



Australian Government
Department of Health and Aged Care



Aged Care Financial Report

User Guide and Frequently Asked
Questions

(2024-25 Financial Year)

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1. General

Purpose of this guide

This guide is designed to help approved providers (providers) of residential aged care, home care, multi-purpose services (MPS), and short-term restorative care (STRC) complete their Aged Care Financial Report (ACFR). In the instance that there are inconsistencies between this guide and the ACFR portal, the portal should be considered the source of truth.

Frequently asked questions (FAQs) are incorporated in each section of this document along with guidance on completing the ACFR.

Background

The ACFR allows the Department of Health and Aged Care (the department) to collect financial information annually from approved providers.

Reporting responsibilities

The ACFR portal (the portal) is customised for each approved provider and only the ACFR sections relevant to each provider will be accessible in the portal.

Providers must lodge all required sections of the ACFR, via the portal, available at the [Forms Administration website](#).

The ACFR cannot be lodged until all sections relevant to the provider are completed and all necessary documents have been uploaded in the portal.

Providers will receive a letter from the department outlining the sections of the ACFR that are required to be completed. These letters are sent out when the portal is opened.

The portal can only be accessed through a myID login. A provider can set up the myID login on the [Forms Administration website](#).

Submission dates

It is a legislative requirement that the ACFR is lodged by 31 October each year using the portal. There is no provision under the *Aged Care Act 1997* (the Act) or *Accountability Principles 2014* to allow for a later reporting date. No extension of time will be given for the lodgement outside of this legislated period.

Providers are encouraged to complete and lodge their ACFR early so that there is adequate time to address any issues and finalise all components of the ACFR.

Some providers have an alternative financial year in place that is different to the standard financial year from 1 July to 30 June. Providers can request an application form for a different financial year by [contacting Forms Administration](#).

An alternative financial year can only be approved if the Secretary is satisfied, on reasonable grounds, that it would be impracticable for a provider to prepare a financial report for the standard financial year. In general, a determination will only be available where a provider does not currently have the systems or processes in place that would reasonably allow them to meet the requirement of reporting for the standard financial year.

Please note, the department has 28 days in which to process any application for alternative arrangements. Requests for a different financial year must be made by 31 August each year.

Completing the ACFR

The General Purpose Financial Statement (GPFS) and the Annual Prudential Compliance Statement (APCS) sections of the ACFR are required to be audited. All other sections do not need to be audited – this includes the Approved Provider Permitted Uses Reconciliation which does not form part of the APCS.

The ACFR declaration will become available to download from the portal once all the required sections of the ACFR have been successfully completed.

The ACFR declaration form is required to be signed by a member of the governing board.

If the approved provider is not a state, a territory, an authority of a state or territory or a local government authority, the ACFR must be signed by:

- if the provider is a body corporate that is incorporated, or taken to be incorporated, under the *Corporations Act 2001*—a director of the body corporate for the purposes of that Act; and
- otherwise—a member of the provider's governing body.

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

To avoid delays in completing the ACFR, it is recommended that providers have at least two signatories to ensure coverage in the event the regular signatory is not available.

Non-compliance with reporting obligations

Providers have responsibilities under the *Act* and associated Principles to report certain information to the department and ACQSC. This includes providing statements on financial and prudential matters. Section 63-1(1)(m) of the Act and Part 4 of the Accountability Principles 2014 (the Principles) set out the requirements for approved providers to prepare an ACFR for each financial year. Failure to lodge a ACFR is a breach of the approved provider responsibilities set out under section 35 of the Principles. Any breach of these responsibilities under the Act or Principles, may result in a delegate of the Commissioner taking regulatory action including by issuing a Non-Compliance Notice, or imposing one or more sanctions under section 63N of the *ACQSC Act 2018*.

Questions and feedback

If you require assistance with the ACFR, please refer to the following contact details below:

- For questions relating to the completion of the ACFR including the audited GPFS or APCS Compliance Audit please contact Forms Administration on **(02) 4403 0640** or via email health@formsadministration.com.au.
- For help reporting residential care or home care expenses data in the ACFR, please email QFRACFRhelp@health.gov.au.
- To provide feedback to the department on financial reporting arrangements, please email ACFRQFRQueries@health.gov.au.

Other resources

There are additional resources provided on the [department's website](#) and [Forms Administration website](#) to assist providers completing the ACFR.

These include:

- The ACFR Residential Care Labour Costs and Hours Checklist
- ACFR template
- ACFR definitions
- APCS resources

General FAQs

1.1 Is the ACFR and quarter 1 (July to September) Quarterly Financial Report (QFR) due at a similar time?

Yes. The ACFR is due by 31 October. The quarter 1 (July to September) QFR is due by 4 November.

1.2 Do I submit ACFR and QFR in the same place?

No, the ACFR is completed on the [Forms Administration platform](#) and the QFR is submitted via the [Government Provider Management System](#) (GPMS).

1.3 Does the ACFR need to match the QFR?

The ACFR does not need to match the QFR. The four quarters of data in the QFR do not need to add up to the ACFR. The year-to-date values reported in quarter 4 QFR income statement can differ to the ACFR where providers have not had the opportunity to input end of year adjustment journals in their quarter 4 QFR. Although items need to be categorised correctly in the QFR, the department does not expect the QFR to perfectly match the data reported in the ACFR.

