



OSCE 2006

Audited Financial Statements



The Organization for Security and Co-operation in Europe works for **stability, prosperity and democracy** in 56 States through political dialogue about shared values and through practical work that makes a lasting difference.

OSCE 2006 Audited Financial Statements



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Organization for Security and
Co-operation in Europe



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ENGLISH only

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



Organization for Security and Co-operation in Europe

The Secretariat

18 June 2007

Sir,

Pursuant to Financial Regulation 7.04 and the 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 2006 and the Audit Report of the External Auditor thereon for your consideration and approval.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'M. Perrin de Brichambaut'. The signature is fluid and cursive.

Marc Perrin de Brichambaut
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.



Office of the Auditor General
of Norway

AUDIT OPINION

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

We have audited the accompanying statements, comprising the Budget and Expenditure Report on pages 11 to 20 and Financial statements 1 to 37, and the supporting notes including Annex I and Appendices I to III of the Organization for Security and Co-operation in Europe for the financial period ended 31 December 2006.

Relative responsibilities

These financial statements are the responsibility of the Secretary General. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of opinion

We conducted the audit in accordance with the auditing standards of the International Organisation of Supreme Audit Institutions, INTOSAI, and in compliance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 and significant estimates made by the Secretary General, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the audit opinion.

Opinion

In our opinion, these financial statements presents fairly, in all material respects, the financial position as at 31 December 2006 and the results of the operations and cash flows for the period then ended in accordance with the accounting policies set out in notes to the financial statements, which were applied on a basis consistent with that of the preceding financial period, unless otherwise disclosed.

Further, in our opinion, the transactions of the Organization for Security and Co-operation in Europe which we have tested as part of our audit have, in all significant respects been in accordance with the Financial Regulations and legislative authority.

In accordance with Regulation 8 of the Financial Regulations, we have also issued a long-form Report on our audit of the financial statements.

Oslo, 15 June 2007

Kirsten Astrup
Director General

Letter of Transmittal to the Auditor General from the Secretary General



Organization for Security and Co-operation in Europe

The Secretariat

26 March 2007

Madam,

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 2006.

Yours faithfully,

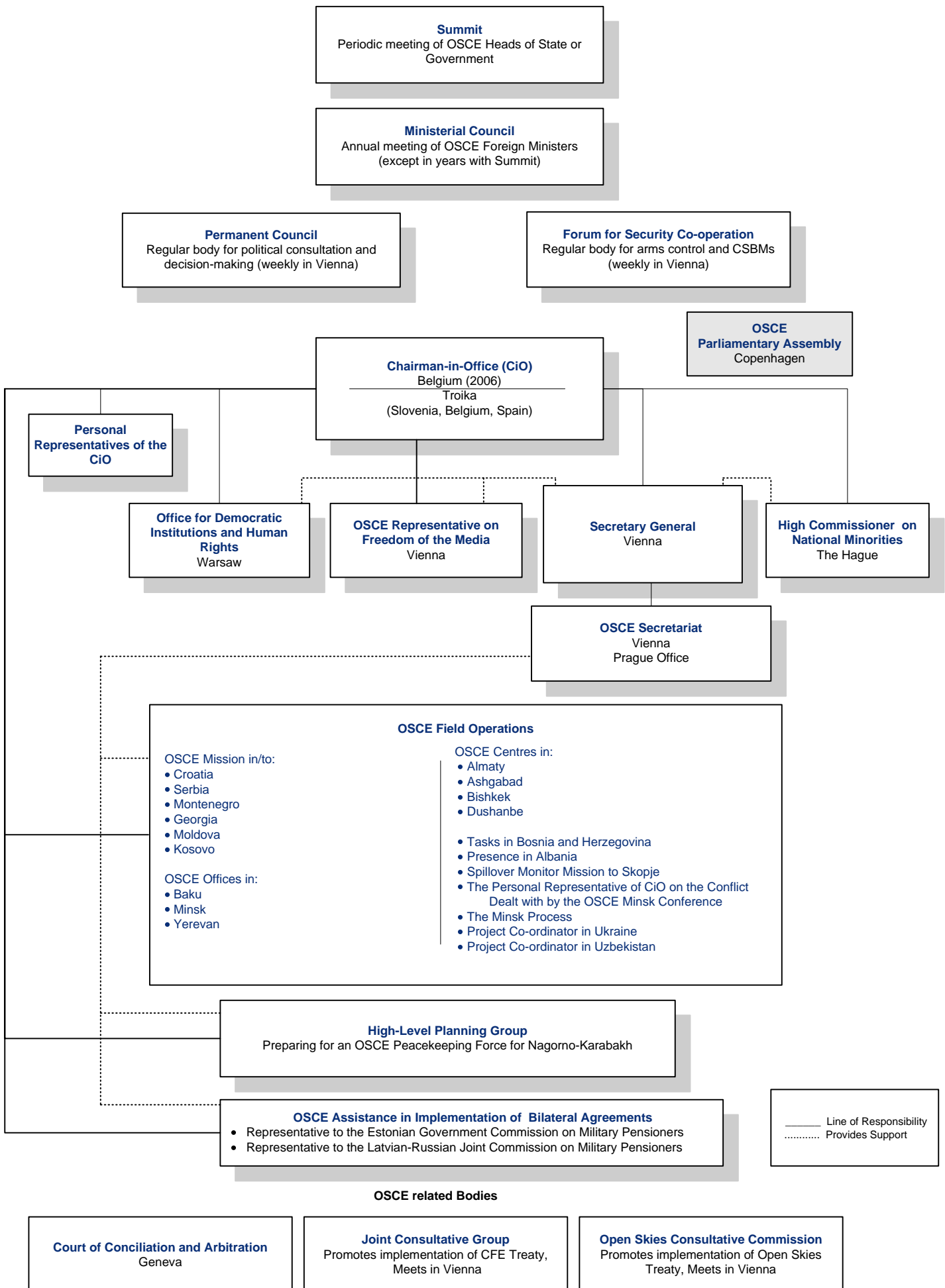
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Marc Perrin de Brichambaut
Secretary General

