

# Santi Forest Monastery Inc.



## ANNUAL REPORT

For the year ending 30 June 2011



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# MISSION

To bring peace, happiness and liberation to the world through the Buddha's teachings.



# OBJECTIVES

To study the Buddha's teachings, with a special emphasis on those teachings that are common to all Buddhist traditions.

To build a community of the four-fold assembly — bhikkhus, bhikkhunis, laymen and laywomen — based on the consensual, principled and egalitarian model of the Vinaya.

To encourage and support the practice of meditation in seclusion, with the aim of liberation from suffering.



# Year in Review

## Special Events

### Vassa

At the time of the Buddha, the monastics stopped their wanderings and stayed in one place during the rainy season, or vassa, concentrating on meditation and aspiring to attain enlightenment. This became formalized as a three month retreat each year, corresponding to the 'rainy season' in the Indian calendar, roughly mid-July to mid-October.

Vassa at Santi Monastery is a time for being still and focusing less on outside works and more on inner development and study. We started the Vassa with a two week formal meditation retreat. After that, we each had an opportunity to spend an additional two two weeks in solitude. For the rest of the time, there was a program of regular scripture classes and teachings, with plenty of time for individual meditation.



End of Vassa 2010

### Bhante Sujato's visit to the US

Bhante Sujato was asked to make a presentation at the American Academy of Religions in Atlanta in October 2010. He presented as part of a focus on religion in the Oceania region. In addition he presented a paper at the University of Alabama and several other places.



Visit to USA — 2010

### Easter Retreat

Over the Easter weekend Bhante Sujato led his annual loving-kindness retreat for about 30 people at Quest for Life, a local retreat centre in Bundanoon.

During the retreat, Beatrice Alba, a PhD student at Macquarie University, conducted a survey on the effect of participating in the retreat on levels of happiness, compassion, and reduction of depression. The study was developed with the help of Bhante Sujato. Overall, the results indicated that symptoms of depression, anxiety and stress fell and remained low after two weeks of the retreat and levels of happiness and compassion increased during the retreat.



Easter Retreat 2011

### Ordinations

In March 2011 a novice ordination ceremony was held in the Big Cave for Anagarika Blake (now Bhante Nandiya). He was fortunate to have Ajahn Brahm as his preceptor. In May 2011, the novice ordination for Anagarika Kathryn (now Ayya Patacaara) took place in the Big Cave with Bhante Sujato as the preceptor.



Ordinations 2011

## Community involvement

### Jhanathon

The Jhanathon was held in October 2010, right after the end of the Vassa. The Jhanathon is a fund raiser organized like a walkathon, except the participants sit in meditation all night. Friends and family sponsored the participants in this feat of meditative endurance. The Jhanathon gave sitters a special chance to aspire to reach a new level of meditation and offered sponsors an opportunity to practice generosity.



Jhanathon — New Year's Eve 2011



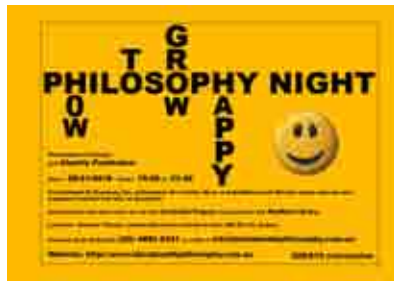
Ajahn Brahm — February 2011

### Ajahn Brahm talks organized in Sydney

Ajahn Brahm is a renowned international teacher of Buddhism based in Perth, WA. Santi was proud to sponsor him to present two teachings, held at the Beecroft Community Hall. The event was organized by Rumi Liyanage and Lalitha Wijeratne in conjunction with Santi. The talks were attended by a large crowd who genuinely appreciated the opportunity of hearing the Dhamma.

### Charity

Each year Santi organizes and participates in events to support various charities. On 21st May we put together an evening called 'How to Grow a Happy'. The speakers were Bhante Sujato, the senior psychiatrist Dr Eng-kong Tan, and a philosopher, Dr Caroline West. The event, held at the Mitchell Theatre in Pitt Street, raised funds for the Buddhist Library's 'Project Cambodia'.



How to Grow a Happy — May 2011

### At North Sydney

Dhamma talks — Friday night talks given weekly by Bhante Sujato in Sydney for Buddhist followers who cannot travel to the monastery.



Dharma Talks 2010 - 2011



# President's Report

The 2011 AGM gives our community a chance to pause, take a breath and reflect, not only on the many activities of the past year, but also the direction in which these events take us. In so doing, I take great pleasure in presenting the 2011 Annual Report on behalf of the Committee.

