



FINANCIAL REPORT

2013/14

Jewish Care (Victoria) Incorporated and Controlled Entities

REG: A00 407 05X

ABN: 78 345 431 247

Annual report for the financial year ended 30 June 2014

Consolidated general purpose financial report for the financial year ended 30 June 2014

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Committee's report

The Committee of Management (the Committee) members of Jewish Care (Victoria) Incorporated submit herewith the annual financial report of Jewish Care (Victoria) Incorporated for the financial year ended 30 June 2014. The Committee members report as follows:

- Mr Jeffrey Appel
- Ms Leah Balter
- Mr Mike Debinski
- Mrs Sally Genser
- Mr Simon Morris
- Mr Greg Nankin
- Ms Marcia Pinskiar
- Assoc Prof Leslie Reti (resigned in December 2013)
- Mr Michael Schoenfeld (co-opted)
- Mr Rohan Filer
- Mr Bruce Rosengarten
- Ms Susie Ivany
- Mr Frank Ajzensztat

The above named members held office during and since the end of the financial year unless otherwise stated.

Principal activities

The principal activities of the Association during the financial year were to promote and provide for the well being of Jewish people in need of care in the State of Victoria, and attending to their physical, mental, emotional and spiritual needs.

Review of operations

Jewish Care is a not for profit entity relying on community support for its works. Consolidated surplus for the year of \$743,764 (2013 surplus: \$5,559,369) is made up as follows:

	2014	2013
	\$	\$
Surplus from ordinary operating activities	743,764	5,559,369
- Bequests	(2,973,738)	(4,999,359)
Non Recurrent Items:		
- Capital Appeal	(125,000)	-
- Gain on sale of Property, Plant and Equipment	(65,754)	-
Depreciation and Amortisation	2,681,006	2,496,035
Other : Realised & Unrealised (gain)/loss on Foreign Currency Exchange	12,758	(149,898)
Recurrent earnings	273,036	2,906,147
- Community Annual Appeal and donations	(4,050,640)	(5,001,481)
Deficit from ordinary activities of the economic entity after related income tax	(3,777,604)	(2,095,334)

Net Assets

Movement in Net Assets is made up of:

	2014	2013
	\$	\$
Opening balance	74,309,505	69,191,274
Add: Surplus after tax	743,764	5,559,369
Subtract: Revaluation decrement in land and buildings	-	(478,486)
Add: Revaluation increment/(decrement) in investments	-	37,348
Closing balance	<u>75,053,269</u>	<u>74,309,505</u>

Liability limited by a scheme approved under Professional Standards Legislation.

Changes in state of affairs

There was no significant change in the state of affairs of the economic entity during the financial year.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

Future developments

Disclosure of information regarding likely developments in the operations of the economic entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the economic entity. Accordingly, this information has not been disclosed in this report.

Indemnification of officers and auditors

The Association has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Association:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs or expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings, with the exception of the following:

A policy has been contracted with Victorian Managed Insurance Authority to indemnify Committee members and officers against loss for which they may not be legally indemnified by the Association arising out of any claim, by reason of any wrongful act committed by them, in their capacity as a director or officer, first made against them jointly or severally during the period of insurance and notified to the insurer during the indemnity period.

Further details of the policy, the level of cover and the premium paid cannot be disclosed under the terms and conditions of the contract.

Committee's meetings

The following table sets out the number of committee meetings held during the financial year and the number of meetings attended by each director (while they were a committee member). During the financial year, 10 committee meetings were held.

Directors	Committee Meetings	
	Eligible to attend	Attended
Mr Jeffrey Appel	10	8
Mr Frank Ajzensztat	10	6
Ms Leah Balter	10	7
Mr Mike Debinski	10	9
Mr Rohan Filer	10	10
Mrs Sally Genser	10	4
Ms Susie Ivany	10	7
Mr Simon Morris	10	8
Mr Greg Nankin	10	9
Ms Marcia Pinskiar	10	6
Assoc Prof Leslie Reti	5	4
Mr Bruce Rosengarten	10	7
Mr Michael Schoenfeld (co-opted)	10	5

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Proceedings on behalf of economic entity

No person has applied for leave of Court to bring proceedings on behalf of the economic entity or intervene in any proceedings to which the economic entity is party for the purpose of taking responsibility on behalf of the economic entity for all or any part of those proceedings.

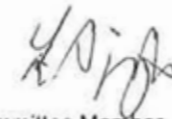
The economic entity was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Committee.

On behalf of the Committee



Committee Member
Melbourne, 22 October 2014



Committee Member
Melbourne, 22 October 2014

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Independent auditor's report to the members of Jewish Care (Victoria) Incorporated

We have audited the accompanying consolidated financial report of Jewish Care (Victoria) Incorporated (the Association), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by the Members of the Committee declaration for the consolidated entity comprising the Association and the entity it controlled at the year's end or from time to time during the financial year.

Committee of Management's Responsibility for the Financial Report

The Association's Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act 2012 (and its associated Regulations)*, and for such internal controls as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies and the *Associations Incorporation Reform Act 2012 (and its associated Regulations)*.



Opinion

In our opinion the financial report presents fairly, in all material respects the financial position of Jewish Care (Victoria) Incorporated at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act 2012 (and its associated Regulations)*.

Ernst & Young

Paul Gower
Partner
Registered Company Auditor
Melbourne
22 October 2014

Statement by Members of the Committee

The Committee declares that:

- (a) in the Committee's opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable; and
- (b) in the Committee's opinion, the attached financial statements and notes thereto are in accordance with the Associations Incorporation Reform Act 2012 (and its associated regulations), including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Association.



Committee Member
Melbourne, 22 October 2014



Committee Member
Melbourne, 22 October 2014

Consolidated statement of comprehensive income for the year ended 30 June 2014

	Note	Consolidated Entity		Parent Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
Fees and charges		12,554,697	11,973,785	12,554,697	11,973,785
Government subsidies		32,061,174	31,529,188	32,061,174	31,529,188
Other revenues	4	9,620,270	12,093,597	9,607,478	12,079,420
Total revenues		54,236,141	55,596,570	54,223,349	55,582,393
Employee benefits expense	5	(30,901,938)	(27,449,238)	(30,901,938)	(27,449,238)
Depreciation and amortisation expenses	5	(2,681,006)	(2,496,035)	(2,681,006)	(2,496,035)
Community development expenses		(2,075,179)	(2,078,866)	(2,075,179)	(2,078,866)
External services expenses		(2,871,599)	(3,655,367)	(2,871,599)	(3,655,367)
Food expenses		(5,151,163)	(5,030,775)	(5,151,163)	(5,030,775)
Repairs and maintenance expenses		(3,370,970)	(3,106,646)	(3,370,970)	(3,106,646)
Medical and other supplies		(748,241)	(668,073)	(748,241)	(668,073)
Consulting expenses		(575,266)	(369,922)	(575,266)	(369,922)
Energy expenses		(561,316)	(601,872)	(561,316)	(601,872)
Administration expenses		(1,662,873)	(1,813,767)	(1,662,873)	(1,813,767)
Laundry expenses		(633,972)	(645,144)	(633,972)	(645,144)
Other expenses	5	(2,258,854)	(2,121,496)	(2,246,062)	(2,107,319)
Total expenses		(53,492,377)	(50,037,201)	(53,479,585)	(50,023,024)
Surplus before tax	5	743,764	5,559,369	743,764	5,559,369
Income tax expense	6	-	-	-	-
Surplus after tax		743,764	5,559,369	743,764	5,559,369
Other comprehensive income/(loss)					
Gain on revaluation of investments		-	37,348	-	37,348
Loss on revaluation of property		-	(478,486)	-	(478,486)
Other comprehensive loss (net of tax) for the year		-	(441,138)	-	(441,138)
Total comprehensive income for the year		743,764	5,118,231	743,764	5,118,231

Notes to the financial statements are included on pages 11 to 38.

