

2020/21 AGED CARE FINANCIAL REPORT



Australian Government

Department of Health

EXPLANATORY UPDATE WEBINAR (SEPTEMBER 2021)

2020/21 AGED CARE FINANCIAL REPORT

<https://health.formsadministration.com.au/dss.nsf/DSSForms.xsp>

Aged Care Financial Report (ACFR)

Start >

The Aged Care Financial Report (ACFR) for the 2020-21 reporting period is now available for online completion. Please click on the blue 'start' button to the right to begin.

Due date: 31 October 2021.



The Department of Health has recorded a webinar, explaining the key changes in the 2020-21 ACFR. Click on the links below to watch the video or download the PDF presentation slides. To find out more about the changes to the 2020-21 Aged Care Financial Report (ACFR) form, click to download the attachments below.

2020-21 Aged Care Financial Report Templates



2020-21 ACFR Definitions










Financial Support Statement



2020/21 AGED CARE FINANCIAL REPORT

2020-21 Aged Care Financial Report (ACFR) Changes & Guides

-  [Aged Care Financial Report \(ACFR\) Guidelines \(.pdf\)](#)
-  [Guide to 2020-21 ACFR Changes \(.pdf\)](#)
-  [ACFR 2020-21 - Frequently Asked Questions \(.pdf\)](#)
-  [2020-21 ACFR - Residential Income Statement Helpful Tips \(.pdf\)](#)
-  [2020-21 ACFR Webinar Presentation Slides \(.pdf\)](#)
-  [2020-21 ACFR Webinar Presentation Video](#)
-  [2020-21 ACFR Webinar Presentation Video \(Government Approved Providers\)](#)

2020-21 Annual Prudential Compliance (APCS) Guidelines & Audit Template/Guides

-  [APCS Guidelines \(.pdf\)](#)
-  [APCS Audit Guide \(.pdf\)](#)
-  [APCS Audit Report Template - Clean Opinion \(.docx\)](#)
-  [APCS Audit Report Template - Qualified Opinion \(.docx\)](#)



AGED CARE FINANCIAL REPORT (GUIDELINES)

Aged Care Financial Report (ACFR)

The ACFR is a Special Purpose Financial Report and is the primary source of information for the Department for making its risk assessment as to the viability and prudential compliance of approved providers. The ACFR will also provide supplementary information for analysis by the Department and Aged Care Financing Authority.

Please note that all approved providers **must complete** each Approved Provider (AP) section of the ACFR.

Effective from the 2020/21 financial year, the Department will be encouraging the ACFR to be accompanied by a Declaration by the approved provider's Directors (as defined by the *Corporations Act 2001*), Responsible Persons (as defined by the *Australian Charities and Not-for-profits Act 2012*) or as agreed by the Department for other approved provider entities. This will ensure a greater level of governance.

Purpose of this User Guide

This guide is designed to help with the completion of the ACFR for approved providers of Residential Aged Care, Multi-Purpose Services, Home Care, Commonwealth Home Support Programme services and Short-Term Restorative Care.

In case of any inconsistencies between this guide and the portal, the portal should be the source relied on for setting out approved provider responsibilities.

Completing the Reporting Responsibilities

- All approved providers must lodge all required sections of the ACFR with the Department, via the online ACFR portal: <https://health.formsadministration.com.au> within four months after the end of the financial year.
- The ACFR cannot be lodged until all sections relevant to the approved provider are completed and all necessary documents have been uploaded to the ACFR portal.
- The cover letter outlines all required sections of the ACFR to be completed.
- The ACFR portal can only be accessed through the secure logon protocol.
- The Department encourage early lodgement, as this allows sufficient time to address any identified problems.

Due Date for Lodgement

For all approved providers who have a financial year ending 30 June, the ACFR must be completed and lodged by 31 October 2021, and must be accompanied by the respective audited General Purpose Financial Statement (GPFS) and additionally the audited Annual Prudential Compliance Statement (APCS) (if applicable). Approved providers, who have a non-standard financial year, please refer to the Section on Different Financial Year.

There are no provisions within the legislation to grant extensions. Please lodge the ACFR early to provide adequate time to address any issues and finalise all components of the ACFR.



