

Shree Sanatan Dharam
Hindu Association of Qld Inc.
ABN: 58 660 221 760

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

Contents

- 1 Statement of Financial Position
- 2 Income and Expenditure Statement
- 3-8 Notes to and forming part of the Accounts
- 9 Statement by Executive Management Committee
- 10-11 Honorary Auditor's Report

Shree Sanatan Dharam Hindu Association of Qld Inc.
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Notes	2019 \$	2018 \$
Current Assets			
Cash at Bank			
- Current Account		141,924	145,903
- Building Fund Account		13,536	12,316
- Cultural Fund Account		100	-
Input GST		3,028	2,681
State Government (DLGC) Grant	13	-5,000	-5,000
Total Current Assets		<u>\$153,588</u>	<u>\$155,900</u>
Non-Current Assets			
Land -at Cost	2	988,323	988,323
Site Upgrade	3	24,803	24,803
Building and Veranda	4	31,184	31,984
Development Application (DA) Cost	5	-	17,660
Fixtures & Equipment	17	6,085	8,893
Total Non-Current Assets		<u>\$1,050,395</u>	<u>\$1,071,663</u>
LESS:			
Loan -Sanatan Qld Unit Trust	2	\$590,000	\$590,000
Net Non-Current Assets		<u>\$460,395</u>	<u>\$481,663</u>
Total Assets		<u><u>\$613,983</u></u>	<u><u>\$637,563</u></u>
Represented By:			
Members Funds			
Opening balance 1 January 2019		637,563	556,670
Add: (Deficit)/Surplus for the Year		-23,580	80,893
Total Members Funds		<u><u>\$613,983</u></u>	<u><u>\$637,563</u></u>

Shree Sanatan Dharam Hindu Association of Qld Inc.
 INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 \$	2018 \$
Income			
Membership Subscription			
- Life Membership	6	5,501	21,307
- Mandalies	7	1,800	1,400
Profit/(Loss) on Functions			
- Ram Naumi	8	11,865	11,103
- Krishna Janamastahmi	9	8,461	8,836
- Diwali	10	6,221	2,337
- Bhagavat	11	-	7,378
- Other Functions	12	9,458	11,933
Donations			
- Major Donors	16	19,978	55,728
- Other		-	277
State Government (DLGC) Grant	13	5,000	3,500
Bank Interest		215	213
Total Income		<u>\$68,499</u>	<u>\$124,012</u>
Expenditure			
Accounting Software -MYOB Subscription		498	450
Bank Charges -Merchant Fee		477	410
Computer Expenses		236	85
Consumables		140	356
Council Rates		3,187	3,250
Cultural Education & Training	14	1,400	264
Depreciation Charge	17	3,607	2,437
Donations		-	1,051
Electricity & Water Charges		1,008	1,076
Fair Trading		55	308
FICQ Membership		290	50
Insurance Premiums		3,542	3,028
Interest Sanatan Qld Unit Trust	2	27,677	30,000
Miscellaneous		214	354
Total Expenditure		<u>\$42,331</u>	<u>\$43,119</u>
Abnormal Item			
Development Application Cost Written Off	5	<u>\$49,748</u>	0
Excess of Expenditure over Income		<u><u>-\$23,580</u></u>	<u>\$80,893</u>

Shree Sanatan Dharam Hindu Association of Qld Inc.

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Summary of Significant Accounting Policies

These financial statements are special purpose financial reports prepared to satisfy the requirements of the Association's Incorporation Act 1981 (as amended) and to meet the needs of the Members. The Executive Management Committee has determined that the Association is not a reporting entity. For this reason, Accounting Standards including the International Accounting Standards and other professional reporting requirements have not been applied in the preparation of these accounts, other than to the extent disclosed in the note to the accounts. The accounts have been prepared on a going concern basis.

The statements are prepared on a cash basis whereby items are brought to account as money is paid or received, from the records of the Association. They are based on historical costs and do not take into account changing monetary values, or except where specifically stated, current valuation of non-current assets. The accounting policies have been consistently applied, unless otherwise stated. The following is a summary of significant accounting policies adopted by the Association in the preparation of the financial statements.

1.1 Income Tax

The Association is exempt from the income tax liability. ABN 58 660 221 760

1.2 GST Registration

The Association is registered for GST purpose. Non-profit organisations must register for GST if their annual turnover is \$150,000 or more. Gifts made to a non-profit organisation is not a consideration for sale and is not subject to GST or used in calculating the annual turnover.

1.3 Fixed Assets

The costs of all fixed assets acquired during the year not exceeding \$100 per item are expensed. Assets with acquisition costs greater than \$100, either individually or a class, are capitalised for accounting purpose and depreciated on a straight line basis. The depreciation rate for fixtures & equipment is 20% (over 5 years) and for buildings is 2.5% (over 40 years).

1.4 Cultural Trust

A new Trust (Sanatan Qld Cultural Trust) has been setup for DGR purpose. The Trustee for the Trust is the Association.

