



Prudential Standards

Financial and Prudential Reporting Responsibilities



The financial and prudential reporting responsibilities ensure approved providers are transparent about their financial management and management of consumers' refundable accommodation deposits. The Government uses this information to improve visibility of emerging financial risks that may impact provider viability or service quality.

Key Points

- Quarterly Financial Reports (QFR) commenced on 1 July 2022, with the first report due on 4 November 2022 for all approved providers. The type of approved provider determines what sections of the QFR need to be completed.
- All approved providers must prepare and lodge an Aged Care Financial Report (ACFR) within four (4) months of the end of the approved provider's financial year.
- All approved providers must lodge an Annual Prudential Compliance Statement (APCS) within four (4) months of the end of the approved provider's financial year. The APCS is part of the ACFR.
- Approved providers cannot receive extensions for lodging their QFR, ACFR or APCS beyond their respective due dates.
- An approved provider is non-compliant with their reporting obligations if it fails to lodge a QFR, ACFR or APCS within the legislated timeframe and may be subject to regulatory action.
- All approved providers who must submit a General Purpose Financial Report (GPFR) are required to publish their GPFR online within five (5) months of the end of their financial year.

Responsibilities of Approved Providers

Approved providers have a responsibility to:

- Comply with Part 3A.3 of the *Aged Care Act 1997* (Aged Care Act) in relation to managing refundable deposits, accommodation bonds and entry contributions under Section 56-1(ga) of the Aged Care Act.
- Comply with responsibilities specified in the *Accountability Principles 2014* (Accountability Principles), including aged care financial reporting responsibilities, under Section 63-1(m) of the Aged Care Act.

Under Section 63N of the *Aged Care Quality and Safety Commission Act 2018* (Commission Act) the Commissioner may impose one or more sanctions on an approved provider if the approved provider has not complied or is not complying with one or more of its aged care responsibilities, including financial reporting responsibilities.

Key reporting dates for 2022-2023

Timely lodgement of the QFR, ACFR, APCS and GPFR is required to meet your responsibilities as an approved provider.

Key dates for 2022-2023 are detailed in Table 1.

Reporting obligation	Period covered	Reporting date	Who	Audited
ACFR, including APCS and the GPFR	July 2021 – June 2022	31 October 2022 ¹	All approved providers	Yes
September Quarterly Financial Report	July to September 2022	4 November 2022	All approved providers	No
December Quarterly Financial Report	October to December 2022	14 February 2023	All approved providers	No
March Quarterly Financial Report	January to March 2023	5 May 2023	All approved providers	No
June Quarterly Financial Report	April to June 2023	4 August 2023	All approved providers	No

Table 1: 2022-2023 Reporting Dates

¹ 31 October for most approved providers unless prior approval of a non-standard financial year is received from the Secretary of the Department of Health and Aged Care

Reporting extensions

To meet financial reporting obligations, approved providers need to ensure that where required, auditing of accounts is completed early in the new financial year. Auditing of accounts is not required for the QFR. Ensuring submission of reporting is completed within the legislated timeframe requires effective planning and oversight of the provider's business.

There are no provisions under the Aged Care Act and the Accountability Principles to grant an extension for lodgement outside the legislated period. Failing to meet these reporting timeframes means the provider is non-compliant with their responsibilities under the Accountability Principles. Any non-compliance means the provider may be subject to regulatory action from the Commission. Failing to submit reporting in a timely way suggests basic planning and oversight issues may be occurring across the business.

The APCS is part of the Disclosure Standard. Any late lodgement of any part of the APCS is a breach of the Disclosure Standard under the Fees and Payments Principles and should be reported in the following year's APCS.

Reporting declarations

If the approved provider is a State, a Territory, an authority of a State or Territory or a local government authority, the ACFR and QFR must be signed by one of the approved provider's key personnel who is authorised by the approved provider to sign the report.

In all other cases, the ACFR declaration must be signed by a director of the body corporate that is incorporated or a member of the approved provider's governing body for unincorporated providers.

Purpose of reporting

The information provided in these reports assists the Government to monitor emerging financial risks that may impact sector or provider viability, making timely access to information important. Information also informs the Commission's regulatory activities including risk profiling and assessment, targeted monitoring, publication of sector performance data, and development of education and guidance resources.

Aged Care Financial Report (ACFR)

Approved providers are responsible under Division 2 of the Accountability Principles to prepare an ACFR. Approved providers of residential aged care, multi-purpose services, home care and short-term restorative care must submit an ACFR through the online portal, within the specified reporting timeframe.

The type of services an approved provider delivers determines what must be reported.

Date of Annual Reporting

Approved providers who have a financial year ending 30 June must complete and lodge their ACFR via the online portal by 31 October. The approved provider's ACFR must be accompanied by the audited GPFR and APCS. Approved providers who have a non-standard financial year must apply to the Secretary of the Department of Health and Aged Care (the Department) to report outside the standard financial year.

Annual Prudential Compliance Statement (APCS)

Approved providers who hold a refundable accommodation deposit for the reporting period must lodge an APCS detailing compliance with prudential requirements. Approved providers who did not hold any refundable accommodation payments during the financial year are required to complete the first question of the APCS.

The Disclosure Standard sets out the requirements of the APCS. Further information regarding the APCS is outlined in the Disclosure Standard Fact Sheet.

Quarterly Financial Report (QFR)

From 1 July 2022, there are new financial reporting and transparency requirements with the introduction of quarterly financial reports. As this is a new requirement, it is recommended that approved providers commence completing this report as soon as possible to allow sufficient time to report by the due date.

There are four components to the QFR:

- viability and prudential compliance,
- quarterly financial statements,
- labour costs and hours reporting (residential and home care), and
- food and nutrition financial report.

The type and classification of a provider determines which components of the QFR need to be completed. This information can be viewed in Table 2.

Section name	Data collection level	Provider type		Organisation grouping		
		Residential care	Home care	Not-for-profit	For-profit	Government
Viability and Prudential Questions	Segment	Yes	Yes	Yes	Yes	No
Quarterly Financial Statements	Approved provider	Yes	Yes	Yes	Yes	No
Labour costs and hours	Service level	Yes	Yes	Yes	Yes	Yes
Food and Nutrition financial report*	Service level	Yes	No	Yes	Yes	Yes

Table 2: QFR reporting responsibilities

* Flexible Care – Multi-Purpose Service providers (MPS providers) and National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) providers are required to complete the Food and Nutrition financial report.

General Purpose Financial Report (GPFR) Publication

From the 2021-2022 financial year onwards, approved providers who are required to lodge a GPFR to the Department, are also required to publish their GPFR online. This requirement will increase financial transparency in the aged care sector and empower consumers.

The GPFR must be published within five (5) months of the provider's end of financial year, one month after lodgement of the ACFR. Publication of the GPFR should be either on the provider's website, or if the provider does not have a website, on a website in a manner that is publicly accessible.

Providers should consider how they will communicate this information to their consumers or prospective consumers to ensure transparency. For providers who hold refundable accommodation deposits, details of published GPFR could be included in the routine provision of information to consumers under the Disclosure Standard.





Further information

[Aged Care Financial Report \(ACFR\) Changes & Guides](#)

[Quarterly Financial Report \(QFR\) Guides & FAQs](#)

[Annual Prudential Compliance \(APCS\) Guidelines](#)

Need to know more?

If you have any questions or feedback on this fact sheet, contact the Prudential Compliance Section by email on:

prudential@agedcarequality.gov.au

Stay up to date by [subscribing to the Commission's newsletter](#).

The Aged Care Quality and Safety Commission acknowledges the Traditional Owners of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to Elders both past and present.

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