



*Rembrandt
Living*



2020



**ANNUAL
REPORT**

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Front cover (from top):

Resident Ziggy and his grandchildren;
Residents Mary & Margaret; and
Staff members Tracey & Clancy with Resident Tinie (middle)

Rembrandt

BOARD OF DIRECTORS



Sef van den Nieuwelaar
Chairperson



Jacques Metzger
Deputy Chairperson



John Bird
Treasurer



Joy Tol
Secretary



Lyn Warnock
(until 20 November 2019)



Etienne Scheepers



Paul Thorne



Marie Wood



Simon Brewer



Sue Cantor
(from 27 May 2020)

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CHAIRMAN'S REPORT

Sef van den Nieuwelaar

It is with pleasure that I provide my third Report as Rembrandt Living's Chairman and that I can report on another positive year overall despite the trying circumstances for Rembrandt Living.

Whilst the Royal Commission into Aged Care (that commenced in October 2018) continued throughout most of the year, the onset of the COVID-19 Pandemic in February 2020 certainly dominated the year, thrusting aged care into the public spotlight following the tragic loss of lives in New South Wales and Victoria.

The pandemic, the likes of which we have never seen before, added a whole new level of governance, risk management, hard work and stress onto an already weary industry, Rembrandt included. I am proud of how Rembrandt kept the safety of our clients, residents and staff at the forefront of our

"This lockdown has been easier knowing Mum was in a place where people that truly care. Thank you for all you do. Please know that we appreciate everything. "

RESIDENT'S DAUGHTER

morale whilst Paid Pandemic Leave for all staff ensured staff didn't attend work with COVID-19 symptoms. The entire organisation banded together (including the board who held four extraordinary meetings) and put in the extra time required. The pandemic will clearly continue into next year.

2019/20 was another year of good governance with the Board presiding over the first successful year of our new 3-Year Strategic Plan (for 1 July 2019 to 30 June 2022). Our governance processes and systems have been constantly reviewed and improved throughout the year including a significant amount of policy work and we even went virtual during the height of the pandemic with board meetings being held via the popular

minds at all times whilst battling the constant barrage of information, rule changes and fear.

The board constantly monitored the pandemic progression and it's implications and made some key strategic decisions which due to their innovative nature and timing were well received. A paid "Pandemic Day Off" or "Have a Break" Vouchers for staff helped with

Rembrandt

software Zoom. We also appraised our CEO Deb's performance utilising external expertise for independence with very pleasing results.

It is with these results in mind the Board decided to fund a short study-trip for our CEO to the US for professional development in the areas of dementia care as well as learning about the aged care system abroad.

It seems like a lifetime ago that we welcomed the new Aged Care Quality Standards covering residential and home care services introduced by the Safety and Quality Commission from 1 July 2019 with a full spot audit on 4th July 2019!!!

Our core business units enjoyed another good year of providing excellent aged care services. Our residents, clients and their families/loved ones have all expressed their satisfaction and gratitude for the high quality of the services provided consistently across the year. Our staff also expressed their satisfaction working at Rembrandt through the annual survey with a Net Promoter score of +62 up from +51 last year. Best practice in this area is considered +20 or above.

The newly established groups in the Clinical Governance Committee and a Consumer Reference Group have resulted in invaluable input to our governance processes. Both groups have been Chaired by Directors and have engaged clients, residents and external subject-matter experts.

Continuing to develop professionally as individual Directors and as a group remained important. This year we commissioned the services of our industry body Leading Aged Services Association (LASA) to provide governance training. On top of this we continue to constantly review and develop our governance practices.

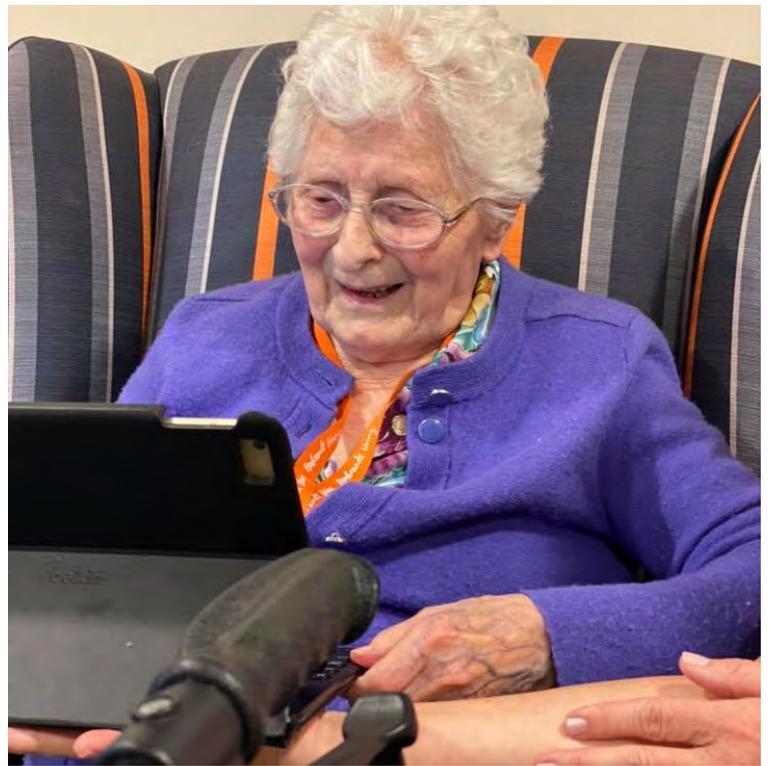
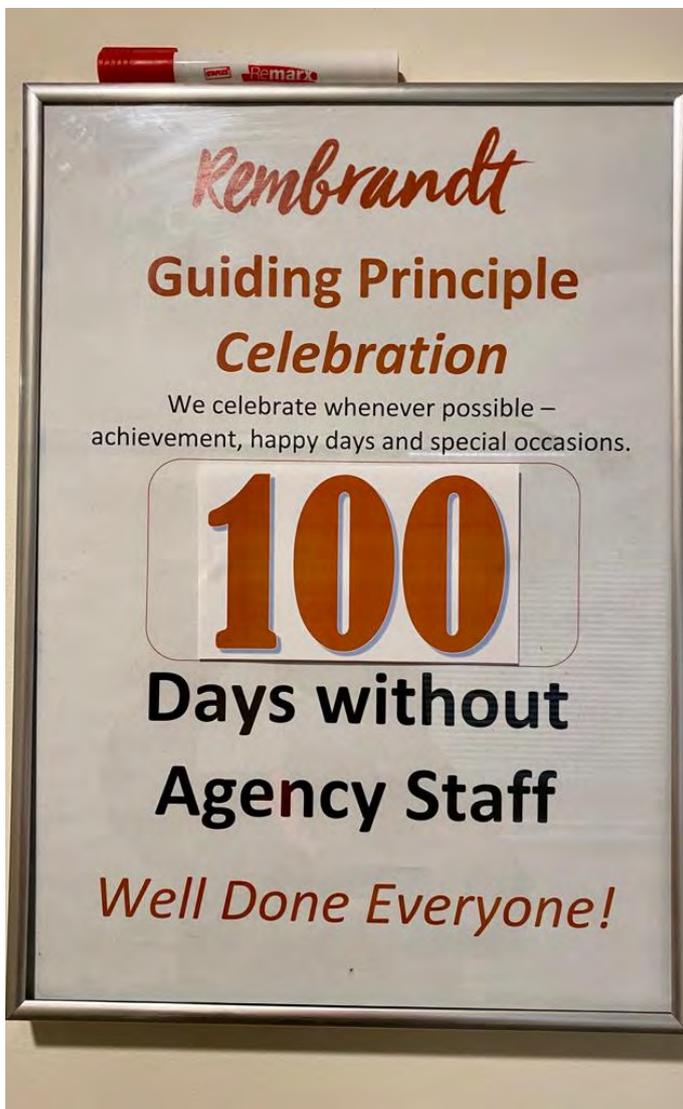
The potential of Rembrandt developing the piece of land adjoining Rembrandt Court on the Doreen Street and Barry Road corner, grew, with the Board and CEO beginning discussions with the developers of the suburb-wide Oaklands Green development. We look forward to continuing our due diligence on this potential project next year and will keep you informed.

