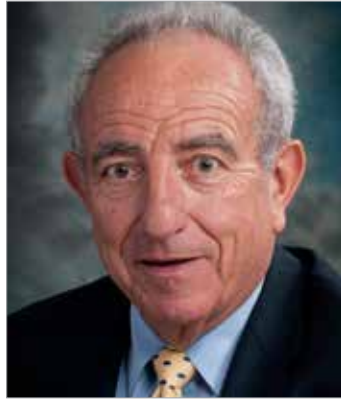


ANNUAL REPORT 30 JUNE 2015





WELCOME



WELCOME

The last 12 months have been very significant for B'nai B'rith Retirement Villages. We were fortunate in being able to purchase a property alongside our existing Princess Gardens Village and this has opened up a major opportunity not only to enlarge the Village but also to enhance our capacity to provide affordable accommodation to Jewish seniors.

As I have stated in the past, and it bears repetition, our core objective is the provision of affordable self-care retirement accommodation within the ethos and principles of B'nai B'rith.

The Villages currently have 119 residents in 105 apartments, and to make sure that the facilities are maintained to the highest level we have implemented a village management structure that ensures the consistent delivery of support to our residents. The support covers all aspects of village infrastructure. In addition, we have libraries, broadband internet access and community rooms with kitchens available at both villages.

One of the hardest decisions anyone might have to make is to move to a retirement village. Our aim is to provide a warm Jewish family atmosphere and to minimise the stress associated with moving. Our experienced and friendly Village Managers are there to help you.

When the time is right for you we would be delighted to welcome you as a resident.

HENRY WIRTH

Chairman, B'nai B'rith Retirement Villages

A WORD FROM THE RESIDENTS



"I love the building. I have a beautiful sunny balcony and a huge kitchen which is more than adequate. The people are the best."

MARY SAUL



"I didn't really want to come to Princess Gardens. But, after my first night here I felt secure and had my best night's sleep. We are very, very happy here."

EDNA RUDNICK



"The best move we could have done. The people are so friendly. The gardens are beautiful and we have a lovely comfortable apartment."

DAVID HASSON



FROM LEFT TO RIGHT:
Pauline Bernard,
Betty Strumpman,
Henry Wirth (Chairman),
Gloria Gordon



GENERAL MANAGERS REPORT



Since my arrival at BBRV in 2013, I have seen an unprecedented turnover of accommodation in our villages totalling some 27 apartments. In the 2014-15 period, 12 apartments were re-licensed across our operations; 7 in Kadimah Gardens and 5 in Princess Gardens.

We are of course saddened to say goodbye to so many of our long term residents, some who have been with BBRV for more than 20 years. We as an organisation and me personally, will miss their contribution to my days and to our village communities.

Moving to a retirement village is a difficult decision for many. In order to preserve our quality of life as we age, we must voluntarily surrender a level of our independence in favour of receiving a greater level of assistance to meet our ever increasing daily support needs. I applaud the courage and foresight taken by our residents and their families in this endeavour, and wish them health and happiness in their new homes.

In terms of BBRV operations, from an asset perspective, over the last 12 months we have focused on relicensing vacated apartments, many of which required significant refurbishment as well, continuing to upgrade the facilities in our villages to better meet the long-term needs of our residents, both from a functionality and an aesthetic perspective.

BBRV accounts currently reflect the very significant investment in asset related expenditure undertaken over this period. This investment should in the coming years deliver a significant boost in BBRVs' financial performance both from a cash reserves and recurrent income perspective.

In terms of resourcing, the last 12 months has heralded some notable changes to village operations. The Village Managers' role at Kadimah Gardens was expanded to a full time position to better address resident needs. In addition, we also recruited a new property manager/caretaker for the same village. The Village team at Princess Gardens remains unchanged.

In addition, in the last 12 months we have initiated a much needed review of our website and purchased a new financial and resident management system which is better suited to BBRV's long term operational needs. It is my expectation that the transition to the new operational systems and go-live of our new website will be completed in the coming year.

In August 2014, BBRV purchased No 13 Princess Street and in 2015 lodged a development application to Waverley Council to expand the Princess Gardens Village. Subject to council approval amongst other factors, I would expect construction activity to commence in early 2017.

BBRV continues to work hand-in-hand with JewishCare in housing persons with a mental disability who can live independently and in other endeavours associated with housing Jewish seniors in financial-rental stress.

It is my expectation in the coming year, noting the average age of our community, that the turnover of apartments in our villages will continue to be on the high side. Unfortunately, it is unlikely, even with the increased vacancy, that we will be able to satisfy the ever increasing demand for affordable independent accommodation for Jewish seniors, particularly in the Eastern Suburbs.

