



Financial suitability requirements for licence applications or variations

In accordance with Section 58 of the *Gene Technology Act 2000*, the Regulator must take into account certain matters in deciding whether a person is suitable to hold or continue to hold a licence. This includes financial suitability which is assessed internally to support the Regulator's decision.

Financial suitability is assessed using the applicant organisation's **Financial Report for the latest period or year ended**. The Financial Report includes:

- Balance sheet/statement of financial position; and
- Profit & loss statement/statement of comprehensive income; and
- Notes to the financial statements that disclose and further explain the accounting policies used and how the figures in the financial statements are derived; and
- Independent Auditor's Report.

In certain circumstances all documents may not be available. Suitable substitutes are described below:

1. **No available financial report:**
 - Financial statements for the latest period/year ended, with minimum of
 - Balance sheet
 - Profit & loss statement; and
 - Independent Audit Assurance Report or Independent Accountant Declaration; or
 - Director's Declaration, generally assuring the reader that the information provided is true and fairly presented, following all legal requirements.
2. **No independent auditor assurance report or other independent party review statement:**
 - Written evidence of reason, e.g. does not reach income threshold that triggers audit requirement, financial report not yet audited, etc.
3. **The applicant is 100% owned/controlled (subsidiary) by another entity (parent) and does not have its own financial report:**
 - parent entity's financial report for the latest period ended; and
 - written evidence that the applicant is a subsidiary, either:
 - listed in related party section of the notes to the consolidated financial statements; or
 - Confirmation Letter signed by the other entity's directors.
4. **Not a subsidiary of another entity AND no favourable financial report but supported by the guarantee of another independent entity:**
 - guarantor entity's financial report for latest period ended including any notes that accompany the financial statements, Independent Auditor's Report or Director's Declaration; and
 - Letter of Guarantee (Letter of Financial Support) from the independent entity, signed by its directors.