



Cutcher & Neale

ASSURANCE SERVICES

SHANTI MISSION HARMONY CENTRES LIMITED

ABN 76 116 997 392

Financial Statements

For the Year Ended

30 June 2011

Contents

DIRECTORS' REPORT.....	1
AUDITORS INDEPENDENCE DECLARATION.....	13
INDEPENDENT AUDITORS' REPORT.....	14
DIRECTORS' DECLARATION.....	16
STATEMENT OF COMPREHENSIVE INCOME.....	17
STATEMENT OF FINANCIAL POSITION.....	18
STATEMENT OF CHANGES IN EQUITY.....	19
STATEMENT OF CASH FLOWS.....	20
NOTES TO THE FINANCIAL STATEMENTS.....	21

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Your directors present their report on company for the financial year ended 30 June 2011.

Directors

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

Names	Position	
Shakti Durga	Chair	
Hugh Keller	Director	
Antoinette Sampson	Director	
David Cole	Director	
Tanya Diesel	Director	Appointed 1/12/2010

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

Company Secretary

The company secretary is Shakti Durga who is also the entity's chair.

Information on Directors

Shakti Durga holds degrees in law and economics and practiced as a barrister in NSW for 16 years. She has also studied a range of alternative and complementary healing modalities and learned meditation with various spiritual teachers in Australia, India, Bali and the Philippines. She is an expert on meditation, the human energy field, personal development, motivation and alternative health. She has written three books on self development and created the Path of Ease and Grace series of seminars, which focus upon mental emotional and spiritual wellbeing. She has created numerous meditation and relaxation CD's and has written 5 books.

Hugh Keller was a practicing solicitor with the international law firm Blake Dawson for 40 years up until July 2010. Hugh is a recognised leader in major commercial litigation and advises public and private sector clients across a broad industry spectrum. He has extensive experience in arbitration, mediation, neutral evaluation, structured negotiation, regulatory investigation and parliamentary inquiry. Hugh is currently a director of a number of different companies including L J Hooker Ltd and Thackeral Ltd.

David Cole is a chartered accountant and has over 11 years experience as a management consultant. He is a facilitator for the successful Free To Be Me seminar series. His business and leadership counselling and mentor programs are highly effective bringing desired changes in individual and organisational performance.

Antoinette Sampson is a former academic of NSW University (Nida) where she taught for over 16 years. She brings expertise in creative self expression, teaching and a depth of spiritual training and awareness to her role. She has studied various forms of energetic healing and meditation. Antoinette founded Peace Angels, managed the highly successful Australian Theatre for Young People (ATYP) and has experience directing large theatrical productions.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Information on Directors continued

Tanya Diesel was with Deloitte Consulting in the USA, South Africa and Australia for over 10 years; worked with large Australian Corporates: AMP, Bauldersone Hornibrook and Lendlease before joining Zaffyre International, a boutique management consultancy to various Fortune 500 companies. As Managing Director and CEO she led revenue growth of 900% over 3 years. She has now founded her own strategy consultancy called Aspirall. Tanya consults with some of the leaders of Australian industry and government at high levels. Tanya joined us in December 2010 and shares her considerable skill with us to provide 'lift' in all areas of the organisation.

Meetings of Directors

During the financial year, 8 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Shakti Durga	8	8
Hugh Keller	8	8
Antoinette Sampson	8	7
David Cole	8	7
Tanya Diesel	4	3

Principal Activities

The principal activities of the entity during the financial year were:-

- i. Raising community awareness of the importance of leading a well balanced and healthy life;
- ii. Assisting members of the public to achieve optimal physical, emotional, social, spiritual and mental health, manage and reduce stress and anxiety and to acknowledge the deleterious effects of those conditions on the immune system; and
- iii. Teaching techniques for personal transformation, life skills, meditation, energy based healing and exercises from diverse healing traditions.

No significant change in the nature of these activities occurred during the year.

Director emoluments

Other than those disclosed in Note 18 Related Party Transactions, no Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the entity, with a Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Insurance premiums paid for directors

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

Operating Results

The surplus of the entity for the financial year amounted to \$ 953,929. Last year a surplus of \$115,068 was reported.

Further discussion on the entity's operations now follows.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Structure and Expansion

Prior to Mission day on 28 October 2009 Shakti Durga's intuition told her that 2010 would be a year of expansion for Shanti Mission and Shanti Mission Harmony Centres. This has certainly been the case with many arms of Shanti Mission blossoming with new activity, new faces, new projects and new faith.

Shanti Mission (Peace Mission) is the global vision of Shakti Durga and Shiva Kata Tjuta. It is a new spiritual philosophy with its roots in both Eastern and Western mysticism. Shanti Mission is based upon 8 pillars, which already run through all of our work and projects.