1.4 How can providers complete the ACFR?

In addition to entering data directly into the ACFR portal, the following sections of the ACFR can be imported digitally via an uploaded template:

- Residential service level income statement and hours
- Home care planning region income statement and hours
- Consolidated Segment Report, and
- Survey of Aged Care Homes (SACH)

All other sections of the ACFR need to be completed by entering data directly into the ACFR portal.

To assist providers with the approved provider movement schedules, each movement schedule has an introductory 'Yes/No' question that will auto-populate zero values in all fields if 'No' is selected. Data entered in the movement schedules will also auto-populate corresponding data items in the approved provider and residential balance sheet sections of the ACFR. If further guidance is required on the upload process, please [contact Forms Administration](#).

1.5 What sections of the ACFR am I required to complete?

Each provider should only see the sections they are required to complete based on their aged care operations. If the sections displayed are incorrect, please contact [Forms Administration](#).

1.6 If the approved provider is a franchisor that supports business processes to the franchise group but does not provide services directly, whose accounts are reported at the approved provider level?

The approved provider is responsible for the operations of all its services. If a franchisor is the approved provider, they are responsible for all services operating under their GPMS number. They are required to report the total income, expenses, assets, liabilities, and equity of all franchisees in its approved provider income statement and balance sheet.

1.7 Does the ACFR need to be completed in a certain order?

Whilst providers can complete the ACFR sections in any order they choose, several sections contain links that auto-populate other sections of the ACFR and therefore should be completed earlier in the process.

All approved provider movement schedules auto-populate information into both the approved provider and residential Balance Sheet. Likewise, the 'Compliance with Permitted Uses for Accommodation Payments' section of the APCS and the approved provider cash flow statement auto-populate data into the 'Approved Provider Permitted Uses Reconciliation'.

1.8 If a provider has exited or entered the market in the relevant financial reporting period, do they need to submit an ACFR?

Yes. All providers that have received a subsidy in the relevant financial reporting period for the ACFR need to report, including those that have exited the market and entered the market.

1.9 If the ownership of a service has changed hands in the relevant financial reporting period, who is required to report in the ACFR?

If a service has been taken over by a new provider, both the seller and acquirer need to report for the period they owned the service.

For example, if one entity owned the service for 5 months of the year and then sold it to another entity, the original owner must complete the ACFR for the 5 months they owned the business (1 July to 30 November). The new entity that owns the service must complete the reporting in the ACFR for the remainder of the financial year (1 December to 30 June).

1.10 Are there any changes to the 2024-25 ACFR in line with the New Aged Care Act?

No, this ACFR is being completed for 2024-25, there are no changes as a result of the *New Aged Care Act 2024* (Cth). Providers should complete the ACFR based on the approved provider structure.

2. Changes to the 2024-25 ACFR

GPFS

- There are no changes to the 2024-25 GPFS submission requirements.

Consolidated Segment Report

- The Fair Value Gains income definition has been updated to include Gain on Bargain Purchase.
- The Liquidity and Capital Adequacy ratios have been removed.

Approved Provider Financial Information

The Fair Value Gains on Other Assets through P&L income definition has been updated to include Gain on Bargain Purchase. The COVID-19 income and expenses line items have been removed from this section as well as the Notes to the Financial Statements.

- The Liquidity and Capital Adequacy ratios have been removed.

Residential Aged Care Segment Financial Information

- From 2024-25 Respite **Supplements** should be reported under **Accommodation** Subsidies and Supplements (Commonwealth) instead of being included under **Care**. Respite **Subsidy** should continue to be reported under Care Subsidy and Supplements (Commonwealth).
- The definitions for “Other Direct Care expenses” have been updated to include care costs not captured elsewhere relating to the delivery of specialised programs in services that receive the homeless and remote Aboriginal and Torres Strait Islander specialised AN-ACC base care tariff.
- The COVID-19 income and expenses line items have been removed along with the Administration Allocation % to COVID-19. The Other resident services and consumables line item has been renamed to Other care consumables, with expenditure for preventative measures included in an updated definition. Two new data items under Other Care Expenses for Staff Housing – Property Cost and Staff Housing has been added to reflect external housing costs for agency and non-agency staff.
- All direct care worker definitions have been updated to match QFR Quarter 4 2024-25 definitions.

- The Fair Value gain/Asset Revaluation increase - other assets definition has been updated to include Gain on Bargain Purchase.

Home Care Segment Financial Information

- The handling fee line item has been removed.
- The COVID-19 income and expenses line items have been removed.
- The unspent funds questions split by level and held by Services Australia/Approved Provider have been removed from the Home Care Income and Expenses section. However, providers should still report unspent funds in the Approved Provider Balance Sheet and the Consolidated Client Statement.
- The income tested fee questions have been removed.

Short-Term Restorative Care (STRC) Financial Information

- There are no changes to the 2024-25 STRC financial report.

Annual Prudential Compliance Statement (APCS)

- The minimum liquidity level question has been reworded.

Survey of Aged Care Homes

- The Survey of Aged Care Homes has been updated to reflect a change in the maximum room price providers can charge without prior regulatory approval.

3. Consolidated Segment Report

If the approved provider does not have a parent entity or group structure, the Consolidated Segment Report (CSR) is to be completed at the approved provider level with the total segment result and total segment net assets needing to agree to the respective totals in the approved provider 'Income & Expenditure Statement' and 'Approved Provider Balance Sheet'.

If the approved provider is part of a group and is not the parent entity of that group, the CSR needs to be completed at the ultimate parent entity level.

The CSR must be prepared in accordance with the recognition and measurement requirements as specified in [AASB 8 Operating Segments](#).

