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## Khemamarangsi Buddhist Temple of ACT Inc.

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## **BUSINESS PLAN FOR THE CAMBODIAN BUDDHIST TEMPLE PROJECT IN ACT**

### **EXECUTIVE SUMMARY**

This is a business plan for the construction of a Cambodian-style Buddhist temple in the ACT. Once the land is donated by the Australian government, the construction process would commence immediately. The 2-year process is divided into two stages starting from the submission of the land application to the completion of the construction. The total construction cost is estimated at \$493,000 which the Association hopes to fund through various mechanisms, including: the sale of the Charnwood property, and direct and indirect donations from Cambodian communities across Australia. The Association is confident that the construction will be completed in two years, and that the loan will be fully paid within this period.

Once built, this symbol of Cambodia and Buddhism will become a place for spiritual, community, and humanitarian activities among Cambodians in Canberra. It will strengthen the sense of solidarity and build connectedness among Cambodians in ACT and those across Australia, including those back in Cambodia. It will also play a crucial role in mitigating the potentially negative impacts on Cambodians who are uprooted from their homeland, also assisting in the settlement of Cambodian migrants and students in the ACT making their lives in Australia easier and therefore more productive.

### **BRIEF DESCRIPTION OF ORGANISATION'S ACTIVITIES/SERVICES**

Khemamarangsi Buddhist Temple of ACT Inc. is a non-profit and non-political association, which bears no distinction of race, gender or religious faith. It aims to preserve the rich Cambodian culture and traditions, and to foster and maintain good relationships amongst the Cambodians in Canberra, as well as providing information on Cambodian Buddhism within Australia.

Essentially our activities and services are the teaching of Buddhism making them accessible to all Cambodians in the ACT. Our long-term goal is to further promote good relationships between the Cambodian Buddhist society within Australia and Buddhist societies and religions around the world. The Association also represents the Cambodian Buddhist society in the ACT and liaises with government authorities on various issues, including those related to Buddhist monks.

The Khemamarangsi Buddhist Temple of ACT Inc. office is currently located at 3 Arkell Place, Charnwood ACT. Presently this temporary arrangement has a Buddhist monk living at the residence, with two additional Buddhist monks also being sponsored. The residence is being used as the temporary centre of Buddhist teaching, and is accessible to all Cambodians in the ACT. In addition to religious activities, it is also a place to maintain the existence of the Cambodian culture and customs.

## **VALUE**

"Teach this triple truth to all: A generous heart, kind speech, and a life of service and compassion are the things which renew humanity." – Buddha

## **VISION**

As representatives of the Cambodian-Australian society, we strongly believe in a community-based development through social participation and volunteerism. Incorporating this type of culture is certain to bear us fruits of happiness, prosperity, and sustainable development.

## **MISSION**

Our mission is to promote happiness, peace, harmony, prosperity, human rights, democracy and sustainability. This is attained through the practices of the Khmer culture and Buddhism among the Cambodian-Australian community, as well as the local mainstream society.

## **OBJECTIVES**

1. To find a meeting space or build a Buddhist temple as a centre and main gathering place for community members.
2. To provide religious and educational programs which include: retreats, mindfulness meditation, knowledge and teaching of the Buddhist philosophy, chanting from Buddhist scriptures, religious address and traditional blessings.
3. To establish a Khmer language class, promoting culture and tradition through education in both theory and practice.
4. To provide a venue and opportunity for people to gather for cultural and religious purposes and other activities.

## **COMMITTEE MEMBERS**

Under the Association's constitution, the overall responsibility for operating and managing the Association, including the control and management of business affairs of the temple, is in the hands of committee members.

Please find attached the Association's constitution; list of committee members; and list of the Association members living in ACT together with the Association's certificate of incorporation in the ACT.

## **LEVEL OF NET COMMUNITY BENEFIT ON DELIVERY**

Living in a new country, far from home, presents tremendous challenges to Cambodian migrants and students in Australia. These include: (1) the reduced connectedness, if not totally disconnected, with friends, relatives, family members back in Cambodia, and the Cambodian society as a whole; (2) the challenges in establishing new social networks and making friends among Cambodians in ACT; and (3) the adaptation problems to new society which is far more advanced, compared to Cambodia, and its culture and environment.

