	England
Documen	ts
HTML	Guide to the FMS comparison matrix
HTML	Disclaimer HTML

https://www.gov.uk/government/publications/choosing-a-trusts-financial-management-system-fms

# Sign posting support for your trusts stage of adoption

#### Just starting out

- <u>Guide to adopting the ACoA</u> (section 1,2,3, & 6)
- Introductory webinar
- FMS comparison matrix
- Auditor/other Trusts
- Current FMS provider

# In process of adopting ACoA/already adopted

- <u>Guide to adopting the ACoA (Section</u> 4 & 5)
- ACoA spreadsheet
- Mapping review workshop
- Technical updates webinars (May /June)
- Auditor support

#### Automation support

- User guide for automation
- 'How to' training sessions in partnership with FMS suppliers showing the end to end automation journey
- Bitesize sessions
- 30 minute 1-2-1 slots for trusts and their auditors who are automating for the first time
- Auditor support
- Your FMS Supplier help desk



Monthly Q&A dial in sessions for all

# **General help and information**

#### Information:

- For academies CoA and automation information, please visit : <u>https://www.gov.uk/government/publications/academies-chart-of-accounts</u>, here you will find:
  - CoA spreadsheet (2 years versions)
  - Guide to adopting the CoA
  - Account code guidance
  - Automation guide
  - Future events including Q+A sessions and webinars
  - Ways to contact the DfE
- View our <u>Guide to the FMS comparison matrix GOV.UK (www.gov.uk)</u> to identify which FMS suppliers are using the academies chart of accounts and can automate

We also provide tailored presentations at regional conferences and local SBP groups either virtually or in person. Please contact us on <u>academies.coa@education.gov,uk</u> if you wish to arrange a session for your local group.