In opening, and mindful of our Forest Tradition and the magnificence of the land on which we offer our practice, I would like to acknowledge the original owners of the land and pay my respects to elders past and present.

Anybody who has visited or spent time at Santi Forest Monastery may have experienced both the beauty of the bush surroundings, and also its fragility. To quote our website Environment page: "For us, environmental concern is not a matter of presenting a superficially 'green' image, but is inherent in our very choice of how to spend our lives in accordance with the Dhamma". Santi Forest Monastery has had a consistent policy of adopting environmentally friendly practices for many years. We are careful about the use of resources: our electricity is 100% Government accredited Greenpower and our solar hot water system has an energy efficiency rating of 5.5 stars out of 6. Our renovated buildings were built with maximum efficiency insulation and complementary heating strategies. We use water carefully: rainwater tanks feed the bathrooms; Grey water is organically filtered and used on the property; water from the toilets is treated in a biological system, then pumped out through reticulation. We also recycle plastic, paper, glass and metal waste materials. We are a designated land for wildlife area, and our management of the land is based on preservation and conservation. A key objective to be addressed by the committee and community in the coming year is the development of a more formal longer term plan regarding environmental and sustainability policies and practices.

The financial position of Santi Forest Monastery Inc continues to be satisfactory. As a lay committee in partnership with the monastery's supporters, we are all privileged to be able to offer our financial resources to the Sangha, and the committee ensures the prudent and responsible management of financial resources through its internal control systems and reporting regime. We are governed by our constitution, a copy of which is available from our website [santifm.org](http://santifm.org). Our committee meetings are held at least quarterly. All members and supporters are invited to come along to committee meetings both to offer their points of view and to take up a role, no matter how modest, in supporting Santi Forest Monastery and its wider community.

The great human virtue of generosity continues to glow with warmth within the Santi community, sustaining the noble Sangha practice of renunciation and allowing supporters to plant the seeds of their own awakening and ease in life. To each and every person who has contributed to the warmth and success of the Santi community, may I offer you thanks and gratitude. In particular: I would like to thank my fellow committee members and colleagues who cheerfully play a vital role in the maintaining the legal and financial standing of Santi; I would like to thank the hundreds of loyal supporters who bring food and material comforts for the Sangha and resident community; I would like to thank the many people who organise talks and venues for Bhante Sujato's teaching in North Sydney, Baulkham Hills, Canberra and other regions; I would like to thank the Buddhist Council of NSW for their support; I would like to thank the Office of Environment and Heritage for their support of our environmental initiatives; I would like to thank the Sangha for their sincere and inspiring practice. Finally, I would like to single out for our deepest thanks and gratitude Bhante Sujato, for his energy, his teaching and his unswerving commitment to practice for the benefit of us all.

Nicola Le Couteur, President



# Treasurer's Report

Santi Forest Monastery has once again had a successful year in being able to raise sufficient funds to pay all expenses and leave a positive balance to carry into the new financial year.

Fund raising has taken a different focus to last year with a number of new avenues being taken.

Overall income was down some thirty percent compared to last financial year but this is was due to a number of reasons:

- The previous years drive to raise funds to complete the Moneyya Cave;
- No dedicated fund raising for specific projects in the year;
- No government grant applications.

On a positive note, fund raising through the My Community website has been very successful this year with donations from overseas being a large contribution.

I would like to thank all the supporters who donated to support the community and teachings at Santi Forest Monastery.

Expenses are in line with the previous year allowing for normal CPI increases.

At Santi Forest Monastery we are very fortunate that expenses are minimized due to the generosity of a large number of lay supporters who provide food and everyday living needs to the resident community.

In summary net profit has largely been affected by the reduction in income this year.

The total funds in our two normal bank accounts as at 30 June 2011 were \$36985.85.

This is deemed to be sufficient funds to allow the ongoing running of Santi Forest Monastery.

We also continue to maintain a reserve of at least \$20,000 in the V2 bank account to act as a safeguard for residential living costs in case of unforeseen circumstances.

I would be remiss if I did not acknowledge the residents, committee members, and supporters who freely give their time in assisting with administration, accounting, and compliance tasks.

I am also indebted to Helene our bookkeeper who has not only provided an exemplary professional service but continues to help the Monastery and Committee above and beyond her duties.

Finally I would also like to thank Nicola Le Couteur who again offered to prepare the 2011 financial statements for the audit at no cost to the Monastery.

