Financial Planning and Reporting Template Update

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What is the Financial Planning and Reporting Template (FPRT)?

- Sets out Annual Budget, 6 month expenditure and 12 month expenditure
- Cl 11.3 of the Deed
- FPRT represents acquittal of program and core funds
- FPRT Requirements are set out in the Financial Reporting Framework User Guide (available on PHCRIS)
## Financial Planning and Reporting Template

**Financial Reporting Period:** 2008-09  
**Division name:**  
**Program:** Divisions of General Practice Program  
**Version:** 1  

NOTE: The below template relates only to Commonwealth Funds. Funds from other sources should not be included. Please see the user guide for further information.

<table>
<thead>
<tr>
<th></th>
<th>Actual Expenditure 2007 08</th>
<th>Annual Budget</th>
<th>6 Month Report</th>
<th>12 Month Report</th>
<th>Variance at 6 months (%)</th>
<th>Variance at 12 months (%)</th>
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</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
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<tr>
<td>Program Funds</td>
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<td>Other Income Derived From Program</td>
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<td><strong>Total Income (A)</strong></td>
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<td>travel and accommodation</td>
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<td>Salaries and Wages</td>
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<tr>
<td><strong>Program Delivery Expenses</strong></td>
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<td>meetings and events</td>
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<td>other Program Delivery Expenses</td>
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<td>#DIV/0!</td>
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<tr>
<td>Other Expenses</td>
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<tr>
<td><strong>Total Operating Expenses (B)</strong></td>
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<tr>
<td><strong>Capital Expenditure</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Asset Purchase (C)</td>
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<tr>
<td><strong>Balance (A - (B+C)) = (D)</strong></td>
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<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>#DIV/0!</td>
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</tr>
</tbody>
</table>

Explanation of Variances should be provided in the relevant section of the Six and Twelve Month Reports

Shaded Cells are locked, and cannot be typed into

22/02/2010
Phases of the FPRT

- Annual Budget
  - Only shows known income (not interest estimates or unapproved carryover)
- Six month report – unaudited
- Twelve month report – prepared from audited Program Income Statement (with adjustments for capital expenditure)
Lodgement of FPRT

- Lodged on PHCRIS as Excel Spreadsheet
- Timing according to deliverables schedule
Some issues with the FPRT
Auditing the Twelve month FPRT

- Many auditors required a *paper* FPRT.
- Some auditors found FPRT not auditable as not in accordance with Accounting Standards.
- Divisions provided a variety of responses.
Schedule 2 requires audited Income Statements for each program prepared in accordance with accounting and auditing standards.

User Guide requires FPRT in specific format (audited for Twelve Month Report).
Changes to FPRT /User Guide

➢ For Twelve Month report:

- FPRT is *separate and additional* requirement to audited Program Income Statements.

- *both* FPRT and Program Income Statements are required.
Changes to FPRT (cont’d)

- FPRT is prepared from audited Program Income Statement.
  - Adjustment for capital expenditure
Six Month Report

- For Six Month Report, there is no requirement to apply Accounting and Auditing Standards.

- Therefore FPRT is sufficient as 6 month Income Statement. *ie only the unaudited FPRT required.*
The Audit Report on the Program Income Statements must include a statement that: "testing was undertaken to obtain a reasonable level of assurance that Funds had been expended in accordance with the requirements of the Deed and Program Agreement." Auditors should consult the Auditing Standards (particularly ASA 800) concerning any additional wording required.
Other Income

- Clause 4.10 – must record “Other Contributions” in 12 month report.
- “Other Contributions” defined as resources from Division or third parties for the Program.
- In the FPRT Other Income used to record:
  - Administration charges against programs back to Core Funding
  - Contributions from Division and External Sources.
  - Income from program/core funded activities (eg sponsorship / advertising) – record income used to reimburse program for cost of activity.
Other Income (cont’d)

- Problem – top line of FPRT refers to “Other Income Derived From Program”.

- Meaning is unclear.

- Definition to be expanded to include other items mentioned.
• Depreciation discontinued from 1/7/08.
• FPRT not to include any depreciation for any assets (above or below $5,000).

• Asset purchases funded in year of acquisition.
• Asset purchases over $5,000 shown on separate line on FPRT. Assets under $5,000 included in Administration – Other.
• FPRT Rules do not affect General Purpose Financial Report Program Income Statements which must still be prepared in accordance with Accounting standards – therefore must show depreciation.
December 2009 User Guide amended to clarify that 12 month FPRT is prepared from audited Program Income Statement.

- after adjusting for any capital / depreciation
Upcoming Changes
Reporting of Variations

- 10% and $10,000 materiality.
- In line with cl 9.3 as a “significant variation”.
Detailed Expenditure

- May have to break up “Other” Expenditure.
- Governance costs (payments to directors and secretary).
- Salaries and Wages (component costs).
- Limited space of FPRT - looking at possibility of requiring detail in Program Income Statements.
PHCRIS can accept full 12 month report (i.e., GPFR, income statements, audit management letter, certification by Board member).

Need to show users how this can be done.
Questions / Suggestions?