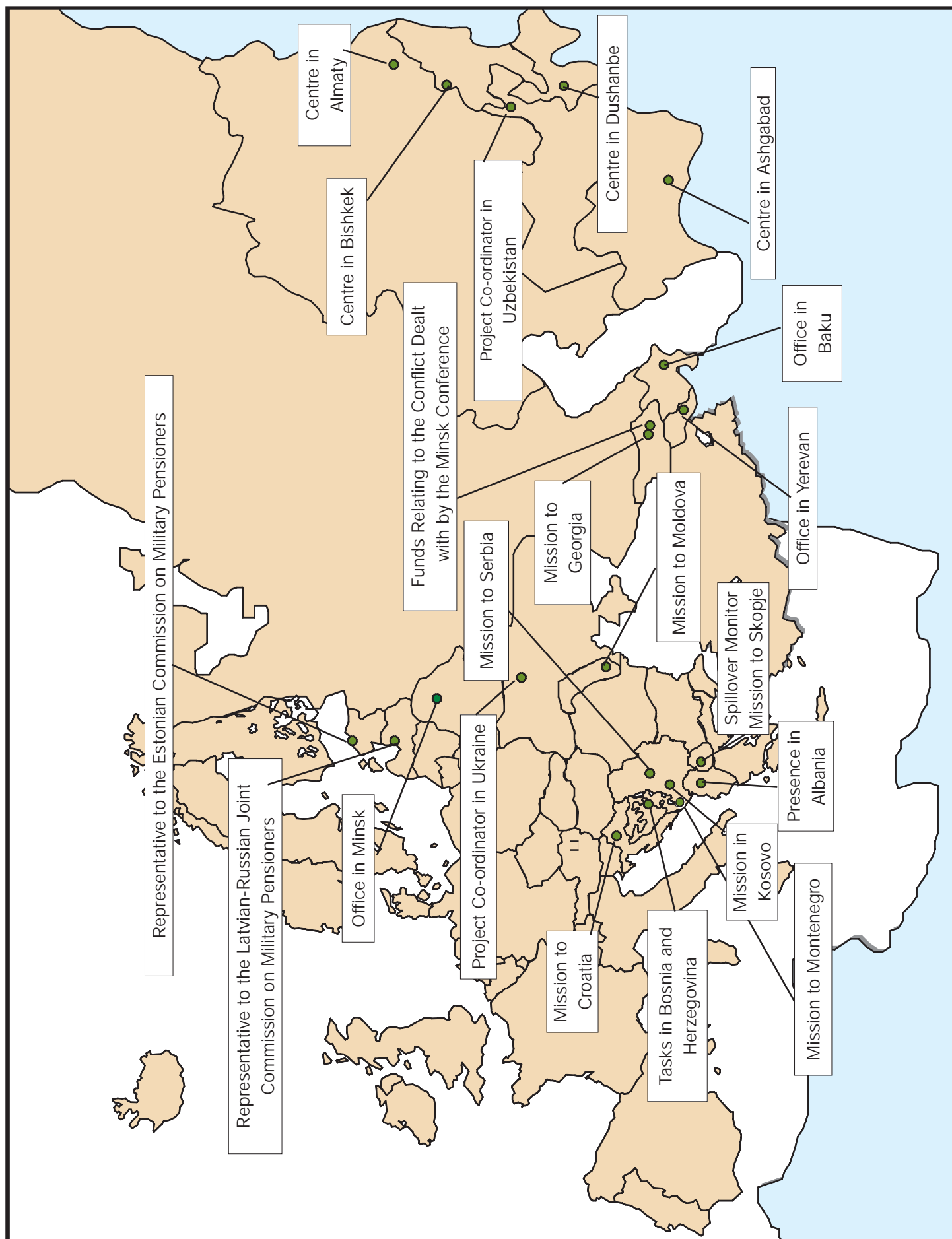
Ms. Kirsten Astrup
Director General
Office of the Auditor General of
Norway
Pilestredet 42
N-0032 Oslo
Norway

OSCE Structures and Institutions

as at 31 December 2006



OSCE Field Operations as at 31 December 2006



Chapter I - Financial Report

for the year ended 31 December 2006

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 2006. The Financial Report provides the financial results for the OSCE's activities during the financial year 2006.

The OSCE operates a system of fund accounting and the resulting financial statements present the financial results of the Secretariat, Institutions and Field Operations, the Wallnerstrasse Fund and Extra-budgetary Funds. This 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, currency exchange adjustments, savings on prior year Unliquidated Obligations (ULO's) and other adjustments. Total income for 2006 amounted to EUR 188.7 million (2005: EUR 190.9 million).

Total expenditure for 2006 including Unified Budget, Wallnerstrasse and Extra-budgetary Funds amounted to EUR 180.8 million (2005: EUR 180.1 million).

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 2005 was circulated (PC.ACMF/63/06) to all Delegations of participating States on 31 October 2006.

Summary of the OSCE's Results for the Financial Year 2006

EUR million	UNIFIED BUDGET	EXTRA- BUDGETARY	TOTAL
INCOME			
Assessed Contributions	162.7	-	162.7
Extra-budgetary Contributions	-	21.6	21.6
Other income and adjustments	4.8	(0.4)	4.4
TOTAL INCOME	167.5	21.2	188.7
EXPENDITURE			
	157.8	23.0	180.8
BUDGET			
2006 Year-end UB Revision	162.7		
Budget utilisation rate	97%		
CASH SURPLUS 2006	13.9		
	<i>Number of positions</i>		
STAFFING – POSITIONS APPROVED			
Professional staff positions	1,415		
General service staff positions	2,147		
Total staff positions	3,562		

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 against the 2006 Unified Budget totalled EUR 162.7 million, of which EUR 46.8 million is under the Standard Scale of Contributions for 2005–2007 and EUR 115.9 million is under the Field Operations Scales of Contributions for 2005–2007.

Other income on the Unified Budget, which includes miscellaneous income, currency exchange adjustments and savings on prior year unliquidated obligations amounted to EUR 4.8 million.

The OSCE has an excellent payment record of assessed contributions by participating States, when compared to other International Organizations. The OSCE received 99.7 percent of assessed contributions for 2006 by 31 December 2006 (2005: 97.3 per cent).

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 premises. It is estimated that these in-kind contributions can be valued at approximately EUR 61 million for 2006 or approximately one quarter of total resources put at the disposal of the OSCE. This includes an estimated EUR 58 million for seconded staff salaries and EUR 3 million for buildings provided by host countries. In particular, generous contributions are acknowledged from the Austrian government for office rent and conference facilities (EUR 2.4 million), the Polish government for ODIHR (EUR 0.4 million) and the Netherlands government for HCNM (EUR 0.2 million). These governments have provided further substantial contributions in-kind in the form of tax concessions, security and parking areas.

Additionally the Austrian Government has agreed to provide new premises for the Secretariat. This project will see the renovation of Vienna's historic Palais Palffy in Wallnerstrasse at an estimated total cost of EUR 30.55 million. Of this, EUR 26.59 million will be funded by the Austrian Government, with the balance being contributed by the OSCE participating States. The Wallnerstrasse Fund was established under PC.DEC/709 on 15 December 2005 in the amount of EUR 3.96 million and was increased under PC.DEC 774 on 21 December 2006 in the amount of EUR 1.10 million, for a total of EUR 5.06 million. The Project is currently scheduled for completion in the final quarter of 2007.

