



# 2011 Audited Financial Statements



# CONTENTS

## Letter of Transmittal to the Chairperson of the Permanent Council of the OSCE from the Secretary General

## I - AUDIT OPINION OF THE EXTERNAL AUDITOR

## Letter of Transmittal to the Auditor General from the Secretary General

## Chapter I - OSCE Financial Report for the year ended 31 December 2011 .....1

|                                                 |   |
|-------------------------------------------------|---|
| 1. Introduction .....                           | 1 |
| 2. Unified Budget .....                         | 1 |
| 2.1 Income – Assessed Contributions .....       | 2 |
| 2.2 In-Kind Contributions .....                 | 2 |
| 2.3 Budget .....                                | 2 |
| 2.4 Expenditure .....                           | 3 |
| 2.5 Staffing .....                              | 4 |
| 3. Extra-budgetary Contributions .....          | 4 |
| 4. Cash Management .....                        | 4 |
| 5. Management Issues .....                      | 5 |
| 5.1 Performance Based Programme Budgeting ..... | 5 |
| 5.2 Common Regulatory Management System .....   | 5 |
| 5.3 Network Operating System Fund .....         | 5 |

## Chapter II - Budget and Expenditure Report .....7

## Chapter III - Financial Statements .....19

|                                                                                                                              |    |
|------------------------------------------------------------------------------------------------------------------------------|----|
| STATEMENT 1: OSCE Consolidated Statement of Income, Expenditure and Changes in Fund Balance .....                            | 21 |
| STATEMENT 2: OSCE Consolidated Statement of Assets, Liabilities and Fund Balance .....                                       | 21 |
| STATEMENT 3: OSCE Consolidated Statement of Cash Flow .....                                                                  | 22 |
| STATEMENT 4: Summary of all OSCE Statement of Income, Expenditure and Changes in Fund Balance .....                          | 23 |
| STATEMENT 5: Summary of all OSCE Statement of Assets, Liabilities and Fund Balance .....                                     | 24 |
| STATEMENT 6: Summary of all OSCE Statement of Cash Flow .....                                                                | 25 |
| STATEMENT 7: Summary of all OSCE Statement of Cash Surplus .....                                                             | 26 |
| STATEMENT 8: OSCE Secretariat and Institutions, Statement of Income, Expenditure and Changes in Fund Balance .....           | 27 |
| STATEMENT 9: OSCE Secretariat and Institutions, Statement of Assets, Liabilities and Fund Balance .....                      | 28 |
| STATEMENT 10: OSCE Secretariat and Institutions, Statement of Cash Flow .....                                                | 29 |
| STATEMENT 11: OSCE Secretariat and Institutions, Statement of Cash Surplus .....                                             | 30 |
| STATEMENT 12: Summary by Region OSCE Field Operations, Statement of Income, Expenditure and Changes in Fund Balance .....    | 31 |
| STATEMENT 13: Summary by Region OSCE Field Operations, Statement of Assets, Liabilities and Fund Balance .....               | 32 |
| STATEMENT 14: Summary by Region OSCE Field Operations, Statement of Cash Flow .....                                          | 33 |
| STATEMENT 15: Summary by Region OSCE Field Operations, Statement of Cash Surplus .....                                       | 34 |
| STATEMENT 16: OSCE Field Operations South Eastern Europe, Statement of Income, Expenditure and Changes in Fund Balance ..... | 35 |
| STATEMENT 17: OSCE Field Operations South-Eastern Europe, Statement of Assets, Liabilities and Fund Balance .....            | 36 |

|                                                                                                                           |    |
|---------------------------------------------------------------------------------------------------------------------------|----|
| STATEMENT 18: OSCE Field Operations South-Eastern Europe, Statement of Cash Flow .....                                    | 37 |
| STATEMENT 19: OSCE Field Operations South-Eastern Europe, Statement of Cash Surplus .....                                 | 38 |
| STATEMENT 20: OSCE Field Operations Eastern Europe, Statement of Income,<br>Expenditure and Changes in Fund Balance ..... | 39 |
| STATEMENT 21: OSCE Field Operations Eastern Europe, Statement of Assets, Liabilities and Fund Balance .....               | 40 |
| STATEMENT 22: OSCE Field Operations Eastern Europe, Statement of Cash Flow .....                                          | 41 |
| STATEMENT 23: OSCE Field Operations Eastern Europe, Statement of Cash Surplus .....                                       | 42 |
| STATEMENT 24: OSCE Field Operations Caucasus, Statement of Income,<br>Expenditure and Changes in Fund Balance .....       | 43 |
| STATEMENT 25: OSCE Field Operations Caucasus, Statement of Assets, Liabilities and Fund Balance .....                     | 44 |
| STATEMENT 26: OSCE Field Operations Caucasus, Statement of Cash Flow .....                                                | 45 |
| STATEMENT 27: OSCE Field Operations Caucasus, Statement of Cash Surplus .....                                             | 46 |
| STATEMENT 28: OSCE Field Operations Central Asia, Statement of Income,<br>Expenditure and Changes in Fund Balance .....   | 47 |
| STATEMENT 29: OSCE Field Operations Central Asia, Statement of Assets, Liabilities and Fund Balance .....                 | 48 |
| STATEMENT 30: OSCE Field Operations Central Asia, Statement of Cash Flow .....                                            | 49 |
| STATEMENT 31: OSCE Field Operations Central Asia, Statement of Cash Surplus .....                                         | 50 |
| STATEMENT 32: Extra-budgetary Part 1, Statement of Income,<br>Expenditure and Changes in Fund Balance .....               | 51 |
| STATEMENT 33: Extra-budgetary Part 1, Statement of Assets, Liabilities and Fund Balance .....                             | 52 |
| STATEMENT 34: Extra-budgetary Part 1, Statement of Cash Flow .....                                                        | 53 |
| STATEMENT 35: Extra-budgetary Part 2, Statement of Income,<br>Expenditure and Changes in Fund Balance .....               | 54 |
| STATEMENT 36: Extra-budgetary Part 2, Statement of Assets, Liabilities and Fund Balance .....                             | 55 |
| STATEMENT 37: Extra-budgetary Part 2, Statement of Cash Flow .....                                                        | 56 |

## **Chapter IV - Notes to the Financial Statements .....57**

|                                                    |    |
|----------------------------------------------------|----|
| Note 1 - Significant Accounting Policies .....     | 59 |
| Note 2 - Financial Instruments .....               | 62 |
| Note 3 - Cash .....                                | 62 |
| Note 4 - Assessed Contributions .....              | 62 |
| Note 5 - Accounts Receivable .....                 | 62 |
| Note 6 - Prepaid Expenditure and Advances .....    | 62 |
| Note 7 - Non-Current Assets .....                  | 62 |
| Note 8 - Accounts Payable .....                    | 63 |
| Note 9 - Unliquidated Obligations .....            | 63 |
| Note 10 - Funds Held for Third Parties .....       | 63 |
| Note 11 - Contributions Received in Advance .....  | 63 |
| Note 12 - Employee Benefits .....                  | 63 |
| Note 13 - Material Assets .....                    | 64 |
| Note 14 - Cash and Other Losses .....              | 65 |
| Note 15 - Ex-Budgetary Contributions .....         | 66 |
| Note 16 - Other Adjustments .....                  | 66 |
| Note 17 - Contingent Liabilities .....             | 66 |
| Note 18 - Ex-Gatia Payments .....                  | 66 |
| Note 19 - Leases and Contractual Obligations ..... | 66 |
| Note 20 - Events after the Reporting Date .....    | 66 |

## **Appendices ..... 67**

|                                                                                      |           |
|--------------------------------------------------------------------------------------|-----------|
| <b>Appendix I - Bank and Cash Balances as at 31 December 2011 .....</b>              | <b>69</b> |
| <b>Appendix II - Short-term Investments and Interest Rates for 2011 .....</b>        | <b>71</b> |
| <b>Appendix III - Assessed Contributions Receivable as at 31 December 2011 .....</b> | <b>74</b> |
| <b>Appendix IV - OSCE Staffing Overview as at 31 December 2011 .....</b>             | <b>75</b> |
| <b>Appendix V - Provident Fund Summary Statement as at 31 December 2011 .....</b>    | <b>76</b> |

Letter of Transmittal to the Chairperson  
of the Permanent Council of the OSCE  
from the Secretary General



Organization for Security and Co-operation in Europe  
The Secretariat

21 June 2012

Sir,

Pursuant to Financial Regulation 7.04 and PC Decision 553 dated 27 June 2003, I have the honour to submit the Financial Report and Financial Statements of the Organization for Security and Co-operation in Europe for the year ended 31 December 2011 and the Audit Report of the External Auditor thereon for your consideration and approval.

Yours sincerely,

A handwritten signature in dark ink, which appears to read 'Lamberto Zannier', is positioned above the printed name.

Lamberto Zannier  
Secretary General



# Audit Opinion of the External Auditor

The maintenance and integrity of the Organization for Security and Cooperation in Europe's website is the responsibility of the Secretary General; the work carried out by the auditors does not involve consideration of these matters and accordingly the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.







**AUDIT OPINION  
OF THE EXTERNAL AUDITOR ON THE OSCE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**

**To the Permanent Council of the Organization for Security and Co-operation in Europe**

**Report on the Financial Statements**

We hereby certify that the accompanying statements have been audited, comprising the Budget and Expenditure Reports on pages 9 to 18 and the Financial Statements on pages 1 to 37, and the supporting notes, including Appendixes I to IV of the Organization for Security and Co-operation in Europe for the financial period ended 31 December 2011.

**Management's Responsibility for the Financial Statements**

The Secretary General of the OSCE is responsible for the preparation and fair presentation of the Financial Statements in accordance with the United Nations System Accounting Standards (UNSAS). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material misstatement.

**Auditor's Responsibility**

Our responsibility is to examine the Financial Statements and express an opinion on these Financial Statements and that they present a true and fair view based on the audit.

**Basis of Opinion**

We conducted the audit in accordance with the auditing standards of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require planning and performing the audit to obtain reasonable assurance whether the Financial Statements are free of material misstatements.

An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures in the Financial Statements.

An audit also includes assessing the accounting principles used, the relevant internal control system and significant estimates made by the Secretary General, as well as evaluating the overall financial statement presentation. We believe that our audit work provides a reasonable basis for the audit opinion.

**Opinion**

In our opinion, the Financial Statements present fairly, in all material respects, the OSCE financial position as at and the results of the operations and cash flows for the period ended 31 December 2011 in accordance with the accounting policies set out in the notes to the Financial Statements,



# Letter of Transmittal to the Auditor General from the Secretary General



Organization for Security and Co-operation in Europe

The Secretariat

22 March 2012

Dear Sir,

Pursuant to Financial Regulation 7.04 and PC Decision 553 dated 27 June 2003, I have the honour to submit the Financial Report and Financial Statements of the Organization for Security and Co-operation in Europe for the year ended 31 December 2011.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Lamberto Zannier', written in a cursive, flowing style.

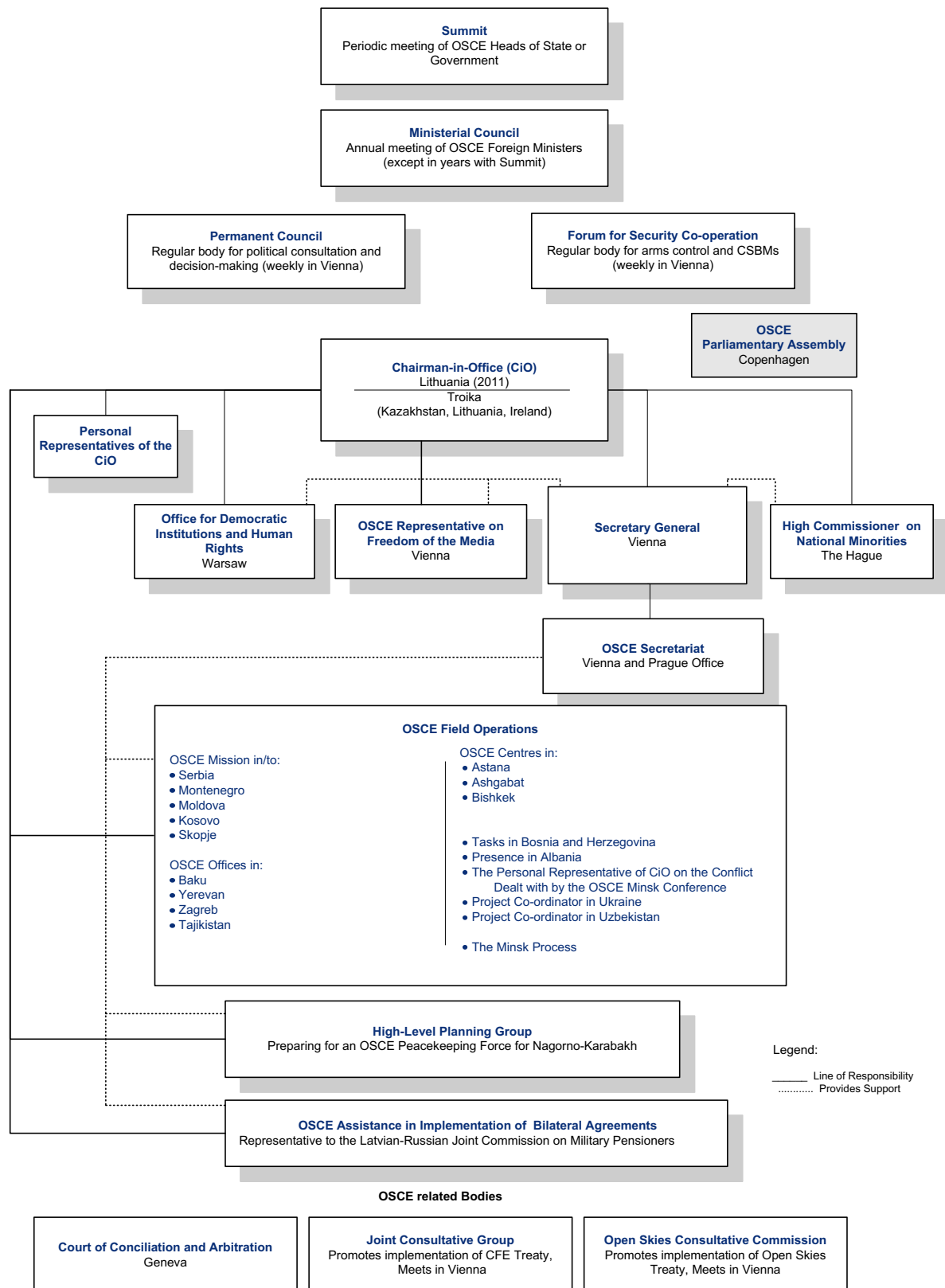
Lamberto Zannier  
Secretary General

Mr. Oleksandr Yaremanko  
Acting Chairman of the  
Accounting Chamber of Ukraine  
7, M. Katynubynskogo Str.  
01681 Kyiv  
UKRAINE

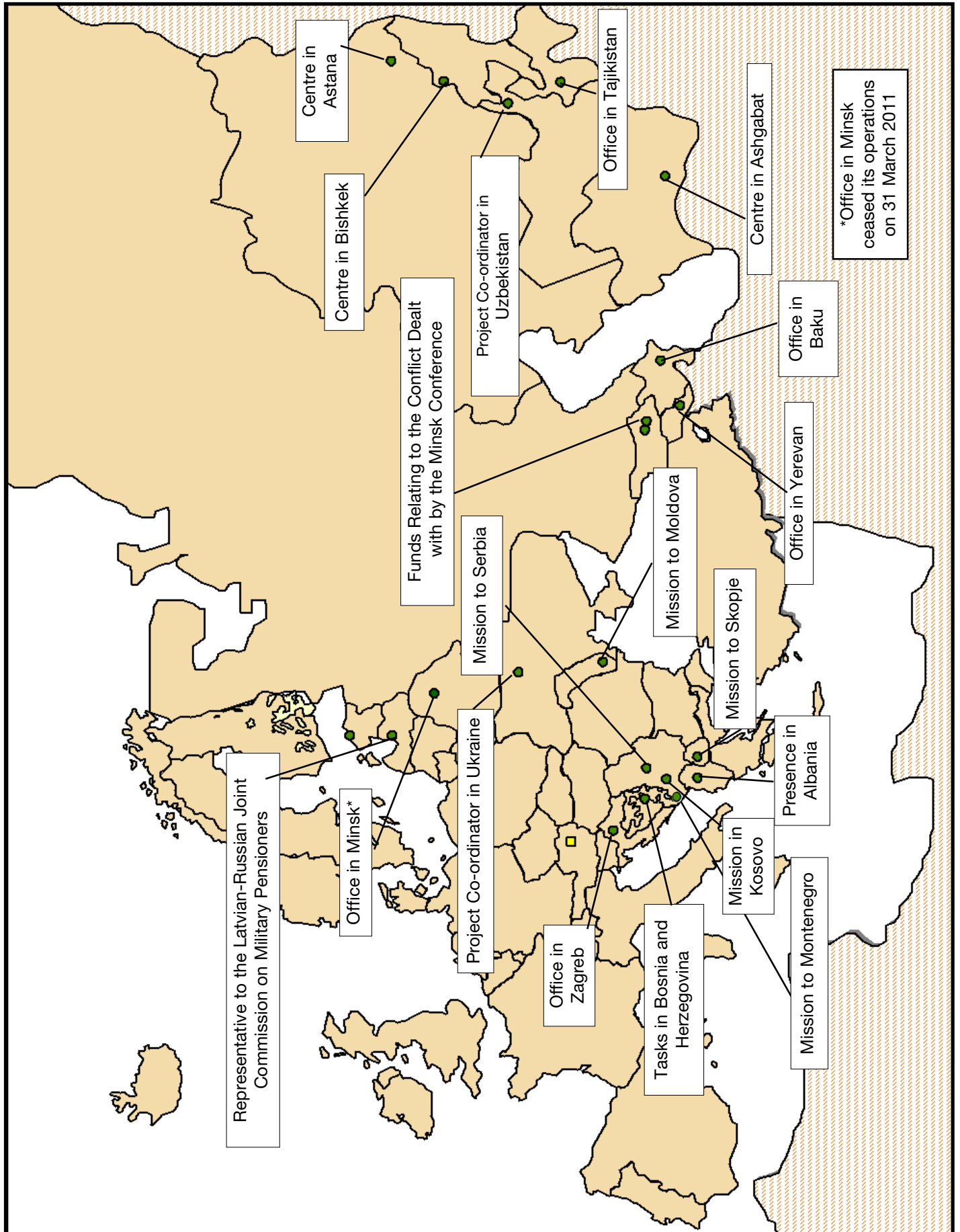


# OSCE Structures and Institutions

## as at 31 December 2011



# OSCE Field Operations as at 31 December 2011



# Chapter I - Financial Report

## for the year ended 31 December 2011

### 1. Introduction

The Secretary General of the Organization for Security and Co-operation in Europe (OSCE) submits herewith the Financial Report and the Financial Statements of the Organization for the year ended 31 December 2011. The Financial Report provides the financial results for the OSCE's activities during the financial year 2011.

The OSCE operates a system of fund accounting and the resulting financial statements present the financial results of the Secretariat, Institutions and Field Operations, Extra-budgetary Funds and the Network Operating System Fund. The Financial Report provides an overview and analysis of the financial aspects of each of these.

Total income for the OSCE's Consolidated Statement of Income, Expenditure and Changes in Fund Balance includes assessed contributions, extra-budgetary contributions, miscellaneous income, savings on prior year's unliquidated obligations, currency exchange and other adjustments. Total income for 2011 amounted to EUR 166,456 thousand (2010: EUR 178,891 thousand).

Total expenditure for 2011 including Unified Budget and Extra-budgetary Funds amounted to EUR 173,095 thousand (2010: EUR 168,686 thousand). The excess expenditure over income of EUR 6,639 thousand is mainly due to Extra-budgetary funds that are multi-year funds as shown in following table.

#### Summary of the OSCE's Results for the Financial Year 2011

|                                 | Unified<br>Budget | Extra-<br>Budgetary            | Network<br>Operating<br>System | TOTAL          |
|---------------------------------|-------------------|--------------------------------|--------------------------------|----------------|
| EUR'000                         |                   |                                |                                |                |
| <b>INCOME</b>                   |                   |                                |                                |                |
| Assesses Contributions          | 147,165           | -                              | -                              | 147,165        |
| Extra-budgetary Contributions   | -                 | 17,186                         | -                              | 17,186         |
| Other income and adjustments    | 2,230             | (174)                          | 49                             | 2,105          |
| <b>TOTAL INCOME</b>             | <b>149,395</b>    | <b>17,012</b>                  | <b>49</b>                      | <b>166,456</b> |
| <b>EXPENDITURE</b>              |                   |                                |                                |                |
|                                 | <b>145,935</b>    | <b>25,597</b>                  | <b>1,563</b>                   | <b>173,095</b> |
| <b>BUDGET</b>                   |                   |                                |                                |                |
| 2011 Year-end UB Revision       | 147,165           |                                |                                |                |
| Budget utilisation rate         | 99.0%             |                                |                                |                |
| <b>CASH SURPLUS 2011</b>        | <b>3,128</b>      |                                |                                |                |
| <b>STAFFING</b>                 |                   |                                |                                |                |
|                                 |                   | <i>Number of<br/>positions</i> |                                |                |
| <b>Positions Approved</b>       |                   |                                |                                |                |
| Professional staff positions    | 1,194             |                                |                                |                |
| General service staff positions | 1,624             |                                |                                |                |
| <b>Total staff positions</b>    | <b>2,818</b>      |                                |                                |                |

The Action Plan for the Implementation of the Recommendations of the Report of the External Auditors on the Financial Statements for the year ended 31 December 2010 was circulated (PC.ACMF/66/11) to all Delegations of participating States on 31 October 2011.

### 2. Unified Budget

#### 2.1 Income - Assessed Contributions

The OSCE's source of income for the Unified Budget is assessed contributions from participating States. The level of assessed contributions received is a direct function of the billing schedule defined for the OSCE in its Financial Regulations.

OSCE income from assessed contributions for 2011 totalled EUR 147,165 thousand, of which EUR 52,642 thousand is based on the Standard Scale of Contributions and EUR 94,523 thousand is based on the Field Operations Scale of Contributions. The OSCE received 97.0% of assessed contributions for 2011 by 31 December 2011 (2010: 94.3%).

Other income for the Unified Budget, which includes miscellaneous income, currency exchange adjustments and savings on prior year unliquidated obligations, amounted to EUR 2,230 thousand.

## 2.2 In-Kind Contributions

A unique feature of the OSCE is the significant amount of in-kind contributions provided in the form of seconded staff and certain premises. The value of these in-kind contributions is estimated at approximately EUR 44,142 thousand for 2011 and equivalent to 23.0% of total resources at the disposal of the OSCE. This comprises an estimated EUR 39,220 thousand for seconded staff salaries and EUR 4,922 thousand for buildings provided by host countries. In particular, generous contributions are acknowledged from the Austrian government for office rent and conference facilities (EUR 3,365 thousand) and the Polish government for ODIHR (EUR 904 thousand). These governments have provided further substantial contributions in-kind in the form of tax concessions, security and parking areas.

## 2.3 Budget

The 2011 Unified Budget was approved under PC.DEC/981 on 23 December 2010, in the amount of EUR 150,765 thousand. Revised budgets approved under subsequent Permanent Council Decisions resulted in a net decrease of EUR 3,600 thousand and a Year-end Revised Budget of EUR 147,165 thousand (PC.DEC/1030 of 16 February 2012).

The format and structure of the 2011 Unified Budget presented individual Programmes, together with their objectives and outputs and the financial and human resources required for their achievements for each Fund.

The Performance Based Programme Budgeting (PBPB) methodology was fully implemented in all Funds presenting the objectives, outcomes and outputs. In the presentation and the approval of the 2011 Unified Budget, Funds were grouped under (i) Funds related to the Secretariat and Institutions and (ii) Funds related to Field Operations, with the latter, in turn, being grouped into regions. This presentation is also followed in this Financial Report and Financial Statements.

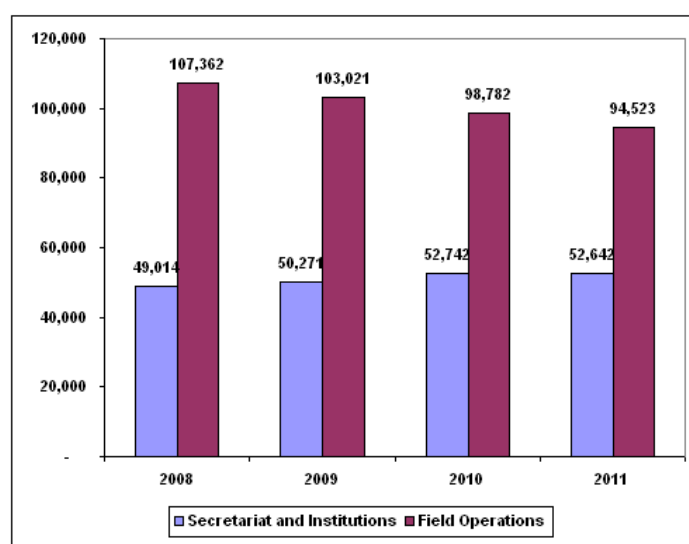
## 2011 Year-end Budget Revision (PC.DEC/1030)

| EUR '000                                                      | 2011           | %             |
|---------------------------------------------------------------|----------------|---------------|
| <b>I. Funds Related to The Secretariat and Institutions</b>   |                |               |
| The Secretariat                                               | 32,402         | 22.0%         |
| Office for Democratic Institutions and Human Rights           | 15,516         | 10.5%         |
| High Commissioner on National Minorities                      | 3,310          | 2.3%          |
| Representative on Freedom of the Media                        | 1,414          | 1.0%          |
| <b>II. Funds Related to OSCE Field Operations (by Region)</b> |                |               |
| Augmentations                                                 | 5,255          | 3.6%          |
| South-Eastern Europe                                          | 58,892         | 40.0%         |
| Eastern Europe                                                | 4,597          | 3.1%          |
| Caucasus                                                      | 7,796          | 5.3%          |
| Central Asia                                                  | 17,984         | 12.2%         |
| <b>Total Unified Budget</b>                                   | <b>147,165</b> | <b>100.0%</b> |

From the operational perspective, the OSCE remains a field-oriented Organization, with the share of the budget allocated to field operations representing EUR 94,523 thousand (64.2%) of the 2011 Unified Budget. The share of resources in the Secretariat and Institutions was EUR 52,642 thousand (35.8%). The Secretariat's budget includes resources for thematic activities.

The following table shows the distribution of the Unified Budget from 2008 to 2011:

Distribution of Unified Budget 2008-2011 (EUR '000)



The geographical distribution of resources allocated to OSCE's Field Operations saw a small increase in the percentage share of resources allocated to Central Asia (0.7%), and a decrease in the share of resources allocated to Eastern Europe and South-Eastern Europe (respectively -1.0% and -0.4%).



### Geographical Distribution of Unified Budget: Funds Related to Field Operations

| EUR '000                                                      | 2011          |               | 2010          |               |
|---------------------------------------------------------------|---------------|---------------|---------------|---------------|
| <b>Funds Related to OSCE Field Operations<br/>(by Region)</b> |               |               |               |               |
| Augmentations                                                 | 5,255         | 5.6%          | 5,195         | 5.3%          |
| South-Eastern Europe                                          | 58,892        | 62.3%         | 61,912        | 62.7%         |
| Eastern Europe                                                | 4,597         | 4.9%          | 5,775         | 5.8%          |
| Caucasus                                                      | 7,796         | 8.2%          | 7,806         | 7.9%          |
| Central Asia                                                  | 17,984        | 19.0%         | 18,094        | 18.3%         |
| <b>Total</b>                                                  | <b>94,523</b> | <b>100.0%</b> | <b>98,782</b> | <b>100.0%</b> |

The following table lists the PC Decisions affecting the Unified Budget in the course of 2011.

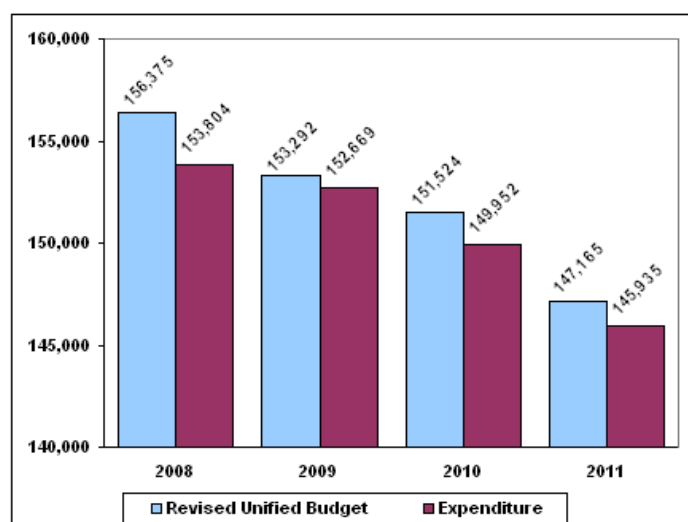
### 2010 Unified Budget and Revisions

| PC Decision                    |                                            | Budget Revisions |
|--------------------------------|--------------------------------------------|------------------|
| EUR '000                       |                                            |                  |
| 23 /12 / 2010<br>PC.DEC/981    | Approval of the 2011 Unified Budget        | 150,765          |
| 15/12/2011<br>PC.DEC 1025      | Revision of the 2010 Unified Budget        | (940)            |
| 16/02/2012<br>PC.DEC/1030      | OSCE 2010 Year-end Unified Budget Revision | (2,660)          |
| <b>Total Budget Revisions</b>  |                                            | <b>(3,600)</b>   |
| <b>Year-End Revised Budget</b> |                                            | <b>147,165</b>   |

## 2.4 Expenditure

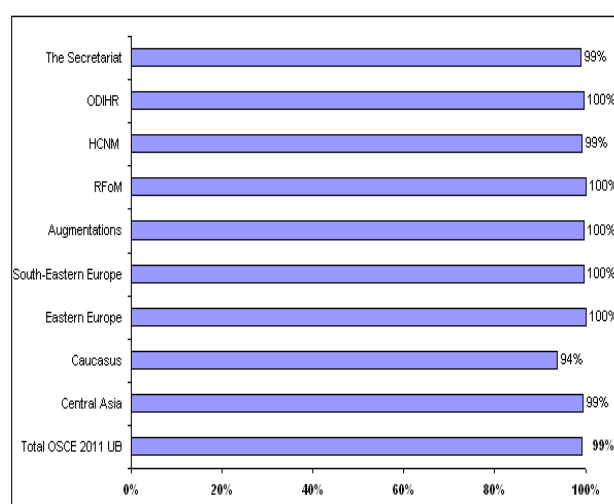
The 2011 expenditure against the Unified Budget amounted to a total of EUR 145,935 thousand, representing a decrease of 2.7% compared to EUR 149,952 thousand in 2010.

### Budget vs. Expenditure 2008-2011 (EUR '000)



Expenditure for 2011 compared to the year-end revised Budget of EUR 147,165 thousand was 99.2% (2010: 99.0%) and expenditure against the original Unified Budget approved 23 December 2010 of EUR 150,765 thousand was 96.8% (2010: 99.5%).

### Budget Utilisation Rates for Year-End Budget Revision

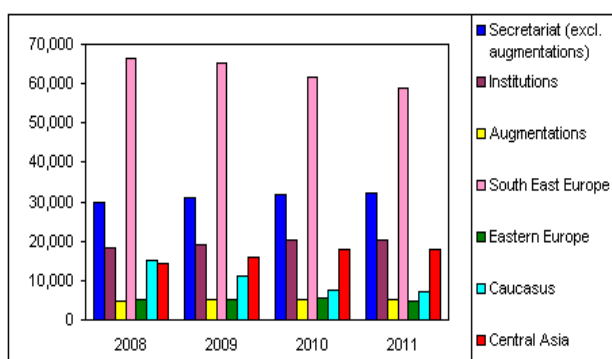


The following is a comparison between 2011 and 2010 expenditure.

### Unified Budget Expenditure

| EUR '000                                                           | 2011           |               | 2010           |               |
|--------------------------------------------------------------------|----------------|---------------|----------------|---------------|
| <b>I. Funds Related to The Secretariat and Institutions</b>        |                |               |                |               |
| The Secretariat                                                    | 32,095         | 22.0%         | 31,998         | 21.3%         |
| Office for Democratic Institutions<br>and Human Rights             | 15,449         | 10.6%         | 15,622         | 10.4%         |
| High Commissioner on<br>National Minorities                        | 3,280          | 2.2%          | 3,320          | 2.2%          |
| Representative on Freedom<br>of the Media                          | 1,414          | 1.0%          | 1,385          | 0.9%          |
| <b>Total Funds Related to The<br/>Secretariat and Institutions</b> | <b>52,239</b>  | <b>35.8%</b>  | <b>52,325</b>  | <b>34.8%</b>  |
| <b>II. Funds Related to OSCE Field Operations (by Region)</b>      |                |               |                |               |
| Augmentations                                                      | 5,239          | 3.6%          | 5,048          | 3.4%          |
| South-Eastern Europe                                               | 58,680         | 40.2%         | 61,618         | 41.1%         |
| Eastern Europe                                                     | 4,598          | 3.2%          | 5,518          | 3.7%          |
| Caucasus                                                           | 7,311          | 5.0%          | 7,422          | 5.0%          |
| Central Asia                                                       | 17,869         | 12.2%         | 18,001         | 12.0%         |
| <b>Total Funds Related to OSCE<br/>Field Operations</b>            | <b>93,697</b>  | <b>64.2%</b>  | <b>97,627</b>  | <b>65.2%</b>  |
| <b>Total OSCE</b>                                                  | <b>145,935</b> | <b>100.0%</b> | <b>149,952</b> | <b>100.0%</b> |

Unified Budget Expenditure by Region (EUR '000)



The distribution of Unified Budget Expenditure by Cost Category between 2011 and 2010 saw a decrease in all cost categories, except Staff Costs, which increased by 1.4%.

Unified Budget Expenditure by Cost Category

| EUR '000n         | 2011           |             | 2010           |             |
|-------------------|----------------|-------------|----------------|-------------|
| Staff Costs       | 89,854         | 61.6%       | 90,307         | 60.2%       |
| Operational Costs | 43,942         | 30.1%       | 45,963         | 30.7%       |
| Assets/Equipment  | 3,333          | 2.3%        | 4,082          | 2.7%        |
| Office Costs      | 8,609          | 5.9%        | 9,245          | 6.2%        |
| HoM Facility      | 197            | 0.1%        | 355            | 0.2%        |
| <b>Total</b>      | <b>145,935</b> | <b>100%</b> | <b>149,952</b> | <b>100%</b> |

As in previous years, Staff Costs continue to represent the most significant share of OSCE's annual expenditures.

## 2.5 Staffing

Total budgeted positions as at 31 December 2011 was 2,818, representing a 2.6% decrease over the previous year (2010: 2,892). The distribution of positions within the Organization is shown in Appendix IV.

Budgeted Positions

| Number of positions           | 2011         |               | 2010         |               |
|-------------------------------|--------------|---------------|--------------|---------------|
| <b>Professional Staff</b>     | <b>1,194</b> | <b>42.4%</b>  | <b>1,221</b> | <b>42.2%</b>  |
| International contracted      | 272          | 22.8%         | 284          | 23.3%         |
| Seconded                      | 545          | 45.6%         | 563          | 46.1%         |
| National professional         | 377          | 31.6%         | 374          | 30.6%         |
| <b>General Services Staff</b> | <b>1,624</b> | <b>57.6%</b>  | <b>1,671</b> | <b>57.8%</b>  |
| Secretariat and Institutions  | 255          | 15.7%         | 254          | 15.0%         |
| Field Operations              | 1,369        | 84.3%         | 1,417        | 85.0%         |
| <b>Total Staff</b>            | <b>2,818</b> | <b>100.0%</b> | <b>2,892</b> | <b>100.0%</b> |

Budgeted vs. Filled Positions as at 31 December 2011

| Number of positions           | Budgeted     | Filled       | % Filled     |
|-------------------------------|--------------|--------------|--------------|
| <b>Professional Staff</b>     | <b>1,194</b> | <b>1,080</b> | <b>90.5%</b> |
| International contracted      | 272          | 255          | 93.8%        |
| Seconded                      | 545          | 459          | 84.2%        |
| National professional         | 377          | 366          | 97.1%        |
| <b>General Services Staff</b> | <b>1,624</b> | <b>1,568</b> | <b>96.5%</b> |
| Secretariat and Institutions  | 255          | 245          | 95.9%        |
| Field Operations              | 1,369        | 1,323        | 96.6%        |
| <b>Total Staff</b>            | <b>2,818</b> | <b>2,648</b> | <b>93.9%</b> |

## 3. Extra-budgetary Contributions

Extra-budgetary contributions continue to be a valuable source of funding for the OSCE to finance projects and activities that are consistent with OSCE objectives but are not funded under the Unified Budget. Extra-budgetary contributions received in 2011 amounted to EUR 17,186 thousand (2010: EUR 24,563 thousand). Of this amount, EUR 6,971 thousand was received in respect of pledges made in previous years.

Unlike resources provided under the Unified Budget, extra-budgetary resources are normally multi-year in nature and balances are carried forward from one year to the next. The fund balance of all extra-budgetary resources carried forward to 2011 from 2010 amounted to EUR 43,470 thousand (2010: EUR 38,765 thousand).

Expenditure of extra-budgetary resources in 2011 amounted to EUR 25,597 thousand (2010: EUR 18,625 thousand).

A total of EUR 876 thousand of unspent extra-budgetary funds was refunded to the respective donors in 2011.

## 4. Cash Management

Cash and bank balances are managed in strict compliance with the OSCE's Financial Regulations. Accordingly, all amounts received from participating States against assessed contributions billed are used for the purposes authorised within the relevant year's budget, and any cash surplus is credited to participating States within the timelines set out in Financial Regulation 7.07.

Cash and bank balances as at the end of 2011 and 2010 are shown in the following table. The Secretariat bank balances include the Revolving and Contingency Funds and Extra-budgetary Funds.

#### OSCE - Bank and Cash Balances

| EUR '000                                   | 2011          |               | 2010          |               |
|--------------------------------------------|---------------|---------------|---------------|---------------|
| <b>Bank</b>                                |               |               |               |               |
| <b>I. The Secretariat and Institutions</b> |               |               |               |               |
| The Secretariat                            | 60,676        | 94.5%         | 72,537        | 96.0%         |
| Institutions                               | 854           | 1.3%          | 875           | 1.2%          |
| <b>Total Secr. &amp; Institutions</b>      | <b>61,530</b> | <b>95.8%</b>  | <b>73,412</b> | <b>97.2%</b>  |
| <b>II. Field Operations (by Region)</b>    |               |               |               |               |
| South-Eastern Europe                       | 1076          | 1.7%          | 724           | 1.0%          |
| Eastern Europe                             | 45            | 0.1%          | 123           | 0.2%          |
| Caucasus                                   | 250           | 0.4%          | 286           | 0.4%          |
| Central Asia                               | 988           | 1.5%          | 706           | 0.9%          |
| <b>Total Field Operations</b>              | <b>2,360</b>  | <b>3.7%</b>   | <b>1,839</b>  | <b>2.4%</b>   |
| <b>Total Bank</b>                          | <b>63,890</b> | <b>99.5%</b>  | <b>75,250</b> | <b>99.6%</b>  |
| <b>Total Cash</b>                          | <b>338</b>    | <b>0.5%</b>   | <b>299</b>    | <b>0.4%</b>   |
| <b>GRAND TOTAL</b>                         | <b>64,228</b> | <b>100.0%</b> | <b>75,549</b> | <b>100.0%</b> |

#### The Secretariat - Bank Balances

| EUR '000         | 2011          | 2010          |
|------------------|---------------|---------------|
| UB bank accounts | 20,061        | 17,514        |
| XB bank accounts | 35,725        | 50,133        |
| Revolving        | 2,710         | 2,710         |
| Contingency      | 2,180         | 2,180         |
| <b>Total</b>     | <b>60,676</b> | <b>72,537</b> |

The primary objective guiding the Secretariat's Treasury is to ensure the efficient and cost-effective management of OSCE's financial resources. Cash is managed centrally in order to safeguard funds, better monitor cash flow and optimise investment income. Treasury is also responsible for developing and implementing instructions and procedures for the safe custody of cash and bank balances at all Institutions and Field Operations.