Where the approved provider does not have a parent entity and only delivers residential aged care, data entered into the CSR must agree with data entered into the residential aged care income, expense and balance sheet sections of the ACFR.

The 'Community' segment column includes Commonwealth Home Support Programme (CHSP), Department of Veterans' Affairs (DVA) program and other non-aged care community services including National Disability Insurance Scheme (NDIS), children services and other community services.

Consolidated Segment Report FAQs

3.1 Our business records the Balance Sheet at the approved provider level and not by segments. Is it acceptable to report on each segment using our own methodology?

The Balance Sheet needs to be segmented in the CSR (at the Ultimate Parent Entity Level) and a separate residential segment balance sheet also needs to be completed to cover the services operated by the provider. The department requires that the principles of [AASB 8 Operating Segments](#) be applied within the segment report to split the consolidated group's financial performance and financial position by aged care segment. Providers should make reasonable estimates to apportion these costs based on individual business models and circumstances. In addition, the principles of AASB 10 Consolidated Financial Statements can be applied in completing this note.

3.2 When splitting the CSR by segments ('Residential', 'Home care', 'Community', 'Retirement' and 'Other'), should corporate costs that relate to supporting the segments be allocated to 'Other' or re-distributed into the segments?

Corporate/supporting cost must be fully re-distributed into segments ('Residential', 'Home care', 'Community', 'Retirement' and 'Other'). The department requires that the principles of [AASB 8 Operating Segments](#) be applied within the segment report to split the consolidated group's financial performance and financial position by aged care segment. Providers should make reasonable estimates to apportion these costs based on individual business models and circumstances. In addition, the principles of AASB 10 Consolidated Financial Statements can be applied note.

The following steps can be used as an indicative guide:

- Determine the percentage of corporate costs that apply to each segment taking into consideration the nature of the segment – examples being that the property division would likely be predominantly relating to residential and retirement segments, whereas clinical would be residential and community with little allocation to retirement.
- Once the allocation percentage for each segment is determined, the allocation within the segment (to each operating unit) can be based on a formula – For example:
 - residential by number of operating beds for each facility (home)
 - community based on revenue for each program
 - retirement based on number of units for each village, and
 - the "Other" segment should only include corporate costs relating to treasury, governance and areas that are not directly related to one of the operating segments.

3.3 The 'Balance Sheet' in the CSR does not require segmentation for cash, financial assets or equity. Are these 'Balance Sheet' items (cash, financial assets and equity) excluded from the separate residential balance sheet reporting requirements?

No. The 'Balance Sheet' items are included in residential balance sheet reporting requirements. The residential allocation for cash, financial assets, and the allocation of all other residual current assets should be included in the residential segment balance sheet under 'Other Assets'.

The CSR is to be completed at the ultimate parent entity level and does not require cash and financial assets to be allocated to the individual segments. It can be reported as a total for the parent entity.

3.4 Should the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program be allocated to the 'Residential' segment?

The NATSIFAC Program should not be allocated to any of the residential segment tabs. In the CSR, NATSIFAC should be included in the 'Community' column.

3.5 Do we need to report Transition Care Programme (TCP) in the Residential Income & Expenses?

Do not include TCP in the 'Residential income statement', the income and expenses from the TCP should be included in the approved provider income statement and in the 'Community' segment of the CSR

3.6 Where should STRC be allocated in the CSR? Should it be reported in the 'Community' segment to be consistent with the TCP and NATSIFAC?

STRC should be included in the 'Community' segment and should not be included in the 'Other' segment in the CSR.

3.7 Is the 'Retirement' column in the segment report for a retirement village?

Yes, the 'Retirement' column in the CSR should include assets, liabilities, income and expenses for retirement villages and Independent Living Units (ILUs).

3.8 If a provider runs central catering division which services both internal residential sites as well as external customers, is it classified as 'Other' in the CSR?

Catering will be included in the 'Residential' segment to the extent that it relates to meals provided in residential aged care, this will be the contract catering expenses in residential expenses. The remainder of catering operations will be included in 'Other' segment of the CSR.

4. Approved Provider Reporting

Approved provider Income and Expenditure Statement

The format of the approved provider Income and Expenditure Statement is similar to the statement of profit or loss and other comprehensive income as included in an organisation's GPFS.

Operating income includes all recurrent operating revenue for all normal operations of the approved provider.

All rent and management fees shown as expense items by residential aged providers require additional disclosure in [Note 1](#) ("Sub-Contract arrangements").

All material other income and other expense items reported by residential aged care providers must be separately disclosed in [Note 1](#) of the ACFR (a materiality guide is items over 2% of total income or total expenses).

Approved provider Balance Sheet

The disclosures of the approved provider Balance Sheet are similar to the Statement of Financial Position as included in an organisation's GPFS.

The department has adopted the liquidity format balance sheet due to the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and entry contributions) as current liabilities does not reflect the true liquidity of the approved provider as these liabilities are not likely to be repaid in the next 12 months.

Residential aged care providers reporting any material change in an asset or liability disclosure as compared to the previous year must be separately disclosed in Note 1 of the ACFR (a materiality guide is a change in value of over 50%).

Approved provider Cash Flow Statement

The format of the approved provider Cash Flow Statement is similar to the Statement of Cash Flows as included in an organisation's GPFS.

All balances must be shown as GST inclusive.

Refundable loan receipts and payments must be disclosed as a financing cash flow (as distinct from an operating cash flow).