Consolidated statement of financial position at 30 June 2014

Note	Consolidated Entity		Parent Entity		
	2014	2013	2014	2013	
	\$	\$	\$	\$	
Current assets					
Cash and cash equivalents	18(a)	4,597,352	14,930,232	4,569,786	14,915,458
Trade and other receivables	7	4,422,287	3,238,060	4,422,287	3,238,059
Other financial assets	8	56,931,676	32,467,009	56,931,676	32,467,009
Other assets	10	177,490	214,859	177,490	214,859
Total current assets		66,128,805	50,850,160	66,101,239	50,835,385
Non-current assets					
Trade and other receivables	7	53,169	625,055	228,549	787,643
Other assets	10	908,326	969,442	908,326	969,442
Property, plant and equipment	9	84,533,235	83,345,060	84,533,235	83,345,060
Total non-current assets		85,494,730	84,939,557	85,670,110	85,102,145
Total assets		151,623,535	135,789,717	151,771,349	135,937,530
Current liabilities					
Trade and other payables	11	4,268,418	3,319,192	4,267,953	3,318,726
Provisions	12	3,594,362	3,724,218	3,594,362	3,724,218
Borrowings	13	-	-	-	-
Other liabilities	14	67,848,123	53,777,435	68,318,079	54,247,391
Total current liabilities		75,710,903	60,820,845	76,180,394	61,290,335
Non-current liabilities					
Provisions	12	859,363	659,367	859,363	659,367
Total non-current liabilities		859,363	659,367	859,363	659,367
Total liabilities		76,570,266	61,480,212	77,039,757	61,949,702
Net assets		75,053,269	74,309,505	74,731,592	73,987,828
Equity					
Reserves	15	28,768,643	28,768,643	30,981,911	30,981,911
Accumulated funds		46,284,626	45,540,862	43,749,681	43,005,917
Total equity		75,053,269	74,309,505	74,731,592	73,987,828

Notes to the financial statements are included on pages 11 to 38

Consolidated statement of changes in equity for the year ended 30 June 2014

Consolidated Entity

	Asset revaluation reserve	General reserves	Other reserves	Accumulated funds	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2012	24,765,439	1,369,550	3,074,792	39,981,493	69,191,274
Surplus for the year	-	-	-	5,559,369	5,559,369
Other comprehensive loss for the year	(441,138)	-	-	-	(441,138)
Total comprehensive income/(loss) for the year	(441,138)	-	-	5,559,369	5,118,231
Balance at 30 June 2013	24,324,301	1,369,550	3,074,792	45,540,862	74,309,505
Surplus for the year	-	-	-	743,764	743,764
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	743,764	743,764
Balance at 30 June 2014	24,324,301	1,369,550	3,074,792	46,284,626	75,053,269

Parent Entity

	Asset revaluation reserve	General reserves	Other reserves	Accumulated funds	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2012	27,027,533	1,369,550	3,025,966	37,446,548	68,869,597
Surplus for the year	-	-	-	5,559,369	5,559,369
Other comprehensive loss for the year	(441,138)	-	-	-	(441,138)
Total comprehensive income/(loss) for the year	(441,138)	-	-	5,559,369	5,118,231
Balance at 30 June 2013	26,586,395	1,369,550	3,025,966	43,005,917	73,987,828
Surplus for the year	-	-	-	743,764	743,764
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	743,764	743,764
Balance at 30 June 2014	26,586,395	1,369,550	3,025,966	43,749,681	74,731,592

Notes to the financial statements are included on pages 11 to 38

**Consolidated statement of cash flows
for the year ended 30 June 2014**

	Note	Consolidated Entity		Parent Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from customers and government subsidies		51,472,563	53,371,927	51,446,978	53,343,539
Payments to suppliers and employees		(49,792,005)	(47,538,601)	(49,779,212)	(47,524,390)
Interest received		2,183,968	1,821,276	2,183,968	1,821,276
Net cash generated by operating activities	18(b)	3,864,526	7,654,602	3,851,734	7,640,425
Cash flows from investing activities					
Payments for other financial assets		(24,464,667)	(7,079,849)	(24,464,667)	(7,079,849)
Proceeds of disposals for property, plant and equipment		163,042	-	163,042	-
Payments for property, plant and equipment		(3,966,469)	(2,020,633)	(3,966,469)	(2,020,633)
Net cash used in investing activities		(28,268,094)	(9,100,482)	(28,268,094)	(9,100,482)
Cash flows from financing activities					
Proceeds from accommodation bonds held in trust		19,839,739	17,121,340	19,839,739	17,121,340
Repayment of accommodation bonds held in trust		(5,769,051)	(9,909,769)	(5,769,051)	(9,909,769)
Repayment of lease liabilities		-	(42,547)	-	(42,547)
Net cash generated by financing activities		14,070,688	7,169,024	14,070,688	7,169,024
Net increase/(decrease) in cash and cash equivalents		(10,332,880)	5,723,144	(10,345,672)	5,708,967
Cash and cash equivalents at the beginning of the year		14,930,232	9,207,088	14,915,458	9,206,491
Cash and cash equivalents at the end of the year	18(a)	4,597,352	14,930,232	4,569,786	14,915,458

Notes to the financial statements are included on pages 11 to 38

1. General information

Jewish Care (Victoria) Incorporated is an incorporated association, incorporated in and operating in Australia.

Jewish Care (Victoria) Incorporated's registered office and its principal place of business are as follows:

619 St Kilda Road
MELBOURNE, VIC 3004
AUSTRALIA

2. Adoption of new and revised Accounting Standards**2.1 Standards and Interpretations affecting amounts reported in the current year (and/or prior years)**

The following new and revised Standards and Interpretations have been adopted in the current year and they did not have the material impact in the financial statements. Details of other Standards and Interpretations adopted in these financial statements but that have had no effect on the amounts reported are set out in section 2.2.

Amendments to AASB 101
'Presentation of Financial Statements'

The amendments (part of AASB 2011-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.

AASB 1054 'Australian Additional Disclosures' and AASB 2012-1 'Amendments to Australian Accounting Standards arising from Trans-Tasman Convergence Project' adopted in IFRSs.