Please feel free to contact me with questions and/or feedback on these financial statements, compliance, or other administrative matters.

Bill Stanley, Treasurer



# Spiritual Director's Report

It's raining this morning, and the silence of Santi is broken by the cars pulling up; visitors bringing dana for the community. It's a continual astonishment to see how so many people come, from so many different places, to support and nurture this community. The food, every day for everyone here, is freely offered just from the kindness of people's hearts. Not just the food: everything you see, every piece of paper, every chair, every broom. It all comes from kindness.

This is the foundation of our little community, and the basis for our lifestyle. Simple generosity, that overflowing of the heart that is so natural to Buddhists everywhere. And it is not just human generosity that sustains us. We also receive, to an embarrassing degree, the gifts of nature. From the spectacular sunrises to the squawking of the parrots, we are surrounded by nature's variety and beauty wherever we turn.

For me the changes in the seasons have become normal. When I first arrived here from Thailand and Malaysia, I was seriously freezing in the winter. Three pairs of socks was not uncommon. Each year it becomes a little easier – or perhaps that's just global warming lending a helping hand. The same thing applies to the monastic life. As a young community, there's the freshness and excitement of building new things, seeing what works in our situation. Now most of the urgent building work is done, and the monastery year has settled into its rhythm.

As I write, we are drawing to the end of the rains retreat for 2011. As in the past few years, the monastery has been pretty much full for the retreat, and stable, with only a few short-term guests. Each of us has the chance to spend two weeks in a solitary retreat. During the rains, we have a minimum of external duties, and maintain a simple schedule, with Sutta classes, Dhamma talks, and meditation interviews – and lots of time for solitude. This year we started the rains with a two-week meditation retreat for everyone, structured in a way similar to a formal meditation retreat, with regular teachings and interviews every couple of days. This was a great way to focus our energies and kick-start the longer retreat. Outside of the rains, we continued our three-month study period, with classes on Pali, Vinaya, and Buddhist philosophy, in addition to the regular meditation and Sutta classes.

As with the past couple of years, building has been focused on maintenance and improvement rather than large-scale projects. We've installed rain-water tanks and compost toilets, improved facilities at the big cave, built stone walls at the cave and near the house, and done some work on the roads.

The community has seen a few changes since last year. After some years of dividing her time between Santi and Sanghamittarama in Melbourne, Ayya Dhammananda has now committed to follow her original plan when coming to Australia, which was to stay in Melbourne and help set up a bhikkhuni community there. Ayya Upekkha is pursuing her plan to establish a bhikkhuni training centre, possibly in Malaysia and Ayya Nibbida spent the vassa with the bhikkhunis at Aranyabodhi in California. We welcomed two members of the Sangha, Bhante Nandiya and Ayya Patacara.

I continue to spend time in the wider community, with an involvement in interfaith, environment, the academic world, and Buddhist psychotherapy. The teaching in Sydney on a Friday night continues, and this year we started a monthly session in Sydney's north-west, organized by the Sri Lankan community. This has been a great success, and we are talking about increasing it to fortnightly sessions. I have also done some teachings and conferences internationally. I continue to be an active member and contributor to the following organizations: Australian Partnership of Religious Organizations; Australian Religious Response to Climate Change; Faith Ecology Network; Australian Sangha Association; Federation of Australian Buddhist Councils; Australian Association of Buddhist Counselors and Psychotherapists; Australian Association of Buddhist Studies. By taking part in such organizations I keep myself fresh and challenged, and I hope to play a role in using Buddhist teachings to enrich Australian culture.

Bhante Sujato, Spiritual Director



# Our Community

Buddhist monastic life is entirely embedded in a notion of community. Santi engages with and creates community on a variety of different, interacting levels.

At its core is the monastic community of ordained monks and nuns. These are people who have devoted their lives to following the path of the Buddha in its purest form. The ordained Sangha is central to the spiritual life of Buddhists.

Buddhist monasticism, however, never operates separate from the broader community. The monastics are mendicants, which means they cannot earn money or make a living by normal means. Instead, they rely on offerings of alms, and they repay this by offering teachings and guidance to the community.

At Santi, lay guests are welcome to come and stay. Typically, we have between 5-15 guests staying, participating in the monastic lifestyle, and taking the chance to find some quiet and contemplation. Some of these guests will stay for a night or two, others longer; some will stay on and eventually take ordination. While they stay at the monastery, guests offer time as volunteers and help keep us operating. Volunteers help in the kitchen, office, doing weeding, fire prevention and other environmental work on the grounds, maintenance, and many other essential tasks.