Approved provider Note 1 to the Aged Care Financial Report (residential aged care providers only)

The Note 1 disclosures must include all additional explanatory information as required.

If supporting documentation is required to support any disclosure, please include the documentation with the lodgment.

Approved provider financial assets

Financial assets must be disclosed in accordance with AASB 9 Financial Instruments.

Related party loans should not be disclosed as a financial asset. Only a related party investment which is not in the form of a loan but an interest-bearing investment with similar attributes to an arms-length financial asset may be included with details of this investment noted.

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

Approved provider loans receivable

Loans receivable does not include related party loans or refundable loans receivable (these are to be separately included in the relevant schedules).

Details of security held (if applicable) for loans receivable must be included.

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

Approved provider non-current assets

All non-current assets need to be allocated to either residential care segment or other segment.

Where assets have both residential and non-residential use, an assessment of the portion applicable to residential aged care needs to be made based on area, usage or similar measure.

Where an investment property is disclosed as being residential aged care, please include further details in [Note 1](#).

The upper and lower depreciation/amortisation rate for each class of asset needs to be included.

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

Approved provider refundable loans

Refundable accommodation deposits (RADs) schedule also includes (former) accommodation bonds and entry contributions for permanent residential aged care residents.

Refundable entry contributions schedule is in relation to retirement living residents.

Transfers to RADs must equal transfers from refundable entry contributions.

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

Approved provider borrowings

Related party borrowings are not to be included in this section. Borrowings relate solely to external, non-arms-length borrowings.

Interest paid refers to where the interest has been credited to the account and not paid through the bank or financial assets account (i.e. a non-cash transaction).

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

Approved Provider Related Party Loans

Related party loans receivable should not be disclosed as a financial asset.

Related party loans payable should not be disclosed as borrowings.

Interest received or interest paid refers to where the interest has been included in the loan account (i.e. non-cash transactions).

Details of security needs to include confirmation of an enforceable loan agreement signed by the respective Directors (or equivalent), effective interest rate, term of loan(s) and security provided for the loan(s).

The data should be sourced from an organisation's GPFS and therefore should reconcile to the GPFS.

5. General Purpose Financial Statement

All providers must prepare a GPFS within the meaning given by section 6 of the Statement of Accounting Concepts (SAC) 1 'Definition of the Reporting Entity'.

The first note of the GPFS must specify that it is a GPFS, and the auditor is to confirm that it is a GPFS that has been audited.

All GPFSs are required by the accounting standards to include a statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows, and notes, comprising a summary of significant accounting policies and other explanatory information. They are also required to disclose comparative information in respect of the previous period for a minimum two years of each of the statements and related notes.

The GPFS must be in accordance with the applicable accounting standards and give a true and fair view of the financial position and performance of the entity.

A Special Purpose Financial Report is not acceptable.

The GPFS and audit report must be signed and dated.

Approved providers are to apply AASB 8 (operating segments) if relevant.

Each GPFS should be clearly marked with the GPMS number or Residential Aged Care Service (RACS) identification number it relates to and include an Australian Business Number (ABN).

It is important that providers and auditors become familiar with the financial reporting requirements before providers lodge their GPFS and audit opinion.

All GPFS and accompanying audit reports must be uploaded through the ACFR portal via [Forms Administration using a myID login](#).

Report at either provider level or service level

Reporting at the provider level means the provision of one audited GPFS covering all residential aged care services and all other activities.

Providing one audited GPFS that covers more than one approved provider is not acceptable. Reports submitted that are anything other than approved provider or service level will result in compliance action.

Reporting at the service level means the provision of separate audited GPFSs for each residential aged care service or group of services (in any combination, but each service must be reported only once). The ACFR online portal will allow multiple service level GPFSs to be uploaded.

GPFS audited by a Registered Company Auditor

Providers must have their GPFS audited by a Registered Company Auditor (RCA). Section 1281 of the *Corporations Act 2001* (Cth) provides that the Auditor-General of the Commonwealth, a state or a territory is taken to be an RCA. It is a provider's responsibility to ensure that their auditor is an RCA. One method of checking this is to perform a search on the [Australian Securities and Investment Commission's website](#) and click on 'Professional registers'. Company auditors will need to comply with all applicable auditor independence requirements in the *Corporations Act 2001*.

Audit requirements and alternative auditor

The only exception to a GPFS and APCS being audited by an RCA is where approval has been given for an alternative auditor.

The Secretary will not routinely approve a person who is not an RCA to audit financial reports. The Secretary must be satisfied with the qualifications and experience of the proposed alternative auditor. An application should be used to cover exceptional circumstances only. For instance, if a provider is not able to readily access the services of an RCA because they are in a rural/remote location where there are no RCAs; then they may request that the Secretary approve an alternative auditor who is not an RCA. Approval of an alternative auditor is at the discretion of the Secretary.

Any requests for such an alternative auditor should be lodged together with the reasons why an RCA is not available. Providers can request an application form for an alternative auditor by [contacting Forms Administration](#). Please note, the department has 28 days in which to process any application for alternative arrangements, therefore any request for an alternative auditor must be made by 31 August.

Obtain from the auditor (or the approved person) an audit opinion including whether the GPFS is in accordance with the applicable accounting standards and whether the GPFS gives a true and fair view of the financial position and performance of the entity for the relevant financial year.

The audit report must be signed and dated by the auditor before it is deemed complete and must be lodged with the financial report by the due date.

Government providers

If an organisation is an approved provider of residential aged care and is also: a state or territory government, an authority of a state or territory or a local government authority then they are not required to submit a GPFS or provide the mandatory approved provider line items contained in the ACFR.

