

Financial Report

1st APRIL 2007 – 31st MARCH 2008

Our dearest dear ones of the Beloved,

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

We were hoping that with the completion of the Meher Pilgrim Retreat, the Trust would be able to slow down development and focus Trust finances on operating expenses. But it seems Beloved Baba has different plans. His Trust has to keep up with His quick pace of developing Meherabad according to His schedule!

Because of the growing numbers of pilgrims who come to Meherabad, we are beginning the next large pilgrim accommodation project — the construction of a

new “Dharamshala” that will house hundreds of pilgrims. Although the Meher Pilgrim Retreat fulfills the need of pilgrims who wish to stay at Meherabad as a “retreat,” it is very necessary for the Trust to also provide Baba Lovers with the long-established pilgrim accommodations of a dharamshala at nominal charges. I am very interested that this project starts while I am still with you all. We plan to begin construction this year. As you can see in the chart below, we have spread out the costs of this project through the following three years and beyond.

As Meherabad grows, operating expenses increase. So in this past financial year (2006–07) we initiated Operating Grant Agreements. These new Grant Agreements, like the Development Plan Agreements, offer tax deductions to those donors in the USA who

wish to help the Trust with the specific operating expenses for its water facilities, its medical programs and for the Meher English School. However, in not wanting to take the focus away from the Development Plan, we made these Agreements with only a few of the Baba Organizations. We have been very pleased with the results.

Meherabad is growing and that is because the results of His work are manifesting as He foretold us. Everything is in His hands.

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 the total spent to date for each project and budgeted expenditures for this year, the following two years and beyond.

In this financial year 1st April 2008 to 31st March 2009, under the item of Meher Pilgrim Retreat, we would like to purchase two small buses to transport pilgrims around Meherabad at a cost of \$62,500. And

with children under the age of six only.

As we stated above, the Trust will begin to construct the Dharamshala this year. We have budgeted an amount of over \$312,500 for this year and for each of the following three years and beyond in order to complete the project.

Although we have nearly completed the construction of a two-way paved road to Meher Pilgrim Retreat,

Construction of the new Staff Quarters near the Meher Pilgrim Retreat is to begin this year and we have allocated an expenditure of \$37,500 for this year and for the three following years to complete the project.

The Trust received a \$20,500 special grant to purchase an ambulance in the financial year 2007–08. We are researching which kind of ambulance to purchase, which will take place this financial year 2008–09.

We wanted to take up two new projects for the last couple of years: to enlarge the very popular Meher English School and to construct a critical water pipeline to Meherabad in order to provide water on a daily basis. Because of the newly imposed land usage restriction in the area where the school is, the Trust is unable to construct additional free school facilities. We are contacting different authorities to release that restriction. Once they do, we will immediately begin the enlargement of the school. As for the water project for Meherabad, although we hoped that we would be able to lay the pipeline last year, the government delayed the scheme. They now tell us that last year’s delays are overcome and we should be able to lay the water pipeline to Meherabad this financial year.

Moreover, the Trust continues to need to buy land that is critical for the development of Meherabad, Meherabad and the Trust Office in Ahmednagar.

This past financial year we bought 9 and 1/2 acres of land that was available near Seclusion Hill at Meherabad. We also nearly completed the construction of the road leading to the MPR from Dhond Road. After a long period of trying to negotiate with the farmers who own the land along the old village road, we finally decided that the best solution was to buy the land and enlarge the road instead of waiting for the government to solve the problem. We began and nearly completed the construction of the first view corridor according to the Trust’s Master Plan for Meherabad Hill. These View Corridors are planned to facilitate the movement of the huge number of pilgrims in the Samadhi area that will come in the future.