I take this opportunity to thank the board for their commitment to our organisation. I am very confident in our team going forward which underwent a change with the resignation of long-serving Director Lyn Warnock in November 2019. The board decided to remain vigilant in their quest to replace Lyn with a Director with a specific clinical skill-set so it wasn't until May this year we co-opted Sue Cantor onto our board as Lyn's replacement.

Despite what will be a very interesting and challenging year for the aged care industry, and Rembrandt I am confident 2020/21 will be another positive yet busy year. Last but not least, I thank our staff for their hard work and contribution to Rembrandt Living.

Rembrandt





**'COVID
STYLE'**





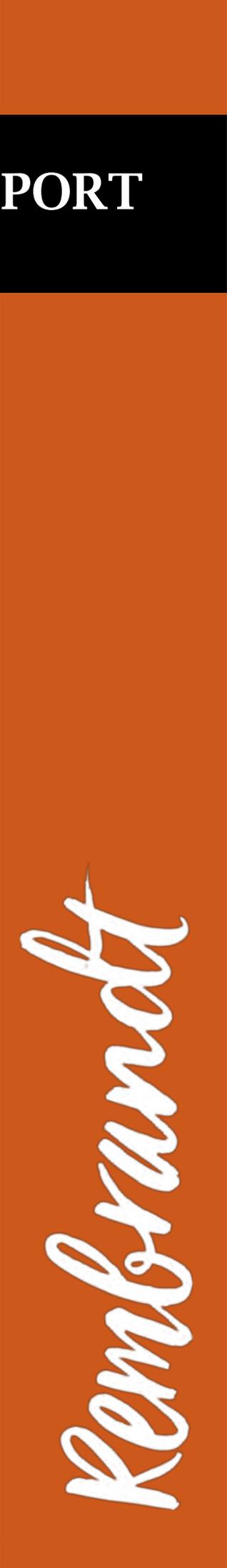
TREASURER'S REPORT

John Bird

I am pleased to report on another satisfactory year for Rembrandt across all service streams' financial 'bottom lines' particularly considering the year we have had! As per the enclosed General Purpose Financial Report, the following are the 2019/20 highlights from a financial perspective:

2019/20 Budget	\$300,000
Mid-Year Review Forecast	\$166,000
2019/20 Result	\$185,065 * * Excludes: a. (\$111, 893) in unrealised loss on hybrid investments b. \$50,000 COVID cashflow bonus, received in 2020/21. c. \$39,609 Extra annual leave on costs accrual
2019/20 Result (as per Audited Statements)	\$85,563
Compared to Budget	(\$114,935)
Compared to Mid-Year Forecast	\$19,065
Residential Result	(\$15,675) * * includes Café deficit of \$23,433
Home Care Result	\$200,740
Net Equity	\$7.986 Million

Missing the budget is primarily a result of two factors:
 a. The ongoing increased costs of providing quality care in residential services; and



- b. The COVID-19 Pandemic and associated loss of services and corresponding income in the allied health area.

I am pleased to say that the Board and the Finance, Audit, Risk & Compliance (FARC) Committee (which I Chair) have been kept fully aware of our financial difficulties and remained constantly vigilant in assessing our financial position.

The independent audit was again conducted by BDO and I am pleased to say that the Audit was Unqualified (meaning there were not any issues found) and, in addition, we received positive feedback from the Auditors on our internal controls and systems.

“Kate is marvellous, my sink is sparkling clean and Kate even did the kitchen window.”

HOME CARE CLIENT

The contribution of management and staff in the finance area, led by the Finance Manager, Joanna Strzelbicki is highly appreciated.

The Board and Finance Committee have approved a ‘stretch’ budget (one which will take outstanding performance to achieve) for 2020/21 with an overall

projected surplus of \$135,000 which, despite the disruption caused by COVID-19, we are relatively confident, in achieving. The Board have also approved a \$425,000 capital budget to further enable the continued improvement of our assets, infrastructure, facilities and equipment.

I look forward to another exciting year at Rembrandt Living.

Rembrandt



THE BEST STAFF





FUN
FUN
FUN





CHIEF EXECUTIVE OFFICER REPORT

Deb Dutton

Firstly, I acknowledge the Rembrandt Living residents and clients that have passed away during this year and again express our condolences to their families and loved ones. The day you become a Rembrandt client or resident, you join the 'Rembrandt family' and it is never easy saying goodbye to 'family'. I also acknowledge the family and friends of residents now passed – they too become part of our extended family and we miss their presence in the daily life at Rembrandt.