ACFR HELP DESK

To assist with the completion and lodgement of the 2020-21 Aged Care Financial Report the Department will be providing a discreet external Help Desk.

The Help Desk commenced on 1 July and is in place to 31 October 2021 and operates as follows:-

- Providers can send an email to a dedicated address or use the link from the Department website to briefly outline the areas of clarification or assistance required, together with contact details
- The Help Desk team will make verbal contact within 2 business days of receipt of the email
- Each area of clarification will be responded to within 3 business days after the initial telephone contact or ensuing email contact
- Additional assistance will be available to assist in the completion of the Aged Care Financial Report as required

The Department will provide a list of frequently asked questions to assist providers. This list will be updated at regular intervals as required

All communication with the Help Desk will be treated in strict confidence and no sensitive provider details or information will be reported to the Department



ACFR HELPFUL TIPS

The Department has prepared a “helpful tips” guide to assist in the completion of the Residential Facility Income Statement (located on ACFR Department link) (*extract below*)

Aged Care Financial Report
Residential Facility Income Statement
Helpful Tips

Background

In response to the Royal Commission, the Government is significantly increasing its investment in residential aged care and introducing a new funding model, the Australian National Aged Care Classification (AN ACC), to deliver funding. The AN-ACC provides a robust and equitable model for the Government to confidently provide a substantial funding increase to the sector from October 2022.

In addition to the AN-ACC, the government has also announced that it will be implementing the Royal Commission’s recommendations to introduce more stringent reporting requirements and strengthen prudential requirements of providers.

The new enhanced financial reporting requirements, includes the introduction to expand the information collected in the 2020-21 ACFR, requiring residential aged care providers to report income and expense information at the facility level.

The department acknowledges that for the 2020-21 ACFR, this will be the first time that providers will be required to report financial data at this level.

The collection of more detailed information will allow the department to understand where aged care providers spend their money, including staffing costs across care types (e.g. registered nurses, personal care, allied health); direct care hours across care types; resident expenses including medical and incontinence supplies and catering expenses including food. Care minutes reporting will move to quarterly reporting from 1 July 2022.

To ensure accountability and transparency, the Independent Hospital Pricing Authority will be expanded and renamed the Independent Hospital and Aged Pricing Authority (IHACPA). IHACPA will undertake detailed and independent analysis of information provided in the ACFR to understand how aged care funding is spent and recommend annual price increases to Government.

The detailed information provided in the ACFR will also support the information published for consumers through a star rating system. The star rating system will deliver improved consumer transparency to assist senior Australians and their families make informed decisions on choosing a residential aged care facility.

Common Errors that may Occur in Completing the Residential Income and Expenditure Information

1. Ensure the Care labour cost allocation strictly agrees to the labour staff hours allocation - for example entering staff costs into the Personal care staff/Other unlicensed nurses line but then entering the staff hours into the Enrolled and licensed nurses (registered with the NMBA) line item
2. Do not include additional/sundry income in the Basic Daily Fee line item - the amount disclosed for BDF should equate to approximately the current rate of \$52.71 per day
3. Incorrect allocation of the Commonwealth Subsidies and Supplements between the Care and Accommodation income line items - please see tip above and the definitions for assistance



ACFR FREQUENTLY ASKED QUESTIONS

Q The ACFR asks for Direct Care Paid Hours, does this include training and leave hours?

A When supplying the Direct Care Paid Hours please do not include any leave, worker`s compensation or training hours. We do not want to include any hours where another person is required to work that shift and therefore those hours would be counted twice, once by the person working the shift and second by the person on leave.

Q Is the SACH B (Accommodation Payments & Contributions) required to be completed for 2021. It doesn't seem to be in the draft template.

A Historically one of the main outputs from the SACH B information was the capture of legislatively required reporting around the daily payments received from residents. Along with the introduction of the new requirements of the ACFR a review was done to determine if there were other reporting requirements that could be taken out. As the requirement to capture daily accommodation payments under Section 62-2(cb) of the *Aged Care Act 1997* is now captured within the residential income statement of the ACFR, the completion of SACH Part B (Accommodation Payments & Contributions) is no longer required.

