

Financial Report

1st APRIL 2003 – 31st MARCH 2004

Our dearest dear ones of the Beloved,

This financial report is the fifth report that the Avatar Meher Baba Perpetual Public Charitable Trust has prepared for general dissemination to the worldwide family of Baba lovers.

During this past financial year (2003-04) the major emphasis was to continue with the construction of the new pilgrim center called, "Meher Pilgrim Retreat". We are happy to report that construction has proceeded on schedule. This year pilgrims who came from abroad for Beloved Baba's Amartithi were in for a surprise treat as we used one part of Meher Pilgrim Retreat to accommodate them, although the building was not totally finished. We were happy to see that everyone really enjoyed their new building. And this pleased us all very much.

The Development Plan Budgets for the next two years as shown in this report continue to focus on

completing the construction of the Meher Pilgrim Retreat by June 2005 and furnish it, equip it, install electricity etc. to have the building open by June 2006. In addition to completing the building for pilgrims by 2006, we also have to build roads and bring electrical lines to this new area of Meherabad and create a sewage system for Meher Pilgrim Retreat. These costs have also been spread out in the next two years.

In deciding to focus on making Meher Pilgrim Retreat available to pilgrims as soon as possible, we have tried to minimize taking on other Trust projects. After June 2006 those priority projects that had been delayed because of focusing on the Meher Pilgrim Retreat can then begin to be executed.

However, for your information in planning this year's budget we are facing the difficulty that the exchange rate is dropping for the dollar which means the Trust receives less rupees for each dollar than

before. And therefore more dollars are required for each project.

Also because of the focus on the Development Plan we are not receiving general donations to help with operating costs. We have been meeting the operating expenses out of interest income on deposits which we made when interest rates were high and because interest rates continue to decrease every year, in the future we will face some difficulty. Unless the maintenance is seen to properly the buildings will be vacant without souls and therefore we will appreciate it if you think about this and consider some plan which will help the Trust with operating expenses.

In His Love and Service,
(V. S. Kalchuri (Bhau))

CHAIRMAN

AVATAR MEHER BABA PERPETUAL
PUBLIC CHARITABLE TRUST

Avatar Meher Baba P.P.C. Trust Development Plan Expenditures Projection Report

THIS YEAR THE CHART that explains our Development Plan indicates for each project the total spent to date and budgeted expenditures for the next two years and beyond.

area, bringing power supply and electrification to the Pilgrim Education Site and Meher Pilgrim Retreat.

As explained last year, in deciding to focus on

making Meher Pilgrim Retreat available to pilgrims as soon as possible, we have tried to minimize the other Trust projects. We are continuing to furnish the Archives, Museum and Research Building at Meherabad. The budget for the year 2004-05 is \$58,140.00 and for the year 2005-06, the budget is \$27,907.00. Because of a specific donation we are building and furnishing the Archive Building at Meherabad. The budget for the year 2004-05 of \$58,140.00 is for completing the construction of the building and furnishing it. And due to another specific

Research Building at Meherabad, special archival storage cabinets continue to be fabricated and received according to our requirements. Office furniture, computer work stations, work chairs, were purchased and large open shelving units were installed and sample work tables fabricated. Next year, document size cupboards of various sizes (extra high, regular and short) are expected to be received. Also to be purchased are freezers for storing films, filing cabinets, and special archival supplies. Other items will continue to be fabricated to insure the precious articles used by Beloved Baba are preserved for posterity.

The Archive Building at Meherabad is nearing completion and soon electrification, equipping and furnishing will take place.

For the boys and girls at Meher English School, the Trust bought a new large school bus in order to transport the students to and from school who live far away and leveled the grounds behind the school to make various sports and play activities available for them.

And as always, as we develop Meherabad, there are continued infrastructure costs for roads, water and electricity.

Although we have a carry forward amount of \$300,040.00 for the Development Plan, this amount will be used rapidly this year for work at the Meher Pilgrim Retreat. And therefore if sufficient donations are not forthcoming this year, the Development Plan may have a very low carry forward for the budgetary year 05-06. The carry forward amount is important as we make payments out of this amount at the beginning of each financial year as we await new donations which come later in the year. Also if the carry forward balance is diminished, this puts the Trust in a situation where expenditures will have to depend on current donations. And this would make it difficult to execute the Development Plan or even stop the work of the Development Plan. But the contractors can not stop the work because the work schedule has already been determined by us.

donation we are offering facilities to the boys and girls at Meher English School. The budget for the year 2004-05 is \$20,930.00. Otherwise all other projects mentioned in the budget for the next two years are almost entirely related to the Meher Pilgrim Retreat.