This year, we have a carryforward amount for the budgetary year 2008–09 of \$190,245.00. Having such an amount to begin every year is important for the Trust because it allows us to make payments at the beginning of each financial year as we await new donations, which come much later in the year.

| PROJECT | TOTAL SPENT UP TO 31/3/2008 | Budget 2008–2009 | Budget 2009–2010 | Budget 2010–2011 | Beyond 2010–2011 | TOTAL REVISED ESTIMATES |
|---|--------------------------------|---------------------|---------------------|---------------------|-----------------------|----------------------------|
| Meher Pilgrim Retreat: Building & Furnishing | \$1,395,881.00 | \$115,000.00 | \$12,500.00 | | \$0.00 | \$1,523,381.00 |
| Pilgrim Education Site | \$224,967.00 | | \$37,500.00 | \$37,500.00 | \$25,000.00 | \$324,967.00 |
| Dharamshala Renovation | \$3,124.00 | | | | \$50,000.00 | \$53,124.00 |
| Archive Furnishings Meherabad | \$144,609.00 | \$25,000.00 | \$12,500.00 | \$12,500.00 | \$175,000.00 | \$369,609.00 |
| Archive Building & Furnishing M’zad | \$81,121.00 | \$25,000.00 | \$12,500.00 | \$12,500.00 | \$25,000.00 | \$156,121.00 |
| Administration Buildings, Staff Qtrs. | \$146,675.00 | \$37,500.00 | \$37,500.00 | \$37,500.00 | \$37,500.00 | \$296,675.00 |
| Auxiliary Building & Staff Quarters | | | \$30,000.00 | \$25,000.00 | | \$55,000.00 |
| Storerooms | \$13,050.00 | | | | \$50,000.00 | \$63,050.00 |
| INFRASTRUCTURE DEVELOPMENT | | | | | | |
| Samadhi Protection, Roads, Electricity, Water Supply | \$441,840.00 | \$100,000.00 | \$70,000.00 | \$70,000.00 | \$27,500.00 | \$709,340.00 |
| LANDS | | | | | | |
| Meherabad/Meherazad/Meher Nazar | \$39,180.00 | \$125,000.00 | \$62,500.00 | \$62,500.00 | \$62,500.00 | \$351,680.00 |
| Meher English School | \$130,719.00 | \$37,500.00 | \$37,500.00 | \$37,500.00 | \$105,000.00 | \$348,219.00 |
| Meherazad Equipment | \$37,703.00 | | | | | \$37,703.00 |
| Health Center Expansion | \$18,097.00 | \$25,000.00 | | | | \$43,097.00 |
| New Dharamshala | | \$312,500.00 | \$375,000.00 | \$375,000.00 | \$812,500.00 | \$1,875,000.00 |
| COMPLETED PROJECTS | | | | | | |
| Cultural Academy | \$14,320.00 | | | | | \$14,320.00 |
| UNSCHEDULED PROJECTS | | | | | | |
| College Phase One | | | | | \$62,500.00 | \$62,500.00 |
| Administration Building | | | | | \$100,000.00 | \$100,000.00 |
| Contingency | | \$12,500.00 | \$15,000.00 | \$30,000.00 | \$22,500.00 | \$80,000.00 |
| TOTAL IN DOLLARS | \$2,691,286.00 | \$815,000.00 | \$702,500.00 | \$700,000.00 | \$1,555,000.00 | \$6,463,786.00 |

purchase furniture, furnishing, and appliances for housekeeping and continue Site Development around the MPR at a cost of \$25,000.

Near the MPR and as a small addition to it, we plan to construct a small pilgrim quarters at a cost of \$27,500 that will accommodate two families separately with a shared kitchen. This “Family Quarters” is for short-term accommodation of families on pilgrimage

some work still remains at an estimated cost of \$12,500.00. We also plan to bring electrical lines to the new area of Meherabad called Pilgrim Education Site at an estimated cost of \$37,500.

This year we will continue to furnish the Archives, Museum and Research Building at Meherabad and at Meherazad and allocated \$25,000 to each project for this year.

Avatar Meher Baba P.P.C. Trust

Financial Status From 1st April 2007 to 31st March 2008

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 programs that fall outside the scope of the Development Plan such as: medical, veterinary, educational, pilgrim. This chart gives a summary of expenses for these other Trust facilities and programs so that you can get an all-around picture of the Trust and its activities. All expenses are paid for out of donations that we receive other than from the Development Plan. We would like to provide

Facilities for Pilgrims:

The maintenance of Meher Pilgrim Retreat, Hostel "D", Dharamshala, as well as expenses for pilgrim transportation, marketing vehicles, electricity, insurance, afforestation around the buildings at Meherabad, etc. And this also includes the maintenance of the Trust's property at Meherazad. The donations received at Meher Pilgrim Retreat, Dharamshala and Hostel "D" on per day basis are covering only 29.45% of the total operating expenditure of Facilities for Pilgrims. Total expenses on this object was \$219,251.00.