To address the challenges and to mitigate the potential negative impacts of uprooting associated with new settlement among Cambodians in the ACT, the Association has been supporting the existence and operation of "the Khemarangsi Buddhist Temple" in the ACT. The Charnwood residence has long been acting as a Buddhist temple providing venues for: (a) spiritual practices, (b) a centre for the promotion and study of Buddha's teachings, (c) a convention centre for community and humanitarian activities among Cambodians in the ACT,

- (d) educational and cultural centre for Cambodian and Buddhism study, and
- (e) Khmer (Cambodian official language) literacy class for Cambodian children born in Australia.

As the symbol of Buddhism and Cambodian culture and tradition, the temple also helps establish connectedness between Cambodians living in the ACT and other Cambodian communities across Australia.

The current residence, a suburban house in Charnwood, has been converted into a temple, and this presents various shortcomings. Firstly, it does not conform to the style and environment of the normal Cambodian monastery, and therefore compromises the image and vitality of the temple. Secondly, it is too small to accommodate religious and community activities by Cambodians in ACT and those from other states. Thirdly, but equally important, there have been occasions when Cambodians have congregated at the temples for celebrations, and there has been inadequate parking space. There is also the constant worry that the activities will disturb other residents living in the street.

We plan to build a Cambodian style monastery in an appropriate location which would not only address the aforementioned problems but also to further strengthen solidarity among Cambodians in ACT and in other states in Australia. This would greatly contribute to making our lives in Australia more enjoyable. To realise this dream, we are requesting land where we can construct the temple.

## **PROPOSED DEVELOPMENT PLANNING**

When the land is approved, it is estimated that the building will take approximately 12 months to complete which includes landscaping which will harmonise with the surrounding environment. As this is considered to be a special project, the time for completion would vary depending on the time taken to obtain building approval from the Land Agency and the availability of construction contractor(s) and building materials.

At this stage it is not yet possible to provide an accurate estimation of the project completion date due to the allocation of land, which has not yet been identified. However, upon the approval/allocation of the land for the project, the Association will take immediate action with a building plan followed by a builders costing report.

## **FACILITIES INCORPORATED IN BUILDING**

The temple will include cooking, toilet and shower facilities for the monks living onsite, and a designated parking area. These facilities will also be used for various functions – please see the attached plan for details.

## **PROPOSED BUILDING PLAN AND SITE LAYOUT**

**LAND AREA:** 3,566 sq m

**FLOOR AREA:** 348 sq m

**TYPE OF BUILDING:** A Buddhist temple consisting of one building which would serve as the main temple for monks' residence and community hall.

## BUDGET PROPOSAL

The Association will fund this Project in two different stages. The first stage will take 12 months in which the first six months involves the preparation and submission of the land application to the Land Development Authority (LDA). The next six months is for the preparation of the grounds for the construction of the Project. The second stage, which is a further 12 months, will be devoted to the actual construction of the Project. The total cost of the Project is estimated at \$493,000.

### **STAGE 1: (September 2010 to August 2011)**

For the first stage it is estimated that the Project requires 65% of the total cost equivalent to \$320,450 readily available before the construction starts. As at 30 August 2010, the cash available is \$85,000 (see attached bank statement). Additionally, the Association has received approval from the National Australia Bank (NAB) for a 20-year term (bridging) loan of \$238,000 (see attached loan contract). Therefore, the Association has adequate funds available for the first stage of the project.

### **ESTIMATED DEVELOPMENT EXPENDITURE**

Building - Resident Hall	\$415,000
Site Works	\$2,000
Ancillary Works	\$3,500
Plant & Equipment	\$5,000
Car Parking	\$2,500
Others(land cost)	\$65,000
TOTAL	<u>\$493,000</u>

### **Budget for STAGE 1**

65% of \$493,000 total construction cost required for stage 1	\$320,450
Total Cash in Hand	(\$85,000)
Bridging loan from NAB	<u>(\$238,000)</u>
Surplus	<u>\$2,550</u>

### **Note:**

- The estimated starting date will depend upon the decision of LDA and a chosen construction company.
- During Stage 1 the Association's property (3 Arkell Place, Charnwood, ACT) is being used as loan security. However, it will remain as a residence for the monk and for traditional and religious functions and other community facilities. We anticipate the property will be sold in the next 12 months at an estimated value of \$380,000 (see attached evaluation report).
- The Association will negotiate with the NAB to make interest only payments for the first three years at an estimated interest rate of 9% per annum (approximately \$21,420 pa). The interest rate is subject to change. As a result, the Project requires an extra minimum cash inflow of \$21,420 for the period between September 2010 and August 2011.