AASB 1054 sets out the Australian-specific disclosures for entities that have adopted Australian Accounting Standards. This Standard contains disclosure requirements that are in addition to IFRSs in areas such as compliance with Australian Accounting Standards, the nature of financial statements (general purpose or special purpose), audit fees, imputation (franking) credits and the reconciliation of net operating cash flow to profit (loss).

AASB 2012-1 makes amendments to a range of Australian Accounting Standards and Interpretations for the purpose of closer alignment to IFRSs and harmonisation between Australian and New Zealand Standards. The Standard deletes various Australian-specific guidance and disclosures from other Standards (Australian-specific disclosures retained are now contained in AASB 1054), and aligns the wording used to that adopted in IFRSs.

The application of AASB 1054 and AASB 2012-1 in the current year has resulted in the simplification of disclosures in regards to audit fees, franking credits and capital and other expenditure commitments as well as an additional disclosure on whether the Group is a for-profit or not-for-profit entity.

AASB 10 Consolidated Financial Statements

AASB 10 establishes a new control model that applies to all entities. It replaces parts of IAS 27 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance under Australian Accounting Standards for all fair value measurements. AASB 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standard. AASB 13 defines fair value as an exit price.

AASB 119 Employee Benefits, Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]

The amendments to AASB119 revise the definitions of short term and long term employee benefits, placing the emphasis on when the benefit is expected to be settled rather than when it is due to be settled or when it vests, as is the case under the current definition. This has resulted in a change in the way annual leave liability has been measured.

2. Adoption of new and revised Accounting Standards (cont'd)

2.2 Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

AASB 2009-12 'Amendments to Australian Accounting Standards'	The Standard also makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, which includes AASB 108. The application of AASB 2009-12 has not had any material effect on amounts reported in the financial statements.
AASB 2009-14 'Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement'	Interpretation 114 addresses when refunds or reductions in future contributions should be regarded as available in accordance with paragraph 58 of AASB 119; how minimum funding requirements might affect the availability of reductions in future contributions; and when minimum funding requirements might give rise to a liability. The amendments now allow recognition of an asset in the form of prepaid minimum funding contributions. The application of the amendments to Interpretation 114 has not had material effect on the financial statements.
AASB 2011-5 'Amendments to Australian Accounting Standards'	The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, which includes AASB 101 and AASB 107. The application of AASB 2011-5 has not had any material effect on amounts reported in the financial statements.

2.3 Standards and Interpretations issued not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ending 30 June 2014, outlined in the table below.

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 2012-3	Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities	AASB 2012-3 adds application guidance to AASB 132 <i>Financial Instruments: Presentation</i> to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1-Jan-14	1-Jul-14
Interpretation 21	Levies	This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.	1-Jan-14	1-Jul-14
AASB 9	Financial Instruments	AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.	1-Jan-18	1-Jul-18

2. Adoption of new and revised Accounting Standards (cont'd)

2.3 Standards and Interpretations issued not yet effective (cont'd)

Reference	Title	Summary	Application date of standard	Application date for Group
		<p>b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p>d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> ▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ▶ The remaining change is presented in profit or loss <p>If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</p> <p>Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.</p> <p>The AASB issued a revised version of AASB 9 (AASB 2013-9) during December 2013. The revised standard incorporates three primary changes:</p> <ol style="list-style-type: none"> 1. New hedge accounting requirements including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures 2. Entities may elect to apply only the accounting for gains and losses from own credit risk without applying the other requirements of AASB 9 at the same time 3. In February 2014, the IASB tentatively decided that the mandatory effective date for AASB 9 will be 1 January 2018 		

2. Adoption of new and revised Accounting Standards (cont'd)

2.3 Standards and Interpretations issued not yet effective (cont'd)

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	AASB 2013-3 amends the disclosure requirements in AASB 136 <i>Impairment of Assets</i> . The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1-Jan-14	1-Jul-14
AASB 2013-7	Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders [AASB 1038]	AASB 2013-7 removes the specific requirements in relation to consolidation from AASB 1038, which leaves AASB 10 as the sole source for consolidation requirements applicable to life insurer entities.	1-Jan-14	1-Jul-14
Annual Improvements 2010–2012 Cycle	Annual Improvements to IFRSs 2010–2012 Cycle	<p>This standard sets out amendments to International Financial Reporting Standards (IFRS) and the related bases for conclusions and guidance made during the International Accounting Standards Board's Annual Improvements process. These amendments have not yet been adopted by the AASB.</p> <p>The following items are addressed by this standard:</p> <ul style="list-style-type: none"> ▶ IFRS 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. ▶ IFRS 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to IAS 37. ▶ IFRS 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets. ▶ IAS 16 & IAS 38 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts. ▶ IAS 24 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of IAS 24 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed. 	1-Jul-14	1-Jul-14

2. Adoption of new and revised Accounting Standards (cont'd)

2.3 Standards and Interpretations issued not yet effective (cont'd)

Reference	Title	Summary	Application date of standard	Application date for Group
Annual Improvements 2011–2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle	<p>This standard sets out amendments to International Financial Reporting Standards (IFRS) and the related bases for conclusions and guidance made during the International Accounting Standards Board's Annual Improvements process. These amendments have not yet been adopted by the AASB.</p> <p>The following items are addressed by this standard:</p> <ul style="list-style-type: none"> ▶ IFRS 13 - Clarifies that the portfolio exception in paragraph 52 of IFRS 13 applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in IAS 32. ▶ IAS 40 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of IFRS 3 that includes an investment property. That judgment is based on guidance in IFRS 3. 	1-Jul-14	1-Jul-14
AASB 1031	<i>Materiality</i>	<p>The revised AASB 1031 is an interim standard that cross-references to other Standards and the <i>Framework</i> (issued December 2013) that contain guidance on materiality.</p> <p>AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed.</p>	1-Jan-14	1-Jul-14
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	<p>IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.</p> <p>The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.</p> <p>The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.</p>	1-Jan-16	1-Jul-16

2. Adoption of new and revised Accounting Standards (cont'd)

2.3 Standards and Interpretations issued not yet effective (cont'd)

Reference	Title	Summary	Application date of standard	Application date for Group
IFRS 15	Revenue from Contracts with Customers	<p>IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.</p> <p>IFRS 15 supersedes:</p> <ul style="list-style-type: none"> (a) IAS 11 Construction Contracts (b) IAS 18 Revenue (c) IFRIC 13 Customer Loyalty Programmes (d) IFRIC 15 Agreements for the Construction of Real Estate (e) IFRIC 18 Transfers of Assets from Customers (f) SIC-31 Revenue—Barter Transactions Involving Advertising Services <p>The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:</p> <ul style="list-style-type: none"> (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation <p>Early application of this standard is permitted.</p>	1-Jan-17	1-Jul-17

3. Significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Associations Incorporation Reform Act 2012 (and its associated regulations), all Australian Accounting Standards and Interpretations, and comply with other requirements of the law.

These financial statements cover Jewish Care (Victoria) Incorporated as an individual entity and Jewish Care (Victoria) Incorporated and controlled entities as an economic entity. The financial statements comply with all Australian equivalents to International Financial Reporting Standards ('A-IFRS') in their entirety as applicable to not for profit entities.