Every year is a busy year however this one seemed extra busy! To mention a few – a new strategic plan, new quality standards (and subsequent spot visit), new governance groups, an overseas study trip for me personally and did I mention the COVID-19 Pandemic – all this on top of 'business as usual'! Despite all of this, I am super proud of the way our organisation bands together in difficult times keeping our clients, residents and staff wellbeing in the forefront of our minds.

The COVID-19 Pandemic hitting in February 2020 certainly dominated the year creating what is now our 'new normal'. It challenged our organisation and its people in ways we didn't know possible. I am however super proud of how we banded together, worked hard, adapted constantly, continuously learnt and acted in the best interests of our residents, clients and staff at all times. I am particularly pleased with the work completed by the residential team in keeping Rembrandt Court free from agency staff together with the home care team gathering around their clients and providing such brilliant support through welfare checks and activities.

I am pleased to report that 'gezellig' (the Dutch word meaning homely, welcoming and friendly) remains at the core of what we do and underpins how we go about each day. Whilst we don't get it 'right' all of the time, we work hard and I am personally proud of the way we 'really do' care for our clients and residents.

After growing our Home Care Packages extraordinarily well last year (50% growth), we did it again this year with an even better 50.1%. Our major source of clients is simply 'word of mouth' attesting to our growing reputation as an excellent client-focused 'no nonsense' service provider. Our home care services also expanded this year with the launch of our Community Allied Health Services including group and individual sessions, both in our centres and in client's homes in the disciplines of physiotherapy, occupational therapy and massage. Unfortunately, the pandemic has

Rembrandt

hindered the ongoing development of these services however we look forward to a better 2020/21.

Rembrandt Court remained the busy 'gezellig' home we know it as with again above benchmark occupancy rate of over 99.3% continuing. A revised clinical leadership structure furthermore has increased our clinical governance reach and the health and wellbeing of our residents has blossomed.

From an infrastructure development side we renovated and revamped our Home Care & Health Centre; the common kitchens in Magnolia & Rose Houses; swapped codes for fobs at Rembrandt Court and we cannot forget the magic table, the Tovertafel, which has already brought much fun!

"I hold Rembrandt Living in high regard & take every opportunity to tell people, who are looking for a place for their Aged Parents to go to live.!"

VOLUNTEER

As John mentioned earlier the overall financial result was not as we had hoped however I can assure members that all fiduciary obligations and responsibilities have been fulfilled without impacting on resident and client care. The COVID-19 Pandemic has been costly and despite the government initiatives being appreciated, the costs have outweighed this income.

As Sef mentioned, the new Safety and Quality Commission released a new set of Accreditation Standards in addition to a new Charter of Aged Care Rights. With both new systems coming into place from 1 July 2019 a significant amount of work was done in preparation and I thank all involved for this important work.

Our Facebook page remains our key social media platform and the accolades continue from clients, residents, staff and families on this communication tool. We absolutely love showing family and friends what life at Rembrandt is like and with over 1920 individual followers (up from 1500 this time last year), it is clearly well received. If you are not following us, do yourself a favour and do it today!

In December 2019 I had the absolute privilege of spending 10 days with our Lifestyle Coordinator/Staff Educator, Nicoline in California, USA on an organisation-funded study trip. The aim of the tour was to attend Stage 2 of our Teepa Snow Dementia Care Trainer Accreditation (Stage 1 was online training) and visit other aged care providers to learn from/investigate/analyse. The trip was excellent - it was an informative, educative, professional and motivating experience looking at the way California and the USA generally delivers care to their elderly.

Rembrandt

In addition to the Teepa Snow Training, which also included significant networking and information sharing, we visited a number of institutions, both for-profit and not-for-profit located in both metropolitan and regional areas. These visits showcased not only successful commercial models in the field but gave us an overview of the current USA system of elder care. We returned with loads of new connections and motivation for improvement with a long list of ideas and potential initiatives. We have already conducted training and information sessions for staff and families and look forward to more of this when the pandemic finishes.

In closing, I say a sincere thank you - Rembrandt would not exist without the invaluable support and dedication of its Directors, volunteers and staff whose care and dedication to our organisation's Residents and Clients is admirable. I do have the best job in the world – being able to play a small part in the lives of our much-loved clients and residents as they age is a privilege I don't take lightly, looking forward to 2020/2021!

The logo for Rembrandt, featuring the name in a white, elegant script font set against a solid orange background.



HOUSES
RENAMED





HOME CARE SERVICES REPORT

Tracey Murray

With pleasure I present my second Annual Report as General Manager for our Home Care Services for the 2019/20 year - and what a memorable year it has been! We are very proud of our achievements and I thank our dedicated and committed group of staff and volunteers for their ongoing commitment to our clients particularly during the COVID-19 Pandemic.

As Deb mentioned earlier, we have again had significant growth across our Home Care Packages, both in the number of Home Care Packages and levels of packages that have been assigned to our clients. At the end of the financial year we totalled 125 Home Care Packages (up from 83 this time last year), a significant (50%) increase. This is the second year in a row we have had such significant growth - in the midst of a worldwide pandemic this is a significant achievement and we couldn't be prouder.

Our Commonwealth Home Support Program (CHSP) services also continued in earnest with client satisfaction ratings continuing at an all-time high. Due

"There is a great family atmosphere at Rembrandt, from CEO to support worker.!"

STAFF MEMBER

to the pandemic the Government has allowed flexibility in these services which has increased our ability to provide more much needed services such as meals, personal care and telephone welfare checks during this unsettling time.

We launched our new Allied Health Social Support Services in October 2019 following our Grand Opening of our newly refurbished Home Care and Health Centre at Green Fields. Whilst this gained momentum very quickly and the take up from our clients was excellent, we unfortunately had to put our group sessions on hold due to the COVID-19 Pandemic restrictions. We cannot wait to get back into these much-needed services.

Our revamped and renovated Home Care & Health Centre now boasts clinical consulting rooms; a fully-equipped age-friendly gymnasium; new signage; a beautiful garden; fresh paint and a fantastic Dutch-inspired wall mural.

This year we managed to form partnerships with two more retirement village operators as their preferred home care service provider - Angle Vale Gannon Lifestyle and Karidis Homes. We look forward to servicing clients at these sites.

