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GOVERNANCE

New privacy guidance
released

The Office of the Australian Information Commissioner has updated privacy guidance for not-for-profits.

It includes new advice on security of information and steps to ensure compliance with retention and destruction obligations. The guidance also includes discussion on what to consider when engaging third-party providers, such as fundraisers and software vendors.

Privacy commissioner Carly Kind said that the guidelines aimed to help charities navigate their privacy responsibilities when collecting and handling personal information and understand their obligations under the *Privacy Act*.

'One important area we have highlighted [...] is that personal information should only be retained as long as it is needed', said Ms Kind.

'We understand the desire to retain donor information, but it should not be retained indefinitely.

'[NFPs should] have policies and procedures that specify the maximum retention periods for each type of supporter data, and ensure that staff know and understand processes for the retention and destruction of personal information.

'Retaining more personal information than you need creates privacy risks for your organisation, staff and supporters.

'If you are using a third-party provider, whether that is for fundraising, or a software vendor or other provider, make sure their privacy practices meet the expectations of both your organisation and the wider community.'

Ms Kind said that even if an organisation fails to meet the financial threshold (\$3 million) for being covered by the act and does not provide a health service – which brings organisations

under the *Privacy Act* – it should still be looking to apply best practice.

The OAIC's key privacy points are:

- NFPs might have obligations under the *Privacy Act* and privacy principles when collecting and handling personal information
- Regardless of whether the act applies, good privacy practice can build trust and maintain stronger relationships with the community, reducing the risk of harm to an entity, staff, and supporters that might follow a data breach
- Only collect personal information that is needed, store it securely and delete it when it is no longer required
- Retain personal information when it is needed. Regular reviews to ascertain if information is still required and destroy or de-identify personal information that is no longer required

- Be prepared if things go wrong. Ensure that a data-breach response plan is in place and all are familiar with it, and
- When entering arrangements with third parties, take reasonable steps to ensure that their privacy practices meet your and the wider community's expectations. Read carefully terms of agreement, conduct periodic reviews, and ensure that third parties delete personal information at the end of contracts.

Refer to the OAIC home page *Privacy Guidance for Not-for-Profits* for advice on security of information and steps to take to ensure compliance with retention and destruction obligations.

Cbus to write plan to improve governance

The Australian Prudential Regulation Authority has taken new steps to address material prudential concerns identified in United Super Pty Ltd and to support improved outcomes for United's members.

United Super is the trustee for the Construction and Building Unions

Superannuation Fund, which has more than 920,000 member accounts and around \$100 billion in funds under management.

APRA has taken steps to ensure that its concerns following a recent prudential review and issues identified in an independent expert's report published in November are addressed through:

- APRA's acceptance of a court-enforceable undertaking from Cbus to undertake a holistic risk-transformation program to address concerns about Cbus's risk-management and related issues, and
- The publication of a rectification plan prepared by Cbus to address weaknesses in governance and expenditure identified by the independent review as required under extra licence conditions that APRA imposed last year.

APRA is also exploring possible Cbus expenditure-management breaches of the *Superannuation Industry (Supervision) Act 1993*.

APRA deputy chair Margaret Cole said: 'APRA expects trustees to have robust governance, compliance and risk-management frameworks in place to prevent,

detect and/or mitigate potential adverse outcomes such as operational risk incidents.

'Where an entity's practices are found wanting, APRA will not hesitate to take action to protect members' interests.'

Government releases Ransomware Playbook

The federal government has launched *Ransomware Playbook*, an interactive online resource to help Australians prepare for and recover from ransomware attacks and cyber-extortion.

Ransomware threats impose a significant cost on the economy and place pressure on victims by encrypting and denying access to files. This can cause severe disruption and even complete shutdown of businesses in an inter-connected and tech-reliant economy.

Available at cyber.gov.au, the playbook provides clear and easy-to-use guides such as a cyber-security checklist for small businesses, a guide to securing devices against ransomware attack, and guidance for incident-response planning.



CYBER SECURITY

OAIC accepts Oxfam's undertaking

Privacy commissioner Carly Kind has accepted an enforceable undertaking from Oxfam after a data breach resulted in the loss of up to 1.7 million records.

The breach occurred in January 2021 and was reported to the OAIC the following month.