## **STAGE 2: (Sept 2011 to Aug 2012)**

It is estimated that 35% (\$172,550) of the total construction cost is required for this stage. The proceeds from the sale of the property in Charnwood will be used to fund the remaining construction costs. Of the estimated market value of \$380,000, the Association will deduct the remaining balance of the existing loan on the property and other transition costs which would amount to \$47,664. The net proceeds would be \$332,360. \$172,550 of which would be used to fund the second stage of the construction. The balance of \$159,810 will be used as a payment for the NAB bridging loan.

### **Budget for STAGE 2**

Net cash from property sale	\$332,360
35% of \$493,000 total construction cost required for stage 2	(\$172,550)
Funds available to pay off NAB bridging loan	<u>\$159,810</u>

### **NAB Bridging Loan**

NAB bridging loan	\$238,000
Pay off after 12 months	(\$159,810)
Remaining balance of NAB bridging loan	<u>\$78,190</u>

Note: Once the property is sold, the Association will negotiate with the new owner of the Charnwood property to rent the property for the temporary residence of the monk to facilitate the tradition and religious functions and other community facilities until the completion of the temple. There are potential investors showing interest in purchasing the property for investment purposes. However, if negotiations are unsuccessful, the Association will consider renting premises nearby during the construction period, estimated to be 12 months. The cost of renting for 12 months is estimated to be \$20,800 at \$400 per week (52 weeks p.a).

### **Contingency Fund**

Given the scope of the project, the Association allows 10% of contingency fund for unforeseen emergencies or overrun in this construction project. This is estimated to be approximately \$50,000 on top of estimated construction cost.

### **Fund Raising Strategies**

The Association aims to complete the Project, and pay off the bridging loan at the completion of the construction in order to avoid on-going payments of interest on the remaining balance of the bridging loan. To achieve this, funds of **\$177,447** is required within 24 months. This amount includes the remaining loan principle of \$78,190; first year interest payment of the bridging loan of \$21,420; the second year interest payment of the remaining bridging loan of \$7,037; \$20,800 rental payments during the Stage 2 period (\$400 per week) and \$50,000 of contingency fund. We had already instigated various fund raising strategies and activities.

Although the Cambodian community in Canberra is relatively small in comparison to other States and Territories, this construction project has been actively and strongly supported by Cambodian communities in NSW, Victoria, QLD, and SA. The Cambodian Buddhist Association of VIC (Wat Buddharangsi Melbourne), Wat Khemarangsaram of NSW and Cambodian Buddhist Association of QLD has been participating in raising donations towards the construction of the Project. For example, between July and August 2010, the Association has collected approximately \$20,000

in donations from Cambodian communities in ACT and NSW alone. This demonstrates the Association's ability to guarantee the successful completion of the Project.

During the next 24 months the Association will actively engage in numerous funding raising activities. Cambodians' observe many traditional and religious activities each year and this provides many ideal venues for collecting donations towards the temple construction. In the ACT, each year the Association organises Khmer New Year and end-of-year concerts, and on each occasion we collected \$5,000 in donations and sale of raffle tickets. In addition, there are also direct donations and major sponsors toward the construction from Cambodian communities across Australia. For example, for the period between July and August 2010, Cambodian communities donated some \$20,000 for the temple construction- a reflection of the Cambodian people's enthusiasm toward the emergence of a Cambodian national and religious symbol.

Below is a list of major fund raising activities planned over the next 12 months (Sept 2010 to Aug 2011). Note that estimated funds raised for each activity provided below is based on previous experience, of fund raising for the building of Buddhist temples in other states and of past Association activities.