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Our staff and client's wellbeing and safety remained paramount which saw us constantly communicating and educating them and identifying clients at risk and their deterioration. Our staff continue to make welfare checks to our clients to ensure that they are feeling safe and well supported during these very unprecedented times.

We have completed some significant work developing the models for some new day respite services at both southern and northern sites. These will be launched in early July 2020, watch this space!

A high percentage of our Home Care Clients transition to permanent care at Rembrandt Court due to the trusting rapport that we have built with our clients and families. We provide a continuum of care by prioritising where possible to make this a seamless transition when their care needs become too high and it is unsustainable for them to stay in their own homes.

We are hoping that 2020/21 sees our growth continue however maybe slightly more steadier! We don't have any aspirations to become a large provider! I would like to take this opportunity to thank the Home Care staff for their part in improving the lives of our clients and their families which they do with pure sincerity.

The logo for Rembrandt is written in a white, elegant cursive script. It is positioned vertically on the right side of the page, set against a solid orange background that runs the full height of the page.





RESIDENTIAL SERVICES REPORT

Timara Poulish

2019/20 started with the introduction of new Aged Care Quality Standards across residential and home care services. As mentioned earlier, Rembrandt Court was audited by the Aged Care Quality and Safety Commission against these standards on July 4th. Despite an overall positive result, unfortunately, this resulted in one "Not Met" finding against Standard 1.

In typical Rembrandt fashion it was all hands-on deck and we quickly turned this around. On September 25th the Aged care Quality and Safety Commission again visited our home and reviewed our improvements, we received full compliance.

"Mum feels very comfortable going out with Di and not being hurried. It has taken me a while to get used to having services for herself, thank you!"

HOME CARE CLIENTS DAUGHTER

number of photo's with catchy slogans being placed in prominent locations around the home.

Rembrandt Court continues to lead the way in looking at opportunities to provide greater lifestyle activities, we became the first home in Australia to purchase and install the Tovertafel (*The Tovertafel Original is a fun care innovation that connects older people in the late stage of their dementia journey with each other and with their surroundings, all the while stimulating movement. The beautiful games were developed specifically for the target group and can be played both independently and under supervision.*) You can learn more at <https://tovertafel.com/care-innovation-dementia/>

After having our houses 'numbered' for many years it was time to create a more home like feel and adopt names (rather than numbers). Taking a vote on what our houses should be called, it was agreed by residents to use flower names. What flower names became the next challenge, so why not

In line with Standard 1, Consumer Dignity and Choice, Rembrandt commenced the "Its your choice campaign". This included a range of educational exercises for all staff and residents, information being shared to all stakeholders and a

Rembrandt

host a morning tea and draw them out of a hat! Now we proudly call our Houses Rose, Magnolia, Tulip and Daffodil.

Both Rose and Magnolia Houses have had full kitchenettes renovations, allowing for greater infection control, modern equipment and dedicated tea and coffee stations for residents to access.

In the early days of the pandemic we came up with the idea to challenge the aged care norm and attempt to make Rembrandt Court an Agency Staff Free workforce! With each milestone through to reaching the first 100 days agency free we continued to celebrate. This initiative was quick to become our new norm and staff are dedicated to maintaining an agency free workforce.

Following the resignation of our long-serving Clinical Nurse we made some changes to our clinical leadership structure - we developed a model which includes three clinicians, Care Coordinator (EN), Senior Registered Nurse and Clinical Coordinator (CN). By having three staff sharing the responsibility and on roster across seven days we are able to provide a more consistent approach to clinical care and services. Following the appointment of these positions and the continued support from our onsite GP, we have seen an improvement in pressure area care, detailed and timely reporting and a reduction in hospital transfers.

We have continued to build on our partnership with Uni SA and ongoing student engagement. The current student placement calendar extends to 2021. Each placement has a different focus and Rembrandt Court reaps the rewards with the implementation of exciting new initiatives and the completion of projects such as the sensory garden.

We all enjoyed another extremely successful residents and families Christmas dinner in late 2019 with a record number of diners. Everyone in attendance, including the staff and board members who volunteered their own time loved the evening.

The later part of the year was very difficult with the announcement of a worldwide pandemic, as mentioned in the CEO report. Rembrandt Court has continued to provide high quality care and services to all residents throughout this time. There were struggles along the way, however the team took each of them as an opportunity to improve systems and create a new normal. We have not only implemented changes to manage the pandemic but made significant improvements that will go on to form part of our normal operations into the future. Ongoing feedback, quality data and survey results indicate staff, residents and families have remained satisfied.

Looking forward to 2020/21 I would like to take this opportunity to thank the residential staff for their inspirational passion and dedication to our residents.

Rembrandt



FINANCE & BUSINESS OPERATIONS REPORT

Joanna Strzelbicki

I present this report on behalf of the team that provide our Residential and Home Care Services Teams with the corporate functions they need including reception, administration, quality assurance, finance and payroll services, work health and safety, risk management, human resource services and information technology (IT) services. I am pleased to advise we have continued to provide a consistent and high-quality service throughout a trying year.

Finance had another busy year. As mentioned by John earlier we had our external financial audit conducted by aged care specialists, BDO and we again, pleasingly, received an Unqualified Audit. We have continued our relationship with Stewart Brown Chartered Accountants and have again utilized their professional finance and corporate governance advice.

The continued strong growth in our home care package numbers and levels has again increased the demand for financial services. I am pleased to report that our finance team is working well together and continuing to support residential and home care services teams.

IT again was busy this year with the major project being the upgrade to our access control (door access in layman terms) across Rembrandt Court. Now staff and residents can open doors using a small fob as opposed to having to key in a code each time. One of those projects where we ask, "why didn't we do this earlier?" We also installed CCTV at our Home Care and Health Centre for increased security, new video Intercoms at Rembrandt Court, Emergency PA system upgraded at Rembrandt Court, Video Conferencing at both sites and setup staff needed to work from home (due to the pandemic). We also commission a Cyber security audit resulting overall positively with some actions to continue to keep our data and systems safe.

In the Human Resources area, we introduced 53 new staff to the organisation, with our grand total climbing to 189 staff (up from 156 this time last year). Our staffing numbers are steadily growing to meet demands across home care and residential services.

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"this is the first place I have worked that I feel equal and are treated that way, I'm not just a care worker!"

STAFF MEMBER

We currently have 16 Dutch-speaking staff, and the remainder speak a combined total of 23 different languages.