Oxfam is undertaking several measures outlined in the EU – deleting certain personal information after seven years, avoiding using shared credentials, implementing password security controls, sharing staff guidance, procedures and training, and using privacy threshold assessments about projects that involve handling personal information for testing.

The OAIC has used insights from its investigations into Oxfam and a separate data breach affecting telemarketing firm Pareto to update its privacy guidance for not-for-profits. The guidance includes expanded advice on security of information, and steps that not-for-profits can put in place to ensure compliance with their retention and destruction obligations.



COMPLIANCE

Lodge self-reviews to avoid income tax

Starting from 2023-24, more than 100,000 non-charitable not-for-profits with an Australian business number must lodge an annual self-review to notify the tax office of their eligibility to self-assess as income-tax exempt.

The new reporting obligation was introduced to ensure that only eligible NFPs are accessing the exemption.

It applies to a diverse range of NFPs, including sporting clubs and community-service organisations. Charitable NFPs already registered with the ACNC are not required to lodge a return.

Townsend House underpaid 82 workers

Townsend House Inc, a South Australian allied-health-services charity, has signed an enforceable undertaking with the Fair Work Ombudsman to improve its workplace compliance after underpayments exceeded \$76,000.

Eighty employees were underpaid base and overtime rates between September 2017 and October 2022 that were owed under the charity's enterprise agreements.

Townsend House self-reported non-compliance to the FWO in April 2023. It advised that the underpayments were due to having misunderstood the treatment of additional hours that employees had worked. There were also payroll errors.

An FWO investigation into the integrity of the charity's remediation program uncovered a failure to comply with an undertaking Townsend House had given to FWO in 2018. The undertaking concerned overtime rates paid to part-time employees.

The charity has back-paid 26 current and 54 former employees \$76,804. The sum includes almost \$11,000 in interest and about \$1500 in superannuation. Back-payments ranged from \$23 to more than \$7700. The average underpayment was \$960.

Fair Work Ombudsman Anna Booth said Townsend House had committed to future compliance and transparency and had already implemented a range of measures to ensure that it met its obligations.

'Employers must prioritise workplace compliance and ensure all their systems and processes align with the legal requirements of their own enterprise agreements, as well as any relevant awards and undertakings', said Ms Booth.

'We urge employers to take advantage of the array of free information and tools available on our website, such as our Pay Calculator.'

As part of the EU, Townsend House must have relevant staff undertake workplace-relations training that will cover the *Fair Work Act's* national employment standards and the minimum requirements of applicable industrial instruments.

Townsend House must also commission an independent audit of its workplace compliance and report its findings to the FWO, provide for forums that can report on issues and can accommodate union representatives if members wish to invite them, and commit to reviewing and amending its internal processes for reporting workplace relations issues to its board.

The EU acknowledges that Townsend House has already introduced a new payroll system, outsourced payroll to a specialised provider, established a new governance structure and updated its constitution, and established a forum for employees to discuss workplace-relations issues with management.

University of Melbourne back-pays \$72m

The University of Melbourne will complete \$72 million in payments, including superannuation and interest, to more than 25,000 underpaid staff as part of an enforceable undertaking with the FWO.

The university will also make a \$600,000 contrition payment to the Commonwealth and implement a broad range of measures to prevent future non-compliance with workplace laws.

Academics were often paid according to 'benchmarks', such as words-per-hour or time-per-student, rather than the actual hours they had worked.

'The University of Melbourne now accepts that it was unlawful that for many years its casual academics adhered to "benchmarks", which were inadequate and resulted in some employees not being paid for all hours worked', Ms Booth said.

The university has acknowledged that it underpaid a range of entitlements under enterprise agreements, including minimum wages, minimum engagement entitlements, casual sessional-teaching and casual non-sessional-activities rates, shift loadings, and overtime entitlements.

Failures in compliance, oversight, and governance processes were key causes of the underpayments, and the university has agreed to a range of measures to address these issues and ensure future compliance, including:

- Committing to design, develop and implement by August a comprehensive resource-planning system that will include human resources, finance, and payroll, rostering and time-and-attendance, and undertaking an audit of the new system following its implementation
- Establishing subcommittees of the university council and executive with an explicit focus on workplace-relations compliance as well as a new centralised employment compliance directorate committed to supporting a culture of compliance and continuous improvement, and
- Commissioning training and education for relevant staff and providing clear internal pathways for employees to raise queries relating to their wages and entitlements.

