



**The Rigpa Fellowship, Inc**

ABN 62 003 584 385

ARBN 123 109 624

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2017**

## **THE RIGPA FELLOWSHIP, INC**

ABN: 62 003 584 385 ARBN: 123 109 624

Incorporating Rigpa Fellowship Inc, Rigpa Land Co Pty Ltd, Rigpa Services Pty Ltd,  
Blueys Beach Building Fund and National Centre Building Fund

### **FINANCIAL STATEMENTS**

**30 June 2017**

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**THE RIGPA FELLOWSHIP, INC****ABN 62 003 584 385 ARBN 123 109 624**Incorporating Rigpa Fellowship Inc, Rigpa Land Co Pty Ltd, Rigpa Services Pty Ltd,  
Blueys Beach Building Fund and National Centre Building Fund**INCOME & EXPENDITURE STATEMENT for the Year Ended 30 June 2017**

	NOTE	2017 \$	2016 \$
<b>INCOME</b>			
Retreat fees		423,263	586,343
Programme fees		82,029	106,757
Curriculum fees		60,821	64,519
Membership		279,628	278,920
Bookshop sales		67,059	82,161
Appeals & donations		507,709	576,879
Other income		50,685	92,967
<b>TOTAL INCOME</b>	1f	<u>1,471,194</u>	<u>1,788,546</u>
<b>DIRECT COSTS</b>			
Facilities		189,448	240,546
Hospitality		125,302	169,568
Recording		109,529	108,596
Staff & Volunteers		39,253	52,893
Communication		41,681	47,761
Bookshop costs		45,458	54,392
General		155,245	129,747
		<u>705,916</u>	<u>803,503</u>
<b>LABOUR</b>			
Employment		211,523	234,594
Professional fees		8,466	9,276
		<u>219,989</u>	<u>243,870</u>
<b>ESTABLISHMENT</b>			
Rent, rates & insurance		220,205	221,465
Light, heat & power		20,148	26,305
Maintenance		21,136	10,154
		<u>261,489</u>	<u>257,924</u>
<b>FINANCE</b>			
Interest & bank charges		75,019	98,886
Depreciation expense		59,916	59,915
Fund distribution		35,619	0
		<u>170,554</u>	<u>158,801</u>
<b>TOTAL EXPENSES</b>		<u>1,357,948</u>	<u>1,464,098</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<u>113,246</u>	<u>324,448</u>

The accompanying notes form part of these financial statements

**THE RIGPA FELLOWSHIP, INC****ABN 62 003 584 385 ARBN 123 109 624**Incorporating Rigpa Fellowship Inc, Rigpa Land Co Pty Ltd, Rigpa Services Pty Ltd,  
Blueys Beach Building Fund and National Centre Building Fund**BALANCE SHEET as at 30 June 2017**

	NOTE	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,636,921	2,265,531
Trade and other receivables		0	0
Stock on Hand		7,994	0
Prepayments		36,184	17,584
<b>TOTAL CURRENT ASSETS</b>		<u>1,681,099</u>	<u>2,283,115</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2,4	3,884,165	3,800,902
<b>TOTAL NON-CURRENT ASSETS</b>		<u>3,884,165</u>	<u>3,800,902</u>
<b>TOTAL ASSETS</b>		<u>5,565,264</u>	<u>6,084,017</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	133,194	91,651
Short term loans	5	545,000	500,000
<b>TOTAL CURRENT LIABILITIES</b>		<u>678,194</u>	<u>591,651</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term loans & mortgages	6	1,122,452	1,840,994
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>1,122,452</u>	<u>1,840,994</u>
<b>TOTAL LIABILITIES</b>		<u>1,800,646</u>	<u>2,432,645</u>
<b>NET ASSETS</b>		<u>3,764,618</u>	<u>3,651,372</u>
<b>FUNDED BY</b>			
Opening accumulated surplus		3,651,372	3,326,923
Current year surplus / (deficit)		113,246	324,449
<b>TOTAL FUNDS</b>	2	<u>3,764,618</u>	<u>3,651,372</u>

The accompanying notes form part of these financial statements



## **THE RIGPA FELLOWSHIP, INC**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

#### **Note 1: Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the NSW Associations Incorporation Act 2009 and Class Order 11/01 issued by the Director General of the NSW Office of Fair Trading. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

##### **a. Property, Plant and Equipment (PPE)**

Property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

##### **b. Impairment of Assets**

At the end of each reporting period, 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 recognised in the income and expenditure statement.

##### **c. Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

##### **d. Provisions**

Provisions are recognised when the association 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. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash and cash equivalents include cash on hand, deposits held at call with banks and other deposits with banks with maturities less than 12 months.

**f. Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised when received for deposits at call and deposits with maturities less than 3 years.

Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

**g. Goods and Services Tax (GST)**

Revenues, expenses, capital assets, receivables and payables are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

**Note 2: Statement of Movements in Accumulated Surplus**

	2017 \$	2016 \$
Accumulated surplus at the beginning of the financial year	3,651,372	3,326,923
Current year surplus	<u>113,246</u>	<u>324,449</u>
Accumulated Surplus at the end of the financial year	<u>3,764,618</u>	<u>3,651,375</u>

**Note 3: Cash and Cash Equivalents**

	2017 \$	2016 \$
Cash on hand	1,182	1,659
Cash at bank	316,723	785,958
Cash on deposit	<u>1,319,016</u>	<u>1,477,914</u>
Total Cash and Cash Equivalents	<u>1,636,921</u>	<u>2,265,531</u>

**Note 4: Property, Plant and Equipment**

	2017 \$	2016 \$
Land	1,519,159	1,519,159
Buildings	2,382,587	2,270,403
Less accumulated depreciation	<u>-277,358</u>	<u>-251,241</u>
	2,105,229	2,019,162
Centre Fit-outs Cost	101,249	88,269
Less accumulated depreciation	<u>-18,294</u>	<u>-11,191</u>
	82,955	77,078
Computer Equipment	59,302	56,643
Less accumulated depreciation	<u>-31,192</u>	<u>-25,678</u>
	28,110	30,965



Other Equipment	336,042	320,685
Less accumulated depreciation	<u>-187,329</u>	<u>-166,147</u>
	<u>148,713</u>	<u>154,538</u>
 Total Property, Plant and Equipment	 <u>3,884,165</u>	 <u>3,800,902</u>

The association purchased a property in July 2015 in Newtown, NSW, which was previously a church. Significant building renovations are now under way with the intention to establish a National Centre.

#### Note 5: Current Liabilities

	2017	2016
	\$	\$
All Encompassing Path (AEP) fees payable	41,509	NIL
Other Payables & Accruals	48,730	91,651
Deferred Income	42,955	NIL
Short Term Loans	<u>545,000</u>	<u>500,000</u>
Total Current Liabilities	<u>678,194</u>	<u>591,651</u>

All Encompassing Path (AEP) fees are payable to Congregation Lerab Ling, which is based in France, for access to their online teaching program.

Short Term Loans are from individuals whom are Rigpa students to fund the purchase and renovation of the Newtown property.

#### Note 6: Non-Current Liabilities

	2017	2016
	\$	\$
Long Term Loans	695,000	760,000
Property Mortgage	<u>427,452</u>	<u>1,080,994</u>
Total Non-Current Liabilities	<u>1,122,452</u>	<u>1,840,994</u>

Long Term Loans are from individuals whom are Rigpa students to fund the purchase renovation of the Newtown property.

Social Enterprise Finance Australia ATF SEFA Loan Fund holds the mortgage over the Newtown property.

#### Note 6: Subsidiary Entities

Rigpa Land Co. Pty Ltd and Rigpa Services Pty Ltd are fully owned by The Rigpa Fellowship Inc. The Blueys Beach Building Fund and the National Centre Building Fund are specific funds under the one school building fund for the The Rigpa Fellowship Inc granted tax deduction status by the Australian Tax Office. The Deductible Gift Recipient number is DGR 439038.

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## TREASURER'S DECLARATION

30 June 2017

In the opinion of the treasurer, the financial report as set out on pages 1 to 5:

- (a) presents fairly the financial position of The Rigpa Fellowship, Inc as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies outlined in Note 1 to the financial statements;
- (b) satisfy the requirements of the NSW Associations Incorporation Act 2009 and Class Order 11/01 issued by the Director General of the NSW Office of Fair Trading; and
- (c) at the date of this statement, there are reasonable grounds to believe that The Rigpa Fellowship, Inc will be able to pay its debts as and when they fall due.

A handwritten signature in cursive script, reading "Malcolm Ray", written over a horizontal dotted line.

Malcolm Ray  
Treasurer

Dated:



## The Rigpa Fellowship Inc. Independent Auditor's Report

We have audited the attached financial statements, being a special purpose financial report, of The Rigpa Fellowship Inc. (Association) for the year ended 30 June 2017.

### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion, the financial statements of the Association are properly drawn up:

- a) to present fairly the financial position of the Association as at the 30 June 2017 and the results of its operations for the period then ended, and;
- b) according to applicable Australian Accounting Standards.

### Basis of Qualified Opinion

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

For the audit of the Association we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information – 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 is prepared to assist the association to meet the requirements of the NSW Associations Incorporation Act 2009 and regulations. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

### Responsibilities of Management for the Financial Report

The Board of Management is responsible for the preparation of the financial report in accordance with NSW Associations Incorporation Act 2009 and regulations and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Report

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 and plan and perform the audit to obtain reasonable assurance about whether the schedule 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 judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.



Ian G McDonald FCA  
Registered Company Auditor

Dated at Grange this 6<sup>th</sup> day of December 2017