Recruitment has been very difficult in the current climate, as experienced staff are

very hard to attract, and this has placed a burden on existing staff with new staff being quite new to the industry.

From a training perspective, staff have undertaken over 2562 hours representing a 35% increase from last year of either online or face to face training during the period, which equates to approximately 1% of total hours.

Education sessions and communications to all staff which are on-going around Personal Protective Equipment (PPE) Training, Safe Food Handling/ Manual Handling and Infection Control is integral to ensuring our staff have the ability skills and knowledge to carry out their role safely and effectively. Obviously the COVID-19 Pandemic meant that our regular schedule was abandoned in favour of specific pandemic training.

We have had a very safe year in the Rehabilitation and Return to Work area with zero new WorkCover claims this year with just one ongoing claim, which will be carried forward to the next year.

I look forward to an exciting 2020/21.

Rembrandt





Rembrandt Living Incorporated

ABN 84 438 069 700

FINANCIAL REPORT - 30 JUNE 2020

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FINANCIAL REPORT - 30 JUNE 2020

DIRECTORS' REPORT

Rembrandt Living Inc. is incorporated in South Australia as an association under the *Incorporations Association Act 1985* and is registered as a charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

The Directors present the report on Rembrandt Living Inc. for the financial year ended 30 June 2020 and report as follows:

DIRECTORS: The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

Sef van den Nieuwelaar	Chair
<i>Year appointed</i>	2016 and appointed Chair 8/11/17
<i>Board Sub- Committee</i>	Member, Finance, Audit, Risk & Compliance Committee
Jacques Metzger	Deputy Chair
<i>Year appointed:</i>	2011 and appointed deputy chair in November 2015
<i>Board Sub- Committee</i>	Member, Finance, Audit, Risk & Compliance Committee
John Bird	Treasurer
<i>Year appointed:</i>	2012 and appointed treasurer in 2012
<i>Board Sub- Committee</i>	Chair, Finance, Audit, Risk & Compliance Committee
Lyn Warnock	Director
<i>Year appointed:</i>	2002
<i>Resigned:</i>	November 2019
Joy Tol	Director
<i>Year appointed:</i>	2016 and appointed Secretary January 2017
<i>Board Sub-Committee</i>	Clinical Governance Committee
Etienne Scheepers	Director
<i>Year appointed:</i>	2016
Paul Thorne	Director
<i>Year appointed</i>	2017
Marie Wood	Director
<i>Year appointed</i>	January 2019
Simon Brewer	Director
<i>Year appointed</i>	January 2019
Suzanne Cantor	Director
<i>Year appointed</i>	May 2020

REMBRANDT LIVING INC.
ABN 84 438 069 700

FINANCIAL REPORT - 30 JUNE 2020

DIRECTORS' REPORT

PRINCIPAL ACTIVITY

To establish, provide and administer aged care accommodation and support services for the welfare and enhancement of quality of life of aged persons or people with a disability (or their carers) in South Australia.

SIGNIFICANT CHANGES

There were no significant changes in the nature of the organization's activities during the year.

OPERATING RESULT

The operating income of the association for the financial year amounted to \$ 83,563 (2019: \$519,314). The association is a not-for-profit entity and is exempt from the payment of income tax.

During the financial year no officer of the Association, nor firm of which an officer is a member, nor a body corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between an officer, firm or corporate of the association.

No officer of the Association has received directly or indirectly from the Association any payment or other pecuniary value, other than in the case of officers employed by the Association.

MEETINGS OF DIRECTORS

The name of Directors holding office during or since the end of the financial year and the number of meetings each Director was eligible to attend and actually attended during the financial year is summarised as follows:

	Eligible	Attended
Sef van den Nieuwelaar	14	13
Jacques Metzger	14	14
John Bird	14	10
Lyn Warnock	3	0
Joy Tol	14	12
Etienne Scheepers	14	11
Paul Thorne	14	12
Marie Wood	14	12
Simon Brewer	14	13
Suzanne Cantor	1	1

INDEPENDENCE DECLARATION

The auditor's independence declaration as required under subdivision 60-C section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2020 has been received and can be found on the following page, which forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors:



Sef van den Nieuwelaar
Chairperson



Jacques Metzger
Deputy Chair

Oaklands Park, 30th September 2020

DECLARATION OF INDEPENDENCE UNDER SECTION 60-40 OF THE AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

BY ANDREW TICKLE

TO THE RESPONSIBLE ENTITIES OF REMBRANDT LIVING INC

As lead auditor of the Rembrandt Living Inc for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Andrew Tickle
Director

BDO Audit (SA) Pty Ltd

Adelaide, 14 October 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	4	12,836,912	11,167,016
Other income	4	(4,591)	(16,407)
		<u>12,832,321</u>	<u>11,150,609</u>
Expenses			
Accommodation expenses		(290,353)	(291,619)
Administration and other expenses		(542,307)	(480,098)
Depreciation and amortisation	5	(857,116)	(823,090)
Finance Costs		(624,324)	(68,785)
Hotel services expenses		(430,890)	(405,140)
Resident and client expenses		(1,260,812)	(788,259)
Salaries and employee benefits		(8,518,923)	(7,545,866)
Utilities		(224,034)	(228,437)
		<u>(12,748,758)</u>	<u>(10,631,294)</u>
Surplus for the year		83,563	519,314
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>83,563</u></u>	<u><u>519,314</u></u>

REMBRANDT LIVING INC.**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
ASSETS			
Cash and cash equivalents	6	4,832,609	4,949,091
Trade and other receivables	8	200,184	241,869
Investments	7	2,731,742	1,843,635
Property, plant and equipment	9	<u>16,695,257</u>	<u>17,111,365</u>
TOTAL ASSETS		<u>24,459,793</u>	<u>24,145,960</u>
LIABILITIES			
Trade and other payables	10	1,351,222	1,219,867
Borrowings expected to be paid within 12 months	11	238,500	238,500
Refundable loans expected to be paid within 12 months	12	2,244,047	2,198,160
Provisions expected to be paid within 12 months	13	528,919	409,587
Borrowings expected to be paid after 12 months	11	3,120,375	3,358,875
Refundable loans expected to be paid after 12 months	12	8,976,189	8,792,640
Provisions expected to be paid after 12 months	13	<u>13,912</u>	<u>25,266</u>
TOTAL LIABILITIES		<u>16,473,165</u>	<u>16,242,894</u>
NET ASSETS		<u>7,986,628</u>	<u>7,903,065</u>
EQUITY			
Accumulated funds		4,015,598	3,932,035
Reserves	14	<u>3,971,030</u>	<u>3,971,030</u>
TOTAL EQUITY		<u>7,986,628</u>	<u>7,903,065</u>

