



# Academies Accounts Direction 2024 to 2025 – staff briefing

Department for Education (DfE) have published the latest edition of the [Academies Accounts Direction](#), model academy accounts and framework, and guide to external auditors.

These documents set the framework for academy financial statements for the year to 31 August 2025, which boards are due to approve by 31 December 2025.

The welcome news is that the changes to the Direction and model accounts are minimal. There are more changes to the guide to external auditors, but these too are limited.

## Main Accounts Direction changes

- From 1 September 2024 there has been a significant expansion in the circumstances in which a trust can enter into a finance lease. As a result, we should expect to see more trusts making use of finance leases. In response, the new Direction includes model disclosures for finance leases. Although these are new to the Direction, they will be familiar to other charities and companies with finance leases. They are not 'new' to us, or anyone else involved in the preparation or audit of non-academy financial statements.
- Additionally, there is a reminder for very large trusts to disclose non-financial and sustainability information in the strategic report. However, this requirement applies only to trusts with income exceeding £500 million and more than 500 employees. This will affect very few trusts nationwide.

## Model Accounts changes

The model accounts can be found [here](#). The changes are limited and are helpfully highlighted yellow, with main ones being:

- A reminder in the governance statement guidance that trusts with revenue over £50 million **should** (from 1 September 2025 **must**) deliver internal scrutiny using any combination of an employed internal auditor or a bought-in service. This is not a new requirement, but a reminder of the upcoming change.
- Changes to the Reporting Accountant's and the Accounting Officer's Regularity Report wording (see next section).
- References to ESFA changed to DfE, reflecting that the ESFA's function transferred to DfE on 1 April 2025.

If trusts prepare their own financial statements, we need to make sure the template wording updates are made.

For those preparing the trustees' report and governance statement, there are no new requirements to consider.

## Framework and guide for external auditors and reporting accountants of academy trusts 2024 to 2025

Most changes are saved for this **document**, the main ones being:

- It is clarified that if instances of impropriety are not reported in the regularity report (due to being deemed immaterial or outside the scope of our report), the DfE expects these matters to be referred to the Audit Findings Report. This has always been our approach and remains unchanged.
- Our regularity report wording has been updated to better reflect the limited assurance nature of our work and to improve the language. These amendments do not alter the nature or scope of our opinion and work.
- Although not included in this document, there is also an update to the Accounting Officer's regularity report wording. This update aims to enhance the language and flow of the report, rather than its scope.
- New standard clauses have been added to our audit and regularity engagement letters. These changes do not materially affect the scope of our work or responsibilities. However, engagement letters will need to be reissued before the 2025 academy season to incorporate the new wording.
- The list of example regularity tests has been updated and moved to a separate annex. A new area of testing, 'Fraud and cyber ransoms,' has been added, advising that we consider whether the trust has complied with the Academy Trust Handbook in this area. Other revisions are limited, and we will update our regularity work programme accordingly, expecting only minor changes to our work.





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