

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust Trading as Residency by Dillons Narrogin, Residency by Dillons Tin Can Bay and Residency by Dillons Fremantle (NAPS ID 6809) and the Secretary of the Department of Health and Aged Care.

Report on Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust Trading as Residency by Dillons Narrogin, Residency by Dillons Tin Can Bay and Residency by Dillons Fremantle compliance with the Aged Care Act 1997 and the *Fees and Payments Principles 2014 (No.2)*.

We have audited the compliance of Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust Trading as Residency by Dillons Narrogin, Residency by Dillons Tin Can and Residency by Dillons Fremantle with the requirements of Part 5, Part 6, and Part 7 of the *Fees and Payments Principles 2014 (No.2)* (Fees and Payments Principles) for the period 1 July 2021 to 30 June 2023.

Opinion

In our opinion, the Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust Trading as Residency by Dillons Narrogin, Residency by Dillons Tin Can and Residency by Dillons Fremantle ("the Residency by Dillons Narrogin, Tin Can Bay and Fremantle") has complied, in all material respects, with the requirements of Part 5, Part 6, and Part 7 of the Fees and Payments Principles 2014 (No.2) for the period 1 July 2021 to 30 June 2023.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Guide, we are required to report all instances of non-compliance with the requirements of the Act and the Fees and Payments Principles by the Residency by Dillons Narrogin, Tin Can Bay and Fremantle that came to our attention during the course of our audit.

There is no instance of non-compliance with prudential requirements came to our attention for the period 1 July 2021 to 30 June 2023.

Management and the Trustee Responsibility

The Management and the Trustee of the Residency by Dillons Narrogin, Tin Can Bay and Fremantle are responsible for compliance with the Act and the Fees and Payments Principles and for such internal control as the Management and the Trustee determine is necessary for compliance with the Act and the Fees and Payments Principles. The responsibilities of the Management and the Trustee include requirements under the Act and the Fees and Payments Principles for the preparation and presentation of the Annual Prudential Compliance Statement (APCS) and compliance with the Prudential Standards contained within the Fees and Payments Principles.

Auditor's Responsibility

Our responsibility is to form and express an opinion on the Residency by Dillons Narrogin, Tin Can Bay and Fremantle's compliance, in all material respects, with the prudential requirements of the Act and the Fees and Payments Principles.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 *Compliance Engagements*), issued by the Auditing and Assurance Standards Board and with the requirements of the Department of Health and Aged Care as set out in the Guide to the Audit of the Approved Provider's Compliance with the Prudential Requirements (the Guide). Our audit has been conducted to provide reasonable assurance that the Residency by Dillons Narrogin, Tin Can Bay and Fremantle has complied with the requirements of the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

Audit procedures selected depend on the auditor's judgement. The auditor designs procedures that are appropriate in the circumstances and incorporate the audit scope requirements set out in the Guide. The audit procedures have been undertaken to form an opinion on compliance of the Residency by Dillons Narrogin, Tin Can Bay and Fremantle with Part 5, Part 6, and Part 7 of the Fees and Payments Principles.

Audit procedures include obtaining evidence relating to refundable deposits, accommodation bonds and entry contributions held; refunds of refundable deposits, accommodation bond balances and entry contributions; limits on charging refundable deposits, accommodation bonds; compliance with the Prudential Standards relating to liquidity, records, governance and disclosure; and use of refundable deposits and accommodation bonds.

Use of Report and Restriction on Distribution

This auditor’s report has been prepared for the Management and the Trustee of the Residency by Dillons Narrogin, Tin Can Bay and Fremantle and the Secretary of the Department of Health and Aged Care for the purpose of fulfilling the requirements of the Disclosure Standard. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Management and the Trustee and the Secretary of the Department of Health and Aged Care, or for any purpose other than that for which it was prepared. Our report is intended for the Management and the Trustee of the Residency by Dillons Narrogin, Tin Can Bay and Fremantle and the Secretary of the Department of Health and Aged Care and should not be distributed to other parties.

Inherent Limitations

Because of the inherent limitations of any compliance procedures, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements of the Act and Fees and Payments Principles, as the audit procedures are not performed continuously throughout the year and are undertaken on a test basis.

The auditor’s opinion expressed in this report has been formed on the above basis.



Shreeve & Carslake
Chartered Accountants



Phillip Shreeve
Partner
Registered Company Auditor Number: 477151

Dated this 11 day of October 2023.
At 24 Walters Drive, Herdsman Business Park, WA

Annual Prudential Compliance Statement (APCS)

At any stage during your financial year did you hold one or more refundable deposit, bond or entry contribution balances:

A: Yes

Total value of refundable deposits and bond payments received in the current financial year	\$5,591,094.00
Total amount deducted from all refundable deposit and bond balances in the current financial year	\$0.00

Compliance With Prudential Standards

Compliance with the Liquidity Standard

Did you comply with all requirements of the Liquidity Standard for the full financial year?

