

**KEEPING
OUR
COMMUNITY
SAFE**



**PRIORITISING
THE SAFETY OF
OUR RESIDENTS
IS PARAMOUNT**

WELCOME



This year has been one of the great challenges we have had to deal with in light of Covid and its far reaching impact.

Looking on the brighter side, we have been most fortunate in having none of our residents or staff being infected by the virus. However, it has come at a cost in terms of the cessation of all BBRV and Residents' Committees sponsored functions. We have had to close off the public spaces to reduce the risk of infection and have installed sanitiser dispensers.

In the midst of all this turmoil we have still had to continue the maintenance of the villages and ensuring the welfare of our residents. The contribution of our management and staff has been magnificent, which we are delighted to acknowledge.

Our hope is that there will be a significant improvement in the future and that our residents will return to a normal living environment within the comfort and security of their apartments.

A handwritten signature in blue ink, appearing to read 'H. Wirth', written over a faint, light blue grid background.

HENRY WIRTH
Chairman, BBRV



GENERAL MANAGER'S REPORT

The 2019-20 financial year has seen many Australians severely impacted by the Covid virus, both in terms of personal loss through tragic deaths of family and friends and economically, with many losing long held jobs and businesses and in some situations, the much relied upon financial support of families.

The Retirement Industry as a whole has and continues to feel the greatest impact in Covid related illnesses and deaths. Seniors with pre-existing medical conditions have proved to be the most vulnerable to the ravages of the virus.

We at BBRV have been fortunate, through good governance and possibly luck, to have so far escaped the impact of the virus on our communities from a health perspective. Unfortunately, as with others in the Retirement Industry, we are feeling the negative economic impact brought on by the restrictive economic conditions as well as a receding property market.

Our pleasing financial result for the 2019-2020 financial year reflects the Boards' intellect, planning and hard work over the last decade in ensuring that BBRV is well placed

to weather depressed economic conditions, even one as unprecedented as a world-wide pandemic.

As an organisation established long ago to serve our community, BBRV will continue through this challenging environment to provide the most basic of necessity for our seniors "a safe haven, a roof over one's head".

At this time BBRV is providing more financial support in the form of rental rebates to members of our residential communities which I expect, together with intensified demand for affordable housing, to increase significantly over the next 2-3 years while we wait for the impact of the virus to diminish. We will of course, where we are able, strive to meet these challenges. I expect our sound financial foundation will enable us to do so.

It is my expectation that the next 24-36 months will present a challenging environment in the Retirement Industry and BBRV will be no exception. The economy as a whole is expected to reflect a recessionary environment, property values will be declining and vacant apartments in

retirement villages will take much longer to licence and, in some instances, at lower entry contributions.

In addition, many seniors will face challenges in meeting both their recurrent charges obligations as well as general daily living expenses, the impact of which will ripple through to retirement operators. I and the Retirement Industry, remain hopeful that the Commonwealth will review its Covid financial support program to incorporate a relief package in some form for the industry.

In closing, I would like to thank my amazing team; Sara, Peter, Ros, Warwick and Rob for their unwavering commitment through the most difficult and unprecedented environment to the welfare of our residential community and to each and every BBRV Director for their wise counsel and support which will see BBRV sail a steady course through the Covid storm.

LEON FREDKIN
General Manager, BBRV



We at BBRV have been fortunate through good governance and possibly luck to have so far, escaped the impact of the virus on our communities from a health perspective.

**ENSURING
THAT OUR
COMMUNITY
IS IN SAFE
HANDS**



Surviving Covid

This year has seen the Retirement Industry faced with unprecedented challenges in keeping our residential communities safe from the ravages of the Covid pandemic. The virus has taken many lives and launched a tsunami through the economy, Australia and world-wide. The impact of which, I suspect, will not be fully transparent for many years.

The majority of casualties appear to be represented by the elderly and in particular, those with pre-existing medical conditions, with many contracting the virus in Aged Care and/or supported accommodation facilities.

At this time, we consider ourselves to be exceedingly fortunate to have avoided the entry of Covid into our communities. This position was only made possible by the swift adoption and application of Government mandated health safety protocols in our villages.