Shanti Mission operates mainly through its Harmony Centres but has other projects as well. The wide philanthropic scope (set out on our website) of Shanti Mission includes ventures such as the Hope Project, Vision Groups, national and international spiritual retreats, vision groups to support peaceful social change, peace initiatives such as Peace Angels and a whole lot more.

Shanti Mission Harmony Centres are schools where people come to learn tools to promote physical, mental, emotional and spiritual good health. Classes range from beginners, intermediates and advanced with a systemized and well-supported learning environment helping people to really 'get' the teachings. The aim of the school is to engender peace, internally and in our relationships in the world. This brings better health and wellbeing. To that end, we train Ignite Your Spirit therapists, spiritual teachers, and members of the public who would like to be more empowered in dealing with the challenges that life brings us.

Public programs and practices that promote loving kindness, inner peace, personal empowerment, wellbeing and a new level of good health and prosperity are our specialty. In the past year we have touched thousands of lives and brought alleviation of suffering and joyfulness to them and their families.

Major Events of the past 12 Months

Project Hope

Project Hope was launched this year in response to a number of natural disasters and particularly the devastating floods resulting from Cyclone Yasi. In late April/early May 2011 we took 40 therapists and spiritual aspirants to visit the flood affected areas of Southern Queensland, and to provide free healings to those who had been affected by them. Healings were offered at drop-in centres from Brisbane through to Ipswich and Toowoomba as well as evening healing meditations which included uplifting music by our amazing and very talented music group. In the next financial year the Hope project will be focussing upon providing energy healing to those afflicted with depression. Depression is the largest epidemic in the western world, with an anticipation through current medical statistics that one in 4 people will suffer from it, and the effects are sometimes deadly. Youth and older men are particularly at risk and we seek to add our contribution to the alleviation of depression, which is a spiritual malaise, through the potent work our Ignite Your Spirit registered practitioners and our spiritual teachers are doing.

Bodhi Festival

Bodhi Festival is an international yoga, music and healing festival to be held 24-26 February 2012. We have secured the attendance of some of the leading yoga and kirtan musicians in the world, and will be announcing full details and ticket sales shortly. We are in this venture with Terry McCarthur who is an expert in marketing, internet marketing, promotional campaigns (he has frequently worked with state and federal government agencies to create information and education for social issues) and Ian Smith, who is a world class events and operations expert. Through Bodhi Festival we are bringing the incredible healing benefits of yoga, spirituality, sound and energetic healing to a larger audience.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Retreats

In the past year we had international retreats in Rishikesh India and Bali with our musicians performing at the Spirit of Bali Festival. The senior members of the music group also attended the Bhaktifest at Joshua Tree, California to network with other Kirtan artists and apply for Shanti Music to perform there next September 2012 at which time we will be holding a retreat and attending the Bhaktifest. The Bhaktifest is the USA version of our forthcoming Bodhi Festival.

Our work in the USA will connect Shanti Mission Harmony Centres with other organisations working with a similar philosophy to help bring about peace in the world. It is anticipated that a centre will be established in the USA in the near future.

Locally we hosted a large number of retreats, some in our centre at Bundanoon, some at Cooranbong and our largest retreat was held at Myall Shores where we had nearly 250 initiates engage in a week of transformation through meditation, healing and music.

Vision Groups

Our vision groups involve targeted meditations that seek to create release of stuck energy and negative thinking about various areas of human endeavour. Our vision groups have continued to operate in various social arenas. A new resource was created to support our visual artists, the Arts Vision Group healing cd. It is a healing tool to assist those in creative careers to have more confidence, vision and inner peace as well as success in their chosen areas. We have had good feedback with many people working together to create a different inner landscape, and also under Premas leadership, a cohesive group of artists and graphic designers are being empowered to give each other greater support and encouragement.

Our health and music vision groups as well as our Shanti Mission vision groups have continued and next year we hope to get more active with our vision groups around animal welfare and interfaith respect, support and love. We have also created a resource for those who yearn for a higher vibration in our political and bureaucratic processes. The Politics clearing CD is available in our centres and on the website.

Peace Angels

Ananda Netti who is our artistic director created a new spiritual healing group who will create healing and peace through transformational entertainment. They are called Peace Angels and they have been training since early 2011, applying our pillars and the teachings of the Path of Ease and Grace as well as IYS therapy, to undergo very thorough purification and to lift themselves into a state of grace whereby they are very linked to the presence of the Angelic realm. They are then taking that inner awareness and development into the world through large theatrical productions. The first of those productions took place on September 25th 2011 when the Peace Angels performed Walking Light, a magnificent and heart-warming spectacle of intense beauty and soul. A volunteer has decided to make a feature film about the Peace Angels and we will let you know when it is available. Many thanks to all those dedicated people who are working to help make this event a beautiful and powerful one.