All government residential aged care providers must complete and submit a residential aged care segment note covering all their residential services. The segment note must be in the mandatory ACFR format and include all the line items for the residential care segment level Income Statement and Balance Sheet as outlined in the ACFR.

6. Residential Aged Care Financials

Reconciling the approved provider sections to the GPFS

When completing the approved provider sections within the ACFR, the data entered should include information for both the provider's residential care and non-residential care operations and the information entered into the ACFR must reconcile to the GPFS.

Residential care sections of the ACFR

The residential care sections within the ACFR should only include financial information related to residential aged care operations as defined under the Act, financial information for other aged care operations such as home or flexible care, or independent living units for seniors is not to be included.

Report on all residential aged care services operated for all or part of the financial year

The ACFR and GPFS must report on all residential aged care services a provider operated for all or part of the financial year.

Residential aged care Balance Sheet

This schedule is the consolidated residential aged care segment Balance Sheet for all aged care facilities operated by the approved provider.

The department has adopted the liquidity format balance sheet due to the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and entry contributions) as current liabilities does not reflect the true liquidity of the approved provider as these liabilities are not likely to be repaid in the next 12 months.

If there is no parent entity, the total net assets must agree to the CSR residential segment net assets.

The opening balance of the residential segment equity must agree to the closing balance from the previous year ACFR.

The residential allocation for cash, financial assets, and the allocation of all other residual current assets should be included in the residential segment balance sheet under 'Other Assets'.

Residential aged care income and expenses sheets

These schedules must be completed for each aged care facility operated by the approved provider and has been pre-populated to include the Service ID(s) that constitute the services to be included.

If there is no parent entity, the total residential aged care result must agree to the CSR residential segment result.

Staff costs need to be accurately allocated to the respective Care, Hotel, Accommodation and Administration sections.

Approved provider permitted uses reconciliation

The APCS permitted uses reconciliation does not form part of the APCS and therefore does not need to be audited as part of the APCS audit.

Division 52N of the Aged Care Act 1997 defines permitted uses and this is further regulated by Part 6 of the Fees and Payments Principles 2014 (No 2).

The Permitted Uses Reconciliation is intended to help providers determine if RAD/Bond monies have been utilised in accordance with the above legislation. A surplus or deficit reported in the reconciliation does not automatically imply compliance or non-compliance to prudential standards.

Residential aged care financials FAQs

6.1 What is the purpose of apportioning our administration costs across Care, Hotel and Accommodation?

Providers need to allocate administration expenses to the residential care level and split this amount between Care, Hotel, and Accommodation using a data-driven approach. This would take into consideration the underlying drivers of administration activity for the eight subcategories listed under the “Residential (Expenses)” section. This data is used to support costing studies and subsequently Australian National Aged Care Classification (AN-ACC) pricing for the sector. Administration allocation percentages will continue to be collected at the entity/provider level and are not required at the service level.

6.2 Can the department provide an example of apportioning administration costs across Care, Hotel and Accommodation?

Below is an example of how insurance could be allocated between Care, Hotel and Accommodation.

1. Identify the expenses associated with the admin expense sub-category. In this example, insurance could include professional indemnity, volunteers, public liability, rental property, building and contents and motor vehicle insurance.
2. Assess whether the insurance expense relates to Care, Hotel or Accommodation, or a combination of these categories.
3. Allocate expenditure based on the assessment on Step 2. For example, a provider could attribute 100% of building and contents insurance cost to accommodation, whilst proportionally allocating professional indemnity insurance between Care, Hotel and Accommodation based on the employee expenses incurred in these categories.
4. Finally, once all administration costs are allocated out to Care, Hotel, and Accommodation, divide each category's total by the total administration cost to determine the administration allocation percentage attributable to each category that is reported in the ACFR.

The department recognises the difficulty in perfectly allocating administration expenses, however, we ask that providers allocate based on reasonable data-driven assumptions. For any questions, the [ACFR Helpdesk can assist](#).

6.3 What are the administration expenses associated with Care, Hotel and Accommodation?

The ACFR definitions provide examples of administration expenses that need to be reported in the ACFR. The ACFR also asks providers to input proportions (%) that allocate out the total administration cost to the following categories:

- Care: Costs associated with administration of direct care, resident expenses, and consumables.
- Hotel: Costs associated with administration of catering, cleaning, and laundry services.
- Accommodation: Costs associated with administration of building occupation, maintenance, and interest.

6.4 Are providers required to allocate some of the maintenance expenses to accommodation expenses?

The accommodation labour costs are related to employees completing major maintenance and refurbishments. It is suggested that the tasks completed by maintenance staff are reviewed to see if any of these costs should be allocated to 'Accommodation Expenses - Employee and Agency labour costs', otherwise it is appropriate to leave the costs in the 'Routine Maintenance Expenses'. It would not be uncommon for a provider to not report any 'Accommodation labour costs'.

6.5 If a provider has a general ledger that does not allow for easy identification of certain expenses such as diversional therapists, nutritional supplements or incontinence supplies etc., can the expenses be reported together as one?

The chart of accounts should be amended (where possible, each of these categories should have its own ledger account) to allow for an easier split of these expenses.

6.6 Where do providers report income and expenditure for sites that are either under construction or have been designated as residential aged care sites?

