



15 March 2024

A Chara,

We are writing to you with an update on the financial reporting requirements under Core Funding.

As you are aware, we have engaged intensively with members and nominees of the Early Learning and Childcare Stakeholder Forum (ELCSF) in recent months on this matter and, arising from that engagement, we communicated transitional arrangements for financial reporting this year and next.

The Income and Expenditure Template that we now require to be completed as part of these transitional arrangements was shared on 21 December through the Hive. Over the same period, we also engaged with accountants to finalise guidance in respect of the role of the accountant in financial reporting this year. This guidance was shared on 8 March.

The transitional arrangements, which we agreed, have necessitated substantial changes in the financial reporting portal under development and this has been a factor in the timeline for that work. Following a meeting with the portal developers today, we can confirm the portal, which will be tested by a number of providers, will open in two stages:

- The portal will be open to providers to register and to link their nominated accountant on or before the 29 April.
- The portal will be open on or before the 31 May to accept completed Income and Expenditure templates.

Given the availability of the portal is later than we planned and in response to feedback from a meeting of stakeholders last month and indeed from individual providers, the deadline for submitting completed Income and Expenditure templates will be 26 June.

In advance of the portal opening, providers can complete the Income and Expenditure template and engage an accountant, as we know many already have.

As we communicated previously, providers that experience difficulty in engaging an accountant to submit the completed Income and Expenditure template by new deadline will have the option of submitting a draft Income and Expenditure template by 26 June. Services that avail of this option will need to engage an accountant to submit a final Income and Expenditure template prior to them entering into Core Funding in Year 3.

We are now focusing on rolling out a suite of supports to providers to fulfil their financial reporting obligations under Core Funding, which will be delivered through local City/County Childcare Committees (CCC). These supports will include once-off financial support for targeted services. Further details on these supports will be outlined in a detailed FAQ on 19 March.

We sincerely apologise for the delay in communicating with you in relation the above. We do appreciate the feedback we received on this matter over the past few months and for your patience as we tried to accommodate as much of that feedback as possible.



Financial reporting requirements under Core Funding was a recommendation of the Expert Group in their report 'Partnership for the Public Good' who identified the need for robust data to underpin funding policy. These essential data will inform the ongoing development of Core Funding, including preparations for the next Estimates process, ensuring we can continue to make progress on our shared objectives of affordable, quality, inclusive and sustainable early learning and childcare services.

Yours sincerely

The Core Funding Team