Gift of Organic Farm, Canyonleigh

Last year we were given a 58 acre organic farm located in Canyonleigh in the Southern Highlands. The legal work for the transfer of title to Shanti Mission Harmony Centres was completed in January 2011. This property contains 2 teaching spaces, a very old farmhouse, an anti-avery and some large sheds as well as 5,000 fruit and nut trees. It is a chemical free farm. It is the vision of the benefactor (who wishes to be anonymous) that this property have community involvement and serve the community, producing clean and healthy, sustainable food. He is delighted that we plan to build a residential Harmony Centre on the site. We are already talking to architects Envirotecture from Sydney and liaising with our community about what we want to build there.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Our centre at Bundanoon in the Southern Highlands closed in December last year, as we chose to move our operations in that district to the farm. We thank Petrea King for the generous assistance that SMHC was given being able to share the Quest for Life centre for 18 months. It allowed us to get established with ease and grace in the Southern Highlands.

We thank all of the people from our community who donated money into our building fund, and contributed their time and labour to transform the interiors of two of the farm buildings to make them comfortable and beautiful to be in.

Therapist Training

This is an intense personal development programme where the emphasis is put on serving and empowering humanity through personal and spiritual development. Our therapists are required to complete a one year training program, 3 in depth case studies, 2 exams, and 80 hours of clinical practice as part of their training.

Our therapist training program under the direction of Durga Devi has continued to thrive and grow over the past 12 months. We had 55 students enrolled in the program at Cooranbong, 35 in Sydney and a new group of 30 commenced training in Canyonleigh in July 2011 bringing our total number of therapists in training this year to a record 120 people. The world is crying out for really developed and committed, highly skilled energy healers and we are producing outstanding therapists whose work is its own testimonial. Physical, mental emotional and spiritual healing is occurring and people are waking up to a higher consciousness and capacity to live a better, richer and more empowered life than before.

Path of Ease and Grace

Our central message, tools for healing and wellbeing as well as spiritual growth and personal development are contained within our signature seminar series created by Shakti Durga: the Path of Ease and Grace. This comprises 9 seminars: Ignite Your Spirit 1 and 2 where the fundamental tools of healing are taught: Yoga of the Mind which builds on those tools, Empowering Relationships 1 and 2 which focuses upon how to be skilled, empowered, loving and able to turn around difficult and draining relationships which really do drain our energy and even interfere with our health. Dimensions of Wealth 1 and 2 teach us tools for shaping our lives how we would like them to be and Spiritual Mastery is a journey through the spiritual laws of life as well as putting all of the tools of the Path of Ease and Grace into a useable context.

This year we had 2,375 attendances at Path of Ease and Grace seminars throughout Australia:

Healing clinic & Healing Meditation Testimonials:

Our healing clinics provide free healing to the public. They run one day per week in our Sydney, Cooranbong, Canyonleigh and Gunnedah centres. This clinic is run in conjunction with the therapist training program, with healings being offered by trainee therapists under the supervision of qualified teachers. Over the past 12 months approximately 1600 healings were given through our healing clinics.

Testimonials to the efficacy of the healing clinic

~~~~~  
Brilliant! Do yourself a favour & have a healing session, it will be life changing and enhancing  
~~~~~

I left feeling light and unburdened and peaceful
~~~~~

# Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

## Directors' Report

30 June 2011

Such a beautiful and welcoming space to enter with friendly people to guide us through a meditation which set the space for healing.

~~~~~

The healing I attended at the Harmony Centre was so beautiful. It was my first ever healing here and it won't be my last. It helped me to feel at peace. Thank you so much for your service and love

~~~~~

The therapist focused on three chakras and I was very surprised at the enormity of the releases from them. I feel a lot lighter and clearer now

~~~~~

I would like to say that the unconditional love that I felt today created a beautiful healing within my soul. I need to be reminded of the abundant love and peace that is within me. Thank you.

~~~~~

".....Not only have I learned the absolute joy of meditation in an atmosphere of total love and trust, but I am blessed with exposure to a world beyond my wildest dreams, and it is limitless ...." Amma Dharma

## **Satsang**

~~~~~

Sunday morning Satsang is the highlight of the week for many of the community members. In the last year we have had over 8,000 visits to Satsang through our centres.

Private Healings

A total of 3200 people have enjoyed and benefited from professional healings given by our amazing highly qualified healers at Cooranbong, Sydney, Melbourne, Adelaide, Newcastle and Port Macquarie.

Higher Guidance Series

The Higher Guidance series are seminars that are offered to graduates of the Path of Ease and Grace who are looking to explore their interior landscape in a mystical way, based on Kabala, Alchemy, and Vedanta. Approximately 356 people attended these seminars which were offered only in Sydney this year.