### **Major activities for the 12 months (Sept 2010 to Aug 2011)**

#### **1. Direct Donation toward the construction costs (so-called "Build a Brick Program") – (One-off Activity)**

- *Date:* over a 24 month period - September 2010 to August 2012
- *Location:* ACT, NSW. VIC and QLD
- *Estimated funds raised:* approximately \$30,000 for 1<sup>st</sup> Year and \$40,000 for 2<sup>nd</sup> Year
- *Activities:* The vision of this Project is not only to build a temple for the Cambodian community in Canberra, but to build an iconic landmark for symbolising and representing the rich culture and traditions of Cambodian communities in the Nation Capital of Australia. In this regard, the Association has invited individual members of the Cambodian communities from all States and Territories across Australia to participate in direct donations toward the construction costs. As the construction project is supported by the Cambodian Buddhist Monk Council of Australia and New Zealand, this is also the first project which all Cambodian communities across the country have been involved in and worked together toward one project.
- As the construction project is relatively small, the Association has divided the entire project cost by the size of construction into the numbers of square meters so that individuals are able to make contributions toward the number of square meters they wish to fund. Each donor will be presented with a Certificate of Appreciation signed by the Abbot and the President of the Association. Also, once the project has been completed, their name will be embossed on a plaque for acknowledging their contribution. Based on the number of Cambodian Buddhist members across Australia, the Association anticipates that at least 1,400 square meters will be funded at \$50 per square and \$70,000 will be raised over two years (see attached a copy of Certificate of Appreciation and promotion materials).

#### **2. Raffle Tickets (one-off activity)**

- *Date:* over an 8 month period from November 2010 to April 2011
- *Location:* ACT, NSW. VIC and QLD
- *Estimated fund raised:* approximately \$70,000 across the Australia (\$10,000 for ACT, \$20,000 for each state of NSW, VIC and QLD)
- *Activities:* With help from major sponsors, the Association will also be organising fund raising by selling raffle tickets. The main prize for this raffle is a car valued \$17,000 which

has been donated by the Cambodian community in QLD. Also, there are many other attractive prizes, sponsored by business communities across Australia, added to the prize list including a round trip airfare for two people to Cambodia. The raffle will be drawn during the month of April 2011 while Cambodians celebrate Khmer New Year. After the application for organising the raffle has been approved by state and territory authorities, the Association will actively undertake promotion to sell tickets, especially during 3 day celebration of Khmer New Year at all major temples in each state. Given the value of the prizes, it is estimated that at least 2,000 tickets will be sold at each state of NSW, QLD and VIC and approximately 1,000 will be sold in ACT at \$10 per ticket. Therefore, approximately \$70,000 will be raised.

### **3. Bon Chum Ben ( annually )**

- *Date:* September to October – 15 days
- *Location:* Canberra and Sydney
- *Estimated funds raised:* a minimum of \$ 5,000 per year ( \$10,000 for two years)
- *Activities:* Cambodian Buddhists pay their respects to deceased relatives – Ancestor's day. Fund will be raised at both Khemarangsi Buddhist Temple in Canberra and Wat Khemarangaram in Sydney.

### **4. Flower Festival organised by Wat Khemarangaram of NSW ( Bon Pika) (one-off activity)**

- *Date:* January 2011
- *Location:* Canberra
- *Estimated funds raised:* a minimum of \$ 5,000
- *Activities:* The Cambodian Community in Sydney will collectively raise the funds toward the construction Project and the event will be held at both Wat Khemarangaram in Sydney and Khemarangsi Buddhist Temple in Canberra.

### **5. Flower Festival organised by Cambodian Community in Sydney ( Bon Phka) (one-off activity)**

- *Date:* January 2011
- *Location:* Canberra
- *Estimated funds raised:* a minimum of \$ 5,000
- *Activities:* The Cambodian Community in Sydney will collectively raise the funds toward the construction Project.