La Trobe University back-pays \$10.77m

La Trobe University has back-paid more than \$10.77 million, including superannuation and interest, to more than 6700 staff for work performed between January 2015 and December 2022 as part of an enforceable undertaking with the FWO.

The University must make a \$220,000 contrition payment to the Commonwealth and implement a broad range of measures to ensure compliance with workplace laws.

Failures in compliance, oversight, governance, and schools' adopting differing payroll practices caused the underpayments.

The university incorrectly applied enterprise agreements, resulting in many casual employees not being paid for hours worked and being underpaid minimum engagement-period entitlements.

It also underpaid casual staff for lecturing, tutoring, and subject-coordination work, and failed to keep accurate records of hours worked and pay rates.

Under the EU, La Trobe University has committed to implementing a range of measures to ensure future compliance, including:

- Updating payroll and record-keeping infrastructure
- Establishing better centralised oversight of workplace-relations processes
- Implementing workplace-relations training for key management staff and commissioning, at its own cost, an independent audit to check it is meeting employee entitlements
- Maintaining an employee payments complaint and review mechanism
- Providing regular updates to the FWO about the progress of any reviews and on any employee complaints or non-compliance issues discovered, and
- Committing the university's Council to explicitly focus on workplace-relations compliance.



FINANCIAL-REPORTING INSIGHTS

Climate-related risks affect financial statements

Building on three previous reports, Chartered Accountants Australia & New Zealand has partnered with the University of Melbourne, the University of Queensland, and the Australian Accounting Standards Board to release *Effects of climate related risks on financial statements*.

Disclosures about climate-related risks are increasingly affecting financial statements. The International Financial Reporting Standards's sustainability-disclosure edicts require companies to report the effects of climate-related risks.

Key findings in the new report are:

- More than a third (38 per cent) of companies have flagged climate risks in financial statements
- Energy (77 per cent) and utilities (75 per cent) flag most climate risks

- Companies flagging climate risks have more than doubled from 2021 (18 per cent) to (38 per cent) in 2024
- The number of companies disclosing climate risks has grown significantly in consumer staples (57 per cent in 2024), industrials (49 per cent), health care (35 per cent) and real estate (30 per cent), and
- Companies are flagging climate risks affecting asset impairment (38 per cent), critical accounting estimates (22 per cent), and in estimating the useful lives of assets (13 per cent).

AASB decides against proposing amendments

The Australian Accounting Standards Board has decided not to propose amendments to AASB 1054 *Australian Additional Disclosures* concerning disclosures required of certain NFP private-sector entities in special-purpose financial statements.

The board however will monitor disclosure requirements relevant to its *Conceptual Framework: Not-for-Profit Amendments* project.

It has discussed feedback received on two topics in invitation to comment 51 *Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements*.

They are *Related party disclosures by not-for-profit public sector entities and Basis of preparation of special purpose financial statements – disclosures about compliance with Australian Accounting Standards*.

The board decided against any amendments to AASB 124 *Related Party Disclosures* in respect of NFP public sector entities. The board will monitor the International Public Sector Accounting Standards Board's *Making Materiality Judgements* project, which might inform future improvements to AASB 124 for public-sector entities.



SUSTAINABILITY REPORTING

ASIC releases guidance on sustainability reporting

The Australian Securities & Investments Commission has published new advice on preparing sustainability reports containing climate-related financial information.

Regulatory guide 280 *Sustainability reporting* aims to help reporters that must follow Chapter 2M of the *Corporations Act 2001*.

The guide details who must prepare sustainability reports, their contents, how to disclose sustainability-related financial information in other documents (such as in disclosure documents and product-disclosure statements) and ASIC's administration of sustainability-reporting requirements. It includes ASIC's specific 'pragmatic and proportionate' approach to considering relief and its use of new directions powers.

As sustainability-reporting is phased in, ASIC will:

- Consider how it can support entities through guidance and continue to monitor practices

- Engage with entities to understand the basis of disclosures in sustainability reports, and where the commission identifies that a statement in a report is incorrect or misleading in any way. If concerns remain, the commission may ask for changes or exercise its new directions power, and
- Begin an enforcement investigation if the commission sees misconduct of a serious or reckless nature.