The residents, both monastic and lay, are supported by a loose network of generous donors, who provide the offerings of food and other requisites to support the monastery. These donors come from a wide range of cultural backgrounds, including Vietnamese, Sri Lankan, Chinese, Thai, Indonesian, Malaysian, and many others. Santi Forest Monastery extends our warm gratitude and appreciation to all those who have helped us to flourish through their generosity.

In addition, circles of lay supporters work with and for the monastery in a variety of arenas, such as helping organize teachings in Sydney and Canberra, or helping organize charitable events. These broader networks are themselves linked in many ways with Buddhist, interfaith, and charitable communities.

The funds and legal obligations of the monastery are managed under the auspices of Santi Forest Monastery Inc, a not-for-profit charity that is the sole owner of the property at Coalmines Road. The management is carried out by a committee that is elected each year. The committee meets monthly, and is charged with ensuring the financial compliance and security of the monastery.



Bhante Sujato – Abbot and Spiritual director

## Committee

The property is wholly owned by Santi Forest Monastery Incorporated, a not-for-profit charity. The management is carried out by a committee that is elected each year. The committee meets at least quarterly, and is charged with ensuring the financial compliance and security of the monastery.

### Nicola Le Couteur - President

I really enjoy being involved with all diverse members of the Santi Forest Monastery community, both in terms of developing a meaningful meditation practice and also learning how to live life to the full. I have served as President this year and the previous year.



### Jacqui McGirr - Former Secretary

I'm grateful to have spent time this year as Committee Secretary, to offer my efforts to Santi, the Sangha and Community, supporting the existence and mission of this great oasis of peace and practice.

### Bill Stanley - Treasurer

I was privileged to first come to Santi with Venerable Santithito for the samaneri ordination of Ayya Mahacitta in June 2009. Since then I have regularly attended the Monastery, including being fortunate enough to spend a couple of long weekends on retreat living as part of the community. At the 2009 AGM I was selected to be a member of the committee and at the 2010 AGM I was nominated to be Treasurer.



### Sam Jerga

I have been visiting Santi Forest Monastery since 2008 and attending the weekly 'Good Life' talks with Bhante Sujato from 2009. I first heard Bhante Sujato speak at the 2007 MITRA conference and was deeply inspired by his sincere, concise and accessible Dhamma teachings. I have been a Committee member of the Santi Forest Monastery for the 2011 year and has also assisted in the planning and organization of the Good Life Talks in North Sydney.

### Sooi Turner

Sooi has been coming to Santi since its early days and has joined the committee of 2011. Sooi lives in Sydney and works in healthcare.

## Supporters

We would like to thank all our supporters for their kindness, generosity and interest they take in the upkeep and well being of the monastery. We would like to give special thanks this year to two of our friends and supporters Patrick Murray and Dustin Cheah.

### Paddy Murray

Paddy has been around Santi from its very beginning. Paddy has the knack for turning up at the right time to lend a hand, including helping with the guest room renovations. With much wisdom and compassion, including valuable work as a chaplain, we value Paddy's steadfast support of the Santi Forest Monastery.





Dustin Cheah

Dustin is a long time supporter of Bhante Sujato and Santi Forest Monastery, firstly meeting Bhante Sujato at Sukhavana Cave in Ipoh, Malaysia. A businessman based in Penang, Dustin has generously sponsored many projects with no thought of reward or recognition and we thank him with much gratitude for his support over many years.

# Source of Funds

Santi Forest Monastery is almost entirely dependent on donations, consistent with the Buddhist faith and philosophy that community interactions built on goodwill and mutual generosity lead to enrichment for all.

## Source of Donations

During 2010/11 financial year the monastery received donations from a number of different sources:

- Sydney Vietnamese community have continued to be most generous with their support, and we acknowledge and thank the hard work of Gai Hieu in coordinating these donations.
- Bundanoon dana box — donations given by visitors to Santi Forest Monastery.
- North Sydney dana box — donations given by attendees of the weekly Friday night dhamma talks held in North Sydney.
- Nationally — Santi Forest Monastery is supported by a broad cross-section of Australia's multicultural society.
- Office of Environment and Heritage — Grant monies were received to complete the construction of composting toilets.
- International — Santi Forest Monastery draws support internationally via 'Give Now' website throughout the year ([givenow.com.au](http://givenow.com.au)). Our Community is an organisation dedicated to assisting community groups collect donations by providing, at low cost, credit card payment and basic accounting services. There is a link on our website to enable people to make donations easily and safely.
- In accordance with the vinaya the monastery does not use its funds to buy food. All of our food is donated by our supporters and the sangha receives food from our Bundanoon supporters every Sunday on alms rounds.