I would like to thank Henry Wirth, the Chairman and the BBRV Board for its support in the numerous projects/endeavours undertaken both from an asset and village community support perspective over the last 12 months and which have contributed significantly towards improving the quality of life of our village communities.

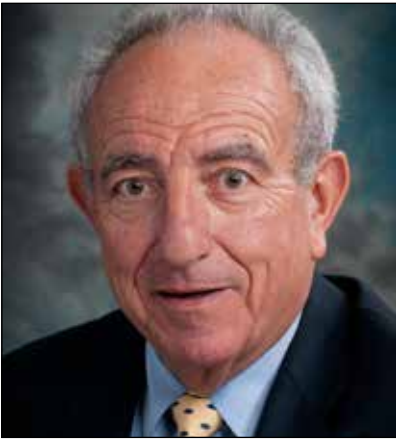
LEON FREDKIN

General Manager
BBRV

**“WE HAVE INITIATED A MUCH NEEDED
REVIEW OF OUR WEBSITE AND
PURCHASED A NEW FINANCIAL AND
‘RESIDENT MANAGEMENT SYSTEM’”**

2015

CHAIRMAN'S REPORT



2014-15 has been an important year for BBRV. We acquired the property at 13 Princess Street which adjoins Princess Gardens and this has enabled us to put forward an exciting new development which will facilitate all-round improvement for the Village. The Development Application for the new project has been lodged with Waverley Council and we are confident that this will be approved, perhaps by the end of 2015 or in early 2016. If we achieve all aspects of the proposed development, the total number of apartments at BBRV will have grown by over 12%.

We received great news that one of our directors, Yvonne Shapiro, was awarded an Honorary Medal of the Order of Australia. Yvonne has been on the Board since 2004, principally in the role of the Administrator of Princess Gardens. This was a most justified award for many years of service, and it was pleasing that she joins her husband Michael, who received his OAM the previous year.

Organisations only achieve success if the internal dynamics function well, and I believe that we have a focussed and cohesive Board which enables us to achieve great outcomes for BBRV. The primary objective of BBRV is to provide affordable accommodation to Jewish seniors within the charitable and community ethos of B'nai B'rith. In previous reports I have commented on our work with JewishCare on the provision of independent living accommodation for people in the community with a physical or mental disability. We have now added financial disability to the paradigm as there are many seniors within our community who do not have the capacity to pay the types of accommodation charges that the general market demands.

At 30 June 2015 we had 119 residents of whom half were aged over 82 years, including sixteen who were over 90 years old. During the year twelve apartments had changes of residents. Sadly, this is a function of ageing. The number of residents at 30 June 2015 was an increase of 11 from 2014.

Our strong financial position is a function of careful management and as close to 100% occupancy as can practically be achieved. This year we have shown a surplus of \$260,875; more or less the same as in 2014 (\$265,985). This surplus enables us to provide continuous support to the operational budgets of the

Villages. Recurrent charges provided by residents contributed just over 52% of the cost of the services provided, the residual amount being provided by BBRV to the tune of nearly \$313,000.

Significant changes that were commenced prior to 30 June 2015 are starting to bear fruit. A client management IT system is being progressively installed and this connects to our enhanced financial control system, which is operational. These systems provide us with significant control over the expenditures made on repairs and maintenance as well as ensuring that we can continue to provide a high degree of administrative support to our residents. A new website is due to "go-live" shortly and this should enhance our profile within the community.

As I said last year the responsibility for the safety and welfare of residents, employees, volunteers and in fact anyone who enters BBRV premises, is not taken lightly. Once again, I am pleased to advise that we had no reportable events under Work, Health and Safety legislation.

At last year's AGM two Directors stood down. Russell Stern had been on the Board for 14 years as Company Secretary and he provided a great deal of support to the operation of BBRV, including from a legal perspective. Jeff Miller also retired, although he hopes to continue to provide us with technical support in such areas as IT systems and the website. Len Mahemoff joined the Board in 2008 and has led our marketing and publicity activities since then. On becoming a resident of BBRV Len advised that, as required by the Constitution, he tendered his resignation. On behalf of the Board, and personally, I would like to thank them all very much for their abundant contributions.

THE TOTAL NUMBER OF
APARTMENTS AT BBRV
WILL HAVE GROWN BY OVER

12%

Much of the credit for the success of BBRV during the last twelve months is attributable to our General Manager, Leon Fredkin and his wonderful teams at Princess Gardens (Michael Shapiro and Peter Rozario) and Kadimah Gardens (Warwick Morris and Rob Friedland). Our financial control is managed most ably by our Treasurer, Jacob Tarszisz and our accountant Sara Joffe. Our legal environment is well maintained under the guidance of our Deputy Chairman and Company Secretary, Norbert Schweizer.