2.3 Budget, Expenditure

Budget

The 2006 Unified Budget was approved under PC.DEC/712 on 20 December 2005, in the amount of EUR 168.2 million. Revised budgets approved under subsequent Permanent Council Decisions amounted to a net decrease of EUR 5.5 million, for a Year-end Revised Budget of EUR 162.7 million (PC.DEC/786 of 20 February 2007).

The format and structure of the 2006 Unified Budget presented individual Programmes, together with their objectives and outputs and the financial and human resources required for the achievement of these under each Unified Budget Fund. For purposes of the presentation and approval of the 2006 Unified Budget, Funds were grouped under (i) Funds related to the

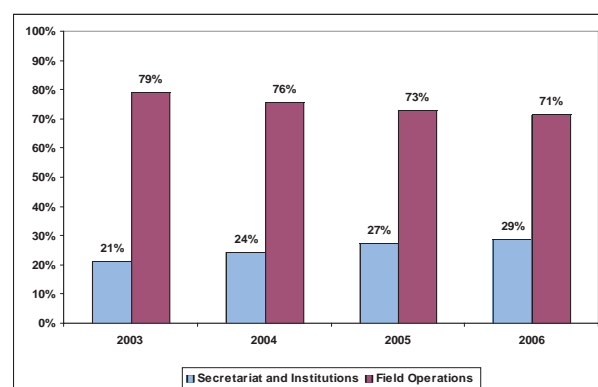
Secretariat and Institutions and (ii) Funds related to Field Operations, with the latter, in turn, being grouped into regions. This presentation is also followed in this Financial Report and Financial Statements.

2006 Year-end Budget Revision (PC.DEC/786)

EUR '000	2006	%
I. Funds Related to The Secretariat and Institutions		
The Secretariat	29,590	18.2%
Office for Democratic Institutions and Human Rights	13,304	8.2%
High Commissioner on National Minorities	2,767	1.7%
Representative on Freedom of the Media	1,134	0.7%
II. Funds Related to OSCE Field Operations (by Region)		
South-Eastern Europe	83,080	51.1%
Eastern Europe	4,930	3.0%
Caucasus	16,656	10.2%
Central Asia	11,253	6.9%
Total Unified Budget	162,712	100%

From the operational perspective, the OSCE remains a field-oriented Organization, with the share of the budget allocated to field operations representing almost three-quarters of the 2006 Unified Budget. The shift towards increasing the share of resources to the Secretariat and Institutions since 2002, however, is evident from the following chart. This is primarily due to the increasing programmatic role and responsibilities allocated by participating States to the Secretariat and Institutions.

Distribution of Unified Budget 2003-2006



The geographical distribution of resources allocated to OSCE's Field Operations has remained relatively stable, with an increase in the share of resources allocated to Central Asia and Eastern Europe, and a decrease in the share of resources allocated to South-Eastern Europe.

Geographical Distribution of Unified Budget: Funds Related to Field Operations

EUR million	2006		2005	
Funds Related to OSCE Field Operations (by Region)				
South-Eastern Europe	83.1	71.7%	85.0	73.1%
Eastern Europe	4.9	4.3%	4.1	3.5%
Caucasus	16.7	14.4%	17.0	14.6%
Central Asia	11.3	9.7%	10.2	8.8%
Total Funds Related to OSCE Field Operations	115.9	100.0%	116.3	100.0%

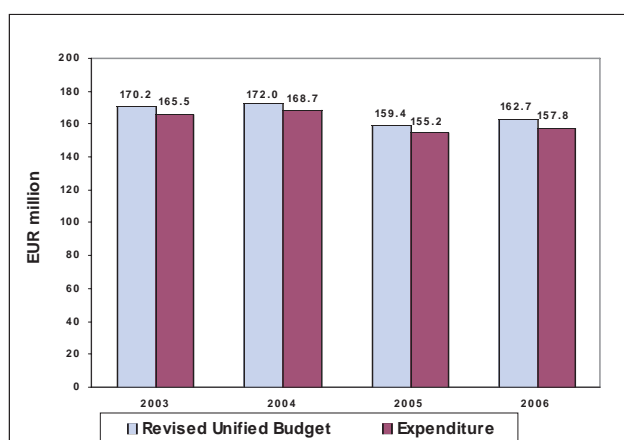
The following table lists the PC Decisions affecting the Unified Budget in the course of 2006.

2006 Unified Budget and Revisions

PC Decision	Budget Revisions (EUR)	Unified Budget (EUR mln)
20 / 12 / 2005 PC.DEC / 712 Initial Approved Budget		168.2
29 / 06 / 2006 PC.DEC/731 Capacity-Building Programme for the Georgian Border Police	1,933,300	
27 / 07 / 2006 PC.DEC/740 Mid-Year Review of the 2006 OSCE Unified Budget	(2,158,300)	
27 / 07 / 2006 PC.DEC/741 Budget Revision for the OSCE Mission to Serbia	(956,800)	
27 / 07 / 2006 PC.DEC/742 Supplementary Budget Proposal for the OSCE Mission to Montenegro	951,800	
20 / 02 / 2007 PC.DEC/786 OSCE 2006 Year-End Unified Budget Revision	(5,223,700)	
Total Budget Revisions	(5,453,700)	(5.5)
Year-End Revised Budget		162.7

Expenditure

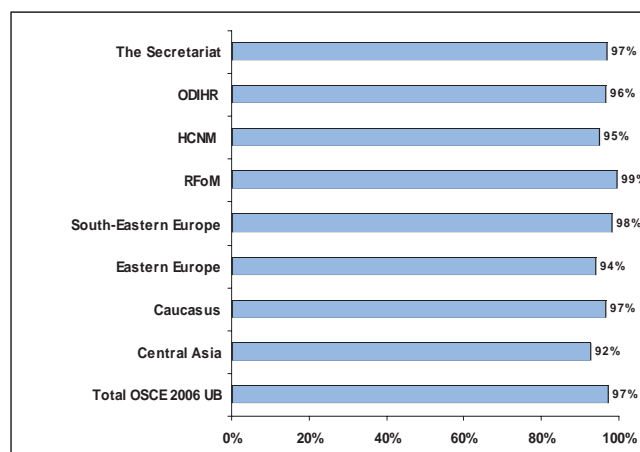
The 2006 expenditure against the Unified Budget amounted to a total of EUR 157.8 million, representing an increase of 1.7 percent compared to the previous year (2005: EUR 155.2 million).



Budget vs. Expenditure 2003-2006

Budget utilization for the year 2006 against the year-end revised Budget of EUR 162.7 million was 97 percent (2005: 97 percent) and 93.8 percent against the Unified Budget approved in December 2005 of 168.2 million (2005: 92 percent).