However, if more donations are forthcoming, those projects that we have deferred until the budgetary year 2006-07, that is after the opening of the Meher Pilgrim Retreat can be executed and we will happily build a much needed Staff Quarters near Meher Pilgrim Retreat and complete the Pilgrim Education Site for Amartithi which will accommodate over 4000 Amartithi pilgrims.

During this past financial year, in addition to continuing the construction of Meher Pilgrim Retreat, work did continue at the Pilgrim Education Site with the completion of 29 shelters housing 50 to 60 pilgrims each for Amartithi. But now in order to focus financial resources on Meher Pilgrim Retreat, this work has been delayed until after its opening.

Regarding the furnishing of the Archive, Museum,

In the Expenditure Projection Report chart the focus of completing the Meher Pilgrim Retreat and furnishing it is shown. As you can see from this chart to continue on construction schedule, we will have to spend \$197,674.00 for the budgetary year of 2004-05. This will complete the construction of the building but then an amount of \$174,419.00 is budgeted for the year 2005-06 in order to complete the electrification of the building and furnish it to make it ready for opening in June 2006.

We know that because of Beloved Baba's dear one's this project will be completed because they realize that to take part in Trust work is the responsibility that the Beloved has given them and as a duty they will fulfill it.

In order for the building to open for pilgrims by 2006, we also have to build roads, bring electrical lines and create a sewage system. These costs, also shown in the chart, have been spread out in the next two years: \$129,069 in 2004-05 and \$58,140.00 in 2005-06. These costs include the erection of a new transformer for the

PROJECT	TOTAL SPENT UP TO 31/3/2004	BUDGET 2004-2005	BUDGET 2005-2006	BEYOND 2005-2006	TOTAL REVISED ESTIMATES
Meher Pilgrim Retreat: Bldg. & Furnishing	\$842,359.92	\$197,674.00	\$174,419.00	\$27,489.08	\$1,241,942.00
Pilgrim Education Site	\$224,940.53			\$115,777.47	\$340,718.00
Dharamshala Renovation	\$3,124.00			\$41,376.00	\$44,500.00
Archive Furnishings Meherabad	\$96,843.12	\$58,140.00	\$27,907.00	\$192,109.88	\$375,000.00
Archive Building & Furnishing M.zad	\$53,667.44	\$58,140.00		\$58,404.56	\$170,212.00
Administration Buildings and Staff Quarters	\$146,674.54	\$0.00		\$178,325.46	\$325,000.00
Storerooms	\$13,050.00			\$36,950.00	\$50,000.00
INFRASTRUCTURE DEVELOPMENT Samadhi Protection, Roads, Electricity, Water Supply	\$254,613.23	\$129,069.00	\$58,140.00	\$97,276.77	\$539,099.00
LANDS Meherabad/Meherazad/Meher Nazar		* T.B.D.		* T.B.D.	* T.B.D.
Meher English School	\$105,778.90	\$20,930.00		\$951.10	\$127,660.00
Completed Projects Health Center Expansion Cultural Academy	\$12,800.00 \$14,320.00				\$12,800.00 \$14,320.00
UNSCHEDULED PROJECTS New Dharamshala College Phase One				\$750,000.00 \$100,000.00	\$750,000.00 \$100,000.00
Contingency				\$8,749.00	\$8,749.00
TOTAL IN DOLLARS	\$1,768,171.68	\$463,953.00	\$260,466.00	\$1,607,409.32	\$4,100,000.00

NOTE: * = TO BE DETERMINED

Avatar Meher Baba P.P.C. Trust

Financial Status From 1st April 2003 to 31st March 2004

THE CHART THAT EXPLAINS the Trust's Financial Status is similar to the one depicted in previous years that gives a very brief summary of the Trust's operations/expenditures and donations/ interest received during the year.

Although the Development Plan is now the major focus of Trust development activity, as a wholly public charitable trust it has many on-going programmes—medical, veterinary, educational—that fall outside the scope of the Plan. Since every activity of the Trust has a solely public charitable aim according to Beloved Baba's wish, no Trust activity is commercial and therefore can not be calculated on a profit or loss basis. All expenses

Office & Administration:

Administrative expenses plus reconstruction of historic Trust buildings at Ahmednagar. Total expenses on this object was \$70,010.35.

Liability of the First Charge:

The first responsibility of the Trust is to take care of Beloved Baba's Tomb. The maintenance costs this year were \$733.73.

Water Facilities:

Maintenance of wells, pipelines, electric bills of

afforestation around the buildings, etc. The donations received at Meher Pilgrim Centre, Dharmashala and Hostel "D" on per day basis are nominally covering only 6.87% of the total operating expenditure of Facilities of Pilgrims. Total expenses on this object was \$82,200.59.