A: Yes

If you answered no, you must submit a separate statement explaining why you have not complied with the standard

What was the last date your Liquidity Management Strategy was reviewed, updated or replaced?	12/01/2023
What is the minimum liquidity level identified in your Liquidity Management Strategy for the next 12 months?	\$1,000,000.00

Compliance with the Records Standard

Did you comply with all requirements of the Records Standard for the full financial year?

A: Yes

If you answered no, you must submit a separate statement explaining why you did not comply

Compliance with the Governance Standard

Did you comply with all requirements of the Governance Standard for the full financial year?

A: Yes

If you answered no, you must submit a separate statement explaining why you did not comply

Compliance with the Disclosure Standard

Did you comply with all requirements of the Disclosure Standard for the full financial year?

A: Yes

If you answered no, you must submit a separate statement explaining:

- the total number of occasions on which you did not comply with the Standard;
- the reasons or reasons for your failure to comply with the Standard; and
- in respect of each reason provided - the total number of occasions of non-compliance attributable to the reason.

Compliance With Refundable Accommodation Payments

Limits on Charging Refundable Deposits or Bonds

Was there any period during the financial year when you were not permitted to charge Refundable Deposits and/or Bonds for one or more of the services operated by you?

A: No

If you answered yes, you must submit a separate statement explaining:

- the period or periods during which you were not permitted to charge a Refundable Deposit and/or Bond
- the aged care service in respect of which each period specified applies

Compliance with Rules Around Charging Bonds

For each bond entered into, did you enter into a bond agreement with the care recipient before, or within 21 days after the care recipient entered the service as required under the Aged Care (Transitional Provisions) Act 1997?

Only answer N/A if you did not enter into any bond agreements.

A: N/A

Compliance with Rules Around Charging Accommodation Payments

For each accommodation agreement entered into, did you ensure that the accommodation price was published at the time the agreement was entered into and was not more than the amount published at the time the agreement was entered into?

A: Yes

If you have answered no, you must submit a separate statement with details:

- How many accommodation agreements did you enter into that did not comply with this rule
- The reason(s) for failure to comply with this rule
- What processes are now in place to ensure future compliance

For each accommodation agreement entered on or after 1 July 2020, did you comply with Division 1 of Part 4 of the Fees and Payments Principles 2014 (No. 2) - accommodation agreements?

A: Yes

For each accommodation agreement entered into, was the maximum amount agreed in writing before the care recipient entered the service as required under the Aged Care Act 1997?

A: Yes

For each Refundable Deposit agreement entered into, was it before or within 28 days after the care recipient entered the service as required under the Act? (for care recipients who first entered care on or after 1 July 2014).

A: Yes

Compliance With the Provision of Other Care and Service Fees

During the current financial year did you enter into an agreement where you charged (or intended to charge) additional fees for activities or services that:

- do not or did not provide a direct benefit to the care recipient; or
- the care recipient was not able to make use of; or
- were part of the normal operation of an aged care home and fall within the scope of specified care and services.

A: No

If you answered yes, you must submit a separate statement explaining:

- The total value of each such fee received during the financial year
- The reason for charging or the intended use of these fees or charges
- What steps have you taken or are taking to refund these fees or charges
- What processes are now in place to ensure future compliance

Compliance with Refunding Responsibilities

Refund of refundable lump sum balances

During the current financial year did you refund all refundable deposit and bond balances as, and when, they fell due as required by section 52P-1 of the Act?

A: Yes

If you answered no, you must submit a separate statement with the following details for each instance:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for failure to comply
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

For each Refundable Deposit and Bond balance that was refunded during the financial year, was the correct amount of interest paid at the time and to the care recipient required by section 52P-3 of the Act?

A: Yes

If you answered no, you must submit a separate statement with the following details for each instance:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for failure to comply
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

Refund of entry contribution balances

During the current financial year did you refund all Entry Contribution (EC) balances that became payable in accordance with each formal agreement with each care recipient?

A: N/A

If you answered no, you must submit a separate statement with the following details:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for failure to comply
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

For each entry contribution balance that was refunded after the last day for it to be refunded under the formal agreement, was the correct amount of interest paid in the time and to the person required by section 52P-3 of the Aged Care Act 1997?

A: N/A

If you answered no, you must submit a separate statement with the following details:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for failure to comply
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

Compliance with Permitted Uses for Accommodation Payments

Permitted Uses for Refundable Deposits and Bonds

During the financial year did you use all Refundable Deposits and Bonds only for uses that are permitted under the Act?

A: Yes

If you answered no, please submit a separate statement explaining:

- Each non-permitted use
- The amount expended on each non-permitted use
- The reason you failed to comply with permitted use requirements
- What processes are in place to ensure future compliance

On which permitted uses did you expend Refundable Deposits and/or Bonds?

