## Financial Viability Guidance - Performance requirements, performance indicators and evidence sources to demonstrate capacity and compliance

Performance requirements	Performance Indicators	Thresholds	Suggested evidence sources to demonstrate capacity	Suggested evidence sources to
Ensuring a viable capital structure	The provider monitors and manages its capital structure to achieve its business goals	<ul> <li>Capital adequacy – the provider has sufficient capital resources to be able to meet all financial commitments, working capital, overall operations, and future growth. and has capacity to manage unexpected events</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Recent governing body (and relevant sub-committees if applicable) minutes reflecting discussions about capital structure with relevant operational and financial reports</li> <li>Annual Report</li> <li>NRS Financial Performance Report</li> <li>Audited financial statements for the last two financial years</li> <li>Audit management letter for most recent financial year (where they have been issued)</li> <li>Financial viability measures data</li> <li>Board approved budget and forecast</li> <li>Assumptions underpinning forecasts</li> <li>Financial planning, sensitivity analysis and scenario testing</li> <li>Debt financing arrangements and covenants</li> <li>Property development and related financial plans</li> <li>Evidence of state's equity in housing assets</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Recent governing body (and rereflecting discussions about can financial reports</li> <li>Annual Report</li> <li>NRS Financial Performance Readulited financial statements of</li> <li>Audited financial statements of</li> <li>Audit management letter for the been issued)</li> <li>Financial viability measures date</li> <li>Board approved budget and for</li> <li>Assumptions underpinning fore</li> <li>Financial planning, sensitivity a</li> <li>Debt financing arrangements a</li> <li>Property development and relate</li> <li>Evidence of state's equity in ho</li> <li>Report of actions taken to addred</li> </ul>
Maintaining appropriate financial performance	The provider monitors and manages its financial performance to achieve its business goals	<ul> <li>Financial performance is monitored and managed to maintain short, medium and long-term viability.</li> <li>There are no significant and ongoing or repeated instances of inappropriate financial performance and/or failure to achieve business goals.</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Recent governing body (and relevant sub-committees if applicable) minutes about financial performance with relevant operational and financial reports</li> <li>Annual Report</li> <li>NRS Financial Performance Report</li> <li>Audited financial statements for the last two financial years</li> <li>Audit management letter for most recent financial year (where they have been issued)</li> <li>Financial viability measures data</li> <li>Board approved budget and forecasts</li> <li>Governing body consideration and approval of budget and forecasts</li> <li>Assumptions underpinning forecasts</li> <li>Financial planning, sensitivity analysis and scenario testing</li> <li>Debt financing arrangements and covenants</li> </ul> May be requested <ul> <li>Recent project proposals (development and capital investments) and governing body consideration and approval (sample minutes)</li> <li>Budget proposal and discussion papers and Governing body minutes reflecting approval</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Recent governing body (and rel about financial performance with</li> <li>Annual Report</li> <li>NRS Financial Performance Ree</li> <li>Audited financial statements for</li> <li>Audit management letter for the been issued)</li> <li>Financial viability measures dat</li> <li>Board approved budget and for</li> <li>Governing body consideration a</li> <li>Assumptions underpinning forea</li> <li>Financial planning, sensitivity at</li> <li>Debt financing arrangements at</li> <li>May be requested</li> <li>Recent project proposals (deve body consideration and approval</li> <li>Other sources</li> <li>Record of complaints and notificati</li> </ul>
Managing financial risk exposure	The provider monitors and manages its financial risk exposure to protect its financial interests and the interests of investors	<ul> <li>Financial risks are appropriately mitigated</li> <li>There are no significant and ongoing or repeated instances of financial risks occurring</li> <li>Appropriate risk management response systems are in place and any risks identified are dealt with in a prompt and effective manner</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Audited financial statements for the last two financial years</li> <li>NRS Financial Performance Report</li> <li>Financial and risk management policies and procedures</li> <li>Financial risk management process</li> <li>Governing body (and relevant sub-committee if applicable) minutes reflecting discussions about financial events and risk management (Sample)</li> <li>Financial planning, sensitivity analysis and scenario testing</li> <li>Documented risk management system</li> <li>Risk management plan</li> <li>Risk register</li> <li>Debt financing arrangements and covenants</li> </ul>	<ul> <li>Tiers 1, 2 and 3</li> <li>Business planning documents</li> <li>Audited financial statements for</li> <li>NRS Financial Performance Re</li> <li>Recently amended financial and</li> <li>Financial risk management prod</li> <li>Governing body (and relevant s discussions about financial eve</li> <li>Financial planning, sensitivity at</li> <li>Documented risk management</li> <li>Risk management plan</li> <li>Risk register</li> <li>Debt financing arrangements an</li> </ul>

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