

# **VIMOKKHARAM FOREST HERMITAGE INC.**

**ABN: 73 051 793 658**

**29 Perrins Creek Road  
OLINDA VIC 3788**

**AUDITED FINANCIAL REPORT**

**FOR THE YEAR ENDED  
30 June 2020**

**Vimokkharam Forest Hermitage Inc**  
**Statement of Cash Flows**

July 2019 - June 2020

	Note	Total
<b>Cash flows from operating activities</b>		
<b>Profit for the year</b>		202,315
<b>Adjustments for non-cash income and expenses:</b>		
Prepayment & Other Receivables		240
Accumulated Depreciation Kuti		207
ATO Clearing Account		4,640
Accrued liabilities		1,296
<b>Total Adjustments for non-cash income and expenses:</b>		<b>6,383</b>
<b>Net cash from operating activities</b>		<b>208,697</b>
Cash flows from investing activities		
Building Under Construction		(89,110)
<b>Net cash used in investing activities</b>		<b>(89,110)</b>
Net increase (decrease) in cash and cash equivalents	1(g)	<b>119,588</b>
Cash and cash equivalents at beginning of year	1(g)	615,068
<b>Cash and cash equivalents at end of year</b>	1(g)	<b>734,655</b>

**Vimokkharam Forest Hermitage Inc**  
**Profit and Loss YTD Comparison**  
July 2019 - June 2020

	Note	Jul 2019 - Jun 2020	Jul 2018 - Jun 2019
<b>Income</b>			
Donations Received		188,969	225,808
Fund Raising			269
Pledge		33,059	48,100
Sangha Travel Fund		1,000	21
Advertisement & Sponsorship			2,318
<b>Total Income</b>	1(b)	<b>223,028</b>	<b>276,517</b>
<b>Gross Profit</b>		<b>223,028</b>	<b>276,517</b>
<b>Other Income</b>			
Interest income		1,487	4,332
<b>Total Other Income</b>		<b>1,487</b>	<b>4,332</b>
<b>Expenses</b>			
Audit Fees		1,500	1,500
Bank charges and fees		216	108
Contractor Expenses (non salary)			1,400
Depreciation Kuti	1(e)	207	725
Gardening Exp		1,325	1,781
Hiring Cost		3,022	1,931
Insurance		2,725	2,597
License & Permits		290	284
Medical Expense		605	
Printing, stationery & supplies		1,482	1,170
Repairs and maintenance			1,970
Rates & Taxes		387	379
Subscriptions		91	118
Telephone & internet expenses		608	399
Tools & Appliances		672	1,005
Travel expenses		6,477	1,189
Utilities; Electricity, Gas & Water		2,593	2,741
<b>Total Expenses</b>		<b>22,198</b>	<b>19,297</b>
<b>Other Expenses</b>			
BAS Roundoff Gain or Loss		2	0
<b>Total Other Expenses</b>		<b>2</b>	<b>0</b>
<b>Net Earnings</b>		<b>202,315</b>	<b>261,552</b>

**Vimokkharam Forest Hermitage Inc**  
**Balance Sheet Comparison**  
As of June 30, 2020

	Note	As of 30-Jun- 2020	As of 30-Jun- 2019
<b>Assets</b>			
<b>Current Assets</b>			
Building (2977)		18,511	26,978
Building Savings Account (0879)		680,789	559,508
Operating (3300)		32,590	27,115
Sangha Travel Fund Savings Account (7433)		2,470	1,466
Petty Cash		295	
Prepayment & Other Receivables		26	266
<b>Total Current Assets</b>		<b>734,682</b>	<b>615,334</b>
<b>Long-term assets</b>			
Land at cost		200,000	200,000
Kuti		14,490	14,490
Accumulated Depreciation Kuti		(14,490)	(14,283)
Building Under Construction		298,825	209,716
<b>Total long-term assets</b>		<b>498,825</b>	<b>409,922</b>
<b>Total Assets</b>		<b>1,233,507</b>	<b>1,025,256</b>
<b>Liabilities and shareholder's equity</b>			
Current liabilities:			
2199 ATO Clearing Account		(975)	(5,615)
2400 Accrued liabilities		4,252	2,957
<b>Total current liabilities</b>		<b>3,277</b>	<b>(2,659)</b>
<b>Shareholders' equity:</b>			
Net Income		202,315	
Retained Earnings		1,027,915	1,027,915
<b>Total shareholders' equity</b>		<b>1,230,230</b>	<b>1,027,915</b>
<b>Total liabilities and equity</b>		<b>1,233,507</b>	<b>1,025,256</b>