The geographic as well as currency composition of cash and bank balances is monitored closely for the purposes of risk management. Banks used by the OSCE across all locations are reviewed regularly to ensure that the Organization's funds are safeguarded with due care and prudence.

In line with Financial Regulation 5.02, short-term investments are made in the form of time-deposits of monies not needed for immediate requirements and all interest earned is credited as miscellaneous income to the Secretariat Fund.

In 2011 the Investment Committee continued to monitor cash management activities and to assess the risks associated with placing deposits with banks. The Investment Committee regularly reviews the investment portfolio and approves the banks where investments are placed.

## 5. Management Issues

### 5.1 Performance Based Programme Budgeting

In its Decision 18/06 of 5 December 2006, the Ministerial Council stated its commitment to further introduction and application of PBPB in the OSCE. Since 2007 the Secretariat devoted significant efforts to apply PBPB across all OSCE Funds. 2011 was the fourth full year of implementation of PBPB methodology across the Organisation and the third budget cycle in which all the Funds used the Performance Indicators at the Outcome level as an internal tool for their Programmes.

### 5.2 Common Regulatory Management System

On 1 December 2005, participating States adopted the decision on establishing a comprehensive Common Regulatory Management System (CRMS) (PC.DEC/705) to facilitate the effective and efficient management of OSCE's human, financial and material resources.

Included in the approval of the 2011 Unified Budget (PC.DEC/981), the ACMF was tasked to intensify its work on reaching an agreement on the OSCE Financial Regulations. Although the ACMF Working Group on Financial Regulations conducted numerous meetings in the course of 2011, consensus has not yet been reached and deliberations continue.

### 5.3 Network Operating System Fund

The Network Operating System Fund was established in 2010 (PC.DEC/926) to finance the replacement of the OSCE's network and desktop systems. The funding of the Network Operating System was financed from the 2008 cash surplus in the amount of EUR 1,890 thousand.



## Chapter II – Budget and Expenditure Report



# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                                                         | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement | ULO       | Expenditure  | Utiliz.<br>Rate % |
|---------------------------------------------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------|-----------|--------------|-------------------|
| EUR '000                                                                                    |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>I. FUNDS RELATED TO SECRETARIAT AND INSTITUTIONS</b>                                     |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>The Secretariat</b>                                                                      |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>Secretary General and Central Services</b>                                               |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Executive Management                                                                        | 1,136                              | 71                            | 1,207                               | 0                                 | 1,207                                | 1,148        | 57        | 1,205        | 100               |
| Security Management                                                                         | 369                                | 16                            | 385                                 | 0                                 | 385                                  | 383          | 0         | 383          | 100               |
| External Co-operation                                                                       | 668                                | 5                             | 672                                 | 0                                 | 672                                  | 667          | 2         | 669          | 99                |
| Legal Services                                                                              | 514                                | (6)                           | 508                                 | 0                                 | 508                                  | 507          | 1         | 507          | 100               |
| Press and Public Information                                                                | 1,179                              | (12)                          | 1,167                               | 0                                 | 1,167                                | 1,165        | 1         | 1,165        | 100               |
| Gender Issues                                                                               | 345                                | (101)                         | 244                                 | 0                                 | 244                                  | 239          | 2         | 241          | 99                |
| <b>TOTAL</b>                                                                                | <b>4,210</b>                       | <b>(28)</b>                   | <b>4,183</b>                        | <b>0</b>                          | <b>4,183</b>                         | <b>4,108</b> | <b>62</b> | <b>4,170</b> | <b>100</b>        |
| <b>Chairman-in-Office</b>                                                                   |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Short-Term Mission/Visits of CiO and PR of the CiO                                          | 325                                | (0)                           | 325                                 | 0                                 | 325                                  | 325          | 0         | 325          | 100               |
| Advisory Committee on Management and Finance (ACMF)                                         | 15                                 | 0                             | 15                                  | 0                                 | 15                                   | 11           | 4         | 15           | 100               |
| Panel of Adjudicators                                                                       | 40                                 | (36)                          | 5                                   | 0                                 | 5                                    | 0            | 4         | 4            | 92                |
| Audit Committee                                                                             | 50                                 | (27)                          | 23                                  | 0                                 | 23                                   | 20           | 2         | 22           | 97                |
| External Auditors                                                                           | 100                                | (21)                          | 79                                  | 0                                 | 79                                   | 74           | 5         | 79           | 100               |
| <b>TOTAL</b>                                                                                | <b>530</b>                         | <b>(84)</b>                   | <b>446</b>                          | <b>0</b>                          | <b>446</b>                           | <b>430</b>   | <b>15</b> | <b>445</b>   | <b>100</b>        |
| <b>Internal Oversight</b>                                                                   |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Internal Oversight                                                                          | 1,275                              | (90)                          | 1,185                               | 0                                 | 1,185                                | 1,178        | 1         | 1,179        | 99                |
| <b>TOTAL</b>                                                                                | <b>1,275</b>                       | <b>(90)</b>                   | <b>1,185</b>                        | <b>0</b>                          | <b>1,185</b>                         | <b>1,178</b> | <b>1</b>  | <b>1,179</b> | <b>99</b>         |
| <b>Strategic Police Matters</b>                                                             |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Strategic Police Matters Unit                                                               | 842                                | (57)                          | 786                                 | 0                                 | 786                                  | 774          | 3         | 777          | 99                |
| <b>TOTAL</b>                                                                                | <b>842</b>                         | <b>(57)</b>                   | <b>786</b>                          | <b>0</b>                          | <b>786</b>                           | <b>774</b>   | <b>3</b>  | <b>777</b>   | <b>99</b>         |
| <b>Office of the Special Representative/Co-ordinator for Combating Trafficking</b>          |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of the Special Representative/Co-ordinator for Combating Trafficking in Human Beings | 896                                | (10)                          | 885                                 | 0                                 | 885                                  | 883          | 1         | 884          | 100               |
| <b>TOTAL</b>                                                                                | <b>896</b>                         | <b>(10)</b>                   | <b>885</b>                          | <b>0</b>                          | <b>885</b>                           | <b>883</b>   | <b>1</b>  | <b>884</b>   | <b>100</b>        |
| <b>Action Against Terrorism Unit</b>                                                        |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Action Against Terrorism                                                                    | 831                                | (12)                          | 818                                 | 0                                 | 818                                  | 814          | 0         | 814          | 100               |
| <b>TOTAL</b>                                                                                | <b>831</b>                         | <b>(12)</b>                   | <b>818</b>                          | <b>0</b>                          | <b>818</b>                           | <b>814</b>   | <b>0</b>  | <b>814</b>   | <b>100</b>        |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                                             | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement  | ULO        | Expenditure   | Utiliz.<br>Rate % |
|---------------------------------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|---------------|------------|---------------|-------------------|
| EUR '000                                                                        |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>Activities Related to the Economic and Environmental Aspects of Security</b> |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Co-ordinator of OSCE Economic and Environmental Activities                      | 1,429                              | (2)                           | 1,427                               | 0                                 | 1,427                                | 1,424         | 3          | 1,427         | 100               |
| Economic and Environmental Forum                                                | 471                                | (12)                          | 459                                 | 0                                 | 459                                  | 455           | 1          | 456           | 99                |
| <b>TOTAL</b>                                                                    | <b>1,900</b>                       | <b>(14)</b>                   | <b>1,886</b>                        | <b>0</b>                          | <b>1,886</b>                         | <b>1,878</b>  | <b>4</b>   | <b>1,882</b>  | <b>100</b>        |
| <b>Conflict Prevention</b>                                                      |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| CPC Direction and Management                                                    | 400                                | 6                             | 407                                 | 0                                 | 407                                  | 404           | 1          | 405           | 100               |
| Policy Support Service                                                          | 873                                | 5                             | 878                                 | 0                                 | 878                                  | 866           | 12         | 877           | 100               |
| Operations Service                                                              | 655                                | (27)                          | 628                                 | 0                                 | 628                                  | 625           | 1          | 626           | 100               |
| Operations Service / Borders Team                                               | 360                                | 6                             | 366                                 | 0                                 | 366                                  | 349           | 9          | 358           | 98                |
| Programming and Evaluation Support Unit                                         | 321                                | (12)                          | 309                                 | 0                                 | 309                                  | 308           | 0          | 308           | 100               |
| FSC Chairmanship                                                                | 35                                 | (2)                           | 33                                  | 0                                 | 33                                   | 31            | 2          | 33            | 99                |
| FSC Support                                                                     | 480                                | 14                            | 494                                 | 0                                 | 494                                  | 480           | 12         | 493           | 100               |
| Communications Network                                                          | 518                                | (54)                          | 463                                 | 0                                 | 463                                  | 441           | 17         | 458           | 99                |
| <b>TOTAL</b>                                                                    | <b>3,641</b>                       | <b>(64)</b>                   | <b>3,578</b>                        | <b>0</b>                          | <b>3,578</b>                         | <b>3,505</b>  | <b>54</b>  | <b>3,559</b>  | <b>99</b>         |
| <b>Human Resources Management</b>                                               |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| HR Direction and Management                                                     | 451                                | (38)                          | 414                                 | 4                                 | 418                                  | 405           | 12         | 417           | 100               |
| Personnel Management and Payroll Administration                                 | 1,052                              | (7)                           | 1,045                               | 0                                 | 1,045                                | 1,040         | 3          | 1,044         | 100               |
| Recruitment                                                                     | 611                                | (27)                          | 584                                 | 0                                 | 584                                  | 578           | 2          | 579           | 99                |
| Training Section                                                                | 1,076                              | (9)                           | 1,067                               | (4)                               | 1,063                                | 1,007         | 46         | 1,053         | 99                |
| Common Staff Costs                                                              | 1,890                              | 64                            | 1,954                               | 0                                 | 1,954                                | 1,939         | 0          | 1,939         | 99                |
| <b>TOTAL</b>                                                                    | <b>5,080</b>                       | <b>(17)</b>                   | <b>5,064</b>                        | <b>0</b>                          | <b>5,064</b>                         | <b>4,969</b>  | <b>64</b>  | <b>5,032</b>  | <b>99</b>         |
| <b>Department of Management and Finance</b>                                     |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| DMF Direction and Management                                                    | 333                                | (24)                          | 309                                 | 0                                 | 309                                  | 305           | 1          | 306           | 99                |
| Conference and Language Services                                                | 4,821                              | (9)                           | 4,812                               | 0                                 | 4,812                                | 4,660         | 33         | 4,693         | 98                |
| Budget and Internal Control Services                                            | 664                                | (43)                          | 621                                 | 0                                 | 621                                  | 618           | 0          | 618           | 99                |
| Financial Accounting and Treasury Services                                      | 918                                | (115)                         | 803                                 | 0                                 | 803                                  | 797           | 2          | 799           | 99                |
| Information and Communication Technology Services                               | 2,040                              | (37)                          | 2,003                               | 0                                 | 2,003                                | 1,954         | 9          | 1,964         | 98                |
| Mission Support Services                                                        | 1,637                              | (144)                         | 1,493                               | 0                                 | 1,493                                | 1,479         | 4          | 1,483         | 99                |
| Secretariat Common Operational Costs                                            | 3,216                              | (65)                          | 3,152                               | 0                                 | 3,152                                | 3,122         | 6          | 3,128         | 99                |
| Prague Office                                                                   | 404                                | (25)                          | 378                                 | 0                                 | 378                                  | 362           | 0          | 362           | 96                |
| <b>TOTAL</b>                                                                    | <b>14,033</b>                      | <b>(462)</b>                  | <b>13,571</b>                       | <b>0</b>                          | <b>13,571</b>                        | <b>13,297</b> | <b>55</b>  | <b>13,352</b> | <b>98</b>         |
| <b>TOTAL FOR THE SECRETARIAT</b>                                                | <b>33,238</b>                      | <b>(837)</b>                  | <b>32,402</b>                       | <b>0</b>                          | <b>32,402</b>                        | <b>31,838</b> | <b>258</b> | <b>32,095</b> | <b>99</b>         |



# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                                | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement  | ULO        | Expenditure   | Utiliz.<br>Rate % |
|--------------------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|---------------|------------|---------------|-------------------|
| EUR '000                                                           |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>Office for Democratic Institutions and Human Rights</b>         |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Direction and Policy                                               | 1,268                              | (39)                          | 1,229                               | 0                                 | 1,229                                | 1,223         | 1          | 1,225         | 100               |
| Fund Administration Unit                                           | 2,045                              | (123)                         | 1,922                               | 0                                 | 1,922                                | 1,912         | 4          | 1,916         | 100               |
| Common Operational Costs                                           | 900                                | (92)                          | 808                                 | 0                                 | 808                                  | 790           | 2          | 792           | 98                |
| Human Dimension Meetings                                           | 662                                | (70)                          | 592                                 | 0                                 | 592                                  | 583           | 0          | 583           | 99                |
| Democratization                                                    | 1,435                              | (25)                          | 1,411                               | 0                                 | 1,411                                | 1,408         | 2          | 1,410         | 100               |
| Human Rights                                                       | 1,157                              | (31)                          | 1,126                               | 0                                 | 1,126                                | 1,123         | 0          | 1,123         | 100               |
| Elections                                                          | 6,525                              | 123                           | 6,647                               | 0                                 | 6,647                                | 6,608         | 14         | 6,622         | 100               |
| Tolerance and Non-Discrimination                                   | 1,262                              | (26)                          | 1,235                               | 0                                 | 1,235                                | 1,224         | 8          | 1,232         | 100               |
| Roma and Sinti Issues                                              | 551                                | (5)                           | 546                                 | 0                                 | 546                                  | 531           | 15         | 546           | 100               |
| <b>TOTAL</b>                                                       | <b>15,804</b>                      | <b>(288)</b>                  | <b>15,516</b>                       | <b>0</b>                          | <b>15,516</b>                        | <b>15,405</b> | <b>45</b>  | <b>15,449</b> | <b>100</b>        |
| <b>High Commissioner on National Minorities</b>                    |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Fund Administration Unit                                           | 367                                | (4)                           | 363                                 | 0                                 | 363                                  | 363           | 0          | 363           | 100               |
| Common Operational Costs                                           | 185                                | (19)                          | 166                                 | 0                                 | 166                                  | 164           | 0          | 164           | 99                |
| Office of the High Commissioner                                    | 2,813                              | (32)                          | 2,781                               | 0                                 | 2,781                                | 2,753         | 0          | 2,753         | 99                |
| <b>TOTAL</b>                                                       | <b>3,365</b>                       | <b>(54)</b>                   | <b>3,310</b>                        | <b>0</b>                          | <b>3,310</b>                         | <b>3,280</b>  | <b>0</b>   | <b>3,280</b>  | <b>99</b>         |
| <b>Representative on Freedom of the Media</b>                      |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Freedom of the Media                                               | 1,429                              | (15)                          | 1,414                               | 0                                 | 1,414                                | 1,402         | 12         | 1,414         | 100               |
| <b>TOTAL</b>                                                       | <b>1,429</b>                       | <b>(15)</b>                   | <b>1,414</b>                        | <b>0</b>                          | <b>1,414</b>                         | <b>1,402</b>  | <b>12</b>  | <b>1,414</b>  | <b>100</b>        |
| <b>TOTAL FOR FUNDS RELATED TO THE SECRETARIAT AND INSTITUTIONS</b> | <b>53,837</b>                      | <b>(1,195)</b>                | <b>52,642</b>                       | <b>0</b>                          | <b>52,642</b>                        | <b>51,924</b> | <b>315</b> | <b>52,239</b> | <b>99</b>         |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme               | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement  | ULO        | Expenditure   | Utiliz.<br>Rate % |
|---------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|---------------|------------|---------------|-------------------|
| EUR '000                                          |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>II. FUNDS RELATED TO OSCE FIELD OPERATIONS</b> |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>AUGMENTATIONS</b>                              |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>Secretariat Augmentations</b>                  |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Press and Public Information                      | 260                                | (54)                          | 206                                 | 0                                 | 206                                  | 202           | 0          | 202           | 98                |
| Internal Oversight                                | 279                                | (100)                         | 179                                 | 0                                 | 179                                  | 173           | 1          | 174           | 97                |
| Policy Support Service                            | 391                                | (12)                          | 379                                 | 0                                 | 379                                  | 377           | 0          | 378           | 100               |
| Operations Service                                | 169                                | (6)                           | 163                                 | 0                                 | 163                                  | 162           | 1          | 162           | 100               |
| Personnel Management and Payroll Administration   | 297                                | 45                            | 341                                 | 0                                 | 341                                  | 339           | 1          | 340           | 100               |
| Recruitment                                       | 490                                | (68)                          | 421                                 | 0                                 | 421                                  | 414           | 5          | 420           | 100               |
| Budget and Internal Control Services              | 374                                | (9)                           | 364                                 | 0                                 | 364                                  | 363           | 1          | 363           | 100               |
| Financial Accounting and Treasury Services        | 512                                | 26                            | 538                                 | 0                                 | 538                                  | 531           | 6          | 537           | 100               |
| Information and Communication Technology Services | 1,361                              | 16                            | 1,376                               | 0                                 | 1,376                                | 1,365         | 11         | 1,376         | 100               |
| Mission Support Service                           | 1,048                              | 32                            | 1,080                               | 0                                 | 1,080                                | 1,075         | 5          | 1,080         | 100               |
| <b>TOTAL</b>                                      | <b>5,179</b>                       | <b>(131)</b>                  | <b>5,048</b>                        | <b>0</b>                          | <b>5,048</b>                         | <b>5,001</b>  | <b>31</b>  | <b>5,032</b>  | <b>100</b>        |
| <b>ODIHR Augmentations</b>                        |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| ODIHR Democratization                             | 235                                | (28)                          | 207                                 | 0                                 | 207                                  | 207           | 0          | 207           | 100               |
| <b>TOTAL</b>                                      | <b>235</b>                         | <b>(28)</b>                   | <b>207</b>                          | <b>0</b>                          | <b>207</b>                           | <b>207</b>    | <b>0</b>   | <b>207</b>    | <b>100</b>        |
| <b>TOTAL FOR AUGMENTATIONS</b>                    | <b>5,414</b>                       | <b>(160)</b>                  | <b>5,255</b>                        | <b>0</b>                          | <b>5,255</b>                         | <b>5,208</b>  | <b>31</b>  | <b>5,239</b>  | <b>100</b>        |
| <b>SOUTH-EASTERN EUROPE</b>                       |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>Mission in Kosovo</b>                          |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Office of Head of Mission                         | 3,619                              | 190                           | 3,808                               | 0                                 | 3,808                                | 3,731         | 75         | 3,806         | 100               |
| Fund Administration Unit                          | 3,104                              | 140                           | 3,243                               | 25                                | 3,268                                | 3,134         | 133        | 3,267         | 100               |
| Common Operational Costs                          | 4,605                              | (309)                         | 4,297                               | (25)                              | 4,272                                | 4,210         | 38         | 4,248         | 99                |
| Security and Public Safety                        | 1,280                              | 28                            | 1,308                               | 0                                 | 1,308                                | 1,290         | 16         | 1,306         | 100               |
| Democratization                                   | 3,093                              | (61)                          | 3,033                               | 0                                 | 3,033                                | 2,976         | 41         | 3,017         | 99                |
| Human Rights and Communities                      | 6,906                              | 12                            | 6,918                               | 0                                 | 6,918                                | 6,824         | 92         | 6,916         | 100               |
| <b>TOTAL</b>                                      | <b>22,606</b>                      | <b>0</b>                      | <b>22,606</b>                       | <b>0</b>                          | <b>22,606</b>                        | <b>22,165</b> | <b>395</b> | <b>22,559</b> | <b>100</b>        |

**Budget and Expenditure Report as at 31 December 2011**

| <b>Fund</b>                                    | <b>Approved<br/>Budget<br/>(PC.DEC/981)</b> | <b>PC<br/>Authorized<br/>Transfers</b> | <b>Budget<br/>Revision<br/>(PC.DEC/1030)</b> | <b>Transfers<br/>Fin. Reg.<br/>3.02(b)</b> | <b>Revised<br/>Budget after<br/>Transfers</b> | <b>Disbursement</b> | <b>ULO</b> | <b>Expenditure</b> | <b>Utiliz.<br/>Rate %</b> |
|------------------------------------------------|---------------------------------------------|----------------------------------------|----------------------------------------------|--------------------------------------------|-----------------------------------------------|---------------------|------------|--------------------|---------------------------|
| <b>Main Programme</b>                          |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Programme                                      |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| EUR '000                                       |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| <b>Tasks in Bosnia and Herzegovina</b>         |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Office of Head of Mission                      | 1,730                                       | (7)                                    | 1,724                                        | 0                                          | 1,724                                         | 1,722               | 1          | 1,723              | 100                       |
| Fund Administration Unit                       | 1,963                                       | 32                                     | 1,995                                        | 0                                          | 1,995                                         | 1,990               | 0          | 1,990              | 100                       |
| Common Operational Costs                       | 3,142                                       | (27)                                   | 3,115                                        | 0                                          | 3,115                                         | 3,090               | 10         | 3,100              | 100                       |
| Security Co-operation                          | 682                                         | 3                                      | 684                                          | 0                                          | 684                                           | 682                 | 0          | 682                | 100                       |
| Human Dimension                                | 7,255                                       | (120)                                  | 7,135                                        | 0                                          | 7,135                                         | 7,125               | 1          | 7,126              | 100                       |
| <b>TOTAL FOR BIH</b>                           | <b>14,773</b>                               | <b>(120)</b>                           | <b>14,653</b>                                | <b>0</b>                                   | <b>14,653</b>                                 | <b>14,609</b>       | <b>12</b>  | <b>14,621</b>      | <b>100</b>                |
| <b>Regional Stabilization/Arms Control</b>     |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Implementation of Article IV                   | 206                                         | 5                                      | 211                                          | 0                                          | 211                                           | 205                 | 5          | 211                | 100                       |
| <b>TOTAL REGIONAL STABILIZ. / ARMS CONTROL</b> | <b>206</b>                                  | <b>5</b>                               | <b>211</b>                                   | <b>0</b>                                   | <b>211</b>                                    | <b>205</b>          | <b>5</b>   | <b>211</b>         | <b>100</b>                |
| <b>GRAND TOTAL</b>                             | <b>14,979</b>                               | <b>(115)</b>                           | <b>14,864</b>                                | <b>0</b>                                   | <b>14,864</b>                                 | <b>14,814</b>       | <b>17</b>  | <b>14,832</b>      | <b>100</b>                |
| <b>Office in Zagreb</b>                        |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Office of Head of Mission                      | 194                                         | (4)                                    | 190                                          | 0                                          | 190                                           | 190                 | 0          | 190                | 100                       |
| Fund Administration Unit                       | 258                                         | (22)                                   | 236                                          | 0                                          | 236                                           | 235                 | 1          | 236                | 100                       |
| Common Operational Costs                       | 518                                         | (30)                                   | 488                                          | 0                                          | 488                                           | 487                 | 0          | 488                | 100                       |
| War Crimes Monitoring                          | 344                                         | 10                                     | 354                                          | 0                                          | 354                                           | 354                 | 0          | 354                | 100                       |
| Housing Care Implementation                    | 150                                         | 1                                      | 151                                          | 0                                          | 151                                           | 151                 | 0          | 151                | 100                       |
| <b>TOTAL</b>                                   | <b>1,464</b>                                | <b>(45)</b>                            | <b>1,419</b>                                 | <b>0</b>                                   | <b>1,419</b>                                  | <b>1,417</b>        | <b>1</b>   | <b>1,418</b>       | <b>100</b>                |
| <b>Mission to Serbia</b>                       |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Office of Head of Mission                      | 1,000                                       | 0                                      | 1,000                                        | 0                                          | 1,000                                         | 995                 | 4          | 999                | 100                       |
| Fund Administration Unit                       | 769                                         | 1                                      | 770                                          | 0                                          | 770                                           | 769                 | 1          | 770                | 100                       |
| Common Operational Costs                       | 1,406                                       | (2)                                    | 1,404                                        | 0                                          | 1,404                                         | 1,381               | 11         | 1,392              | 99                        |
| Police Affairs                                 | 1,656                                       | (29)                                   | 1,626                                        | 0                                          | 1,626                                         | 1,589               | 4          | 1,593              | 98                        |
| Democratization                                | 1,195                                       | (12)                                   | 1,183                                        | 0                                          | 1,183                                         | 1,175               | 1          | 1,176              | 99                        |
| Media                                          | 405                                         | (3)                                    | 402                                          | 0                                          | 402                                           | 401                 | 0          | 401                | 100                       |
| Rule of Law and Human Rights                   | 1,114                                       | (14)                                   | 1,099                                        | 0                                          | 1,099                                         | 1,095               | 0          | 1,095              | 100                       |
| <b>TOTAL</b>                                   | <b>7,544</b>                                | <b>(60)</b>                            | <b>7,484</b>                                 | <b>0</b>                                   | <b>7,484</b>                                  | <b>7,404</b>        | <b>21</b>  | <b>7,426</b>       | <b>99</b>                 |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme             | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement  | ULO        | Expenditure   | Utiliz.<br>Rate % |
|-------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|---------------|------------|---------------|-------------------|
| EUR '000                                        |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| <b>Presence in Albania</b>                      |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Office of Head of Mission                       | 691                                | 19                            | 710                                 | 0                                 | 710                                  | 700           | 10         | 709           | 100               |
| Fund Administration Unit                        | 422                                | 0                             | 423                                 | 0                                 | 423                                  | 420           | 2          | 422           | 100               |
| Common Operational Costs                        | 873                                | (40)                          | 833                                 | 0                                 | 833                                  | 818           | 10         | 828           | 99                |
| Security Co-operation                           | 230                                | 5                             | 235                                 | 0                                 | 235                                  | 235           | 0          | 235           | 100               |
| Governance in Economic and Environmental Issues | 260                                | (3)                           | 257                                 | 0                                 | 257                                  | 257           | 0          | 257           | 100               |
| Democratization                                 | 398                                | (4)                           | 394                                 | 0                                 | 394                                  | 392           | 0          | 393           | 100               |
| Rule of Law and Human Rights                    | 319                                | (7)                           | 311                                 | 0                                 | 311                                  | 311           | 0          | 311           | 100               |
| <b>TOTAL</b>                                    | <b>3,191</b>                       | <b>(29)</b>                   | <b>3,162</b>                        | <b>0</b>                          | <b>3,162</b>                         | <b>3,132</b>  | <b>23</b>  | <b>3,155</b>  | <b>100</b>        |
| <b>Mission to Skopje</b>                        |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Office of Head of Mission                       | 1,583                              | 43                            | 1,627                               | 0                                 | 1,627                                | 1,624         | 1          | 1,625         | 100               |
| Fund Administration Unit                        | 1,059                              | (25)                          | 1,034                               | 0                                 | 1,034                                | 1,034         | 0          | 1,034         | 100               |
| Common Operational Costs                        | 1,168                              | (19)                          | 1,148                               | 0                                 | 1,148                                | 1,136         | 7          | 1,142         | 99                |
| Police Development                              | 1,414                              | 9                             | 1,423                               | 0                                 | 1,423                                | 1,420         | 3          | 1,422         | 100               |
| Good Governance                                 | 621                                | (2)                           | 619                                 | 0                                 | 619                                  | 617           | 0          | 617           | 100               |
| Rule of Law                                     | 1,206                              | (39)                          | 1,167                               | 0                                 | 1,167                                | 1,160         | 0          | 1,160         | 99                |
| <b>TOTAL</b>                                    | <b>7,051</b>                       | <b>(33)</b>                   | <b>7,018</b>                        | <b>0</b>                          | <b>7,018</b>                         | <b>6,990</b>  | <b>11</b>  | <b>7,000</b>  | <b>100</b>        |
| <b>Mission to Montenegro</b>                    |                                    |                               |                                     |                                   |                                      |               |            |               |                   |
| Office of Head of Mission                       | 337                                | (1)                           | 336                                 | 0                                 | 336                                  | 330           | 0          | 330           | 98                |
| Fund Administration Unit                        | 252                                | 6                             | 258                                 | 0                                 | 258                                  | 257           | 0          | 257           | 100               |
| Common Operational Costs                        | 432                                | (12)                          | 419                                 | 0                                 | 419                                  | 404           | 1          | 405           | 97                |
| Police Affairs                                  | 465                                | (12)                          | 454                                 | 0                                 | 454                                  | 451           | 0          | 451           | 99                |
| Politico-Military Activities                    | 44                                 | (1)                           | 43                                  | 0                                 | 43                                   | 40            | 0          | 40            | 94                |
| Democratization                                 | 448                                | (13)                          | 436                                 | 0                                 | 436                                  | 422           | 0          | 422           | 97                |
| Media                                           | 121                                | (3)                           | 118                                 | 0                                 | 118                                  | 115           | 0          | 115           | 97                |
| Rule of Law and Human Rights                    | 277                                | (2)                           | 275                                 | 0                                 | 275                                  | 271           | 0          | 271           | 98                |
| <b>TOTAL</b>                                    | <b>2,376</b>                       | <b>(38)</b>                   | <b>2,338</b>                        | <b>0</b>                          | <b>2,338</b>                         | <b>2,289</b>  | <b>1</b>   | <b>2,291</b>  | <b>98</b>         |
| <b>TOTAL FOR SOUTH-EASTERN EUROPE</b>           | <b>59,211</b>                      | <b>(320)</b>                  | <b>58,892</b>                       | <b>0</b>                          | <b>58,892</b>                        | <b>58,211</b> | <b>469</b> | <b>58,680</b> | <b>100</b>        |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                                                 | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement | ULO      | Expenditure  | Utiliz.<br>Rate % |
|-------------------------------------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------|----------|--------------|-------------------|
| EUR '000                                                                            |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| <b>EASTERN EUROPE</b>                                                               |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| <b>Mission to Moldova</b>                                                           |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| Office of Head of Mission                                                           | 378                                | (14)                          | 364                                 | (1)                               | 363                                  | 362          | 0        | 362          | 100               |
| Fund Administration Unit                                                            | 208                                | (22)                          | 186                                 | 0                                 | 186                                  | 186          | 0        | 186          | 100               |
| Common Operational Costs                                                            | 444                                | 5                             | 449                                 | 1                                 | 450                                  | 448          | 1        | 450          | 100               |
| Conflict Prevention/Resolution                                                      | 487                                | (14)                          | 473                                 | 0                                 | 473                                  | 479          | 0        | 479          | 101               |
| Human Rights Monitoring/Democratization                                             | 294                                | (8)                           | 286                                 | 0                                 | 286                                  | 286          | 0        | 286          | 100               |
| Anti-Trafficking/Gender                                                             | 272                                | (10)                          | 262                                 | 0                                 | 262                                  | 260          | 0        | 260          | 99                |
| <b>TOTAL</b>                                                                        | <b>2,084</b>                       | <b>(63)</b>                   | <b>2,021</b>                        | <b>0</b>                          | <b>2,021</b>                         | <b>2,021</b> | <b>1</b> | <b>2,022</b> | <b>100</b>        |
| <b>Project Co-ordinator in Ukraine</b>                                              |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| Office of Head of Mission                                                           | 213                                | (18)                          | 195                                 | 0                                 | 195                                  | 195          | 0        | 195          | 100               |
| Fund Administration Unit                                                            | 272                                | 21                            | 293                                 | 0                                 | 293                                  | 293          | 0        | 293          | 100               |
| Common Operational Costs                                                            | 397                                | (35)                          | 362                                 | 0                                 | 362                                  | 361          | 1        | 362          | 100               |
| Democratization and Good Governance                                                 | 265                                | (131)                         | 134                                 | 0                                 | 134                                  | 134          | 0        | 134          | 100               |
| Rule of Law and Human Rights                                                        | 872                                | (101)                         | 771                                 | 0                                 | 771                                  | 772          | 0        | 772          | 100               |
| Economic, Environmental and Politico-Military Projects                              | 734                                | (117)                         | 617                                 | 0                                 | 617                                  | 617          | 0        | 617          | 100               |
| <b>TOTAL</b>                                                                        | <b>2,752</b>                       | <b>(380)</b>                  | <b>2,372</b>                        | <b>0</b>                          | <b>2,372</b>                         | <b>2,371</b> | <b>2</b> | <b>2,373</b> | <b>100</b>        |
| <b>Office in Minsk</b>                                                              |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| Office of Head of Mission                                                           | 199                                | (135)                         | 63                                  | 0                                 | 63                                   | 63           | 0        | 63           | 100               |
| Fund Administration Unit                                                            | 144                                | (78)                          | 66                                  | 0                                 | 66                                   | 66           | 0        | 66           | 100               |
| Common Operational Costs                                                            | 187                                | (152)                         | 35                                  | 0                                 | 35                                   | 33           | 0        | 33           | 96                |
| Economic and Environmental Activities                                               | 270                                | (257)                         | 13                                  | 0                                 | 13                                   | 14           | 0        | 14           | 110               |
| Institution-Building, Rule of Law and Civil Society                                 | 360                                | (339)                         | 20                                  | 0                                 | 20                                   | 20           | 0        | 20           | 100               |
| <b>TOTAL</b>                                                                        | <b>1,159</b>                       | <b>(962)</b>                  | <b>196</b>                          | <b>0</b>                          | <b>196</b>                           | <b>196</b>   | <b>0</b> | <b>196</b>   | <b>100</b>        |
| <b>Representative to the Latvian-Russian Joint Commission on Military Pensioner</b> |                                    |                               |                                     |                                   |                                      |              |          |              |                   |
| Office of Head of Mission                                                           | 9                                  | (2)                           | 7                                   | 0                                 | 7                                    | 7            | 0        | 7            | 100               |
| <b>TOTAL</b>                                                                        | <b>9</b>                           | <b>(2)</b>                    | <b>7</b>                            | <b>0</b>                          | <b>7</b>                             | <b>7</b>     | <b>0</b> | <b>7</b>     | <b>100</b>        |
| <b>TOTAL FOR EASTERN EUROPE</b>                                                     | <b>6,004</b>                       | <b>(1,407)</b>                | <b>4,597</b>                        | <b>0</b>                          | <b>4,597</b>                         | <b>4,595</b> | <b>3</b> | <b>4,598</b> | <b>100</b>        |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                       | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement | ULO       | Expenditure  | Utiliz.<br>Rate % |
|-----------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------|-----------|--------------|-------------------|
| EUR '000                                                  |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>CAUCASUS</b>                                           |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>Office in Yerevan</b>                                  |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                 | 289                                | (14)                          | 275                                 | 0                                 | 275                                  | 273          | 1         | 273          | 99                |
| Fund Administration Unit                                  | 203                                | (2)                           | 201                                 | 0                                 | 201                                  | 200          | 1         | 201          | 100               |
| Common Operational Costs                                  | 393                                | (49)                          | 345                                 | 0                                 | 345                                  | 338          | 1         | 339          | 98                |
| Politico-Military Activities                              | 531                                | (98)                          | 433                                 | 0                                 | 433                                  | 425          | 0         | 425          | 98                |
| Economic and Environmental Activities                     | 501                                | 6                             | 507                                 | 0                                 | 507                                  | 501          | 0         | 501          | 99                |
| Democratization                                           | 266                                | 13                            | 279                                 | 0                                 | 279                                  | 278          | 0         | 278          | 100               |
| Human Rights                                              | 298                                | 10                            | 308                                 | 0                                 | 308                                  | 303          | 0         | 303          | 98                |
| Good Governance                                           | 329                                | 23                            | 352                                 | 0                                 | 352                                  | 349          | 0         | 349          | 99                |
| <b>TOTAL</b>                                              | <b>2,809</b>                       | <b>(109)</b>                  | <b>2,700</b>                        | <b>0</b>                          | <b>2,700</b>                         | <b>2,666</b> | <b>3</b>  | <b>2,669</b> | <b>99</b>         |
| <b>Office in Baku</b>                                     |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                 | 227                                | (3)                           | 223                                 | 0                                 | 223                                  | 221          | 1         | 222          | 99                |
| Fund Administration Unit                                  | 220                                | 52                            | 271                                 | 0                                 | 271                                  | 269          | 2         | 270          | 100               |
| Common Operational Costs                                  | 554                                | 5                             | 559                                 | (2)                               | 557                                  | 550          | 2         | 551          | 99                |
| Politico-Military Activities                              | 614                                | (29)                          | 586                                 | 0                                 | 586                                  | 584          | 1         | 585          | 100               |
| Economic and Environmental Activities                     | 370                                | (7)                           | 363                                 | 0                                 | 363                                  | 357          | 1         | 357          | 99                |
| Democratization                                           | 410                                | (9)                           | 401                                 | 0                                 | 401                                  | 396          | 3         | 399          | 100               |
| Rule of Law and Human Rights                              | 442                                | (20)                          | 423                                 | 2                                 | 424                                  | 422          | 2         | 424          | 100               |
| <b>TOTAL</b>                                              | <b>2,836</b>                       | <b>(10)</b>                   | <b>2,826</b>                        | <b>0</b>                          | <b>2,826</b>                         | <b>2,798</b> | <b>11</b> | <b>2,809</b> | <b>99</b>         |
| <b>High Level Planning Group</b>                          |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                 | 245                                | (84)                          | 161                                 | 0                                 | 161                                  | 161          | 0         | 161          | 100               |
| <b>TOTAL</b>                                              | <b>245</b>                         | <b>(84)</b>                   | <b>161</b>                          | <b>0</b>                          | <b>161</b>                           | <b>161</b>   | <b>0</b>  | <b>161</b>   | <b>100</b>        |
| <b>The Minsk Process</b>                                  |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                 | 953                                | 0                             | 953                                 | 0                                 | 953                                  | 504          | 12        | 516          | 54                |
| <b>TOTAL</b>                                              | <b>953</b>                         | <b>0</b>                      | <b>953</b>                          | <b>0</b>                          | <b>953</b>                           | <b>504</b>   | <b>12</b> | <b>516</b>   | <b>54</b>         |
| <b>Personal Representative of the CiO on the Conflict</b> |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>Dealt with by the Minsk Conference</b>                 |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                 | 581                                | (13)                          | 567                                 | 0                                 | 567                                  | 563          | 4         | 567          | 100               |
| Fund Administration Unit                                  | 193                                | 13                            | 207                                 | 0                                 | 207                                  | 207          | 0         | 207          | 100               |
| Common Operational Costs                                  | 381                                | 0                             | 381                                 | 0                                 | 381                                  | 378          | 3         | 381          | 100               |
| <b>TOTAL</b>                                              | <b>1,155</b>                       | <b>0</b>                      | <b>1,155</b>                        | <b>0</b>                          | <b>1,155</b>                         | <b>1,147</b> | <b>7</b>  | <b>1,155</b> | <b>100</b>        |
| <b>TOTAL FOR CAUCASUS</b>                                 | <b>7,999</b>                       | <b>(204)</b>                  | <b>7,796</b>                        | <b>0</b>                          | <b>7,796</b>                         | <b>7,276</b> | <b>35</b> | <b>7,311</b> | <b>94</b>         |