Teacher Training Cooranbong

From January to June 2011 Empowering Relationships teacher training began with 17 students. The class provided students with comprehensive training in the content of the Empowering Relationships Seminars, as well as deep personal transformation, furtherance of the development of unity consciousness and sharanagathi (internal receptivity and conductivity of the Guru), public speaking and presentation skills. At the end of the training 15 of the 17 members were eligible to be provisional mentors in this material in our School.

In the next financial year, the teacher training programme will undergo an extensive change to incorporate a mentor training program prior to teacher training. This will extend the services offered by the school to include mentoring groups as well as teaching of the Path of Ease and Grace. The mentoring groups will provide a structure for supporting community members to be able to utilize the tools of the Path of Ease and Grace in their lives so as to attain the peace which our school is designed to cultivate. We know that deep bonds of

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

friendship and love will emanate from these groups as people learn and grow together in a spirit of service and common experience. We look forward to bringing our service to the world to a new level, and truly creating world class teachers and mentors through the rollout of this new system.

News from our Centres

Sydney

The Sydney Centre continues to grow and expand, drawing in large numbers of people from the Sydney community. Shekinah is back at work after maternity leave, and we are all grateful to Savitur and Gayatri for keeping the spiritual leadership seat warm in her absence. Gayatri and Shekinah will continue to share the load of spiritual leadership for our Sydney family. They are ably assisted by a marvellous staff and by Gayatri Maa who runs our Make a Difference and Therapist training programs in Sydney.

The Sydney team also managed an inaugural event, Super Satsang at Marrickville town hall. We had 480 people attend that event, and there will be more super satsangs to come. Sydney Harmony Centre community ran an open day, and managed the promotional stall at the Sydney Mind Body Spirit festival.

Cooranbong

There has been a great deal of administrative reorganisation this year under the wonderful leadership of Ganga. We have welcomed new staff including Brighu who is our music manager, and Nataraj who is communications manager. We have a great team of professionals doing priceless seva to upgrade our web presence and information technology. We will be able to serve many more people when our technical issues are sorted out. Cooranbong has served this year as a centre for higher education with the focus being on therapist and teacher training as well as our healing clinic. It is also the home of the Project Hope which is under the directorship of Gauri Durga.

Canyonleigh

Canyonleigh held its official opening in March 2011. The public were invited to Satsang and were offered an opportunity to sample Ignite Your Spirit therapy through a healing clinic run on the day. Our Southern Highlands community has weathered the change in venue from Bundanoon to Canyonleigh with great fortitude, and the kindness and love with which service has been offered to upgrade the teaching facility on the property has been tremendous. Namaste!

We have hired architects Envirotecture, a carbon neutral business which focuses on sustainable development, to help us create more facilities including a residential school at our Canyonleigh property.

Canberra Harmony Centre

We have had so many people coming up from Canberra to attend events at Bundanoon and Canyonleigh that we are now in the process of establishing a Canberra centre as well. Paramahansa Savitur is now regularly teaching both at Canyonleigh and Canberra, with the able assistance of Stella Maya, Matangi, Swaha Devi, Jayanti and a dedicated band of volunteers who are doing beautiful work in the area. We think that this is a centre that will grow rapidly in the next 12 months.

Canberra centre attended the Spiritual and Wellbeing Festival held in March 2011. The centre ran a very successful event at this festival with many healings given and new students entering the school after they experienced first hand the potency and transformational nature of IYS therapy.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Newcastle 2010 – 2011

The Newcastle Harmony Centre was established in December 2010. It is located in the heart of Newcastle CBD in a beautiful old 3 storey building. We are on the top floor and have abundant space in which to grow and expand. Newcastle city council has mandated that this area be a wellness and spirituality precinct and we are certainly playing our part in the revitalization of the core of this gracious and beautiful city. The Centre received two grants of \$5000 each from the Newcastle City Centre City Revitalisation Scheme. With these, sound equipment was purchased and we are taking part in a festival of spirituality giving healing and running seminars during this exciting event held mid October 2011.

Our Newcastle crew has been led by Paramahansa Parvati Ma, the spiritual director, and Raphaella, Kalki and Prema have taken care of organisational matters along with a very loyal and hardworking group of devotees. You have achieved so much in such a short time, congratulations! We look forward to the consolidation and expansion of the Newcastle centre next year.

Melbourne 2010 – 2011

Melbourne Centre celebrated its 1st Birthday on 5 May 2011. Jahnvi (Dr Fiona Enkelman) has been running meditation and Parvati Ma the spiritual leader of Melbourne Harmony Centre has been visiting regularly. All at Melbourne Harmony Centre are very excited that Parvati Ma and Kalki are moving to Melbourne at the end of October 2011. We anticipate that this will allow Parvati Ma to focus her energy on this community as well as Adelaide, and that the centre will develop rapidly as a result. We will be renting premises in Melbourne to help the centre expand and grow.