I'd like to take this opportunity to thank the BBRV Board for its support and guidance; the fabulous BBRV village teams for their unwavering commitment in continuing to work in the villages during lock-downs in an endeavour to make our communities feel safe; together with the many volunteer organisations who have offered a helping hand and most of all; our residents and their families whose commitment to observing mandated restrictions and safety protocols has held Covid at bay outside our village gates.

I am hopeful that we will be granted respite from Covid by this time next year. In the interim, we at BBRV, with the help and cooperation of our residents and community, will continue to strive to keep our residents safe.

Safer Communities Grant

We at BBRV in early 2020 applied for a Commonwealth

grant to improve safety and security facilities in our villages under the Commonwealth Safer Communities - Round 5 Infrastructure Grant Program.

I am delighted to advise that BBRV has been rewarded for its initiative with a grant of some \$835,997 excluding GST to fund security enhancement programs across our villages. The funding will be delivered between the 2021 - 2023 FY with the program scheduled to be completed by 31 March 2023.

The program is in the preliminary planning phase with an expectation that it will deliver enhanced fencing, gates, intercoms, security lighting and CCTV facilities in our villages. We are presently finalising our Grant Agreement with the Commonwealth which we expect to execute later in the year.

I expect that in the next years' annual report we will be in a position to provide you with the full extent as well as timing of the security enhancements in our villages.

LEON FREDKIN
General Manager, BBRV

FINANCIAL WELLBEING HAS NEVER MATTERED MORE.



TREASURER'S REPORT

The year ended 30 June 2020 has witnessed the unprecedented impact of the Covid global pandemic with many businesses, including those in the retirement sector, severely affected.

In contrast, B'nai B'rith Retirement Villages Limited made a surplus of \$130,889 for the year ended 30 June 2020 with the aid of some government support. Our cash and financial holdings remained steady as did our net asset position. Our loan was also reduced by \$2.9m and has been successfully refinanced during the year. We continue to be in a strong financial position to meet our obligations and withstand the uncertainty that we are still exposed to.

BBRV continues to support residents under financial stress and has done in the year ended 30 June 2020 by \$147,830 and are in a position where this support is sustainable.

BBRV continue to maintain close budgetary controls by regularly monitoring both performance and cash flows especially in the uncertain times that Covid brings. The Board and management are committed to maintaining a solid financial base.

IGOR MERKIN
Treasurer, BBRV

“BBRV continues to support residents under financial stress and has done in the year ended 30 June 2020 by \$147,830 and are in a position where this support is sustainable.”



CHAIRMAN'S REPORT

BBRV has not been immune to the turbulence that has afflicted so much of the world with the onset of Covid. Over the twelve months to 30 June 2020 we saw a small drop in the number of residents in our three villages, down to 122 people living in our 114 apartments, a decline of five people from the previous year. It is most pleasing and encouraging that since then we have actually more than recovered the loss and now have 128 residents.

The departure of a number of our more elderly residents has reduced the median age of residents to 78 years. First and foremost, those of us on the Board have to sincerely acknowledge

the diligence and response of our staff to the pandemic. Our General Manager, Leon Fredkin, has to-date, with his great team, steered us through these difficult times. Our Princess Gardens/Guilfoyle Gardens team of Sara Joffe and Peter Rozario and our Kadimah Gardens team of Warwick Morris and Rob Douglas have done sterling work in keeping the villages safe and well maintained. Rosalind Anderson has ably assisted Sara Joffe in ensuring that our finances remain in good shape, particularly as we plan for our long-term viability in a world where many of our residents will have personal financial challenges in an environment of very low level interest rates and non-resident family members facing employment issues.

Our support to the community, whether through rental rebate to residents or through the subsidisation of village operating costs has exceeded \$630,000 or 5% more than last year.

The last 12 months has been a time of consolidation as we continue to progress the issues that arose from our Guilfoyle Gardens development, predominantly with Woollahra Municipal Council. We have followed a steady process of refurbishing vacated apartments so that our offerings to residents is of the highest order.

