

INDEPENDENT AUDITOR'S REPORT

RSM Australia Pty Ltd

To the Board of Governance of Ararat Retirement Village Inc. and the
Secretary of the Department of Health.

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Report on Ararat Retirement Village Inc.'s compliance with the *Aged Care Act 1997* and the *Fees and Payments Principles 2014 (No.2)*.

We have audited the compliance of Ararat Retirement Village Inc. 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 2020 to 30 June 2021.

Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, Ararat Retirement Village Inc. 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 2020 to 30 June 2021.

Basis for Qualified Opinion

During the period 1 July 2020 to 30 June 2021 Ararat Retirement Village Inc. failed to comply with the Prudential Standard relating to compliance with refunding responsibilities required by Part 7 of the *Fees and Payments Principles 2014 (No.2)*.

Our opinion above is not modified in respect of the following matter because, in our opinion, it has been appropriately addressed by Ararat Retirement Village Inc. and is not considered material, either individually, or taken as a whole, in the context of the engagement:

- a) The approved provider failed to refund one refundable deposit within the legislated timeframe.

Board of Governance' Responsibility

The Board of Governance of Ararat Retirement Village Inc. is responsible for compliance with the *Aged Care Act 1997* (the Act) and the Fees and Payments Principles and for such internal control as the Board of Governance determine is necessary for compliance with the Act and the Fees and Payments Principles. The responsibilities of the Board of Governance 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 Ararat Retirement Village Inc.'s compliance with the matters reported on in the Annual Prudential Compliance Statement.

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 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 Ararat Retirement Village Inc. has complied with the requirements of Part 5, Part 6, and Part 7 of the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

THE POWER OF BEING UNDERSTOOD

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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 Ararat Retirement Village Inc. with of 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 contribution balances; limits on charging 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 Board of Governance of Ararat Retirement Village Inc. and the Secretary of the Department of Health 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 Board of Governance and the Secretary of the Department of Health, or for any purpose other than that for which it was prepared. Our report is intended for the Board of Governance of Ararat Retirement Village Inc. and the Secretary of the Department of Health 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.

A stylized, handwritten-style signature of the letters 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in cursive script that reads 'John Findlay'.

JOHN FINDLAY
Director

Ballarat, Victoria
Dated this 22nd day of October 2021

Registered company auditor 431208