



ACCC
AUSTRALIAN COMPETITION
& CONSUMER COMMISSION

Franchising information network

Franchisors — end of financial year documents you must prepare or update

Dear Elizabeth,

If you are a franchisor and your 2023/24 Financial Year has ended, there are certain documents you must prepare or update for your franchisees.

1. A marketing fund statement

If your franchise has a marketing fund, you must give your franchisees:

- the annual marketing fund financial statement
- an auditor's report of the marketing fund financial statement, unless enough franchisees agree not to have it audited.

The marketing fund statement must give franchisees meaningful information about how fees have been used. It should be prepared within four months of the end of your financial year. For many franchisors, this will be **31 October 2024**.

You can find guidance about [franchise marketing funds](#) on our website.

2. Disclosure document and key facts sheet

Franchisors must remember to update their [disclosure document](#) and [key facts sheet](#) throughout the year to keep their franchisees updated and informed.

Within 4 months after the end of your financial year (for many franchisors, this will be **31 October 2024**) you must also update your documents to include information about:

- how the marketing fund was spent the previous year, including the percentage spent on production, marketing, administration and other stated expenses
- if the fund is audited and, if so, by whom and when
- if the franchisor, master franchisor or an associate supplies the goods or services that the fund pays for.

There are only limited circumstances where you won't have to update the disclosure documents and key facts sheet after the end of your financial year.

Why is this important?

If you mislead or fail to share important information with your existing and prospective franchisees, you may breach the law. A court could impose penalties on you, or the ACCC may issue an infringement notice with a penalty.

The ACCC investigates alleged breaches of the Franchising Code, and takes enforcement action in line with our [compliance and enforcement policy](#).

Guidance for franchisors

To help you understand and meet your disclosure obligations you can refer to our [franchising model disclosure document](#) guidance. The franchising model disclosure document is not a substitute for legal advice. Franchisors should seek professional advice to ensure they meet their disclosure obligations.

Kind regards,

Small Business team
Australian Competition and Consumer Commission (ACCC)