Budget Utilisation Rates for Year-End Budget Revision



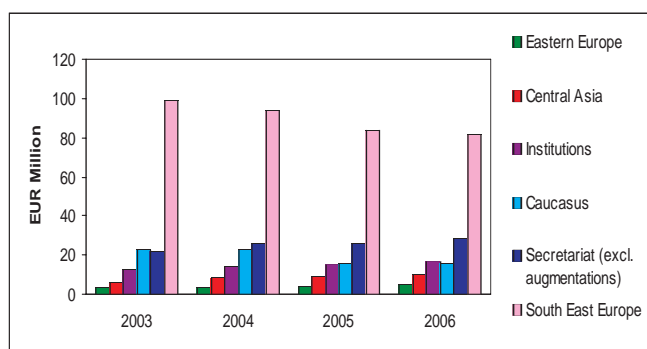
The following is a comparison between 2006 and 2005 expenditure.

Unified Budget Expenditure

EUR million	2006		2005	
I. Funds Related to The Secretariat and Institutions				
The Secretariat	28.6	18.1%	26.4	17.0%
Office for Democratic Institutions and Human Rights	12.8	8.1%	11.7	7.5%
High Commissioner on National Minorities	2.6	1.7%	2.6	1.7%
Representative on Freedom of the Media	1.1	0.7%	1.1	0.7%
Total Funds Related to The Secretariat and Institutions	45.2	28.6%	41.8	26.9%
II. Funds Related to OSCE Field Operations (by Region)				
South-Eastern Europe	81.5	51.7%	83.8	54.0%
Eastern Europe	4.6	2.9%	3.9	2.5%
Caucasus	16.1	10.2%	16.3	10.5%
Central Asia	10.4	6.6%	9.4	6.1%
Total Funds Related to OSCE Field Operations	112.6	71.4%	113.5	73.1%
Total OSCE	157.8	100%	155.2	100%

The overall distribution of expenditure between the Secretariat and Institutions vs. Field Operations, as well as the geographical distribution of expenditure across Field Operations follows the pattern illustrated for the Unified Budget.

Unified Budget Expenditure by Region (2003-2006)



The distribution of Unified Budget Expenditure by Cost Category between 2006 and 2005 is stable.

Unified Budget Expenditure by Cost Category

EUR million	2006		2005	
Staff costs	94.2	59.7%	92.8	59.8%
Operational Costs	47.8	30.3%	47.0	30.3%
Assets/Equipment	6.1	3.9%	5.7	3.7%
Office Costs	9.4	5.9%	9.3	6.0%
HoM Facility	0.4	0.2%	0.4	0.3%
Total	157.8	100%	155.2	100%

Staff costs continue to represent the most significant share of OSCE's annual expenditures.

2.4 Staffing

Total budgeted positions as at 31 December 2006 were 3,562, representing an 8.2 percent decrease over the previous year (2005: 3,881 budgeted positions). The distribution of positions within the Organization is shown in Annex A.

Budgeted Positions

number of positions	2006		2005	
Professional Staff	1,415	100%	1,509	100%
International contracted	282	20%	276	18%
Seconded	777	55%	886	59%
National professional	356	25%	347	23%
General Services Staff	2,147	100%	2,372	100%
Secretariat and Institutions	239	11%	242	10%
Local general services	1,908	89%	2,130	90%
Total Staff	3,562		3,881	

Budgeted vs. Filled Positions as at 31 December 2006

number of positions	Budgeted	Filled	% Filled
Professional Staff	1,415	1,217	86%
International contracted	282	263	93%
Seconded	777	614	79%
National professional	356	340	96%
General Services Staff	2,147	2,025	94%
Secretariat and Institutions	239	225	94%
Local general services	1,908	1,800	94%
Total Staff	3,562	3,242	91%

3. Extra-budgetary Contributions

Extra-budgetary contributions are 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. Expenditure of extra-budgetary resources in 2006 amounted to EUR 23.0 million (2005: EUR 24.8 million).

Unlike resources provided under the Unified Budget, extra-budgetary resources are normally multi-year in nature and balances are brought forward from one year to the next. The Fund balance of all extra-budgetary resources brought forward into 2006 from 2005 amounted to EUR 33.2 million and the Fund balance carried forward into 2007 from 2006 amounted to EUR 28.3 million.

Extra-budgetary contributions received in 2006 amounted to EUR 21.6 million (2005: EUR 27.3 million). Of this amount, EUR 16.4 million was received in respect of pledges accepted in 2006 and EUR 5.2 million was received in respect of pledges accepted in 2005.

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 end 2006 and 2005 are shown below (The Secretariat bank balances include the Revolving and Contingency Funds, the Wallnerstrasse Fund as well as Extra-budgetary Funds).

OSCE - Bank and Cash Balances

EUR '000	2006		2005	
Bank				
I. The Secretariat and Institutions				
The Secretariat	81,084	94.8%	84,574	94.4%
Institutions	989	1.2%	1,296	1.5%
Total Secr. & Institutions	82,073	96.0%	85,870	95.9%
II. Field Operations (by Region)				
South-Eastern Europe	1,248	1.5%	1,760	2.0%
Eastern Europe	631	0.7%	379	0.4%
Caucasus	549	0.5%	282	0.3%
Central Asia	508	0.6%	318	0.3%
Total Field Operations	2,937	3.4%	2,739	3.0%
Total Bank	85,009	99.4%	88,609	98.9%
Total Cash	531	0.6%	977	1.1%
Grand Total	85,540	100%	89,586	100%

The Secretariat - Bank Balances

EUR '000	2006	2005
UB bank accounts	40,177	39,142
XB bank accounts	36,017	40,542
Revolving	2,710	2,710
Contingency	2,180	2,180
Total	81,084	84,574

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 of its Institutions and Field Operations 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 requirement and all interest earned is credited as miscellaneous income to the Secretariat Fund.

During 2006 the Investment Committee continued to monitor cash management activities and to provide a forum where these activities are discussed and approved.

5. Management Issues

5.1 General Context

The process of OSCE reform continued in 2006. The Ministerial Council Decision 17 adopted in December 2005 provided the roadmap for further strengthening the effectiveness of the OSCE. In this context, the Secretary General has contributed to 2006 deliberations on further improving programme planning, management of human resources, modernizing the Secretariat and the OSCE's legal capacity.

5.2 Performance Based Programme Budgeting

A major initiative has been the introduction of Performance Based Programme Budgeting (PBPB), an approach designed to enhance the current programming and budgeting cycle by helping both participating States and OSCE's senior management focus on results rather than just on resources needed and activities undertaken. This methodology is increasingly adopted by international organizations and government agencies as a means to improve accountability and transparency in the use of resources.