**VIMOKKHARAM FOREST HERMITAGE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2020**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Accounting**

This financial report is a special purpose financial report prepared for distribution to the members to fulfil the committee's financial reporting requirements under the Vimokkharam Forest Hermitage Inc.'s constitution and the Associations Incorporation Reform Act 2012. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Vimokkharam Forest Hermitage Inc.'s constitution and with previous years and are, in the opinion of the committee, appropriate to meet the needs of members:

a) The financial report was prepared on an accrual basis of accounting, including the historical cost convention and the going concern assumption.

b) The requirements of accounting standards and other professional reporting requirements in Australia do not have mandatory applicability to Vimokkharam Forest Hermitage Incorporation because it is not a 'reporting entity'. The committee has, however, prepared the financial report in accordance with all Australian accounting standards with the following exceptions:

AASB	2	Share-based Payment
AASB	3	Business Combinations
AASB	4	Insurance Contracts
AASB	5	Non-current Assets Held for Sale and Discontinued Operations
AASB	6	Exploration for and Evaluation of Mineral Resources
AASB	7	Financial Instruments: Disclosures
AASB	8	Operating Segments
AASB	9	Financial Instruments
AASB	10	Consolidated Financial Statements
AASB	11	Joint Arrangements
AASB	12	Disclosure of Interests in Other Entities
AASB	13	Fair Value Measurement
AASB	101	Presentation of Financial Statements
AASB	102	Inventories
AASB	107	Statement of Cash Flows
AASB	110	Events after the reporting period
AASB	111	Construction Contracts
AASB	117	Leases
AASB	112	Income Taxes
AASB	119	Employee Benefits
AASB	121	The Effects of Changes in Foreign Exchange Rates
AASB	123	Borrowing Costs
AASB	124	Related Party Disclosures
AASB	127	Separate Financial Statements
AASB	128	Investments in Associates and Joint Ventures
AASB	129	Financial Reporting in Hyperinflationary Economies
AASB	131	Interests in Joint Ventures
AASB	132	Financial Instruments: Presentation
AASB	133	Earnings per Share
AASB	134	Interim Financial Reporting
AASB	136	Impairment of Assets
AASB	137	Provision, contingent liabilities and contingent assets
AASB	138	Intangible Assets
AASB	139	Financial Instruments: Recognition and Measurement
AASB	140	Investment Property
AASB	141	Agriculture
AASB	1004	Contributions
AASB	1023	General Insurance Contracts
AASB	1038	Life Insurance Contracts
AASB	1039	Concise Financial Reports
AASB	1049	Whole of Government and General Government Sector Financial Reporting
AASB	1050	Administered Items
AASB	1051	Land Under Roads

**VIMOKKHARAM FOREST HERMITAGE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2020**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

AASB 1052 Disaggregated Disclosures  
AASB 1053 Application of Tiers of Australian Accounting Standards  
AASB 1054 Australian Additional Disclosures

c) Other significant policies applied in the preparation of this financial report are:

**b. Revenue**

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Fundraising, subscriptions, donations and gifts are recognised as collected or received voluntarily from individuals, charitable foundations, organisation and corporate donors for the association's general activities or specific purposes. Fundraising also involves seeking legacies and bequests to support general activities or specific purposes of the association.

Rental income, interest and other income are recognised and measured at the point of received for the association's general activities or specific purposes.

**c. Expenses**

All expenditure is accounted for on either paid or accruals basis where most appropriate as determined by the committees and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

**d. Property, Plant and Equipment**

Property, plant and equipment include plant, equipment, furniture, building, land and refurbishment are carried, recognised and measured at cost, except the committees are decided to measure or revalue at market value, in accordance with AASB 116. All assets, excluding land are depreciated over the useful lives of the assets.