If the sites are either under construction, or they have been designated as residential aged care sites (e.g., have approved places under current legislation) the assets should be reported as 'Capital Work in Progress' or within 'Property Plant and Equipment' in the residential balance sheet. The income and expenditure relevant to these offsite facilities should be reported as 'Other' in the 'Residential Non-Recurrent income and expenses section of the ACFR.

Where the site is currently being used for a purpose outside of residential aged care according to the Aged Care Act 1997, that site, and its income and expenditure should only be reported at the approved provider level.

6.7 If all the staff of the approved provider are employed by its related party entity, how should labour costs be reported in the ACFR?

If a provider does not directly employ their staff and the related part entity does, the provider should report it under employee staff costs. Agency staff reporting items capture the costs of engaging staff through an unrelated organisation.

If a management fee is paid to the related party for operational expenditure, including staff costs, this management fee should be split out to allocate costs to the relevant direct care categories. The actual management fee after these costs would be reported in administration expenses. As the entities are related, it is expected that there is visibility of operational costs incurred.

6.8 If an organisation has two facilities and all revenue and expenditure are recorded as one, is it acceptable to provide the data against one facility or are providers required to split them separately?

Data (e.g., income, expenses, and hours) for the co-located facilities should not be combined. It should be reported separately for every individual registered facility. The same data should not be duplicated across both registrations and should be reflective of what was incurred for that registered facility.

Labour Worked Hours – Direct Care

6.9 Should the direct care hours include contractor hours? (e.g., a podiatrist or specialist who comes to a site periodically)

The hours that contractors spend delivering care should be included in direct care hours. Hours of care should be requested on the invoices from contractors. If the invoice is not itemised by care type, an average time can be requested from the contractor for consultations and then the average can be applied to the number of client visits. The hours for a podiatrist would be captured under allied health.

6.10 In the section ‘Labour Worked Hours - Direct Care’, is training and leave hours included?

When supplying the labour worked hours for individual categories, please do not include any leave, worker’s compensation, or training hours. This should be reported under ‘non-worked hours’ for each respective category.

6.11 Is worked hours the same as full time equivalent (FTE)?

No. Worked hours is different to FTE. Worked hours captures all the hours worked by staff to deliver care, while FTE is a unit to measure employed persons in a way that makes them comparable. The roster or payroll system should be used to gather hours worked.

6.12 If a direct care worker also performs other roles such as catering, laundry, and cleaning, does a provider need to apportion the percentage of direct care hours worked for the ‘Care hours’ reporting?

Costs and hours should be separated by using the proportion of time spent by the employee for each task.

6.13 What is the difference between non-face-to-face care and virtual telehealth or on-call support?

Non-face-to-face direct care may include, for example, writing up care plans or organising a referral for an allied health service, attending multidisciplinary team meetings in relation to resident care. To count as care minutes this must be conducted on-site (i.e., working within the aged care service).

However, virtual telehealth/on-call care would include support by video/phone conference from someone (usually a nurse, allied health or medical practitioner) who is not on-site.

6.14 Should labour hours worked - direct care include outbreak staff hours?

Yes. Direct care hours should include all hours worked providing direct care, including where extra staff are brought in to support the operations of the home during an outbreak. From 2024-25 onwards the labour costs of extra outbreak staff should be reported in their relevant labour expenses – direct care category.

Bed days

6.15 The number of approved beds for my facility has decreased during the year. How should 'Available Bed Days' be calculated in the report?

The available bed days represents the number of days beds that were physically available to be occupied. It is not the number of beds.

For example, if there were 100 beds physically available for 11 months (334 days), and only 90 beds available in the last month (31 days), the calculation would be = $100 \text{ beds} * 334 \text{ days} + 90 \text{ beds} * 31 \text{ days} = 36,190$ available bed days.

6.16 If a resident departs at 10am on a certain day, is the bed considered an occupied bed day?

Each monthly payment statement lists the number of total full bed days that subsidies have been paid to the facility, please use these total full bed day numbers to tally up the number of occupied bed days for the financial year.

6.17 Is social leave over 29 days in a year included in the occupancy for the ACFR?

Yes. Residents are entitled to 52 days of social leave in a financial year, and this is included in the occupied bed days. Residents can also take extra social leave. However, the Government will not pay the subsidy. The extra social leave over 52 days should not be included in occupied bed days in the ACFR.

7. Short-Term Restorative Care Financials

Short-Term Restorative Care (STRC) is a type of flexible care under the Aged Care Act 1997 that aims to reverse and/or slow 'functional decline' in older people and improve their wellbeing. STRC places were first allocated in February 2017.

All STRC places were allocated with conditions of allocation requiring the submission of financial reports. This requirement is reflected in Section 35(8) of the Accountability Principles 2014. The ACFR is the approved form through which these obligations are to be met.

STRC providers are required to complete all line items. If a provider operates two or more STRC services, their ACFR must cover all services in a single report.

Please refer to the data definitions in the [departments website](#) before completing the STRC section of the ACFR.

8. Home Care Financials

The Home Care Package (HCP) Income and Expenditure Statement section is to be completed at the planning region level, with a home care service defined as an approved provider's home care operation within an aged care planning region. While some providers will have their home care Service IDs at the planning region level, others will have their Service IDs at the package level (i.e. Level 2 packages). Where Service IDs are at the package level, providers may be required to aggregate their financial information in order to complete the ACFR.

To assist providers, the ACFR will list the Service ID (or IDs) that constitute services included in each planning region for the purposes of completing their report.

