# Example report: Independent auditor’s report on the HRF 601.1 Annual Return

The Directors

[Insurer name]

[Insurer address]

Australian Prudential Regulation Authority (APRA)

1 Martin Place [Level 12]

Sydney, NSW 2000

## Independent auditor’s report on the HRF 601.1 Annual Return of [name of Insurer]

We have audited the quarterly HRF 601.1 Returns (the Form) of [name of insurer] (the Insurer)for the four quarters to [insert balance date of the Insurer], which are used by APRA for the purpose of collecting information about an Insurer’s policies and benefits for risk equalisation and statistical purposes.

### Opinion

In our opinion, in all material respects:

1. The records for the health benefits fund contain the information required to be kept by the Reporting Standard and the Rules;
2. The submitted information for the purposes of the Reporting Standard, accurately reflects the information contained in the records of the health benefits fund; and
3. The records of the health benefits fund have been accurately compiled so as to fairly state the information required by the Reporting Standard.

### The Directors’ Responsibilities

The directors of the Insurer are responsible for ensuring compliance with the accounting and financial reporting matters, including the preparation of the Form and the information contained therein and ensuring that the Form is prepared in accordance with the requirements of the *Private Health Insurance (Risk Equalisation) Rules 2015* (the Rules) and the *Financial Sector (Collection of Data) (reporting standard) determination No. 22 of 2016 – HRS 601.0 Statistical Data by State* (the Reporting Standard). The directors’ responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of the Return that is free from material misstatement, whether due to fraud or error.

### Auditor’s Responsibility

Our responsibility is to express an opinion to APRA on whether the Form is prepared, in all material respects, in accordance with the requirements of the Rules and Reporting Standard.

The Form has been prepared to fulfil the requirements of the Rules and Reporting Standard. We disclaim any assumption of responsibility of reliance on this report or on the Form to which our report relates, to any person other than APRA or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with the applicable AUASB Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Form, including the systems and procedures used by the Insurer to process and maintain policy records and benefits paid. These procedures have been undertaken to form an opinion as to whether, in all material respects, the information reported in the Form complies with the requirements in the Rules and the Reporting Standard.

## Basis of restriction on distribution

This report has been prepared for distribution to the [insert as applicable Board or Board Audit Committee(s)], of the Insurer and APRA. This report is prepared in accordance with the terms of our engagement letter dated [insert date of engagement], in order to satisfy APRA’s prudential reporting requirements for appointed auditors of private health insurers, as specified in HPS 310.

In accordance with the Australian Prudential Regulation Authority Act 1998, APRA may make this report available to other specified agencies when APRA is satisfied that such information will assist these agencies in performing their functions or exercising their powers.

This report is not to be distributed to any party other than those to whom it is addressed, APRA, and other parties to whom APRA is lawfully entitled to provide relevant information. We disclaim any assumption of responsibility for any reliance on this report or the subject matter to which it relates, to any party other than the [insert as applicable Board, or Board Audit Committee], of the Insurer and APRA in the performance of its functions under the Act.

Firm

Partner Name  Location

Partner
[date]