The accompanying notes form part of these financial statements

REMBRANDT LIVING INC.**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Accumulated Funds	Asset Revaluation Reserve	Grants	Total
	\$	\$	\$	\$
Balance at 1 July 2018	3,412,721	3,971,030	-	7,682,825
Comprehensive income				
Surplus for the year	519,314	-	-	519,314
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	<u>3,932,035</u>	<u>3,971,030</u>	<u>-</u>	<u>7,903,065</u>
Transfers to / from reserves	-	-	-	-
Balance at 30 June 2019	<u>3,932,035</u>	<u>3,971,030</u>	<u>-</u>	<u>7,903,065</u>
Balance at 1 July 2019	3,932,035	3,971,030	-	7,903,065
Comprehensive income				
Surplus for the year	83,563	-	-	83,563
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	<u>83,563</u>	<u>-</u>	<u>-</u>	<u>83,563</u>
Transfers to / from reserves	-	-	-	-
Balance at 30 June 2020	<u>4,015,598</u>	<u>3,971,030</u>	<u>-</u>	<u>7,986,628</u>

REMBRANDT LIVING INC.**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Operating Cash Flows			
Receipts from customers and government		12,394,438	11,092,842
Payments to suppliers and employees		(11,134,983)	(9,523,129)
Allowable deductions from Bonds		(46,551)	(59,967)
Interest received		190,440	219,331
Finance costs (interest paid)		(60,164)	(68,785)
<i>Total Operating Cash Flows</i>		<u>1,343,181</u>	<u>1,660,292</u>
Investing Cash Flows			
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment			
Residential Aged Care (excl Retirement Living)		(445,600)	(794,116)
Purchase of investments		(1,000,000)	(500,000)
<i>Total Investing Cash Flows</i>		<u>(1,445,600)</u>	<u>(1,294,116)</u>
Financing Cash Flows			
Accommodation bonds/refundable deposits received		3,253,006	1,492,218
Accommodation bonds/refundable deposits/entry contributions (refunded)		(3,028,568)	(4,014,269)
Repayment of borrowings		(238,500)	(238,500)
<i>Net cash flows from financing activities</i>		<u>(14,063)</u>	<u>(2,760,551)</u>
Net increase (decrease) in cash and cash equivalents		(116,482)	(2,394,375)
Cash and cash equivalents at the beginning of the financial year		<u>4,949,092</u>	<u>7,343,467</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>4,832,609</u></u>	<u><u>4,949,092</u></u>

The accompanying notes form part of these financial statements

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 1 – Reporting entity**

The financial report includes the financial statements and notes of Rembrandt Living Inc. is incorporated under the *Associations Incorporation Act (SA) 1985* and the *Australian Charities and Not-for-profits Commission Act 2012* and is domiciled in Australia.

The financial statements were approved by the Board of Directors on 30th September 2020.

Note 2 - Basis of preparation

Rembrandt Living Inc. adopted Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirement*.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the *Associations Incorporation Act (SA) 1985*, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Basis of measurement

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key estimates**Impairment**

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 2 - Basis of preparation (continued)*****Presentation of statement of financial position on a liquidity basis***

The Directors have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and entry contributions) as current liabilities does not reflect the true liquidity of the entity as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, in the current year the Directors have chosen to present its statement of financial position under the liquidity presentation method (*AASB 101 Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

Note 3 - Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the incorporated association.

The following Accounting Standards and Interpretations are most relevant to the incorporated association:

AASB 15 Revenue from Contracts with Customers

The association has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an association shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the association expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue.

Impact of adoption

AASB 15 was adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2019.

AASB 1058 Income of Not-for-Profit Entities

The association has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the association to further its objectives.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****AASB 1058 Income of Not-for-Profit Entities (continued)***

For transfers of financial assets to the association which enable it to acquire or construct a recognisable non-financial asset, The association must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the association satisfies its performance obligation. If the transaction does not enable the association to acquire or construct a recognisable non-financial asset to be controlled by the association, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately.

Impact of adoption

AASB 1058 was adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2019.

AASB 16 Leases

The association has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. There was no impact of adoption on opening balances as at 1 July 2019.

Leases***As lessor - residential aged care***

Resident loans are treated using the principles of lease accounting because Rembrandt Living has assessed that residents enter a lease to occupy a room within the residential aged care facility. The association estimated the fair value of the consideration by reference to the Daily Accommodation Payment (DAP) that the resident would have paid if they had not chosen to provide a RAD. This results in the recognition of a rental income amount and a corresponding interest expense.

As lessee

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. The association has no other lessee arrangements.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Income tax***

Rembrandt Living Inc. is a not-for-profit Charity & Public Benevolent Institution and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Revenue recognition

The incorporated association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Donations

Donations are recognised at the time the right to receive payment is established.

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Revenue recognition (continued)*****Interest**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within trade and other payables in current liabilities on the statement of financial position.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the association will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

Property, plant and equipment**Recognition and measurement**

Each class of property, plant and equipment other than land and buildings is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****Note 3 - Significant accounting policies (continued)*****Property, plant and equipment (continued)***Property

Land and buildings are carried at fair value, less depreciation on buildings and impairment losses. The carrying amount of land and buildings is reviewed annually by the Directors to ensure that it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation and amortisation

The depreciable amount of all property, plant and equipment including buildings held at cost and capitalised lease assets, but excluding freehold land, is depreciated on a straight line or diminishing value basis over the asset's useful life to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Buildings	4%
Furniture and equipment	4 - 40%
Motor vehicles	12.5 - 18.75%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Investments and other financial assets (continued)***

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of the financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of the loan facilities are recognised in the statement of profit or loss and other comprehensive income when they are incurred.