Q Please advise if the figure for RADs Receivable in the Residential Balance Sheet and Approved Provide Balance Sheet should be inclusive or exclusive of Deductions, i.e. funds drawn from RAD deposits increase receivables total?

A The ACFR RADs Receivable should include the amount of RADs that the provider is expecting from new residents that have elected to pay by lump sum deposit (RADs/RACs). Any other amounts receivable (deductions etc) should be included in 'Other Assets'.

Q In the AP (Refundable Loans) tab in the ACFR, where shall I put the receivable amount for our RFU residents? Are they included in RADs/Bonds receivable or Independent Living - Entry Contributions Receivable? Strictly saying they are neither of the above as they are partially refundable based on the various contracts.

A As RFU entry contributions (loans) relate to retirement living operations, they can be included under the ILU category.



ACFR FREQUENTLY ASKED QUESTIONS

Q Do we need to report TCP in the Residential Income & Expenses? If not, do we include them under “Other” category in the consolidated Segment Report?

A Please do include these in the Residential Income & Expenses lines, the income from the Transitional Care Program should be included in the Other Care Income line item and the expenses should be included in the relevant line item the expense falls into e.g.: medical supplies, catering expenses, etc.

Q We run a central catering division which services both internal residential sites as well as external customers. Do we classify them under ‘Other’ in the consolidated segment report?

A 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 contracted catering costs in the income and expenditure statement. The remainder of the catering operations will be included in ‘Other’ in the consolidated segment report

Q We currently has pre-operational services that are not listed in the income and expenditure upload template that has been provided by the Department. These sites make up part or our residential segment, so where do we report the income and expenditure that relate to non-capitalised building costs and other expenditure.

A 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 offline facilities should be reported in the Non-Recurrent Section of the Expenditure Statement as ‘Other’.

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.



Detailed Segment Reports

Residential

Transitional
Residential

Short Term
Restorative
Care

Home
Care
Packages

Income by
Facility

Expenses by
Facility

Balance Sheet

Supplementary



ACFR - RESIDENTIAL FACILITY DATA COLLECTION

Rationale

- ✓ Improves transparency requirements
- ✓ Data to be form part of ongoing Pricing determination (AN-ACC subsidy)
- ✓ Ensures accurate monitoring of minimum direct care hours requirement (200 minutes per resident pd)
- ✓ Food costs data will be required for \$10 per day Basic Daily Fee supplement
- ✓ Over 1,300 facilities nationally already prepare and submit data quarterly at this granularity

Issues to Consider When Completing

- Distinction between recurrent and non-recurrent income and expenses
- Government subsidy allocation - Care and Accommodation
- Allocation of direct care staffing costs and worked hours by category
- Allocation of Allied Health (cost and worked hours)
- Allocation of Agency expenses (cost and worked hours)
- Allocation of hotel services staffing costs
- Corporate recharge - allocation methodology
- Accommodation expenses - treatment of refurbishment vs capital costs
- Depreciation - policy differences



← Residential Aged Care Service Income

Occupancy Information	Total Residential	Facility A	Facility B
Approved Places		112	62
Available Bed Days		40,880	22,630
Occupied Bed Days	1 59,086	37,814	21,272

\$ per bed day
 \$ per bed day is **not** part of the ACFR but can be used as a tool to check each line items for reasonableness and accuracy

1 Occupancy
 Use occupied bed days to convert \$ amount to \$ per bed day

Care Income:	Total Residential	Facility A	Facility B	\$ Per Bed day
◦ Subsidies and Supplements (Commonwealth)	\$10,603,438	\$6,718,922	\$3,884,516	179.46
◦ Subsidies and Supplements (State/Territory)	\$0	\$0	\$0	0.00
◦ Resident Fees: Means-Tested Care Fee	\$497,475	\$232,352	\$265,123	8.42
◦ Grants: Recurrent	\$0	\$0	\$0	0.00
◦ Other Care Income	\$6,387	\$4,421	\$1,966	0.11
Total Care Income	\$11,107,300	\$6,955,695	\$4,151,605	2 187.99