Our Board has benefitted from access to the Jewish Communal Appeal's sponsored Observership Program. Lyle Hammerschlag was an early graduate from that program and he has been an active member of the Board since his appointment in 2013. We currently have two observers attending meetings of the Board and the Executive Committee.

I would also like to acknowledge that BBRV has been the recipient of sound professional support and guidance by our auditors, Peter Hersh and Louis Woo.

Having a forward thinking Board has enabled BBRV to be in a good position to meet the challenges of the future and to provide the Jewish community with first-class affordable accommodation for senior members of the Jewish community.

HENRY WIRTH
Chairman

Note: since the signing of my report the Board has appointed two new members.



GREGORY BACHMAYER

B. Design (Syd), M. Arch (Syd), M. Prop & Dev (UNSW), MBA (Macq)

Joined the Board in October 2015. Development experience in both the private and community housing sectors in Australia, Southern and East Africa and India.



PAMELA BEIGEL

B. Com (McGill), MBA (Toronto)

Joined the Board in October 2015. Strategic asset management of various property categories. Experience in Canada, USA, New Zealand and Australia.

BOARD OF DIRECTORS



CHAIRMAN HENRY WILLIAM WIRTH

B.Sc. (CNAAB), M.Sc. (LOND), M.A. (UNSW), M.A. (USYD) J.P.

Elected to the Board in August 2001. Retired but with more than 20 years' experience as a senior executive within the NSW Public Sector in both the management consultancy and IT areas. A past Alderman and Deputy Mayor of North Sydney.



DIRECTOR LYLE HAMMERSCHLAG

**BCom (UNSW), CA,
M Property Development (UTS)**

Lyle built his career practising with Deloitte and has been extensively involved in property analysis and transactions for several years at Stockland and Charter Hall and in private property syndicates



DEPUTY CHAIRMAN NORBERT SCHWEIZER

B.A., LL.B

Elected to the Board in 2013. Partner, Schweizer Kobras, Lawyers and Notaries Norbert is a former chairman of the Silver Committee of the Royal NSW Institute for Deaf and Blind Children and is chairman of the Schizophrenia Research Institute. Former president of Emanuel Synagogue in Woollahra. Norbert is also a non-executive director of a number of companies.



YVONNE SHAPIRO - OAM

Administrator at Princess Gardens since 2004.

Yvonne has worked all her life as a bookkeeper in government and private enterprises.



**DIRECTOR
JACOB TARZSISZ**

ACA

Appointed to the Board in June 2012. Chartered Accountant with 42 years' experience in accounting and industry. Currently Chairman of CCC Data Management Services Inc, an outsourcing company based in Manila, Philippines



**GENERAL MANAGER
LEON FREDKIN**

Bachelor of Building (UNSW)

Leon has held a number of senior executive positions with major listed construction and development organisations as well as government enterprises.



**VILLAGE MANAGER
MICHAEL SHAPIRO OAM**
PRINCESS GARDENS



**VILLAGE MANAGER
WARWICK MORRIS**
KADIMAH GARDENS



**PROPERTY MANAGER
ROB FRIEDLAND**
KADIMAH GARDENS



**PROPERTY MANAGER
PETER ROZARIO**
PRINCESS GARDENS

SUPPORT

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

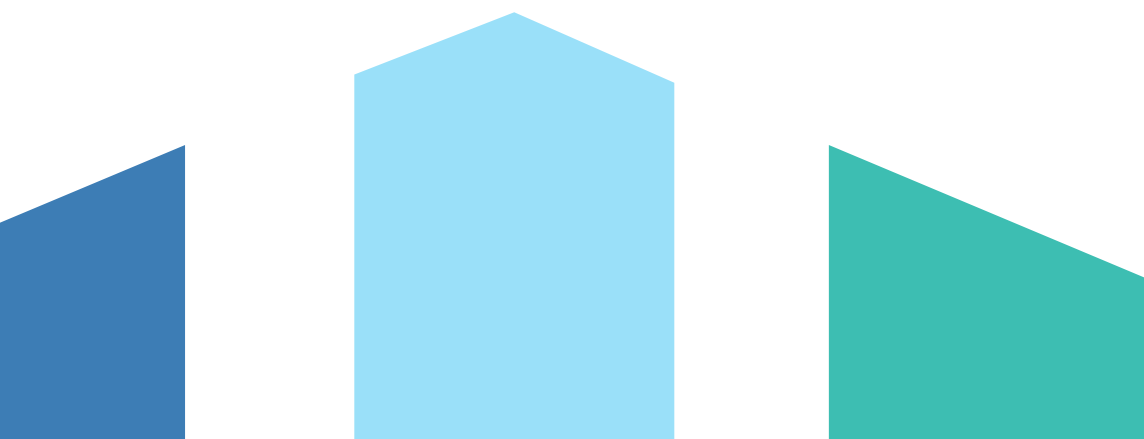
	NOTE	2015 \$	2014 \$
REVENUE	3	1,440,736	1,348,915
Other income	4	650	1,158
EXPENSES			
Employee benefits expense		(360,630)	(308,554)
Other retirement village expenses		(331,375)	(407,924)
Depreciation and amortisation expense		(333,313)	(310,760)
Other expenses		(151,427)	(56,850)
Finance costs		(3,766)	-
Surplus before income tax expense		260,875	265,985
Income tax expenses		-	-
Surplus after income tax expense for the year attributable to the members of B'nai B'rith Retirement Villages Limited	17	260,875	265,985
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of B'nai B'rith Retirement Villages Limited		260,875	265,985