2 Property - 550 Wembley Road, Berrinba

- a) The property was acquired on 23rd June 2017 at a cost of \$988,323 (GST exclusive but including a transfer fee of \$3,323). The acquisition was partially financed through a loan by Sanatan Qld Unit Trust, a consortium made up of members actively supporting the course of the Association.
- b) The Loan is subject to a Loan Agreement between the Association and Sanatan Queensland Investment Pty Ltd (as a Trustee for Sanatan Queensland Unit Trust).
- c) The loan is on an interest only basis for a period of 3 years, and repayment of the principal component will commence in the 4th year (wef July 2020). The term of the loan is 10 years but the loan can be fully repaid anytime without penalty.

On the basis of the current interest rate of 4.25%, the quarterly repayment commencing July 2020 Qtr will be \$24,472. The total commitment for 2020 will be \$61,447.

- d) The loan is subject to variable interest rate. For 2019, the average interest charged was 4.7% (current rate 4.25%). The interest was paid in arrears on a quarterly basis.

The interest rate applicable during the year were: March Qtr - 5%, June Qtr - 4.9%, September Qtr - 4.5% & December Qtr - 4.25%.

- d) Sanatan Queensland Unit Trust holds a charge over the property until the loan is fully repaid.

	2019	2018
	\$	\$
3 Property Upgrade - Site Costs		
Opening balance	24,803	20,523
<u>Add: Cost Incurred during the Year</u>		
Road Base, Levelling etc.	-	4,280
	<u>\$24,803</u>	<u>\$24,803</u>
4 Building & Veranda		
Opening balance	31,984	27,793
<u>Add: Cost Incurred during the Year</u>		
Electrical, Plumbing, Plasterboard, etc.	-	1,469
Temporary Kitchen	-	2,722
	<u>\$31,984</u>	<u>\$31,984</u>
Less Depreciation at 2.5% (also see Note 17)	800	0
Written Down Value	<u>\$31,184</u>	<u>\$31,984</u>
5 Work in Progress (DA)		
The following costs have been incurred to-date in relation to the preparation of the Development Approval (DA) submission to Logan City Council:		
Opening balance	17,660	-
Santoshi Developments - refer (a) below	5,500	11,800
Gaia -Environmental Consulting	-	3,360
3D Model Works - Architectural drawings	800	2,500
Lambert & Rehbein - refer (b) below	19,550	-
Colleen Coyne -Needs analysis	2,500	-
Mark Baldock -Landscape	655	-
Qld Govt -DSPMIP Application	810	-
Somerville -Consultancy DA phase 2	2,273	-
	<u>\$49,748</u>	<u>\$17,660</u>

These costs are being expensed (written-off) because the Association has resolved to withdraw and not proceed with the DA in its current form.

- a) Santoshi Development - Town planner. Cost include administration, review & submission of the development application with the Logan City Council.
- b) Lambert & Rehbein - Consultancy including civil, structural, storm water, traffic management and acoustic.
- b) The above cost does not include an amount of \$20,910 paid to Logan City Council for development application (DA) which was refunded in full.

	2019	2018
	\$	\$
6 Life Membership		
The current "Member for Life" fee is \$500 (2018- \$500). The Association has resolved that the fee may be paid in instalments provided the full fee is paid within a reasonable timeframe. Members are eligible to vote only after they have paid their full membership fee.		
<i>Membership Fees:</i>		
Received in Prior Years	177,712	156,405
Received THIS Year	5,001	21,307
Reallocation from Donations	500	-
Total Fees Received to Date	<u>\$183,213</u>	<u>\$177,712</u>
Add: Outstanding Fees (this 'debt' is not enforceable)	4,287	5,095
Total Membership Balance	<u>\$187,500</u>	<u>\$182,807</u>
7 Annual Mandali Membership		
Banyo Mandali	200	-
Baal Ramayan Mandali	200	-
Bhakti Ras Mandali	200	200
Brahman Prohit Sabha	200	200
Ipswich Mandali	200	200
Prem Sagar Ramayam Mandali	200	400
Saraswati Mandali	-	200
Shantiniketan Mandali	200	200
Wynum Ramayam mandali	200	-
Sunnybank Mandali	200	-
	<u>\$1,800</u>	<u>\$1,400</u>
8 Ram Naumi		
Aarti & Miscellaneous Donations	10,971	6,673
Food Sponsorship	7,753	10,309
Total Proceeds	<u>18,724</u>	<u>16,982</u>
<u>Less: Expenses</u>		
Dakshina and Air Fares -Parcharak	-1,500	-1,500
Other	-5,359	-4,379
Net surplus	<u>\$11,865</u>	<u>\$11,103</u>
9 Krishna Janamastahmi		
Aarti & Miscellaneous Donations	7,644	6,892
Food Sponsorship	6,753	7,001
Total Proceeds	<u>14,397</u>	<u>13,893</u>
<u>Less: Expenses</u>		
Dakshina & Air Fares -Parcharak	-1,500	-1,700
Other	-4,436	-3,357
Net surplus	<u>\$8,461</u>	<u>\$8,836</u>