## General and Building Fund

Santi Forest Monastery receives donations into two different bank accounts; the everyday bank account and the building fund: both of these funds are listed on our website. Funds donated into the everyday bank account are primarily for day to day expenses and are not tax deductible to Australian resident taxpayers. The building fund is a Deductible Gift Recipient Fund approved by the Australian Taxation Office and so donations greater than \$2 into this fund are tax deductible to Australian resident taxpayers.

## Authority to Fundraise

As a member of the Buddhist Council of NSW we are vested with the authority to fundraise, for which we are grateful.

# The Environment

Santi Forest Monastery is proud to continue the noble tradition of monastics living in the forest. Our lifestyle makes us highly aware and sensitive to nature, the changing of the seasons, and our potentially harmful impact on our surroundings. Since starting to develop the monastery in 2003, we have followed a consistent commitment towards environmentally friendly practices. This is embodied in all aspects of our physical infrastructure and how we choose to live.

One of the least appreciated aspects of energy saving is in the materials of the building itself. Wood is by far the most energy efficient of the normal building material. Our dwellings (kutis) are built of wood with fire-resistant cladding. Water usage is another critical aspect of environmental policy. We successfully reduced the mains water consumption after installation of rainwater tanks and composting toilets in June 2010. Santi's electricity is 100% Government accredited Greenpower which comes from renewable sources such as solar, wind water and bio-waste. Of particular significance are the following environmental work for this year:

## Conservation

We sought advice from the Environmental Defenders Office and a local ecologist, Steve Douglas, regarding what, if any, is the most suitable conservation mechanism that will ensure that the natural environment of Santi is best protected and managed. These recommendations will be assessed and acted upon in the coming year.



## Revegetation



The steep sandy slopes adjacent to the Big Cave were stabilised with biodegradable coir matting and planted with several hundred seedlings propagated from seed and other plant materials collected from Santi forest. Within a year the whole area should have nearly 100% coverage.

As an experiment, rain forest trees and shrubs were propagated and seedlings planted out in the wet areas created by septic system reticulation. The aim is for these plants to sop up excess waste water and nutrients to minimize their runoff into the streams.

Many other seedlings propagated from Santi sourced material have been planted in the bush areas in front of the house.

## Water and Energy

Rainwater tanks have resulted in savings on water usage of at least 50% over the year. Now that teething problems with pump has been fixed this is expected to improve in the current year. Photo voltaic panels installed in September 2010 have produced significant reductions in electricity bills under the NSW Government's energy offset scheme. For example for the first 10 months our electricity account was offset by \$1200. The panels will have paid for themselves within three years of installation. Composting toilets are performing splendidly. Certain garden plants are benefiting enormously from the addition of gloriously fertile compost from the women's toilet!





## Santi Forest Monastery Incorporated

### STATEMENT BY MEMBERS OF THE COMMITTEE

The Members of the Committee declare that:

1. the financial statements and notes attached present fairly the financial position of Santi Forest Monastery Incorporated as at 30/06/2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board;
2. at the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President: Nicola Le Couteur  
Nicola Le Couteur

Dated: 7 November 2011

Treasurer: Bill Stanley  
Bill Stanley

Dated: 7 November 2011

## Santi Forest Monastery Incorporated

### STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Revenues from ordinary activities	2	105,287	153,263
Administrative expenses	3	(72,060)	(65,738)
Depreciation and amortisation expenses	4	(17,139)	(15,986)
SURPLUS FROM ORDINARY ACTIVITIES BEFORE INCOME		<u>16,088</u>	<u>71,539</u>
Retained surplus at the beginning of the financial year		<u>1,645,784</u>	<u>1,574,245</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>1,661,872</u></u>	<u><u>1,645,784</u></u>

The accompanying notes form part of these financial statements.