The financial statements were authorised for issue by the Committee on 22 October 2014.

Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars and all values are rounded to the nearest whole dollar, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the economic entity's accounting policies, which are described below, management are required to make judgments, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Principles of consolidation

A controlled entity is any entity controlled by Jewish Care (Victoria) Incorporated. Control exists where Jewish Care (Victoria) Incorporated has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Jewish Care (Victoria) Incorporated to achieve the objectives of Jewish Care (Victoria) Incorporated. Details of the controlled entities are contained in Note 17.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Where a controlled entity has entered or left the economic entity during the year its operating results have been included from the date control was obtained or until the date control ceased.

3. Significant accounting policies (cont'd)**(b) Land and buildings**

Land and buildings forming part of the entity's future direction are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is the policy of the economic entity to have an independent valuation performed every three years, with annual appraisals being made by the Committee. In assessing the fair value of the crown grant land at 619 St Kilda Road Melbourne, the restrictions on use have been considered.

Any net revaluation increment arising is credited to the asset revaluation reserve, except where a net revaluation decrement has previously been recognised as an expense for that particular class of assets, in which case the net revaluation increment is recognised as revenue, but only to the extent of the previous revaluation decrement.

Any net revaluation decrement arising is recognised as an expense for the period, except where a credit balance exists in the asset revaluation reserve for that particular class of assets, in which case the net revaluation decrement is debited to the reserve, but only to the extent of the previous revaluation decrement.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Buildings under construction represent the accumulated cost of materials and any other costs incurred related to the construction. These costs, amongst others, include labour, import duties, installation, assembly and professional fees incurred to bring the asset to the location and condition needed for it to operate in the manner intended by management. When the construction is completed and the assets are ready for its intended use, these costs are then transferred to the relevant accounts. Depreciation of these assets starts when its available for use and is computed using the straight-line method. Refer to Note 3(c) for depreciation rates per asset class.

(c) Property, plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount is reviewed by the Committee to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected cash flows which will be received from the assets employed and subsequent disposal.

Bed licenses are carried at nil value. This is consistent with the prior year.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line basis over the useful lives of the assets to the economic entity commencing from the time the asset was held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings	4 %	Straight Line
Motor vehicles	20 %	Straight Line
Furniture fixtures and fittings	10 %	Straight Line
Computer equipment	33.3 %	Straight Line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. 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.

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

3. Significant accounting policies (cont'd)**(d) Leases**

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Company as lessee

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Finance leased assets are amortised on a straight-line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(e) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(g) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

3. Significant accounting policies (cont'd)**(h) Financial assets**

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

- it forms part of a contract containing one or more embedded derivatives and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

3. Significant accounting policies (cont'd)**(i) Financial assets (cont'd)**AFS financial assets

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as AFS and are stated at fair value. The Company also has investments in unlisted shares that are not traded in an active market but that are also classified as AFS financial assets and stated at fair value (because the directors consider that fair value can be reliably measured).

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period. For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. Significant accounting policies (cont'd)**(i) Financial assets (cont'd)**Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Company retains control), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Term Deposits

Investments in term deposits are measured on the amortised cost basis.

(j) Business combinations

A business combination is the bringing together of separate entities or businesses into one reporting entity. Jewish Care has evolved after many years of combinations of entities which promoted and provided for the well-being of Jewish people in need of care in the State of Victoria by attending to their physical, mental, emotional and spiritual needs.

(k) Impairment of assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. Significant accounting policies (cont'd)**(l) Revenue**

Government grant revenue is recognised when the economic entity gains control of the funds. Revenue from the rendering of a service is recognised upon the delivery of the service to the residents. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue on sale of non-current assets is recognised when an unconditional sale contract is signed and the risks and rewards of ownership have transferred to the purchaser. All revenue is stated net of the amount of goods and services tax (GST).

(m) Accommodation bonds

Accommodation bonds received from incoming residents are held in trust for each individual resident and are recognised as a current liability. Monthly retention fees are deducted from each bond account according to the statutory requirements and are recognised as revenue.

(n) Bequests and donations

Bequests and donations received that do not have stringent and legally enforceable spending requirements are recognised as revenue when received.

(o) Income taxes

Jewish Care (Victoria) Incorporated is a recognised resident Public Benevolent Institution and the controlled entities are exempt charitable trusts under the provisions of the Income Tax Assessment Act (as amended) and as such are not subject to income taxes at this time. Accordingly, no income tax has been provided for the economic entity in these financial statements.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense; or
- (ii) for receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(q) Working capital

The financial statements have been prepared on the going concern basis. While the consolidated statement of financial position discloses a net working capital deficiency of \$9,582,098 (2013: \$9,970,685) for the consolidated entity, and \$10,079,155 (2013: \$10,454,950) for the parent entity, accommodation bonds of \$67,848,123 (2013: \$53,777,435) are included as current liabilities. While the accommodation bonds are repayable on demand, they form the basis of long term funding and are generally replaced by incoming residents. The Committee therefore believes that the going concern basis of preparation is appropriate.

Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014 \$	2013 \$	2014 \$	2013 \$
4. Revenue				
Other revenues:				
Donations	937,859	1,703,934	937,859	1,703,934
Bequests	2,973,738	4,999,359	2,960,946	4,985,182
Appeals	3,112,781	3,297,547	3,112,781	3,297,547
Interest revenue	2,183,968	1,821,276	2,183,968	1,821,276
Capital appeal	125,000	-	125,000	-
Profit on sale of fixed assets	65,754	-	65,754	-
Other revenue	221,170	271,481	221,170	271,481
	<u>9,620,270</u>	<u>12,093,597</u>	<u>9,607,478</u>	<u>12,079,420</u>
5. Surplus for the year before tax				
Surplus for the year has been arrived at after charging the following items of expense:				
Computer rental costs	(112,302)	(151,915)	(112,302)	(151,915)
Depreciation and amortisation of non-current assets				
Computer equipment	(499,948)	(316,628)	(499,948)	(316,628)
Buildings	(1,507,164)	(1,495,206)	(1,507,164)	(1,495,206)
Motor vehicles	(23,605)	(38,072)	(23,605)	(38,072)
Motor vehicles under finance lease	(4,925)	(19,700)	(4,925)	(19,700)
Furniture, fixtures, fittings as previously reported	(645,364)	(626,429)	(645,364)	(626,429)
Total depreciation and amortisation	<u>(2,681,006)</u>	<u>(2,496,035)</u>	<u>(2,681,006)</u>	<u>(2,496,035)</u>
Employee benefits expenses				
- salary, wages and related costs	(27,953,602)	(24,856,071)	(27,953,602)	(24,856,071)
- superannuation	(2,319,290)	(2,068,964)	(2,319,290)	(2,068,964)
- workcover expenses	(629,046)	(524,203)	(629,046)	(524,203)
	<u>(30,901,938)</u>	<u>(27,449,238)</u>	<u>(30,901,938)</u>	<u>(27,449,238)</u>
Other expenses				
- emergency services	(856,795)	(715,694)	(856,795)	(715,694)
- security services	(3,339)	(87,531)	(3,339)	(87,531)
- travel and motor vehicle expenses	(369,586)	(250,157)	(369,586)	(250,157)
- rates and insurance	(486,092)	(528,635)	(486,092)	(528,635)
- rental expenses	(214,694)	(207,475)	(214,694)	(207,475)
- other expenses	(328,348)	(332,004)	(315,556)	(317,827)
	<u>(2,258,854)</u>	<u>(2,121,496)</u>	<u>(2,246,062)</u>	<u>(2,107,319)</u>

Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014 \$	2013 \$	2014 \$	2013 \$
6. Income taxes				
Jewish Care (Victoria) Incorporated is a recognised resident Public Benevolent Institution and the controlled entities are exempt charitable trusts under the provisions of the Income Tax Assessment Act (as amended) and as such are not subject to income taxes at this time. Accordingly, no income tax has been provided for the economic entity in these financial statements.				
7. Trade and other receivables				
Current				
Accommodation debtors	958,467	933,393	958,467	933,393
Less allowance for doubtful debts	(163,486)	(100,265)	(163,486)	(100,265)
	<u>794,981</u>	<u>833,128</u>	<u>794,981</u>	<u>833,128</u>
Loan debtors	1,284,715	195,567	1,284,715	195,567
Less allowance for doubtful debts	(4,174)	(397)	(4,174)	(397)
	<u>1,280,541</u>	<u>195,170</u>	<u>1,280,541</u>	<u>195,170</u>
Goods and services tax recoverable	156,006	134,879	156,006	134,879
Other debtors	2,190,759	2,074,883	2,190,759	2,074,882
	<u>4,422,287</u>	<u>3,238,060</u>	<u>4,422,287</u>	<u>3,238,059</u>
Non-current				
Amounts receivable from:				
Loan debtors	53,169	625,055	53,169	625,055
Controlled entities	-	-	175,380	162,588
	<u>53,169</u>	<u>625,055</u>	<u>228,549</u>	<u>787,643</u>
No interest is charged on the trade receivables. An allowance has been made for estimated irrecoverable amounts arising from the past allowance of accommodation and services, determined by reference to past default experience. The economic entity has allowed for specific receivables over 90 days determined by reference to their re-payment history.				
Ageing of past due but not impaired				
60 - 90 days	228,013	157,473	228,013	157,473
90 - 120 days	321,661	224,378	321,661	224,378
	<u>549,674</u>	<u>381,852</u>	<u>549,674</u>	<u>381,852</u>
Movement in the allowance for doubtful debts				
Balance at the beginning of the year	100,662	28,077	100,662	28,077
Movement in the allowance for doubtful debts	66,998	72,585	66,998	72,585
Balance at the end of the year	<u>167,660</u>	<u>100,662</u>	<u>167,660</u>	<u>100,662</u>
In determining the recoverability of a trade receivable, the economic entity considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Committee believes that there is no further credit provision required in excess of the allowance for doubtful debts.				

Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014 \$	2013 \$	2014 \$	2013 \$
8. Other financial assets				
Financial investments held for trading	55,033,435	-	55,033,435	-
Financial investments available-for-sale	208,296	170,948	208,296	170,948
Unrealised revaluation of financial investments	554,326	37,348	554,326	37,348
Term deposits	1,135,619	32,258,713	1,135,619	32,258,713
	<u>56,931,676</u>	<u>32,467,009</u>	<u>56,931,676</u>	<u>32,467,009</u>
9. Property, plant and equipment				
Land and buildings at fair value	84,101,209	82,750,656	84,101,209	82,750,656
Accumulated depreciation	(5,834,128)	(4,326,965)	(5,834,128)	(4,326,965)
	<u>78,267,081</u>	<u>78,423,691</u>	<u>78,267,081</u>	<u>78,423,691</u>
Buildings under construction	1,173,878	188,079	1,173,878	188,079
Motor vehicles	46,787	476,599	46,787	476,599
Accumulated depreciation	(46,787)	(364,714)	(46,787)	(364,714)
	<u>-</u>	<u>111,885</u>	<u>-</u>	<u>111,885</u>
Furniture and fittings	10,688,238	9,725,582	10,688,238	9,725,582
Accumulated depreciation	(6,769,369)	(6,123,999)	(6,769,369)	(6,123,999)
	<u>3,918,869</u>	<u>3,601,583</u>	<u>3,918,869</u>	<u>3,601,583</u>
Computer equipment	2,678,776	2,045,250	2,678,776	2,045,250
Accumulated depreciation	(1,704,905)	(1,204,957)	(1,704,905)	(1,204,957)
	<u>973,871</u>	<u>840,293</u>	<u>973,871</u>	<u>840,293</u>
IT Projects in progress	199,536	165,596	199,536	165,596
Motor vehicles under finance lease	-	98,503	-	98,503
Accumulated depreciation	-	(84,570)	-	(84,570)
	<u>-</u>	<u>13,933</u>	<u>-</u>	<u>13,933</u>
Total property, plant and equipment	<u>84,533,235</u>	<u>83,345,060</u>	<u>84,533,235</u>	<u>83,345,060</u>

Jewish Care (Victoria) Incorporated
Notes to the financial statements

9. Property, plant and equipment (cont'd)

Consolidated Entity	Land and buildings at fair value	Buildings under construction	Motor vehicles	Furniture and fittings at cost	Computer equipment	IT projects in progress	Motor vehicles under finance	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Gross carrying amount								
Balance at 1 July 2012	80,020,996	95,981	81,991	3,369,950	794,860	-	33,633	84,397,411
Additions	376,387	92,098	67,966	858,062	460,524	165,596	-	2,020,633
Net revaluation decrement	(478,486)	-	-	-	(98,463)	-	-	(576,949)
Depreciation expense	(1,495,206)	-	(38,072)	(626,429)	(316,628)	-	(19,700)	(2,496,035)
Balance at 30 June 2013	<u>78,423,691</u>	<u>188,079</u>	<u>111,885</u>	<u>3,601,583</u>	<u>840,293</u>	<u>165,596</u>	<u>13,933</u>	<u>83,345,060</u>
Additions	1,202,455	1,173,878	-	962,650	427,950	199,536	-	3,966,469
Net disposals	-	-	(429,811)	-	-	-	(98,503)	(528,314)
Transfers	148,099	(188,079)	-	-	205,576	(165,596)	-	-
Depreciation on disposal	-	-	341,531	-	-	-	89,495	431,026
Depreciation expense	(1,507,164)	-	(23,605)	(645,364)	(499,948)	-	(4,925)	(2,681,006)
Balance at 30 June 2014	<u>78,267,081</u>	<u>1,173,878</u>	<u>-</u>	<u>3,918,869</u>	<u>973,871</u>	<u>199,536</u>	<u>-</u>	<u>84,533,235</u>
Parent Entity								
Gross carrying amount								
Balance at 1 July 2012	80,020,996	95,981	81,991	3,369,950	794,860	-	33,633	84,397,411
Additions	376,387	92,098	67,966	858,062	460,524	165,596	-	2,020,633
Net revaluation decrement	(478,486)	-	-	-	(98,463)	-	-	(576,949)
Depreciation expense	(1,495,206)	-	(38,072)	(626,429)	(316,628)	-	(19,700)	(2,496,035)
Balance at 30 June 2013	<u>78,423,691</u>	<u>188,079</u>	<u>111,885</u>	<u>3,601,583</u>	<u>840,293</u>	<u>165,596</u>	<u>13,933</u>	<u>83,345,060</u>
Additions	1,202,455	1,173,878	-	962,650	427,950	199,536	-	3,966,469
Net disposals	-	-	(429,811)	-	-	-	(98,503)	(528,314)
Transfers	148,099	(188,079)	-	-	205,576	(165,596)	-	-
Depreciation on disposal	-	-	341,531	-	-	-	89,495	431,026
Depreciation expense	(1,507,164)	-	(23,605)	(645,364)	(499,948)	-	(4,925)	(2,681,006)
Balance at 30 June 2014	<u>78,267,081</u>	<u>1,173,878</u>	<u>-</u>	<u>3,918,869</u>	<u>973,871</u>	<u>199,536</u>	<u>-</u>	<u>84,533,235</u>