Port Macquarie 2010 – 2011

Port Macquarie has grown into a flourishing community. Chamundai is living up there and doing an amazing job in nurturing those around her, teaching, healing and organising events. Maitreya as the spiritual director has visited regularly along with various other teachers whose help has been invaluable. Special thanks to Yamuna, Adi Dass and Ganga for the support and teachings!

Adelaide 2010 – 2011

Our Adelaide group are meeting regularly for meditation and satsang and many have gone through the Path of Ease and Grace seminars. They are looking forward to hosting a retreat in Adelaide in June next year, and Parvati Ma will continue to visit Adelaide from her new base in Melbourne. Through Shanti Mission, meditations were held at the Adelaide College of the Arts with an anticipation of more to follow.

Gunnedah 2010 – 2011

Due to six of our key people travelling to Cooranbong for Therapist Training the Centre has run minimal seminars this year.

Satsang has been well attended as has healing clinic. With our new therapists becoming qualified shortly the next financial year should see an increase in professional healings, clinic healings and an expected growth in the community.

Meditation is currently 3 times weekly with evening and morning sessions to cater for everyone. Approximately 280 people attended these meditations throughout the year. Shakti Durga visited Gunnedah and was very well received with approximately 48 people attending her Satsang.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Summary

We have all seen the changes in ourselves and our peers through study in our school, and in the years to come we have so many fascinating projects just waiting for the right people to come and say *"yes! That is my passion, I want to run with that!"*.

I would like to extend a very heartfelt blessing to all of our spiritual teachers, administrators, therapists, musicians, and volunteers of all kinds that have made Shanti Mission what it is. Congratulations to you all. We are helping many people have better, healthier, happier and more fulfilling lives.

May the work continue to unfold, may we serve with love and compassion and may we embody the peace that we wish to see in the world. May we have the faith, energy and clarity through which we can continue to offer all of our classes and so many other services by donation.

Namaste Everyone.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Donation income

The entity runs seminars and other health related events by donation. So as to avoid embarrassment to those whose financial means are very limited, a system which preserves the anonymity of the donor has been adopted. Donations are placed in an envelope, into a locked box which is opened by two staff at the end of the day. Those who desire receipts pay the office directly and their donation is recorded in retail manager, and a receipt is issued to them.

Significant changes in state of affairs

There were no significant changes in the entity's state of affairs occurred during the financial year.

After balance day 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 entity, the results of those operations or the state of affairs of the entity in future financial years.

Future developments

There are no other plans which would result in a change to the manner in which the entity is currently serving the community.

Environmental Issues

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

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Report

30 June 2011

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 13.

Signed in accordance with a resolution of the Board of Directors:

Director:

Director:

Dated October 2011

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)

Mark O'Connor
Director

24 October 2011

Newcastle

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Independent Audit Report to the members of Shanti Mission Harmony Centres Limited

Report on the Financial Report

We have audited the accompanying financial report of Shanti Mission Harmony Centres Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we 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.

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 of the financial report that gives a true and fair view 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 directors, 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 qualified audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Shanti Mission Harmony Centres Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Basis for Qualified Opinion

Donation Income

It is not always practicable for the company to establish accounting control over all sources of donation income prior to receipt of these funds by contractors of the company and accordingly it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the company.

In respect of the qualification however, based on our review of the internal controls, nothing has come to our attention which would have us believe that the internal controls over the revenue from donations by the company are not appropriate. For the reasons described above it is not possible to reliably measure the effects or possible effects on the amounts and other disclosures contained in, or omitted from, the financial report.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Independent Audit Report to the members of Shanti Mission Harmony Centres Limited

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Shanti Mission Harmony Centres Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)

Mark O'Connor
Director

Newcastle

Dated October 2011

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 17 to 34, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards and Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.
3. In the directors' opinion, the financial statement comply with all Australian equivalents to the International Financial Reporting Standards (AIFRS) in their entirety.

This declaration is made in accordance with a resolution of the Board of Directors.

Director

Director

Dated October 2011

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
Retail shop sales	2	688,048	177,218
Cost of goods sold	3	(186,700)	(120,663)
Gross profit		<u>501,348</u>	<u>56,555</u>
Other revenue	2	1,511,768	781,832
Administrative costs		(377,130)	(229,289)
Service delivery expenses		(409,753)	(287,510)
Premises expenses		(262,704)	(184,612)
Finance costs	3	(970)	(785)
Other expenses		(8,630)	(21,123)
Surplus before income taxes		<u>953,929</u>	<u>115,068</u>
Income tax expense	1(f)	-	-
Surplus after income tax		<u>953,929</u>	<u>115,068</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>953,929</u></u>	<u><u>115,068</u></u>

The accompanying notes form part of these financial statements.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Statement of Financial Position