## Santi Forest Monastery Incorporated

### STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash assets	5	58,642	39,672
Other assets	6	2,688	3,845
<b>TOTAL CURRENT ASSETS</b>		<b>61,330</b>	<b>43,517</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	1,600,542	1,602,267
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,600,542</b>	<b>1,602,267</b>
<b>TOTAL ASSETS</b>		<b>1,661,872</b>	<b>1,645,784</b>
<b>NET ASSETS</b>			
		<b>1,661,872</b>	<b>1,645,784</b>
<b>EQUITY</b>			
Accumulated surplus		1,661,872	1,645,784
<b>TOTAL EQUITY</b>		<b>1,661,872</b>	<b>1,645,784</b>

The accompanying notes form part of these financial statements.

## Santi Forest Monastery Incorporated

### STATEMENT OF CASH FLOWS For the year ended 30 June 2011

	Note	2011 \$	2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Donors		103,549	127,558
Receipt of Government Grants		1,000	25,185
Payments to Suppliers		(72,060)	(65,738)
GST paid to suppliers		1,157	6,408
Interest received		738	520
Net cash provided by operating activities	8	34,384	93,933
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(15,414)	(155,025)
Net cash provided by (used in) investing activities		(15,414)	(155,025)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-	(21,857)
Net cash provided by (used in) financing activities		0	(21,857)
Net increase in cash held		18,970	(7,149)
Cash at the beginning of year		39,672	46,821
Cash at end of year		58,642	39,672

These statements should be read in conjunction with the attached compilation report.



# Santi Forest Monastery Incorporated

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

2011  
\$

2010  
\$

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act (NSW) 1984. The financial report covers Santi Forest Monastery Incorporated as an individual entity. Santi Forest Monastery Incorporated is an association incorporated in NSW under the Associations Incorporations Act (NSW) 1984 and is domiciled in Australia.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where state, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

#### Accounting Policies

##### a. Income Tax

The association is a non-profit organisations primarily supported by donations. It is exempt from Income Tax.

##### b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

##### Property

The initial value in 2000 of the original hermitage has been measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Renovations, extensions and property improvements are carried at cost less accumulated depreciation where applicable.

##### Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

##### Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated 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 Rate
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## Santi Forest Monastery Incorporated

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2011

	2011	2010
	\$	\$
Buildings	2.5-10%	
Plant and equipment	20%	
Motor vehicles	15%	
Other plant and equipment	10-33%	

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

#### c. Financial Instruments

##### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

##### Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

##### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

#### d. Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### e. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### f. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

# Santi Forest Monastery Incorporated

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	2011	2010
	\$	\$
<b>g. Revenue</b>		
Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Donations of goods such as books and furniture of a nominal value are not recorded or included in the Financial Statements. All revenue is stated net of the amount of goods and services tax (GST).		
<b>h. Goods and Services Tax (GST)</b>		
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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.		
<b>i. Comparative Figures</b>		
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.		

### Critical accounting estimates and judgments

The committee evaluates estimates and judgements 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 within the company.

#### NOTE 2: REVENUE

Donations	88,912.00	112,495.00
Grant - Eco toilet & water tank	1,000.00	25,185.00
Interest received	738.00	520.00
Jhanathon fundraiser	3,777.00	-
Renounceathon fundraiser	-	6,263.00
Retreat receipts	10,860.00	8,800.00
	105,287.00	153,263.00

#### NOTE 4: DEPRECIATION AND AMORTISATION EXPENSES

Depreciation	17,139.00	15,986.00
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#### NOTE 5: CASH ASSETS

Petty cash	500.00	500.00
Cheque account	22,792.00	14,572.00
Secondary bank account	-	1,013.00
Building Fund	14,124.00	3,099.00
ANZ V2 Plus Account	21,226.00	20,488.00
	58,642.00	39,672.00

## Santi Forest Monastery Incorporated

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	2011 \$	2010 \$
<b>NOTE 6: OTHER ASSETS</b>		
GST receivable	2,688.00	3,845.00
 <b>NOTE 7: PROPERTY, PLANT AND EQUIPMENT</b>		
Buildings	1,622,950.00	1,611,444.00
Less accumulated depreciation	(43,522.00)	(34,988.00)
	1,579,428.00	1,576,456.00
 Motor vehicles at cost	 23,454.00	 23,454.00
Less accumulated depreciation	(19,591.00)	(16,416.00)
	3,863.00	7,038.00
 Plant and equipment at cost	 16,078.00	 12,170.00
Less accumulated depreciation	(7,436.00)	(5,241.00)
	8,642.00	6,929.00
 Other property, plant & equipment at cost	 26,781.00	 26,781.00
Less accumulated depreciation	(18,172.00)	(14,937.00)
	8,609.00	11,844.00

#### **NOTE 8: CASH FLOW INFORMATION**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

##### **a. Reconciliation of Cash**

Cash at the end of the reporting period 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	58,642.00	39,672.00
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## Santi Forest Monastery Incorporated

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	2011	2010
	\$	\$
<b>b. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
Surplus after income tax	16,088	71,539
Depreciation	17,139	15,986
(Increase) / Decrease in other assets	1,157	6,408
Cash flow from operations	<u>34,384</u>	<u>93,933</u>

# Santi Forest Monastery Incorporated

## COMMITTEE'S REPORT

Your committee members present the financial statements of Santi Forest Monastery Incorporated for the financial year ended 30/06/2011.