	2019	2018
	\$	\$
10 Diwali Celebration		
Ticket Sales	6,470	3,000
Sponsorship	2,500	2,000
Donations	945	282
Total Proceeds	<u>9,915</u>	<u>5,282</u>
<u>Less: Expenses</u>	<u>-3,694</u>	<u>-2,945</u>
Net surplus	<u>\$6,221</u>	<u>\$2,337</u>
11 Bhagavat		
Aarti & Miscellaneous Donations	-	2,700
Food Sponsorship	-	9,007
Total Proceeds	<u>0</u>	<u>11,707</u>
<u>Less: Expenses</u>		
Dakshina -Maharaj Ji & Kirtanias	-	-450
Other	-	-3,879
Net surplus	<u>\$0</u>	<u>\$7,378</u>
12 Other Functions		
Maha Shivratri	758	1,369
Hanumaan Jayanti	2,378	2,052
Ramayan Programmes	1,088	2,232
Navraatri	3,950	3,667
Anniversary Celebration	-	2,392
Young Talent Night	4,358	-
Other	1,053	1,640
Total Proceeds	<u>13,585</u>	<u>13,352</u>
<u>Less: Expenses</u>	<u>-4,127</u>	<u>-1,419</u>
Net surplus	<u>\$9,458</u>	<u>\$11,933</u>
13 State Government Grant (DLGC)	<u>\$5,000</u>	<u>\$3,500</u>

The department of Local Government (DLGC) provides annual grant for celebration of festival of colours (Holi). The current grant is \$5,000 per annum for 3 year period (2019-2021) and is paid in advance.

14 Cultural Activities		
Amount paid to Music Teacher	1,400	400
<u>Less: Admission Fee Received</u>	<u>-</u>	<u>-136</u>
Net Cost Incurred	<u>\$1,400</u>	<u>\$264</u>

15 Principal Activity

The principal activity of the Association is to uphold and promote the values and virtues of the universal principles of Hinduism (Sanatan Dharam).


Shree Sanatan Dharam Hindu Association of Qld Inc.

STATEMENT BY MEMBERS OF THE MANAGEMENT COMMITTEE
YEAR ENDED 31 DECEMBER 2019

In the opinion of the Management Committee, the accompanying accounts as set out on the following pages:

- 1 Present fairly the Financial position of Shree Sanatan Dharam Hindu Association of Queensland Inc. as at 31 December 2019 and the results of the Association Inc. for the year ended on that date.
- 2 At the date of this statement, there were reasonable grounds to believe that Shree Sanatan Dharam Hindu Association of Queensland Inc. will be able to pay debts as and when they fall due.

This statement is made in accordance with the resolution of the committee and is signed for and on behalf of the committee by:



Ashok Prasad
PRESIDENT



Birendra Singh
TREASURER

Dated this 30th day of January 2020

Audit Report

To the Members of Shree Sanatan Dharam Hindu Association of Queensland Incorporated

I have audited the accompanying financial report being a special purpose financial report of Shree Sanatan Dharam Hindu Association of Queensland Incorporated (**the Association**) for the year ended 31 December 2019. The financial report comprises the Statement of Financial Position as at 31 December 2019, the Income and Expenditure Statement for the year, Notes to and forming part of the Accounts and the Statement by the Executive Management Committee.

Qualified Audit Opinion

In my opinion, except for the possible effects of the matter described in the *Basis of Qualified Opinion* section of my report, the accompanying financial report of the Association presents fairly, in all material respects, the financial position for the financial year ended 31 December 2019 and of its income and expenditure for the year then ended.

Basis of Qualified Audit Opinion

Cash Donations

Cash donations are a significant source of revenue for the Association. The Association has determined that it is impracticable to establish proper control over the collection of cash donations prior to entry into its financial records. Accordingly, as the evidence available to me regarding fundraising revenue from this source was limited, my audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records. I therefore am unable to express an opinion on whether the recorded cash donations of the Association are complete.

Executive Management Committee's Responsibilities for the Financial Report

The Executive Management Committee of the Association is responsible for the preparation and fair presentation 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 requirements of the *Association's Incorporation Act 1981* (as amended) and the members.

The Executive Management Committee is also responsible for: designing, implementing and maintaining internal controls relevant to 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 methods and policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the Executive Management Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Report

An auditor's objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the audit opinion. Reasonable assurance is a high level of assurance, but is not a

guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the audited entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by those responsible, as well as evaluating the overall presentation of the financial report.

I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Executive Management Committee's financial reporting obligations under the *Association's Incorporation Act 1981* (as amended) and the constitution of the Association. I disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it relates to any person other than the member, or for any purpose other than that for which it was prepared.



Suresh Chand CPA
Honorary Auditor
Runcorn QUEENSLAND

31st January 2020