



# Financial and Prudential Management Standard



This Standard makes sure you have strong financial and prudential management systems to support you to provide safe, high-quality care.

You must also make financial and prudential decisions that put the safety, health, wellbeing, and quality of life of people receiving aged care first. This makes sure you can continue supporting older people.

The Financial and Prudential Management Standard also helps you connect financial and prudential governance with good corporate and clinical governance. Strong governance helps you manage refundable deposits responsibly and plan for their [permitted uses](#).

## Who it applies to

This Standard applies to all non-government providers registered in [categories 4,5 or 6](#). This includes non-government Multi-Purpose Services Program and National Aboriginal and Torres Strait Islander Flexible Aged Care Program providers.

It **doesn't** apply if you're a government or local government authority provider.

## What's required

You must have a **written financial and prudential management system**.

Your governing body **must regularly review** how effective the system is and improve it.

The system should:

- describe the roles and responsibilities for financial and prudential governance

- include your accountabilities and processes to manage refundable deposits (if any)
- support strong financial management across your organisation
- detect, record, and respond to any non-compliance with the system or this Standard.

If you outsource or delegate any of your financial and prudential roles or operations, your governing body must:

- supervise the arrangement
- make sure it's clearly documented in the financial and prudential management system.

It's always the governing body's responsibility to make sure you have an appropriate financial and prudential management system and that you follow it. This is the case whether you have any delegations or recommendations and advice from third parties or not.

Providers have different financial management systems, resources, and approaches. This Standard sets out broad requirements, but how you meet them will depend on your size, operations and resources.

There is no one-size-fits-all approach. What matters is that your policies, procedures, and financial and prudential management systems help you meet the requirements of this Standard.



### Need more information?

Read our guidance document on the Financial and Prudential Standards

[www.agedcarequality.gov.au/resource-library/financial-and-prudential-standards-guidance-providers](http://www.agedcarequality.gov.au/resource-library/financial-and-prudential-standards-guidance-providers)

# Financial and Prudential Management Standard: checklist for providers

Use this checklist to confirm your organisation meets the Financial and Prudential Management Standard.

## Financial and prudential management system

Have you designed and do you use a system to help you monitor performance, identify risks and make informed decisions?

If you hold refundable deposits, does your system set who's responsible and how you manage deposits, in line with the *Aged Care Act 2024* and *Aged Care Rules 2025*?

Is your financial and prudential management system clearly documented and in writing?

Are there processes to monitor and control delegations or responsibilities that you outsource?

Are there reporting processes for:

- the organisation's overall finances
- how you manage and use refundable deposits (if applicable)?

Does the system make sure responsible people know about:

- the Financial and Prudential Standards requirements?
- conditions for financial management, reporting and refundable deposits?

Does the system detect, record and respond to non-compliance?

## Governance and oversight

Does the governing body monitor the system to keep finances stable and protect refundable deposits?

Does the governing body do regular reviews to improve how effective the system is and make sure reporting processes stay effective?

### Evidence of compliance

To show you comply with this Standard, make sure you have:

- written policies and procedures
- documents that describe financial governance responsibilities
- regular reports that show supervision and ongoing improvements
- position descriptions that clearly define financial and governance roles and responsibilities.

October 2025



**Phone**  
1800 951 822



**Web**  
[agedcarequality.gov.au](https://agedcarequality.gov.au)



**Write**  
Aged Care Quality and Safety Commission  
GPO Box 9819, in your capital city