### Committee Members

The names of the committee members in office at any time during or since the end of the year are:

Nicola Le Couteur (President)  
Bill Stanley (Treasurer)  
Jacqui McGirr (Secretary) (retired 6 August 2011)  
Sam Jerga (appointed 5 December 2010; appointed Secretary 7 August 2011)  
Pat Denny (retired 5 December 2010)  
Sooi Turner (appointed 5 December 2011)  
Nilushi Disanayake (appointed 6 November 2011)  
Alexandra Zachery (retired 5 December 2010)

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Committee Meetings

The number of committee meetings attended by each committee member of the association during the financial year is set forth below:

Name of member	Meetings attended	Number Eligible to attend
Nicola Le Couteur	5	6
Bill Stanley	6	6
Jacqui McGirr	4	6
Sam Jerga	2	2
Pat Denny	4	4
Sooi Turner	2	2
Nilushi Disanayake	0	0
Alexandra Zachery	3	4

### Operating Result

There was a surplus from ordinary activities for the financial year amounting to \$16,088.

### Principal Activities

The principal activities of the association during the course of the year were the provision of residential facilities and teachings in the Buddhist Theravadin forest tradition, to enable ordained sangha and lay practitioners to study and practice the spiritual path taught by the Buddha. No significant change in the nature of these activities occurred during the year.

### After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

### Future Developments

The association expects to maintain the present status and level of operations and hence there are no likely

## Santi Forest Monastery Incorporated

developments in the operations in future financial years.

### **Environmental Issues**

The association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### **Committee members' benefits**

No committee member has received or has become entitled to receive during or since the financial year a benefit because of a contract made by the association or related body corporate with a committee member, a firm of which a committee member is a member or an entity in which a committee member has a substantial financial interest.

### **Indemnifying Officer or Auditor**

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the association.

### **Proceedings on Behalf of the Association**

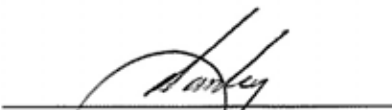
No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings. The association was not a party to any such proceedings during the year.

### **Income Tax Exemption**

The association is a non-profit organisation and is exempt from Income Tax.

Signed in accordance with a resolution of the Management Committee:

President:   
Nicola Le Couteur

Treasurer:   
Bill Stanley

Dated: 7 November 2011

SANTI FOREST MONASTERY INCORPORATED  
 ABN 87 095 830 484  
 DEPRECIATION SCHEDULE  
 FOR THE YEAR ENDED 30 JUNE 2011

Item	Total	Priv	OWDV	DISPOSAL		ADDITION		Value	T	Rate	Depreciation	Priv	CWDV
				Date	Consid	Date	Consid						
1	722,000	0	722,000					722,000	-	0	0	0	722,000
2	223,584	0	223,585					223,585	-	0	0	0	223,585
3	224,795	0	222,896			30/06/2011	1,899	224,795	-	0	0	0	224,795
4	333,015	0	328,758			30/06/2011	4,257	333,015	-	0	0	0	333,015
5	25,780	0	10,312					10,312	P	10%	2,578	0	7,734
6	30,217	0	18,130					18,130	P	10%	3,022	0	15,109
7	15,165	0	9,097					9,097	P	10%	1,517	0	7,581
8	2,407	0	2,407					2,407	-	10%	0	0	2,407
9	5,713	0	5,713					5,713	-	0	0	0	5,713
10	3,813	0	2,447					2,447	P	10%	381	0	2,065
11	36,461	0	31,112			30/06/2011	5,349	36,461	P	3%	1,036	0	35,425
<b>Subtotal</b>	<b>1,622,950</b>		<b>1,576,457</b>				<b>11,505</b>	<b>1,587,962</b>			<b>8,534</b>		<b>1,579,429</b>
Deduct private portion													0
<b>Net depreciation</b>													<u><u>8,534</u></u>