Refundable accommodation deposits and resident accommodation bonds

Refundable accommodation deposits and resident accommodation bonds are non-interest bearing deposits made by aged care facility residents to the entity upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at the principal amount net of any retentions or any other amounts deducted from the bond at the election of the resident.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Fair value of assets and liabilities***

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use. The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
Note 4 - Revenue		
Operating revenue		
Government Subsidies	5,793,374	5,955,884
Resident fees and charges	1,889,418	1,749,983
Home Care & community fees and charges	2,873,798	1,778,055
Retentions/Interest from accommodation bonds	-	26,149
Resident accommodation payments	446,965	334,039
Rental Revenue on Resident Refundable Loans	564,160	-
	<u>11,567,715</u>	<u>9,844,111</u>
Other revenue		
Interest income	183,683	212,304
Unrealised Gain (Loss) on Investments	(111,893)	78,635
Grants	1,029,149	925,479
Other revenue	168,258	106,487
	<u>1,269,197</u>	<u>1,322,904</u>
<i>Total revenue</i>	<u>12,836,912</u>	<u>11,167,016</u>
Other income		
Net gain / (loss) on disposal of property, plant and equipment	(4,591)	(16,407)
<i>Total other income</i>	<u>(4,591)</u>	<u>(16,407)</u>
<i>Total revenue and other income</i>	<u>12,832,321</u>	<u>11,150,609</u>
Note 5 - Expenses		
Depreciation and amortisation		
Buildings	635,951	637,952
Plant and equipment	205,602	176,985
Motor vehicles	15,563	8,154
<i>Total depreciation and amortisation</i>	<u>857,116</u>	<u>823,090</u>
Note 6 - Cash and cash equivalents		
Cash at bank and on hand	2,332,609	1,949,092
Deposits at call	2,500,000	3,000,000
<i>Total cash and cash equivalents</i>	<u>4,832,609</u>	<u>4,949,092</u>
Note 7 - Investments		
Long Term investments	2,731,742	1,843,635
<i>Total investments</i>	<u>2,731,742</u>	<u>1,843,635</u>

Long Term Investments include convertible notes bearing interest rates at 3 month bill rate plus interest between 3.2% and 4.15% with maturity dates between December 2024 and September 2029.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
Note 8 - Trade and other receivables		
<u>Expected to be recovered within 12 months</u>		
Trade receivables	24,590	30,423
Provision for impairment	-	-
	<u>24,590</u>	<u>30,423</u>
GST receivable	24,379	52,118
Interest receivable	20,995	27,752
Other receivables	101,720	42,494
Prepayments	28,500	89,082
<i>Total trade and other receivables</i>	<u><u>200,184</u></u>	<u><u>241,869</u></u>

Note 9 - Property, plant and equipment

	Land	Buildings	Furniture, Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
At 30 June 2019					
Cost or Fair Value	2,900,000	16,139,397	1,796,992	152,764	20,989,152
At Valuation					-
Accumulated depreciation		(2,921,943)	(894,896)	(60,949)	(3,877,787)
<i>Net carrying amount</i>	<u>2,900,000</u>	<u>13,217,454</u>	<u>902,096</u>	<u>91,815</u>	<u>17,111,365</u>
Capital Works in Progress					-
TOTAL					<u><u>17,111,365</u></u>
Movements in carrying amounts					
Net carrying amount at 1 July 2019	2,900,000	13,217,454	902,096	91,815	17,111,365
Additions	-	189,388	256,211	-	445,599
Disposals	-	-	(4,591)	-	(4,591)
Depreciation charge for the year	-	(635,951)	(205,602)	(15,563)	(857,116)
Impairment	-	-	-	-	-
Net carrying amount at 30 June 2020	<u>2,900,000</u>	<u>12,770,891</u>	<u>948,114</u>	<u>76,251</u>	<u>16,695,257</u>
At 30 June 2020					
Cost or Fair Value	2,900,000	16,216,220	2,019,617	152,764	21,288,600
Valuation	-	-	-	-	-
Accumulated depreciation		(3,445,328)	(1,071,502)	(76,512)	(4,593,343)
<i>Net carrying amount</i>	<u>2,900,000</u>	<u>12,770,891</u>	<u>948,115</u>	<u>76,251</u>	<u>16,695,257</u>
Capital Works in Progress					-
TOTAL					<u><u>16,695,257</u></u>

Furniture, Plant and Equipment is shown at fair value following valuation at 30 June 2017

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
Note 10 - Trade and other payables		
<u>Expected to be payable within 12 months</u>		
Trade payables	188,189	404,115
Home care package funds	629,500	440,695
Other payables	533,534	375,057
<i>Total trade and other payables</i>	<u>1,351,222</u>	<u>1,219,867</u>
Note 11 - Borrowings		
Expected to be payable within 12 months (ZRIL Loan)	238,500	238,500
Expected to be payable after 12 months (ZRIL Loan)	3,120,375	3,358,875
<i>Total borrowings</i>	<u>3,358,875</u>	<u>3,597,375</u>
Note 12 - Refundable loans		
<u>Expected to be payable within 12 months</u>		
Refundable accommodation deposits and accommodation bonds	2,244,047	2,198,160
	<u>2,244,047</u>	<u>2,198,160</u>
<u>Expected to be payable after 12 months</u>		
Refundable accommodation deposits and accommodation bonds	8,976,189	8,792,640
	<u>8,976,189</u>	<u>8,792,640</u>
<i>Total refundable loans</i>	<u>11,220,236</u>	<u>10,990,800</u>
(a) Movement in refundable accommodation deposits and accommodation		
Opening carrying amount	10,990,800	13,505,912
<i>Add (less)</i>		
New accommodation deposits received	3,253,006	1,492,218
Interest on Terminations	51,550	66,906
Retention from bonds	-	(26,149)
Other allowable deductions	(46,551)	(33,818)
Accommodation deposits and bonds refunded	<u>(3,028,568)</u>	<u>(4,014,269)</u>
Closing carrying amount	<u>11,220,237</u>	<u>10,990,800</u>

(b) Terms and conditions

Refundable accommodation deposits and accommodation bonds (loans) are repayable on the following basis:-

- (i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;
- (ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;
- (iii) If the resident gives no notice the loan is repayable 14 days after departure; and
- (iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Note 13 - Provisions		
<u>Expected to be payable within 12 months</u>		
Employee entitlements - annual leave	309,812	222,113
Employee entitlements - long service leave	179,498	187,474
Employee entitlements - on-costs on annual leave	39,609	-
	<u>528,919</u>	<u>409,587</u>
<u>Expected to be payable after 12 months</u>		
Employee entitlements - long service leave	13,912	25,266
	<u>13,912</u>	<u>25,266</u>
<i>Total provisions</i>	<u>542,831</u>	<u>434,852</u>
Note 14 - Reserves		
Asset Revaluation Reserve	3,971,030	3,971,030
<i>Total reserves</i>	<u>3,971,030</u>	<u>3,971,030</u>

Nature and purpose of reserves

The asset revaluation reserve is maintained in respect to the revalued amount of the group's non-current assets.