# Budget and Expenditure Report as at 31 December 2011

| Fund<br>Main Programme<br>Programme                      | Approved<br>Budget<br>(PC.DEC/981) | PC<br>Authorized<br>Transfers | Budget<br>Revision<br>(PC.DEC/1030) | Transfers<br>Fin. Reg.<br>3.02(b) | Revised<br>Budget after<br>Transfers | Disbursement | ULO       | Expenditure  | Utiliz.<br>Rate % |
|----------------------------------------------------------|------------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------|-----------|--------------|-------------------|
| EUR '000                                                 |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>CENTRAL ASIA</b>                                      |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| <b>Centre in Astana</b>                                  |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                | 244                                | (19)                          | 225                                 | 0                                 | 225                                  | 219          | 2         | 221          | 98                |
| Fund Administration Unit                                 | 249                                | 2                             | 251                                 | 0                                 | 251                                  | 233          | 18        | 251          | 100               |
| Common Operational Costs                                 | 364                                | (18)                          | 345                                 | 0                                 | 345                                  | 336          | 4         | 340          | 99                |
| Politico-Military Activities                             | 445                                | (1)                           | 445                                 | 0                                 | 445                                  | 425          | 7         | 432          | 97                |
| Economic and Environmental Activities                    | 451                                | 10                            | 461                                 | 0                                 | 461                                  | 445          | 6         | 451          | 98                |
| Human Dimension Activities                               | 451                                | (13)                          | 437                                 | 0                                 | 437                                  | 407          | 8         | 415          | 95                |
| <b>TOTAL</b>                                             | <b>2,204</b>                       | <b>(40)</b>                   | <b>2,164</b>                        | <b>0</b>                          | <b>2,164</b>                         | <b>2,066</b> | <b>45</b> | <b>2,111</b> | <b>98</b>         |
| <b>Centre in Ashgabat</b>                                |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                | 256                                | (22)                          | 234                                 | 0                                 | 234                                  | 233          | 0         | 233          | 99                |
| Fund Administration Unit                                 | 165                                | (24)                          | 142                                 | 0                                 | 142                                  | 140          | 2         | 141          | 100               |
| Common Operational Costs                                 | 262                                | (19)                          | 243                                 | 0                                 | 243                                  | 238          | 4         | 242          | 99                |
| Conflict Prevention and Confidence and Security Building | 260                                | (32)                          | 228                                 | 0                                 | 228                                  | 225          | 2         | 227          | 99                |
| Economic and Environmental Activities                    | 211                                | (24)                          | 187                                 | 0                                 | 187                                  | 185          | 0         | 185          | 99                |
| Human Dimension Activities                               | 247                                | (1)                           | 246                                 | 0                                 | 246                                  | 245          | 0         | 245          | 99                |
| <b>TOTAL</b>                                             | <b>1,402</b>                       | <b>(122)</b>                  | <b>1,280</b>                        | <b>0</b>                          | <b>1,280</b>                         | <b>1,266</b> | <b>7</b>  | <b>1,273</b> | <b>99</b>         |
| <b>Centre in Bishkek</b>                                 |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                | 1,041                              | (21)                          | 1,020                               | 0                                 | 1,020                                | 1,018        | 1         | 1,019        | 100               |
| Fund Administration Unit                                 | 423                                | 13                            | 437                                 | 0                                 | 437                                  | 435          | 1         | 436          | 100               |
| Common Operational Costs                                 | 747                                | (25)                          | 722                                 | 0                                 | 722                                  | 709          | 4         | 713          | 99                |
| Politico-Military Activities                             | 1,401                              | 27                            | 1,428                               | 0                                 | 1,428                                | 1,426        | 1         | 1,427        | 100               |
| Economic and Environmental Activities                    | 960                                | (29)                          | 932                                 | 0                                 | 932                                  | 926          | 2         | 929          | 100               |
| Human Dimension Activities                               | 1,056                              | 55                            | 1,111                               | 0                                 | 1,111                                | 1,108        | 1         | 1,109        | 100               |
| Police Reform Programme                                  | 1,138                              | (20)                          | 1,118                               | 0                                 | 1,118                                | 1,107        | 3         | 1,110        | 99                |
| <b>TOTAL</b>                                             | <b>6,768</b>                       | <b>0</b>                      | <b>6,768</b>                        | <b>0</b>                          | <b>6,768</b>                         | <b>6,729</b> | <b>14</b> | <b>6,743</b> | <b>100</b>        |
| <b>Project Co-ordinator in Uzbekistan</b>                |                                    |                               |                                     |                                   |                                      |              |           |              |                   |
| Office of Head of Mission                                | 174                                | (6)                           | 168                                 | 0                                 | 168                                  | 166          | 0         | 167          | 99                |
| Fund Administration Unit                                 | 95                                 | (4)                           | 91                                  | 0                                 | 91                                   | 91           | 1         | 91           | 100               |
| Common Operational Costs                                 | 252                                | 3                             | 255                                 | 0                                 | 255                                  | 252          | 0         | 252          | 99                |
| Politico-Military Activities                             | 407                                | (9)                           | 399                                 | 0                                 | 399                                  | 396          | 0         | 396          | 99                |
| Economic and Environmental Activities                    | 524                                | 5                             | 529                                 | 0                                 | 529                                  | 526          | 1         | 527          | 100               |
| Human Dimension Activities                               | 500                                | (29)                          | 471                                 | 0                                 | 471                                  | 468          | 1         | 469          | 100               |
| <b>TOTAL</b>                                             | <b>1,952</b>                       | <b>(40)</b>                   | <b>1,912</b>                        | <b>0</b>                          | <b>1,912</b>                         | <b>1,898</b> | <b>4</b>  | <b>1,902</b> | <b>99</b>         |

**Budget and Expenditure Report as at 31 December 2011**

| <b>Fund<br/>Main Programme<br/>Programme</b>                | <b>Approved<br/>Budget<br/>(PC.DEC/981)</b> | <b>PC<br/>Authorized<br/>Transfers</b> | <b>Budget<br/>Revision<br/>(PC.DEC/1030)</b> | <b>Transfers<br/>Fin. Reg.<br/>3.02(b)</b> | <b>Revised<br/>Budget after<br/>Transfers</b> | <b>Disbursement</b> | <b>ULO</b> | <b>Expenditure</b> | <b>Utiliz.<br/>Rate %</b> |
|-------------------------------------------------------------|---------------------------------------------|----------------------------------------|----------------------------------------------|--------------------------------------------|-----------------------------------------------|---------------------|------------|--------------------|---------------------------|
| EUR '000                                                    |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| <b>Office in Tajikistan</b>                                 |                                             |                                        |                                              |                                            |                                               |                     |            |                    |                           |
| Office of Head of Mission                                   | 1,036                                       | (59)                                   | 977                                          | 0                                          | 977                                           | 975                 | 2          | 977                | 100                       |
| Fund Administration Unit                                    | 477                                         | (29)                                   | 448                                          | 0                                          | 448                                           | 436                 | 9          | 445                | 99                        |
| Common Operational Costs                                    | 1,376                                       | 89                                     | 1,465                                        | 0                                          | 1,465                                         | 1,438               | 21         | 1,458              | 100                       |
| Political and Military Aspects of Security                  | 1,126                                       | 45                                     | 1,171                                        | 0                                          | 1,171                                         | 1,169               | 0          | 1,169              | 100                       |
| Economic and Environmental Activities                       | 951                                         | (100)                                  | 851                                          | 0                                          | 851                                           | 841                 | 0          | 841                | 99                        |
| Human Dimension Activities                                  | 1,009                                       | (59)                                   | 950                                          | 0                                          | 950                                           | 948                 | 1          | 950                | 100                       |
| <b>TOTAL</b>                                                | <b>5,975</b>                                | <b>(114)</b>                           | <b>5,861</b>                                 | <b>0</b>                                   | <b>5,861</b>                                  | <b>5,807</b>        | <b>33</b>  | <b>5,840</b>       | <b>100</b>                |
| <b>TOTAL FOR CENTRAL ASIA</b>                               | <b>18,300</b>                               | <b>(315)</b>                           | <b>17,984</b>                                | <b>0</b>                                   | <b>17,984</b>                                 | <b>17,766</b>       | <b>104</b> | <b>17,869</b>      | <b>99</b>                 |
| <b>TOTAL FOR FUNDS RELATED TO THE OSCE FIELD OPERATIONS</b> | <b>96,928</b>                               | <b>(2,405)</b>                         | <b>94,523</b>                                | <b>0</b>                                   | <b>94,523</b>                                 | <b>93,055</b>       | <b>642</b> | <b>93,697</b>      | <b>99</b>                 |
| <b>TOTAL OSCE UNIFIED BUDGET</b>                            | <b>150,765</b>                              | <b>(3,600)</b>                         | <b>147,165</b>                               | <b>0</b>                                   | <b>147,165</b>                                | <b>144,979</b>      | <b>957</b> | <b>145,936</b>     | <b>99</b>                 |



## Chapter III – Financial Statements



# STATEMENT 1: OSCE Consolidated Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

| EUR '000                                       |      | TOTAL OSCE     |                |
|------------------------------------------------|------|----------------|----------------|
|                                                | Note | 2011           | 2010           |
| Assessed Contributions                         | 1.5  | 147,165        | 151,524        |
| Extra-Budgetary Contributions                  | 15   | 17,186         | 24,563         |
| Miscellaneous Income                           | 1.5  | 1,235          | 703            |
| Currency Exchange Adjustments                  | 1.11 | (85)           | 643            |
| Savings on Prior Year Unliquidated Obligations | 9    | 1,153          | 1,343          |
| Other Adjustments                              | 16   | (199)          | 114            |
| <b>TOTAL INCOME</b>                            | 1.5  | <b>166,454</b> | <b>178,891</b> |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | <b>173,095</b> | <b>168,686</b> |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | <b>(6,641)</b> | <b>10,204</b>  |
| Transfer between Funds                         |      | 0              | 1,890          |
| Less Credits to Participating States/Transfers | 1.7  | (4,894)        | (10,173)       |
| Refund of Unspent XB Contributions to Donors   |      | (876)          | (2,083)        |
| Fund Balance as at 1 January                   |      | 60,244         | 60,406         |
| <b>Fund Balance as at 31 December</b>          | 1.8  | <b>47,833</b>  | <b>60,244</b>  |

# STATEMENT 2: OSCE Consolidated Statement of Assets, Liabilities and Fund Balance

as at 31 December 2011

| EUR '000                                            |      | TOTAL OSCE    |               |
|-----------------------------------------------------|------|---------------|---------------|
|                                                     | Note | 2011          | 2010          |
| <b>ASSETS</b>                                       |      |               |               |
| <b>Current Assets</b>                               |      |               |               |
| Cash and Short-term Deposits Budgetary              | 3    | 28,503        | 25,416        |
| Cash and Short-term Deposits Extra-Budgetary        | 3    | 35,725        | 50,133        |
| Assessed Contributions Receivable                   | 4.1  | 8,929         | 8,598         |
| Allowance for Assessed Contributions Receivable     | 4.3  | (4,898)       | 0             |
| Accounts Receivable                                 | 5    | 2,524         | 2,400         |
| Prepaid Expenses and Advances                       | 6    | 2,210         | 5,210         |
|                                                     |      | <b>72,993</b> | <b>91,757</b> |
| <b>Non-Current Assets</b>                           |      |               |               |
| Other Non-Current Assets                            | 7    | 273           | 0             |
|                                                     |      | <b>273</b>    | <b>0</b>      |
| <b>TOTAL ASSETS</b>                                 |      | <b>73,266</b> | <b>91,757</b> |
| <b>LIABILITIES</b>                                  |      |               |               |
| <b>Current Liabilities</b>                          |      |               |               |
| Accounts Payable                                    | 8    | 4,189         | 3,807         |
| Reserve for Unliquidated Obligations                | 9    | 7,828         | 9,572         |
| Funds Held for Third Parties                        | 10   | 3,799         | 3,673         |
| Contributions Received in Advance                   | 11   | 8,016         | 8,012         |
| Other Current Liabilities                           |      | 559           | 373           |
| Current Employee Benefits                           | 12.1 | 5,078         | 866           |
|                                                     |      | <b>29,469</b> | <b>26,303</b> |
| <b>Non-Current Liabilities</b>                      |      |               |               |
| Non-Current Employee Benefits                       | 12.2 | 2,608         | 0             |
|                                                     |      | <b>2,608</b>  | <b>0</b>      |
| <b>TOTAL LIABILITIES</b>                            |      | <b>32,077</b> | <b>26,303</b> |
| <b>RESERVES AND FUND BALANCE</b>                    |      |               |               |
| Unallocated Surplus                                 | 1.7  | 281           | 321           |
| Revolving Fund                                      | 1.3  | 2,710         | 2,710         |
| Contingency Fund                                    | 1.3  | 2,180         | 2,180         |
| IPSAS Initial Adoption Reserve                      | 1.9  | (11,815)      | 0             |
| Fund Balance                                        | 1.8  | 47,833        | 60,244        |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |      | <b>41,189</b> | <b>65,455</b> |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |      | <b>73,266</b> | <b>91,757</b> |

### STATEMENT 3: OSCE Consolidated Statement of Cash Flow

for the Year Ending 31 December 2011

| EUR '000                                                         | TOTAL OSCE      |          |
|------------------------------------------------------------------|-----------------|----------|
|                                                                  | 2011            | 2010     |
| <b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>         | <b>(6,641)</b>  | 10,204   |
| (Increase)/Decrease in Assessed Contributions Receivable         | <b>(330)</b>    | (2,028)  |
| Increase/(Decrease) in Allowance for Assessed Contributions Rec. | <b>4,898</b>    | 0        |
| (Increase)/Decrease in Accounts Receivable                       | <b>(124)</b>    | (175)    |
| (Increase)/Decrease in Prepaid Expenditure and Advances          | <b>2,999</b>    | (1,556)  |
| Increase/(Decrease) in Other Non-Current Assets                  | <b>(273)</b>    | 0        |
| Increase/(Decrease) in Contributions Received in Advance         | <b>3</b>        | (6,265)  |
| Increase/(Decrease) in Reserve for Unliquidated Obligations      | <b>(1,744)</b>  | (6,099)  |
| Increase/(Decrease) in Accounts Payable                          | <b>382</b>      | 1,155    |
| Increase/(Decrease) in Other Current Liabilities                 | <b>186</b>      | (159)    |
| Increase/(Decrease) in Current Employee Benefits                 | <b>4,213</b>    | 0        |
| Increase/(Decrease) in Non-Current Employee Benefits             | <b>2,608</b>    | 0        |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                   | <b>6,177</b>    | (4,922)  |
| Increase/(Decrease) in Unallocated Surplus                       | <b>(40)</b>     | (49)     |
| Increase/(Decrease) in Funds Held for Third Parties              | <b>127</b>      | (1,174)  |
| Credits to Participating States/Transfers                        | <b>(4,894)</b>  | (10,173) |
| Refund of Unspent Extra-Budgetary Contribution to Donors         | <b>(876)</b>    | (2,083)  |
| Transfer between Funds                                           | <b>0</b>        | 1,890    |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve            | <b>(11,815)</b> | 0        |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                   | <b>(17,498)</b> | (11,589) |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                           | <b>(11,321)</b> | (16,511) |

## STATEMENT 4: Summary of all OSCE Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

| EUR '000                                       |      | Total Institutions |         | Total Field Operations |         | Total Unified Budget |          | Network Operating System |       | Total Extra-Budgetary Funds |         | TOTAL OSCE     |          |
|------------------------------------------------|------|--------------------|---------|------------------------|---------|----------------------|----------|--------------------------|-------|-----------------------------|---------|----------------|----------|
|                                                | Note | 2011               | 2010    | 2011                   | 2010    | 2011                 | 2010     | 2011                     | 2010  | 2011                        | 2010    | 2011           | 2010     |
| Assessed Contributions                         | 1.5  | <b>52,642</b>      | 52,742  | <b>94,523</b>          | 98,782  | <b>147,165</b>       | 151,524  | <b>0</b>                 | 0     | <b>0</b>                    | 0       | <b>147,165</b> | 151,524  |
| Extra-Budgetary Contributions                  | 15   | <b>0</b>           | 0       | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 0     | <b>17,186</b>               | 24,563  | <b>17,186</b>  | 24,563   |
| Miscellaneous Income                           | 1.5  | <b>1,103</b>       | 298     | <b>132</b>             | 406     | <b>1,235</b>         | 703      | <b>0</b>                 | 0     | <b>0</b>                    | 0       | <b>1,235</b>   | 703      |
| Currency Exchange Adjustments                  | 1.11 | <b>(102)</b>       | (214)   | <b>(8)</b>             | 122     | <b>(110)</b>         | (93)     | <b>0</b>                 | 0     | <b>25</b>                   | 736     | <b>(85)</b>    | 643      |
| Savings on Prior Year Unliquidated Obligations | 9    | <b>545</b>         | 491     | <b>560</b>             | 852     | <b>1,105</b>         | 1,343    | <b>49</b>                | 0     | <b>0</b>                    | 0       | <b>1,153</b>   | 1,343    |
| Other Adjustments                              | 16   | <b>0</b>           | 0       | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 0     | <b>(199)</b>                | 114     | <b>(199)</b>   | 114      |
| <b>TOTAL INCOME</b>                            | 1.5  | <b>54,187</b>      | 53,317  | <b>95,207</b>          | 100,161 | <b>149,394</b>       | 153,478  | <b>49</b>                | 0     | <b>17,011</b>               | 25,412  | <b>166,454</b> | 178,891  |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | <b>52,239</b>      | 52,317  | <b>93,697</b>          | 97,634  | <b>145,936</b>       | 149,950  | <b>1,563</b>             | 111   | <b>25,597</b>               | 18,625  | <b>173,095</b> | 168,686  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | <b>1,949</b>       | 1,000   | <b>1,510</b>           | 2,528   | <b>3,459</b>         | 3,528    | <b>(1,514)</b>           | (111) | <b>(8,586)</b>              | 6,787   | <b>(6,641)</b> | 10,204   |
| Transfer between Funds                         |      | <b>0</b>           | 0       | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 1,890 | <b>0</b>                    | 0       | <b>0</b>       | 1,890    |
| Less Credits to Participating States/Transfers | 1.7  | <b>(2,604)</b>     | (6,713) | <b>(2,290)</b>         | (3,460) | <b>(4,894)</b>       | (10,173) | <b>0</b>                 | 0     | <b>0</b>                    | 0       | <b>(4,894)</b> | (10,173) |
| Refund of Unspent XB Contributions to Donors   |      | <b>0</b>           | 0       | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 0     | <b>(876)</b>                | (2,083) | <b>(876)</b>   | (2,083)  |
| Fund Balance as at 1 January                   |      | <b>7,039</b>       | 12,751  | <b>7,957</b>           | 8,889   | <b>14,995</b>        | 21,640   | <b>1,779</b>             | 0     | <b>43,470</b>               | 38,765  | <b>60,244</b>  | 60,406   |
| <b>Fund Balance as at 31 December</b>          | 1.8  | <b>6,383</b>       | 7,039   | <b>7,177</b>           | 7,957   | <b>13,560</b>        | 14,995   | <b>265</b>               | 1,779 | <b>34,008</b>               | 43,470  | <b>47,833</b>  | 60,244   |

# STATEMENT 5: Summary of all OSCE Statement of Assets, Liabilities and Fund Balance

as at 31 December 2011

| EUR '000                                            |      | Total Institutions |        | Total Field Operations |        | Total Unified Budget |        | Network Operating System |       | Total Extra-Budgetary Funds |        | TOTAL OSCE |         |
|-----------------------------------------------------|------|--------------------|--------|------------------------|--------|----------------------|--------|--------------------------|-------|-----------------------------|--------|------------|---------|
|                                                     | Note | 2011               | 2010   | 2011                   | 2010   | 2011                 | 2010   | 2011                     | 2010  | 2011                        | 2010   | 2011       | 2010    |
| <b>ASSETS</b>                                       |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| <b>Current Assets</b>                               |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| Cash and Short-term Dep. Budgetary                  | 3    | 25,867             | 23,313 | 2,635                  | 2,104  | 28,503               | 25,416 | 0                        | 0     | 0                           | 0      | 28,503     | 25,416  |
| Cash and Short-term Dep. Extra-Budgetary            | 3    | 35,725             | 50,133 | 0                      | 0      | 35,725               | 50,133 | 0                        | 0     | 0                           | 0      | 35,725     | 50,133  |
| Assessed Contributions Receivable                   | 4.1  | 4,277              | 4,050  | 4,651                  | 4,540  | 8,929                | 8,590  | 0                        | 0     | 0                           | 0      | 8,929      | 8,590   |
| Allowance for Assessed Contributions Receivable     | 4.3  | (2,763)            | 0      | (2,134)                | 0      | (4,898)              | 0      | 0                        | 0     | 0                           | 0      | (4,898)    | 0       |
| Accounts Receivable                                 | 5    | 1,788              | 1,753  | 736                    | 655    | 2,524                | 2,409  | 0                        | 0     | 0                           | 0      | 2,524      | 2,409   |
| Prepaid Expenses and Advances                       | 6    | 1,310              | 3,729  | 901                    | 1,481  | 2,210                | 5,210  | 0                        | 0     | 0                           | 0      | 2,210      | 5,210   |
| Due From Other Funds                                |      | 46                 | 78     | 4,668                  | 6,657  | 4,714                | 6,734  | 395                      | 1,831 | 37,934                      | 47,201 | 43,042     | 55,766  |
|                                                     |      | 66,250             | 83,055 | 11,457                 | 15,437 | 77,707               | 98,492 | 395                      | 1,831 | 37,934                      | 47,201 | 116,035    | 147,524 |
| <b>Non-Current Assets</b>                           |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| Other Non-Current Assets                            | 7    | 206                | 0      | 67                     | 0      | 273                  | 0      | 0                        | 0     | 0                           | 0      | 273        | 0       |
|                                                     |      | 206                | 0      | 67                     | 0      | 273                  | 0      | 0                        | 0     | 0                           | 0      | 273        | 0       |
| <b>TOTAL ASSETS</b>                                 |      | 66,456             | 83,055 | 11,524                 | 15,437 | 77,980               | 98,492 | 395                      | 1,831 | 37,934                      | 47,201 | 116,308    | 147,524 |
| <b>LIABILITIES</b>                                  |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| <b>Current Liabilities</b>                          |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| Accounts Payable                                    | 8    | 2,227              | 1,594  | 1,961                  | 2,213  | 4,189                | 3,807  | 0                        | 0     | 0                           | 0      | 4,189      | 3,807   |
| Reserve for Unliquidated Obligations                | 9    | 1,500              | 2,434  | 2,514                  | 3,513  | 4,014                | 5,947  | 130                      | 52    | 3,684                       | 3,573  | 7,828      | 9,572   |
| Funds Held for Third Parties                        | 10   | 3,779              | 3,656  | 20                     | 17     | 3,799                | 3,673  | 0                        | 0     | 0                           | 0      | 3,799      | 3,673   |
| Contributions Received in Advance                   | 11   | 8,016              | 8,012  | 0                      | 0      | 8,016                | 8,012  | 0                        | 0     | 0                           | 0      | 8,016      | 8,012   |
| Due To Other Funds                                  |      | 41,726             | 54,654 | 1,316                  | 1,111  | 43,042               | 55,766 | 0                        | 0     | 0                           | 0      | 43,042     | 55,766  |
| Other Current Liabilities                           |      | 208                | 20     | 109                    | 195    | 317                  | 215    | 0                        | 0     | 241                         | 158    | 559        | 373     |
| Current Employee Benefits                           | 12.1 | 1,529              | 434    | 3,548                  | 431    | 5,077                | 866    | 0                        | 0     | 0                           | 0      | 5,077      | 866     |
|                                                     |      | 58,985             | 70,804 | 9,468                  | 7,480  | 68,454               | 78,286 | 130                      | 52    | 3,925                       | 3,731  | 72,510     | 82,069  |
| <b>Non-Current Liabilities</b>                      |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| Non-Current Employee Benefits                       | 12.2 | 2,131              | 0      | 459                    | 0      | 2,590                | 0      | 0                        |       | 19                          |        | 2,608      | 0       |
|                                                     |      | 2,131              | 0      | 459                    | 0      | 2,590                | 0      | 0                        | 0     | 19                          | 0      | 2,608      | 0       |
| <b>TOTAL LIABILITIES</b>                            |      | 61,116             | 70,804 | 9,927                  | 7,480  | 71,044               | 78,286 | 130                      | 52    | 3,944                       | 3,731  | 75,118     | 82,069  |
| <b>RESERVES AND FUND BALANCE</b>                    |      |                    |        |                        |        |                      |        |                          |       |                             |        |            |         |
| Unallocated Surplus                                 | 1.7  | 281                | 321    | 0                      | 0      | 281                  | 321    | 0                        | 0     | 0                           | 0      | 281        | 321     |
| Revolving Fund                                      | 1.3  | 2,710              | 2,710  | 0                      | 0      | 2,710                | 2,710  | 0                        | 0     | 0                           | 0      | 2,710      | 2,710   |
| Contingency Fund                                    | 1.3  | 2,180              | 2,180  | 0                      | 0      | 2,180                | 2,180  | 0                        | 0     | 0                           | 0      | 2,180      | 2,180   |
| IPSAS Initial Adoption Reserve                      | 1.9  | (6,215)            | 0      | (5,580)                | 0      | (11,795)             | 0      | 0                        | 0     | (19)                        | 0      | (11,815)   | 0       |
| Fund Balance                                        | 1.8  | 6,383              | 7,039  | 7,177                  | 7,957  | 13,560               | 14,995 | 265                      | 1,779 | 34,008                      | 43,470 | 47,833     | 60,244  |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |      | 5,339              | 12,250 | 1,597                  | 7,957  | 6,936                | 20,206 | 265                      | 1,779 | 33,989                      | 43,470 | 41,189     | 65,455  |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |      | 66,456             | 83,055 | 11,524                 | 15,437 | 77,980               | 98,492 | 395                      | 1,831 | 37,934                      | 47,201 | 116,308    | 147,524 |

## STATEMENT 6: Summary of all OSCE Statement of Cash Flow

for the Year Ending 31 December 2011

| EUR '000                                                               | Total Institutions |          | Total Field Operations |         | Total Unified Budget |          | Network Operating System |         | Total Extra-Budgetary Funds |         | TOTAL OSCE      |          |
|------------------------------------------------------------------------|--------------------|----------|------------------------|---------|----------------------|----------|--------------------------|---------|-----------------------------|---------|-----------------|----------|
|                                                                        | 2011               | 2010     | 2011                   | 2010    | 2011                 | 2010     | 2011                     | 2010    | 2011                        | 2010    | 2011            | 2010     |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>                   | <b>1,949</b>       | 1,000    | <b>1,511</b>           | 2,528   | <b>3,460</b>         | 3,528    | <b>(1,514)</b>           | (111)   | <b>(8,586)</b>              | 6,787   | <b>(6,641)</b>  | 10,204   |
| (Increase)/Decrease in Assessed Contributions Receivable               | <b>(219)</b>       | (619)    | <b>(111)</b>           | (1,401) | <b>(330)</b>         | (2,019)  | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(330)</b>    | (2,019)  |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | <b>2,763</b>       | 0        | <b>2,134</b>           | 0       | <b>4,897</b>         | 0        | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>4,898</b>    | 0        |
| (Increase)/Decrease in Accounts Receivable                             | <b>(42)</b>        | 14       | <b>(82)</b>            | (198)   | <b>(124)</b>         | (183)    | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(124)</b>    | (183)    |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | <b>2,418</b>       | (1,510)  | <b>580</b>             | (45)    | <b>2,998</b>         | (1,556)  | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>2,999</b>    | (1,556)  |
| Increase/(Decrease) in Other Non-Current Assets                        | <b>(206)</b>       | 0        | <b>(66)</b>            | 0       | <b>(272)</b>         | 0        | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(273)</b>    | 0        |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | <b>31</b>          | 1,183    | <b>1,989</b>           | 4,091   | <b>2,020</b>         | 5,274    | <b>1,436</b>             | (1,831) | <b>9,266</b>                | (1,518) | <b>12,722</b>   | 1,925    |
| Increase/(Decrease) in Contributions Received in Advance               | <b>3</b>           | (5,856)  | <b>0</b>               | (409)   | <b>3</b>             | (6,265)  | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>3</b>        | (6,265)  |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | <b>(934)</b>       | (772)    | <b>(999)</b>           | (2,141) | <b>(1,933)</b>       | (2,913)  | <b>78</b>                | 52      | <b>111</b>                  | (3,238) | <b>(1,744)</b>  | (6,099)  |
| Increase/(Decrease) in Accounts Payable                                | <b>633</b>         | 190      | <b>(251)</b>           | 964     | <b>382</b>           | 1,155    | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>382</b>      | 1,155    |
| Increase/(Decrease) in Other Current Liabilities                       | <b>188</b>         | (189)    | <b>(86)</b>            | (21)    | <b>102</b>           | (210)    | <b>0</b>                 | 0       | <b>84</b>                   | 52      | <b>186</b>      | (159)    |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | <b>(12,928)</b>    | (1,138)  | <b>206</b>             | (787)   | <b>(12,722)</b>      | (1,925)  | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(12,722)</b> | (1,925)  |
| Increase/(Decrease) in Current Employee Benefits                       | <b>1,095</b>       | 0        | <b>3,117</b>           | 0       | <b>4,212</b>         | 0        | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>4,212</b>    | 0        |
| Increase/(Decrease) in Non-Current Employee Benefits                   | <b>2,131</b>       | 0        | <b>459</b>             | 0       | <b>2,590</b>         | 0        | <b>0</b>                 | 0       | <b>19</b>                   | 0       | <b>2,608</b>    | 0        |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>(3,118)</b>     | (7,697)  | <b>8,401</b>           | 2,581   | <b>5,283</b>         | (5,114)  | <b>0</b>                 | (1,890) | <b>894</b>                  | 2,083   | <b>6,176</b>    | (4,922)  |
| (Increase)/Decrease in Unallocated Surplus                             | <b>(40)</b>        | (49)     | <b>0</b>               | 0       | <b>(40)</b>          | (49)     | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(40)</b>     | (49)     |
| Increase/(Decrease) in Funds Held for Third Parties                    | <b>123</b>         | (1,163)  | <b>4</b>               | (11)    | <b>127</b>           | (1,174)  | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>127</b>      | (1,174)  |
| Credits to Participating States/ Transfers                             | <b>(2,604)</b>     | (6,713)  | <b>(2,290)</b>         | (3,460) | <b>(4,894)</b>       | (10,173) | <b>0</b>                 | 0       | <b>0</b>                    | 0       | <b>(4,894)</b>  | (10,173) |
| Refund of Unspent Extra-Budgetary Contribution to Donors               | <b>0</b>           | 0        | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 0       | <b>(876)</b>                | (2,083) | <b>(876)</b>    | (2,083)  |
| Transfer between Funds                                                 | <b>0</b>           | 0        | <b>0</b>               | 0       | <b>0</b>             | 0        | <b>0</b>                 | 1,890   | <b>0</b>                    | 0       | <b>0</b>        | 1,890    |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | <b>(6,215)</b>     | 0        | <b>(5,580)</b>         | 0       | <b>(11,796)</b>      | 0        | <b>0</b>                 | 0       | <b>(19)</b>                 | 0       | <b>(11,815)</b> | 0        |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>(8,736)</b>     | (7,925)  | <b>(7,866)</b>         | (3,471) | <b>(16,603)</b>      | (11,396) | <b>0</b>                 | 1,890   | <b>(895)</b>                | (2,083) | <b>(17,497)</b> | (11,589) |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>(11,854)</b>    | (15,622) | <b>534</b>             | (890)   | <b>(11,320)</b>      | (16,510) | <b>0</b>                 | 0       | <b>(1)</b>                  | 0       | <b>(11,321)</b> | (16,511) |

## STATEMENT 7: Summary of all OSCE Statement of Cash Surplus\*

for the Year Ending 31 December 2011

|                                                    | Total Institutions |           | Total Field Operations |           | Total Unified Budget |            |
|----------------------------------------------------|--------------------|-----------|------------------------|-----------|----------------------|------------|
| EUR '000                                           | 2011               | 2010      | 2011                   | 2010      | 2011                 | 2010       |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>           | <b>1,949</b>       | 1,000     | <b>1,510</b>           | 2,528     | <b>3,459</b>         | 3,528      |
| Add Contributions Receivable as at 1 January       | <b>4,058</b>       | 3,431     | <b>4,540</b>           | 3,139     | <b>8,598</b>         | 6,571      |
| Less Contributions Receivable as at 31 December    | <b>(4,277)</b>     | (4,058)   | <b>(4,652)</b>         | (4,540)   | <b>(8,929)</b>       | (8,598)    |
| <b>CASH SURPLUS FOR THE YEAR</b>                   | <b>1,730</b>       | 374       | <b>1,398</b>           | 1,127     | <b>3,128</b>         | 1,500      |
| <br>Cash Surplus as at 1 January                   | <br><b>2,981</b>   | <br>9,320 | <br><b>3,417</b>       | <br>5,750 | <br><b>6,397</b>     | <br>15,070 |
| Less Credits to Participating States/Transfers     | <b>(2,604)</b>     | (6,713)   | <b>(2,290)</b>         | (3,460)   | <b>(4,894)</b>       | (10,173)   |
| <b>Cash Surplus as at 31 December</b>              | <b>2,106</b>       | 2,981     | <b>2,525</b>           | 3,417     | <b>4,631</b>         | 6,397      |
| <br>Add Contributions Receivable as at 31 December | <br><b>4,277</b>   | <br>4,058 | <br><b>4,652</b>       | <br>4,540 | <br><b>8,929</b>     | <br>8,598  |
| <b>Fund Balance as at 31 December</b>              | <b>6,383</b>       | 7,039     | <b>7,177</b>           | 7,957     | <b>13,560</b>        | 14,995     |

\* See Note 1.7



## STATEMENT 8: OSCE Secretariat and Institutions, Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                |      | The Secretariat |         | Office for<br>Democratic<br>Institutions and<br>Human Rights |        | High<br>Commissioner on<br>National<br>Minorities |       | Representative on<br>Freedom of the<br>Media |       | Total Secretariat and<br>Institutions |         |
|------------------------------------------------|------|-----------------|---------|--------------------------------------------------------------|--------|---------------------------------------------------|-------|----------------------------------------------|-------|---------------------------------------|---------|
|                                                |      |                 |         |                                                              |        |                                                   |       |                                              |       |                                       |         |
| EUR '000                                       |      |                 |         |                                                              |        |                                                   |       |                                              |       |                                       |         |
|                                                | Note | 2011            | 2010    | 2011                                                         | 2010   | 2011                                              | 2010  | 2011                                         | 2010  | 2011                                  | 2010    |
| Assessed Contributions                         | 1.5  | 32,402          | 32,332  | 15,516                                                       | 15,704 | 3,310                                             | 3,314 | 1,414                                        | 1,393 | 52,642                                | 52,742  |
| Miscellaneous Income                           | 1.5  | 1,082           | 286     | 21                                                           | 10     | 0                                                 | 0     | 0                                            | 2     | 1,103                                 | 298     |
| Currency Exchange Adjustments                  | 1.11 | (56)            | (75)    | (45)                                                         | (137)  | 0                                                 | (1)   | 0                                            | 0     | (102)                                 | (214)   |
| Savings on Prior Year Unliquidated Obligations | 9    | 465             | 289     | 71                                                           | 185    | 0                                                 | 8     | 9                                            | 9     | 545                                   | 491     |
| <b>TOTAL INCOME</b>                            | 1.5  | <b>33,893</b>   | 32,832  | <b>15,563</b>                                                | 15,762 | <b>3,310</b>                                      | 3,321 | <b>1,423</b>                                 | 1,404 | <b>54,188</b>                         | 53,317  |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | <b>32,095</b>   | 31,998  | <b>15,449</b>                                                | 15,622 | <b>3,280</b>                                      | 3,312 | <b>1,414</b>                                 | 1,385 | <b>52,239</b>                         | 52,317  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | <b>1,798</b>    | 834     | <b>114</b>                                                   | 140    | <b>30</b>                                         | 9     | <b>9</b>                                     | 19    | <b>1,949</b>                          | 1,000   |
| Less Credits to Participating States/Transfers | 1.7  | (2,512)         | (6,637) | (81)                                                         | (52)   | (5)                                               | 3     | (6)                                          | (27)  | (2,604)                               | (6,713) |
| Fund Balance as at 1 January                   |      | 5,525           | 11,329  | 1,181                                                        | 1,093  | 227                                               | 216   | 105                                          | 114   | 7,039                                 | 12,751  |
| <b>Fund Balance as at 31 December</b>          | 1.8  | <b>4,811</b>    | 5,526   | <b>1,214</b>                                                 | 1,181  | <b>252</b>                                        | 228   | <b>108</b>                                   | 106   | <b>6,384</b>                          | 7,038   |

# STATEMENT 9: OSCE Secretariat and Institutions, Statement of Asset, Liabilities and Fund Balance

as at 31 December 2011

|                                                 |      | The Secretariat |        | Office for Democratic<br>Institutions and Human<br>Rights |       | High Commissioner on<br>National Minorities |      | Representative on<br>Freedom of the Media |      | Total Secretariat and<br>Institutions |        |
|-------------------------------------------------|------|-----------------|--------|-----------------------------------------------------------|-------|---------------------------------------------|------|-------------------------------------------|------|---------------------------------------|--------|
| EUR '000                                        |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| ASSETS                                          | Note | 2011            | 2010   | 2011                                                      | 2010  | 2011                                        | 2010 | 2011                                      | 2010 | 2011                                  | 2010   |
| Current Assets                                  |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Cash and Short-term Deposit Budgetary           | 3    | 24,962          | 22,416 | 754                                                       | 777   | 152                                         | 119  | 0                                         | 0    | 25,867                                | 23,312 |
| Cash and Short-term Deposit Extra-Budgetary     | 3    | 35,725          | 50,133 | 0                                                         | 0     | 0                                           | 0    | 0                                         | 0    | 35,725                                | 50,133 |
| Assessed Contributions Receivable               | 4.1  | 2,670           | 2,542  | 1,228                                                     | 1,163 | 270                                         | 253  | 108                                       | 100  | 4,277                                 | 4,058  |
| Allowance for Assessed Contributions Receivable | 4.3  | (1,742)         | 0      | (780)                                                     | 0     | (174)                                       | 0    | (67)                                      | 0    | (2,763)                               | 0      |
| Accounts Receivable                             | 5    | 1,684           | 1,635  | 85                                                        | 90    | 20                                          | 20   | 0                                         | 0    | 1,789                                 | 1,745  |
| Prepaid Expenses and Advances                   | 6    | 552             | 2,065  | 577                                                       | 1,470 | 182                                         | 193  | 0                                         | 0    | 1,310                                 | 3,728  |
| Due From Other Funds                            |      | 0               | 0      | 0                                                         | 0     | 0                                           | 0    | 46                                        | 78   | 46                                    | 78     |
|                                                 |      | 63,851          | 78,791 | 1,864                                                     | 3,501 | 450                                         | 584  | 87                                        | 178  | 66,251                                | 83,054 |
| Non-Current Assets                              |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Other Non-Current Assets                        | 7    | 170             | 0      | 36                                                        | 0     | 0                                           | 0    | 0                                         | 0    | 206                                   | 0      |
|                                                 |      | 170             | 0      | 36                                                        | 0     | 0                                           | 0    | 0                                         | 0    | 206                                   | 0      |
| TOTAL ASSETS                                    |      | 64,021          | 78,791 | 1,900                                                     | 3,501 | 450                                         | 584  | 87                                        | 178  | 66,457                                | 83,054 |
| LIABILITIES                                     |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Current Liabilities                             |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Accounts Payable                                | 8    | 1,241           | 1,019  | 899                                                       | 518   | 90                                          | 57   | (3)                                       | 0    | 2,227                                 | 1,594  |
| Reserve for Unliquidated Obligations            | 9    | 1,077           | 1,548  | 376                                                       | 840   | 2                                           | 9    | 45                                        | 37   | 1,500                                 | 2,434  |
| Funds Held for Third Parties                    | 10   | 3,601           | 3,479  | 178                                                       | 177   | 0                                           | 0    | 0                                         | 0    | 3,779                                 | 3,656  |
| Contributions Received in Advance               | 11   | 8,016           | 8,012  | 0                                                         | 0     | 0                                           | 0    | 0                                         | 0    | 8,016                                 | 8,012  |
| Due To Other Funds                              |      | 41,483          | 53,632 | (21)                                                      | 732   | 267                                         | 291  | 0                                         | 0    | 41,728                                | 54,655 |
| Other Current Liabilities                       |      | 195             | 20     | 0                                                         | 0     | 12                                          | 0    | 0                                         | 0    | 207                                   | 20     |
| Current Employee Benefits                       | 12.1 | 1,141           | 345    | 288                                                       | 54    | 65                                          | 0    | 36                                        | 36   | 1,530                                 | 435    |
|                                                 |      | 56,754          | 68,055 | 1,720                                                     | 2,320 | 436                                         | 357  | 78                                        | 73   | 58,987                                | 70,805 |
| Non-Current Liabilities                         |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Non-Current Employee Benefits                   | 12.2 | 1,580           | 0      | 345                                                       | 0     | 160                                         | 0    | 47                                        | 0    | 2,131                                 | 0      |
|                                                 |      | 1,580           | 0      | 345                                                       | 0     | 160                                         | 0    | 47                                        | 0    | 2,131                                 | 0      |
| TOTAL LIABILITIES                               |      | 58,334          | 68,055 | 2,065                                                     | 2,320 | 596                                         | 357  | 125                                       | 73   | 61,118                                | 70,805 |
| RESERVES AND FUND BALANCE                       |      |                 |        |                                                           |       |                                             |      |                                           |      |                                       |        |
| Unallocated surplus                             | 1.7  | 281             | 321    | 0                                                         | 0     | 0                                           | 0    | 0                                         | 0    | 281                                   | 321    |
| Revolving Fund                                  | 1.3  | 2,710           | 2,710  | 0                                                         | 0     | 0                                           | 0    | 0                                         | 0    | 2,710                                 | 2,710  |
| Contingency Fund                                | 1.3  | 2,180           | 2,180  | 0                                                         | 0     | 0                                           | 0    | 0                                         | 0    | 2,180                                 | 2,180  |
| IPSAS Initial Adoption Reserve                  | 1.9  | (4,292)         | 0      | (1,378)                                                   | 0     | (398)                                       | 0    | (146)                                     | 0    | (6,215)                               | 0      |
| Fund Balance                                    | 1.8  | 4,809           | 5,525  | 1,213                                                     | 1,181 | 252                                         | 227  | 108                                       | 105  | 6,383                                 | 7,038  |
| TOTAL RESERVES AND FUND BALANCE                 |      | 5,688           | 10,736 | (168)                                                     | 1,181 | (147)                                       | 227  | (38)                                      | 105  | 5,339                                 | 12,249 |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCE    |      | 64,021          | 78,791 | 1,900                                                     | 3,501 | 450                                         | 584  | 87                                        | 178  | 66,457                                | 83,054 |