Medical Facilities:

This includes the maintenance of Meher Health Center, Hospital and Medical Staff Quarters, and also the Trust

furniture, land, computers, vehicles, water pumps, pipes, fittings and electrification.

The balance carried forward of \$744,093.00 is out of total receipts for this year. Out of this, \$190,245.00 is for the Development Plan and the remaining amount of \$553,407.00 is for other objects of the Trust.

The Receipts column shows a total of \$1,529,889.00. Out of this amount, \$133,578.00 was designated for the Development Plan and \$80,195.00 was designated for the Operating Grants. The remaining receipts of \$1,336,175.00 were from bank interest, corpus and general donations.

We are very thankful to all those who donated to help construct all the projects under the Development Plan. They are really doing selfless service. The Trust is based upon doing selfless service. There are many institutions in the world which do social service. But there is a world of difference between selfless service and social service. There are persons who do social service and they feel proud in their work. But actually selfless service is performed where there is not thought of self. In fact, it is so automatic that real selfless workers unthinkingly help the needy, the poor, the diseased, and also those who suffer from the calamities of famine, earthquake, fires, floods, etc. They feel that God has given them the opportunity to help those who are really needy and they thank God that He has provided them this opportunity to serve, knowing fully well that God is in everyone and to serve God is their duty.

Take the example of how Beloved Baba looked after the poor at Arangaon. In the early 1920s in India the lower caste people were treated very badly. Higher caste people would not even like to cross their shadow. When Baba came down to Meherabad He would call the lower caste boys to Him. He would give them sweets and teach them songs about God. He would ask them, "Do you go to temple?" And they would say, "No, we cannot go to the temple." Baba would ask why, and they would say, "Because we belong to the lower caste. And we cannot even cross walk near high caste people. "So do you like God?" Baba asked. And they would say, "Yes. We want God." Baba said, "Then come here and I will give you God." The children responded, "If you give sweets everyday we will come." Baba said, "Yes, every day I will give you sweets." In the meantime Baba asked the women mandali to stitch clothes for the poor boys and girls. When the clothes were ready, Baba said to the children, "Come here tomorrow at 3 p.m. and I will bathe you and give you new clothes." The children said, "We can not come at 3 p.m. because we take our animals for grazing at that time. Our parents will not permit it." Baba said, "Alright. Come at 3 p.m., if your parents permit it." The next day the parents did permit their children to come. About 75 children came to Baba in big procession, singing the songs that Baba taught them such as by Tukaram. Baba bathed the boys. They did not know what soap was. They did not know what a towel was. But Baba dried their bodies and then He gave them new clothes and distributed sweets. The children departed from Baba very happily and returned to their homes. The next day the parents also came to Baba. They would call Baba "deva" which means God. They also asked clothes from Baba and He gave clothes to all. Baba Himself would go to Bombay to purchase the clothes for the children and their parents. This is just one example. He would do such type of work so that those who were with Him would learn how to serve.

In this way, Baba taught the mandali and humanity how to serve. In this way, He ran the hospital and school at Meherabad. He also went all over India serving the poor, the very rich who through some misfortune became very poor. Baba would seek such persons out. He would walk all over India, doing this type of work and nobody knew that He was Meher Baba