Note 15 - Contingent liabilities

At balance date the association is not aware of the existence of any contingent liability.

Note 16 - Events occurring after balance date

No significant events have occurred after balance date.

Note 17 - Commitments

The association has no capital commitments at balance date.

Note 18 - Key management personnel***Remuneration of key management personnel***

The aggregate amount of compensation paid to directors and other key management personnel during the year was:

<u>543,012</u>	<u>572,111</u>
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Directors work on a voluntary basis and do not receive compensation for their time. Directors receive reimbursement for out-of-pocket expenses only.

REMBRANDT LIVING INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 19 - Related party transactions**

There were no related party transactions during the year.

Note 20 - Economic dependency

The association considers that it is economically dependent on revenue received from the Commonwealth Government Department of Social Services with respect to its residential aged care facilities and community care programs. The Directors believe that this revenue will continue to be made available to the association for the foreseeable future.

The total amount of recurrent government funding received during the financial year was \$ 8,595,497 (2019: \$ 7,901,385) and this represented 70% of total revenue.

Note 21 - Association details

The principal place of business of the association is:

Rembrandt Living Incorporated

1 Madras Street

Oaklands Park SA 5046

REMBRANDT LIVING INC.
ABN 84 438 069 700

FINANCIAL REPORT - 30 JUNE 2020

COMMITTEE'S STATEMENT

The Directors of Rembrandt Living Incorporated declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive profit or loss and other income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Associations Incorporation Act (SA) 1985*, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position and performance of the association during and at the end of the financial year of the association ending 30 June 2020.
2. In the opinion of the Directors there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013* and the resolution of the Board of Directors:



Sef van den Nieuwelaar
Chairperson

Oaklands Park, 30th September 2020



Jacques Metzger
Deputy Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMBRANDT LIVING INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Rembrandt Living Inc (the registered entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the **committee's statement**.

In our opinion the accompanying financial report of Rembrandt Living Inc, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) **Giving a true and fair view of the registered entity's financial position as at 30 June 2020** and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the **Auditor's responsibilities for the audit of the Financial Report** section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards **Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)** (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Those charged with governance are responsible for the other information. The other information obtained at **the date of this auditor's report is information included in the registered entity's directors' report, but does not include the financial report and our auditor's report thereon.**

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this **auditor's report, we conclude that** there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered **entity's ability to continue** as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free **from material misstatement, whether due to fraud or error, and to issue an auditor's report that** includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms **part of our auditor's report.**

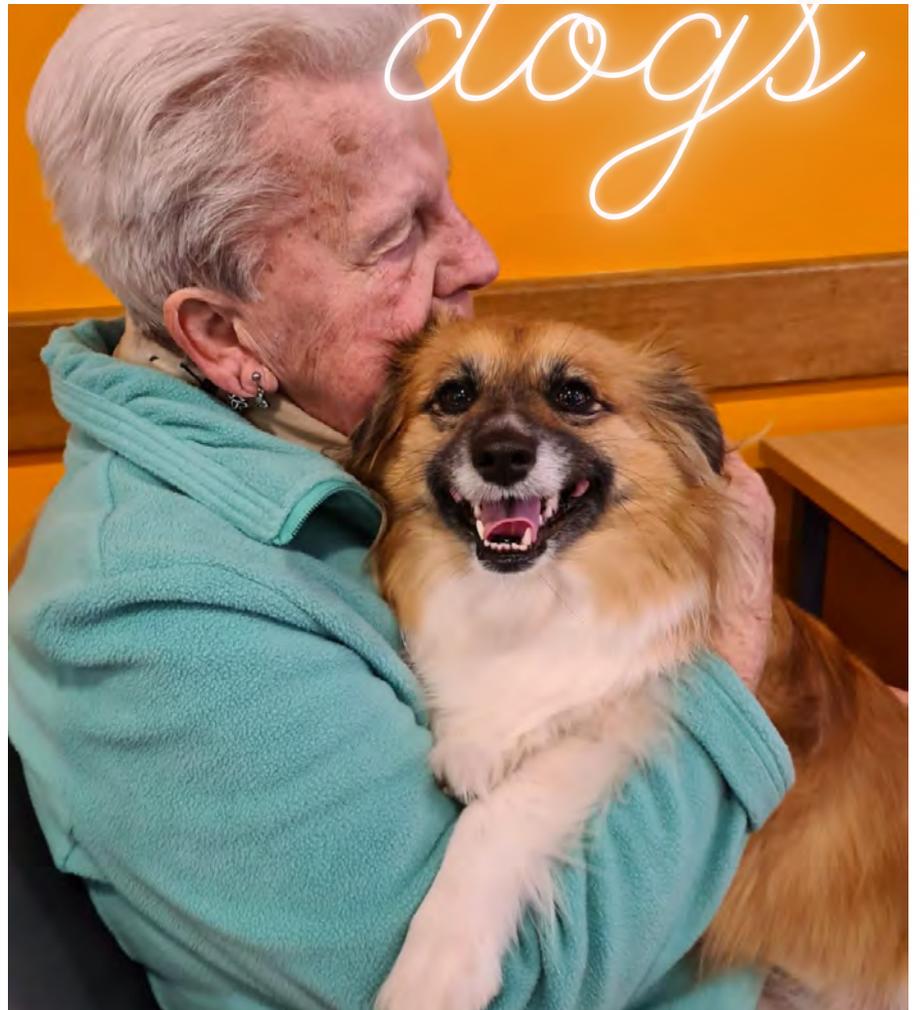
A handwritten signature in blue ink that reads 'BDO'.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle
Director

Adelaide, 14 October 2020



Rembrandt

Rembrandt Living Inc
ABN: 84 438 069 700

Phone: 08 8198 0300
Email: info@rembrandtliving.org.au
Web: www.rembrandtliving.org.au

Home Care & Health Centre
21 Greenfields Drive
Green Fields SA 5107

Rembrandt Court
1 Madras Street
Oaklands Park SA 5046