Accounting for the Special Class Start Up Grant

(Created July 2025)

1. Introduction

Schools approved by the National Council for Special Education (NCSE) to open a new special class for the 2025/2026 school year will receive a Start-Up grant of €30,000. This grant is designed to support schools in setting up appropriate learning environments for students with more complex or severe special educational needs (SEN).

The Start-Up grant will be paid to each school that is approved by the NCSE to open a new special class for the 2025/26 school year. This grant payment relates to each new special class and does not require an application from the relevant schools. This grant is paid automatically to schools (mainstream or special) once a special class is sanctioned by NCSE.

This grant will provide good flexibility to schools to facilitate the opening of a new special class and encompasses the existing start-up grant, sensory room fit out grant/creation of a quiet space and also Furniture & Equipment grant and ICT grant all of which have been updated to an overall total of €30,000. If core requirements are fully met, any residual funding may be used for other minor improvements within the school that support the inclusion of students with SEN.

2. Accounting Treatments

The nominal codes to be used to account for the grant received, the expenditure of the grant and any unspent balance are set out below.

2 Purchase of Capital: Fixtures, Fittings and Equipment using the Start Up Grant

2.1 When the grant income is received

Action	DR/CR	Nominal Code	Description
Start Up Grant Received	DR	1800	Current Account 1 Current Asset
	CR	2173	Other Capital Ringfenced Grants/Income Unspent Current Liability

2.2 When grant is used to purchase Fixtures, Fittings and Equipment:

Action	DR/CR	Nominal Code	Description
Start Up Grant Spent	DR	1421	Capital: Fixtures, Fittings and Equipment Additions Fixed Asset
	CR	1800	Current Account 1 Current Asset

Action	DR/CR	Nominal Code	Description
Transfer Start Up Grant to Capital & Reserves	DR	2173	Other Ringfenced Grants Unspent Current Liability
	CR	3920	DE Fixtures, Fittings & Equipment Grant Income Capital & Reserves

2.3 Amortisation of grants

Amortisation is an accounting technique used to periodically lower the book value of a grant over a set period of time.

The Start Up grant classified as a capital grant above, should be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be amortised over 5 years.

The amortisation of the grants would be done at the year-end by the school's external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Amortisation	DR	3925	Accumulated Amortisation of Capital Equipment Income Capital & Reserves
	CR	3225	Amortisation of DE Equipment Grants Income

Note 1: Amortisation Policy - Grant amortised over 5 years.

2.4 Depreciation of furniture/equipment expenditure

Depreciation is an accounting technique used to periodically lower the book value of a capital expense over a set period of time.

The capital expenditure shall be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be depreciated over 5 years.

The depreciation of the start up grant expenditure would be done at the year- end by the school's external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Depreciation of Fixtures, Fittings and Equipment Current Year	DR	8020	Annual Depreciation: Fixtures, Fittings and Equipment Expenditure
	CR	1431	Depreciation: Fixtures, Fittings and Equipment Current Year Fixed Asset

Note 2: Furniture/Equipment Depreciation Policy - Items depreciated over 5 years.

3. Purchase of ICT using the Start Up Grant

3.1 When the grant income is received

Action	DR/CR	Nominal Code	Description
Start Up Grant Received	DR	1800	Current Account 1 Current Asset
	CR	2173	Other Capital Ringfenced Grants/Income Unspent Current Liability

3.2 When grant is used to purchase ICT Equipment:

Action	DR/CR	Nominal Code	Description
Start Up Grant Spent	DR	1461	Capital: ICT Additions Fixed Asset
	CR	1800	Current Account 1 Current Asset

Action	DR/CR	Nominal Code	Description
Transfer Start Up Grant to Capital & Reserves	DR	2173	Other Ringfenced Grants Unspent Current Liability
	CR	3921	DE ICT Capital Grant Income Capital & Reserves

3.3 Amortisation of the ICT Grant

Amortisation is an accounting technique used to periodically lower the book value of a grant over a set period of time.

The start up recognised as a capital grant above shall be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be amortised over 3 years.

The amortisation of the grants would be done at the year-end by the school's external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Amortisation of ICT Grant	DR	3926	Accumulated Amortisation of ICT Grant Capital Income Capital & Reserves
	CR	3226	Amortisation of DE ICT Grants Income

Note 3: Amortisation Policy - Grant amortised over 3 years.

3.4 Depreciation of ICT Capital Expenditure

Deprecation is an accounting technique used to periodically lower the book value of a capital expense over a set period of time.

The capital expenditure shall be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be depreciated over 3 years.

The depreciation of the start up grant expenditure would be done at the year-end by the school's external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Depreciation of ICT	DR	8060	Annual Depreciation: ICT Expenditure
	CR	1471	Depreciation: ICT Current Year Fixed Asset

Note 4: ICT Depreciation Policy - Items depreciated over 3 years.