Jewish Care (Victoria) Incorporated
Notes to the financial statements

Consolidated Entity		Parent Entity	
2014	2013	2014	2013
\$	\$	\$	\$

9. Property, plant and equipment (cont'd)*Committees' valuation*

The Committee has reviewed the carrying values of land and buildings as at 30 June 2014 and does not believe that there has been a material movement in market values from the valuation conducted at 30 June 2012 that resulted in a revaluation decrement of \$478,486. In doing so, the Committee has considered the following:

Land and buildings were valued in two tranches, one as at 30 June 2011 and the second at 30 June 2012 by an independent valuer, Charter Keck Cramer.

Valuations were made on the basis of open market value by reference to sales by similar qualifying assets in similar locations. Revaluation surpluses are credited to the asset revaluation reserve in shareholder's equity and revaluation decrements are debited to the asset revaluation reserve to the extent that they reverse previous increments.

10. Other assets**Current**

Inventory	16,009	-	16,009	-
Prepayments and deposits	161,481	214,859	161,481	214,859
Total Prepayments and deposits	177,490	214,859	177,490	214,859

Non-current

Prepayments and deposits	908,326	969,442	908,326	969,442
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11. Trade and other payables

Trade payables	1,747,195	1,615,291	1,747,195	1,615,291
Sundry payables and accruals	2,408,843	1,578,003	2,408,378	1,577,537
Resident funds	112,380	125,898	112,380	125,898
	4,268,418	3,319,192	4,267,953	3,318,726

The average credit period on purchases of goods and services is 60 days. No interest is charged on the trade payables for the first 60 days from the date of the invoice. Specific suppliers may choose to charge interest after that period. The continuous monitoring of cash flow ensures that all payables are paid within the credit timeframe.

12. Provisions**Current**

Employee benefits	3,594,362	3,724,218	3,594,362	3,724,218
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Non-current

Employee benefits	859,363	659,367	859,363	659,367
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Jewish Care (Victoria) Incorporated
Notes to the financial statements

Consolidated Entity		Parent Entity	
2014	2013	2014	2013
\$	\$	\$	\$

13. Borrowings**Secured - at amortised cost****Current**

Finance lease liability (refer note 21)	-	-	-	-
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Non-current

Finance lease liability (refer note 21)	-	-	-	-
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14. Other liabilities

Amounts payable to controlled entities	-	-	469,956	469,956
Deposits held in trust (accommodation bonds)	67,848,123	53,777,435	67,848,123	53,777,435
	67,848,123	53,777,435	68,318,079	54,247,391

15. Reserves

General reserve (a)	1,369,550	1,369,550	1,369,550	1,369,550
Asset revaluation (b)	24,324,301	24,324,301	26,586,395	26,586,395
Other reserve (c)	3,074,792	3,074,792	3,025,966	3,025,966
	28,768,643	28,768,643	30,981,911	30,981,911

(a) General reserve

Balance at the beginning and the end of the year	1,369,550	1,369,550	1,369,550	1,369,550
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The general reserve is used from time to time to transfer profits from retained profits. There is no policy of regular transfer.

(b) Asset revaluation reserve

Balance at the beginning of the year	24,324,301	24,765,439	26,586,395	27,027,533
Gain on revaluation of investments	-	37,348	-	37,348
Loss on revaluation of property	-	(478,486)	-	(478,486)
Balance at the end of the year	24,324,301	24,324,301	26,586,395	26,586,395

The asset revaluation reserve arises on the revaluation of share investments and land and buildings. Where revalued shares, land or buildings are sold, that portion of the asset revaluation reserve which relates to that asset, and is effectively realised, is transferred directly to accumulated surplus.

(c) Other reserve

Balance at the beginning and the end of financial year	3,074,792	3,074,792	3,025,966	3,025,966
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Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014 \$	2013 \$	2014 \$	2013 \$
16. Commitments for expenditure				
(a) Capital expenditure commitments				
Not longer than 1 year	7,731,753	3,376,905	7,731,753	3,376,905
	<u>7,731,753</u>	<u>3,376,905</u>	<u>7,731,753</u>	<u>3,376,905</u>
(b) Other expenditure commitments				
Rental Commitments				
Not longer than 1 year	195,000	190,000	195,000	190,000
Longer than 1 year and not longer than 5 years	-	195,000	-	195,000
	<u>195,000</u>	<u>385,000</u>	<u>195,000</u>	<u>385,000</u>
Motor Vehicle Leases				
Not longer than 1 year	148,580	148,580	148,580	148,580
Longer than 1 year and not longer than 5 years	420,976	569,556	420,976	569,556
	<u>569,556</u>	<u>718,136</u>	<u>569,556</u>	<u>718,136</u>

Rental commitments relate to 76-78 Kooyong Road, North Caulfield.

Commitments - Montefiore Home for the Aged Foundation Inc (The Foundation)

The merger of the former Montefiore Homes for the Aged Inc. and Jewish Community Services Inc. to create Jewish Care (Victoria) Inc (JCV) led to the winding up of the former Foundation. It was recognised prior to the winding up that some donations were made to the Foundation for certain specific purposes and although it was not a requirement of the winding up of the Foundation that the monies be used for the specific purpose, the Foundation and JCV agreed that it would be appropriate to fulfil in spirit the conditions attached to the specific purpose donations by obliging JCV to dedicate funds to the specific purposes on an ongoing basis. Therefore, certain funds included in investments can only be used for specific purposes. The conditions for the specific purpose donations have been met by JCV for the year ended 30 June 2014.