ASIC commissioner Kate O'Rourke said: 'Climate-related financial information that is consistent, comparable, and of high quality, facilitates confident and informed decision-making by investors and other users of that information.'

'The publication of RG 280 is a critical piece that supports the implementation of these sustainability-reporting requirements passed by the Australian parliament. We will continue to expand our broader suite of publications related to sustainability reporting over time as market practices evolve.'

ASIC has also provided relief to allow stapled entities to prepare a consolidated sustainability report.

The commission will consider applications seeking other relief from sustainability reporting and audit requirements. It warns that they might take time to consider because of complex and novel issues.

Entities that are required to prepare an annual financial report under Chapter 2M of the *Corporations Act* and meet one of the sustainability-reporting thresholds under s292A for a financial year are required to prepare a sustainability report containing climate-related financial information required under the *Corporations Act* and AASB S2 *Climate-related Disclosures*.

Reporting requirements are being phased in over three years across three groups of entities, the first cohort required to prepare sustainability reports for financial years commencing on or after 1 January.

The second and third cohorts are required to prepare annual sustainability reports for financial years beginning on or after 1 July 2026 and 2027 respectively.

Guide for reporting only climate-related information

The International Financial Reporting Standards Foundation has published *Applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2* aiming to help companies understand how to report only climate-related information (when applicable) using standards set by the International Sustainability Standards Board.

When the ISSB was developing IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* investors said they urgently needed climate-related information to inform decision-making. Some stakeholders expressed concerns about data availability and companies' readiness to provide information about other sustainability-related risks and opportunities.

New ethics standards for sustainability reporting and assurance

The Accounting Professional and Ethical Standards Board has announced proposed amendments to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* to facilitate Australian sustainability reporting and assurance.

The proposed standard will provide ethical guidance on sustainability reporting and assurance as practitioners deliver mandatory

climate-related financial disclosures and sustainability reports. Australian Group 1 entities had to disclose them from 1 January.

Guidance includes how professional accountants in business and public practice and sustainability assurance practitioners can evaluate whether an external expert has the necessary competence, capabilities, and objectivity to ensure that their work can be used for its intended purpose. The amendments will help address the demand for reliable information to support decision-making and encourage integrity and transparency.

They incorporate recent revisions made by the International Ethics Standards Board for Accountants to the International Code of Ethics for Professional Accountants (including International Independence Standards).

APESB chair Nancy Milne said: 'These standards are built on fundamental ethical principles for reporting and assurance, providing a robust foundation for delivering high-quality sustainability information.'

'The proposed revisions to the code provide clarity on the expected professional and ethical behaviours for sustainability-related matters, especially for firms performing assurance engagements on the new mandatory sustainability reports required by the *Corporations Act 2001*.'

Proposed amendments are included in two exposure drafts:

- Proposed Australian Ethics Standards

for Sustainability Assurance (including Independence Standards) and other revisions to the code on sustainability assurance and reporting (ED 01/25), and

- Proposed revisions to the code addressing the work of an external expert (ED 02/25).

They are expected to be effective from 1 January next year. Transitional relief is available.

Climate and sustainability assurance requirements approved

The Auditing and Assurance Standards Board has approved the adoption in Australia of international standard ISSA 5000 *General Requirements for Sustainability Assurance Engagements*.

Standard ASSA 5000 applies to sustainability assurance engagements for reporting periods beginning on or after 1 January.

As well as contributing to greater international alignment of assurance concerning climate and other sustainability information, the new standard will help to support confidence in information disclosed in the annual reports of Australia's biggest companies.

The AUASB also approved ASA 2025-2 *Amendments to Australian Auditing Standards*, which makes conforming and consequential amendments to other AUASB standards because of ASSA 5000.



ACNC ACTIVITIES

ACNC probes Canberra college

The Australian Charities and Not-for-profits Commission is investigating concerns about Brindabella Christian Education Ltd, a charity operating Brindabella Christian College in Canberra.

'We have been working with other relevant regulators on this matter, including the Commonwealth and ACT Departments of Education', ACNC commissioner Sue Woodward said.

The ACNC issued a 'show cause' notice to Brindabella in December, setting out details of the commission's concerns. The charity responded on 3 February.

On 5 March, Brindabella Christian College's board of directors appointed an administrator, and the college entered voluntary administration.

The charity register has been updated to reflect the administrator's appointment and a new listing for the college's 'responsible people'.