Following the introduction of the PBPB approach on a pilot basis for a select number of OSCE Funds in 2006, the approach will be applied OSCE-wide in 2007, supported by extensive training.

In its Decision 18 of 5 December 2006, the Ministerial Council has stated its commitment to further introduction and application of PBPB in the OSCE.

5.3 Common Regulatory Management System

PC Decision 705 adopted in December 2005 established a comprehensive Common Regulatory Management System (CRMS) to facilitate the effective and efficient management of OSCE's human, financial and material resources. The ACMF Working Group on Financial Regulations continued its work in 2006 on amending the Financial Regulations. A comprehensive compilation of amendments was issued on 2 June 2006 (PC.ACMF/2/06/Rev.1), followed by additional amendments to various Articles of the Financial Regulations. The Working Group will con-

tinue its deliberations in 2007, in line with the tasking in MC Decision 19 of 5 December 2006.

The third layer of the CRMS now comprises 37 instructions - 14 Provisional Financial and Administrative Instructions (FAI) and 23 Staff Instructions (SI). The following instructions were issued or updated in 2006:

- FAI 9 - Travel Management - updated March 2006;
- FAI 3 - Records and Document Management - updated June 2006;
- FAI 6 - Procurement and Contracting - updated July 2006;
- FAI 7 - Asset Management - update to be completed in early 2007;
- FAI 13 - Corporate IT Security Policy - new FAI issued January 2007;
- FAI 14 - Fraud Prevention and Detection Policy - new FAI issued February 2007;

- SI 21 - Professional Working Environment. Policy against Harassment, Sexual Harassment and Discrimination - new SI issued March 2006;
- SI 22 - IRMA Training - new SI issued May 2006;
- SI 23 - Special Service Agreements - new SI issued July 2006.

Annex A: OSCE Staffing Overview – Budgeted and Actual Staff Positions

as at 31 December 2006

Fund number of positions	Contracted		Seconded		National Prof.		TOTAL PROF		General Service		GRAND TOTAL	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
The Secretariat	135	128	35	30	0	0	0	170	158	181	171	351
Office for Democratic Institutions and Human Rights	49	47	18	14	0	0	0	67	61	48	44	115
High Commissioner on National Minorities	14	14	6	4	0	0	0	20	18	8	8	28
Representative on Freedom of the Media	5	5	6	2	0	0	0	11	7	3	3	14
SECRETARIAT AND INSTITUTIONS	203	194	65	50	0	0	0	268	244	239	225	507
Mission in Kosovo	45	39	250	185	72	67	367	291	626	593	993	884
Tasks in Bosnia and Herzegovina	6	4	108	88	166	162	280	254	410	399	690	653
Mission to Croatia	2	2	37	24	16	13	55	39	131	120	186	159
Mission to Serbia	2	2	49	40	15	15	66	57	109	103	175	160
Presence in Albania	1	1	29	24	14	13	44	38	66	63	110	101
Spillover Monitor Mission to Skopje	5	5	87	66	24	23	116	94	179	169	295	263
Mission to Montenegro	1	1	14	12	6	6	21	19	24	23	45	42
South-Eastern Europe	62	54	574	439	313	299	949	792	1,544	1,469	2,493	2,261
Mission to Moldova	1	1	12	12	4	4	17	17	19	18	36	35
Project Co-ordinator in the Ukraine	1	1	2	2	4	4	7	7	8	5	15	12
Office in Minsk	1	1	4	4	0	0	5	5	8	8	13	13
Representative to the Estonian Commission on Military Pensioners	0	0	1	1	0	0	1	1	1	0	2	1
Representative to the Latvian - Russian JC on Military Pensioners	0	0	0	0	0	0	0	0	0	0	0	0
Eastern Europe	3	3	19	19	8	8	30	30	36	31	66	61
Mission to Georgia	7	6	57	52	16	15	80	73	131	122	211	195
Office in Yerevan	1	1	6	5	5	5	12	11	21	19	33	30
Office in Baku	1	1	5	4	2	2	8	7	12	10	20	17
High Level Planning Group	0	0	8	7	0	0	8	7	1	1	9	8
The Minsk Process	0	0	0	0	0	0	0	0	0	0	0	0
Personal Representative of the CiO on Conflict dealt with by the Minsk Conference	1	0	5	5	0	0	6	5	11	11	17	16
Caucasus	10	8	81	73	23	22	114	103	176	163	290	266
Centre in Almaty	0	0	5	5	4	3	9	8	13	9	22	17
Centre in Ashgabad	1	1	5	5	1	1	7	7	15	15	22	22
Centre in Bishkek	0	0	10	9	4	4	14	13	37	36	51	49
Project Co-ordinator in Uzbekistan	0	0	4	2	1	1	5	3	19	11	24	14
Centre in Dushanbe	3	3	14	12	2	2	19	17	68	66	87	83
Central Asia	4	4	38	33	12	11	54	48	152	137	206	185
TOTAL FOR FUNDS RELATED TO OSCE FIELD OPERATIONS	79	69	712	564	356	340	1,147	973	1,908	1,800	3,055	2,773
TOTAL OSCE 2006 UNIFIED BUDGET	282	263	777	614	356	340	1,415	1,217	2,147	2,025	3,562	3,242