As At 30 June 2011

	Note	2011 \$	2010 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	218,998	118,283
Trade and other receivables	6	20,189	39,287
Inventories	7	57,840	48,337
Other assets	8	7,729	5,919
Total current assets		<u>304,757</u>	<u>211,826</u>
Non-current assets			
Property, plant and equipment	9	926,031	55,941
Intangible assets	10	2,562	4,355
TOTAL ASSETS		<u>1,233,350</u>	<u>272,122</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	32,536	26,453
Short-term provisions	12	12,148	3,864
Borrowings	13	224	7,291
TOTAL LIABILITIES		<u>44,907</u>	<u>37,608</u>
NET ASSETS		<u>1,188,443</u>	<u>234,514</u>
EQUITY			
Accumulated surplus		<u>1,188,443</u>	<u>234,514</u>
TOTAL EQUITY		<u>1,188,443</u>	<u>234,514</u>

The accompanying notes form part of these financial statements.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Statement of Changes in Equity

For the Year Ended 30 June 2011

	2011	
	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2010	234,514	234,514
Comprehensive income / (deficit)	953,929	953,929
Balance at 30 June 2011	1,188,443	1,188,443

	2010	
	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2009	119,446	119,446
Comprehensive income / (deficit)	115,068	115,068
Balance at 30 June 2010	234,514	234,514

The accompanying notes form part of these financial statements.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Statement of Cash Flows

For the Year Ended 30 June 2011

	2011	2010
Note	\$	\$
Cash from operating activities:		
Receipts from provided goods and services and donations received	1,363,814	888,882
Payments to suppliers and employees	(1,097,510)	(835,048)
Interest received	4,461	1,713
Interest paid	(970)	(785)
Net cash provided by (used in) operating activities	<u>269,795</u>	<u>54,762</u>
	19(a)	
Cash flows from investing activities:		
Purchase of property, plant and equipment	(165,438)	(6,955)
Purchase of intangible assets	-	(5,380)
Net cash provided by (used in) investing activities	<u>(165,438)</u>	<u>(12,335)</u>
Cash flows from financing activities:		
Proceeds from borrowings	-	4,517
Repayment of borrowings	(3,642)	-
Net cash provided by (used in) financing activities	<u>(3,642)</u>	<u>4,517</u>
Net increase (decreases) in cash held	100,715	46,944
Cash at beginning of financial year	118,283	71,339
Cash at end of financial year	<u>5</u> <u>218,998</u>	<u>118,283</u>

The accompanying notes form part of these financial statements.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies

(a) General information

The financial statements are for Shanti Mission Harmony Centres Limited as a company limited by guarantee, incorporated and domiciled in Australia.

(b) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial statements of Shanti Mission Harmony Centres Limited comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The financial statements are presented in the Australian currency.

The financial statements have been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

(f) Income taxes

The Company is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

(g) Website development costs

Website development costs are recorded at cost and amortised over its useful life. It has an estimated useful life of three years. It is assessed annually for impairment and useful life is altered if estimates have changed significantly.

Amortisation on website development costs are charged to the statement of comprehensive income on a straight-line basis over the estimated useful life.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(h) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, any accumulated depreciation.

Donated property, plant and equipment is recorded at the fair value of the contribution received where the contribution can be measured reliably.

Building additions

Building additions are measured on the cost basis.

Plant and equipment

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life 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

Buildings additions	10%
Furniture, Fixtures and Fittings	20% - 50%
Motor Vehicles	10%
Computer Equipment	20%

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(j) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donations are recognised in the statement of comprehensive income when received. If conditions are attached to the donation, the recognition of the donation as revenue will be deferred until the conditions are met.

Donated assets are recognised in the statement of comprehensive income for the fair value of the consideration of the donated assets received.

Building fund donations are recognised in the statement of comprehensive income when received.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Healing fees and training fees are recognised as revenue at the time that the service is provided.

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

(k) Trade payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. The lease is not recognised in the statement of financial position.

(m) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the entity.

Key estimates - Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(n) Adoption of new and revised accounting standards

During the year, the entity adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has not materially impacted the recognition, measurement and disclosure of transactions.

(o) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Entity has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the entity:

Standard name	Effective date for entity	Requirements	Impact
AASB 124 Related Party Disclosures and amending standard AASB 2009-12	30 June 2012	<ul style="list-style-type: none"> - Clarification of the definition of a related party - Requirement to disclose commitments to related parties - Disclosure exemptions for government-related entities 	Minimal impact expected
AASB 9 Financial Instruments and amending standards AASB 2009-11 / AASB 2010-7	30 June 2014	<ul style="list-style-type: none"> - Changes to the classification and measurement requirements for financial assets and financial liabilities. - New rules relating to derecognition of financial instruments. 	The impact of AASB 9 has not yet been determined.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement	30 June 2012	Changes where the entity is subject to minimum funding requirements and makes an early payment to cover these requirements in relation to defined benefit plans.	No significant impact expected.
AASB 2010-4 / 2010-5 Amendments and further amendments to Australian Accounting Standards arising from the Annual Improvements Project	30 June 2012	Makes changes to a number of standards / interpretations including: <ul style="list-style-type: none"> - Clarification of the content of the statement of changes in equity - Financial instrument disclosures - Fair value of award credits 	No impact expected.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