Item	Total	Priv	OWDV	DISPOSAL		ADDITION		Value	T	Rate	Depreciation	Priv	CWDV
				Date	Consid	Date	Consid						
1	3,323	0	1,329					1,329	P	10%	332	0	997
2	974	0	541					541	P	10%	97	0	444
3	673	0	209					209	P	20%	135	0	74
4	917	0	286					286	P	20%	183	0	102
5	635	0	322					322	P	20%	127	0	195
6	341	0	174					174	P	20%	68	0	106
7	1,912	0	1,420					1,420	P	20%	362	0	1,038
8	2,723	0	2,116					2,116	P	20%	545	0	1,571
9	671	0	531					531	P	20%	134	0	397
10	3,136	0	-			02/10/2010	3,136	3,136	P	5%	116	0	3,020
11	772	0	-			05/01/2011	772	772	P	20%	74	0	698
<b>Subtotal</b>	<b>16,077</b>		<b>6,928</b>				<b>10,836</b>	<b>10,836</b>			<b>2,195</b>		<b>8,641</b>
Deduct private portion													0
<b>Net depreciation</b>													<u><u>2,195</u></u>



SANTI FOREST MONASTERY INCORPORATED  
 ABN 87 095 830 484  
 DEPRECIATION SCHEDULE  
 FOR THE YEAR ENDED 30 JUNE 2011

Motor Vehicles		Item	Total	Priv	OWDV	DISPOSAL		ADDITION		Value	T	Rate	Depreciation	Priv	CWDV
						Date	Consid	Date	Consid						
1	Land cruiser	8,000	0	857					857	P	15%	857	0	-	
2	Mitsubishi Delica Jasper van	15,455	0	6,182					6,182	P	15%	2,318	0	3,864	
		23,455		7,039					7,039			3,175		3,864	
	Deduct private portion												0		
	Net depreciation													<u>3,175</u>	

Other Property, Plant & Equipment		Item	Total	Priv	OWDV	DISPOSAL		ADDITION		Value	T	Rate	Depreciation	Priv	CWDV
						Date	Consid	Date	Consid						
1	"firminger" oregon table	501	0	189					189	P	10%	50	0	139	
2	Microwave oven	275	0	-					-	-	0%	-	0	0	
3	Heater	361	0	-					-	-	0%	-	0	0	
4	Oven/cook top	5,200	0	2,692					2,692	P	10%	520	0	2,172	
5	Stainless steel kitchen	10,445	0	5,348					5,348	P	10%	1,044	0	4,304	
6	Computer	2,302	0	0					0	-	0%	0	0	0	
7	Printer, tripod & scanner	2,500	0	0					0	-	0%	0	0	0	
8	Laser Printer	359	0	24					24	P	33%	24	0	-	
9	Computer	1,414	0	853					853	P	33%	467	0	386	
10	3 x laptops & accessories	2,186	0	1733					1,733	P	33%	721	0	1,012	
11	Computer	1,238	0	1005					1,005	P	33%	409	0	596	
		26,781		11,844					11,844			3,235		8,609	
	Deduct private portion														
	Net depreciation													<u>3,235</u>	
	Total depreciation													<u>17,139</u>	
	Total CWDV													<u>1,600,542</u>	

**Santi Forest Monastery Inc ABN 87 095 830 484**

**ABN 87 095 830 484**

**Independent Auditor's Report to the Members**

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**Report on the Financial Report**

We have audited the accompanying financial report of Santi Forest Monastery Inc (the association), which comprises the Directors Declaration, the Statement of Financial Performance, the Statement of Financial Position, Statement of Cash Flows, a summary of significant accounting policies and other explanatory notes for the financial year ended 30 June 2011.

**Committee's Responsibility for the Financial Report**

The Committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the . This responsibility includes designing, implementing and maintaining internal control 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 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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 Australian professional ethical pronouncements.

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**The accompanying notes form part of these financial statements.**

**Santi Forest Monastery Inc ABN 87 095 830 484**

**ABN 87 095 830 484**

**Independent Auditor's Report to the Members**

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**Auditor's Opinion**

In our opinion:

The financial report of Santi Forest Monastery Inc is in accordance with the including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2011 and of its performance and its cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the .

Signed on :



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Grant L Pearce,  
Laterals GLP Chartered Accountants  
Montague Street, Goulburn NSW

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**The accompanying notes form part of these financial statements.**

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