## STATEMENT 10: Secretariat and Institutions, Statement of Cash Flow

for the Year Ending 31 December 2011

| EUR '000                                                               | The Secretariat |          | Office for Democratic Institutions and Human Rights |         | High Commissioner on National Minorities |      | Representative on Freedom of the Media |      | Total Secretariat and Institutions |          |
|------------------------------------------------------------------------|-----------------|----------|-----------------------------------------------------|---------|------------------------------------------|------|----------------------------------------|------|------------------------------------|----------|
|                                                                        | 2011            | 2010     | 2011                                                | 2010    | 2011                                     | 2010 | 2011                                   | 2010 | 2011                               | 2010     |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>                   | <b>1,796</b>    | 834      | <b>113</b>                                          | 140     | <b>30</b>                                | 9    | <b>9</b>                               | 18   | <b>1,949</b>                       | 1,000    |
| (Increase)/Decrease in Assessed Contributions Receivable               | <b>(128)</b>    | (366)    | <b>(65)</b>                                         | (203)   | <b>(17)</b>                              | (39) | <b>(9)</b>                             | (19) | <b>(219)</b>                       | (627)    |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | <b>1,742</b>    | 0        | <b>780</b>                                          | 0       | <b>174</b>                               | 0    | <b>67</b>                              | 0    | <b>2,763</b>                       | 0        |
| (Increase)/Decrease in Accounts Receivable                             | <b>(48)</b>     | 18       | <b>6</b>                                            | 10      | <b>0</b>                                 | (5)  | <b>0</b>                               | 0    | <b>(42)</b>                        | 23       |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | <b>1,514</b>    | (412)    | <b>892</b>                                          | (1,112) | <b>11</b>                                | 14   | <b>0</b>                               | 0    | <b>2,418</b>                       | (1,510)  |
| Increase/(Decrease) in Other Non-Current Assets                        | <b>(170)</b>    | 0        | <b>(36)</b>                                         | 0       | <b>0</b>                                 | 0    | <b>0</b>                               | 0    | <b>(206)</b>                       | 0        |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | <b>0</b>        | 0        | <b>0</b>                                            | 1,146   | <b>0</b>                                 | 0    | <b>31</b>                              | 37   | <b>31</b>                          | 1,183    |
| Increase/(Decrease) in Contributions Received in Advance               | <b>3</b>        | (5,856)  | <b>0</b>                                            | 0       | <b>0</b>                                 | 0    | <b>0</b>                               | 0    | <b>3</b>                           | (5,856)  |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | <b>(472)</b>    | (312)    | <b>(463)</b>                                        | (412)   | <b>(7)</b>                               | (40) | <b>8</b>                               | (8)  | <b>(934)</b>                       | (772)    |
| Increase/(Decrease) in Accounts Payable                                | <b>221</b>      | 371      | <b>382</b>                                          | (108)   | <b>33</b>                                | (72) | <b>(3)</b>                             | (1)  | <b>633</b>                         | 190      |
| Increase/(Decrease) in Other Current Liabilities                       | <b>177</b>      | (188)    | <b>0</b>                                            | (1)     | <b>11</b>                                | 0    | <b>0</b>                               | 0    | <b>188</b>                         | (189)    |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | <b>(12,149)</b> | (2,010)  | <b>(753)</b>                                        | 732     | <b>(24)</b>                              | 140  | <b>0</b>                               | 0    | <b>(12,926)</b>                    | (1,138)  |
| Increase/(Decrease) in Current Employee Benefits                       | <b>796</b>      | 0        | <b>234</b>                                          | 0       | <b>64</b>                                | 0    | <b>1</b>                               | 0    | <b>1,095</b>                       | 0        |
| Increase/(Decrease) in Non-Current Employee Benefits                   | <b>1,580</b>    | 0        | <b>345</b>                                          | 0       | <b>160</b>                               | 0    | <b>47</b>                              | 0    | <b>2,131</b>                       | 0        |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>(5,138)</b>  | (7,921)  | <b>1,435</b>                                        | 192     | <b>435</b>                               | 7    | <b>151</b>                             | 27   | <b>(3,116)</b>                     | (7,696)  |
| Increase/(Decrease) in Unallocated Surplus                             | <b>(40)</b>     | (49)     | <b>0</b>                                            | 0       | <b>0</b>                                 | 0    | <b>0</b>                               | 0    | <b>(40)</b>                        | (49)     |
| Increase/(Decrease) in Funds Held for Third Parties                    | <b>122</b>      | (1,162)  | <b>1</b>                                            | (1)     | <b>0</b>                                 | 0    | <b>0</b>                               | 0    | <b>123</b>                         | (1,163)  |
| Credits to Participating States/Transfers                              | <b>(2,512)</b>  | (6,637)  | <b>(81)</b>                                         | (52)    | <b>(5)</b>                               | 3    | <b>(6)</b>                             | (27) | <b>(2,604)</b>                     | (6,713)  |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | <b>(4,292)</b>  | 0        | <b>(1,378)</b>                                      | 0       | <b>(398)</b>                             | 0    | <b>(146)</b>                           | 0    | <b>(6,215)</b>                     | 0        |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>(6,722)</b>  | (7,849)  | <b>(1,458)</b>                                      | (53)    | <b>(403)</b>                             | 3    | <b>(152)</b>                           | (27) | <b>(8,736)</b>                     | (7,926)  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>(11,860)</b> | (15,770) | <b>(23)</b>                                         | 139     | <b>32</b>                                | 10   | <b>(1)</b>                             | 0    | <b>(11,852)</b>                    | (15,621) |

**STATEMENT 11: Secretariat and Institutions, Statement of Cash Surplus\***  
for the Year Ending 31 December 2011

|                                                    | The Secretariat  |           | Office for Democratic<br>Institutions<br>and Human Rights |           | High Commissioner<br>on National Minorities |         | Representative on<br>Freedom of the Media |         | Total Secretariat and<br>Institutions |           |
|----------------------------------------------------|------------------|-----------|-----------------------------------------------------------|-----------|---------------------------------------------|---------|-------------------------------------------|---------|---------------------------------------|-----------|
| EUR '000                                           |                  |           |                                                           |           |                                             |         |                                           |         |                                       |           |
|                                                    | 2011             | 2010      | 2011                                                      | 2010      | 2011                                        | 2010    | 2011                                      | 2010    | 2011                                  | 2010      |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>           | <b>1,796</b>     | 834       | <b>113</b>                                                | 140       | <b>30</b>                                   | 9       | <b>9</b>                                  | 18      | <b>1,949</b>                          | 1,000     |
| Add Contributions Receivable as at 1 January       | <b>2,542</b>     | 2,176     | <b>1,163</b>                                              | 960       | <b>253</b>                                  | 214     | <b>100</b>                                | 81      | <b>4,058</b>                          | 3,431     |
| Less Contributions Receivable as at 31 December    | <b>(2,670)</b>   | (2,542)   | <b>(1,228)</b>                                            | (1,163)   | <b>(270)</b>                                | (253)   | <b>(108)</b>                              | (100)   | <b>(4,277)</b>                        | (4,058)   |
| <b>CASH SURPLUS FOR THE YEAR</b>                   | <b>1,668</b>     | 468       | <b>48</b>                                                 | (64)      | <b>13</b>                                   | (31)    | <b>0</b>                                  | 0       | <b>1,730</b>                          | 374       |
| <br><b>Cash Surplus as at 1 January</b>            | <br><b>2,983</b> | <br>9,152 | <br><b>18</b>                                             | <br>133   | <br><b>(26)</b>                             | <br>2   | <br><b>5</b>                              | <br>33  | <br><b>2,981</b>                      | <br>9,320 |
| Less Credits to Participating States/Transfers     | <b>(2,512)</b>   | (6,637)   | <b>(81)</b>                                               | (52)      | <b>(5)</b>                                  | 3       | <b>(6)</b>                                | (27)    | <b>(2,604)</b>                        | (6,713)   |
| Cash Surplus as at 31 December                     | <b>2,139</b>     | 2,983     | <b>(15)</b>                                               | 18        | <b>(17)</b>                                 | (26)    | <b>0</b>                                  | 5       | <b>2,106</b>                          | 2,981     |
| <br>Add Contributions Receivable as at 31 December | <br><b>2,670</b> | <br>2,542 | <br><b>1,228</b>                                          | <br>1,163 | <br><b>270</b>                              | <br>253 | <br><b>108</b>                            | <br>100 | <br><b>4,277</b>                      | <br>4,058 |
| <b>Fund Balance as at 31 December</b>              | <b>4,809</b>     | 5,525     | <b>1,213</b>                                              | 1,181     | <b>252</b>                                  | 227     | <b>108</b>                                | 105     | <b>6,383</b>                          | 7,039     |

\* See Note 1.7

## STATEMENT 12: Summary by Region OSCE Field Operations Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                |      | Augmentations* |       | South-Eastern Europe |         | Eastern Europe |       | Caucasus |         | Central Asia |        | Total Regions |         | Closed Funds |       | GRAND TOTAL |         |
|------------------------------------------------|------|----------------|-------|----------------------|---------|----------------|-------|----------|---------|--------------|--------|---------------|---------|--------------|-------|-------------|---------|
| EUR '000                                       |      |                |       |                      |         |                |       |          |         |              |        |               |         |              |       |             |         |
|                                                | Note | 2011           | 2010  | 2011                 | 2010    | 2011           | 2010  | 2011     | 2010    | 2011         | 2010   | 2011          | 2010    | 2011         | 2010  | 2011        | 2010    |
| Assessed Contributions                         | 1.5  | 5,255          | 5,195 | 58,892               | 61,912  | 4,597          | 5,775 | 7,796    | 7,806   | 17,984       | 18,094 | 94,523        | 98,782  | 0            | 0     | 94,523      | 98,782  |
| Miscellaneous Income                           | 1.5  | 0              | 0     | 57                   | 339     | 27             | 10    | 14       | 57      | 34           | 0      | 132           | 406     | 0            | 0     | 132         | 406     |
| Currency Exchange Adjustments                  | 1.11 | 0              | 0     | 44                   | 56      | 6              | 119   | (25)     | (13)    | (33)         | (41)   | (8)           | 122     | 0            | 0     | (8)         | 122     |
| Savings on Prior Year Unliquidated Obligations | 9    | 1              | 8     | 304                  | 480     | 40             | 18    | 43       | 257     | 173          | 88     | 560           | 852     | 0            | 0     | 560         | 852     |
| <b>TOTAL INCOME</b>                            | 1.5  | 5,255          | 5,203 | 59,296               | 62,787  | 4,669          | 5,923 | 7,828    | 8,107   | 18,158       | 18,141 | 95,207        | 100,161 | 0            | 0     | 95,207      | 100,161 |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | 5,239          | 5,048 | 58,680               | 61,618  | 4,598          | 5,525 | 7,311    | 7,442   | 17,869       | 18,000 | 93,697        | 97,634  | 0            | 0     | 93,697      | 97,634  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | 17             | 155   | 616                  | 1,169   | 71             | 398   | 517      | 666     | 289          | 141    | 1,510         | 2,528   | 0            | 0     | 1,510       | 2,528   |
| Transfers between Funds                        |      | 0              | 0     | 0                    | 0       | 0              | 0     | 0        | (2,186) | 0            | 0      | 0             | (2,186) | 0            | 2,186 | 0           | 0       |
| Less Credits to Participating States/Transfers | 1.7  | 27             | (73)  | (1,191)              | (1,330) | 87             | (210) | (62)     | (655)   | (292)        | (575)  | (1,431)       | (2,843) | (859)        | (617) | (2,290)     | (3,460) |
| Fund Balance as at 1 January                   |      | 163            | 81    | 4,010                | 4,170   | 467            | 279   | 726      | 2,902   | 780          | 1,215  | 6,145         | 8,647   | 1,812        | 242   | 7,957       | 8,889   |
| <b>Fund Balance as at 31 December</b>          | 1.8  | 206            | 163   | 3,435                | 4,010   | 625            | 467   | 1,181    | 726     | 776          | 780    | 6,224         | 6,145   | 953          | 1,812 | 7,177       | 7,957   |

\* See Note 1.3

# STATEMENT 13: Summary by Region OSCE Field Operations Statement of Assets, Liabilities and Fund Balance

as at 31 December 2011

| EUR '000                                            |      | Augmentations* |      | South-Eastern Europe |       | Eastern Europe |      | Caucasus |       | Central Asia |       | Total Regions |        | Closed Funds |       | GRAND TOTAL |        |
|-----------------------------------------------------|------|----------------|------|----------------------|-------|----------------|------|----------|-------|--------------|-------|---------------|--------|--------------|-------|-------------|--------|
|                                                     | Note | 2011           | 2010 | 2011                 | 2010  | 2011           | 2010 | 2011     | 2010  | 2011         | 2010  | 2011          | 2010   | 2011         | 2010  | 2011        | 2010   |
| <b>ASSETS</b>                                       |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| <b>Current Assets</b>                               |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| Cash and Short-term Deposit Budgetary               | 3    | 0              | 0    | 1,144                | 811   | 71             | 143  | 324      | 340   | 1,096        | 810   | 2,635         | 2,104  | 0            | 0     | 2,635       | 2,104  |
| Assessed Contributions Receivable                   | 4    | 158            | 128  | 2,797                | 2,692 | 217            | 237  | 345      | 315   | 710          | 682   | 4,227         | 4,054  | 424          | 486   | 4,651       | 4,540  |
| Allowance for Assessed Contributions Receivable     | 4    | (20)           | 0    | (1,209)              | 0     | (110)          | 0    | (140)    | 0     | (231)        | 0     | (1,710)       | 0      | (424)        | 0     | (2,134)     | 0      |
| Accounts Receivable                                 | 5    | 0              | 0    | 566                  | 499   | 147            | 110  | 0        | 0     | 23           | 46    | 736           | 655    | 0            | 0     | 736         | 655    |
| Prepaid Expenses and Advances                       | 6    | 0              | 0    | 404                  | 621   | 18             | 195  | 176      | 197   | 303          | 468   | 901           | 1,481  | 0            | 0     | 901         | 1,481  |
| Due From Other Funds                                |      | 189            | 61   | 1,745                | 3,074 | 374            | 265  | 669      | 365   | 809          | 1,213 | 3,786         | 4,978  | 882          | 1,678 | 4,668       | 6,656  |
|                                                     |      | 327            | 190  | 5,448                | 7,697 | 717            | 950  | 1,374    | 1,217 | 2,710        | 3,219 | 10,576        | 13,272 | 882          | 2,165 | 11,457      | 15,437 |
| <b>Non-Current Assets</b>                           |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| Other Non-Current Assets                            | 7    | 0              | 0    | 2                    | 0     | 6              | 0    | 0        | 0     | 58           | 0     | 67            | 0      | 0            | 0     | 67          | 0      |
|                                                     |      | 0              | 0    | 2                    | 0     | 6              | 0    | 0        | 0     | 58           | 0     | 67            | 0      | 0            | 0     | 67          | 0      |
| <b>TOTAL ASSETS</b>                                 |      | 327            | 190  | 5,450                | 7,697 | 723            | 950  | 1,374    | 1,217 | 2,768        | 3,219 | 10,642        | 13,272 | 882          | 2,165 | 11,524      | 15,437 |
| <b>LIABILITIES</b>                                  |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| <b>Current Liabilities</b>                          |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| Accounts Payable                                    | 8    | 0              | 0    | 768                  | 1,148 | 93             | 66   | 59       | 86    | 1,041        | 912   | 1,961         | 2,213  | 0            | 0     | 1,961       | 2,213  |
| Reserve for Unliquidated Obligations                | 9    | 113            | 18   | 1,168                | 1,513 | 89             | 253  | 230      | 291   | 915          | 1,439 | 2,514         | 3,513  | 0            | 0     | 2,514       | 3,513  |
| Funds Held for Third Parties                        | 10   | 0              | 0    | 20                   | 16    | 0              | 0    | 0        | 0     | 0            | 0     | 20            | 17     | 0            | 0     | 20          | 17     |
| Due To Other Funds                                  |      | 0              | 0    | 722                  | 495   | 21             | 160  | 33       | 104   | 187          | 0     | 963           | 759    | 353          | 353   | 1,316       | 1,112  |
| Other Current Liabilities                           |      | 0              | 0    | 97                   | 185   | 2              | 1    | 1        | 1     | 9            | 8     | 109           | 195    | 0            | 0     | 109         | 195    |
| Current Employee Benefits                           | 12.1 | 269            | 9    | 2,780                | 332   | 92             | 2    | 120      | 9     | 287          | 79    | 3,548         | 431    | 0            | 0     | 3,548       | 431    |
|                                                     |      | 382            | 27   | 5,555                | 3,687 | 297            | 483  | 443      | 491   | 2,439        | 2,438 | 9,115         | 7,128  | 353          | 353   | 9,468       | 7,481  |
| <b>Non-Current Liabilities</b>                      |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| Non-Current Employee Benefits                       | 12.2 | 217            | 0    | 183                  | 0     | 8              | 0    | 10       | 0     | 41           | 0     | 459           | 0      | 0            | 0     | 459         | 0      |
|                                                     |      | 217            | 0    | 183                  | 0     | 8              | 0    | 10       | 0     | 41           | 0     | 459           | 0      | 0            | 0     | 459         | 0      |
| <b>TOTAL LIABILITIES</b>                            |      | 599            | 27   | 5,738                | 3,687 | 305            | 483  | 453      | 491   | 2,480        | 2,438 | 9,574         | 7,128  | 353          | 353   | 9,927       | 7,481  |
| <b>RESERVES AND FUND BALANCE</b>                    |      |                |      |                      |       |                |      |          |       |              |       |               |        |              |       |             |        |
| IPSAS Initial Adoption Reserve                      | 1.9  | (478)          | 0    | (3,723)              | 0     | (207)          | 0    | (260)    | 0     | (488)        | 0     | (5,156)       | 0      | (424)        | 0     | (5,580)     | 0      |
| Fund Balance                                        | 1.8  | 206            | 163  | 3,435                | 4,010 | 625            | 467  | 1,182    | 726   | 776          | 780   | 6,224         | 6,145  | 953          | 1,812 | 7,177       | 7,957  |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |      | (272)          | 163  | (288)                | 4,010 | 418            | 467  | 922      | 726   | 288          | 780   | 1,068         | 6,145  | 529          | 1,812 | 1,597       | 7,957  |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |      | 327            | 190  | 5,450                | 7,697 | 723            | 950  | 1,375    | 1,217 | 2,768        | 3,218 | 10,642        | 13,272 | 882          | 2,165 | 11,524      | 15,437 |

\* See Note 1.3

## STATEMENT 14: Summary by Region OSCE Field Operations Statement of Cash Flow

for the Year Ending 31 December 2011

| EUR '000                                                         | Augmentations* |      | South-Eastern Europe |         | Eastern Europe |         | Caucasus     |         | Central Asia |       | Total Regions  |         | Closed Funds   |         | GRAND TOTAL    |         |
|------------------------------------------------------------------|----------------|------|----------------------|---------|----------------|---------|--------------|---------|--------------|-------|----------------|---------|----------------|---------|----------------|---------|
|                                                                  | 2011           | 2010 | 2011                 | 2010    | 2011           | 2010    | 2011         | 2010    | 2011         | 2010  | 2011           | 2010    | 2011           | 2010    | 2011           | 2010    |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>             | <b>17</b>      | 155  | <b>616</b>           | 1,169   | <b>71</b>      | 398     | <b>518</b>   | 666     | <b>289</b>   | 141   | <b>1,511</b>   | 2,528   | <b>0</b>       | 0       | <b>1,511</b>   | 2,528   |
| (Increase)/Decrease in Assessed Contributions Receivable         | <b>(30)</b>    | (93) | <b>(105)</b>         | (878)   | <b>20</b>      | (81)    | <b>(30)</b>  | 256     | <b>(28)</b>  | (335) | <b>(173)</b>   | (1,131) | <b>62</b>      | (270)   | <b>(111)</b>   | (1,401) |
| Increase/(Decrease) in Allowance for Assessed Contributions Rec. | <b>20</b>      | 0    | <b>1,209</b>         | 0       | <b>110</b>     | 0       | <b>140</b>   | 0       | <b>231</b>   | 0     | <b>1,710</b>   | 0       | <b>424</b>     | 0       | <b>2,134</b>   | 0       |
| (Increase)/Decrease in Accounts Receivable                       | <b>0</b>       | 0    | <b>(68)</b>          | (258)   | <b>(37)</b>    | 32      | <b>0</b>     | 0       | <b>23</b>    | 28    | <b>(82)</b>    | (198)   | <b>0</b>       | 0       | <b>(82)</b>    | (198)   |
| (Increase)/Decrease in Prepaid Expenditure and Advances          | <b>0</b>       | 0    | <b>217</b>           | (120)   | <b>177</b>     | 190     | <b>21</b>    | (73)    | <b>165</b>   | (43)  | <b>580</b>     | (45)    | <b>0</b>       | 0       | <b>580</b>     | (45)    |
| Increase/(Decrease) in Other Non-Current Assets                  | <b>0</b>       | 0    | <b>(2)</b>           | 0       | <b>(6)</b>     | 0       | <b>0</b>     | 0       | <b>(58)</b>  | 0     | <b>(66)</b>    | 0       | <b>0</b>       | 0       | <b>(66)</b>    | 0       |
| (Increase)/Decrease in Inter-Fund Balances Receivable            | <b>(128)</b>   | 60   | <b>1,329</b>         | 2,985   | <b>(109)</b>   | (148)   | <b>(304)</b> | 2,650   | <b>404</b>   | (143) | <b>1,192</b>   | 5,404   | <b>796</b>     | (1,313) | <b>1,989</b>   | 4,091   |
| Increase/(Decrease) in Contributions Received in Advance         | <b>0</b>       | 0    | <b>0</b>             | 0       | <b>0</b>       | 0       | <b>0</b>     | (409)   | <b>0</b>     | 0     | <b>0</b>       | (409)   | <b>0</b>       | 0       | <b>0</b>       | (409)   |
| Increase/(Decrease) in Reserve for Unliquidated Obligations      | <b>95</b>      | (48) | <b>(345)</b>         | (2,506) | <b>(164)</b>   | 104     | <b>(61)</b>  | (112)   | <b>(524)</b> | 422   | <b>(999)</b>   | (2,141) | <b>0</b>       | 0       | <b>(999)</b>   | (2,141) |
| Increase/(Decrease) in Accounts Payable                          | <b>0</b>       | 0    | <b>(379)</b>         | 491     | <b>27</b>      | (76)    | <b>(27)</b>  | 4       | <b>128</b>   | 546   | <b>(251)</b>   | 964     | <b>0</b>       | 0       | <b>(251)</b>   | 964     |
| Increase/(Decrease) in Other Current Liabilities                 | <b>0</b>       | 0    | <b>(88)</b>          | 75      | <b>1</b>       | (8)     | <b>1</b>     | (90)    | <b>0</b>     | 3     | <b>(86)</b>    | (21)    | <b>0</b>       | 0       | <b>(86)</b>    | (21)    |
| Increase/(Decrease) in Inter-Fund Balances Payable               | <b>0</b>       | 0    | <b>228</b>           | 319     | <b>(138)</b>   | (1,224) | <b>(71)</b>  | 104     | <b>187</b>   | 0     | <b>206</b>     | (801)   | <b>0</b>       | 13      | <b>206</b>     | (787)   |
| Increase/(Decrease) in Current Employee Benefits                 | <b>260</b>     | 0    | <b>2,448</b>         | 0       | <b>90</b>      | 0       | <b>110</b>   | 0       | <b>208</b>   | 0     | <b>3,117</b>   | 0       | <b>0</b>       | 0       | <b>3,117</b>   | 0       |
| Increase/(Decrease) in Non-Current Employee Benefits             | <b>217</b>     | 0    | <b>183</b>           | 0       | <b>8</b>       | 0       | <b>10</b>    | 0       | <b>41</b>    | 0     | <b>459</b>     | 0       | <b>0</b>       | 0       | <b>459</b>     | 0       |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                   | <b>451</b>     | 74   | <b>5,243</b>         | 1,277   | <b>50</b>      | (813)   | <b>307</b>   | 2,996   | <b>1,066</b> | 619   | <b>7,118</b>   | 4,150   | <b>1,283</b>   | (1,570) | <b>8,401</b>   | 2,581   |
| Increase/(Decrease) in Funds Held for Third Parties              | <b>0</b>       | 0    | <b>4</b>             | (11)    | <b>0</b>       | 0       | <b>0</b>     | 0       | <b>0</b>     | 0     | <b>4</b>       | (11)    | <b>0</b>       | 0       | <b>4</b>       | (11)    |
| Credits to Participating States                                  | <b>27</b>      | (73) | <b>(1,191)</b>       | (1,330) | <b>87</b>      | (210)   | <b>(62)</b>  | (655)   | <b>(292)</b> | (575) | <b>(1,431)</b> | (2,843) | <b>(859)</b>   | (617)   | <b>(2,290)</b> | (3,460) |
| Transfer between Funds                                           | <b>0</b>       | 0    | <b>0</b>             | 0       | <b>0</b>       | 0       | <b>0</b>     | (2,186) | <b>0</b>     | 0     | <b>0</b>       | (2,186) | <b>0</b>       | 2,186   | <b>0</b>       | 0       |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve            | <b>(478)</b>   | 0    | <b>(3,723)</b>       | 0       | <b>(207)</b>   | 0       | <b>(260)</b> | 0       | <b>(488)</b> | 0     | <b>(5,156)</b> | 0       | <b>(424)</b>   | 0       | <b>(5,580)</b> | 0       |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                   | <b>(451)</b>   | (73) | <b>(4,910)</b>       | (1,341) | <b>(120)</b>   | (210)   | <b>(322)</b> | (2,841) | <b>(780)</b> | (575) | <b>(6,583)</b> | (5,040) | <b>(1,283)</b> | 1,569   | <b>(7,866)</b> | (3,471) |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                           | <b>0</b>       | 1    | <b>333</b>           | (64)    | <b>(70)</b>    | (1,023) | <b>(15)</b>  | 155     | <b>286</b>   | 44    | <b>534</b>     | (890)   | <b>0</b>       | (1)     | <b>534</b>     | (890)   |

\* See Note 1.3

## STATEMENT 15: Summary by Region OSCE Field Operations Statement of Cash Surplus\*

for the Year Ending 31 December 2011

| EUR '000                                           | Augmentations** |         | South-Eastern Europe |           | Eastern Europe |         | Caucasus       |           | Central Asia   |         | Total Regions    |           | Closed Funds     |         | GRAND TOTAL      |           |
|----------------------------------------------------|-----------------|---------|----------------------|-----------|----------------|---------|----------------|-----------|----------------|---------|------------------|-----------|------------------|---------|------------------|-----------|
|                                                    | 2011            | 2010    | 2011                 | 2010      | 2011           | 2010    | 2011           | 2010      | 2011           | 2010    | 2011             | 2010      | 2011             | 2010    | 2011             | 2010      |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>           | <b>17</b>       | 155     | <b>616</b>           | 1,169     | <b>71</b>      | 398     | <b>517</b>     | 666       | <b>289</b>     | 141     | <b>1,510</b>     | 2,528     | <b>0</b>         | 0       | <b>1,510</b>     | 2,528     |
| Add Contributions Receivable as at 1 January       | <b>128</b>      | 35      | <b>2,692</b>         | 1,814     | <b>237</b>     | 156     | <b>315</b>     | 571       | <b>682</b>     | 347     | <b>4,054</b>     | 2,923     | <b>486</b>       | 216     | <b>4,540</b>     | 3,139     |
| Less Contributions Receivable as at 31 December    | <b>(158)</b>    | (128)   | <b>(2,797)</b>       | (2,692)   | <b>(217)</b>   | (237)   | <b>(345)</b>   | (315)     | <b>(710)</b>   | (682)   | <b>(4,228)</b>   | (4,054)   | <b>(424)</b>     | (486)   | <b>(4,652)</b>   | (4,540)   |
| <b>CASH SURPLUS FOR THE YEAR</b>                   | <b>(13)</b>     | 61      | <b>511</b>           | 291       | <b>91</b>      | 317     | <b>487</b>     | 922       | <b>261</b>     | (194)   | <b>1,336</b>     | 1,396     | <b>62</b>        | (270)   | <b>1,398</b>     | 1,127     |
| <br>Cash Surplus as at 1 January                   | <br><b>35</b>   | <br>46  | <br><b>1,317</b>     | <br>2,356 | <br><b>230</b> | <br>124 | <br><b>411</b> | <br>2,331 | <br><b>98</b>  | <br>868 | <br><b>2,091</b> | <br>5,724 | <br><b>1,326</b> | <br>26  | <br><b>3,417</b> | <br>5,750 |
| Less Credits to Participating States/Transfers     | <b>27</b>       | (73)    | <b>(1,191)</b>       | (1,330)   | <b>87</b>      | (210)   | <b>(62)</b>    | (655)     | <b>(292)</b>   | (575)   | <b>(1,431)</b>   | (2,843)   | <b>(859)</b>     | (617)   | <b>(2,290)</b>   | (3,460)   |
| <b>Cash Surplus as at 31 December</b>              | <b>48</b>       | 35      | <b>638</b>           | 1,317     | <b>407</b>     | 230     | <b>836</b>     | 2,597     | <b>67</b>      | 98      | <b>1,996</b>     | 4,277     | <b>529</b>       | (861)   | <b>2,525</b>     | 3,417     |
| <br>Add Contributions Receivable as at 31 December | <br><b>158</b>  | <br>128 | <br><b>2,797</b>     | <br>2,692 | <br><b>217</b> | <br>237 | <br><b>345</b> | <br>315   | <br><b>710</b> | <br>682 | <br><b>4,228</b> | <br>4,054 | <br><b>424</b>   | <br>486 | <br><b>4,652</b> | <br>4,540 |
| <b>Fund Balance as at 31 December</b>              | <b>206</b>      | 163     | <b>3,435</b>         | 4,010     | <b>625</b>     | 467     | <b>1,181</b>   | 2,912     | <b>776</b>     | 780     | <b>6,224</b>     | 8,331     | <b>953</b>       | (374)   | <b>7,177</b>     | 7,957     |

\* See Note 1.7

\*\* See Note 1.3



## STATEMENT 16: OSCE Field Operations South-Eastern Europe, Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                |      | Mission in Kosovo |        | Tasks in Bosnia and Herzegovina |        | Office in Zagreb |       | Mission to Serbia |       | Presence in Albania |       | Mission to Skopje |       | Mission to Montenegro |       | TOTAL FOR SOUTH-EASTERN EUROPE |         |
|------------------------------------------------|------|-------------------|--------|---------------------------------|--------|------------------|-------|-------------------|-------|---------------------|-------|-------------------|-------|-----------------------|-------|--------------------------------|---------|
| EUR '000                                       |      |                   |        |                                 |        |                  |       |                   |       |                     |       |                   |       |                       |       |                                |         |
|                                                | Note | 2011              | 2010   | 2011                            | 2010   | 2011             | 2010  | 2011              | 2010  | 2011                | 2010  | 2011              | 2010  | 2011                  | 2010  | 2011                           | 2010    |
| Assessed Contributions                         | 1.5  | <b>22,606</b>     | 23,547 | <b>14,864</b>                   | 15,164 | <b>1,419</b>     | 1,514 | <b>7,447</b>      | 7,929 | <b>3,162</b>        | 3,227 | <b>7,018</b>      | 8,161 | <b>2,376</b>          | 2,371 | <b>58,892</b>                  | 61,912  |
| Miscellaneous Income                           | 1.5  | <b>29</b>         | 147    | <b>9</b>                        | 21     | <b>1</b>         | 0     | <b>14</b>         | 34    | <b>1</b>            | 13    | <b>4</b>          | 122   | <b>0</b>              | 2     | <b>57</b>                      | 339     |
| Currency Exchange Adjustments                  | 1.11 | <b>(2)</b>        | 0      | <b>0</b>                        | 0      | <b>10</b>        | 15    | <b>30</b>         | 32    | <b>11</b>           | 14    | <b>(5)</b>        | (6)   | <b>0</b>              | 0     | <b>44</b>                      | 56      |
| Savings on Prior Year Unliquidated Obligations | 9    | <b>38</b>         | 87     | <b>3</b>                        | 17     | <b>2</b>         | 2     | <b>207</b>        | 211   | <b>27</b>           | 42    | <b>27</b>         | 116   | <b>0</b>              | 5     | <b>304</b>                     | 480     |
| <b>TOTAL INCOME</b>                            | 1.5  | <b>22,671</b>     | 23,781 | <b>14,876</b>                   | 15,203 | <b>1,431</b>     | 1,531 | <b>7,698</b>      | 8,206 | <b>3,201</b>        | 3,297 | <b>7,043</b>      | 8,393 | <b>2,376</b>          | 2,377 | <b>59,296</b>                  | 62,787  |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | <b>22,559</b>     | 23,526 | <b>14,832</b>                   | 15,083 | <b>1,418</b>     | 1,503 | <b>7,426</b>      | 7,808 | <b>3,155</b>        | 3,221 | <b>7,000</b>      | 8,121 | <b>2,291</b>          | 2,357 | <b>58,680</b>                  | 61,618  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | <b>112</b>        | 254    | <b>44</b>                       | 119    | <b>13</b>        | 29    | <b>272</b>        | 398   | <b>47</b>           | 75    | <b>43</b>         | 272   | <b>85</b>             | 21    | <b>616</b>                     | 1,169   |
| Less Credits to Participating States/Transfers | 1.7  | <b>(46)</b>       | (848)  | <b>(116)</b>                    | (110)  | <b>(88)</b>      | (30)  | <b>(550)</b>      | (81)  | <b>(121)</b>        | (102) | <b>(212)</b>      | (133) | <b>(57)</b>           | (27)  | <b>(1,191)</b>                 | (1,330) |
| Fund Balance as at 1 January                   |      | <b>1,035</b>      | 1,628  | <b>628</b>                      | 618    | <b>(31)</b>      | (30)  | <b>1,177</b>      | 860   | <b>387</b>          | 414   | <b>715</b>        | 575   | <b>99</b>             | 105   | <b>4,010</b>                   | 4,170   |
| <b>Fund Balance as at 31 December</b>          | 1.8  | <b>1,102</b>      | 1,035  | <b>556</b>                      | 628    | <b>(107)</b>     | (31)  | <b>899</b>        | 1,177 | <b>312</b>          | 387   | <b>546</b>        | 715   | <b>127</b>            | 99    | <b>3,435</b>                   | 4,010   |

## STATEMENT 17: OSCE Field Operations South-Eastern Europe, Statement of Asset, Liabilities and Fund Balance

as at 31 December 2011

|                                                     |             | Mission in Kosovo |       | Tasks in Bosnia and Herzegovina |       | Office in Zagreb |      | Mission to Serbia |       | Presence in Albania |      | Mission to Skopje |       | Mission to Montenegro |      | TOTAL FOR SOUTH-EASTERN EUROPE |       |
|-----------------------------------------------------|-------------|-------------------|-------|---------------------------------|-------|------------------|------|-------------------|-------|---------------------|------|-------------------|-------|-----------------------|------|--------------------------------|-------|
| EUR '000                                            |             | 2011              | 2010  | 2011                            | 2010  | 2011             | 2010 | 2011              | 2010  | 2011                | 2010 | 2011              | 2010  | 2011                  | 2010 | 2011                           | 2010  |
| <b>ASSETS</b>                                       | <b>Note</b> |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| <b>Current Assets</b>                               |             |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| Cash and Short-term Deposit Budgetary               | 3           | 112               | 86    | 154                             | 121   | 77               | 90   | 340               | 243   | 65                  | 26   | 337               | 142   | 59                    | 104  | 1,144                          | 812   |
| Assessed Contributions Receivable                   | 4           | 1,104             | 1,069 | 654                             | 619   | 45               | 37   | 356               | 341   | 222                 | 218  | 343               | 345   | 74                    | 63   | 2,797                          | 2,692 |
| Allowance for Assessed Contributions Receivable     | 4           | (491)             | 0     | (254)                           | 0     | (7)              | 0    | (155)             | 0     | (137)               | 0    | (153)             | 0     | (12)                  | 0    | (1,209)                        | 0     |
| Accounts Receivable                                 | 5           | 0                 | 0     | 382                             | 165   | 0                | 0    | 0                 | 0     | 72                  | 178  | 112               | 156   | 0                     | 0    | 566                            | 499   |
| Prepaid Expenses and Advances                       | 6           | 26                | 136   | 0                               | 278   | 0                | 8    | 173               | 63    | 53                  | 103  | 21                | 30    | 132                   | 3    | 404                            | 621   |
| Due From Other Funds                                |             | 1,161             | 979   | 0                               | 0     | 0                | 0    | 464               | 1,189 | 120                 | 323  | 0                 | 583   | 0                     | 0    | 1,745                          | 3,074 |
|                                                     |             | 1,912             | 2,270 | 936                             | 1,183 | 115              | 135  | 1,178             | 1,836 | 395                 | 848  | 660               | 1,256 | 253                   | 170  | 5,448                          | 7,698 |
| <b>Non-Current Assets</b>                           |             |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| Other Non-Current Assets                            | 7           | 0                 | 0     | 0                               | 0     | 0                | 0    | 2                 | 0     | 0                   | 0    | 0                 | 0     | 0                     | 0    | 2                              | 0     |
|                                                     |             | 0                 | 0     | 0                               | 0     | 0                | 0    | 2                 | 0     | 0                   | 0    | 0                 | 0     | 0                     | 0    | 2                              | 0     |
| <b>TOTAL ASSETS</b>                                 |             | 1,912             | 2,270 | 936                             | 1,183 | 115              | 135  | 1,180             | 1,836 | 395                 | 848  | 660               | 1,256 | 253                   | 170  | 5,450                          | 7,698 |
| <b>LIABILITIES</b>                                  |             |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| Accounts Payable                                    | 8           | 266               | 412   | 137                             | 78    | 3                | 15   | 227               | 177   | 71                  | 245  | 50                | 221   | 15                    | 1    | 768                            | 1,149 |
| Reserve for Unliquidated Obligations                | 9           | 552               | 597   | 63                              | 151   | 16               | 8    | 189               | 263   | 133                 | 210  | 173               | 270   | 41                    | 15   | 1,168                          | 1,514 |
| Funds Held for Third Parties                        | 10          | 0                 | 0     | 5                               | 3     | 0                | 0    | 0                 | 0     | 0                   | 0    | 15                | 13    | 0                     | 0    | 20                             | 16    |
| Due To Other Funds                                  |             | 0                 | 0     | 414                             | 298   | 208              | 143  | 0                 | 0     | 0                   | 0    | 19                | 0     | 81                    | 54   | 722                            | 495   |
| Other Current Liabilities                           |             | 100               | 159   | 4                               | 15    | 0                | 0    | 0                 | 0     | (7)                 | 0    | 0                 | 11    | 0                     | 0    | 97                             | 185   |
| Current Employee Benefits                           | 12.1        | 1,131             | 67    | 676                             | 10    | 335              | 0    | 237               | 219   | 104                 | 6    | 246               | 27    | 51                    | 1    | 2,780                          | 330   |
|                                                     |             | 2,049             | 1,235 | 1,299                           | 555   | 562              | 166  | 653               | 659   | 301                 | 461  | 503               | 542   | 188                   | 71   | 5,555                          | 3,689 |
| <b>Non-Current Liabilities</b>                      |             |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| Non-Current Employee Benefits                       | 12.2        | 89                | 0     | 36                              | 0     | 0                | 0    | 17                | 0     | 12                  | 0    | 23                | 0     | 6                     | 0    | 183                            | 0     |
|                                                     |             | 89                | 0     | 36                              | 0     | 0                | 0    | 17                | 0     | 12                  | 0    | 23                | 0     | 6                     | 0    | 183                            | 0     |
| <b>TOTAL LIABILITIES</b>                            |             | 2,138             | 1,235 | 1,335                           | 555   | 562              | 166  | 670               | 659   | 313                 | 461  | 526               | 542   | 194                   | 71   | 5,738                          | 3,689 |
| <b>RESERVES AND FUND BALANCE</b>                    |             |                   |       |                                 |       |                  |      |                   |       |                     |      |                   |       |                       |      |                                |       |
| IPSAS Initial Adoption Reserve                      | 1.9         | (1,327)           | 0     | (954)                           | 0     | (341)            | 0    | (389)             | 0     | (231)               | 0    | (413)             | 0     | (68)                  | 0    | (3,723)                        | 0     |
| Fund Balance                                        | 1.8         | 1,102             | 1,035 | 556                             | 628   | (107)            | (31) | 899               | 1,177 | 312                 | 387  | 546               | 715   | 127                   | 99   | 3,435                          | 4,010 |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |             | (225)             | 1,035 | (398)                           | 628   | (448)            | (31) | 510               | 1,177 | 81                  | 387  | 133               | 715   | 59                    | 99   | (288)                          | 4,010 |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |             | 1,912             | 2,270 | 936                             | 1,183 | 115              | 135  | 1,180             | 1,836 | 395                 | 848  | 660               | 1,256 | 253                   | 170  | 5,450                          | 7,698 |