The main roof over the Radom Lounge at Kadimah Gardens, which is a 70-year old structure, has been replaced following a severe storm. Blocks 9 and 11 at Princess Gardens will also require re-roofing In the near future noting that these are also some 50 years old.

Our 13 Princess St, Rose Bay property has been internally refurbished and released for the next 2 years ensuring the continuance of a robust income stream. Redevelopment of this property is on hold, pending the completion of our BBRV strategic planning exercise, which unfortunately, we have had to postpone due to Covid.

I am pleased to advise that the Commonwealth Government has awarded BBRV a very significant grant from the Safer Communities Fund. This money will enable us over the next 3 years to significantly enhance village security. Comprehensive discussions are taking place with the Commonwealth to finalise the program of works across our villages.

This year has also seen the completion of our updated Policies & Procedures Manuals ensuring BBRV operations are in line with best contemporary business practices. The last major update had been in 2012 and much has changed over the last 8 years, principally in moving away from using volunteers in operational roles within our villages.

The Board has witnessed a number of changes within the last year with improved gender diversity and certainly an influx of younger members of the Community. We welcomed Tami Sokol to the Board to join our other recent appointee, Dionne Taylor.

The Board has formed a sub-committee to make recommendations regarding Succession Planning, this is seen as being vital to ensure seamless transition and to continue the positive trajectory that BBRV has maintained for many years in providing financially accessible accommodation in Sydney for members of the Jewish Community so that they can live independently in a community environment.

As we hopefully evolve to a post-Covid world, it is imperative that our Board maintains its course of careful management to maximise its support of Jewish Seniors. I am most grateful for the unstinting support that has been provided by our Board in ensuring the success of BBRV in the provision of its services to the Jewish Community. There is no doubt that the coming years will present a most challenging environment and I have no reservation in believing that we are well placed to meet these challenges.



HENRY WIRTH
Chairman, BBRV

**BBRV 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.



**VICE CHAIRMAN
NORBERT SCHWEIZER - OAM**

BA, LLB

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, and also the NeuRA Foundation as well as a member of the NeuRA Governing Council. Former president of Emanuel Synagogue in Woollahra. Norbert is also a non-executive director of a number of companies.



**DIRECTOR
IVAN KAPLAN**

M.Sc (Chemical Engineering), MBA

Elected to the Board in 2017. Ivan brings more than 30 years executive experience to the Board. He managed a number of chemical projects in South Africa and China prior to his retirement in 2014. Ivan is the past President of B'nai B'rith NSW and is currently the Chairman of B'nai B'rith Lodge Sydney Charitable Trust and Director of B'nai B'rith Centre (NSW).



**DIRECTOR
LYLE HAMMERSCHLAG**

*B.Com (UNSW), CA
M Property Development (UTS)*

Lyle has more than 10 years' experience in property investment through acquisitions roles at Stockland, Charter Hall, and most recently co-founding Centennial Property Group in July 2011.



**DIRECTOR
DIONNE TAYLOR**

B.Media (Syd)

Dionne Taylor has established herself as an industry leader, innovator, and thought-leader in the media industry. Specialising in consumer lifestyle brands, she understands how to make these brands famous amongst their competitors.



**TREASURER
IGOR MERKIN**

B.Com, M Accounting (UNSW)

Appointed to the Board in 2018. Igor Merkin is a Chartered Accountant, with significant experience in the retirement industry. Currently, he is the Chief Financial Officer of Camp Australia.



**DIRECTOR
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.



**DIRECTOR
JULIET SEIFERT - OAM**

Master of Arts (Mac Uni), B.Arts (Syd)

Juliet served as Executive Director of the Australian Self-medication Industry from July 1989 to August 2010 ASMI is the peak industry body representing the vast majority of manufacturers of non-prescription medicines.



**DIRECTOR
TAMI SOKOL**

BInSt (SYD) LLB (USYD)

Tami was invited to join the board in October 2019 and brings with her extensive legal and regulatory expertise. Tami built her career practising law at King and Wood Mallesons, the Public Interest Advocacy Centre and is currently working in the public sector managing a broad ranging practice in Consumer Law.