Medical Facilities:

This includes the maintenance of Meher Health Center, Hospital and Medical Staff Quarters, and also the Trust sponsored health camps for school children, cataract camps, and dental camps, and free medical aid and free medicine to indigent patients. Total cost for these activities came to \$47,123.72.

Schooling Facilities:

The maintenance of Meher High School, Veterinary-Aid Center, Physical Education Center, and Music and Arts Center. Books and scholarships are given to the poor students. Total cost for these activities came to \$46,568.82.

Secular Facilities:

The net expense for Beloved Baba's Amartithi came to \$6,550.00 this past year. The maintenance of the library and museum at Upper Meherabad, Spiritual academy expenses etc. came to \$5,650.96.

Other Charitable Objects of Public Utility:

The maintenance of Guruprasad Memorial Hall in Pune, the Avatar Meher Baba Ahmednagar Centre, and the funding of Centre programmes and help for the poor and needy, Narayan Seva & general development on the Trust Estate came to \$17,193.47.

The second major heading in this column entitled "Expenses Under Development Plan" details \$513,102.50 expenses under the Development Plan for the past year and is part of the \$1,768,171.69 spent to date shown on the chart on Development Plan Expenditures Report on the front page of this report.

The third major heading in the column entitled "Corpus / Construction Expenses other than the Development Plan" shows the expenditure of \$97,646.25 for furniture, land, computers, water pumps, pipes, fittings and electrification.

The balance carried forward of \$128,054.17 is out of receipts for this year and is for the Development Plan and other

objects of the Trust.

The Receipts column shows a total of \$1,021,275.61 Out of this amount,

\$265,852.74 was designated for the Development Plan. The remaining receipts of \$755,422.87 were from bank interest and corpus and general donations.

RECEIPTS	EQUAL TO \$	PAYMENTS	EQUAL TO \$
CORPUS DONATIONS	\$295,211.34	OPERATING EXPENSES	
GENERAL DONATIONS	\$7,429.81	TOTAL SUMMARY	
		OFFICE AND ADMINISTRATION	\$70,010.35
		LIABILITY OF FIRST CHARGE	\$733.73
		WATER FACILITIES	\$21,870.27
		FACILITIES FOR PILGRIMS	\$82,200.59
		MEDICAL FACILITIES	\$47,123.72
INTEREST RECEIVED ON BANK & OTHER DEPOSITS (Includes Interest of Dev.Plan \$11,928.72)	\$452,781.72	SCHOOLING FACILITIES	\$46,568.82
		SECULAR EDUCATION	\$12,200.96
		OTHER CHARITABLE OBJECTS	\$17,193.47
		SUB TOTAL	<u>\$297,901.91</u>
		LESS OPERATING EXPENSES FOR DEVELOPMENT PLAN	\$15,429.22
SUB TOTAL	<u>\$755,422.87</u>	SUB TOTAL	<u>\$282,472.69</u>
CORPUS DONATIONS FOR DEVELOPMENT PLAN	\$265,852.74	EXPENSES UNDER DEVELOPMENT PLAN	
		ROADS	\$1,881.18
		SITE DEV. & AFFORESTATION	\$2,315.75
		CONST. OF BLDGS. PILGRIMS EDU. SITE	\$31,671.94
		CONST. OF MEHER RETREAT	\$363,021.29
		MEHER ENGLISH SCHOOL	\$31,104.90
		WATER SUPPLY	\$1,238.44
		ARCHIVES: FURNISHING AT MEHERABAD	\$36,829.93
		ARCHIVES: BUILDING AT MEHERAZAD	\$45,039.07
		SUB TOTAL	<u>\$513,102.50</u>
		CORPUS/CONST. EXPENSES OTHER THAN DEVELOPMENT PLAN	\$97,646.25
		BALANCE CARRIED FORWARD FOR THE OBJECTS OF THE TRUST OUT OF RECEIPTS RECEIVED DURING THE YEAR.	\$128,054.17
	<u>\$1,021,275.61</u>	TOTAL	<u>\$1,021,275.61</u>

NOTE:- 1) EXPENSES OF DEVELOPMENT PLAN CONVERTED AS PER FIFO METHOD/ TAKEN AS PER UTILISATION REPORT.

are paid for out of donations. This chart gives a summary of expenses for these other Trust facilities and programmes so that you can get an all-around picture of the Trust and its activities.

Under the column "Payments," the list for Operating Expenses is given for each major function as follows:

pumps, afforestation expenses. Total expenses on this object was \$21,870.27.

Facilities for Pilgrims:

The maintenance of Pilgrim Centre, Hostel "D", Dharamshala, as well as expenses for pilgrim transportation, marketing vehicles, electric bills, insurance,