Generally, the ACNC can investigate concerns that a charity has breached the *ACNC Act* or the ACNC's governance standards:

- Purpose and NFP nature
- Accountability to members
- Compliance with Australian laws
- Suitability of responsible people
- Duties of responsible people, and
- Maintaining and enhancing public trust and confidence in the Australian not-for-profit sector.

The commission's regulatory approach is to act firmly where vulnerable people or significant charity assets are at risk, where there is evidence of serious mismanagement or misappropriation, or if there is a serious or deliberate breach of the *ACNC Act* or governance standards.

When is a charity not a charity?

The ACNC has published a new summary of how it decides if an organisation's purposes are charitable or incidental and ancillary.

The summary is part of the commission's efforts to improve transparency and educate the charity sector.

The commission examines each of an organisation's apparent purposes to determine if it is charitable – for the public benefit – or if it is incidental, ancillary or in aid of a charitable purpose.

The summary demonstrates the ACNC's reasoning when organisations apply for charity registration.

It is available on the ACNC website.

ACNC seeks feedback on CLGs

The ACNC seeks feedback on a revised draft template of a constitution for charitable companies limited by guarantee.

The updated template aims to help charities incorporated as CLGs with ASIC to establish suitable governing documents.

In addition to a standard template, the commission has developed four variations tailored to specific criteria such as charities with deductible-gift-recipient status, public benevolent institutions, and health-promotion charities.

Consultation on PBIs

The ACNC has sought comment on a draft decision impact statement concerning Equality Australia Ltd and updates to its commissioner's interpretation statement on public benevolent institutions.

The changes reflect a Federal Court judgement on Equality Australia's eligibility to be registered as a public benevolent institution.



DEDUCTIBLE GIFT RECIPIENTS

Rules released on DGRs

The 2025 guidelines on charities' compliance to be endorsed as deductible-gift recipients have been released.

Under the *Tax Administration Act 1953*, a relevant federal minister must formulate guidelines setting out rules that community

charity trusts and their trustees and community charity corporations and their directors must comply with if they are to remain endorsed as DGRs.

The guidelines' purpose is to set out the rules and to specify amounts or methods for working out amounts of administrative penalties for non-compliant community charities.

The ATO is currently working with the Treasury and the ACNC to determine how to DGR-endorse community charities. To be eligible for endorsement under a new system, a ministerial declaration needs to be made and will specify each charity by name. The charities must also be registered with the ACNC before they apply to be DGR-endorsed.



NDIS

Freedom Care Group banned

The National Disability Insurance Scheme's Quality and Safeguards Commission has revoked the registration of Freedom Care Group Pty Ltd and permanently banned the company from providing services to people with disabilities.

A joint investigation by the NDIS commission and the National Disability Insurance Agency found that the group had claimed almost \$340,000 for NDIS services that it did not deliver to incarcerated people. The Fraud Fusion Taskforce instigated the investigation.

Freedom Care contravened the *NDIS Act* by failing to comply with the scheme's conduct code requiring providers to act with integrity, honesty, and transparency.

NDIS Quality and Safeguards commissioner Louise Glanville said that the commission would use the full weight of its regulatory powers against providers that do the wrong thing.

'We are committed to protect and uphold the human rights of people with disability and ensure that quality disability supports and services are delivered in a safe manner', Ms Glanville said.

'All NDIS providers – whether registered or unregistered – must adhere to the NDIS code of conduct, and we will take serious action against providers not fulfilling their duties to NDIS participants.

'We believe Freedom Care Group's conduct presented risks to both NDIS participants as well as to the integrity and financial sustainability of the NDIS. The dishonest and systemic nature of the contraventions strongly suggests that Freedom Care Group is not suitable to provide supports or services to people with disability.'

Valmar fined almost \$2 million

The Federal Court has fined Valmar Support Services Ltd \$1,916,250 – the highest-ever civil penalty imposed on a NDIS provider.

It found that Valmar had put participants at significant risk, leading to the death of a participant. Valmar has also been ordered to pay the NDIS commissioner's legal costs.

This case is a significant milestone for the NDIS and offers important lessons for the disability sector.