| RECEIPTS | DOLLARS | PAYMENTS | DOLLARS |
|--|----------------|---|----------------|
| CORPUS DONATIONS | \$676,400.00 | OPERATING EXPENSES | |
| GENERAL DONATIONS | \$40,007.00 | TOTAL SUMMARY | |
| | | Office and Administration | \$97,797.00 |
| | | Liability of first charge on Trust Estate | \$800.00 |
| | | Water Facilities | \$43,206.00 |
| | | Facilities for Pilgrims, Meherabad | \$122,974.00 |
| | | Facilities for Pilgrims, Meherazad | \$52,917.00 |
| | | Facilities for Pilgrims, M. P. R. | \$43,360.00 |
| | | Medical Facilities | \$86,905.00 |
| INTEREST RECEIVED ON BANK & OTHER DEPOSITS (Includes Interest of Dev. Plan \$3,661.44) | \$599,709.00 | Schooling Facilities | \$4,118.00 |
| | | Farmers Education Centre | \$5,856.00 |
| | | Music & Art Centre | \$981.00 |
| | | Physical Education Centre | \$834.00 |
| | | Meher English School | \$50,050.00 |
| | | Secular Education | \$30,229.00 |
| | | Other Charitable Objects of Gen. Public Utility | \$55,095.00 |
| | | SUB TOTAL | \$595,122.00 |
| | | LESS-OPERATING EXPENSES OUT OF MAINTENANCE GRANT | \$80,195.00 |
| | | SUB TOTAL | \$514,927.00 |
| SUB TOTAL | \$1,316,116.00 | EXPENSES UNDER DEVELOPMENT PLAN | |
| CORPUS DONATIONS FOR DEVELOPMENT PLAN | \$133,578.00 | CONST. OF MEHER PILGRIM RETREAT | \$16,561.00 |
| | | ARCHIVES-FURNISHING AT MEHERABAD | \$1,540.00 |
| | | AFFORESTATION AROUND BABA'S SAMADHI ROADS | \$6,258.00 |
| OPERATING DONATIONS FOR MAINTENANCE. | \$80,195.00 | LANDS-MEHERABAD, MEHERAZAD | \$39,180.00 |
| | | EXPANSION OF MEHER HEALTH CENTRE | \$5,298.00 |
| | | SUB TOTAL | \$121,395.00 |
| | | CORPUS/CONST. EXPENSES OTHER THAN DEVELOPMENT PLAN | \$149,474.00 |
| | | BALANCE CARRIED FORWARD FOR THE OBJECTS OF THE TRUST OUT OF RECEIPTS RECEIVED DURING THE YEAR.(REMAING AMT) | \$744,093.00 |
| TOTAL | \$1,529,889.00 | TOTAL | \$1,529,889.00 |

NOTE : I) Expenses of Development Plan converted as per FIFO method/ Taken as per utilisation Report.
 II) Exchange Rate considered for Other than Development Plan & Maintenance Grant is Rs. 40/- per Dollar.
 III) Operating Donations received for Maintenance of Projects under Water Facilities, Medical Facilities and School.

more medical and educational help to the poor and needy but such help can only be given according to the donations we receive.

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 cannot be calculated on a profit or loss basis.

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

Office & Administration:

Administrative expenses plus reconstruction of historic Trust buildings at Ahmednagar. Total expenses on this object was \$97,797.00.

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 \$800.00.

Water Facilities:

Maintenance of wells, pipelines, electric bills of pumps, afforestation expenses. Total expenses on this object was \$43,206.00.

sponsored health camps for school children, cataract camps, dental camps, and free medical aid and free medicine to indigent patients and hospitalization for the poor and needy in Ahmednagar and Poona. Total cost for these activities came to \$86,905.00.

Schooling Facilities:

This includes the maintenance of Meher English 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 \$61,839.00.

Secular Facilities:

This covers the expense for Beloved Avatar Meher Baba's Amartithi, the maintenance of the library, study hall, museum, Archives and Research building at Upper Meherabad,

Spiritual academy at Lower Meherabad and Young Adult Sahavas came to \$30,229.00.

Other Public Charitable Objects of Public Utility:

The maintenance of Guruprasad Memorial Hall in Pune, the Avatar Meher Baba Ahmednagar Centre, and the funding of Centre programs and help for the poor and needy through Narayan Seva (that is service to The Lord through poor and needy with the knowledge that God resides in everyone, so in the form of the poor and needy God requires our service to Him in them. This is not social service, but selfless service.) and general development on the Trust Estate came to \$55,095.00.

The second major heading in this column entitled "Expenses Under Development Plan" details the expense of \$121,395.00 under the Development Plan for the past year and is part of the \$2,691,286.00 spent to date shown on the chart under 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 \$149,474.00 for