## STATEMENT 18: OSCE Field Operations South-Eastern Europe, Statement of Cash Flow

for the Year Ending 31 December 2011

|                                                                        | Mission in Kosovo |              | Tasks in Bosnia and Herzegovina |              | Office in Zagreb |             | Mission to Serbia |             | Presence in Albania |              | Mission to Skopje |              | Mission to Montenegro |             | TOTAL FOR SOUTH-EASTERN EUROPE |                |
|------------------------------------------------------------------------|-------------------|--------------|---------------------------------|--------------|------------------|-------------|-------------------|-------------|---------------------|--------------|-------------------|--------------|-----------------------|-------------|--------------------------------|----------------|
| EUR '000                                                               | 2011              | 2010         | 2011                            | 2010         | 2011             | 2010        | 2011              | 2010        | 2011                | 2010         | 2011              | 2010         | 2011                  | 2010        | 2011                           | 2010           |
| <b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>               | <b>112</b>        | <b>254</b>   | <b>44</b>                       | <b>119</b>   | <b>13</b>        | <b>29</b>   | <b>272</b>        | <b>398</b>  | <b>47</b>           | <b>75</b>    | <b>43</b>         | <b>272</b>   | <b>85</b>             | <b>21</b>   | <b>616</b>                     | <b>1,169</b>   |
| (Increase)/Decrease in Assessed Contributions Receivable               | (35)              | (334)        | (35)                            | (226)        | (7)              | (22)        | (15)              | (112)       | (4)                 | (27)         | 2                 | (115)        | (11)                  | (42)        | (105)                          | (878)          |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | 491               | 0            | 254                             | 0            | 7                | 0           | 155               | 0           | 137                 | 0            | 153               | 0            | 12                    | 0           | 1,209                          | 0              |
| (Increase)/Decrease in Accounts Receivable                             | 0                 | 0            | (217)                           | (40)         | 0                | 0           | 0                 | 0           | 106                 | (144)        | 43                | (74)         | 0                     | 0           | (68)                           | (258)          |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | 110               | 67           | 278                             | (274)        | 8                | (8)         | (110)             | 68          | 50                  | (30)         | 10                | 56           | (128)                 | 1           | 217                            | (120)          |
| Increase/(Decrease) in Other Non-Current Assets                        | 0                 | 0            | 0                               | 0            | 0                | 0           | (2)               | 0           | 0                   | 0            | 0                 | 0            | 0                     | 0           | (2)                            | 0              |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | (182)             | 2,686        | 0                               | 311          | 0                | 0           | 726               | (315)       | 202                 | 47           | 583               | 196          | 0                     | 60          | 1,329                          | 2,985          |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | (45)              | (1,980)      | (88)                            | (147)        | 10               | (3)         | (74)              | 67          | (76)                | (97)         | (97)              | (329)        | 26                    | (16)        | (345)                          | (2,506)        |
| Increase/(Decrease) in Accounts Payable                                | (146)             | 122          | 59                              | 21           | (12)             | (32)        | 50                | 5           | (174)               | 216          | (171)             | 158          | 13                    | 1           | (379)                          | 491            |
| Increase/(Decrease) in Other Current Liabilities                       | (59)              | 58           | (11)                            | 14           | 0                | 0           | 0                 | (6)         | (7)                 | 0            | (11)              | 8            | 0                     | 0           | (88)                           | 75             |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | 0                 | 0            | 116                             | 298          | 65               | (32)        | 0                 | 0           | 0                   | 0            | 19                | 0            | 27                    | 54          | 228                            | 319            |
| Increase/(Decrease) in Current Employee Benefits                       | 1,064             | 0            | 665                             | 0            | 333              | 0           | 18                | 0           | 98                  | 0            | 219               | 0            | 50                    | 0           | 2,448                          | 0              |
| Increase/(Decrease) in Non-Current Employee Benefits                   | 89                | 0            | 36                              | 0            | 0                | 0           | 17                | 0           | 12                  | 0            | 23                | 0            | 6                     | 0           | 183                            | 0              |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>1,399</b>      | <b>873</b>   | <b>1,101</b>                    | <b>75</b>    | <b>417</b>       | <b>(68)</b> | <b>1,036</b>      | <b>105</b>  | <b>391</b>          | <b>41</b>    | <b>818</b>        | <b>173</b>   | <b>80</b>             | <b>78</b>   | <b>5,243</b>                   | <b>1,277</b>   |
| Increase/(Decrease) in Funds Held for Third Parties                    | 0                 | 0            | 2                               | (7)          | 0                | 0           | 0                 | 0           | 0                   | 0            | 2                 | (4)          | 0                     | 0           | 4                              | (11)           |
| Credits to Participating States                                        | (46)              | (848)        | (116)                           | (110)        | (88)             | (30)        | (550)             | (81)        | (121)               | (102)        | (212)             | (133)        | (57)                  | (27)        | (1,191)                        | (1,330)        |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | (1,327)           | 0            | (954)                           | 0            | (341)            | 0           | (389)             | 0           | (231)               | 0            | (413)             | 0            | (68)                  | 0           | (3,723)                        | 0              |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>(1,373)</b>    | <b>(848)</b> | <b>(1,068)</b>                  | <b>(116)</b> | <b>(429)</b>     | <b>(30)</b> | <b>(939)</b>      | <b>(81)</b> | <b>(352)</b>        | <b>(102)</b> | <b>(624)</b>      | <b>(137)</b> | <b>(125)</b>          | <b>(27)</b> | <b>(4,910)</b>                 | <b>(1,340)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>26</b>         | <b>25</b>    | <b>33</b>                       | <b>(41)</b>  | <b>(13)</b>      | <b>(98)</b> | <b>97</b>         | <b>24</b>   | <b>39</b>           | <b>(61)</b>  | <b>195</b>        | <b>36</b>    | <b>(45)</b>           | <b>52</b>   | <b>333</b>                     | <b>(64)</b>    |

## STATEMENT 19: OSCE Field Operations South-Eastern Europe, Statement of Cash Surplus\*

for the Year Ending 31 December 2011

|                                                 | Mission in Kosovo |         | Tasks in Bosnia and Herzegovina |       | Office in Zagreb |      | Mission to Serbia |       | Presence in Albania |       | Mission to Skopje |       | Mission to Montenegro |      | TOTAL FOR SOUTH-EASTERN EUROPE |         |
|-------------------------------------------------|-------------------|---------|---------------------------------|-------|------------------|------|-------------------|-------|---------------------|-------|-------------------|-------|-----------------------|------|--------------------------------|---------|
| EUR '000                                        | 2011              | 2010    | 2011                            | 2010  | 2011             | 2010 | 2011              | 2010  | 2011                | 2010  | 2011              | 2010  | 2011                  | 2010 | 2011                           | 2010    |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>        | <b>112</b>        | 254     | <b>44</b>                       | 119   | <b>13</b>        | 29   | <b>272</b>        | 398   | <b>47</b>           | 75    | <b>43</b>         | 272   | <b>85</b>             | 21   | <b>616</b>                     | 1,169   |
| Add Contributions Receivable as at 1 January    | <b>1,069</b>      | 735     | <b>619</b>                      | 393   | <b>37</b>        | 16   | <b>341</b>        | 230   | <b>218</b>          | 190   | <b>345</b>        | 230   | <b>63</b>             | 21   | <b>2,692</b>                   | 1,814   |
| Less Contributions Receivable as at 31 December | <b>(1,104)</b>    | (1,069) | <b>(654)</b>                    | (619) | <b>(45)</b>      | (37) | <b>(356)</b>      | (341) | <b>(222)</b>        | (218) | <b>(343)</b>      | (345) | <b>(74)</b>           | (63) | <b>(2,797)</b>                 | (2,692) |
| <b>CASH SURPLUS/(DEFICIT) FOR THE YEAR</b>      | <b>77</b>         | (80)    | <b>9</b>                        | (107) | <b>6</b>         | 7    | <b>257</b>        | 286   | <b>42</b>           | 48    | <b>46</b>         | 158   | <b>74</b>             | (21) | <b>511</b>                     | 291     |
| <b>Cash Surplus as at 1 January</b>             | <b>(34)</b>       | 893     | <b>9</b>                        | 226   | <b>(68)</b>      | (46) | <b>836</b>        | 631   | <b>169</b>          | 223   | <b>370</b>        | 345   | <b>36</b>             | 83   | <b>1,317</b>                   | 2,356   |
| Less Credits to Participating States/Transfers  | <b>(46)</b>       | (848)   | <b>(116)</b>                    | (110) | <b>(88)</b>      | (30) | <b>(550)</b>      | (81)  | <b>(121)</b>        | (102) | <b>(212)</b>      | (133) | <b>(57)</b>           | (27) | <b>(1,191)</b>                 | (1,330) |
| Cash Surplus as at 31 December                  | <b>(3)</b>        | (34)    | <b>(98)</b>                     | 9     | <b>(151)</b>     | (68) | <b>544</b>        | 836   | <b>90</b>           | 169   | <b>203</b>        | 370   | <b>53</b>             | 36   | <b>638</b>                     | 1,317   |
| Add Contributions Receivable as at 31 December  | <b>1,104</b>      | 1,069   | <b>654</b>                      | 619   | <b>45</b>        | 37   | <b>356</b>        | 341   | <b>222</b>          | 218   | <b>343</b>        | 345   | <b>74</b>             | 63   | <b>2,797</b>                   | 2,692   |
| <b>Fund Balance as at 31 December</b>           | <b>1,102</b>      | 1,035   | <b>556</b>                      | 628   | <b>(107)</b>     | (31) | <b>899</b>        | 1,177 | <b>312</b>          | 387   | <b>546</b>        | 715   | <b>127</b>            | 99   | <b>3,435</b>                   | 4,010   |

\*See Note 1.7

## STATEMENT 20: OSCE Field Operations Eastern Europe Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                  |      | Mission to<br>Moldova |       | Project Co-<br>ordinator in<br>Ukraine |       | Office in Minsk |       | Rep.on the Latvian-<br>Russian Joint<br>Commission on<br>Military Pensioners |      | TOTAL FOR<br>EASTERN EUROPE |       |
|--------------------------------------------------|------|-----------------------|-------|----------------------------------------|-------|-----------------|-------|------------------------------------------------------------------------------|------|-----------------------------|-------|
| EUR '000                                         |      |                       |       |                                        |       |                 |       |                                                                              |      |                             |       |
|                                                  | Note | 2011                  | 2010  | 2011                                   | 2010  | 2011            | 2010  | 2011                                                                         | 2010 | 2011                        | 2010  |
| Assessed Contributions                           | 1.5  | 2,021                 | 2,084 | 2,372                                  | 2,513 | 196             | 1,168 | 7                                                                            | 9    | 4,597                       | 5,775 |
| Miscellaneous Income                             | 1.5  | 1                     | 0     | 2                                      | 3     | 23              | 7     | 0                                                                            | 0    | 27                          | 10    |
| Currency Exchange Adjustments                    | 1.11 | 2                     | (5)   | 5                                      | 124   | 0               | 1     | 0                                                                            | 0    | 6                           | 119   |
| Savings on Prior Year Unliquidated Obligations   | 9    | 6                     | 5     | 4                                      | 7     | 30              | 6     | 0                                                                            | 0    | 40                          | 18    |
| <b>TOTAL INCOME</b>                              | 2    | <b>2,029</b>          | 2,084 | <b>2,384</b>                           | 2,647 | <b>249</b>      | 1,183 | <b>8</b>                                                                     | 9    | <b>4,669</b>                | 5,923 |
| <b>TOTAL EXPENDITURE</b>                         | 1.6  | <b>2,022</b>          | 2,073 | <b>2,373</b>                           | 2,504 | <b>196</b>      | 943   | <b>7</b>                                                                     | 5    | <b>4,598</b>                | 5,525 |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>         |      | <b>7</b>              | 11    | <b>11</b>                              | 143   | <b>53</b>       | 240   | <b>0</b>                                                                     | 4    | <b>71</b>                   | 398   |
| Less Credits to Participating States / transfers | 1.7  | (65)                  | (31)  | 176                                    | (138) | (23)            | (40)  | 0                                                                            | 0    | 87                          | (210) |
| Fund Balance as at 1 January                     |      | 131                   | 151   | 24                                     | 20    | 307             | 107   | 5                                                                            | 1    | 467                         | 279   |
| <b>Fund Balance as at 31 December</b>            | 1.8  | <b>73</b>             | 131   | <b>211</b>                             | 24    | <b>336</b>      | 307   | <b>5</b>                                                                     | 5    | <b>625</b>                  | 467   |

## STATEMENT 21: OSCE Field Operations Eastern Europe Statement of Asset, Liabilities and Fund Balance

as at 31 December 2011

|                                                 |      | Mission to Moldova |      | Project Co-ordinator in Ukraine |      | Office in Minsk |      | Rep.on the Latvian-Russian Joint Commission on Military Pensioners |      | TOTAL FOR EASTERN EUROPE |      |
|-------------------------------------------------|------|--------------------|------|---------------------------------|------|-----------------|------|--------------------------------------------------------------------|------|--------------------------|------|
| EUR '000                                        |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| ASSETS                                          | Note | 2011               | 2010 | 2011                            | 2010 | 2011            | 2010 | 2011                                                               | 2010 | 2011                     | 2010 |
| Current Assets                                  |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Cash and Short-term Deposit Budgetary           | 3    | 25                 | 10   | 46                              | 81   | 0               | 51   | 0                                                                  | 0    | 71                       | 143  |
| Assessed Contributions Receivable               | 4.1  | 90                 | 85   | 93                              | 90   | 34              | 61   | 0                                                                  | 0    | 217                      | 237  |
| Allowance for Assessed Contributions Receivable | 4.3  | (37)               | 0    | (40)                            | 0    | (34)            | 0    | 0                                                                  | 0    | (110)                    | 0    |
| Accounts Receivable                             | 5    | 96                 | 37   | 51                              | 60   | 0               | 13   | 0                                                                  | 0    | 147                      | 110  |
| Prepaid Expenses and Advances                   | 6    | 18                 | 107  | 0                               | 88   | 0               | 0    | 0                                                                  | 0    | 18                       | 195  |
| Due From Other Funds                            |      | 0                  | 23   | 67                              | 0    | 303             | 237  | 5                                                                  | 5    | 374                      | 265  |
|                                                 |      | 192                | 262  | 217                             | 319  | 303             | 362  | 5                                                                  | 5    | 717                      | 950  |
| Non-Current Assets                              |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Other Non-Current Assets                        | 7    | 6                  | 0    | 0                               | 0    | 0               | 0    | 0                                                                  | 0    | 6                        | 0    |
|                                                 |      | 6                  | 0    | 0                               | 0    | 0               | 0    | 0                                                                  | 0    | 6                        | 0    |
| TOTAL ASSETS                                    |      | 198                | 262  | 217                             | 319  | 303             | 362  | 5                                                                  | 5    | 723                      | 950  |
| LIABILITIES                                     |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Current Liabilities                             |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Accounts Payable                                | 8    | 75                 | 52   | 18                              | 14   | 0               | 0    | 0                                                                  | 0    | 93                       | 66   |
| Reserve for Unliquidated Obligations            | 9    | 63                 | 79   | 25                              | 121  | 0               | 56   | 0                                                                  | 0    | 89                       | 256  |
| Due To Other Funds                              |      | 21                 | 0    | 0                               | 160  | 0               | 0    | 0                                                                  | 0    | 21                       | 160  |
| Other Current Liabilities                       |      | 1                  | 0    | 2                               | 1    | 0               | 0    | 0                                                                  | 0    | 2                        | 1    |
| Current Employee Benefits                       | 12.1 | 28                 | 0    | 64                              | 0    | 0               | 0    | 0                                                                  | 0    | 92                       | 0    |
|                                                 |      | 188                | 131  | 109                             | 296  | 0               | 56   | 0                                                                  | 0    | 297                      | 483  |
| Non-Current Liabilities                         |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Non Current Employee Benefits                   | 12.2 | 5                  | 0    | 3                               | 0    | 0               | 0    | 0                                                                  | 0    | 8                        | 0    |
|                                                 |      | 5                  | 0    | 3                               | 0    | 0               | 0    | 0                                                                  | 0    | 8                        | 0    |
| TOTAL LIABILITIES                               |      | 193                | 131  | 112                             | 296  | 0               | 56   | 0                                                                  | 0    | 305                      | 483  |
| RESERVES AND FUND BALANCE                       |      |                    |      |                                 |      |                 |      |                                                                    |      |                          |      |
| Fund Balance                                    | 1.9  | 73                 | 131  | 211                             | 24   | 336             | 307  | 5                                                                  | 5    | 625                      | 467  |
| IPSAS Initial Adoption Reserve                  | 1.8  | (68)               | 0    | (105)                           | 0    | (34)            | 0    | 0                                                                  | 0    | (207)                    | 0    |
| TOTAL RESERVES AND FUND BALANCES                |      | 5                  | 131  | 106                             | 24   | 302             | 307  | 5                                                                  | 5    | 418                      | 467  |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCE    |      | 198                | 262  | 217                             | 319  | 303             | 362  | 5                                                                  | 5    | 723                      | 950  |

## STATEMENT 22: OSCE Field Operations Eastern Europe, Statement of Cash Flow

for the Year Ending 31 December 2011

|                                                                        | Mission to Moldova |             | Project Co-ordinator in Ukraine |              | Office in Minsk |             | Rep.on the Latvian-Russian Joint Commission on Military Pensioners |          | TOTAL FOR EASTERN EUROPE |                |
|------------------------------------------------------------------------|--------------------|-------------|---------------------------------|--------------|-----------------|-------------|--------------------------------------------------------------------|----------|--------------------------|----------------|
| EUR '000                                                               | 2011               | 2010        | 2011                            | 2010         | 2011            | 2010        | 2011                                                               | 2010     | 2011                     | 2010           |
| <b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>               | <b>7</b>           | <b>11</b>   | <b>11</b>                       | <b>143</b>   | <b>53</b>       | <b>240</b>  | <b>0</b>                                                           | <b>4</b> | <b>71</b>                | <b>398</b>     |
| (Increase)/Decrease in Assessed Contributions Receivable               | (4)                | (31)        | (3)                             | (33)         | 27              | (17)        | 0                                                                  | 0        | 20                       | (81)           |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | 37                 | 0           | 40                              | 0            | 34              | 0           | 0                                                                  | 0        | 110                      | 0              |
| (Increase)/Decrease in Accounts Receivable                             | (59)               | 3           | 9                               | 30           | 13              | 0           | 0                                                                  | 0        | (37)                     | 32             |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | 89                 | (103)       | 88                              | 294          | 0               | 0           | 0                                                                  | 0        | 177                      | 190            |
| Increase/(Decrease) in Other Non-Current Assets                        | (6)                | 0           | 0                               | 0            | 0               | 0           | 0                                                                  | 0        | (6)                      | 0              |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | 23                 | 50          | (67)                            | 0            | (66)            | (194)       | 0                                                                  | (4)      | (109)                    | (148)          |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | (15)               | 34          | (94)                            | 30           | (55)            | 40          | 0                                                                  | 0        | (164)                    | 104            |
| Increase/(Decrease) in Accounts Payable                                | 23                 | 24          | 4                               | (98)         | 0               | (2)         | 0                                                                  | 0        | 27                       | (76)           |
| Increase/(Decrease) in Other Current Liabilities                       | 1                  | 0           | 0                               | 1            | 0               | (9)         | 0                                                                  | 0        | 1                        | (8)            |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | 21                 | 0           | (160)                           | (1,224)      | 0               | 0           | 0                                                                  | 0        | (138)                    | (1,224)        |
| Increase/(Decrease) in Current Employee Benefits                       | 28                 | 0           | 62                              | 0            | 0               | 0           | 0                                                                  | 0        | 90                       | 0              |
| Increase/(Decrease) in Non-Current Employee Benefits                   | 5                  | 0           | 3                               | 0            | 0               | 0           | 0                                                                  | 0        | 8                        | 0              |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>149</b>         | <b>(12)</b> | <b>(106)</b>                    | <b>(858)</b> | <b>6</b>        | <b>56</b>   | <b>1</b>                                                           | <b>0</b> | <b>49</b>                | <b>(814)</b>   |
| Credits to Participating States/Transfers                              | (65)               | (31)        | 176                             | (138)        | (23)            | (40)        | 0                                                                  | 0        | 87                       | (210)          |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | (68)               | 0           | (105)                           | 0            | (34)            | 0           | 0                                                                  | 0        | (207)                    | 0              |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>(134)</b>       | <b>(31)</b> | <b>71</b>                       | <b>(138)</b> | <b>(57)</b>     | <b>(40)</b> | <b>(1)</b>                                                         | <b>0</b> | <b>(120)</b>             | <b>(210)</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>15</b>          | <b>(44)</b> | <b>(35)</b>                     | <b>(996)</b> | <b>(51)</b>     | <b>16</b>   | <b>0</b>                                                           | <b>0</b> | <b>(72)</b>              | <b>(1,024)</b> |

## STATEMENT 23: OSCE Field Operations Eastern Europe, Statement of Cash Surplus\*

for the Year Ending 31 December 2011

| EUR '000                                           | Mission to Moldova |           | Project Co-ordinator in Ukraine |            | Office in Minsk |            | Rep.on the Latvian-Russian Joint Commission on Military Pensioners |          | TOTAL FOR EASTERN EUROPE |            |
|----------------------------------------------------|--------------------|-----------|---------------------------------|------------|-----------------|------------|--------------------------------------------------------------------|----------|--------------------------|------------|
|                                                    | 2011               | 2010      | 2011                            | 2010       | 2011            | 2010       | 2011                                                               | 2010     | 2011                     | 2010       |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>           | <b>7</b>           | <b>11</b> | <b>11</b>                       | <b>143</b> | <b>53</b>       | <b>240</b> | <b>0</b>                                                           | <b>4</b> | <b>71</b>                | <b>398</b> |
| Add Contributions Receivable as at 1 January       | <b>85</b>          | 55        | <b>90</b>                       | 57         | <b>61</b>       | 44         | <b>0</b>                                                           | 0        | <b>237</b>               | 156        |
| Less Contributions Receivable as at 31 December    | <b>(90)</b>        | (85)      | <b>(93)</b>                     | (90)       | <b>(34)</b>     | (61)       | <b>0</b>                                                           | 0        | <b>(217)</b>             | (237)      |
| <b>CASH SURPLUS/(DEFICIT) FOR THE YEAR</b>         | <b>3</b>           | (20)      | <b>8</b>                        | <b>110</b> | <b>80</b>       | <b>222</b> | <b>0</b>                                                           | <b>4</b> | <b>91</b>                | <b>317</b> |
| <br><b>Cash Surplus as at 1 January</b>            | <br><b>46</b>      | <br>97    | <br><b>(66)</b>                 | <br>(37)   | <br><b>245</b>  | <br>64     | <br><b>5</b>                                                       | <br>1    | <br><b>230</b>           | <br>124    |
| Less Credits to Participating States / transfers   | <b>(65)</b>        | (31)      | <b>176</b>                      | (138)      | <b>(23)</b>     | (40)       | <b>0</b>                                                           | 0        | <b>87</b>                | (210)      |
| Cash Surplus as at 31 December                     | <b>(17)</b>        | 46        | <b>118</b>                      | (66)       | <b>302</b>      | 245        | <b>5</b>                                                           | 5        | <b>407</b>               | 230        |
| <br>Add Contributions Receivable as at 31 December | <br><b>90</b>      | <br>85    | <br><b>93</b>                   | <br>90     | <br><b>34</b>   | <br>61     | <br><b>0</b>                                                       | <br>0    | <br><b>217</b>           | <br>237    |
| <b>Fund Balance as at 31 December</b>              | <b>73</b>          | 131       | <b>211</b>                      | 24         | <b>336</b>      | 307        | <b>5</b>                                                           | 5        | <b>625</b>               | 467        |

\*See Note 1.7



## STATEMENT 24: OSCE Field Operations Caucasus, Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                |      | Mission<br>to Georgia |         | End of Mandate<br>Procedure (Georgia) |       | Office<br>in Yerevan |       | Office<br>in Baku |       | Funds Relating to<br>the Conflict Dealt<br>with by the OSCE<br>Minsk Conference* |       | TOTAL FOR<br>CAUCASUS |         |
|------------------------------------------------|------|-----------------------|---------|---------------------------------------|-------|----------------------|-------|-------------------|-------|----------------------------------------------------------------------------------|-------|-----------------------|---------|
| EUR '000                                       |      |                       |         |                                       |       |                      |       |                   |       |                                                                                  |       |                       |         |
|                                                | Note | 2011                  | 2010    | 2011                                  | 2010  | 2011                 | 2010  | 2011              | 2010  | 2011                                                                             | 2010  | 2011                  | 2010    |
| Assessed Contributions                         | 1.5  | 0                     | 0       | 0                                     | 0     | 2,700                | 2,749 | 2,826             | 2,797 | 2,270                                                                            | 2,260 | 7,796                 | 7,806   |
| Miscellaneous Income                           | 1.5  | 0                     | 0       | 0                                     | 20    | 5                    | 2     | 6                 | 0     | 3                                                                                | 35    | 14                    | 57      |
| Currency Exchange Adjustments                  | 1.11 | 0                     | (13)    | 0                                     | 0     | (16)                 | 11    | (8)               | (12)  | (1)                                                                              | 1     | (25)                  | (13)    |
| Savings on Prior Year Unliquidated Obligations | 9    | 0                     | 0       | 0                                     | 194   | 1                    | 8     | 34                | 44    | 8                                                                                | 12    | 43                    | 257     |
| <b>TOTAL INCOME</b>                            | 1.5  | 0                     | (13)    | 0                                     | 214   | 2,690                | 2,769 | 2,858             | 2,830 | 2,280                                                                            | 2,308 | 7,828                 | 8,107   |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | 0                     | 0       | 0                                     | 0     | 2,669                | 2,725 | 2,809             | 2,769 | 1,832                                                                            | 1,948 | 7,311                 | 7,442   |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | 0                     | (13)    | 0                                     | 214   | 21                   | 44    | 49                | 60    | 448                                                                              | 361   | 517                   | 666     |
| Transfer between Funds                         |      | 0                     | (1,307) | 0                                     | (880) | 0                    | 0     | 0                 | 0     | 0                                                                                | 0     | 0                     | (2,186) |
| Less Credits to Participating States/Transfers | 1.7  | 0                     | 0       | 0                                     | 0     | 18                   | (67)  | (46)              | (29)  | (34)                                                                             | (559) | (62)                  | (655)   |
| Fund Balance as at 1 January                   |      | 0                     | 1,320   | 0                                     | 666   | 78                   | 100   | 163               | 131   | 485                                                                              | 684   | 726                   | 2,902   |
| <b>Fund Balance as at 31 December</b>          | 1.8  | 0                     | 0       | 0                                     | 0     | 117                  | 78    | 165               | 163   | 900                                                                              | 485   | 1,181                 | 726     |

\* Note - Includes the following Funds: High Level Planning Group, The Minsk Process and Personal Representative of the CiO

## STATEMENT 25: OSCE Field Operations Caucasus, Statement of Assets, Liabilities and Fund Balance

as at 31 December 2011

| EUR '000                                            |      | Mission<br>to Georgia |      | End of Mandate<br>Procedure (Georgia) |      | Office<br>in Yerevan |      | Office<br>in Baku |      | Funds Relating to the<br>Conflict Dealt with by<br>the OSCE Minsk<br>Conference* |      | TOTAL FOR<br>CAUCASUS |       |
|-----------------------------------------------------|------|-----------------------|------|---------------------------------------|------|----------------------|------|-------------------|------|----------------------------------------------------------------------------------|------|-----------------------|-------|
|                                                     | Note | 2011                  | 2010 | 2011                                  | 2010 | 2011                 | 2010 | 2011              | 2010 | 2011                                                                             | 2010 | 2011                  | 2010  |
| <b>ASSETS</b>                                       |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| <b>Current Assets</b>                               |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| Cash and Short-term Deposit Budgetary               | 3    | 0                     | 0    | 0                                     | 0    | 29                   | 75   | 181               | 160  | 114                                                                              | 104  | 324                   | 340   |
| Assessed Contributions Receivable                   | 4.1  | 0                     | 0    | 0                                     | 0    | 104                  | 95   | 113               | 100  | 128                                                                              | 120  | 345                   | 315   |
| Allowance for Assessed Contributions Receivable     | 4.3  | 0                     | 0    | 0                                     | 0    | (34)                 | 0    | (37)              | 0    | (69)                                                                             | 0    | (140)                 | 0     |
| Accounts Receivable                                 | 5    | 0                     | 0    | 0                                     | 0    | 0                    | 0    | 0                 | 0    | 0                                                                                | 0    | 0                     | 0     |
| Prepaid Expenses and Advances                       | 6    | 0                     | 0    | 0                                     | 0    | 10                   | 32   | 144               | 145  | 22                                                                               | 20   | 176                   | 197   |
| Due From Other Funds                                |      | 0                     | 0    | 0                                     | 0    | 0                    | 0    | 0                 | 10   | 669                                                                              | 355  | 669                   | 365   |
|                                                     |      | 0                     | 0    | 0                                     | 0    | 109                  | 202  | 401               | 415  | 864                                                                              | 599  | 1,374                 | 1,217 |
| <b>Non-Current Assets</b>                           |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| Other Non-Current Assets                            | 7    | 0                     | 0    | 0                                     | 0    | 0                    | 0    | 0                 | 0    | 0                                                                                | 0    | 0                     | 0     |
|                                                     |      | 0                     | 0    | 0                                     | 0    | 0                    | 0    | 0                 | 0    | 0                                                                                | 0    | 0                     | 0     |
| <b>TOTAL ASSETS</b>                                 |      | 0                     | 0    | 0                                     | 0    | 109                  | 202  | 401               | 415  | 864                                                                              | 599  | 1,374                 | 1,217 |
| <b>LIABILITIES</b>                                  |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| <b>Current Liabilities</b>                          |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| Accounts Payable                                    | 8    | 0                     | 0    | 0                                     | 0    | 11                   | 5    | 47                | 82   | 1                                                                                | 0    | 59                    | 86    |
| Reserve for Unliquidated Obligations                | 9    | 0                     | 0    | 0                                     | 0    | 9                    | 12   | 189               | 168  | 32                                                                               | 111  | 230                   | 291   |
| Due To Other Funds                                  |      | 0                     | 0    | 0                                     | 0    | 3                    | 104  | 30                | 0    | 0                                                                                | 0    | 33                    | 104   |
| Other Current Liabilities                           |      | 0                     | 0    | 0                                     | 0    | 0                    | 0    | 1                 | 1    | 0                                                                                | 0    | 1                     | 1     |
| Current Employee Benefits                           | 12.1 | 0                     | 0    | 0                                     | 0    | 54                   | 4    | 48                | 3    | 18                                                                               | 2    | 120                   | 9     |
|                                                     |      | 0                     | 0    | 0                                     | 0    | 77                   | 125  | 315               | 254  | 51                                                                               | 113  | 443                   | 491   |
| <b>Non-Current Liabilities</b>                      |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| Non-Current Employee Benefits                       | 12.2 | 0                     | 0    | 0                                     | 0    | 4                    | 0    | 4                 | 0    | 2                                                                                | 0    | 10                    | 0     |
|                                                     |      | 0                     | 0    | 0                                     | 0    | 4                    | 0    | 4                 | 0    | 2                                                                                | 0    | 10                    | 0     |
| <b>TOTAL LIABILITIES</b>                            |      | 0                     | 0    | 0                                     | 0    | 81                   | 125  | 319               | 254  | 53                                                                               | 113  | 453                   | 491   |
| <b>RESERVES AND FUND BALANCE</b>                    |      |                       |      |                                       |      |                      |      |                   |      |                                                                                  |      |                       |       |
| IPSAS Initial Adoption Reserve                      | 1.9  | 0                     | 0    | 0                                     | 0    | (88)                 | 0    | (84)              | 0    | (88)                                                                             | 0    | (260)                 | 0     |
| Fund Balance                                        | 1.8  | 0                     | 0    | 0                                     | 0    | 117                  | 78   | 165               | 163  | 900                                                                              | 485  | 1,182                 | 726   |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |      | 0                     | 0    | 0                                     | 0    | 29                   | 78   | 81                | 163  | 812                                                                              | 485  | 922                   | 726   |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |      | 0                     | 0    | 0                                     | 0    | 109                  | 203  | 401               | 417  | 864                                                                              | 598  | 1,374                 | 1,217 |

\* Note - Includes the following Funds: High Level Planning Group, The Minsk Process and Personal Representative of the CiO

**STATEMENT 26: OSCE Field Operations Caucasus, Statement of Cash Flow**  
for the Year Ending 31 December 2011

| EUR '000                                                               | Mission to Georgia |                | End of Mandate Procedure (Georgia) |              | Office in Yerevan |             | Office in Baku |             | Funds Relating to the Conflict Dealt with by the OSCE Minsk Conference* |              | TOTAL FOR CAUCASUS |                |
|------------------------------------------------------------------------|--------------------|----------------|------------------------------------|--------------|-------------------|-------------|----------------|-------------|-------------------------------------------------------------------------|--------------|--------------------|----------------|
|                                                                        | 2011               | 2010           | 2011                               | 2010         | 2011              | 2010        | 2011           | 2010        | 2011                                                                    | 2010         | 2011               | 2010           |
| <b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>               | <b>0</b>           | <b>(13)</b>    | <b>0</b>                           | <b>214</b>   | <b>21</b>         | <b>44</b>   | <b>49</b>      | <b>60</b>   | <b>448</b>                                                              | <b>361</b>   | <b>518</b>         | <b>666</b>     |
| (Increase)/Decrease in Assessed Contributions Receivable               | 0                  | 352            | 0                                  | 20           | (9)               | (43)        | (13)           | (44)        | (8)                                                                     | (29)         | (30)               | 256            |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | 0                  | 0              | 0                                  | 0            | 34                | 0           | 37             | 0           | 69                                                                      | 0            | 140                | 0              |
| (Increase)/Decrease in Accounts Receivable                             | 0                  | 0              | 0                                  | 0            | 0                 | 0           | 0              | 0           | 0                                                                       | 0            | 0                  | 0              |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | 0                  | 13             | 0                                  | 0            | 22                | (13)        | 1              | (56)        | (2)                                                                     | (16)         | 21                 | (73)           |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | 0                  | 955            | 0                                  | 843          | 0                 | 85          | 10             | 176         | (314)                                                                   | 592          | (304)              | 2,650          |
| Increase/(Decrease) in Contributions Received in Advance               | 0                  | 0              | 0                                  | 0            | 0                 | 0           | 0              | 0           | 0                                                                       | (409)        | 0                  | (409)          |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | 0                  | 0              | 0                                  | (107)        | (3)               | (31)        | 21             | (28)        | (79)                                                                    | 54           | (61)               | (112)          |
| Increase/(Decrease) in Accounts Payable                                | 0                  | 0              | 0                                  | 0            | 6                 | (11)        | (34)           | 15          | 1                                                                       | 0            | (27)               | 4              |
| Increase/(Decrease) in Other Current Liabilities                       | 0                  | 0              | 0                                  | (90)         | 0                 | 0           | 1              | 0           | 0                                                                       | 0            | 1                  | (90)           |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | 0                  | 0              | 0                                  | 0            | (101)             | 104         | 30             | 0           | 0                                                                       | 0            | (71)               | 104            |
| Increase/(Decrease) in Current Employee Benefits                       | 0                  | 0              | 0                                  | 0            | 50                | 0           | 45             | 0           | 15                                                                      | 0            | 110                | 0              |
| Increase/(Decrease) in Non-Current Employee Benefits                   | 0                  | 0              | 0                                  | 0            | 4                 | 0           | 4              | 0           | 2                                                                       | 0            | 10                 | 0              |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>0</b>           | <b>1,307</b>   | <b>0</b>                           | <b>880</b>   | <b>24</b>         | <b>135</b>  | <b>151</b>     | <b>123</b>  | <b>132</b>                                                              | <b>553</b>   | <b>307</b>         | <b>2,996</b>   |
| Credits to Participating States                                        | 0                  | 0              | 0                                  | 0            | 18                | (67)        | (46)           | (29)        | (34)                                                                    | (559)        | (62)               | (655)          |
| Transfer between Funds                                                 | 0                  | (1,307)        | 0                                  | (880)        | 0                 | 0           | 0              | 0           | 0                                                                       | 0            | 0                  | (2,186)        |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | 0                  | 0              | 0                                  | 0            | (88)              | 0           | (84)           | 0           | (88)                                                                    | 0            | (260)              | 0              |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>0</b>           | <b>(1,307)</b> | <b>0</b>                           | <b>(880)</b> | <b>(70)</b>       | <b>(67)</b> | <b>(130)</b>   | <b>(29)</b> | <b>(122)</b>                                                            | <b>(559)</b> | <b>(322)</b>       | <b>(2,841)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>0</b>           | <b>0</b>       | <b>0</b>                           | <b>0</b>     | <b>(46)</b>       | <b>68</b>   | <b>21</b>      | <b>94</b>   | <b>10</b>                                                               | <b>(6)</b>   | <b>(15)</b>        | <b>155</b>     |

\* Note - Includes the following Funds: High Level Planning Group, The Minsk Process and Personal Representative of the CiO