B'NAI B'RITH RETIREMENT VILLAGES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
REVENUE	2,147,667	1,717,821
Other income	34,722	41,285
EXPENSES		
Employee benefits expense	(581,080)	(580,009)
Other retirement village expenses	(436,820)	(425,702)
Depreciation and amortisation expense	(782,034)	(529,325)
Other expenses	(153,680)	(134,828)
Finance costs	(97,886)	-
Surplus before income tax expense	130,889	89,242
Income tax expense	-	-
Surplus after income tax expense for the year attributable to the members of B'nai B'rith Retirement Villages Limited	130,889	89,242
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	130,889	89,242

B'NAI B'RITH RETIREMENT VILLAGES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	2020	2019
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	330,306	497,024
Trade and other receivables	845,800	74,680
Other	71,252	69,529
	1,247,358	641,233
Other financial assets	1,600,040	1,600,040
Total current assets	2,847,398	2,241,273
NON-CURRENT ASSETS		
Property, plant and equipment	23,079,635	23,198,857
Total non-current assets	23,079,635	23,198,857
Total assets	25,927,033	25,440,130
LIABILITIES		
Current liabilities		
Trade and other payables	11,903,794	8,736,162
Borrowings	-	6,900,000
Provisions	59,792	47,830
Total current liabilities	11,963,586	15,683,992
NON-CURRENT LIABILITIES		
Borrowings	4,000,000	-
Provisions	35,969	36,958
Trade and other payables	887,687	810,278
Total non-current liabilities	4,923,656	847,236
Total liabilities	16,887,242	16,531,228
Net assets	9,039,791	8,908,902
Equity		
Retained surpluses	9,039,791	8,908,902
Total equity	9,039,791	8,908,902

B'NAI B'RITH RETIREMENT VILLAGES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	RETAINED PROFITS	TOTAL EQUITY
	\$	\$
Balance at 1 July 2018	8,819,660	8,819,660
Surplus after income tax expense for the year	89,242	89,242
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	89,242	89,242
Balance at 30 June 2019	8,908,902	8,908,902
Balance at 1 July 2019	8,908,902	8,908,902
Surplus after income tax expense for the year	130,889	130,889
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	130,889	130,889
Balance at 30 June 2020	9,039,791	9,039,791

B'NAI B'RITH RETIREMENT VILLAGES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Receipts from residents and others	4,846,636	4,064,992
Payments to suppliers and employees	(1,466,674)	(1,351,811)
	3,379,962	2,713,181
Interest received	16,131	48,893
Net cash from operating activities	3,396,093	2,762,074
Cash flows from investing activities		
Payments for property, plant and equipment	(680,107)	(2,083,596)
Proceeds from term deposit	-	649,960
Proceeds from disposal of property, plant and equipment	17,296	4,670
Net cash used in investing activities	(662,811)	(1,428,966)
Cash flows from financing activities		
Proceeds/(repayments) of bank borrowings	(2,900,000)	(2,100,000)
Net cash from used in financing activities	(2,900,000)	(2,100,000)
Net decrease in cash and cash equivalents	(166,718)	(766,892)
Cash and cash equivalents at the beginning of the financial year	497,024	1,263,916
Cash and cash equivalents at the end of the financial year	330,306	497,024

B'NAI B'RITH RETIREMENT VILLAGES LIMITED

DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2020

In the directors' opinion 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 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'nai B'rith Retirement Villages Limited, the directors of the company declare that:

- the financial statements and notes as set out on pages 3 to 15 satisfy the requirements of the Australian Charities and Not-for profits Commission Act 2012 and comply with Australian Accounting Standards- Reduced Disclosure Requirements; and
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- 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
Chairman, BBRV



IGOR MERKIN
Treasurer, BBRV

Princess Gardens
7-11
Princess Street
← Main Entrance

General Manager

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lfredkin@bbrv.org.au

Village Manager and Group Accountant: Sara Joffe

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Village Manager: Warwick Morris

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