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	NOTE	2015 \$	2014 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	829,106	48,609
Trade and other receivables	6	36,377	43,189
Other	7	48,249	46,985
		913,732	138,783
Other financial assets	8	200,000	1,717,201
Total current assets		1,113,732	
NON-CURRENT ASSETS			
Receivables	9	28,108	34,800
Property, plant and equipment	10	11,426,127	8,588,080
Total non-current assets		11,454,235	8,622,880
Total assets		12,567,967	10,478,864
LIABILITIES			
Current liabilities			
Trade and other payables	11	2,628,754	2,294,382
Borrowings	12	114,313	110,547
Provisions	13	28,869	19,483
Total current liabilities		2,771,936	2,424,412
NON-CURRENT LIABILITIES			
Borrowings	14	1,505,808	-
Provisions	15	6,230	5,417
Trade and other payables	16	911,963	937,880
Total non-current liabilities		2,424,001	943,297
Total liabilities		5,195,937	3,367,709
Net assets		7,372,030	7,111,155
Equity			
Retained surpluses	17	7,372,030	7,111,155
Total equity		7,372,030	7,111,155

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	RETAINED EARNINGS \$	TOTAL EQUITY \$
Balance at 1 July 2013	6,845,170	6,845,170
Surplus after income tax expense for the year	265,985	265,985
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	265,985	265,985
Balance at 30 June 2014	7,111,155	7,111,155
	RETAINED EARNINGS \$	TOTAL EQUITY \$
Balance at 1 July 2014	7,111,155	7,111,155
Surplus after income tax expense for the year	260,875	260,875
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	260,875	260,875
Balance at 30 June 2015	7,372,030	7,372,030



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from residents and others		1,840,202	1,170,315
Payments to suppliers and employees		(965,246)	(738,430)
		874,956	431,885
Interest received		53,891	67,032
Net cash from operating activities		928,847	498,917
Cash flows from investing activities			
Payments for property, plant and equipment	10	(3,171,359)	(284,222)
Decrease/(increase) in term deposit with original maturity over 3 months		1,517,201	(633,867)
Net cash used in investing activities		(1,654,158)	(918,089)
Cash flows from financing activities			
Proceeds from bank borrowings		1,505,808	-
Net cash from financing activities		1,505,808	-
Net increase/(decrease) in cash and cash equivalents		780,497	(419,172)
Cash and cash equivalents at the beginning of the financial year		48,609	467,781
Cash and cash equivalents at the end of the financial year	5	829,106	48,609

DIRECTORS' DECLARATION 30 JUNE 2015

The directors have determined that the company is a reporting entity that does not have public accountability as defined in AASB 1053: Application of Tiers of Australian Accounting Standards and that these general purpose financial statements should be prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements.

In accordance with a resolution of the directors of B'nal B'rith Retirement Villages Limited, the directors of the company declare that:

1. the financial statements and notes as set out on pages 7 to 19 satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 including:

- (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
- (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date; and

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



HENRY WIRTH
DIRECTOR



JACOB TARZISZ
DIRECTOR

24th September 2015 Sydney









PRINCESS GARDENS

The Administration

B'NAI B'RITH RETIREMENT VILLAGES LTD

Unit 52, 7-11 Princess Street

Rose Bay NSW 2029

T: +61 (2) 9371 2631

F: +61 (2) 9371 1625

E: princessgardens@bbrv.org.au

KADIMAH GARDENS

The Administration

B'NAI B'RITH RETIREMENT VILLAGES LTD

3-9 Jubilee Street

Wahroonga NSW 2076

T: +61 (2) 9489 5670

F: +61 (2) 9489 5660

E: kadimahgardens@bbrv.org.au

You are entitled to a copy of the Full Financial Report. If you would like to receive one either email your request to info@bbrv.org.au, marking it for the attention of the Company Secretary or phone 02 9371 2631.