**STATEMENT 27: OSCE Field Operations Caucasus, Statement of Cash Surplus\***  
for the Year Ending 31 December 2011

|                                                 | Mission<br>to Georgia |       | End of Mandate<br>Procedure (Georgia) |      | Office<br>in Yerevan |      | Office<br>in Baku |       | Funds Relating to<br>the Conflict Dealt<br>with by the OSCE<br>Minsk Conference** |       | TOTAL FOR<br>CAUCASUS |       |
|-------------------------------------------------|-----------------------|-------|---------------------------------------|------|----------------------|------|-------------------|-------|-----------------------------------------------------------------------------------|-------|-----------------------|-------|
| EUR '000                                        |                       |       |                                       |      |                      |      |                   |       |                                                                                   |       |                       |       |
|                                                 | 2011                  | 2010  | 2011                                  | 2010 | 2011                 | 2010 | 2011              | 2010  | 2011                                                                              | 2010  | 2011                  | 2010  |
| EXCESS OF INCOME OVER EXPENDITURE               | 0                     | (13)  | 0                                     | 214  | 21                   | 44   | 49                | 60    | 448                                                                               | 361   | 517                   | 666   |
| Add Contributions Receivable as at 1 January    | 0                     | 352   | 0                                     | 20   | 95                   | 52   | 100               | 56    | 120                                                                               | 91    | 315                   | 571   |
| Less Contributions Receivable as at 31 December | 0                     | 0     | 0                                     | 0    | (104)                | (95) | (113)             | (100) | (128)                                                                             | (120) | (345)                 | (315) |
| CASH SURPLUS FOR THE YEAR                       | 0                     | 339   | 0                                     | 234  | 11                   | 1    | 36                | 16    | 440                                                                               | 332   | 487                   | 922   |
| Cash Surplus as at 1 January                    | 0                     | 968   | 0                                     | 646  | (17)                 | 49   | 62                | 75    | 366                                                                               | 593   | 411                   | 2,331 |
| Less Credits to Participating States/Transfers  | 0                     | 0     | 0                                     | 0    | 18                   | (67) | (46)              | (29)  | (34)                                                                              | (559) | (62)                  | (655) |
| Cash Surplus as at 31 December                  | 0                     | 1,307 | 0                                     | 880  | 12                   | (17) | 52                | 62    | 771                                                                               | 366   | 836                   | 2,597 |
| Add Contributions Receivable as at 31 December  | 0                     | 0     | 0                                     | 0    | 104                  | 95   | 113               | 100   | 128                                                                               | 120   | 345                   | 315   |
| Fund Balance as at 31 December                  | 0                     | 1,307 | 0                                     | 880  | 117                  | 78   | 165               | 163   | 900                                                                               | 485   | 1,181                 | 2,912 |

\*See Note 1.7

\*\* Note - Includes the following Funds: High Level Planning Group, The Minsk Process and Personal Representative of the CiO

**STATEMENT 28: OSCE Field Operations Central Asia, Statement of Income, Expenditure and Changes in Fund Balance**  
for the Year Ending 31 December 2011

| EUR '000                                       |      | Centre<br>in Astana |       | Centre<br>in Ashgabat |       | Centre<br>in Bishkek |       | Project Co-ordinator<br>in Uzbekistan |       | Office in Tajikistan |       | TOTAL FOR<br>CENTRAL ASIA |        |
|------------------------------------------------|------|---------------------|-------|-----------------------|-------|----------------------|-------|---------------------------------------|-------|----------------------|-------|---------------------------|--------|
|                                                | Note | 2011                | 2010  | 2011                  | 2010  | 2011                 | 2010  | 2011                                  | 2010  | 2011                 | 2010  | 2011                      | 2010   |
| Assessed Contributions                         | 1.5  | <b>2,164</b>        | 2,139 | <b>1,280</b>          | 1,232 | <b>6,768</b>         | 6,998 | <b>1,912</b>                          | 1,815 | <b>5,861</b>         | 5,910 | <b>17,984</b>             | 18,094 |
| Miscellaneous Income                           | 1.5  | <b>1</b>            | 6     | <b>0</b>              | 0     | <b>4</b>             | 3     | <b>11</b>                             | (11)  | <b>19</b>            | 1     | <b>34</b>                 | 0      |
| Currency Exchange Adjustments                  | 1.11 | <b>2</b>            | 3     | <b>(2)</b>            | 2     | <b>(25)</b>          | (35)  | <b>(3)</b>                            | 13    | <b>(5)</b>           | (24)  | <b>(33)</b>               | (41)   |
| Savings on Prior Year Unliquidated Obligations | 9    | <b>52</b>           | 26    | <b>16</b>             | 4     | <b>60</b>            | 3     | <b>23</b>                             | 6     | <b>21</b>            | 49    | <b>173</b>                | 88     |
| <b>TOTAL INCOME</b>                            | 1.5  | <b>2,219</b>        | 2,175 | <b>1,294</b>          | 1,238 | <b>6,807</b>         | 6,969 | <b>1,943</b>                          | 1,824 | <b>5,896</b>         | 5,936 | <b>18,158</b>             | 18,141 |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | <b>2,111</b>        | 2,103 | <b>1,273</b>          | 1,214 | <b>6,743</b>         | 6,965 | <b>1,902</b>                          | 1,809 | <b>5,840</b>         | 5,909 | <b>17,869</b>             | 18,000 |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | <b>107</b>          | 72    | <b>21</b>             | 24    | <b>64</b>            | 4     | <b>41</b>                             | 15    | <b>56</b>            | 27    | <b>289</b>                | 141    |
| Less Credits to Participating States/Transfers | 1.7  | <b>(57)</b>         | (106) | <b>(1)</b>            | (63)  | <b>55</b>            | (49)  | <b>(84)</b>                           | (90)  | <b>(204)</b>         | (267) | <b>(292)</b>              | (575)  |
| Fund Balance as at 1 January                   |      | <b>177</b>          | 212   | <b>59</b>             | 99    | <b>36</b>            | 80    | <b>144</b>                            | 219   | <b>365</b>           | 605   | <b>780</b>                | 1,215  |
| <b>Fund Balance as at 31 December</b>          | 1.8  | <b>227</b>          | 177   | <b>79</b>             | 59    | <b>154</b>           | 36    | <b>100</b>                            | 144   | <b>216</b>           | 365   | <b>776</b>                | 780    |

## STATEMENT 29: OSCE Field Operations Central Asia, Statement of Assets, Liabilities and Fund Balance

as at 31 December 2011

| EUR '000                                            |      | Centre<br>in Astana |            | Centre<br>in Ashgabat |            | Centre<br>in Bishkek |              | Project Co-ordinator<br>in Uzbekistan |            | Office in Tajikistan |              | TOTAL FOR<br>CENTRAL ASIA |              |
|-----------------------------------------------------|------|---------------------|------------|-----------------------|------------|----------------------|--------------|---------------------------------------|------------|----------------------|--------------|---------------------------|--------------|
|                                                     | Note | 2011                | 2010       | 2011                  | 2010       | 2011                 | 2010         | 2011                                  | 2010       | 2011                 | 2010         | 2011                      | 2010         |
| <b>ASSETS</b>                                       |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| <b>Current Assets</b>                               |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| Cash and Short-term Deposit Budgetary               | 3    | 279                 | 88         | 51                    | 72         | 362                  | 226          | 77                                    | 109        | 327                  | 315          | 1,096                     | 810          |
| Assessed Contributions Receivable                   | 3    | 89                  | 79         | 54                    | 46         | 239                  | 262          | 81                                    | 70         | 246                  | 224          | 710                       | 682          |
| Allowance for Assessed Contributions Receivable     | 4.1  | (31)                | 0          | (23)                  | 0          | (56)                 | 0            | (31)                                  | 0          | (90)                 | 0            | (231)                     | 0            |
| Accounts Receivable                                 | 4.3  | 0                   | 0          | 0                     | 0          | 23                   | 45           | 0                                     | 0          | 0                    | 1            | 23                        | 46           |
| Prepaid Expenses and Advances                       | 5    | 61                  | 221        | 1                     | 3          | 128                  | 18           | 60                                    | 126        | 54                   | 100          | 303                       | 468          |
| Due From Other Funds                                | 6    | 0                   | 40         | 82                    | 46         | 0                    | 516          | 105                                   | 129        | 622                  | 481          | 809                       | 1,213        |
|                                                     |      | 398                 | 428        | 165                   | 167        | 696                  | 1,067        | 292                                   | 434        | 1,159                | 1,121        | 2,710                     | 3,219        |
| <b>Non-Current Assets</b>                           |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| Other Non-Current Assets                            | 7    | 45                  | 0          | 0                     | 0          | 0                    | 0            | 13                                    | 0          | 0                    | 0            | 58                        | 0            |
|                                                     |      | 45                  | 0          | 0                     | 0          | 0                    | 0            | 13                                    | 0          | 0                    | 0            | 58                        | 0            |
| <b>TOTAL ASSETS</b>                                 |      | <b>443</b>          | <b>428</b> | <b>165</b>            | <b>167</b> | <b>696</b>           | <b>1,067</b> | <b>305</b>                            | <b>434</b> | <b>1,159</b>         | <b>1,121</b> | <b>2,768</b>              | <b>3,219</b> |
| <b>LIABILITIES</b>                                  |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| <b>Current Liabilities</b>                          |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| Accounts Payable                                    | 8    | 50                  | 63         | 10                    | 8          | 153                  | 207          | 92                                    | 95         | 736                  | 539          | 1,041                     | 912          |
| Reserve for Unliquidated Obligations                | 9    | 79                  | 150        | 97                    | 100        | 312                  | 812          | 142                                   | 196        | 285                  | 210          | 915                       | 1,518        |
| Funds Held for Third Parties                        | 10   | 0                   | 0          | 0                     | 0          | 0                    | 0            | 0                                     | 0          | 0                    | 0            | 0                         | 0            |
| Due To Other Funds                                  | 11   | 74                  | 0          | 0                     | 0          | 114                  | 0            | 0                                     | 0          | 0                    | 0            | 187                       | 0            |
| Other Current Liabilities                           |      | 0                   | 0          | 0                     | 1          | 9                    | 0            | 0                                     | 0          | 0                    | 8            | 9                         | 8            |
| Current Employee Benefits                           | 12.1 | 77                  | 0          | 25                    | 0          | 65                   | 0            | 15                                    | 0          | 105                  | 0            | 287                       | 0            |
|                                                     |      | 280                 | 213        | 132                   | 109        | 653                  | 1,019        | 249                                   | 291        | 1,126                | 757          | 2,439                     | 2,438        |
| <b>Non-Current Liabilities</b>                      |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| Non-Current Employee Benefits                       | 12.2 | 2                   | 39         | 4                     | 0          | 18                   | 13           | 1                                     | 0          | 17                   | 0            | 41                        | 0            |
|                                                     |      | 2                   | 39         | 4                     | 0          | 18                   | 13           | 1                                     | 0          | 17                   | 0            | 41                        | 0            |
| <b>TOTAL LIABILITIES</b>                            |      | <b>282</b>          | <b>252</b> | <b>136</b>            | <b>109</b> | <b>671</b>           | <b>1,032</b> | <b>250</b>                            | <b>291</b> | <b>1,143</b>         | <b>757</b>   | <b>2,480</b>              | <b>2,438</b> |
| <b>RESERVES AND FUND BALANCE</b>                    |      |                     |            |                       |            |                      |              |                                       |            |                      |              |                           |              |
| IPSAS Initial Adoption Reserve                      | 1.9  | (66)                | 0          | (50)                  | 0          | (129)                | 0            | (45)                                  | 0          | (200)                | 0            | (488)                     | 0            |
| Fund Balance                                        | 1.8  | 227                 | 177        | 79                    | 59         | 154                  | 36           | 100                                   | 144        | 216                  | 365          | 776                       | 780          |
| <b>TOTAL RESERVES AND FUND BALANCE</b>              |      | <b>161</b>          | <b>177</b> | <b>29</b>             | <b>59</b>  | <b>25</b>            | <b>36</b>    | <b>55</b>                             | <b>144</b> | <b>16</b>            | <b>365</b>   | <b>288</b>                | <b>780</b>   |
| <b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b> |      | <b>443</b>          | <b>428</b> | <b>165</b>            | <b>167</b> | <b>696</b>           | <b>1,067</b> | <b>305</b>                            | <b>434</b> | <b>1,159</b>         | <b>1,121</b> | <b>2,768</b>              | <b>3,219</b> |

**STATEMENT 30: OSCE Field Operations Central Asia, Statement of Cash Flow**  
for the Year Ending 31 December 2011

| EUR '000                                                               | Centre<br>in Astana |       | Centre<br>in Ashgabat |      | Centre<br>in Bishkek |       | Project Co-<br>ordinator in<br>Uzbekistan |      | Office in Tajikistan |       | TOTAL FOR<br>CENTRAL ASIA |       |
|------------------------------------------------------------------------|---------------------|-------|-----------------------|------|----------------------|-------|-------------------------------------------|------|----------------------|-------|---------------------------|-------|
|                                                                        | 2011                | 2010  | 2011                  | 2010 | 2011                 | 2010  | 2011                                      | 2010 | 2011                 | 2010  | 2011                      | 2010  |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>                   | <b>107</b>          | 72    | <b>21</b>             | 24   | <b>64</b>            | 4     | <b>41</b>                                 | 15   | <b>56</b>            | 27    | <b>289</b>                | 141   |
| (Increase)/Decrease in Assessed Contributions Receivable               | <b>(9)</b>          | (31)  | <b>(8)</b>            | (12) | <b>22</b>            | (176) | <b>(11)</b>                               | (26) | <b>(22)</b>          | (91)  | <b>(28)</b>               | (335) |
| Increase/(Decrease) in Allowance for Assessed Contributions Receivable | <b>31</b>           | 0     | <b>23</b>             | 0    | <b>56</b>            | 0     | <b>31</b>                                 | 0    | <b>90</b>            | 0     | <b>231</b>                | 0     |
| (Increase)/Decrease in Accounts Receivable                             | <b>0</b>            | (1)   | <b>0</b>              | 0    | <b>22</b>            | 18    | <b>0</b>                                  | 12   | <b>1</b>             | (1)   | <b>23</b>                 | 28    |
| (Increase)/Decrease in Prepaid Expenditure and Advances                | <b>160</b>          | (178) | <b>2</b>              | (3)  | <b>(109)</b>         | 66    | <b>67</b>                                 | (71) | <b>47</b>            | 144   | <b>165</b>                | (43)  |
| Increase/(Decrease) in Other Non-Current Assets                        | <b>(45)</b>         | 0     | <b>0</b>              | 0    | <b>0</b>             | 0     | <b>(13)</b>                               | 0    | <b>0</b>             | 0     | <b>(58)</b>               | 0     |
| (Increase)/Decrease in Inter-Fund Balances Receivable                  | <b>40</b>           | 52    | <b>(36)</b>           | (5)  | <b>516</b>           | (445) | <b>24</b>                                 | 52   | <b>(141)</b>         | 205   | <b>404</b>                | (143) |
| Increase/(Decrease) in Reserve for Unliquidated Obligations            | <b>(71)</b>         | 65    | <b>9</b>              | 50   | <b>(500)</b>         | 509   | <b>(54)</b>                               | 41   | <b>92</b>            | (243) | <b>(524)</b>              | 422   |
| Increase/(Decrease) in Accounts Payable                                | <b>(13)</b>         | 41    | <b>1</b>              | 2    | <b>(54)</b>          | 168   | <b>(2)</b>                                | 21   | <b>196</b>           | 313   | <b>128</b>                | 546   |
| Increase/(Decrease) in Other Current Liabilities                       | <b>0</b>            | 0     | <b>(1)</b>            | 1    | <b>9</b>             | 0     | <b>0</b>                                  | 0    | <b>(7)</b>           | 3     | <b>0</b>                  | 3     |
| Increase/(Decrease) in Inter-Fund Balances Payable                     | <b>73</b>           | 0     | <b>0</b>              | 0    | <b>115</b>           | 0     | <b>0</b>                                  | 0    | <b>0</b>             | 0     | <b>187</b>                | 0     |
| Increase/(Decrease) in Current Employee Benefits                       | <b>39</b>           | 0     | <b>14</b>             | 0    | <b>52</b>            | 0     | <b>14</b>                                 | 0    | <b>89</b>            | 0     | <b>208</b>                | 0     |
| Increase/(Decrease) in Non-Current Employee Benefits                   | <b>2</b>            | 0     | <b>4</b>              | 0    | <b>18</b>            | 0     | <b>1</b>                                  | 0    | <b>17</b>            | 0     | <b>41</b>                 | 0     |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                         | <b>314</b>          | 20    | <b>29</b>             | 57   | <b>211</b>           | 144   | <b>98</b>                                 | 44   | <b>418</b>           | 357   | <b>1,066</b>              | 619   |
| Credits to Participating States                                        | <b>(57)</b>         | (106) | <b>(1)</b>            | (63) | <b>55</b>            | (49)  | <b>(84)</b>                               | (90) | <b>(204)</b>         | (267) | <b>(292)</b>              | (575) |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve                  | <b>(66)</b>         | 0     | <b>(50)</b>           | 0    | <b>(129)</b>         | 0     | <b>(45)</b>                               | 0    | <b>(200)</b>         | 0     | <b>(488)</b>              | 0     |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                         | <b>(123)</b>        | (106) | <b>(51)</b>           | (63) | <b>(74)</b>          | (49)  | <b>(129)</b>                              | (90) | <b>(404)</b>         | (267) | <b>(780)</b>              | (575) |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>191</b>          | (86)  | <b>(22)</b>           | (6)  | <b>137</b>           | 95    | <b>(31)</b>                               | (46) | <b>14</b>            | 90    | <b>286</b>                | 44    |

**STATEMENT 31: OSCE Field Operations Central Asia, Statement of Cash Surplus\***  
for the Year Ending 31 December 2011

| EUR '000                                           | Centre<br>in Astana |       | Centre<br>in Ashgabat |      | Centre<br>in Bishkek |       | Project Co-<br>ordinator in<br>Uzbekistan |      | Office in<br>Tajikistan |       | TOTAL FOR<br>CENTRAL ASIA |       |
|----------------------------------------------------|---------------------|-------|-----------------------|------|----------------------|-------|-------------------------------------------|------|-------------------------|-------|---------------------------|-------|
|                                                    | 2011                | 2010  | 2011                  | 2010 | 2011                 | 2010  | 2011                                      | 2010 | 2011                    | 2010  | 2011                      | 2010  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>           | <b>107</b>          | 72    | <b>21</b>             | 24   | <b>64</b>            | 4     | <b>41</b>                                 | 15   | <b>56</b>               | 27    | <b>289</b>                | 141   |
| Add Contributions Receivable as at 1 January       | <b>79</b>           | 48    | <b>46</b>             | 34   | <b>262</b>           | 86    | <b>70</b>                                 | 45   | <b>224</b>              | 134   | <b>682</b>                | 347   |
| Less Contributions Receivable as at 31 December    | <b>(89)</b>         | (79)  | <b>(54)</b>           | (46) | <b>(239)</b>         | (262) | <b>(81)</b>                               | (70) | <b>(246)</b>            | (224) | <b>(710)</b>              | (682) |
| <b>CASH SURPLUS FOR THE YEAR</b>                   | <b>97</b>           | 41    | <b>13</b>             | 12   | <b>87</b>            | (172) | <b>30</b>                                 | (10) | <b>34</b>               | (63)  | <b>261</b>                | (194) |
| <br><b>Cash Surplus as at 1 January</b>            | <br><b>98</b>       | 163   | <br><b>12</b>         | 64   | <br><b>(226)</b>     | (6)   | <br><b>74</b>                             | 175  | <br><b>140</b>          | 471   | <br><b>98</b>             | 868   |
| Less Credits to Participating States/Transfers     | <b>(57)</b>         | (106) | <b>(1)</b>            | (63) | <b>55</b>            | (49)  | <b>(84)</b>                               | (90) | <b>(204)</b>            | (267) | <b>(292)</b>              | (575) |
| Cash Surplus as at 31 December                     | <b>138</b>          | 98    | <b>24</b>             | 13   | <b>(84)</b>          | (227) | <b>20</b>                                 | 75   | <b>(30)</b>             | 141   | <b>67</b>                 | 99    |
| <br>Add Contributions Receivable as at 31 December | <br><b>89</b>       | 79    | <br><b>54</b>         | 46   | <br><b>239</b>       | 262   | <br><b>81</b>                             | 70   | <br><b>246</b>          | 224   | <br><b>710</b>            | 682   |
| <b>Fund Balance as at 31 December</b>              | <b>227</b>          | 177   | <b>78</b>             | 59   | <b>155</b>           | 35    | <b>101</b>                                | 145  | <b>216</b>              | 365   | <b>777</b>                | 781   |

\*See Note 1.7



**STATEMENT 32: Extra-Budgetary Part 1 Statement of Income, Expenditure and Changes in Fund Balance**  
for the Year Ending 31 December 2011

|                                              |      | Funds to support<br>OSCE action for peace,<br>democracy and<br>stability in BiH |       | Fund to foster the<br>integration of recently<br>admitted Participating<br>States |      | Fund for activities<br>relating to Economic<br>and Environmental<br>Aspect of Security |       | Fund for activities<br>related to the Removal<br>and Destruction of<br>Russian Ammunition<br>and Armaments from<br>Moldova |       | Fund relating to the<br>Stability Pact for South<br>Eastern Europe |      |
|----------------------------------------------|------|---------------------------------------------------------------------------------|-------|-----------------------------------------------------------------------------------|------|----------------------------------------------------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------------------|------|
| EUR '000                                     |      |                                                                                 |       |                                                                                   |      |                                                                                        |       |                                                                                                                            |       |                                                                    |      |
|                                              | Note | 2011                                                                            | 2010  | 2011                                                                              | 2010 | 2011                                                                                   | 2010  | 2011                                                                                                                       | 2010  | 2011                                                               | 2010 |
| Extra-Budgetary Contributions                | 15   | 143                                                                             | 386   | 0                                                                                 | 0    | 413                                                                                    | 930   | 0                                                                                                                          | 0     | 0                                                                  | 0    |
| Currency Exchange Adjustments                | 1.11 | 0                                                                               | 0     | 0                                                                                 | 0    | 0                                                                                      | 0     | 25                                                                                                                         | 736   | 0                                                                  | 0    |
| Other Adjustments                            | 16   | 25                                                                              | 59    | 0                                                                                 | 0    | 39                                                                                     | 124   | 0                                                                                                                          | 0     | 0                                                                  | 0    |
| <b>TOTAL INCOME</b>                          | 1.5  | <b>169</b>                                                                      | 445   | <b>0</b>                                                                          | 0    | <b>453</b>                                                                             | 1,054 | <b>25</b>                                                                                                                  | 736   | <b>0</b>                                                           | 0    |
| <b>TOTAL EXPENDITURE</b>                     | 1.6  | <b>193</b>                                                                      | 653   | <b>0</b>                                                                          | 0    | <b>1,307</b>                                                                           | 291   | <b>44</b>                                                                                                                  | 50    | <b>0</b>                                                           | 0    |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>     |      | <b>(25)</b>                                                                     | (208) | <b>0</b>                                                                          | 0    | <b>(854)</b>                                                                           | 763   | <b>(20)</b>                                                                                                                | 686   | <b>0</b>                                                           | 0    |
| Refund of Unspent XB Contributions to Donors |      | <b>(16)</b>                                                                     | (8)   | <b>0</b>                                                                          | 0    | <b>(8)</b>                                                                             | (51)  | <b>(37)</b>                                                                                                                | 0     | <b>(8)</b>                                                         | 0    |
|                                              |      |                                                                                 |       | <b>0</b>                                                                          |      |                                                                                        |       |                                                                                                                            |       |                                                                    |      |
| Fund Balance as at 1 January                 |      | <b>986</b>                                                                      | 1,202 | <b>31</b>                                                                         | 31   | <b>1,826</b>                                                                           | 1,113 | <b>6,990</b>                                                                                                               | 6,304 | <b>15</b>                                                          | 15   |
| <b>Fund Balance as at 31 December</b>        | 1.8  | <b>946</b>                                                                      | 986   | <b>31</b>                                                                         | 31   | <b>963</b>                                                                             | 1,826 | <b>6,934</b>                                                                                                               | 6,990 | <b>7</b>                                                           | 15   |

**STATEMENT 33: Extra-Budgetary Part 1 Statement of Assets, Liabilities and Fund Balance**  
as at 31 December 2011

|                                           |             | Funds to support OSCE<br>action for peace,<br>democracy and stability<br>in BiH |             | Fund to foster the<br>integration of recently<br>admitted Participating<br>States |             | Fund for activities<br>relating to Economic<br>and Environmental<br>Aspect of Security |             | Fund for activities<br>related to the Removal<br>and Destruction of<br>Russian Ammunition<br>and Armaments from<br>Moldova |             | Fund relating to the<br>Stability Pact for South<br>Eastern Europe |             |
|-------------------------------------------|-------------|---------------------------------------------------------------------------------|-------------|-----------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------|-------------|
| EUR '000                                  |             |                                                                                 |             |                                                                                   |             |                                                                                        |             |                                                                                                                            |             |                                                                    |             |
| <b>ASSETS</b>                             | <b>Note</b> | <b>2011</b>                                                                     | <b>2010</b> | <b>2011</b>                                                                       | <b>2010</b> | <b>2011</b>                                                                            | <b>2010</b> | <b>2011</b>                                                                                                                | <b>2010</b> | <b>2011</b>                                                        | <b>2010</b> |
| Due From Other Funds                      |             | <b>946</b>                                                                      | 1,305       | <b>31</b>                                                                         | 31          | <b>1,224</b>                                                                           | 1,966       | <b>6,934</b>                                                                                                               | 6,990       | <b>7</b>                                                           | 15          |
| <b>TOTAL ASSETS</b>                       |             | <b>946</b>                                                                      | 1,305       | <b>31</b>                                                                         | 31          | <b>1,224</b>                                                                           | 1,966       | <b>6,934</b>                                                                                                               | 6,990       | <b>7</b>                                                           | 15          |
| <b>LIABILITIES</b>                        |             |                                                                                 |             |                                                                                   |             |                                                                                        |             |                                                                                                                            |             |                                                                    |             |
| Reserve for Unliquidated Obligations      | 9           | <b>0</b>                                                                        | 319         | <b>0</b>                                                                          | 0           | <b>261</b>                                                                             | 141         | <b>0</b>                                                                                                                   | 0           | <b>0</b>                                                           | 0           |
| <b>TOTAL LIABILITIES</b>                  |             | <b>0</b>                                                                        | 319         | <b>0</b>                                                                          | 0           | <b>261</b>                                                                             | 141         | <b>0</b>                                                                                                                   | 0           | <b>0</b>                                                           | 0           |
| <b>FUND BALANCE</b>                       |             |                                                                                 |             |                                                                                   |             |                                                                                        |             |                                                                                                                            |             |                                                                    |             |
| Fund Balance                              | 1.8         | <b>946</b>                                                                      | 986         | <b>31</b>                                                                         | 31          | <b>963</b>                                                                             | 1,826       | <b>6,934</b>                                                                                                               | 6,990       | <b>7</b>                                                           | 15          |
| <b>TOTAL FUND BALANCE</b>                 |             | <b>946</b>                                                                      | 986         | <b>31</b>                                                                         | 31          | <b>963</b>                                                                             | 1,826       | <b>6,934</b>                                                                                                               | 6,990       | <b>7</b>                                                           | 15          |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> |             | <b>946</b>                                                                      | 1,305       | <b>31</b>                                                                         | 31          | <b>1,224</b>                                                                           | 1,967       | <b>6,934</b>                                                                                                               | 6,990       | <b>7</b>                                                           | 15          |

**STATEMENT 34: Extra-Budgetary Part 1 Statement of Cash Flow**  
for the Year Ending 31 December 2011

|                                                             | Funds to support OSCE action for peace, democracy and stability in BiH |              | Fund to foster the integration of recently admitted Participating States |          | Fund for activities relating to Economic and Environmental Aspect of Security |              | Fund for activities related to the Removal and Destruction of Russian Ammunition and Armaments from Moldova |              | Fund relating to the Stability Pact for South Eastern Europe |          |
|-------------------------------------------------------------|------------------------------------------------------------------------|--------------|--------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------------------------|--------------|--------------------------------------------------------------|----------|
| EUR '000                                                    |                                                                        |              |                                                                          |          |                                                                               |              |                                                                                                             |              |                                                              |          |
|                                                             | 2011                                                                   | 2010         | 2011                                                                     | 2010     | 2011                                                                          | 2010         | 2011                                                                                                        | 2010         | 2011                                                         | 2010     |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>        | <b>(25)</b>                                                            | <b>(208)</b> | <b>0</b>                                                                 | <b>0</b> | <b>(854)</b>                                                                  | <b>763</b>   | <b>(20)</b>                                                                                                 | <b>686</b>   | <b>0</b>                                                     | <b>0</b> |
| (Increase)/Decrease in Inter-Fund Balances Receivable       | <b>360</b>                                                             | <b>(98)</b>  | <b>0</b>                                                                 | <b>0</b> | <b>742</b>                                                                    | <b>(195)</b> | <b>57</b>                                                                                                   | <b>(686)</b> | <b>8</b>                                                     | <b>0</b> |
| Increase/(Decrease) in Reserve for Unliquidated Obligations | <b>(319)</b>                                                           | <b>314</b>   | <b>0</b>                                                                 | <b>0</b> | <b>120</b>                                                                    | <b>(518)</b> | <b>0</b>                                                                                                    | <b>0</b>     | <b>0</b>                                                     | <b>0</b> |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>              | <b>16</b>                                                              | <b>8</b>     | <b>0</b>                                                                 | <b>0</b> | <b>8</b>                                                                      | <b>50</b>    | <b>37</b>                                                                                                   | <b>0</b>     | <b>8</b>                                                     | <b>0</b> |
| Refund of Unspent Extra-Budgetary Contribution to Donors    | <b>(16)</b>                                                            | <b>(8)</b>   | <b>0</b>                                                                 | <b>0</b> | <b>(8)</b>                                                                    | <b>(51)</b>  | <b>(37)</b>                                                                                                 | <b>0</b>     | <b>(8)</b>                                                   | <b>0</b> |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>              | <b>(16)</b>                                                            | <b>(8)</b>   | <b>0</b>                                                                 | <b>0</b> | <b>(8)</b>                                                                    | <b>(51)</b>  | <b>(37)</b>                                                                                                 | <b>0</b>     | <b>(8)</b>                                                   | <b>0</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                      | <b>0</b>                                                               | <b>0</b>     | <b>0</b>                                                                 | <b>0</b> | <b>0</b>                                                                      | <b>(1)</b>   | <b>0</b>                                                                                                    | <b>0</b>     | <b>0</b>                                                     | <b>0</b> |

## STATEMENT 35: Extra-Budgetary Part 2 Statement of Income, Expenditure and Changes in Fund Balance

for the Year Ending 31 December 2011

|                                                |      | Fund for Activities<br>related to the<br>Reduction of Military<br>Forces and Equipment<br>from Georgia |      | Bishkek Conference |      | The Partnership<br>Fund |       | Other Activities and<br>Special Projects |         | Total<br>Extra-Budgetary<br>Funds |         |
|------------------------------------------------|------|--------------------------------------------------------------------------------------------------------|------|--------------------|------|-------------------------|-------|------------------------------------------|---------|-----------------------------------|---------|
| EUR '000                                       |      |                                                                                                        |      |                    |      |                         |       |                                          |         |                                   |         |
|                                                | Note | 2011                                                                                                   | 2010 | 2011               | 2010 | 2011                    | 2010  | 2011                                     | 2010    | 2011                              | 2010    |
| Extra-Budgetary Contributions                  | 1.5  | 0                                                                                                      | 0    | 0                  | 0    | 72                      | 102   | 16,557                                   | 23,144  | 17,186                            | 24,563  |
| Miscellaneous Income                           | 1.5  | 0                                                                                                      | 0    | 0                  | 0    | 0                       | 0     | 0                                        | 0       | 0                                 | 0       |
| Currency Exchange Adjustments                  | 1.11 | 0                                                                                                      | 0    | 0                  | 0    | 0                       | 0     | 0                                        | 0       | 25                                | 736     |
| Savings on Prior Year Unliquidated Obligations | 9    | 0                                                                                                      | 0    | 0                  | 0    | 0                       | 0     | 0                                        | 0       | 0                                 | 0       |
| Other Adjustments                              | 16   | 0                                                                                                      | 0    | (10)               | 0    | 44                      | 113   | (297)                                    | (182)   | (199)                             | 114     |
| <b>TOTAL INCOME</b>                            | 1.5  | 0                                                                                                      | 0    | (10)               | 0    | 115                     | 216   | 16,260                                   | 22,962  | 17,011                            | 25,412  |
| <b>TOTAL EXPENDITURE</b>                       | 1.6  | 0                                                                                                      | 0    | 0                  | 0    | 81                      | 162   | 23,971                                   | 17,470  | 25,597                            | 18,625  |
| <b>EXCESS OF INCOME OVER EXPENDITURE</b>       |      | 0                                                                                                      | 0    | (10)               | 0    | 34                      | 54    | (7,711)                                  | 5,492   | (8,586)                           | 6,787   |
| Refund of Unspent XB Contributions to Donors   | 1.7  | 0                                                                                                      | (30) | 0                  | (2)  | (25)                    | (143) | (782)                                    | (1,850) | (876)                             | (2,083) |
| Fund Balance as at 1 January                   |      | 657                                                                                                    | 687  | 10                 | 12   | 319                     | 408   | 32,635                                   | 28,993  | 43,470                            | 38,765  |
| <b>Fund Balance as at 31 December</b>          | 1.8  | 657                                                                                                    | 657  | 0                  | 10   | 329                     | 319   | 24,142                                   | 32,635  | 34,008                            | 43,470  |

**STATEMENT 36: Extra-Budgetary Part 2 Statement of Assets, Liabilities and Fund Balance**  
as at 31 December 2011

|                                              |      | Fund for Activities<br>related to the Reduction<br>of Military Forces and<br>Equipment from Georgia |      |      |      | Bishkek Conference |      | The Partnership<br>Fund |        | Other Activities and<br>Special Projects |        | Total<br>Extra-Budgetary<br>Funds |  |
|----------------------------------------------|------|-----------------------------------------------------------------------------------------------------|------|------|------|--------------------|------|-------------------------|--------|------------------------------------------|--------|-----------------------------------|--|
| EUR '000                                     |      |                                                                                                     |      |      |      |                    |      |                         |        |                                          |        |                                   |  |
| ASSETS                                       | Note | 2011                                                                                                | 2010 | 2011 | 2010 | 2011               | 2010 | 2011                    | 2010   | 2011                                     | 2010   |                                   |  |
| Due From Other Funds                         |      | 657                                                                                                 | 657  | 0    | 10   | 334                | 319  | 27,802                  | 35,906 | 37,934                                   | 47,201 |                                   |  |
| TOTAL ASSETS                                 |      | 657                                                                                                 | 657  | 0    | 10   | 334                | 319  | 27,802                  | 35,906 | 37,934                                   | 47,201 |                                   |  |
| LIABILITIES                                  |      |                                                                                                     |      |      |      |                    |      |                         |        |                                          |        |                                   |  |
| Current Liabilities                          |      |                                                                                                     |      |      |      |                    |      |                         |        |                                          |        |                                   |  |
| Reserve for Unliquidated Obligations         | 9    | 0                                                                                                   | 0    | 0    | 0    | 4                  | 0    | 3,419                   | 3,113  | 3,684                                    | 3,573  |                                   |  |
| Other Current Liabilities                    |      | 0                                                                                                   | 0    | 0    | 0    | 0                  | 0    | 241                     | 158    | 241                                      | 158    |                                   |  |
|                                              |      | 0                                                                                                   | 0    | 0    | 0    | 4                  | 0    | 3,660                   | 3,271  | 3,925                                    | 3,731  |                                   |  |
| Non-Current Liabilities                      |      |                                                                                                     |      |      |      |                    |      |                         |        |                                          |        |                                   |  |
| Non-Current Employee Benefits                | 12.2 | 0                                                                                                   | 0    | 0    | 0    | 0                  | 0    | 19                      | 0      | 19                                       | 0      |                                   |  |
|                                              |      | 0                                                                                                   | 0    | 0    | 0    | 0                  | 0    | 19                      | 0      | 19                                       | 0      |                                   |  |
| TOTAL LIABILITIES                            |      | 0                                                                                                   | 0    | 0    | 0    | 4                  | 0    | 3,679                   | 3,271  | 3,944                                    | 3,731  |                                   |  |
| RESERVES AND FUND BALANCE                    |      |                                                                                                     |      |      |      |                    |      |                         |        |                                          |        |                                   |  |
| IPSAS Initial Adoption Reserve               | 1.9  | 0                                                                                                   | 0    | 0    | 0    | 0                  | 0    | (19)                    | 0      | (19)                                     | 0      |                                   |  |
| Fund Balance                                 |      | 657                                                                                                 | 657  | 0    | 10   | 330                | 319  | 24,142                  | 32,635 | 34,008                                   | 43,470 |                                   |  |
| TOTAL RESERVES AND FUND BALANCE              |      | 657                                                                                                 | 657  | 0    | 10   | 330                | 319  | 24,123                  | 32,635 | 33,989                                   | 43,470 |                                   |  |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCE |      | 657                                                                                                 | 657  | 0    | 10   | 334                | 319  | 27,802                  | 35,906 | 37,934                                   | 47,201 |                                   |  |

**STATEMENT 37: Extra-Budgetary Part 2 Statement of Cash Flow**  
for the Year Ending 31 December 2011

| EUR '000                                                    | Fund for Activities related to<br>the Reduction of Military<br>Forces and Equipment from<br>Georgia |             | Bishkek Conference |            | The Partnership<br>Fund |              | Other Activities and<br>Special Projects |                | Total<br>Extra-Budgetary<br>Funds |                |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------|--------------------|------------|-------------------------|--------------|------------------------------------------|----------------|-----------------------------------|----------------|
|                                                             | 2011                                                                                                | 2010        | 2011               | 2010       | 2011                    | 2010         | 2011                                     | 2010           | 2011                              | 2010           |
| <b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>        | <b>0</b>                                                                                            | <b>0</b>    | <b>(10)</b>        | <b>0</b>   | <b>34</b>               | <b>54</b>    | <b>(7,711)</b>                           | <b>5,492</b>   | <b>(8,586)</b>                    | <b>6,787</b>   |
| (Increase)/Decrease in Inter-Fund Balances Receivable       | 0                                                                                                   | 30          | 10                 | 2          | (14)                    | 134          | 8,103                                    | (705)          | 9,266                             | (1,518)        |
| Increase/(Decrease) in Reserve for Unliquidated Obligations | 0                                                                                                   | 0           | 0                  | 0          | 4                       | (45)         | 306                                      | (2,989)        | 111                               | (3,238)        |
| Increase/(Decrease) in Other Current Liabilities            | 0                                                                                                   | 0           | 0                  | 0          | 0                       | 0            | 84                                       | 52             | 84                                | 52             |
| Increase/(Decrease) in Non-Current Employee Benefits        | 0                                                                                                   | 0           | 0                  | 0          | 0                       | 0            | 19                                       | 0              | 19                                | 0              |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>              | <b>0</b>                                                                                            | <b>30</b>   | <b>0</b>           | <b>2</b>   | <b>24</b>               | <b>143</b>   | <b>801</b>                               | <b>1,850</b>   | <b>894</b>                        | <b>2,083</b>   |
| Refund of Unspent Extra-Budgetary Contribution to Donors    | 0                                                                                                   | (30)        | 0                  | (2)        | (25)                    | (143)        | (782)                                    | (1,850)        | (876)                             | (2,083)        |
| Increase/(Decrease) in IPSAS Initial Adoption Reserve       | 0                                                                                                   | 0           | 0                  | 0          | 0                       | 0            | (19)                                     | 0              | (19)                              | 0              |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>              | <b>0</b>                                                                                            | <b>(30)</b> | <b>0</b>           | <b>(2)</b> | <b>(25)</b>             | <b>(143)</b> | <b>(801)</b>                             | <b>(1,850)</b> | <b>(895)</b>                      | <b>(2,083)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                      | <b>0</b>                                                                                            | <b>0</b>    | <b>0</b>           | <b>0</b>   | <b>(1)</b>              | <b>0</b>     | <b>0</b>                                 | <b>0</b>       | <b>(1)</b>                        | <b>0</b>       |

## Chapter IV – Notes to the Financial Statements





# Notes to the Financial Statements

## Note 1 - Significant Accounting Policies

### 1.1 Basis of Presentation

The financial statements of the Organization are prepared in accordance with the Financial Regulations, the United Nations System Accounting Standards (UNSAS), and stated accounting policies. The figures are presented rounded to the nearest Euro thousand and to the nearest one-tenth percent. This may result in totals that differ by EUR 1-2 thousand and by 0.1%.