Chapter II – Budget and Expenditure Report

BUDGET AND EXPENDITURE REPORT

for the Year Ended 31 December 2006

BUDGET AND EXPENDITURE REPORT

<u>Fund</u>	<u>Main Programme</u>	<u>Approved Budget</u> (PC.DEC/712)	<u>PC Authorized Transfers</u>	<u>Budget Revision</u> (PC.DEC/786)	<u>Transfers as per Fin. Reg. 3.02 (b)</u>	<u>Revised Budget after Transfers</u>	<u>Disbursements</u>	<u>ULO</u>	<u>Expenditure</u>	<u>Utiliz. Rate %</u>
I. FUNDS RELATED TO THE SECRETARIAT AND INSTITUTIONS										
<u>The Secretariat</u>										
Secretary General and Central Services										
	Executive Management	1,192	0.0	1,192	0.0	1,192	1,164	6.9	1,171	98
	Security Management	414	(23.0)	391	0.0	391	359	21.8	381	97
	External Co-operation	673	(15.0)	658	0.0	658	639	5.0	644	98
	Legal Services	443	(38.0)	405	0.0	405	367	5.3	373	92
	Press and Public Information	1,178	(25.0)	1,153	0.0	1,153	1,008	131.3	1,139	99
	Gender Issues	268	0.0	268	0.0	268	254	7.1	261	97
	TOTAL	4,168	(101.0)	4,067	0.0	4,067	3,791	177.4	3,969	98
Chairman-in-Office										
	Short-term Missions/Visits of CiO and PR of the CiO	300	0.0	300	0.0	300	279	9.5	289	96
	Advisory Committee on Management and Finance (ACMF)	15	0.0	15	0.0	15	8	0.0	8	50
	Panel of Adjudicators	65	(49.7)	15	0.0	15	5	0.0	5	35
	Audit Committee	35	2.7	38	0.0	38	37	0.0	37	100
	Special Representative on Combating Trafficking in Human Beings	260	(150.0)	110	0.0	110	79	8.3	87	79
	TOTAL	674	(197.0)	477	0.0	477	408	17.9	426	89
Anti-Trafficking Assistance Unit										
	Anti-Trafficking Assistance Unit	442	(30.0)	412	0.0	412	396	4.1	400	97
	TOTAL	442	(30.0)	412	0.0	412	396	4.1	400	97
Internal Oversight										
	Internal Oversight	1,218	0.0	1,218	0.0	1,218	1,039	10.6	1,050	86
	TOTAL	1,218	0.0	1,218	0.0	1,218	1,039	10.6	1,050	86
Strategic Police Matters Unit										
	Strategic Police Matters	943	0.0	943	0.0	943	914	8.4	923	98
	TOTAL	943	0.0	943	0.0	943	914	8.4	923	98

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/788)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
EUR '000										
Action Against Terrorism Unit										
	Action Against Terrorism	743	(29.2)	714	0.0	714	690	18.6	708	99
TOTAL		743	(29.2)	714	0.0	714	690	18.6	708	99
Activities Related to the Economic and Environmental Aspects of Security										
	Co-ordinator of OSCE Economic and Environmental Activities	1,262	(27.0)	1,235	2.0	1,237	1,193	42.4	1,235	100
	Economic Forum Meeting	483	0.0	483	(2.0)	481	449	5.3	455	94
TOTAL		1,745	(27.0)	1,718	0.0	1,718	1,642	47.7	1,690	98
Conflict Prevention										
	CPC Direction and Management	377	43.0	420	0.0	420	398	20.2	418	99
	Mission Programme Section	824	(21.0)	803	0.0	803	788	3.2	791	99
	Project Co-ordination Cell	246	(30.0)	216	0.0	216	208	0.9	209	97
	FSC Chairmanship	32	0.0	32	0.0	32	28	0.0	28	88
	FSC Support Unit	482	(11.0)	471	0.0	471	459	5.4	465	99
	Communications Network	567	(50.0)	517	0.0	517	400	50.6	451	87
	Operations Unit and Situation/Communication Room	820	(58.0)	762	0.0	762	755	6.7	761	100
TOTAL		3,348	(127.0)	3,221	0.0	3,221	3,036	87.0	3,123	97
Human Resources Management										
	HR Direction and Management	463	(55.0)	408	0.0	408	385	11.8	397	97
	Personnel Management	767	10.0	777	10.0	787	729	57.7	786	100
	Recruitment	665	(75.0)	590	(10.0)	580	539	1.2	540	93
	Training Section	999	0.0	999	0.0	999	948	38.5	987	99
TOTAL		2,893	(120.0)	2,773	0.0	2,773	2,600	109.3	2,710	98
Department of Management and Finance										
	Conference and Language Services	5,304	(350.0)	4,954	0.0	4,954	4,457	450.8	4,908	99
	DMF Direction and Management	477	(10.0)	467	0.0	467	443	0.7	444	95
	Finance Services	1,386	(35.0)	1,351	0.0	1,351	1,288	0.3	1,289	95
	Information and Communication Technology Services	3,309	17.0	3,326	0.0	3,326	2,969	332.3	3,301	99
	Mission Support Services	1,460	0.0	1,460	0.0	1,460	1,395	6.1	1,402	96
	Secretariat Common Operational Costs	2,134	0.0	2,134	0.0	2,134	1,542	361.8	1,904	89
	Prague Office	393	(40.0)	353	0.0	353	314	27.6	342	97
TOTAL		14,463	(418.0)	14,045	0.0	14,045	12,410	1,179.6	13,589	97
TOTAL FOR THE SECRETARIAT		30,639	(1,049.2)	29,590	0.0	29,590	26,928	1,660.5	28,588	97

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/786)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
EUR '000										
Office of the Democratic Institutions and Human Rights (ODIHR)										
	Direction and Policy	1,245	(75.0)	1,170	0.0	1,170	1,085	12.1	1,097	94
	Fund Administration Unit	1,447	(120.0)	1,327	0.0	1,327	1,257	9.3	1,266	95
	Common Operational Costs	872	0.0	872	0.0	872	773	57.0	830	95
	Human Dimension Meetings	788	20.0	808	0.0	808	763	0.0	763	94
	Democratization	1,369	(37.0)	1,332	0.0	1,332	1,214	79.6	1,294	97
	Human Rights	1,076	(118.0)	958	0.0	958	893	32.3	925	97
	Elections	5,771	(350.0)	5,421	0.0	5,421	5,168	93.7	5,262	97
	Tolerance and Non-Discrimination	854	85.0	939	0.0	939	889	33.7	923	98
	Roma and Sinti Issues	434	43.0	477	0.0	477	396	80.6	476	100
	TOTAL ODIHR	13,856	(552.0)	13,304	0.0	13,304	12,437	398.4	12,836	96
High Commissioner on National Minorities (HCNM)										
	Office of High Commissioner	1,485	0.0	1,485	0.0	1,485	1,422	0.0	1,422	96
	Fund Administration Unit	352	(35.0)	317	0.0	317	279	0.0	279	88
	Common Operational Costs	181	(15.0)	166	0.0	166	138	2.9	141	85
	Conflict Prevention Activities	849	(50.0)	799	0.0	799	782	0.0	782	98
	TOTAL HCNM	2,867	(100.0)	2,767	0.0	2,767	2,621	2.9	2,624	95
Representative on Freedom of the Media										
	Office of Representative	431	(40.2)	391	0.0	391	383	2.1	385	99
	Freedom of the Media	728	15.2	743	0.0	743	703	39.6	742	100
	TOTAL RFoM	1,159	(25.0)	1,134	0.0	1,134	1,085	41.6	1,127	99
TOTAL FOR FUNDS RELATED TO THE SECRETARIAT AND INSTITUTIONS										
		48,520	(1,726.2)	46,794	0.0	46,794	43,072	2,103.5	45,175	97
II. FUNDS RELATED TO OSCE FIELD OPERATIONS										
SOUTH-EASTERN EUROPE										
Mission to Kosovo										
	Office of Head of Mission	4,310	170.0	4,480	0.0	4,480	4,355	100.5	4,456	99
	Fund Administration Unit	5,547	(176.0)	5,371	0.0	5,371	4,801	535.2	5,336	99
	Common Operational Costs	6,530	(224.0)	6,306	0.0	6,306	5,131	719.4	5,850	93
	Police Education and Development	2,594	(240.0)	2,354	0.0	2,354	2,145	200.9	2,346	100
	Democratization	6,218	(455.0)	5,763	0.0	5,763	5,151	489.8	5,640	98