2 Care Income
 Convert Care Income to \$ per bed day

 The Total Care Income should equate to the average ACFI per resident



← Residential Aged Care Service Income

	Total Residential	Facility A	Facility B	\$ Per Bed day
Hotel Services Income:				
◦ Basic Daily Fee	\$3,095,374	\$1,980,306	\$1,115,068	1 52.39
◦ Extra Service Fees	\$0	\$0	\$0	0.00
◦ Additional Service Fees	\$426,016	\$0	\$426,016	7.21
◦ Other Hotel Services Income	\$2,526	\$2,526	\$0	0.04
Total Hotel Services Income	\$3,523,916	\$1,982,832	\$1,541,084	59.64
Accommodation Income:				
◦ Subsidies and Supplements (Commonwealth)	\$1,371,765	\$1,014,873	\$356,892	2 23.22
◦ Subsidies and Supplements (State/Territory)	\$0			0.00
◦ Daily Accommodation Payments	\$755,292	\$458,487	\$296,805	12.78
◦ Accommodation Charges	\$60,501	\$49,784	\$10,717	1.02
◦ Interest Received - Accommodation Bonds	\$0	\$0	\$0	0.00
◦ Other Accommodation Income	\$6,234	\$4,268	\$1,966	0.11
Total Accommodation Income	\$2,193,792	\$1,527,412	\$666,380	37.13
Finance Income:				
◦ Interest and Investment Income	3 \$0	\$0	\$0	0.00
Total Finance Income	\$0	\$0	\$0	0.00
COVID-19 Income:				
◦ COVID-19 Income	4 \$569,570	\$368,628	\$200,942	9.64
Total COVID-19 Income	\$569,570	\$368,628	\$200,942	9.64

1 Basic Daily Fee
BDF should agree to 85% of single pension

2 Subsidies
Includes Accommodation Supplement plus Significant Refurbishment Subsidy

Note that the \$ per bed day denominator is for all occupied beds not just supported resident beds

3 Finance Income
Only include if relates to a specific Facility

4 Covid-19 Income
Include specific funding support

← Residential Aged Care Service Income

	1 Total Residential	Facility A	Facility B
<u>Non-Recurrent Income</u>			
◦ Donations, bequests and fundraising	\$76,500	—	—
◦ Fair value gains on financial assets	2 \$262,150	—	—
◦ Fair value gain / asset revaluation increase on other assets	3 \$0	—	—
◦ Capital grants (Commowearth and state)	\$100,000	—	—
◦ Reversal of prior period impairment	\$0	—	—
◦ Realised gains on disposal of assets	2 \$23,250	—	—
◦ Effect of adoption of AASB 16 leases - RADs only	\$0	—	—
◦ Other non-recurrent income	\$15,210	—	—
<i>Total Non-Recurrent Income</i>	\$477,110	—	—

1 Total Residential
Only post non-recurrent income at the “Total” level and not by Facility

2 Fair Value and Realised Gains
Preference is net fair value and realised gains and losses

3 Fair Value Gains on Revaluations
This relates to Investment Property revaluations (not PP&E revaluations)



← Residential Aged Care Service Expenses

1

Labour Costs:

	<u>Total Residential</u>	<u>Facility A</u>	<u>Facility B</u>	<u>\$ Per Bed day</u>
◦ Registered nurses	\$1,375,801.00	\$861,930.00	\$513,871.00	23.28
◦ Enrolled and licensed nurses (registered with the NMBA)	\$676,853.00	\$424,493.00	\$252,360.00	11.46
◦ Personal care staff / other unlicensed nurses	\$5,362,740.00	\$3,478,198.00	\$1,884,542.00	90.76
◦ Care management staff	\$498,637.00	\$301,985.00	\$196,652.00	8.44
◦ Allied health	\$558,625.00	\$357,743.00	\$200,882.00	9.45
◦ Diversional therapy / lifestyle / recreation / activities officer	\$118,381.00	\$83,908.00	\$34,473.00	2.00
◦ Other employee staff	\$0.00	\$0.00	\$0.00	0.00
Total labour costs	\$8,591,037.00	\$5,508,257.00	\$3,082,780.00	145.40

Resident Expenses:

◦ Medical supplies	\$214,172.00	\$138,112.00	\$76,060.00	3.62
◦ Incontinence supplies	\$199,086.00	\$126,460.00	\$72,626.00	3.37
◦ Nutritional supplements	\$76,420.00	\$48,620.00	\$27,800.00	1.29
◦ Other resident services and consumables	\$110,377.00	\$76,624.00	\$33,753.00	1.87
Total resident expenses	\$600,055.00	\$389,816.00	\$210,239.00	10.16

Other Direct Care Expenses:

◦ Agency fees	\$57,163.00	\$38,210.00	\$18,953.00	0.97
◦ Workcover premium (care employee labour)	\$206,162.00	\$136,210.00	\$69,952.00	3.49
◦ Payroll Tax (care employee labour)	\$47,823.00	\$29,258.00	\$18,565.00	0.81
◦ Quality, compliance and training external costs	\$60,858.00	\$36,984.00	\$23,874.00	1.03
◦ Chaplaincy / pastoral care	\$21,642.00	\$13,060.00	\$8,582.00	0.37
◦ Other direct care expenses	\$101,419.00	\$68,435.00	\$32,984.00	1.72
Total other direct care expenses	\$495,067.00	\$322,157.00	\$172,910.00	8.38

1

Labour Costs

Includes all remuneration, leave (payments and accruals) superannuation, fringe benefits and termination payments

2

Agency Fees

Include all fees paid to external agency(s)



← Residential Aged Care Service Expenses

<u>Hotel Services Expenses</u>	<u>Total Residential</u>	<u>Facility A</u>	<u>Facility B</u>	<u>\$ Per Bed day</u>
<u>Catering Expenses:</u>				
◦ Employee labour costs	\$933,507.00	\$833,927.00	\$99,580.00	15.80
◦ Consumables	2 \$583,517.00	\$371,410.00	\$212,107.00	9.88
◦ Contract services				
- Internal	\$0.00	\$0.00	\$0.00	0.00
- Outsourcing	\$397,081.00	\$0.00	\$397,081.00	6.72
Total catering expenses	\$1,914,105.00	\$1,205,337.00	\$708,768.00	1 32.40
<u>Cleaning Expenses:</u>				
◦ Employee labour costs	\$22,021.00	\$13,616.00	\$8,405.00	0.37
◦ Consumables	\$92,631.00	\$55,903.00	\$36,728.00	1.57
◦ Contract services				
- Internal	\$0.00	\$0.00	\$0.00	0.00
- Outsourcing	\$356,590.00	\$222,982.00	\$133,608.00	6.04
Total cleaning expenses	\$471,242.00	\$292,501.00	\$178,741.00	1 7.98
<u>Laundry Expenses:</u>				
◦ Employee labour costs	\$109,935.00	\$103,323.00	\$6,612.00	1.86
◦ Consumables	\$107,742.00	\$69,386.00	\$38,356.00	1.82
◦ Contract Services				
- Internal	\$0.00	\$0.00	\$0.00	0.00
- Outsourcing	\$51,085.00	\$0.00	\$51,085.00	0.86
Total laundry expenses	\$268,762.00	\$172,709.00	\$96,053.00	1 4.55
<u>Routine Maintenance Expenses:</u>				
◦ Employee labour costs	\$173,051.00	\$131,328.00	\$41,723.00	2.93
◦ Repairs and maintenance	\$399,429.00	\$256,023.00	\$143,406.00	6.76
◦ Contract Services				
- Internal	\$0.00	\$0.00	\$0.00	0.00
- Outsourcing	\$0.00	\$0.00	\$0.00	0.00
Total routine maintenance expenses	\$572,480.00	\$387,351.00	\$185,129.00	9.69
Utilities	\$419,879.00	\$266,367.00	\$153,512.00	1 7.11
Motor Vehicle Expenses	\$3,876.00	\$2,758.00	\$1,118.00	0.07
<u>Other Hotel Expenses:</u>				
◦ Workcover premium (hotel services employee labour)	\$38,157.00	\$24,871.00	\$13,286.00	0.65
◦ Payroll tax (hotel services employee labour)	\$9,203.00	\$6,888.00	\$2,315.00	0.16
◦ Quality, compliance and training external costs	\$5,844.00	\$3,698.00	\$2,146.00	0.10
◦ Other hotel expenses	\$978.00	\$510.00	\$468.00	0.02
Total other hotel expenses	\$54,182.00	\$35,967.00	\$18,215.00	0.92
Total Hotel Expenses	\$3,704,526.00	\$2,362,990.00	\$1,341,536.00	62.70