Wherever possible expenses should be completed at the planning region level, however in recognition that some expenses may not be allocated to a particular service (i.e. head office costs), the ACFR allows for these costs to be recorded in the centrally held or corporate items data section.

Providers should not include financial information from other aged care operations such as residential care or CHSP services or any non-aged care services (e.g. NDIS) within the ACFR.

Please refer to the data definitions on the [department's website](#) before completing the home care section of the ACFR.

Government providers

If an organisation is an approved provider of home care and is also a state or territory government, an authority of a state or territory or a local government authority then they are not required to complete the mandatory approved provider line items contained in the ACFR.

All government home care providers must complete and submit the home care financial section covering all of their home care services. The HCP Income and Expenditure Statement must be in the mandatory ACFR format and include all the line items outlined.

Approved Provider information

In addition to the home care income and expenditure statement, the ACFR includes mandatory line items in the Income Statement, Balance Sheet and Cash Flow Statement at the approved provider level.

Home Care Financials FAQs

8.1 Are home care providers required to complete the 'Financial Support Statement'?

No. Approved providers of home care services only are not required to complete the 'Financial Support Statement'.

8.2 Does the "Other Income" section in the home care Income and Expenditure statement need to include DVA or CHSP services?

No. The DVA and CHSP services information is only reported in the Consolidated Segment Report under the 'Community' segment.

The 'Total Revenue' and 'Total Expenses' in this section should match back to the Consolidated Segment Report's 'Home Care' column if the provider does not have a parent entity.

8.3 How are personal care workers be categorised in the home care 'Income' section?

Personal care workers are categorised in the home care 'Income' section as 'Domestic' income.

8.4 Should gardening and cleaning be categorised in the home care 'Income' section under 'Domestic Income' or 'Other Income'?

Gardening and cleaning services are classified as work performed by a personal care worker and should be categorised in the home care 'Income' section as 'Domestic' income.

8.5 Where does a provider allocate expenses for 'Domestic' service, including personal care and services?

Domestic care and services expenses should be reported under 'Personal Care Workers' section (including cleaning and gardening).

8.6 If a provider has had some recipients transfer out prior to the 30 June, and the Home Care Account Balance still shows these clients (due to the 70 day delay in the system updating), should the provider include those recipients dollars in the Home Care Account Balance section for Unspent Funds?

Yes. The provided should be including all recipients amounts included in their Home Care Account Balance at 30 June.

8.7 When a new client transfers in from another provider what amounts do we include in the 'Funds Transferred in With New Clients' in the 'From Consolidated Client Statement' section?

The funds that have been transferred in should be at the total package level and include the amount that is held by Services Australia and the funds transferred over from the other provider. These amounts add to the 'Home Care Account Balance plus Unspent Package Funds Closing Balance' in the section.

9. Annual Prudential Compliance Statement

Providers of residential aged care and MPS are required to complete the APCS component of the ACFR (Compliance with Prudential Standards, Compliance with Refundable Accommodation Payment Responsibilities, Permitted Uses for Accommodation Payments and Accommodation Payment Balances). All APCSs and accompanying audit reports must be uploaded through the ACFR portal via [Forms Administration](#) using a myID login. If a provider did not hold bonds at any time during the year they are still required to complete the APCS.

Completing the APCS

A detailed user-guide to help complete the APCS is available at the [department's resource webpage](#) and is intended to be a general guide only and does not constitute legal advice. In cases of discrepancy between the guide and the legislation, the Act and the Fees and Payments Principles are the source documents setting out provider responsibilities.

A provider may be asked at any time to demonstrate its compliance as reported in the APCS.

Compliance audit

Providers must have their APCS audited and upload a Compliance Audit Certificate to the ACFR portal before finalising their submission. Providers can print a copy of their ACFR to show their auditor before completing and attaching a copy of their report. The auditor can keep a copy of the APCS and their audit opinion for their own records. Audit guides are available on the [department's resource page](#).

Please ensure the auditor has read the instructions and completed their audit accordingly. The compliance audit is separate from the GPFS financial audit and one audit report that covers both the prudential compliance and the GPFS is not acceptable.

Compliance with prudential standards questions

The following information is required to ensure compliance with prudential standards questions:

- bonds held
- total value of refundable deposits and bond payments received in the year
- total amount deducted from balances in the year

- compliance with the prudential standards
- liquidity standard
- records standard
- governance standard
- disclosure standard

Compliance with refundable accommodation payments

The following information is required to ensure compliance with refundable accommodation payments:

- limits on charging refundable deposits or bonds
- compliance with rules around charging bonds
- compliance with rules around charging accommodation payments
- compliance with refunding responsibilities

Compliance with the provision of other care and service fees

The following information is required to ensure compliance the provision of other care and service fees:

- compliance with other care and service fee charging responsibilities

Compliance with refunding responsibilities

The following information is required to ensure compliance with refunding responsibilities:

- refund of refundable lump sum balances
- refund of entry contribution balances

Compliance with refundable accommodation payment responsibilities

The following information is required to ensure compliance with refundable accommodation payment responsibilities:

- total number of refundable deposit and bond balances held
- total value (\$) of refundable deposit and bond balances held
- total number of entry contribution (pre 1997) balances held
- total value (\$) of entry contribution (pre 1997) balances held

Compliance with permitted uses for accommodation payments

The following information is required to ensure compliance with permitted used for accommodation payments:

- Tick relevant boxes indicating which of the permitted uses listed that were expended refundable deposits, accommodation bonds or entry contributions on for this year.
- Provide value (\$) of expenditure during the financial year on uses for which refundable deposits, bonds or entry contributions would be permitted from any funding source. This is designed to capture all expenditure on anything allowable as a permitted use and is the only place in the APCS where the questions are not based purely on refundable deposits or bonds.
- Providers are required to report expenditure from all sources of funding. The information is about expenditure on uses for which refundable accommodation payments are permitted by the Act. Providers are not expected to reconcile their refundable accommodation payment income against their permitted use expenditure.