Standard name	Effective date for entity	Requirements	Impact
AASB 13 Fair Value Measurement	30 June 2014	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>
AASB 1053 - Application of Tiers of Australian Accounting Standards	30 June 2014	<p>AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements.</p>	<p>The entity has not decided if it will adopt these amendments for disclosures.</p>

(p) Authorisation of the Financial Report

The financial report was authorised for issue on 28 October 2011 by the directors.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

2 Revenue

	2011	2010
	\$	\$
Operating income		
Sale of goods	688,048	177,218
Farm sales	9,412	186
Donations for workshops, meditations and general donations	608,670	704,815
Course fees from outside practitioners	12,300	19,525
Therapist training	38,195	-
	<u>1,356,625</u>	<u>901,744</u>
Non-operating income		
Interest income	4,461	1,713
Tax refund	-	49,179
Sundry income	22,012	6,414
Donated assets	722,938	-
Building fund donations	93,780	-
	<u>843,191</u>	<u>57,306</u>
Total Revenue	<u>2,199,816</u>	<u>959,050</u>

3 Profit for the Year

(a) Expenses

Cost of goods sold	<u>186,700</u>	<u>120,663</u>
Depreciation and Amortisation		
Depreciation - buildings	6,333	3,838
Depreciation - plant and equipment	11,953	10,502
Amortisation - website development	1,793	1,025
Total Depreciation and Amortisation	<u>20,079</u>	<u>15,365</u>
Interest expense	<u>970</u>	<u>785</u>

4 Auditors' Remuneration

Remuneration of the auditor for:		
- auditing the financial report	<u>13,950</u>	<u>8,400</u>

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

5 Cash and cash equivalents

	2011	2010
	\$	\$
Cash on hand	857	100
Cash at bank	195,364	95,406
Short-term bank deposits	22,777	22,777
	<u>218,998</u>	<u>118,283</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Balance as per statement of cash flows	<u>218,998</u>	<u>118,283</u>
--	----------------	----------------

6 Trade and other receivables

CURRENT

Trade receivables	20,189	417
GST refund	-	38,870
	<u>20,189</u>	<u>39,287</u>

7 Inventories

CURRENT

At Cost		
Finished goods	<u>57,840</u>	<u>48,337</u>

8 Other Assets

CURRENT

Prepayments	<u>7,729</u>	<u>5,919</u>
-------------	--------------	--------------

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

9 Property, plant and equipment

	2011	2010
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	727,020	-
Building		
At cost	102,927	45,853
Accumulated depreciation	(12,622)	(11,529)
Total buildings	90,305	34,324
Total land and buildings	817,325	34,324
PLANT AND EQUIPMENT		
Furniture, fixture and fittings		
At cost	93,459	42,808
Accumulated depreciation	(27,339)	(21,191)
Total furniture, fixture and fittings	66,120	21,617
Motor vehicles		
At cost	10,000	-
Accumulated depreciation	(973)	-
Total motor vehicles	9,027	-
Computer equipment		
At cost	34,872	-
Accumulated depreciation	(1,313)	-
Total computer equipment	33,559	-
Total plant and equipment	108,706	21,617
Total property, plant and equipment	926,031	55,941

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

9 Property, plant and equipment continued

(a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year

	Land	Buildings	Furniture, Fixtures & Fittings	Motor Vehicles	Computer Equipment	Total
	\$	\$	\$	\$	\$	\$
Current Year						
Balance at the beginning of year	-	34,324	21,617	-	-	55,941
Additions	727,020	62,314	54,170	10,000	34,872	888,376
Disposals	-	-	-	-	-	-
Depreciation expense	-	(6,333)	(9,667)	(973)	(1,313)	(18,286)
Carrying amount at the end of year	727,020	90,305	66,120	9,027	33,559	926,031
Prior Year						
Balance at the beginning of year	-	38,164	25,164	-	-	63,328
Additions	-	-	6,955	-	-	6,955
Depreciation expense	-	(3,838)	(10,502)	-	-	(14,340)
Carrying amount at the end of year	-	34,324	21,617	-	-	55,941

10 Intangible assets

	2011	2010
	\$	\$
Website development costs		
Cost	5,380	5,380
Accumulated amortisation and impairment	(2,818)	(1,025)
Net carrying value	2,562	4,355

(a) Reconciliation of movements

Opening balance at the beginning of the year	4,355	-
Additions	-	5,380
Amortisation	(1,793)	(1,025)
Closing balance at the end of the year	2,562	4,355