The NDIS commissioner alleged that Valmar, a not-for-profit company, systematically failed to provide safe and competent supports and services for three NDIS participants by failing to:

- Train staff or ensure that they had adequate qualifications
- Follow the requirements of participants' dietitians' plans (for example, cutting food into bite-sized pieces and ensuring it is soft), and

- Failing to create meal plans with experts' input. Experts may include speech pathologists, for instance.

Valmar engaged a dietician who requested updates to participant eating and drinking plans, and that Valmar engage a speech pathologist. Valmar never engaged a speech pathologist for one of the participants and terminated the services of the dietician.

In early 2019, Valmar engaged unqualified staff to create meal plans for participants without consulting a nutritionist, dietitian, and speech pathologist. The new plans were inconsistent with plans prepared by a dietitian in 2017 that required food to be soft and moist.

In February 2020, the eating and drinking plans were rubber-stamped by unqualified staff with no authority or expertise to do so. In failing to address these requirements, especially when some participants were known to be at risk of choking, Valmar put participants at significant risk, leading to the death of a participant.

The judgement details Valmar's failures. It provides guidance on mealtime management, failure to engage or follow advice from allied health professionals, record-keeping, failure to train staff, and staff qualifications and training. Valmar knew for a long time of participants' needs and choking risks.

CCTV cameras operated without consent

The NDIS Quality and Safeguards Commission has begun Federal Court action against My Ability Australia Pty Ltd over CCTV surveillance of a child in its care.

The child's mother had not consented to the monitoring.

The commission alleges that in May 2023, shortly after the participant moved into premises in which My Ability provided around-the-clock care, the company installed and activated CCTV cameras without seeking the consent of, or notifying, the child's mother.

Despite later seeking consent and the mother refusing, it is alleged that My Ability continued surveillance.

It is alleged that only when footage was shared with a third party (a further alleged breach of the participant's privacy) did the participant's mother become aware that CCTV had been operating at the premises for several months without her knowledge and consent.

The NDIS commission is seeking civil penalties for contraventions of the NDIS code of conduct and practice standards.

Commissioner Glanville said that NDIS providers must ensure that the human rights, including privacy, of people with a disability were a constant and central focus, including when using or proposing the use of surveillance technology.

'Providers must ensure they comply with all applicable laws and regulations concerning privacy and surveillance, and the NDIS commission will not hesitate to take action, including seeking civil penalties, where such laws are allegedly breached and participants' privacy is significantly compromised', she said.

'When surveillance technology or other intrusive measures are being considered, they should only be used in accordance with the law, after receiving proper consent, and taking into account the interests, needs and wishes of the person with [a] disability.'

The commission has published resources to help providers to meet their obligations when considering the implementation of surveillance technology, including a *Surveillance Technology Practice Guide*.

Lifestyle Solutions contravenes NDIS act 69 times

The NDIS Quality and Safeguards Commission has begun court action against Lifestyle Solutions (Aust) Ltd and one of its employees for contraventions of the *National Disability Insurance Scheme Act 2013*.

The NDIS commission will allege that Lifestyle Solutions engaged in 69 separate contraventions of the act. The commission will also allege that a Lifestyle employee contravened the act.

The commission has also alleged that Lifestyle Solutions failed to notify it of reportable incidents within required timeframes.

It is alleged that Lifestyle, a NDIS-registered provider on the Central Coast of New South Wales, failed to provide supports and services in a safe and competent manner to participants in its care.

Alleged incidents included failing to ensure that participants could access supports free from violence, abuse and neglect, failing to ensure that participants were safeguarded and incidents were responded to and well-managed, and failing to ensure that participants could access supports in a safe environment that was appropriate for their needs.

The commission also alleges that Lifestyle Solutions failed to ensure that risks to participants and its workers were identified and managed.

Commissioner Glanville said that in serious cases like this, the commission would take strong action to ensure that providers who risked the safety and well-being of people in their care were held to account.

The commission alleges that Lifestyle Solutions failed to comply with its conditions of registration by failing to report within required timeframes 199 incidents of people with disabilities experiencing abuse, neglect, and injury. NDIS providers are required to report incidents to the commission within specified timeframes.



AGED CARE

FWO targets aged-care providers

The FWO is investigating aged-care providers in five states to ensure that staff are receiving the right pay and entitlements.

The ombudsman has inspected and/or undertaken interviews with staff and management of 20 organisations – a mix of residential aged-care providers, home-care organisations, and digital platforms that provide home-care workers.