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/788)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
EUR '000	Programme									
	Human Rights and Rule of Law	5,151	(600.0)	4,551	0.0	4,551	4,334	202.7	4,537	100
	Elections	1,500	(690.0)	810	0.0	810	758	42.8	800	99
	TOTAL	31,850	(2,215.0)	29,635	0.0	29,635	26,675	2,291.2	28,966	98
	Secretariat Augmentations	3,075	(45.0)	3,030	0.0	3,030	2,882	40.1	2,922	96
	ODIHR Augmentations									
	ODIHR Democratization	290	0.0	290	0.0	290	250	33.1	283	98
	TOTAL	290	0.0	290	0.0	290	250	33.1	283	98
	TOTAL MISSION TO KOSOVO	35,215	(2,260.0)	32,955	0.0	32,955	29,806	2,364.3	32,171	98
	Tasks in Bosnia and Herzegovina									
	Office of Head of Mission	2,254	(60.0)	2,194	0.0	2,194	2,117	46.2	2,163	99
	Fund Administration Unit	2,321	(80.0)	2,241	0.0	2,241	1,952	234.6	2,187	98
	Common Operational Costs	3,786	137.1	3,923	0.0	3,923	3,561	298.2	3,859	98
	Security Co-operation	858	(37.0)	821	0.0	821	747	49.1	796	97
	Human Rights and Rule of Law	2,904	(82.1)	2,822	0.0	2,822	2,721	64.0	2,785	99
	Education	1,652	(67.0)	1,585	0.0	1,585	1,496	59.0	1,555	98
	Democratization	3,267	(117.0)	3,150	0.0	3,150	3,020	87.1	3,107	99
	TOTAL	17,040	(306.0)	16,734	0.0	16,734	15,614	838.2	16,452	98
	Regional Stabilization/Arms Control									
	Implementation of Article IV	261	(40.0)	221	0.0	221	171	3.9	175	79
	TOTAL	261	(40.0)	221	0.0	221	171	3.9	175	79
	Secretariat Augmentations	1,130	(7.0)	1,123	0.0	1,123	1,099	7.8	1,106	99
	TOTAL TASKS IN BOSNIA AND HERZEGOVINA	18,430	(353.0)	18,077	0.0	18,077	16,884	849.8	17,734	98
	Mission to Croatia									
	Office of Head of Mission	1,166	(6.0)	1,160	0.0	1,160	1,149	7.2	1,156	100
	Fund Administration Unit	988	(17.0)	971	0.0	971	969		969	100
	Common Operational Costs	1,745	(67.0)	1,678	0.0	1,678	1,633	15.2	1,649	98
	Rule of Law (including Police)	1,647	10.0	1,657	0.0	1,657	1,598	39.1	1,637	99
	Civil Society and Project Management	1,184	(55.0)	1,129	0.0	1,129	1,069	18.9	1,088	96
	Return and Integration	1,774	(195.0)	1,579	0.0	1,579	1,547	24.6	1,572	100
	TOTAL	8,504	(330.0)	8,174	0.0	8,174	7,966	105.1	8,071	99
	Secretariat Augmentations	209	(23.0)	186	0.0	186	170	0.4	170	91
	TOTAL MISSION TO CROATIA	8,713	(353.0)	8,360	0.0	8,360	8,135	105.5	8,241	99

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/788)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
Mission to Serbia*										
	Office of Head of Mission	1,126	(86.1)	1,040	0.0	1,040	988	45.9	1,034	99
	Fund Administration Unit	851	(46.0)	805	0.0	805	799	5.3	804	100
	Common Operational Costs	1,972	(329.0)	1,643	0.0	1,643	1,547	87.1	1,634	99
	Police Affairs	2,218	(177.5)	2,041	0.0	2,041	1,977	58.5	2,036	100
	Economic and Environmental	312	(16.0)	296	0.0	296	271	21.0	292	99
	Democratization	1,311	(191.6)	1,119	0.0	1,119	1,041	57.4	1,098	98
	Media	534	(57.8)	476	0.0	476	468	3.6	472	99
	Rule of Law and Human Rights	1,248	(82.5)	1,165	0.0	1,165	1,121	30.4	1,151	99
	TOTAL MISSION TO SERBIA	9,572	(986.5)	8,585	0.0	8,585	8,212	309.3	8,521	99
Presence in Albania										
	Office of Head of Mission	922	3.5	926	0.0	926	900	25.5	925	100
	Fund Administration Unit	444	(14.2)	429	0.0	429	384	45.0	429	100
	Common Operational Costs	1,095	10.0	1,105	0.0	1,105	973	124.0	1,097	99
	Security Co-operation	238	19.7	257	0.0	257	249	6.8	256	100
	Governance in Economic and Environmental Issues	337	(15.9)	321	0.0	321	279	42.0	321	100
	Human Dimension Activities	764	(3.1)	761	0.0	761	622	138.9	761	100
	TOTAL PRESENCE IN ALBANIA	3,800	0.0	3,800	0.0	3,800	3,406	382.2	3,788	100
Spillover Monitor Mission to Skopje										
	Office of Head of Mission	1,381	76.8	1,457	0.0	1,457	1,340	90.1	1,430	98
	Fund Administration Unit	1,284	(36.1)	1,248	0.0	1,248	1,220	3.3	1,223	98
	Common Operational Costs	2,367	(199.0)	2,168	0.0	2,168	1,876	252.3	2,129	98
	Confidence-Building	944	42.5	987	0.0	987	912	59.1	971	98
	Police Development	2,194	(14.4)	2,179	0.0	2,179	2,043	89.9	2,133	98
	Media Development	263	22.8	286	0.0	286	258	22.7	280	98
	Rule of Law	1,420	(42.6)	1,377	0.0	1,377	1,093	262.7	1,355	98
	Public Administration Support	537	4.3	541	0.0	541	406	127.9	534	99
	TOTAL	10,388	(145.7)	10,243	0.0	10,243	9,148	907.9	10,056	98
	Secretariat Augmentations	163	(19.0)	144	0.0	144	125	0.0	125	87
	TOTAL SPILLOVER MONITOR MISSION TO SKOPJE	10,551	(164.7)	10,386	0.0	10,386	9,273	907.9	10,181	98

*Ref. PC Decision 733 on Renaming the OSCE Mission to Serbia and Montenegro dated 29 June 2006.