### **6. End of Buddhist Lent (Bon Kathen) (annually)**

- *Date:* November 2010
- *Location:* Canberra
- *Estimated fund raised:* approximately \$ 15,000 for two years ( \$7,500 per year)
- *Activities:* A religious festival is celebrated where clothes and supplies are donated to the monks. This activity is celebrated annually

### **7. Year-End Concert ( annually )**

- *Date:* 4 December 2010
- *Location:* Canberra
- *Estimated funds raised:* approximately \$ 5,000 per year ( \$10,000 per two years)
- *Activities:* To celebrate the end of year and the event is a gathering for the Cambodian community in Canberra.

**8. Meak Bochea ( annually )**

- *Date:* February 2011
- *Location:* Canberra
- *Estimated funds raised:* a minimum of \$ 1,000 for two years
- *Activities:* Commemorates the spontaneous gathering of monks to listen to the Buddha's preaching.

**9. Cambodian New Year ( annually )**

- *Date:* 13/14/15/16 April 2011
- *Location:* Canberra
- *Estimated fund raised:* a minimum of \$ 4,000 for each year ( \$8,000 for two years)
- *Activities:* Chaul Cham Thmey in Khmer, the Cambodian New Year is the most important festival on the calendar and is held over 3 days.

**10. Visaka Bochea ( annually )**

- *Date:* April or May 2011 (depending on the moon calendar)
- *Location:* Canberra
- *Estimated funds raised:* approximately \$ 1,000 over two years
- *Activities:* Buddhist observance commemorating the birth, enlightenment and passing of the Buddha.

**11. Cambodian Day**

- *Date:* TBC
- *Location:* Canberra- Cambodian Embassy in Canberra
- *Estimated funds raised:* approximately \$ 5,000
- *Activities:* To promote the Cambodian cultures, arts and cuisines.

Below is the cash flow budget for the 24 month period - September 2010 to August 2012

**CASH FLOW BUDGET FOR 24 MONTH CONSTRUCTION PERIOD  
SEPTEMBER 2010 to AUGUST 2012**

**CASH INFLOW**

Funds raised for the construction project (see above)		
Funds raised from Build a Brick Program	\$70,000	
Funds raised from the sale of raffle tickets	\$70,000	
Funds raised from Year-End Concerts	\$10,000	
Funds raised from Flower festivals	\$10,000	
Funds raised from Cambodian Day	\$5,000	
Other observances	\$35,000	
Member contributions (monthly contribution by members toward the operational cost of the temple)	\$5,000	
Donations for the operation of the temple	\$10,000	
Subsidies from the Ethnic School Association (toward Khmer Language School)	\$5,000	
<b>Total cash in flow</b>		<b>\$220,000</b>

**CASH OUTFLOW**

Contingency fund for the construction ( approximately 10% of construction cost)	\$50,000	
General expenditures		
Rent, water, sewerage & electricity and other utility costs	\$6,000	
Phone bills	\$1,500	
Building maintenance	\$3,000	
Stationary & supplies	\$3,000	
Costs for fundraising activities	\$5,000	
Sub-total		\$18,500
Borrowing Costs		
Interest payment to NAB for existing Loan (Sept 10 to Aug 11)	\$3,500	
Interest payment to NAB for bridging Loan ( Sept 11 to Aug 12)	\$28,457	
Principle of bridging loan	\$78,190	
Sub-total		\$110,147
Rental expense ( Sept 2011 to August 2012)		\$20,800
Expenses for English Course and Other education/training for the monk		\$5,000
Expenses for Khmer language school		\$2,000
<b>Total cash outflow</b>		<b>\$206,447</b>

**CASH FOR RESERVE** **\$13,553**

Note:

- There is no cost for meals and entertainment reflected in above cash flow budget as the meals are regularly provided at no cost to the monk by elderly members living in surrounding suburbs.
- The Association is currently offering Khmer language classes to the children and adults in Canberra who wish to learn to read and write the Khmer language. There are two levels, beginners and intermediates. These classes have been recognised by the Ethnic School Association and have received annual subsidies to fund the operational cost of this program. The cash flow budget reflects the income and expenditure accordingly.

The above cash flow indicates that the Association will have sufficient funds for the project. However, where the target fund is not reached within the time frame, due to unforeseen circumstances, the Association will carry forward the remaining balance of the bridging loan over the three years after the completion of the project. The Association is confident that the loan will be paid off within three years.