The organisations are based in Victoria, NSW, South Australia, Queensland, and Western Australia.

The regulator has investigated 27 aged-care sites across both metropolitan and regional areas. Visits began in late February and continued during March. Investigations continue.

The investigations focus on pay and entitlements for care workers, nurses, and nursing assistants that provide care to older people at home and residential aged-care facilities. Record-keeping is also being assessed.

Fair Work Ombudsman Anna Booth said improving compliance in the aged-care sector was one of the regulator's priorities.

'The aged care sector employs a high number of vulnerable workers, particularly migrant workers, who are at risk of exploitation, and these inspections are making sure their workplace rights are being met', she said.

In 2023-24, the FWO recovered more than \$40.5 million for more than 22,000 underpaid workers in residential aged care. Twelve per cent of anonymous reports that year to the regulator were from workers providing health-care and social assistance.

'Hard-working aged-care workers must be paid all that they are owed under their awards, agreements and the [...] national employment standards', Ms Booth said.

'If we find breaches, our first aim is to ensure that workers are fully and promptly back-paid. If we find employers with significant compliance issues we'll consider our enforcement tools as appropriate.

'We want employers to get it right in the first place. The Fair Work Ombudsman supports employers and employees to identify correct pay and entitlements.

'The FWO provides tools and resources such as an up-to-date online pay-and-conditions tool, our phone line, and a range of other information online at fairwork.gov.au so that employees know they are being paid correctly and employers can ensure they are compliant.'

Organisations were selected for inspection after considering factors such as histories of non-compliance with the *Fair Work Act*, anonymous reports from staff members, and their employment of visa holders, among other intelligence.

Common issues for aged-care workers requesting assistance from the FWO include the underpayment of base pay rates, non-payment for overtime and penalty rates, non-payment of allowances, and non-payment of final entitlements upon leaving employment.

Employers should be aware of changes to classifications and minimum pay rates for some employees in the aged-care sector that have taken effect in 2025. The FWO website has information on award changes and the aged-care sector.

Aged-care homes fall well short of care targets

The Aged Care Quality and Safety Commission is taking regulatory action against residential aged-care providers that have persistently failed to meet mandatory care-minutes targets.

Since 1 October 2023, residential aged-care homes have had to deliver mandatory care minutes, increasing to a sector average of 215 care-minutes per resident per day on 1 October last year. This includes 44 minutes of registered-nurse care.

Mandatory care-minutes ensure that older people in homes receive the dedicated direct-care time, including from a registered nurse, that they need.

Enforceable undertakings are in place with 11 providers operating 27 individual homes that have fallen well short of delivering their care-minutes targets across successive quarters. Examples of actions that providers have agreed to take include immediate recruitment of more nursing and care staff.

‘Failure to deliver mandatory care-minutes where there is an absence of tangible effort to achieve these targets could lead to sanctions and financial penalties’, said Aged Care Quality and Safety commissioner Janet Anderson.

‘All residential aged-care providers are on notice as the commission will continue to actively monitor, engage with, and take regulatory action against providers that persistently fall well short of their care-minutes requirements.’



INSIDE GAAP CONSULTING

GAAPinar series 1 underway

Our 14 session *GAAPinar* series is underway providing the latest insights into auditing, financial and sustainability reporting, ethics, SMSE, and business risks.

We’ll continue to explore sustainability reporting, focusing on new developments, implementation, ethics, assurance, and regulatory oversight.

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How we can help

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The *GAAP Consulting* members and their areas of expertise and locations are:

- **Colin Parker** (financial reporting, audit, ethics, and risk management) – Canberra
- **Carmen Ridley** (financial reporting and ethics) – Melbourne
- **Robert Mackay** (financial reporting) – Melbourne
- **Chanelle Pienaar** (audit and risk management) – Brisbane
- **Jessica-Anne Saayman** (audit and risk management) – Brisbane
- **Shelley Banton** (self-managed superannuation funds) – Newcastle
- **Andrew Parker** (training, marketing, and event management) – Melbourne, and
- **Stephen Downes** (client communications) – Melbourne.

We use the services of Stephen Newman, corporate lawyer, Hope Earle, Melbourne, when matters have a legal aspect.

Contact Colin 0421-088-611 or colin@gaap.com.au.



Colin Parker
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Contact Us

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