

## Recent changes to reporting requirements during the transitional phase

In October 2023, the Department sent a communication to partner services outlining the financial reporting requirements for year 1 of Core Funding. Following this communication, a number of issues were raised by the partner services regarding this requirement and the timeframe for the financial reporting.

After consultation with key Stakeholders that included members and nominees of the Early Learning and Childcare Stakeholder Forum (ELCSF), including Childhood Services Ireland (CSI), Childminding Ireland, Early Childhood Ireland (ECI), the Association of Childhood Professionals Ireland (ACPI), the Federation of Early Childhood Providers (FECF), the National Childhood Network (NCN), the National Community Childcare Forum, Seas Suas, the City/County Childcare Committees (CCC), Ernst and Young, and Pobal, it was decided that the introduction of a **Transitional Phase for year 1 and year 2** would greatly assist partner services with the financial reporting requirement.

### Some of the changes made for the transition phase include:

- Extension to the reporting deadline from February 29<sup>th</sup> to March 22<sup>nd</sup> 2024
- Merged staffing expenditure codes
- Significantly reduced then number of nominal codes from 159 to 72
- Trial Balance not required during transitional phase
- ELC/SAC operations reporting requirement not required during the transitional phase

### The new requirement during the transitional phase:

- The revised reporting requirement during the transitional phase will consist of a sector specific **Income and Expenditure Report**. This Income and Expenditure Report will significantly reduce the reporting requirement on partner services
- The significant changes made to the reporting requirements from what was asked originally to what is required in the transitional phase for year 1 and year 2 can be seen below.

Updates	Column A	Column B
	Original Reporting Requirements (Superseded)	Updated Reporting Requirements for Year 1 and 2 of Core Funding
<b>Reduced Administrative Ask on Service Providers</b>	Provider to provide all department income Information	The Department will now provide all Department Programme income at SRN level to providers
	No provision of a transition period for service providers	Provision of a Transitional Phase for providers for Year 1 and Year 2 of Core Funding
	Trial Balance required	A trial balance is no longer required as part of the financial reporting requirements during this Transitional Phase instead an Income and Expenditure report is required.
	Details for non ELC/SAC Operations	Details for non ELC/SAC Operations are no longer required as part of the financial reporting requirements during this Transitional Phase
<b>Reduced Complexity in Reporting</b>	Staffing expenditure codes – multiple expenditure codes	Staffing expenditure codes have been merged. See revised Income and Expenditure Report
	Significant number of nominal codes (159)	Major reduction in number of codes see revised Income and Expenditure Report (72)
	Multi-site services detailed analysis of I&E Report at individual site level	Where multi-site services existing financial management approaches do not provide a breakdown for Income and Expenditure at site level, the Department will allow these costs to be split Proportionally across sites however a rationale for the split will need to be provided
<b>Updated Submission Deadline</b>	February 29 <sup>th</sup> 2024 deadline	March 22 <sup>nd</sup> 2024 deadline