17. Controlled entities

Name of entity	Country of incorporation	Ownership interest	
		2014 %	2013 %
Parent entity			
Jewish Care (Victoria) Incorporated	Australia		
Subsidiaries			
Jewish Aid Society Incorporated	Australia	100	100

Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014 \$	2013 \$	2014 \$	2013 \$
18. Cash and cash equivalents				
(a) Reconciliation of cash and cash equivalents				
For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:				
Cash on hand	35,126	22,334	7,560	7,560
Cash at bank	4,562,226	14,907,898	4,562,226	14,907,898
	<u>4,597,352</u>	<u>14,930,232</u>	<u>4,569,786</u>	<u>14,915,458</u>
(b) Reconciliation of surplus for the year to net cash flows from operating activities				
Surplus for the year	743,764	5,559,369	743,764	5,559,369
Depreciation and amortisation	2,681,006	2,496,035	2,681,006	2,496,035
Impairment of work in progress	-	98,463	-	98,463
Movement in working capital				
(Increase)/decrease in assets:				
Trade and other receivables	(678,095)	165,500	(690,888)	151,289
Other assets	98,485	(568,867)	98,485	(568,867)
Increase/(decrease) in liabilities:				
Trade and other payables	949,226	505,820	949,227	505,854
Provisions	70,140	(601,718)	70,140	(601,718)
Net cash generated by operating activities	<u>3,864,526</u>	<u>7,654,602</u>	<u>3,851,734</u>	<u>7,640,425</u>
19. Financial instruments				
(a) Categories of financial instruments				
Financial assets				
Cash and cash equivalents	4,597,352	14,930,232	4,569,786	14,915,458
Loans and receivables	4,475,456	3,863,115	4,650,836	4,025,702
Held to maturity investments	1,135,619	32,258,713	1,135,619	32,258,713
Available for sale financial assets	-	208,296	-	208,296
Financial Investments	<u>55,796,057</u>	<u>-</u>	<u>55,796,057</u>	<u>-</u>
Financial liabilities				
Amortised cost – other financial liabilities	<u>72,116,541</u>	<u>57,096,627</u>	<u>72,586,032</u>	<u>57,566,117</u>

19. Financial instruments (cont'd)

(b) Financial Risk Management Objective

The Association and the economic entity's management monitors and manages the financial risks relating to the operations of the economic entity through internal analysis to determine any risk exposure. These risks include currency risks related to Claims Conference funding, credit risk, interest rate risk and liquidity risk. The economic entity seeks to minimise the effect of these risks by using derivative financial instruments to hedge these risks exposure.

(c) Market Risk

The economic entity's activities expose it to the financial risks of changes in foreign currency exchange rates (Claims Conference funding) and interest rates. The economic entity enters into specific derivative financial instruments to manage its exposure to these risks including:

- Forward Foreign Exchange Contracts for Claims Conference funding received
- Fixed Maturity Investments for Accommodation Bonds held

The Association has entered into a forward foreign exchange contract as at 30 June 2014. No hedge accounting is applied to this.

(d) Foreign Currency Risk Management

The economic entity undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations. Exchange rate exposures are managed utilising forward foreign exchange contracts where appropriate.

(e) Interest Rate Risk Management

The economic entity is exposed to interest rate risk as it invests at both fixed and variable interest rates. The risk is managed by adopting a conservative approach with regards to long and short-term investment strategies.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or a 50 basis point decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

At reporting date, if interest rates had been 100 basis points higher or 50 basis points lower and all other variables were held constant, the economic entity's net profit would increase by \$467,658 and decrease by \$233,829 (2013: increase by \$409,260 and decrease by \$204,630).

The economic entity's sensitivity to interest rates has decreased during the current period mainly due to a decrease in cash held of \$10,322,880 (refer to note 18).

Consolidated entity	Carrying amount on average 2014	Effect on income before taxes (increase 1.0%)	Effect on income before taxes (decrease 0.50%)
	\$	\$	\$
<i>Floating rates financial assets</i>			
Cash at bank	9,727,784	97,278	(48,639)
Term deposits	37,038,065	370,381	(185,190)
	46,765,849	467,658	(233,829)
Increase/(decrease) in net profit		467,658	(233,829)

19. Financial instruments (cont'd)

(e) Interest Rate Risk Management (cont'd)

Consolidated entity	Carrying amount on average 2013	Effect on income before taxes (increase 1.0%)	Effect on income before taxes (decrease 0.50%)
	\$	\$	\$
<i>Floating rates financial assets</i>			
Cash at bank	12,017,594	120,176	(60,088)
Term deposits	28,908,411	289,084	(144,542)
	40,926,005	409,260	(204,630)
Increase/(decrease) in net profit		409,260	(204,630)

(f) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the economic entity. The maximum exposure to credit risk, excluding the value of any collateral or other security, at the reporting date to recognised financial assets is the carrying amount of those assets, net of any allowance for doubtful debts, as disclosed in the statement of financial position and notes to the financial report. The economic entity does not have any material risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(g) Liquidity Risk Management

The economic entity manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the association's and the economic entity's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the economic entity can be required to pay. The tables include both interest and principal cash flows.

Consolidated Entity	Weighted average effective interest rate %	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years
2014						
Non-interest bearing		1,001,063	1,144,139	540,541	-	-
		1,001,063	1,144,139	540,541	-	-
2013						
Non-interest bearing		690,714	849,139	510,891	-	-
		690,714	849,139	510,891	-	-

19. Financial instruments (cont'd)
(g) Liquidity Risk Management (cont'd)

	Weighted average effective interest rate %	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years
Parent Entity						
2014						
Non-interest bearing		1,001,063	1,143,639	540,541	-	-
		1,001,063	1,143,639	540,541	-	-
2013						
Non-interest bearing		690,714	849,139	510,891	-	-
		690,714	849,139	510,891	-	-

The following table details the Association's and the economic entity's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Association/economic entity anticipates that the cash flow will occur in different period.

	Weighted average effective interest rate %	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years
Consolidated Entity						
2014						
Non-interest bearing		196,612	2,940,712	12,029,136	44,897,291	774,982
Variable interest rate instruments	4.67%	117,573	1,018,046	-	-	-
		314,185	3,958,758	12,029,136	44,897,291	774,982
2013						
Non-interest bearing		177,439	2,184,271	1,742,615	343,102	808,318
Variable interest rate instruments	5.26%	168,361	32,090,352	-	-	-
		345,800	34,274,623	1,742,615	343,102	808,318

	Weighted average effective interest rate %	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years
Parent Entity						
2014						
Non-interest bearing		196,612	2,940,712	12,029,136	44,897,291	774,982
Variable interest rate instruments	4.67%	117,573	1,018,046	-	-	-
		314,185	3,958,758	12,029,136	44,897,291	774,982
2013						
Non-interest bearing		177,439	2,184,271	1,742,615	343,102	808,318
Variable interest rate instruments	5.26%	168,361	32,090,352	-	-	-
		345,800	34,274,623	1,742,615	343,102	808,318

20. Related party transactions
(a) Transactions with key management personnel

	Number of KMP	Salary \$	Superannuation \$	Bonus \$
2014				
Key management personnel compensation	10	1,654,569	164,534	210,961
2013				
Key management personnel compensation	11	1,598,364	153,494	188,532

Committee of Management

Details of the Committee of Management are listed below. All members of the Committee of Management held office during the period in an honorary capacity.