1 \$ per bed day comparisons
The \$ per bed day totals should be within sector ranges

Catering (in particular) should be higher if additional services fees are levied

2 Catering Consumables
Includes food and supplements



← Residential Aged Care Service Expenses

	<u>Total Residential</u>	<u>Facility A</u>	<u>Facility B</u>	<u>\$ Per Bed day</u>
Administration Expenses				
◦ Corporate recharge	1 \$1,279,742.00	\$809,573.00	\$470,169.00	21.66
◦ Employee labour costs	\$365,147.00	\$217,534.00	\$147,613.00	6.18
◦ Other administration costs	\$303,554.00	\$195,410.00	\$108,144.00	5.14
◦ Workcover premium (aged care home admin employee labour)	\$20,809.00	\$12,137.00	\$8,672.00	0.35
◦ Payroll tax (aged care home admin employee labour)	\$4,315.00	\$3,217.00	\$1,098.00	0.07
◦ Fringe benefits tax	\$3,349.00	\$2,265.00	\$1,084.00	0.06
◦ Quality, compliance and training external costs	\$43,003.00	\$25,061.00	\$17,942.00	0.73
◦ Insurances	\$69,997.00	\$44,725.00	\$25,272.00	1.18
Total administration expenses	\$2,089,916.00	\$1,309,922.00	\$779,994.00	35.37

Accommodation Expenses

◦ Employee labour costs	\$16,865.00	\$13,250.00	\$3,615.00	0.29
◦ Depreciation				
- Building	\$733,130.00	\$405,428.00	\$327,702.00	12.41
- Right of use assets AASB 16	\$0.00	\$0.00	\$0.00	0.00
- Other assets	\$335,419.00	\$197,823.00	\$137,596.00	5.68
◦ Amortisation	\$735.00	\$725.00	\$10.00	0.01
◦ Refurbishment costs	2 \$23,160.00	\$23,160.00	\$0.00	0.39
◦ Rent for buildings - not captured by AASB 16	\$0.00	\$0.00	\$0.00	0.00
◦ Interest expense - lease liabilities AASB 16	\$0.00	\$0.00	\$0.00	0.00
◦ Interest paid (RAD / bond)	\$7,647.00	\$4,627.00	\$3,020.00	0.13
◦ Workcover premium (accommodation employee labour)	\$339.00	\$251.00	\$88.00	0.01
◦ Payroll tax (accommodation employee labour)	\$348.00	\$82.00	\$266.00	0.01
◦ Other accommodation expenses	\$17,541.00	\$14,280.00	\$3,261.00	0.30
Total accommodation expenses	\$1,135,184.00	\$659,626.00	\$475,558.00	19.21

COVID-19 Expenses

◦ Labour costs	\$171,839.00	\$99,373.00	\$72,466.00	2.91
◦ Resident support	\$48,036.00	\$28,620.00	\$19,416.00	0.81
◦ Preventative measures	\$242,270.00	\$122,522.00	\$119,748.00	4.10
◦ Infection prevention and control (IPC) lead expenses	\$1,655.00	\$1,655.00	\$0.00	0.03
◦ Other COVID-19 expenses	\$54,753.00	\$31,123.00	\$23,630.00	0.93
Total COVID-19 expenses	\$518,553.00	\$283,293.00	\$235,260.00	8.78

1 Corporate Recharges
Includes corporate (head office) charges relating to residential aged care

Preference is for all corporate costs to be fully recharged to operating segments (and facilities)

2 Refurbishment Expenses
Does not include capitalised expenses



← Residential Aged Care Service Expenses

<u>Non-Recurrent Expenses</u>	1 <u>Total Residential</u>	<u>Facility A</u>	<u>Facility B</u>
◦ Interest paid	\$142,168.00	—	—
◦ Fair value losses on financial assets	2 \$0.00	—	—
◦ Fair value loss / asset revaluation decreases on other assets	3 \$68,000.00	—	—
◦ Impairment loss	\$45,000.00	—	—
◦ Realised losses on disposal of assets	2 \$0.00	—	—
◦ Effect of adoption of AASB16 leases - RADs only	\$0.00	—	—
◦ Other non-recurrent expenses	\$28,260.00	—	—
<i>Total non-recurrent expenses</i>	\$283,428.00	—	—