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

11 Trade and other payables

	2011	2010
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	33,763	31,096
GST payable / (receivable)	(1,227)	(4,643)
	<u>32,536</u>	<u>26,453</u>

12 Provisions

CURRENT		
Employee benefits	<u>12,148</u>	<u>3,864</u>

	Employee entitlements	Total
	\$	\$
Opening balance at 1 July 2010	3,864	3,864
Additional provisions	14,835	14,835
Amounts used	(6,551)	(6,551)
Balance at 30 June 2011	<u>12,148</u>	<u>12,148</u>

13 Borrowings

	2011	2010
	\$	\$
CURRENT		
Unsecured liabilities		
Bank overdraft	<u>224</u>	<u>7,291</u>
(a) Credit card facility		
Credit card limit	<u>12,000</u>	<u>12,000</u>

14 Key Management Personnel Compensation

There was no compensation paid to key management personnel except that noted in Note 18 Related Party Transactions. The only key management personnel of the entity were its directors.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

15 Capital and Leasing Commitments

(a) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2011	2010
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	75,171	98,394
- between 1 year and 5 years	17,256	62,022
	<u>92,427</u>	<u>160,416</u>

Operating leases have been taken out for rental of real property and hire of office equipment. Lease payments are increased on an annual basis to reflect market rentals.

16 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 200 each towards meeting any outstandings and obligations of the company. At 30 June 2011 the number of members was 5 (2010: 4).

17 Financial instruments

The Entity's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payables.

Financial risks

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk, and credit risk.

(a) Market risk

Interest rate risk

The entity receives minimal interest income due to cash being held in transaction accounts which attract minimal or no interest.

Any change to interest rates would not have a notable effect on the entity's financial position or financial performance.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

17 Financial instruments continued

(b) Liquidity risk

The entity's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

(c) Credit risk

The maximum exposure to credit risk, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The entity does not offer credit terms to customers however should it be requested, credit would only be granted to customers with an appropriate credit history. The entity engages in normal debt collection procedures to assist in managing the credit risk of any outstanding debtors.

All bank accounts are with 'A' or higher rated financial institutions.

The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

(d) Net Fair Values

There is no material difference between the carrying value of the assets and liabilities and the fair values of the assets and liabilities.

18 Related party transactions

(a) Shakti Durga & Hugh Keller

The premises occupied by the entity at Cooranbong are owned by Shakti Durga & Hugh Keller. The rent paid was based on the market rent in 2005 when the entity commenced trading at its Martinsville Road premises. The rent has not changed since its implementation. As part of the arrangement the entity also covers all outgoings such as Council rates and electricity.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

18 Related party transactions continued

(b) Higher Guidance Pty Ltd

Shakti Durga is the sole director of Higher Guidance Pty Ltd. Fees for the provision of healing, teaching, meditation and other services provided by Shakti Durga were paid to Higher Guidance Pty Ltd. The entity also pays Higher Guidance an administration and management fee in relation to duties performed by Higher Guidance staff. The entity runs courses and seminars from programs created by Shakti Durga for which a royalty of 5% of gross proceeds is payable. The entity also purchased stock from Higher Guidance. Shanti Mission Harmony Centres Limited makes payments for Shaktis' petrol and mobile phone usage.

The value of the transactions have been noted below and was based on normal terms and conditions:-

	2011	2010
	\$	\$
Rent (a)	23,400	23,850
Service rendered (b)	60,363	55,235
Purchase of stock (b)	91,691	51,094
Administration & management fees (b)	120	5,610
Royalties (b)	8,997	6,346
Mobile phone	619	-
Motor vehicle expenses	185	-
Total	185,375	142,135

(c) Antoinette Sampson

During the year Antoinette was paid \$10,097 (2010: \$8,330) for services rendered in the teaching of classes at the entity. The value of these services were provided on normal terms and conditions.

(d) David Cole

During the year David was paid \$ nil (2010: \$900) for services rendered in accounting and business support. The value of these services were provided on normal terms and conditions.

Shanti Mission Harmony Centres Limited

ABN 76 116 997 392

Notes to the Financial Statements

For the Year Ended 30 June 2011

19 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2011	2010
	\$	\$
Net surplus for the year	953,929	115,068
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	18,286	14,340
Amortisation	1,793	1,025
Donated assets	(722,938)	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and other receivables	19,098	(41,262)
(Increase)/decrease in prepayments	(1,810)	6,168
(Increase)/decrease in inventories	(9,503)	(10,206)
Increase/(decrease) in trade payables and accruals	6,083	(34,235)
Increase/(decrease) in provisions	4,857	3,864
	<u>269,795</u>	<u>54,762</u>

20 Company Details

The registered office and principal place of business is:

Shanti Mission Harmony Centres Limited
213 Martinsville Road
COORANBONG NSW 2265