- Mr Jeffrey Appel
- Ms Leah Balter
- Mr Mike Debinski
- Mrs Sally Genser
- Mr Simon Morris
- Mr Greg Nankin
- Ms Marcia Pinskiar
- Assoc Prof Leslie Reti (resigned in December 2013)
- Mr Bruce Rosengarten
- Mr Michael Schoenfeld
- Mr Rohan Filer
- Ms Susie Ivany
- Mr Frank Ajzensztat

(b) Transactions with other related parties

Other related parties include:

- Subsidiary: Jewish Aid Society Incorporated

During the financial year, the following transactions occurred between the company and its other related parties:

- Jewish Care (Vic) Inc provided administration services to Jewish Aid Society Inc for the financial year with an administration charge of \$12,792.

Jewish Care (Victoria) Incorporated
Notes to the financial statements

	Consolidated Entity		Parent Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
20. Related parties transactions (cont'd)				
The following balances arising from transactions between the Association and its other related parties are outstanding at reporting date:				
(i) Amounts receivable from controlled entities:				
Jewish Aid Society Incorporated	-	-	175,380	162,588
(ii) Amounts payable to controlled entities:				
Jewish Aid Society Incorporated	-	-	469,956	469,956

All amounts advanced to or payable to related parties are unsecured and are subordinate to other liabilities. The amounts outstanding will be settled in cash. No guarantees have been given or received. No expense has been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties. Transactions and balances between the association and its subsidiaries were eliminated in the preparation of consolidated financial statements of the economic entity.

21. Finance leases

Leasing arrangements

There are no current finance leases.

	Consolidated Entity		Parent Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
22. Auditor of the parent entity				
Audit or review of the financial report	146,940	99,516	146,940	99,516
Audit or review of other financial reports and grants	10,000	18,000	10,000	18,000
Other services	35,824	31,904	35,824	31,904
	<u>192,764</u>	<u>149,420</u>	<u>192,764</u>	<u>149,420</u>

The auditor of Jewish Care (Victoria) Incorporated is Ernst and Young.

Jewish Care (Victoria) Incorporated
Notes to the financial statements

23: Segment Reporting

	Residential Services		Community Services		Total Consolidated Entity	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Fees and charges	7,959,048	7,915,123	4,595,649	4,058,662	12,554,697	11,973,785
Government subsidies	20,547,818	20,381,942	11,513,356	11,147,246	32,061,174	31,529,188
Other revenues	2,021,329	1,553,178	7,598,941	10,540,419	9,620,270	12,093,597
Total revenues	<u>30,528,195</u>	<u>29,850,243</u>	<u>23,707,946</u>	<u>25,746,327</u>	<u>54,236,141</u>	<u>55,596,570</u>
Employee benefits expense	(14,341,880)	(14,118,271)	(16,560,058)	(13,330,967)	(30,901,938)	(27,449,238)
Depreciation and amortisation expenses	(2,203,861)	(2,067,181)	(477,145)	(428,854)	(2,681,006)	(2,496,035)
Community development expenses	331,771	136,081	(2,406,950)	(2,214,947)	(2,075,179)	(2,078,866)
External services expenses	(86,677)	(55,617)	(2,784,922)	(3,599,750)	(2,871,599)	(3,655,367)
Food expenses	(4,786,059)	(4,668,096)	(365,104)	(362,679)	(5,151,163)	(5,030,775)
Repairs and maintenance expenses	(2,724,682)	(2,582,439)	(646,288)	(524,207)	(3,370,970)	(3,106,646)
Medical and other supplies	(669,568)	(616,210)	(78,673)	(51,863)	(748,241)	(668,073)
Consulting expenses	(39,140)	(1,170)	(536,126)	(368,752)	(575,266)	(369,922)
Energy expenses	(434,596)	(479,476)	(126,720)	(122,396)	(561,316)	(601,872)
Administration expenses	(4,374,101)	(4,259,564)	2,711,228	2,445,797	(1,662,873)	(1,813,767)
Laundry expenses	(632,718)	(643,735)	(1,254)	(1,409)	(633,972)	(645,144)
Other expenses	(317,558)	(388,827)	(1,941,296)	(1,732,669)	(2,258,854)	(2,121,496)
Total expenses	<u>(30,279,069)</u>	<u>(29,744,505)</u>	<u>(23,213,308)</u>	<u>(20,292,696)</u>	<u>(53,492,377)</u>	<u>(50,037,201)</u>
Surplus/(deficit) before tax	249,126	105,738	494,638	5,453,631	743,764	5,559,369
Income tax expense	-	-	-	-	-	-
Surplus/(deficit) after tax	<u>249,126</u>	<u>105,738</u>	<u>494,638</u>	<u>5,453,631</u>	<u>743,764</u>	<u>5,559,369</u>

23. Segment reporting (cont'd)

	Residential Services		Community Services		Total Consolidated Entity	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Current assets						
Cash and cash equivalents	2,513,860	3,259,157	2,083,492	11,671,075	4,597,352	14,930,232
Trade and other receivables	1,175,646	994,200	3,246,640	2,243,860	4,422,287	3,238,060
Other financial assets	45,781,959	32,090,352	11,149,717	376,657	56,931,676	32,467,009
Other assets	99,928	116,317	77,562	98,542	177,490	214,859
Total current assets	49,571,393	36,460,026	16,557,412	14,390,134	66,128,805	50,850,160
Non-current assets						
Trade and other receivables	-	-	53,169	625,055	53,169	625,055
Other assets	-	522,641	908,326	446,801	908,326	969,442
Property, plant and equipment	47,506,252	47,520,531	37,026,983	35,824,529	84,533,235	83,345,060
Total non-current assets	47,506,252	48,043,172	37,988,478	36,896,385	85,494,730	84,939,557
Total assets	97,077,645	84,503,198	54,545,890	51,286,519	151,623,535	135,789,717
Current liabilities						
Trade and other payables	2,323,314	1,886,054	1,945,104	1,433,138	4,268,418	3,319,192
Provisions	2,589,548	2,683,105	1,004,814	1,041,113	3,594,362	3,724,218
Borrowings	-	-	-	-	-	-
Other liabilities	67,848,123	53,777,435	-	-	67,848,123	53,777,435
Total current liabilities	72,760,985	58,346,594	2,949,918	2,474,251	75,710,903	60,820,845
Non-current liabilities						
Provisions	619,126	475,037	240,237	184,330	859,363	659,367
Total non-current liabilities	619,126	475,037	240,237	184,330	859,363	659,367
Total liabilities	73,380,111	58,821,631	3,190,155	2,658,581	76,570,266	61,480,212
Net assets	23,697,534	25,681,568	51,355,735	48,627,937	75,053,269	74,309,505
Equity						
Reserves	4,383,389	6,616,549	24,385,254	22,152,094	28,768,643	28,768,643
Accumulated funds	19,314,145	19,065,019	26,970,481	26,475,843	46,284,626	45,540,862
Total equity	23,697,534	25,681,568	51,355,735	48,627,937	75,053,269	74,309,505



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