### 1.2 IPSAS Progressive Adoption

The progressive adoption of International Public Sector Accounting Standards (IPSAS) was formally approved by participating States (PC.DEC/1040 dated 10 May 2012). IPSAS adoption aligns OSCE's accounting with international recognized best practices, improves controls and transparency of assets and liabilities, provides more comprehensive information, and improves consistency and comparability of the financial statements. In order to progress with IPSAS adoption, the OSCE has implemented certain changes in accounting policies, which are allowed under UNSAS.

The impact of the IPSAS standards adopted by the OSCE in 2011 is as follows:

- **IPSAS 13 Leases:** OSCE's lease agreements meet the IPSAS definition of operating leases. The adoption of this standard requires additional note disclosures for minimum lease payments for each of the following periods: not later than 1 year, later than one year, and not later than 5 years and later than 5 years (see Note 19);
- **IPSAS 14 Events After the Reporting Date:** events that occur after the reporting date should only be recognized in the financial statements if certain conditions are met, otherwise they should be disclosed in the Notes, if material (see Note 20);
- **IPSAS 15 Financial Instruments: Disclosure and Presentation:** this standard mainly affects note disclosures, in particular the description of OSCE's exposure to financial risks and how management policies address those risks. Also, an allowance for outstanding assessed contributions receivable is being recognized in line with the requirement for reporting monetary assets at fair value (see Note 1.11, Notes 2 to 5 and Note 8);
- **IPSAS 25 Employee Benefits:** this standard defines the recognition, measurement and disclosure requirements for benefits provided to employees. The recognition of employee benefits as of 31 December, 2011 resulted in an increase in current and non-current liabilities and a decrease in reserves. Current employee benefits liabilities include annual leave, home leave, and rest and recuperation leave for employees in Field Operations, whereas non-current employee benefits include separation benefits, such as repatriation grant and travel, removal of household goods and home leave for employees in the Secretariat and Institutions. The adoption of IPSAS 25 did not impact the recognition of the Provident Fund in the Financial Statements. Non-current employee benefits liabilities were determined by an independent actuary (see Note 12).

The recognition of the IPSAS standards mentioned above resulted in a net decrease in Reserves and Fund Balances of EUR 11,815 thousand as described in Note 1.9.

### 1.3 Fund Accounting

The OSCE operates a system of fund accounting and the resulting financial statements present the financial results of budgetary Funds approved under PC.DEC/981 dated 23 December 2010 and subsequent budget revisions, Extra-budgetary Funds and the Network Operating System Fund.

For purposes of the presentation and approval of the 2011 Unified Budget, Funds were grouped under (i) Funds related to the Secretariat and Institutions and (ii) Funds related to Field Operations, with the latter, in turn, being grouped into regions. This presentation is also followed in this Financial Report and Financial Statements.

The following Funds were operational in 2011:

#### a) Standard Scale of Contributions for 2011 (PC.DEC/980 dated 23 December 2010)

##### I. FUNDS RELATED TO THE SECRETARIAT AND INSTITUTIONS

- The Secretariat
- Office for Democratic Institutions and Human Rights (ODIHR)
- High Commissioner on National Minorities (HCNM)
- Representative on Freedom of the Media (RFoM)

#### b) Field Operations Scale of Contributions for 2011 (PC.DEC/980 dated 23 December 2010)

##### II. FUNDS RELATED TO OSCE FIELD OPERATIONS

- Augmentations [see point c) ]
- South-Eastern Europe
  - Mission in Kosovo
  - Tasks in Bosnia and Herzegovina
  - Office in Zagreb<sup>1</sup>
  - Mission to Serbia
  - Presence in Albania
  - Mission to Skopje
  - Mission to Montenegro
- Eastern Europe
  - Mission to Moldova
  - Project Co-ordinator in Ukraine
  - Office in Minsk<sup>2</sup>
  - Representative to the Latvian-Russian JC on Military Pensioners
- Caucasus
  - Office in Yerevan
  - Office in Baku
  - High Level Planning Group
  - The Minsk Process
  - Personal Representative of the CIO
- Central Asia
  - Centre in Astana
  - Centre in Ashgabat
  - Centre in Bishkek
  - Project Co-ordinator in Uzbekistan
  - Office in Tajikistan

Missions and Field Operations whose mandate has expired for

<sup>1</sup> The mandate of the OSCE Office in Zagreb was not extended beyond 31 December 2011. (PC.DEC/1026 of 15 December 2011) and ceased its operation on 31 March 2012.

<sup>2</sup> The mandate of the OSCE Office in Minsk was not extended beyond 31 December 2010 and ceased its operations on 31 March 2011.

one financial year are grouped under “Closed Field Operations Funds”.

This includes the following Funds:

- Kosovo, Sandjak and Vojvodina
- Mission to Estonia
- Expert Mission to Ukraine
- Mission to Latvia
- Representative to the Joint Committee on the Skundra Radar Station
- Sanctions Assistance Missions
- Action Against Terrorism Fund
- Assistance Group to Chechnya
- Representative to the Estonian Commission on Military Pensioners
- Mission to Croatia
- Mission to Georgia
- End of Mandate Georgia

#### c) The Augmentations Fund

The Augmentations Fund was established on a provisional basis under PC.DEC/827 of December 2007 and is financed on the basis of the Field Operations Scale.

#### d) Revolving and Contingency Funds

- The Revolving Fund, in the amount of EUR 2,710 thousand was established by the Permanent Council (PC.DEC/133, 27 June 1996) to meet the short-term cash requirements of duly authorised OSCE activities that could result from the period between the billing and payment of assessed contributions.
- The Contingency Fund, in the amount of EUR 2,180 thousand was established by the Permanent Council (PC.DEC/182, 17 July 1997) to allow OSCE to act immediately after the adoption of a Permanent Council decision on a new activity and to cover the corresponding financial requirements prior to the approval of the relevant supplementary budget.

#### e) Network Operating System

The Network Operating System Fund was established in 2010 (PC.DEC/926) to finance the replacement of the OSCE's network and desktop systems. The funding of the Network Operating System was financed from the 2008 cash surplus in the amount of EUR 1,890 thousand.

#### f) Extra-budgetary Funds (see Note 15)

##### 1.4 Material Assets and Attractive Items

The policies and procedures for the management of material assets are set out in the Provisional Financial/Administrative Instruction Seven on Asset Management for Goods and Services. The primary objective of OSCE's asset management system is to provide a framework to ensure effective custodial controls over material assets and specific types of attractive items that may be susceptible to loss.

- Material assets are defined as tangible assets with a minimum cost of EUR 1,000 and a useful life of a minimum of two (2) years.
- Attractive items are defined as items with a cost below EUR 1,000 and useful life of minimum two (2) years such as mobile phones, GPS units and handheld radios.

The cost of material assets and attractive items is comprised of the purchase price, non-refundable import duties and purchase taxes, initial delivery and handling costs, installation fees, and any direct costs of bringing the assets to working condition for their intended use.

The purchase cost of material assets and attractive items is

charged to expenditure at the time of purchase and therefore, is not reflected as an asset on the balance sheet. The OSCE maintains separate asset records, for reporting the historical acquisition cost, notional accumulated depreciation and net book value. Income from the disposal of assets is recorded as miscellaneous income.

##### 1.5 Budgetary Income

Income from assessed contributions from participating States is recorded on an accrual basis. Accrued income for the reporting period amounted to EUR 147,165 thousand, following the 2011 Year-end Unified Budget Revision (PC.DEC/1030, 16 February 2012). Total miscellaneous income amounted to EUR 1,235 thousand in 2011, mainly from interest income (EUR 1,026 thousand).

##### 1.6 Budgetary Expenditure

Expenditure is accounted for on an accrual and modified accrual basis. The cost of services is recorded on an accrual basis as expenditure of the current financial year, based on physical delivery. The cost of supplies and equipment is recorded on a modified accrual basis as expenditure in the current financial year based on the existence of a legally enforceable contract. Budgetary expenditure amounted to EUR 145,936 thousand in 2011.

##### 1.7 Cash Surplus or Deficit

At the end of each financial year, the cash surplus or deficit for the Funds financed through assessed contributions is determined by calculating the excess of income received over expenditure or the excess of expenditure over income received, as the case may be. The cash surplus of all Funds financed through assessed contributions is credited against contributions of the participating States in accordance with the scale of distribution for the year to which the surplus relates, during the year following the year in which the accounts are accepted by the Permanent Council. The allocation to a participating State of its share of the cash surplus is deferred in cases where the State is in arrears for the year to which the surplus relates and until such time as these arrears are paid in full (Financial Regulation 7.07). The accumulated undistributed cash surplus, which amounted to EUR 281 thousand as at 31 December 2011, is presented as an unallocated surplus in the Statement of Assets, Liabilities and Fund balances.

The calculation of cash surplus/deficit is as follows:

| EUR '000                                                | Statement 4 - Total UB |
|---------------------------------------------------------|------------------------|
| Assessed Contributions                                  | 147,165                |
| + Miscellaneous Income                                  | 1,235                  |
| +/- Foreign Exchange loss                               | (110)                  |
| + Savings on prior year Unliquidated Obligations        | 1,105                  |
| = Total Income                                          | 149,394                |
| - Total Expenditure                                     | (145,936)              |
|                                                         | Statement 7 - Total UB |
| = Excess of Income over Expenditure                     | 3,459                  |
| + Assessed Contributions receivable on 1 January 2011   | 8,598                  |
| - Assessed Contributions receivable on 31 December 2011 | (8,929)                |
| = <b>Cash Surplus for 2011</b>                          | <b>3,128</b>           |
| + Cash Surplus 1 January 2011                           | 6,397                  |
| - Distribution of cash surplus                          | (4,894)                |
| = Cash Surplus as at 31 December 2011*                  | 4,631                  |
| + Assessed Contributions receivable on 31 December 2011 | 8,929                  |
| = <b>Fund Balance as at 31 December 2011</b>            | <b>13,560</b>          |

\*See Note 20 - Events After the Reporting Date regarding allocation of cash surplus to fund the OSCE Enterprise Resource Planning (ERP) Upgrade Fund.

### 1.8 Fund Balance

The Fund Balance at 31 December 2011 contains five elements: the cash surplus payable to participating States in 2012 and 2013, the assessed contributions receivable, the balance related to Extra-budgetary projects funded by donors and the balance in the Network Operating System Fund, as detailed in the following table.

|                                   |             |
|-----------------------------------|-------------|
| EUR Million                       |             |
| 2010 Cash surplus payable 2012    | 1.5         |
| 2011 Cash surplus payable 2013    | 3.1         |
| Assessed contributions receivable | 8.9         |
| Extra-budgetary Fund Balance      | 34.0        |
| Network Operating System Fund     | 0.3         |
| <b>Fund Balance</b>               | <b>47.8</b> |

### 1.9 IPSAS Initial Adoption Reserve

The adoption of IPSAS 15 Financial Instruments: Disclosure and Presentation and IPSAS 25 Employee Benefits resulted in a decrease in Reserves as follows:

|                                                            |                           |
|------------------------------------------------------------|---------------------------|
| EUR '000                                                   |                           |
|                                                            | <b>Impact on Reserves</b> |
| Allowance for outstanding assessed contribution receivable | (4,898)                   |
| Current employee benefits liabilities                      |                           |
| - Home leave and rest and recuperation                     | (256)                     |
| - Annual leave                                             | (3,720)                   |
| - Termination benefits                                     | (334)                     |
| Non-current employee benefits liabilities                  |                           |
| - Home leave                                               | (98)                      |
| - Repatriation grant                                       | (1,584)                   |
| - Repatriation travel                                      | (280)                     |
| - Removal/shipment of household goods                      | (645)                     |
| <b>Total</b>                                               | <b>(11,815)</b>           |

Transitional provisions included in IPSAS state that when comparative information for prior periods is not available at the time of initial adoption, such information need not be presented; therefore there was no restatement of beginning balances, and the above presented amounts represent the impact of the recognition of balances as of 31 December 2011.

### 1.10 Contributions In-Kind

Contributions in-kind in the form of salaries for seconded staff and rental of premises are not recorded in the accounts of the Organization. For 2011 the estimated value of in-kind contributions is approximately EUR 44,142 thousand (EUR 45,039 thousand in 2010).

### 1.11 Financial Risk Management

Financial risk management is carried out by the Treasury Unit in the Secretariat under policies approved by the Investment Committee and by applying the guidelines included in Provisional Financial/Administrative Instruction Five on Income and Cash Management and the Investment Policy. IPSAS 15 Financial Instruments: Disclosure and Presentation states the types of risks that an organization should disclose:

(a) Liquidity risk is the risk that an entity will encounter difficulty in receiving funds to meet its financial commitments. The OSCE invests funds not required for immediate operational purposes in short-term deposits up to a maximum of six

months. Maturities are scheduled on the basis of operational requirements as identified by the Treasury Unit and OSCE Executive Structures' cash flow forecasts.

The timing of payment of assessed contributions by participating States has an impact on the liquidity of the organization. Delays in payment by large contributors can affect normal operations, although the Revolving Fund in the amount of EUR 2,710 thousand is available to meet short-term cash requirements as stated in PC.DEC/133 of 27 June 1996.

(b) Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The OSCE has a policy of not using derivative financial instruments to hedge against currency risk. Risk is mitigated by limiting the amount of cash held in currencies other than Euro; by concluding most of the OSCE contracts in Euro; and by not converting one currency to another to avoid realization of gains and losses. In 2011 83% of net expenditures were transacted in Euro or currencies pegged to the Euro.

Transactions in foreign currencies are recorded in Euro at the UN Monthly Operational Rates of Exchange in effect on the date of the transactions. At the end of the reporting period assets and liabilities are valued at the rates applicable as at 31 December. Gains and losses arising from transactions and translation are recorded as currency exchange adjustments. In 2011 there was a net foreign exchange loss of EUR 85 thousand. In compliance with Provisional Financial/Administrative Instruction Five on Income and Cash Management, large exchange rate gains or losses incurred under extra-budgetary programmes/projects have been credited or charged to the respective extra-budgetary programmes/projects.

(c) Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The OSCE did not enter into any transactions involving variable interest rates in 2011 and only made term deposits for fixed durations and fixed interest rates. Fluctuations in interest rates only affect the interest income from term deposits to be concluded in the future; however, the OSCE is not dependent on interest income for the continuation of its activities.

(d) Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. None of the financial instruments used in 2011 was affected by changes in market prices.

(e) Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The largest exposure to such risk for the OSCE is due to bank risk. The Treasury Unit monitors the creditworthiness of its banks on a regular basis and has strict guidelines to limit the amount deposited with each approved bank. At the end of the reporting period, 94.5% of the total cash was held in bank accounts administered by the Treasury Unit. The remaining 4.5% was held in bank accounts throughout OSCE locations for daily operational purposes.

(f) Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. For the OSCE such fluctuations relate to future term deposits in the event of changes in interest rates. As mentioned in (b) above, the OSCE is not dependent on the cash flows resulting from term deposits for the continuation of its activities.

## Note 2 - Financial Instruments

Financial instruments in use during the reporting period consisted of cash, bank accounts, term deposits, accounts receivable and accounts payable. No transactions involving derivative financial instruments were made during the reporting period.

The fair value of Cash and Short-term Deposits, Accounts Receivable and Accounts Payable approximates their carrying amount. A review of amounts outstanding for Assessed Contributions Receivable resulted in the recognition of an allowance to reflect the impact of doubtful debts (see Note 4.3).

## Note 3 - Cash

Cash and Short-term Deposits comprise cash on hand, cash at bank, and short-term deposits. Cash is managed centrally to ensure the safekeeping of funds and to reduce risk related to exchange rate and interest rate exposure. Cash, bank balances and short-term investments as at 31 December 2011 amounted to EUR 64,228 thousand. EUR 28,503 thousand of this amount is in respect of budgetary funds (including Revolving and Contingency Funds) and EUR 35,725 thousand is in respect of extra-budgetary funds. A detailed schedule of Bank and Cash Balances is reflected in Appendix I. In accordance with Financial Regulation 5.02, short-term investments were made during the year in the form of time deposits of funds not needed for immediate requirements. A list of all investments made in 2011 and the respective interest rates are reflected in Appendix II.

## Note 4 - Assessed Contributions

### 4.1 Assessed Contributions Receivable

Assessed Contributions Receivable as at 31 December 2011 amounted to a total of EUR 8,929 thousand (EUR 8,598 thousand in 2010). In the first quarter of 2012 a total of EUR 518 thousand was received towards prior years' outstanding contributions (EUR 505 thousand from Portugal, EUR 13 thousand from Andorra). A schedule of Assessed Contributions Receivable as at 31 December 2011 is reflected in Appendix III.

Payments of assessed contributions by participating States are credited to that State's assessments in the order in which those assessments are made (Financial Regulation 4.06).

In 2011, Georgia and Armenia paid their respective long outstanding contributions in full (EUR 352 thousand and EUR 338 thousand). Turkmenistan paid EUR 276 thousand for outstanding contributions that were due in 2011 and for prior years, and currently has an outstanding balance of EUR 18 thousand for assessed contributions for 2011.

### 4.2 Uncollected Assessed Contributions

If a participating State has not paid all its assessed contributions and dues for special financing for the preceding financial year by 1 April of the current financial year, the Secretary General requests that participating State to pay its arrears within 60 days. If payment is not made in full during that period, the Secretary General requests an explanation of the reasons for non-payment from the participating State concerned. The Secretary General informs the Advisory Committee on Management and Finance of the steps taken as well as other initiatives undertaken and consults the

Chairperson-in-Office. If the amount of arrears of a participating State equals or exceeds the amount of the contributions due for the preceding two full years the Chairperson-in-Office refers the issue to the Permanent Council. The Permanent Council shall take concrete measures to ensure early payment by the participating State concerned (Ref. Financial Regulation 4.09).

In 2011, participating States in arrears for two full years or more reduced their outstanding balances as follows:

EUR '000

| Participating State | Amount paid in 2011 |
|---------------------|---------------------|
| Kyrgyzstan          | 46                  |
| Tajikistan          | 99                  |
| <b>Total</b>        | <b>145</b>          |

### 4.3 Allowance for Doubtful Debts

Based on each participating State's historical pattern of payment, an allowance for doubtful debts has been established in 2011 in accordance with IPSAS 15, to bring the balance of Assessed Contributions Receivable in line with its fair value. The allowance of EUR 4,898 thousand was calculated as 100% of the outstanding receivable from participating States whose arrears equalled or exceeded the amount of contributions due for the preceding two full years as follows:

EUR '000

| Participating State                       | 2009 and prior | 2010       | 2011       | Balance      |
|-------------------------------------------|----------------|------------|------------|--------------|
| The former Yugoslav Republic of Macedonia | -              | 64         | 85         | 149          |
| Kyrgyzstan                                | 930            | 46         | 45         | 1,021        |
| Tajikistan                                | 260            | 46         | 45         | 351          |
| Uzbekistan                                | 2,914          | 232        | 231        | 3,377        |
| <b>Total</b>                              | <b>4,104</b>   | <b>388</b> | <b>406</b> | <b>4,898</b> |

## Note 5 - Accounts Receivable

Accounts Receivable are carried at the original invoice amount, less estimated doubtful debts based on a review of all outstanding amounts at the year-end. Accounts Receivable amounted to EUR 2,524 thousand as at 31 December 2011 (EUR 2,400 thousand in 2010). This amount is comprised primarily of VAT reimbursements receivable and rent reimbursable from the Austrian government. As at 31 December 2011 no changes in the carrying amount of Accounts Receivable were identified.

## Note 6 - Prepaid Expenditure and Advances

Prepaid Expenditure and Advances amounted to EUR 2,210 thousand as at 31 December 2011 (EUR 5,210 thousand in 2010). This amount is comprised primarily of advances to suppliers, implementing partners and advances to staff for salaries and travel.

## Note 7 - Non-Current Assets

Non-current assets is comprised of advances to suppliers and implementing partners which are expected to be recovered more than 12 months after the reporting date.

## Note 8 - Accounts Payable

Accounts payable amounted to EUR 4,189 thousand as at 31 December 2011 (EUR 3,807 thousand in 2010). This amount is comprised of goods and services for which invoices were received but not paid, as well as amounts owed to staff.

## Note 9 - Unliquidated Obligations

Unliquidated obligations charged to expenditure as at 31 December 2011 amounted to EUR 7,828 thousand (EUR 10,447 thousand in 2010, which included an amount for current employee benefits of EUR 866 thousand that has been reclassified for comparison purposes in 2011). Savings on prior year unliquidated obligations at 31 December 2011 amounted to EUR 1,153 thousand.

### Savings on prior year Unliquidated Obligations (ULOs)

| Fund Name                                                   | 2010<br>Reserve for<br>ULOs | Expenditure<br>in 2011<br>against 2010<br>Reserve | (Savings)<br>on<br>2010 ULOs |
|-------------------------------------------------------------|-----------------------------|---------------------------------------------------|------------------------------|
| EUR '000                                                    |                             |                                                   |                              |
| <b>I. Funds Related to the Secretariat and Institutions</b> |                             |                                                   |                              |
| The Secretariat                                             | 1,893                       | 1,429                                             | (465)                        |
| ODIHR                                                       | 893                         | 823                                               | (71)                         |
| HCNM                                                        | 9                           | 9                                                 | (0)                          |
| RFoM                                                        | 72                          | 63                                                | (9)                          |
| Augmentations                                               | 27                          | 26                                                | (1)                          |
| <b>II. Funds Related to the OSCE Field Operations</b>       |                             |                                                   |                              |
| <u>South-Eastern Europe</u>                                 |                             |                                                   |                              |
| Mission in Kosovo                                           | 665                         | 627                                               | (38)                         |
| Tasks in Bosnia and<br>Herzegovina                          | 161                         | 159                                               | (3)                          |
| Office in Zagreb                                            | 8                           | 6                                                 | (2)                          |
| Mission in Serbia                                           | 482                         | 275                                               | (207)                        |
| Presence in Albania                                         | 215                         | 188                                               | (27)                         |
| Mission to Skopje                                           | 296                         | 269                                               | (27)                         |
| Mission to Montenegro                                       | 16                          | 16                                                | (0)                          |
| <u>Eastern Europe</u>                                       |                             |                                                   |                              |
| Mission to Moldova                                          | 79                          | 73                                                | (6)                          |
| Project Coordinator in Ukraine                              | 121                         | 117                                               | (4)                          |
| Office in Minsk                                             | 56                          | 26                                                | (30)                         |
| <u>Caucasus</u>                                             |                             |                                                   |                              |
| Office in Yerevan                                           | 15                          | 14                                                | (1)                          |
| Office in Baku                                              | 171                         | 137                                               | (34)                         |
| High Level Planning Group                                   | 1                           | 0                                                 | (1)                          |
| The Minsk Process                                           | 5                           | 1                                                 | (4)                          |
| Personal Repr. of the CiO                                   | 107                         | 104                                               | (3)                          |
| <u>Central Asia</u>                                         |                             |                                                   |                              |
| Centre in Astana                                            | 188                         | 136                                               | (52)                         |
| Centre in Ashgabat                                          | 100                         | 84                                                | (16)                         |
| Centre in Bishkek                                           | 824                         | 764                                               | (60)                         |
| Project Co-ordinator in Uzbekistan                          | 196                         | 174                                               | (23)                         |
| Office in Tajikistan                                        | 210                         | 188                                               | (21)                         |
| Network Operating Fund                                      | 52                          | 3                                                 | (49)                         |
| Extra-budgetary Funds                                       | 3,583                       | 3,583                                             | 0                            |
| <b>GRAND TOTAL</b>                                          | <b>10,447</b>               | <b>9,294</b>                                      | <b>(1,153)</b>               |

## Note 10 - Funds Held for Third Parties

Funds held for third parties amounted to EUR 3,799 thousand as at 31 December 2011 (EUR 3,673 thousand in 2010). This amount consists primarily of funds received from participating States for payment of salaries to seconded staff on their behalf.

## Note 11 - Contributions Received in Advance

Assessed contributions received in advance amounted to EUR 8,016 thousand as at 31 December 2011 (EUR 8,012 thousand in 2010). This is mainly comprised of (a) the distribution of the 2009 cash surplus of a net amount of EUR 4,894 thousand, (b) budget revision related to the closure of the Office in Minsk which amounted to a decrease of EUR 940 thousand, and (c) the 2011 Year-end Unified Budget Revision which amounted to a decrease of EUR 2,660 thousand.

## Note 12 - Employee Benefits

### 12.1 Employee Benefits - Current

Current employee benefits are expected to be settled within 12 months of the reporting date, and include payroll and allowances, assignment grants, education grants, annual leave, rest and recuperation, and home leave for employees in Field Missions. While some of these liabilities were already being accounted for on an accrual basis, others were impacted by the adoption of IPSAS 25 Employee Benefits.

The amounts related to these liabilities were determined by an independent actuary based on the methodology and assumptions as described in Note 12.2 or calculated by the OSCE based on personnel data and past experience, and are as follows:

- Annual leave – in accordance with OSCE's Staff Regulations, upon separation, contracted OSCE officials shall receive payment for unused leave days up to a maximum of thirty days. Annual leave is considered as a current benefit and hence, is not subject to actuarial valuation. The liability for annual leave was calculated by multiplying the number of unused leave days as of 31 December 2011, up to a maximum of 30 days on the basis of the monthly net salary, including post adjustment, if applicable.
- Home leave and rest and recuperation leave – Heads of Mission and other fixed-term international Mission members, both contracted and seconded staff, are entitled to home leave once every twelve months. In addition, for those staff serving in duty stations designated as hazardous or hardship, there is an additional entitlement to rest and recuperation leave once every twelve months.

Currently the duty stations that qualify for rest and recuperation are as follows:

- Mission in Kosovo
- Centre in Astana
- Centre in Ashgabat
- Centre in Bishkek
- Project Co-ordinator in Uzbekistan
- Office in Tajikistan
- Office in Yerevan

The liabilities for both home leave and rest and recuperation leave were calculated by using estimates of travel costs based on historical average costs.

An additional termination-related liability and related employee benefits entitlements for EUR 334 thousand were recognized in connection with the closure of the OSCE Office in Zagreb.



### 12.2 Employee Benefits - Non-Current

Non-current employee benefits relate to post-employment benefits, including repatriation benefits, and other non-current benefits such as home leave for the staff in Secretariat and Institutions.

- Home Leave – international fixed-term contracted staff members, including the Secretary General and Heads of Institutions are entitled to home leave once every two years. OSCE also pays the costs of travel expenses of the spouse and dependent children who reside at the duty station with the staff member. The liabilities for home leave were calculated by using estimates of travel expenses based on historical average costs. The effect of discounting was deemed immaterial.

- Repatriation Benefits include:

- Repatriation Grant – OSCE pays repatriation grants to international fixed term contracted staff members, including the Secretary General and the Heads of Institution, and their eligible dependents upon separation from service. The amount of the grant is calculated on the basis of the staff member's last salary, excluding post adjustment, and the staff member's completed years and months of qualifying service.

- Repatriation Travel – upon separation, the OSCE pays the travel expenses for fixed-term contracted OSCE officials, seconded officials and international short-term contracted staff. The spouse and dependent children of international fixed-term contracted staff members are also entitled to repatriation travel.

- Removal of Household Effects – upon separation, the Secretary General, Heads of Institution and international contracted staff members appointed for a period of not less than one year are entitled to the payment of the removal of household effects. The costs to be reimbursement shall be the actual expenses incurred.

- Valuation – actuarial assumptions are required to be disclosed in the financial statements in accordance with IPSAS 25. The following key assumptions and methods have been used by the actuary to determine the value of non-current employee benefits to estimate the liability as of 31 December 2011:

- Discount rate of 2.85% derived in reference to market yields of high quality corporate bonds – iBoxx Euro Corporates AA – with a duration of 2.9 years which approximates the maturity terms of the related liabilities;

- Present value of future benefits based on salary projections;

- Increase in salary of 2.5% per year;

- No increase in shipment costs;

- Decrease in travel costs of -2.0% per year;

- Estimated years of service based on OSCE's historical averages.

### 12.3 Provident Fund

The Provident Fund is a defined contribution plan. The employer contributions of 15% of salary are fixed and are recognized as payroll expense. Employees contribute 7.5% of their salary and may make additional voluntary contributions of up to 15%. The assets are held by Generali Guernsey in the beneficial ownership of the employee. The Secretary General's responsibility is to establish arrangements to provide a Provident

Fund facility to employees and to monitor these arrangements. The balance of funds held for the benefit of OSCE Staff by the Provident Fund as at 31 December 2011 was EUR 76,882 thousand.

The Provident Fund is administered by Generali Guernsey in accordance with the contract. The OSCE obtains the Financial Statements of Generali Guernsey on an annual basis to review the financial position of the company. The latest available financial statements were in respect of the year ended 31 December 2010 and were audited by PricewaterhouseCoopers CI LLP, Chartered Accountants, who gave an unqualified opinion on the financial statements.

The Provident Fund Summary Statement for the year ending 31 December 2011 is shown in Appendix V.

### Note 13 - Material Assets

The historical acquisition cost of material assets and attractive items as at 31 December 2011 was EUR 40,151 thousand, the accumulated depreciation was EUR 29,770 thousand and the net book value was EUR 10,382 thousand. The movement in material assets and attractive items during the year is summarised in the following table and includes the historical acquisition cost of Extra- budgetary assets as at 31 December 2011 amounting to EUR 2,946 thousand. The net book value of Extra-budgetary assets as at 31 December 2011 amounted to EUR 2,351 thousand.

| EUR '000                                | Total           | Total           |
|-----------------------------------------|-----------------|-----------------|
| Historical acquisition cost             | 2011            | 2010            |
| Balance at 1 January                    | 42,157          | 45,689          |
| Additions                               | 6,141           | 5,181           |
| Disposals                               | (8,147)         | (8,717)         |
| Cost Adjustments                        | 0               | 4               |
| <b>Balance at 31 December</b>           | <b>40,151</b>   | <b>42,157</b>   |
| <b>Accumulated depreciation</b>         |                 |                 |
| Balance at 1 January                    | (31,241)        | (35,340)        |
| Depreciation charge for year            | (4,660)         | (11,466)        |
| Disposals                               | 6,131           | 15,566          |
| <b>Balance at 31 December</b>           | <b>(29,770)</b> | <b>(31,241)</b> |
| <b>Net book value as at 31 December</b> | <b>10,382</b>   | <b>10,917</b>   |

| Summary as at                   |                 |                  |        |
|---------------------------------|-----------------|------------------|--------|
| 31 December 2011                | Material Assets | Attractive Items | Total  |
| EUR '000                        |                 |                  |        |
| Historical Acquisition Cost     | 29,699          | 10,452           | 40,151 |
| Net Book Value 31 December 2011 | 7,617           | 2,765            | 10,382 |

The following table shows the distribution of material assets and attractive items by Fund.

|                                                                   | Historical Acquisition Cost | Net Book Value as at 31 Dec.2011 | Percentage based on Net book Value |
|-------------------------------------------------------------------|-----------------------------|----------------------------------|------------------------------------|
| EUR '000                                                          |                             |                                  |                                    |
| <b>I. Funds Related to the Secretariat and Institutions</b>       |                             |                                  |                                    |
| The Secretariat                                                   | 5,423                       | 2,089                            | 20.1%                              |
| ODIHR                                                             | 1,142                       | 363                              | 3.5%                               |
| HCNM                                                              | 161                         | 69                               | 0.7%                               |
| RFoM                                                              | 48                          | 15                               | 0.1%                               |
| <b>II. Funds Related to the OSCE Field Operations</b>             |                             |                                  |                                    |
| <u>South-Eastern Europe</u>                                       |                             |                                  |                                    |
| Mission in Kosovo                                                 | 12,438                      | 1,934                            | 18.6%                              |
| Task in Bosnia and Herzegovina                                    | 4,986                       | 934                              | 9.0%                               |
| Office in Zagreb                                                  | 357                         | 6                                | 0.1%                               |
| Mission to Serbia                                                 | 2,384                       | 843                              | 8.1%                               |
| Presence in Albania                                               | 1,133                       | 251                              | 2.4%                               |
| Mission to Skopje                                                 | 2,032                       | 393                              | 3.8%                               |
| Mission to Montenegro                                             | 448                         | 47                               | 0.5%                               |
| <u>Eastern Europe</u>                                             |                             |                                  |                                    |
| Mission to Moldova                                                | 696                         | 131                              | 1.3%                               |
| Project Co-ordinator in Ukraine                                   | 462                         | 129                              | 1.2%                               |
| <u>Caucasus</u>                                                   |                             |                                  |                                    |
| Office in Yerevan                                                 | 529                         | 138                              | 1.3%                               |
| Office in Baku                                                    | 398                         | 51                               | 0.5%                               |
| Funds Relating to the Conflict Dealt with by the Minsk Conference | 439                         | 187                              | 1.8%                               |
| <u>Central Asia</u>                                               |                             |                                  |                                    |
| Centre in Astana                                                  | 428                         | 102                              | 1.0%                               |
| Centre in Ashgabad                                                | 407                         | 122                              | 1.2%                               |
| Centre in Bishkek                                                 | 2,719                       | 1,328                            | 12.8%                              |
| Project Co-ordinator in Uzbekistan                                | 779                         | 353                              | 3.4%                               |
| Office in Tajikistan                                              | 2,744                       | 898                              | 8.6%                               |
| <b>Total</b>                                                      | <b>40,151</b>               | <b>10,382</b>                    | <b>100.0%</b>                      |

Depreciation is calculated using the straight-line method so as to depreciate the initial cost over the estimated useful life. Useful life is the period of time over which an asset is expected to provide service potential to the Organization. The categories of material assets and the range of useful life for each are as follows:

| Category of Material Asset               | Useful Life - Range of Years | Historical Acquisition Cost EUR'000 | %             |
|------------------------------------------|------------------------------|-------------------------------------|---------------|
| Information and Communication Technology |                              |                                     |               |
| Communication Technology                 | 3 to 10                      | 14,711                              | 36.6%         |
| Vehicles and Components                  |                              |                                     |               |
| Vehicles and Components                  | 5 to 10                      | 13,094                              | 32.6%         |
| Office Equipment and Supplies            |                              |                                     |               |
| Office Equipment and Supplies            | 3 to 5                       | 1,635                               | 4.1%          |
| Power Generation                         | 3 to 5                       | 1,709                               | 4.3%          |
| Building and Construction                | 3 to 5                       | 1,449                               | 3.6%          |
| Security and Safety Equipment            |                              |                                     |               |
| Security and Safety Equipment            | 4 to 25                      | 1,113                               | 2.8%          |
| Electrical Systems                       | 4 to 7                       | 955                                 | 2.4%          |
| Printing, Audio and Visual Equipment     |                              |                                     |               |
| Printing, Audio and Visual Equipment     | 3 to 8                       | 1,142                               | 2.8%          |
| Conditioning Systems and Equipment       |                              |                                     |               |
| Conditioning Systems and Equipment       | 5 to 8                       | 1,687                               | 4.2%          |
| Domestic Appliances and Supplies         |                              |                                     |               |
| Domestic Appliances and Supplies         | 3 to 7                       | 689                                 | 1.7%          |
| Laboratory and Measuring Equipment       |                              |                                     |               |
| Laboratory and Measuring Equipment       | 3 to 5                       | 499                                 | 1.2%          |
| Materials Handling and Storage Machinery |                              |                                     |               |
| Materials Handling and Storage Machinery | 5 to 10                      | 474                                 | 1.2%          |
| Other Assets                             | 3 to 10                      | 993                                 | 2.5%          |
| <b>Total</b>                             |                              | <b>40,151</b>                       | <b>100.0%</b> |

The historical acquisition cost of assets retired in 2011 was EUR 8,147 thousand with a net book value of EUR 2,016 thousand.

Accounting for proceeds from sales, insurance claims and reimbursements from employees, there was a net loss of EUR 1,665 thousand on assets retired in 2011, including EUR 594 thousand due to extra-budgetary assets donated:

#### Gain/Loss on Assets Retired in 2011

|                                                                                          |              |
|------------------------------------------------------------------------------------------|--------------|
| EUR' 000                                                                                 | <b>Total</b> |
| <b>Historical Acquisition Cost of Retired Assets</b>                                     | <b>8,147</b> |
| Net Book Value of Retired Assets                                                         | 2,016        |
| Deduct Proceeds of Sale (including reimbursed amount from employees, less removal costs) | (285)        |
| Deduct Proceeds received from insurance                                                  | (66)         |
| <b>Loss</b>                                                                              | <b>1,665</b> |

#### Note 14 - Cash and Other Losses

Cash and other losses for the year ended 31 December 2011 amounted to a total of EUR 29 thousand.

#### Cash and Other Losses for 2011

| Fund                               | Description                                | EUR '000  |
|------------------------------------|--------------------------------------------|-----------|
| Presence in Albania                | Uncollectible Receivables                  | 1         |
| Project Co-ordinator in Ukraine    | Uncollectible Receivables                  | 14        |
| Office in Minsk                    | Uncollectible Receivables                  | 7         |
| Mission to Skopje                  | Other Losses                               | 2         |
| Centre In Bishkek                  | Uncollectible Receivables and Other Losses | 1         |
| Mission to Kosovo                  | Uncollectible Receivables and Other Losses | 4         |
| <b>Total Cash and Other Losses</b> |                                            | <b>29</b> |

#### Loss and Theft Report for 2011 - Material and Attractive Assets (Net Book Value)

The net book value of lost and stolen material and attractive assets in 2011 amounted to EUR 130 thousand.

| EUR '000                    | Loss       | Theft    | Grand Total |
|-----------------------------|------------|----------|-------------|
| Mission to Kosovo           | 1          | 0        | 1           |
| Mission to Skopje           | 1          | 0        | 1           |
| Mission to Montenegro       | 1          | 0        | 1           |
| Centre in Bishkek           | 122        | 3        | 125         |
| Office in Tajikistan        | 2          | 0        | 2           |
| <b>Total Net Book Value</b> | <b>127</b> | <b>3</b> | <b>130</b>  |

Further information is provided regarding the disclosure made in the 2010 financial statements indicating the potential for a large-scale write-off due to losses and theft at the Centre in Bishkek. The Secretariat conducted a physical verification of material assets and attractive items in the Centre in Bishkek in 2011, which resulted in an un-reconciled difference between the physical verification and the net book value (NBV) recorded in the subsidiary ledger of EUR 121 thousand. The Fund Materials Management Committee subsequently approved the write-off of the NBV in 2011. As these items were expensed when acquired, there was no impact on the financial statements.

## Note 15 - Extra-budgetary Contributions

Income from Extra-budgetary contributions is recorded on a cash basis. Total Extra-budgetary contributions received in 2011 amounted to EUR 17,186 thousand. Pledges received in 2011 against extra-budgetary projects amounted to EUR 15,086 thousand, of which EUR 10,212 thousand were received as income in 2011 and EUR 4,874 thousand remained outstanding as at 31 December 2011. Extra-budgetary contributions received in 2011 in respect of pledges made in previous years amounted to EUR 6,971 thousand.

Extra-budgetary Funds established by the Permanent Council are as follows:

- The Fund to foster the integration of recently admitted participating States (PC.DEC/23, 2 March 1995);
- The Fund to support OSCE Action for Peace, Democracy and Stability in Bosnia and Herzegovina (PC.DEC/101, 11 January 1996);
- The Fund for Activities Related to Economic Aspects of Security (PC.DEC/150, 19 December 1996);
- The Fund relating to the Stability Pact for South Eastern Europe (PC.DEC/306, 1 July 1999);
- The Fund for Activities Related to the Removal and Destruction of Russian Ammunition and Armaments from Moldova (PC.DEC/329, 9 December 1999);
- The Fund for Activities related to the reduction of Military Forces and equipment from Georgia (293<sup>rd</sup> Reinforced Meeting of the Permanent Council on Georgia, 17 July 2000);
- The Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism (PC.DEC/440, 11 October 2001).
- The Partnership Fund (PC.DEC/812, 30 November 2007).