There are additional resources provided on the [department's website](#) to assist providers completing their APCS. The resources include:

- an APCS guideline,
- a guide to audit,
- and both qualified and clean versions of the Audit Opinion template.

Annual Prudential Compliance Statement FAQs

9.1 Is a RAD interest considered a permitted use in the APCS? Is the requirement to include this as cash outflow into RAD balances?

If at any time through the year an entity refunded a RAD balance or entry contribution balance, they are required to report the total value of the refundable accommodation payment balances and or entry contributions balances that were refunded.

Do not include any base or maximum permissible interest that was owed to the residents at the time of refund (balances only are reported).

10. Survey of Aged Care Homes

The SACH Part A is completed on the ACFR portal via a downloadable Excel spreadsheet containing three parts:

- the cover page,
- non-supported tab
- and partially supported tab.

The Excel spreadsheet is available to download once a provider has logged into the portal and begun to complete the form online.

Once they have finished entering the data into the spreadsheet, check for errors by scrolling to the right on each tab (each line should say “Complete” or “In Progress”).

When all data has been entered into the spreadsheet and there are no errors (check cover page for completeness), the complete file can be uploaded back into the portal on the same page that it was downloaded from.

Refundable Accommodation Deposits (RAD) and Daily Accommodation Payments (DAP) of new permanent residents – non-supported

- This section relates to payments for accommodation received from all non-supported permanent residents who entered the service during the financial year, including residents transferring from another aged care service.
- Information entered is for each new permanent resident admitted to this service in the financial year that paid, or agreed to pay, a RAD, DAP, or a combination of the two (regardless of whether or not that amount has been paid).
- Do not enter any DAP information where a resident has agreed to pay for their accommodation wholly by a RAD and is being charged a DAP pending payment of the RAD. DAP information should only be entered for residents who have agreed to pay by a RAD/DAP combination or wholly by a DAP.
- If a resident changes their method of payment part way through the year, do not put in another entry in the spreadsheet. The payment method agreed to at the point of initial entry is considered adequate.
- For residents that receive a Government accommodation supplement, please complete the “Partially Supported” tab relating to accommodation payments for partially supported residents.

Refundable Accommodation Contributions (RAC) and Daily Accommodation Contributions (DAC) of new permanent residents – partially supported

- This section relates to contributions for accommodation received from all partially supported permanent residents who entered the service in the financial year, including by transfer from another aged care service.
- Information entered is for each new partially supported permanent resident admitted to the service in the financial year that paid a RAC or DAC, or a combination of the two (regardless of whether that amount has been paid).
- If a resident changes their method of payment part way through the year, do not put in another entry in the spreadsheet. The payment method agreed to at the point of initial entry is considered adequate.
- Where resident had multiple DAC amounts advised by Services Australia during the year, please enter the average DAC amount.
- There is no need to report on new fully supported residents. For non-supported residents please complete the “non-supported” tab relating to accommodation payments for non-supported residents.

Survey of Aged Care homes FAQs

10.1 Providers are required to attach IHACPA Approval documents for Agreed Accommodation Prices greater than the Maximum Amount determined by the Minister under section 52G-3 of the *Aged Care Act 1997*. Do providers exclude approvals provided by the Pricing Commissioner before IHACPA adopted its pricing responsibilities?

If a provider has an earlier approval from the Pricing Commissioner and it has not expired, and the provider has not already received re-approval from IHACPA, please attach the original approval from the Pricing Commissioner.

11. Building activity by residential aged care service

Part A: Completed building activity

Complete this part of the ACFR for any service for which any building or upgrade work was completed in the year ending 30 June 2025.

Part B: Building activity in progress

Complete this part of the ACFR for any service for which building or upgrading work was in progress at 30 June 2025.

Part C: Planned building activity

Complete this part of the ACFR for any service for which building or upgrading work was planned at 30 June 2025.

Building activity by residential aged care service FAQs

11.1 What is the definition of the 'Structural Renovation or Refurbishment'?

Upgrading (Structural renovation or refurbishment) in the ACFR is the renovation or refurbishment of an existing facility, including extensions to an existing building or reconstruction of part of a building. Those work are capital in nature and potentially result in an increase to the facility's value.

This section does not include routine repairs and the maintenance of premises such as painting, plumbing, electrical work or gardening.



Phone **1800 200 422**
(My Aged Care's freecall phone line)



Visit **agedcareengagement.health.gov.au**

A helpdesk function managed by Forms Administration on behalf of the department is available to providers for any questions relating to the completion of the ACFR including the audited GPFS or APCS via phone on **(02) 4403 0640** or via email health@formsadministration.com.au.

For help reporting residential care or home care expenses data in the ACFR, please contact the QFR & ACFR Helpdesk via QFRACFRHelp@health.gov.au

To provide feedback to the department on the financial reporting arrangements, please email ACFRQFRQueries@health.gov.au.

For translating and interpreting services, call **131 450** and ask for My Aged Care on **1800 200 422**.

To use the National Relay Service, visit **nrschat.nrscall.gov.au/nrs** or call **1800 555 660**.