**e. Depreciation**

Depreciation is calculated on a prime cost basis to write off the net cost of each item of fixed assets including the property, plant and equipment (excluding land) over its expected useful life. Depreciation rate and the asset's useful life are estimated by the committees or in accordance with the Income Tax Assessment Act 1936 and 1997.

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

Class of Fixed Assets	Depreciation Rate
Refurbishment	5%
Plant and equipment	5 - 25%
Furniture	5 - 25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit and loss accounts.

**VIMOKKHARAM FOREST HERMITAGE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2020**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f. TAXATION**

**Income Tax**

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status. This association was endorsed with a non for profit status by Australia Taxation Office from 1st July 2000. The committees confirmed the Accounting standard AASB 112 Income Tax was not adopted as it is not appropriate and relevant.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

**g. Cash and Cash Equivalent**

Cash and cash equivalent in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of 12 months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

Reconciliation between the cash flow statement and the net changes of cash at bank during the financial year.

<u>Cash at bank</u>	\$
Total cash and cash equivalent for period ending 30/6/2019	615,068
Total cash and cash equivalent for period ending 30/6/2020	<u>734,655</u>
Equal to Cash Flow Statement - Net Inflow / (Outflow)	<u>119,587</u>

**h. Critical Accounting Estimates and Judgments**

The committees evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally. Where necessary, the committees would take necessary adjustment to be included into this financial report as long as the adjustments would not materially or significantly affect the financial position and performance of the association.

**VIMOKKHARAM FOREST HERMITAGE INC.**

**ABN 73 051 793 658**

**29 Perrins Creek Road**

**OLINDA VIC 3788**

**STATEMENT BY COMMITTEE**

As stated in the basis of accounting policy included in note 1 in the financial statements, the association is not a reporting entity and this is a special purpose financial report. This report has been prepared in accordance with the accounting principles and methods prescribed by Accounting Standards and other mandatory professional reporting requirements and statutory requirements.


The committee declares that the financial statements including notes:

- (a) comply with the Accounting Standards (as detailed in the basis of accounting policy); and
- (b) give a true and fair view of the association's financial position as at 30 June 2020 and of its performance for the year ended on that date.


In the committee's opinion:

- (c) the financial statements and notes are in accordance with the requirements of the association's constitution;
- (d) the financial statements and notes are in accordance with the requirements of the Associations Incorporation Act of Victoria;
- (e) the operation of the association has been carried out in accordance with its constitutions, in compliance with the requirements of the Associations Incorporation Reform Act 2012, Consumer Affairs Act of Victoria and Australian Taxation Office during the year ended 30 June 2020.
- (f) there are reasonable grounds to believe that the association will be able to pay its debts as when they become due and payable.

Signed to declare the above statement is true and correct.

  
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President  
Full Name: Ann Wanvilai Belli

Date: 15 / 11 / 2020

  
.....  
Treasurer  
Full Name: Lee Sah Wong

Date: 15 / 11 / 2020



**INDEPENDENT AUDIT REPORT FOR VIMOKKHARAM FOREST HERMITAGE INC.**  
**TO THE MEMBER OF VIMOKKHARAM FOREST HERMITAGE INC.**  
**ABN 73 051 793 658**  
**FOR THE YEAR ENDED 30 June 2020**

We have audited the special purpose financial report comprising the income statement, the statement of financial position, the statement of changes in equity, the cash flow statement and notes forming part of financial report and the statement by committees of the association for the year ended abovementioned.

**Committees' responsibility**

The committees are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the Vimokkharam Forest Hermitage Inc.'s constitution and the Associations Incorporation Reform Act 2012 and the needs of the members.

The committees' responsibility also includes establishing and maintaining internal control as determine where relevant and necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 that 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial report that presents fairly 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committees 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.

**Opinion**

In our opinion, the financial report gives a true and fair view of the financial position of the association as at the year mentioned above and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Basis of accounting and restriction on distribution**

Without modifying our opinion, we draw attention to Note [1] to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committees' financial reporting responsibilities under requirements of the Vimokkharam Forest Hermitage Inc.'s constitution and the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose.

Yours faithfully,  
FIRST ACCOUNTANTS

per

  
Bryan Ng CPA Member 9189169  
Director  
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Date: \_\_\_22\_\_\_/\_\_\_10\_\_\_/\_\_\_2020\_\_\_