Extra-budgetary contributions that do not fall under Funds established by the Permanent Council are classified, under "Other Activities and Special Projects".

## Note 16 - Other Adjustments

In 2011, other adjustments of EUR 199 thousand was due to the reclassification from funds held for Extra-budgetary contributions to third parties (in 2010 EUR 114 thousands was transferred from third parties to Extra-budgetary contributions).

## Note 17 - Contingent Liabilities

The OSCE Mission in Kosovo has received multiple claims from different entities requesting payment of back rent for five premises previously occupied by the Mission. As of 31 December 2011, no claim has been settled as no claimant has submitted convincing proof of legal ownership of any of the premises during the period the Mission occupied the properties. Consequently, there remain numerous uncertainties regarding the legality of these claims that prevent the OSCE to estimate an amount, if any, of a contingent liability.

## Note 18 - Ex-Gratia Payments

There were no ex-gratia payments during 2011 (EUR 9 thousand in 2010).

## Note 19 – Leases and Contractual Obligations

The total contractual obligations extending beyond 31 December 2011 amount to approximately EUR 12,018 thousand. If notice was given on 31 December 2011 to terminate these contractual obligations on 31 December 2011, the amount would be approximately EUR 1,686 thousand.

Lease agreements in the Secretariat, Institutions and Field Offices refer mainly to lease of premises and office equipment. These lease agreements are classified as operating leases and the related lease payments are charged as expense over the period of the lease.

Future minimum lease payments include payments for such rented premises and equipment that would be required until the earliest possible termination date under the respective agreements. There are no agreements that contain purchase options.

The total amount of future minimum lease payments under non-cancellable operating leases is as follows:

| EUR '000         |                  |                 |                |       |
|------------------|------------------|-----------------|----------------|-------|
|                  | Within<br>1 year | 1 to 5<br>Years | After<br>Years | Total |
| 31 December 2011 | 902              | -               | -              | 902   |

## Note 20 – Events after the Reporting Date

The 2011 Unified Budget was decreased by EUR 2,660 thousand to a final amount of EUR 147,165 thousand as a result of the OSCE 2011 Year-end Unified Budget Revision (PC.DEC/1030, 16 February 2012).

The mandate of the OSCE Office in Zagreb was not extended beyond 31 December 2011 (PC.DEC/1026, 15 December 2011) and the office ceased operations on 31 March 2012. Employee benefits liabilities for termination amounted to approximately EUR 334 thousand and was recognized in the financial statements as of 31 December 2011.

Pursuant to PC.DEC/1033 dated 22 March 2012, the OSCE Enterprise Resource Planning (ERP) Upgrade Fund was established and will be funded by allocating EUR 3,930 thousand in three equal instalments of EUR 1,310 thousand from each of the 2009, 2010 and 2011 cash surplus. This Decision had no effect on the financial statements as at 31 December 2011.



## Appendices



## Appendix I - Bank and Cash Balances as at 31 December 2011

| Financial Institution                                                  | Currency | Interest rate | EUR '000 Balance |
|------------------------------------------------------------------------|----------|---------------|------------------|
| UniCredit Bank Austria - Current Account                               | EUR      | 0.30%         | 86               |
| UniCredit Bank Austria - Current Account                               | USD      | 0.00%         | 22               |
| UniCredit Bank Austria - Fixed Deposit                                 | EUR      | N/A           | 3,000            |
| BNP Bank - Fixed Deposit                                               | EUR      | N/A           | 0                |
| Deutsche Bank - Fixed Deposit                                          | EUR      | N/A           | 8,900            |
| HSBC - Fixed Deposit                                                   | EUR      | N/A           | 3,000            |
| JPMorgan Chase - Fixed Deposit                                         | EUR      | N/A           | 0                |
| SEB - Fixed Deposit                                                    | EUR      | N/A           | 5,000            |
| UniCredit Bank Austria - Revolving and Contingency Funds Fixed Deposit | EUR      | N/A           | 4,890            |
| Ceskoslovenska Obchodni Banka, Prague                                  | EUR      | 0.05%         | 2                |
| Ceskoslovenska Obchodni Banka, Prague                                  | CZK      | 0.01%         | 51               |
| <b>Sub Total: Secretariat Budgetary Bank Accounts</b>                  |          |               | <b>24,951</b>    |
| UniCredit Bank Austria - Current Account                               | EUR      | 0.30%         | 0                |
| UniCredit Bank Austria - Fixed Deposit                                 | EUR      | N/A           | 3,000            |
| BNP Bank - Fixed Deposit                                               | EUR      | N/A           | 12,000           |
| Deutsche Bank - Fixed Deposit                                          | EUR      | N/A           | 0                |
| HSBC - Fixed Deposit                                                   | EUR      | N/A           | 4,000            |
| JPMorgan Chase - Fixed Deposit                                         | EUR      | N/A           | 3,500            |
| SEB - Fixed Deposit                                                    | EUR      | N/A           | 7,000            |
| Wells Fargo - Fixed Deposit                                            | USD      | N/A           | 6,225            |
| <b>Sub Total: Extra Budgetary Bank Accounts</b>                        |          |               | <b>35,725</b>    |
| <b>Total : Secretariat Bank Accounts</b>                               |          |               | <b>60,676</b>    |
| Raiffeisen Bank, Warsaw - ODIHR                                        | EUR      | 0.20%         | 613              |
| Raiffeisen Bank, Warsaw - ODIHR                                        | USD      | 0.10%         | 17               |
| Raiffeisen Bank, Warsaw - ODIHR                                        | PLN      | WIBID 1W -1%  | 73               |
| ING Bank, The Hague - HCNM                                             | EUR      | 0.10%         | 152              |
| <b>Total: Institutions Bank Accounts</b>                               |          |               | <b>854</b>       |
| Raiffeisen Bank Sh.a., Tirana                                          | EUR      | 0.50%         | 57               |
| Raiffeisen Bank Sh.a., Tirana                                          | ALL      | 1.50%         | 7                |
| Raiffeisen Bank dd Bosna i Hercegovina, Sarajevo                       | EUR      | 0.00%         | 81               |
| Raiffeisen Bank dd Bosna i Hercegovina, Sarajevo                       | BAM      | 0.00%         | 38               |
| Zagrebacka banka d.d., Zagreb                                          | EUR      | 0.07%         | 18               |
| Zagrebacka banka d.d., Zagreb                                          | HRK      | 0.50%         | 54               |
| Raiffeisen Bank Kosovo J.S.C., Pristina                                | EUR      | 2.00%         | 44               |
| ProCredit Bank Kosovo, Pristina                                        | EUR      | 1.00%         | 59               |
| Komercijalna Banka A.D. Beograd, Belgrade                              | EUR      | 2.00%         | 301              |
| Komercijalna Banka A.D. Beograd, Belgrade                              | RSD      | 0.00%         | 31               |
| Komercijalna Banka A.D. Budva, Podgorica                               | EUR      | 0.00%         | 55               |
| ProCredit Bank, Skopje                                                 | EUR      | 0.50%         | 280              |
| ProCredit Bank, Skopje                                                 | MKD      | 1.00%         | 51               |
| <b>Sub Total: South-Eastern Europe Bank Accounts</b>                   |          |               | <b>1,076</b>     |
| Closed joint-stock company OTP Bank, Kiev-Mykhailivsky                 | EUR      | 0.50%         | 5                |
| Closed joint-stock company OTP Bank, Kiev-Mykhailivsky                 | UAH      | 1.00%         | 25               |
| Universalbank S.A., Moldova                                            | EUR      | 0.00%         | 9                |
| Universalbank S.A., Moldova                                            | MDL      | 0.00%         | 6                |
| <b>Sub Total: Eastern Europe Bank Accounts</b>                         |          |               | <b>45</b>        |
| The International Bank of Azerbaijan, Baku                             | EUR      | 0.00%         | 145              |
| The International Bank of Azerbaijan, Baku                             | USD      | 0.00%         | 0                |
| The International Bank of Azerbaijan, Baku                             | AZN      | 0.00%         | 19               |
| HSBC Bank Armenia cjsc, Yerevan                                        | EUR      | 0.00%         | 21               |
| HSBC Bank Armenia cjsc, Yerevan                                        | AMD      | 0.00%         | 7                |
| Bank of Georgia J.S.C., Tbilisi                                        | EUR      | 2.00%         | 50               |
| Bank of Georgia J.S.C., Tbilisi                                        | USD      | 2.00%         | 0                |
| Bank of Georgia J.S.C., Tbilisi                                        | GEL      | 3.00%         | 8                |
| <b>Sub Total: South Caucasus Bank Accounts</b>                         |          |               | <b>250</b>       |

## Appendix I - Bank and Cash Balances as at 31 December 2011 [continued]

| Financial Institution                                   | Currency | Interest rate | EUR '000<br>Balance |
|---------------------------------------------------------|----------|---------------|---------------------|
| ABN - AMRO Bank Kazakhstan, Almaty                      | EUR      | 0.00%         | 12                  |
| ABN - AMRO Bank Kazakhstan, Almaty                      | KZT      | 0.00%         | 1                   |
| ABN - AMRO Bank Kazakhstan, Astana                      | EUR      | 0.00%         | 246                 |
| ABN - AMRO Bank Kazakhstan, Astana                      | KZT      | 0.00%         | 5                   |
| Turkmen - Turkish Joint-Stock Commercial Bank, Ashgabat | EUR      | 0.00%         | 21                  |
| Turkmen - Turkish Joint-Stock Commercial Bank, Ashgabat | USD      | 0.00%         | 14                  |
| Turkmen - Turkish Joint-Stock Commercial Bank, Ashgabat | TMT      | 0.00%         | 2                   |
| Demir Kyrgyz International Bank CJSC, Bishkek           | EUR      | 0.00%         | 196                 |
| Demir Kyrgyz International Bank CJSC, Bishkek           | USD      | 0.00%         | 0                   |
| Demir Kyrgyz International Bank CJSC, Bishkek           | KGS      | 0.00%         | 15                  |
| Demir Kyrgyz International Bank CJSC, Osh               | EUR      | 0.00%         | 111                 |
| Demir Kyrgyz International Bank CJSC, Osh               | USD      | 0.00%         | 0                   |
| Demir Kyrgyz International Bank CJSC, Osh               | KGS      | 0.00%         | 8                   |
| National Bank of Foreign Econ.Act., Tashkent            | EUR      | 0.00%         | 52                  |
| National Bank of Foreign Econ.Act., Tashkent            | USD      | 0.00%         | 4                   |
| National Bank of Foreign Econ.Act., Tashkent            | UZS      | 0.00%         | 15                  |
| TojikSodirotBonk, Dushanbe                              | EUR      | 0.00%         | 235                 |
| TojikSodirotBonk, Dushanbe                              | USD      | 0.00%         | 43                  |
| TojikSodirotBonk, Dushanbe                              | TJS      | 0.00%         | 7                   |
| <b>Sub Total: Central Asia Bank Accounts</b>            |          |               | <b>988</b>          |
| <b>Total: Field Operations Bank Accounts</b>            |          |               | <b>2,360</b>        |
| <b>Total Bank Accounts</b>                              |          |               | <b>63,890</b>       |
| <b>Total Cash</b>                                       |          |               | <b>338</b>          |
| <b>Grand Total</b>                                      |          |               | <b>64,228</b>       |

## Appendix II - Short-term Investments and Interest Rates for 2011 (EUR)

| From      | To        | Amount<br>EUR '000 | Interest Rate<br>% p.A. |
|-----------|-----------|--------------------|-------------------------|
| 16-Aug-10 | 17-Jan-11 | 3,000              | 0.64                    |
| 16-Aug-10 | 16-Feb-11 | 4,890              | 1.05                    |
| 11-Oct-10 | 11-Jan-11 | 2,000              | 0.97                    |
| 22-Oct-10 | 24-Jan-11 | 3,000              | 0.78                    |
| 29-Oct-10 | 31-Jan-11 | 2,500              | 1.07                    |
| 30-Nov-10 | 28-Jan-11 | 2,000              | 0.59                    |
| 6-Dec-10  | 7-Feb-11  | 2,500              | 0.58                    |
| 10-Dec-10 | 10-Feb-11 | 2,000              | 0.85                    |
| 14-Dec-10 | 14-Jan-11 | 2,000              | 0.46                    |
| 14-Dec-10 | 14-Feb-11 | 5,000              | 0.50                    |
| 17-Dec-10 | 17-Feb-11 | 4,900              | 0.57                    |
| 17-Dec-10 | 17-Feb-11 | 4,000              | 0.49                    |
| 20-Dec-10 | 20-Jan-11 | 3,000              | 0.75                    |
| 21-Dec-10 | 4-Jan-11  | 2,500              | 0.50                    |
| 22-Dec-10 | 22-Feb-11 | 3,000              | 0.62                    |
| 28-Dec-10 | 11-Jan-11 | 1,400              | 0.48                    |
| 29-Dec-10 | 5-Jan-11  | 3,000              | 0.77                    |
| 29-Dec-10 | 28-Mar-11 | 2,000              | 1.01                    |
| 29-Dec-10 | 28-Mar-11 | 4,000              | 0.63                    |
| 29-Dec-10 | 28-Apr-11 | 3,000              | 0.70                    |
| 30-Dec-10 | 13-Jan-11 | 5,000              | 0.30                    |
| 4-Jan-11  | 4-Jul-11  | 2,500              | 1.25                    |
| 11-Jan-11 | 11-Jul-11 | 2,000              | 1.25                    |
| 13-Jan-11 | 14-Mar-11 | 5,000              | 0.51                    |
| 14-Jan-11 | 14-Jul-11 | 3,000              | 1.24                    |
| 17-Jan-11 | 18-Mar-11 | 3,000              | 0.49                    |
| 17-Jan-11 | 17-Jun-11 | 3,000              | 0.98                    |
| 17-Jan-11 | 18-Jul-11 | 3,000              | 1.06                    |
| 20-Jan-11 | 20-Jul-11 | 2,500              | 1.16                    |
| 20-Jan-11 | 20-Jul-11 | 4,000              | 1.27                    |
| 21-Jan-11 | 21-Feb-11 | 4,000              | 0.50                    |
| 24-Jan-11 | 24-May-11 | 3,000              | 0.92                    |
| 28-Jan-11 | 28-Feb-11 | 5,000              | 0.55                    |
| 31-Jan-11 | 31-May-11 | 2,500              | 1.13                    |
| 10-Feb-11 | 3-Mar-11  | 4,000              | 0.64                    |
| 14-Feb-11 | 14-Apr-11 | 4,000              | 0.64                    |
| 16-Feb-11 | 16-Aug-11 | 4,890              | 1.25                    |
| 17-Feb-11 | 17-May-11 | 4,900              | 0.81                    |
| 21-Feb-11 | 21-Apr-11 | 4,000              | 0.57                    |
| 21-Feb-11 | 22-Aug-11 | 3,000              | 1.25                    |
| 24-Feb-11 | 24-Jun-11 | 4,000              | 0.99                    |
| 28-Feb-11 | 28-Mar-11 | 5,000              | 0.45                    |
| 28-Feb-11 | 28-Apr-11 | 5,000              | 0.64                    |
| 11-Mar-11 | 11-May-11 | 4,000              | 0.69                    |
| 16-Mar-11 | 23-Mar-11 | 5,000              | 0.51                    |
| 16-Mar-11 | 16-May-11 | 4,000              | 0.69                    |
| 18-Mar-11 | 8-Apr-11  | 4,000              | 0.40                    |
| 23-Mar-11 | 23-May-11 | 4,000              | 0.78                    |
| 24-Mar-11 | 23-Sep-11 | 5,000              | 1.52                    |
| 28-Mar-11 | 27-Jul-11 | 4,500              | 1.00                    |
| 28-Mar-11 | 29-Aug-11 | 4,000              | 1.30                    |
| 28-Mar-11 | 28-Sep-11 | 7,500              | 1.41                    |
| 31-Mar-11 | 31-May-11 | 5,500              | 0.80                    |
| 31-Mar-11 | 3-Oct-11  | 3,500              | 1.55                    |
| 1-Apr-11  | 1-Aug-11  | 4,000              | 1.27                    |
| 1-Apr-11  | 1-Sep-11  | 4,000              | 1.40                    |
| 4-Apr-11  | 4-Jul-11  | 4,000              | 0.94                    |
| 8-Apr-11  | 6-May-11  | 5,000              | 0.45                    |
| 21-Apr-11 | 21-Oct-11 | 1,500              | 1.65                    |
| 28-Apr-11 | 11-May-11 | 8,000              | 1.15                    |
| 11-May-11 | 18-May-11 | 4,000              | 0.90                    |

## Appendix II - Short-term Investments and Interest Rates for 2011 (EUR) [continued]

| From      | To        | Amount<br>EUR '000 | Interest Rate<br>% p.A. |
|-----------|-----------|--------------------|-------------------------|
| 11-May-11 | 1-Jun-11  | 4,000              | 0.91                    |
| 11-May-11 | 1-Jun-11  | 4,000              | 0.91                    |
| 16-May-11 | 6-Jun-11  | 4,000              | 0.95                    |
| 17-May-11 | 16-Aug-11 | 4,900              | 1.13                    |
| 19-May-11 | 20-Jun-11 | 3,000              | 0.88                    |
| 23-May-11 | 30-May-11 | 3,000              | 1.00                    |
| 30-May-11 | 30-Jun-11 | 3,000              | 0.88                    |
| 31-May-11 | 14-Jun-11 | 5,000              | 0.85                    |
| 1-Jun-11  | 1-Jul-11  | 4,000              | 0.90                    |
| 1-Jun-11  | 1-Aug-11  | 4,000              | 1.00                    |
| 3-Jun-11  | 24-Jun-11 | 4,000              | 0.85                    |
| 3-Jun-11  | 8-Jul-11  | 4,000              | 0.87                    |
| 3-Jun-11  | 1-Sep-11  | 3,000              | 1.09                    |
| 6-Jun-11  | 18-Jul-11 | 3,000              | 0.99                    |
| 17-Jun-11 | 24-Jun-11 | 3,000              | 1.13                    |
| 17-Jun-11 | 17-Nov-11 | 3,000              | 1.57                    |
| 24-Jun-11 | 24-Nov-11 | 4,000              | 1.50                    |
| 30-Jun-11 | 30-Sep-11 | 1,500              | 1.25                    |
| 30-Jun-11 | 3-Oct-11  | 3,500              | 1.25                    |
| 1-Jul-11  | 2-Nov-11  | 4,000              | 1.50                    |
| 4-Jul-11  | 5-Sep-11  | 3,000              | 1.25                    |
| 8-Jul-11  | 10-Oct-11 | 6,000              | 1.31                    |
| 11-Jul-11 | 11-Nov-11 | 2,000              | 1.66                    |
| 12-Jul-11 | 26-Jul-11 | 3,000              | 1.25                    |
| 18-Jul-11 | 18-Nov-11 | 3,000              | 1.38                    |
| 18-Jul-11 | 19-Dec-11 | 4,000              | 1.75                    |
| 20-Jul-11 | 20-Dec-11 | 4,000              | 1.95                    |
| 26-Jul-11 | 9-Aug-11  | 4,000              | 1.00                    |
| 1-Aug-11  | 22-Aug-11 | 4,000              | 0.96                    |
| 8-Aug-11  | 22-Aug-11 | 5,000              | 1.34                    |
| 9-Aug-11  | 18-Aug-11 | 3,000              | 1.15                    |
| 16-Aug-11 | 26-Sep-11 | 5,000              | 0.80                    |
| 16-Aug-11 | 16-Dec-11 | 4,900              | 0.98                    |
| 16-Aug-11 | 16-Jan-12 | 4,890              | 1.53                    |
| 22-Aug-11 | 24-Oct-11 | 5,000              | 0.80                    |
| 22-Aug-11 | 22-Nov-11 | 4,000              | 0.93                    |
| 29-Aug-11 | 12-Sep-11 | 2,000              | 1.10                    |
| 29-Aug-11 | 19-Sep-11 | 3,500              | 0.79                    |
| 29-Aug-11 | 17-Oct-11 | 2,000              | 1.35                    |
| 1-Sep-11  | 15-Sep-11 | 3,000              | 0.78                    |
| 1-Sep-11  | 1-Dec-11  | 3,000              | 1.55                    |
| 12-Sep-11 | 14-Nov-11 | 2,000              | 1.45                    |
| 19-Sep-11 | 31-Oct-11 | 4,000              | 0.80                    |
| 26-Sep-11 | 28-Nov-11 | 2,000              | 1.30                    |
| 28-Sep-11 | 5-Oct-11  | 5,000              | 1.30                    |
| 30-Sep-11 | 31-Oct-11 | 4,000              | 0.70                    |
| 3-Oct-11  | 17-Oct-11 | 3,500              | 0.95                    |
| 5-Oct-11  | 5-Dec-11  | 5,000              | 1.26                    |
| 10-Oct-11 | 10-Nov-11 | 4,000              | 0.73                    |
| 17-Oct-11 | 8-Nov-11  | 3,000              | 0.78                    |
| 17-Oct-11 | 21-Nov-11 | 2,000              | 1.25                    |
| 17-Oct-11 | 19-Dec-11 | 3,500              | 1.30                    |
| 21-Oct-11 | 23-Jan-12 | 1,500              | 1.57                    |
| 31-Oct-11 | 30-Nov-11 | 5,000              | 0.78                    |
| 2-Nov-11  | 2-Dec-11  | 4,000              | 0.75                    |
| 10-Nov-11 | 17-Nov-11 | 4,000              | 0.55                    |
| 11-Nov-11 | 12-Dec-11 | 2,500              | 1.00                    |
| 11-Nov-11 | 30-Dec-11 | 2,000              | 1.10                    |
| 17-Nov-11 | 24-Nov-11 | 3,000              | 0.50                    |
| 18-Nov-11 | 9-Dec-11  | 3,000              | 0.53                    |
| 22-Nov-11 | 22-Dec-11 | 4,000              | 0.51                    |
| 24-Nov-11 | 27-Dec-11 | 4,000              | 1.06                    |
| 30-Nov-11 | 14-Dec-11 | 2,000              | 0.50                    |

## Appendix II - Short-term Investments and Interest Rates for 2011 (EUR) [continued]

| From      | To        | Amount<br>EUR '000 | Interest Rate<br>% p.A. |
|-----------|-----------|--------------------|-------------------------|
| 30-Nov-11 | 30-Dec-11 | 2,000              | 0.50                    |
| 1-Dec-11  | 15-Dec-11 | 3,000              | 0.61                    |
| 5-Dec-11  | 27-Dec-11 | 5,000              | 0.95                    |
| 9-Dec-11  | 16-Dec-11 | 3,000              | 0.50                    |
| 9-Dec-11  | 19-Dec-11 | 3,000              | 0.40                    |
| 9-Dec-11  | 22-Dec-11 | 3,000              | 0.43                    |
| 12-Dec-11 | 27-Dec-11 | 3,000              | 0.74                    |
| 14-Dec-11 | 21-Dec-11 | 2,000              | 0.65                    |
| 15-Dec-11 | 15-Mar-12 | 3,000              | 1.43                    |
| 16-Dec-11 | 3-Jan-12  | 4,900              | 0.33                    |
| 16-Dec-11 | 16-Jan-12 | 4,000              | 0.41                    |
| 19-Dec-11 | 9-Jan-12  | 3,500              | 0.45                    |
| 19-Dec-11 | 19-Mar-12 | 4,000              | 1.43                    |
| 20-Dec-11 | 21-May-12 | 3,000              | 1.59                    |
| 22-Dec-11 | 23-Jan-12 | 3,000              | 0.34                    |
| 22-Dec-11 | 22-Mar-12 | 4,000              | 0.44                    |
| 27-Dec-11 | 3-Jan-12  | 3,000              | 0.95                    |
| 27-Dec-11 | 26-Mar-12 | 4,000              | 1.20                    |
| 27-Dec-11 | 28-May-12 | 5,000              | 1.36                    |
| 30-Dec-11 | 20-Jan-12 | 3,500              | 0.20                    |
| 30-Dec-11 | 29-Feb-12 | 3,000              | 0.95                    |

## Appendix II - Short-term Investments and Interest Rates for 2011 (USD)

| From                   | To        | Extra-Budgetary<br>USD '000 | Interest Rate<br>% p.A. |
|------------------------|-----------|-----------------------------|-------------------------|
| <b>Extra-budgetary</b> |           |                             |                         |
| 15-Oct-10              | 18-Jan-11 | 1,300                       | 0.30                    |
| 20-Dec-10              | 20-Jan-11 | 2,300                       | 0.40                    |
| 28-Dec-10              | 18-Jan-11 | 4,900                       | 0.25                    |
| 20-Jan-11              | 20-Jul-11 | 8,300                       | 0.67                    |
| 20-Jul-11              | 21-Dec-11 | 8,300                       | 0.30                    |
| 21-Dec-11              | 18-May-12 | 8,300                       | 0.40                    |

## Appendix III - Assessed Contributions Receivable as at 31 December 2011

| EUR '000<br>Participating State           | 2009<br>and prior | 2010 | 2011  | Balance |
|-------------------------------------------|-------------------|------|-------|---------|
| Albania                                   | 0                 | 0    | 0     | 0       |
| Andorra                                   | 0                 | 0    | 13    | 13      |
| Armenia                                   | 0                 | 0    | 0     | 0       |
| Austria                                   | 0                 | 0    | 0     | 0       |
| Azerbaijan                                | 0                 | 0    | 0     | 0       |
| Belarus                                   | 0                 | 0    | 0     | 0       |
| Belgium                                   | 0                 | 0    | 0     | 0       |
| Bosnia-Herzegovina                        | 0                 | 0    | 0     | 0       |
| Bulgaria                                  | 0                 | 0    | 0     | 0       |
| Canada                                    | 0                 | 0    | 0     | 0       |
| Croatia                                   | 0                 | 0    | 0     | 0       |
| Cyprus                                    | 0                 | 0    | 0     | 0       |
| Czech Republic                            | 0                 | 0    | 0     | 0       |
| Denmark                                   | 0                 | 0    | 0     | 0       |
| Estonia                                   | 0                 | 0    | 0     | 0       |
| Finland                                   | 0                 | 0    | 0     | 0       |
| France                                    | 0                 | 0    | 0     | 0       |
| Georgia                                   | 0                 | 0    | 0     | 0       |
| Germany                                   | 0                 | 0    | 0     | 0       |
| Greece                                    | 0                 | 0    | 0     | 0       |
| Holy See                                  | 0                 | 0    | 0     | 0       |
| Hungary                                   | 0                 | 0    | 0     | 0       |
| Iceland                                   | 0                 | 0    | 0     | 0       |
| Ireland                                   | 0                 | 0    | 0     | 0       |
| Italy                                     | 0                 | 0    | 0     | 0       |
| Kazakhstan                                | 0                 | 0    | 0     | 0       |
| Kyrgystan                                 | 930               | 46   | 45    | 1,021   |
| Latvia                                    | 0                 | 0    | 0     | 0       |
| Liechtenstein                             | 0                 | 0    | 0     | 0       |
| Lithuania                                 | 0                 | 0    | 0     | 0       |
| Luxembourg                                | 0                 | 0    | 0     | 0       |
| Malta                                     | 0                 | 0    | 0     | 0       |
| Moldova                                   | 0                 | 0    | 0     | 0       |
| Monaco                                    | 0                 | 0    | 0     | 0       |
| Montenegro                                | 0                 | 0    | 0     | 0       |
| Netherlands                               | 0                 | 0    | 0     | 0       |
| Norway                                    | 0                 | 0    | 0     | 0       |
| Poland                                    | 0                 | 0    | 0     | 0       |
| Portugal                                  | 0                 | 0    | 941   | 941     |
| Romania                                   | 0                 | 0    | 0     | 0       |
| Russian Federation                        | 0                 | 0    | 0     | 0       |
| San Marino                                | 0                 | 0    | 0     | 0       |
| Serbia                                    | 0                 | 0    | 0     | 0       |
| Slovak Republic                           | 0                 | 0    | 0     | 0       |
| Slovenia                                  | 0                 | 0    | 0     | 0       |
| Spain                                     | 0                 | 0    | 3,059 | 3,059   |
| Sweden                                    | 0                 | 0    | 0     | 0       |
| Switzerland                               | 0                 | 0    | 0     | 0       |
| Tajikistan                                | 260               | 46   | 45    | 351     |
| The Former Yugoslav Republic of Macedonia | 0                 | 64   | 85    | 149     |
| Turkey                                    | 0                 | 0    | 0     | 0       |
| Turkmenistan                              | 0                 | 0    | 18    | 18      |
| Ukraine                                   | 0                 | 0    | 0     | 0       |
| United Kingdom                            | 0                 | 0    | 0     | 0       |
| United States                             | 0                 | 0    | 0     | 0       |
| Uzbekistan                                | 2,914             | 232  | 231   | 3,377   |
| Total                                     | 4,104             | 388  | 4,437 | 8,929   |



## Appendix IV: OSCE Staffing Overview – Budgeted and Actual Staff Positions as at 31 December 2011

| Fund                                                                                  | International Staff |            |            |            |            |            | Local Staff  |            |                 |                |                |                | GRAND TOTAL    |                |
|---------------------------------------------------------------------------------------|---------------------|------------|------------|------------|------------|------------|--------------|------------|-----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                       | Contracted          |            | Seconded   |            | Sub-Total  |            | Professional |            | General Service |                | Sub-Total      |                | GRAND TOTAL    |                |
|                                                                                       | Budget              | Actual     | Budget     | Actual     | Budget     | Actual     | Budget       | Actual     | Budget          | Actual         | Budget         | Actual         | Budget         | Actual         |
| number of positions                                                                   |                     |            |            |            |            |            |              |            |                 |                |                |                |                |                |
| The Secretariat                                                                       | 142                 | 133        | 39         | 32         | 181        | 165        | 0            | 0          | 186             | 176.5          | 186            | 176.5          | 367            | 341.5          |
| Office for Democratic Institutions and Human Rights                                   | 62                  | 59         | 16         | 13         | 78         | 72         | 0            | 0          | 57              | 56             | 57             | 56             | 135            | 128            |
| High Commissioner on National Minorities                                              | 16                  | 15         | 5          | 4          | 21         | 19         | 0            | 0          | 9               | 9              | 9              | 9              | 30             | 28             |
| Representative on Freedom of the Media                                                | 7                   | 7          | 6          | 3          | 13         | 10         | 0            | 0          | 3               | 3              | 3              | 3              | 16             | 13             |
| <b>SECRETARIAT AND INSTITUTIONS</b>                                                   | <b>227</b>          | <b>214</b> | <b>66</b>  | <b>52</b>  | <b>293</b> | <b>266</b> | <b>0</b>     | <b>0</b>   | <b>255</b>      | <b>244.5</b>   | <b>255</b>     | <b>244.5</b>   | <b>548</b>     | <b>510.5</b>   |
| Mission in Kosovo                                                                     | 20                  | 17         | 169        | 139        | 189        | 156        | 86           | 84         | 409             | 397            | 495            | 481            | 684            | 637            |
| Tasks in Bosnia and Herzegovina                                                       | 3                   | 3          | 79         | 69         | 82         | 72         | 145          | 141        | 296.5           | 281.5          | 441.5          | 422.5          | 523.5          | 494.5          |
| Office in Zagreb                                                                      | 0                   | 0          | 3          | 3          | 3          | 3          | 6            | 5          | 10              | 10             | 16             | 15             | 19             | 18             |
| Mission to Serbia                                                                     | 2                   | 2          | 39         | 33         | 41         | 35         | 28           | 26         | 101             | 98             | 129            | 124            | 170            | 159            |
| Presence in Albania                                                                   | 1                   | 1          | 21         | 20         | 22         | 21         | 17           | 17         | 57              | 57             | 74             | 74             | 96             | 95             |
| Mission to Skopje                                                                     | 5                   | 4          | 51         | 47         | 56         | 51         | 19           | 18         | 103             | 102            | 122            | 120            | 178            | 171            |
| Mission to Montenegro                                                                 | 1                   | 1          | 13         | 11         | 14         | 12         | 6            | 6          | 26              | 26             | 32             | 32             | 46             | 44             |
| <b>South-Eastern Europe</b>                                                           | <b>32</b>           | <b>28</b>  | <b>375</b> | <b>322</b> | <b>407</b> | <b>350</b> | <b>307</b>   | <b>297</b> | <b>1,002.5</b>  | <b>971.5</b>   | <b>1,309.5</b> | <b>1,268.5</b> | <b>1,716.5</b> | <b>1,618.5</b> |
| Mission to Moldova                                                                    | 1                   | 1          | 12         | 11         | 13         | 12         | 9            | 8          | 30              | 30             | 39             | 38             | 52             | 50             |
| Project Co-ordinator in Ukraine                                                       | 1                   | 1          | 2          | 2          | 3          | 3          | 21           | 21         | 20              | 19             | 41             | 40             | 44             | 43             |
| <b>Eastern Europe</b>                                                                 | <b>2</b>            | <b>2</b>   | <b>14</b>  | <b>13</b>  | <b>16</b>  | <b>15</b>  | <b>30</b>    | <b>29</b>  | <b>50</b>       | <b>49</b>      | <b>80</b>      | <b>78</b>      | <b>96</b>      | <b>93</b>      |
| Office in Yerevan                                                                     | 1                   | 1          | 6          | 5          | 7          | 6          | 12           | 12         | 28              | 28             | 40             | 40             | 47             | 46             |
| Office in Baku                                                                        | 1                   | 1          | 11         | 10         | 12         | 11         | 5            | 5          | 22.5            | 20.5           | 27.5           | 25.5           | 39.5           | 36.5           |
| High-Level Planning Group                                                             | 0                   | 0          | 8          | 5          | 8          | 5          | 0            | 0          | 1               | 1              | 1              | 1              | 9              | 6              |
| Personal Representative of the CIO on the Conflict Dealt with by the Minsk Conference | 1                   | 1          | 5          | 5          | 6          | 6          | 0            | 0          | 11              | 11             | 11             | 11             | 17             | 17             |
| <b>Caucasus</b>                                                                       | <b>3</b>            | <b>3</b>   | <b>30</b>  | <b>25</b>  | <b>33</b>  | <b>28</b>  | <b>17</b>    | <b>17</b>  | <b>62.5</b>     | <b>60.5</b>    | <b>79.5</b>    | <b>77.5</b>    | <b>112.5</b>   | <b>105.5</b>   |
| Centre in Astana                                                                      | 1                   | 1          | 5          | 4          | 6          | 5          | 4            | 4          | 18              | 18             | 22             | 22             | 28             | 27             |
| Centre in Ashgabat                                                                    | 1                   | 1          | 5          | 5          | 6          | 6          | 2            | 2          | 17              | 17             | 19             | 19             | 25             | 25             |
| Centre in Bishkek                                                                     | 3                   | 3          | 22         | 19         | 25         | 22         | 6            | 6          | 82              | 77             | 88             | 83             | 113            | 105            |
| Project Co-ordinator in Uzbekistan                                                    | 0                   | 0          | 3          | 1          | 3          | 1          | 3            | 3          | 15              | 15             | 18             | 18             | 21             | 19             |
| Office in Tajikistan                                                                  | 3                   | 3          | 25         | 18         | 28         | 21         | 8            | 8          | 122             | 115            | 130            | 123            | 158            | 144            |
| <b>Central Asia</b>                                                                   | <b>8</b>            | <b>8</b>   | <b>60</b>  | <b>47</b>  | <b>68</b>  | <b>55</b>  | <b>23</b>    | <b>23</b>  | <b>254</b>      | <b>242</b>     | <b>277</b>     | <b>265</b>     | <b>345</b>     | <b>320</b>     |
| <b>TOTAL FOR FUNDS RELATED TO OSCE FIELD OPERATIONS</b>                               | <b>45</b>           | <b>41</b>  | <b>479</b> | <b>407</b> | <b>524</b> | <b>448</b> | <b>377</b>   | <b>366</b> | <b>1,369</b>    | <b>1,323</b>   | <b>1,746</b>   | <b>1,689</b>   | <b>2,270</b>   | <b>2,137</b>   |
| <b>TOTAL OSCE 2011 UNIFIED BUDGET POST TABLE</b>                                      | <b>272</b>          | <b>255</b> | <b>545</b> | <b>459</b> | <b>817</b> | <b>714</b> | <b>377</b>   | <b>366</b> | <b>1,624</b>    | <b>1,567.5</b> | <b>2,001</b>   | <b>1,933.5</b> | <b>2,818</b>   | <b>2,647.5</b> |

**Appendix V: Provident Fund Summary Statement**  
for the year ending 31 December 2011  
Unaudited - For Information Purposes Only

|                                                      | DEPOSIT ADMINISTRATION FUNDS |               |               |               | INTERNATIONAL EQUITY FUNDS |             |               |               | EUROPEAN EQUITY FUND |             |                  |
|------------------------------------------------------|------------------------------|---------------|---------------|---------------|----------------------------|-------------|---------------|---------------|----------------------|-------------|------------------|
|                                                      | Units<br>'000                | EUR<br>'000   | Units<br>'000 | USD<br>'000   | Units<br>'000              | EUR<br>'000 | Units<br>'000 | USD<br>'000   | Units<br>'000        | EUR<br>'000 | TOTAL<br>EUR'000 |
| <b>Opening Balance 1 Jan 2011</b>                    | <b>51,172</b>                | <b>62,497</b> | <b>4,996</b>  | <b>6,100</b>  | <b>22</b>                  | <b>614</b>  | <b>25</b>     | <b>928</b>    | <b>99</b>            | <b>965</b>  |                  |
| Contributions/Premium Allocation                     | 10,610                       | 13,063        | 799           | 982           | 3                          | 71          | 5             | 179           | 31                   | 282         |                  |
| Unit Adjustments                                     | 108                          | 133           |               |               |                            |             |               |               | 1                    | 8           |                  |
| Surrenders                                           | (4,579)                      | (5,619)       | (599)         | (735)         | (1)                        | (19)        | (2)           | (94)          | (13)                 | (126)       |                  |
| Withdrawals                                          | (1,306)                      | (1,608)       | (65)          | (80)          | (1)                        | (12)        | (1)           | (27)          | (3)                  | (29)        |                  |
| Switch Out                                           | (13)                         | (16)          |               |               | (1)                        | (34)        |               |               | (3)                  | (26)        |                  |
| Switch In                                            | 49                           | 60            |               |               |                            |             |               |               | 2                    | 16          |                  |
| Transfer Out                                         | (701)                        | (862)         | (29)          | (35)          |                            |             | (2)           | (64)          | (5)                  | (44)        |                  |
| Transfer In                                          |                              |               |               |               |                            |             |               |               |                      |             |                  |
| Fees (Administration Fee and Establishment Charge)   | -                            | -             | -             | -             | -                          | -           | -             | -             | -                    | -           |                  |
| <b>Total movements during year</b>                   | <b>4,167</b>                 | <b>5,151</b>  | <b>106</b>    | <b>132</b>    | <b>0</b>                   | <b>6</b>    | <b>0</b>      | <b>(7)</b>    | <b>10</b>            | <b>81</b>   |                  |
| Guaranteed Interest on Opening Balance               |                              | 936           |               | 76            |                            |             |               |               |                      |             |                  |
| Guaranteed Interest on units accumulated during year |                              | 14            |               | (1)           |                            |             |               |               |                      |             |                  |
| Deposit Administration Units (additional interest)   | 1,021                        | 1,265         | 163           | 202           |                            |             |               |               |                      |             |                  |
| <b>Closing Balance 31 December 2011</b>              | <b>56,360</b>                | <b>69,863</b> | <b>5,266</b>  | <b>6,510</b>  | <b>22</b>                  | <b>581</b>  | <b>25</b>     | <b>847</b>    | <b>109</b>           | <b>920</b>  |                  |
| <b>Market Value as at 31 December 2011</b>           |                              |               |               |               |                            |             |               |               |                      |             |                  |
| <b>Exchange Rate</b>                                 |                              |               |               | <b>1.3333</b> |                            |             |               | <b>1.3333</b> |                      |             |                  |
| <b>Closing Balance 31 December 2011 in EUR '000</b>  |                              | <b>69,863</b> |               | <b>4,883</b>  |                            | <b>581</b>  |               | <b>635</b>    |                      | <b>920</b>  | <b>76,882</b>    |





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