1 Total Residential
Only post non-recurrent income at the “Total” level and not by Facility

2 Fair Value and Realised Losses
Preference is net fair value and realised gains and losses

3 Fair Value Losses on Revaluations
This relates to Investment Property revaluations (not PP&E revaluations)



← Residential Aged Care Service Expenses

	<u>Total Residential</u>	<u>Facility A</u>	<u>Facility B</u>
-			
<u>Direct Care Paid Hours:</u> 1 2			
◦ Registered nurses	-	0.41	0.44
◦ Enrolled and licensed nurses (registered with the NMBA)	-	0.29	0.31
◦ Personal care staff / other unlicensed nurses	-	2.23	2.19
◦ Care management staff	-	0.12	0.12
◦ Allied health	-	0.13	0.11
◦ Diversional therapy / lifestyle / recreation / activities officer	-	0.09	0.08
◦ Other employee staff	-	0	0
<i>Total care labour hours</i>	-	3.27	3.25 3

1 Staff Hours

Preference is to gather hours data from roster. If this is not possible – use data from payroll system

Staff Hours by category to include Agency Hours

2 Paid Hours

Include actual hours worked (normal/ overtime)

Do not include any leave, workers compensation or training hours

3 Total Care Labour Hours

Total care labour hours should be within sector ranges



PERMITTED USES

Division 52N of the *Aged Care Act 1997* defines Permitted Uses of RADs/Bonds and this is further regulated by Part 6 of the *Fees and Payments Principles 2014 (No 2)*.

Within *Division 52N* an Approved Provider is permitted to use RADs for the following:

- a) Capital expenditure for residential or flexible aged care purposes
- b) Invest in certain financial products
- c) To make a loan (with certain conditions to be satisfied)
- d) To refund or repay debt accrued for the purposes of refunding accommodation deposits
- e) To repay debt accrued for the purposes of capital expenditure as referred to in (a) above
- f) To repay debt accrued before 1 October 2011 (the application date for the current permitted use rules) if the debt is accrued for the purposes of providing aged care to care recipients

The *Principles* expands the permitted uses to include meeting reasonable business losses that are incurred in the first 12 months of the operation of a residential aged care service.

If the net Refundable Accommodation Deposits received in the financial year has not been fully accounted for through the permitted uses expenditure disclosed in the APCS (in the same financial year), the permitted uses reconciliation is expected to calculate a deficiency. The Department acknowledges that a 'deficiency' in the annual reconciliation is not necessarily a breach in permitted use requirements. For example, timing issues may mean that prior year coverage of permitted uses expenditure may need to be considered in this calculation. The Department holds this information through your APCS submissions from prior years and will be using this to further inform its analysis. If you believe that the reconciliation does not accurately portray your permitted uses position, please provide a brief explanation in the comments box below. The Department will ensure that this is considered along with the reconciliation.



PERMITTED USES RECONCILIATION

← Approved Provider Permitted Uses Reconciliation

	<u>Total Residential</u>	
<u>Refundable RADs and Bonds</u> ¹		
◦ RADs received during the year	\$8,026,000	
◦ Total amount deducted from all refundable deposit and bond balances in financial year	(\$61,600)	
◦ RADs refunded during the year	(\$6,180,000)	
RAD cash movement	\$1,784,400	A
<u>Permitted Use Expenditure</u>		
◦ Capital expenditure	\$800,000	
◦ Less the amount received from the sale or disposal of items previously reported under permitted uses capital expenditure in the APCS (if not deducted above).	(\$50,000)	
◦ Debt repayments for capital expenditure	\$0	
◦ Less the movement in acquisition of new debt for capital expenditure	\$0	
◦ Loans for Permitted Uses		
- Capital expenditure	\$300,000	
- Investment in financial products	\$200,000	
- Refunding RADs	\$0	
- Repaying debt accrued for the purpose of refunding RADs	\$0	
- Repaying debt accrued for the purpose of Capex	\$0	
◦ Less the amount received from the repayment of permitted uses loans previously reported as Loans for Permitted Uses in the APCS (if not deducted above)	(\$150,000)	
◦ Reasonable business losses in first 12 months of operation	\$0	
◦ Other	\$0	
Total permitted uses expenditure	\$1,100,000	B