<u>Refunding of refundable deposits, bonds or entry contributions</u>	<input type="checkbox"/>
<u>Capital Expenditure</u>	
To acquire land on which are, or are to be built, the premises needed for providing residential or flexible care.	<input type="checkbox"/>
To acquire, erect, extend or significantly alter premises used or proposed to be used for providing residential or flexible care.	<input checked="" type="checkbox"/>
To acquire or install furniture, fittings or equipment for premises used or proposed to be used for providing residential or flexible care, when the premises are initially erected or following an extension, significant alteration or significant refurbishment.	<input checked="" type="checkbox"/>
Expenditure directly attributable to the capital expenditure listed above.	<input checked="" type="checkbox"/>
<u>Invested financial products (within the meaning of section 764A of the Corporations Act)</u>	
Deposit-taking facilities made available by an authorised deposit-taking institution (ADI) (e.g. bank accounts, building societies, credit unions) in the course of its banking business.	<input checked="" type="checkbox"/>
Debentures, stocks or bonds issued by the Commonwealth, States or Territories	<input type="checkbox"/>
Securities	<input type="checkbox"/>
Registered managed investment schemes	<input type="checkbox"/>
Unregistered managed investment schemes established for residential or flexible aged care	<input type="checkbox"/>
Invested in a Religious Charitable Development Fund (RCDF)	<input type="checkbox"/>
<u>Made loans for</u>	
Capital expenditure	<input type="checkbox"/>
Investment in financial products	<input type="checkbox"/>
Refunding of refundable deposit, bond or entry contribution balances	<input checked="" type="checkbox"/>
Repaying debt accrued for the purposes of capital expenditure or refunding of refundable deposits, bond balances or entry contribution balances.	<input type="checkbox"/>
<u>Repaid debt accrued for</u>	
Capital expenditure	<input checked="" type="checkbox"/>
Refunding of refundable deposit, accommodation bond or entry contribution balances.	<input checked="" type="checkbox"/>
Reasonable business losses incurred in the first 12 months of service operation by an approved provider	<input type="checkbox"/>
Repaid debt accrued before 1 October 2011 for the purposes of providing aged care to care recipients	<input type="checkbox"/>

Expenditure during the financial year (from any source of funding)

Expenditure during the financial year on uses for which refundable deposits, bonds or entry contributions would be permitted (from any source of funding)

Refunding of refundable deposit, bond or entry contribution balances.	\$1,823,699.00
Capital expenditure as defined by paragraph 52N-1(2) (a) of the Act.	\$427,041.00
Increase or (decrease) during the financial year in deposits with authorised deposit-taking institutions as defined by section 52N-1(3)(a) of the Act.	\$1,876,320.00
Other financial products listed in paragraphs 52N-1(3)(b) to (e) of the Act and subsections 64(1) to (2) of the Fees and Payments Principles 2014 (No 2).	\$0.00
Increase or (decrease) during the financial year in investment in Religious Charitable Development Funds as outlined in Section 63(c) of the Fees and Payments Principles 2014 (No 2).	\$0.00
Loans that meet the criteria in paragraph 52N-1(2)(c) of the Act or section 63(b) of the Fees and Payments Principles 2014 (No 2).	\$676,951.00
Reasonable business losses in the first 12 months of service operation by an approved provider.	\$0.00
Subtotal:	\$676,951.00
To repay debt accrued for the purposes of capital expenditure of a kind specified in the Fees and Payments Principles.	\$804,442.00
Repaid debt accrued before 1 October 2011 that was accrued for the purposes of providing aged care to care recipients.	\$0.00

Amount returned from financial investments made after 1 October 2011 (from any funding source)

If you invested in permitted financial products other than a deposit taking facility made available by an ADI in the course of its banking business (e.g. if you invested in securities) after 1 October 2011 and later sold, disposed or redeemed those investments (whether or not the money for the investments came from refundable deposits, accommodation bonds or entry contributions). What was the amount received from the sale, disposal or redemption?

	\$0.00
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Refundable Deposits, Bonds and Entry Contribution Balances Held at End of Financial Year

Refundable Deposit, Bond and Entry Contribution Balances

If a service operated by you on the last day of your financial year has been omitted from the list or if a listed service was not your responsibility on the last day of your financial year, please email health@formsadministration.com.au

ID:	Service Name:	Refundable Lump Sum Balances		Entry Contribution Balances	
		Total number of Refundable Deposit & Bond balances held at end of financial year	Total value of Refundable Deposit & Bond balances held at end of financial year	Total number of entry contribution balances held at end of financial year	Total value of entry contribution balances held at end of financial year
4853	Residency by Dillons Fremantle	11	\$3,065,000.00	0	\$0.00
3670	Residency by Dillons Tin Can Bay	20	\$6,726,547.52	0	\$0.00
4896	Residency by Dillons Narrogin	7	\$1,547,563.74	0	\$0.00