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**Refundable RADs
and Bonds**

Should agree to
Statement of Cash
Flows



PERMITTED USES RECONCILIATION

← Approved Provider Permitted Uses Reconciliation

	<u>Total Residential</u>	
<u>Permitted Uses Reconciliation</u>		
◦ Movement in cash and cash equivalents	\$426,500	
◦ Movement in investments in financial products		
- Authorised deposit-taking institutions	\$225,000	
- Religious Charitable Development Fund (RCDF) per s63(c) of the Fees and Payments Principles 2014 No.2	\$0	
- Other permitted uses financial products		
- A debenture, stock or bond issued or proposed to be issued by the Commonwealth, a State or Territory	\$0	
- Related party equity security	\$0	
- Non related party equity security	\$75,000	
- Related party debt security	\$0	
- Non related party debt security	\$0	
- Related party hybrid security	\$0	
- Non related party hybrid security	\$250,000	
- Registered managed investment scheme	\$0	
- Aged care investment scheme	\$0	
◦ Less the amount received from the sale, disposal or redemption of a permitted uses financial product	(\$120,000)	
Total permitted uses movement	\$856,500	C
Permitted Uses Coverage or (Deficiency)	① \$172,100	D

$$(C + B - A = D)$$

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Permitted Uses Coverage

Net movement of Permitted Uses expenditure and Cash/Financial Assets movement in relation to net RADs received





Consolidated Segment Report

Residential

Community

Retirement

Other



Consolidated Segment Report 2020-21 ¹

Name of Ultimate Parent Entity or Approved Provider (as applicable)

	Total	Residential ²	Community ³	Retirement	Other ⁴
Balance Sheet					
Assets					
◦ Cash and Cash Equivalents	\$0.00				
◦ Financial Assets	\$0.00				
◦ Loans Receivable					
- Non-related parties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
- Related parties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Capital Work in Progress	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Property, Plant and Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Right-of-use Assets	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Investment Properties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Intangible Assets	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Other Assets	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Assets	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Liabilities					
◦ Refundable Loans Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ External Borrowings					
- Non-related parties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
- Related parties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Employee Benefits/Provisions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Unspent Home Care Package Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Unspent CHSP Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Lease Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Other Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Assets	\$0.00				
Equity					
◦ Issued Capital	\$0.00				
◦ Reserves	\$0.00				
◦ Retained Earnings (Losses)	\$0.00				
Total Equity	\$0.00				

¹ Consolidation of ultimate parent entity using principles of AASB 10

² Balances can be linked to the Residential Balance Sheet if only one approved provider

³ "Community" includes HCP / CHSP / Private / Disability

⁴ "Other" includes all other business activities

⁵ Not to be allocated to segments – input totals only



Consolidated Segment Report 2020-21

Name of Ultimate Parent Entity or Approved Provider (as applicable)

	Total	Residential	Community	Retirement	Other
Income & Expenditure Statement					
Income					
◦ Operating Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Investment Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Fair Value Gains	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expenses ¹					
◦ Employee Benefits Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Management Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Depreciation and Amortisation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Finance Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Fair Value Losses (including Impairment)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Other Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Profit/(Loss) Before Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Income Tax Expense (Benefit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Dividends Paid/Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
◦ Other Comprehensive Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Profit/(Loss) For the Year	\$0.00	\$0.00 ²	\$0.00	\$0.00	\$0.00
External Lines of Credit					
◦ Drawn	\$0.00				
◦ Undrawn	\$0.00				
Key ratios					
Liquidity ratio	0%				
Capital adequacy ratio	0%				

1 Disclosure is similar to statutory accounts disclosure

2 Totals should agree to Residential I&E (if only one approved provider)

3 Allows assessment of liquidity and capital adequacy (calculated percentages)