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/788)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
EUR '000										
<u>Mission to Montenegro**</u>										
	Office of Head of Mission	0	120.2	120	0.0	120	109	0.2	110	91
	Fund Administration Unit	0	75.0	75	0.0	75	73	0.4	73	98
	Common Operational Costs	0	178.0	178	0.0	178	163	15.3	178	100
	Police Affairs	0	214.6	215	0.0	215	202	13.0	215	100
	Economic and Environmental	0	29.0	29	0.0	29	24	0.0	24	84
	Democratization	0	140.6	141	0.0	141	141	0.0	141	100
	Media	0	52.0	52	0.0	52	50	0.0	50	95
	Rule of Law and Human Rights	0	107.9	108	0.0	108	103	0.0	103	95
	TOTAL MISSION TO MONTENEGRO	0	917.3	917	0.0	917	864	29.0	893	97
	TOTAL FOR SOUTH-EASTERN EUROPE	86,280	(3,199.9)	83,080	0.0	83,080	76,581	4,948.2	81,529	98
<u>EASTERN EUROPE</u>										
	<u>Mission to Moldova</u>									
	Office of Head of Mission	330	0.3	330	0.0	330	309	21.4	330	100
	Fund Administration Unit	153	(5.0)	148	0.0	148	148	0.4	148	100
	Common Operational Costs	357	1.2	358	0.0	358	320	37.1	357	100
	Conflict Prevention/Resolution	371	0.1	372	0.0	372	321	48.8	369	99
	Human Right Monitoring/Democratization	411	3.4	415	0.0	415	369	37.2	406	98
	TOTAL MISSION TO MOLDOVA	1,623	0.0	1,623	0.0	1,623	1,466	144.9	1,611	99
	<u>Project Co-ordinator in Ukraine</u>									
	Office of Head of Mission	114	0.0	114	0.0	114	101	0.0	101	89
	Fund Administration Unit	144	0.0	144	0.0	144	127	2.7	130	90
	Common Operational Costs	171	17.1	189	0.0	189	179	8.8	188	100
	Support to the Ukraine Institutions through Projects	1,900	(22.0)	1,878	0.0	1,878	1,697	82.7	1,779	95
	TOTAL PROJECT CO-ORDINATOR IN UKRAINE	2,329	(4.9)	2,324	0.0	2,324	2,103	94.3	2,198	95

** Ref. PC Decision 732 on Establishment of the OSCE Mission to Montenegro dated 29 June 2006.

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/788)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
EUR '000										
Office in Minsk										
	Office of Head of Mission	236	(14.0)	222	0.0	222	180	0.0	180	81
	Fund Administration Unit	122	(14.0)	108	0.0	108	99	0.6	99	92
	Common Operational Costs	227	(36.8)	191	0.0	191	142	5.3	147	77
	Economic and Environmental Activities	176	1.5	178	0.0	178	87	52.4	139	79
	Institution-Building, Rule of Law and Civil Society	175	1.5	176	0.0	176	127	18.0	145	82
	TOTAL OFFICE IN MINSK	936	(61.8)	874	0.0	874	635	76.2	712	81
Representative on the Estonian Commission on Military Pensioners										
	Office of Head of Mission	63	(5.1)	58	0.0	58	55	1.1	56	97
	Fund Administration Unit	25	0.0	25	0.0	25	25	0.0	25	99
	Common Operational Costs	24	(5.0)	19	0.0	19	18	0.1	18	95
	TOTAL REPRESENTATIVE TO THE ESTONIAN COMMISSION ON MILITARY PENSIONERS	112	(10.1)	102	0.0	102	97	1.3	99	97
Representative on the Latvian-Russian Joint Commission on Military Pensioners										
	Office of Head of Mission	10	(1.8)	8	0.0	8	6	0.0	6	77
	TOTAL REPRESENTATIVE TO THE LATVIAN-RUSSIAN JOINT COMMISSION ON MILITARY PENSIONERS	10	(1.8)	8	0.0	8	6	0.0	6	77
	TOTAL FOR EASTERN EUROPE	5,009	(78.6)	4,930	0.0	4,930	4,309	316.6	4,625	94
CAUCASUS										
Mission to Georgia										
	Office of Head of Mission	1,767	(85.2)	1,682	0.0	1,682	1,632	29.4	1,662	99
	Fund Administration Unit	1,230	(86.9)	1,143	0.0	1,143	1,087	5.8	1,092	96
	Common Operational Costs	1,780	10.9	1,791	0.0	1,791	1,663	53.4	1,717	96
	Political and Military Aspects of Security and Police Activities	1,697	15.2	1,713	0.0	1,713	1,372	262.8	1,635	95
	Training Assistance Programme	2,413	(622.5)	1,790	0.0	1,790	1,774	12.6	1,787	100
	Capacity-Building Programme***	0	1,843.3	1,843	0.0	1,843	1,419	346.7	1,765	96
	Economic and Environmental Activities	334	0.0	334	0.0	334	308	21.1	329	98
	Human Dimension Activities	1,440	(45.0)	1,395	0.0	1,395	1,252	88.1	1,340	96
	TOTAL MISSION TO GEORGIA	10,661	1,029.8	11,691	0.0	11,691	10,506	819.8	11,326	97

*** PC.DECision 731 on Capacity-Building Programme for the Georgian Border Police dated 29 June 2006.

<u>Fund</u>	<u>Main Programme</u>	<u>Approved Budget</u> <u>(PC.DEC/712)</u>	<u>PC</u> <u>Authorized</u> <u>Transfers</u>	<u>Budget</u> <u>Revision</u> <u>(PC.DEC/786)</u>	<u>Transfers as</u> <u>per Fin. Reg.</u> <u>3.02 (b)</u>	<u>Revised</u> <u>Budget after</u> <u>Transfers</u>	<u>Disbursements</u>	<u>ULO</u>	<u>Expenditure</u>	<u>Utiliz.</u> <u>Rate %</u>
EUR '000	Programme									
<u>Office in Yerevan</u>										
	Office of Head of Mission	158	(4.3)	154	0.0	154	154	0.0	154	100
	Fund Administration Unit	142	(7.3)	135	0.0	135	134	1.1	135	100
	Common Operational Costs	306	(10.5)	296	0.0	296	268	6.4	275	93
	Politico-Military Activities	173	0.0	173	0.0	173	169	1.1	170	98
	Economic and Environmental Activities	353	(6.9)	346	0.0	346	342	0.0	342	99
	Democratization	149	(0.5)	149	0.0	149	148	0.0	148	100
	Human Right Activities	118	6.4	124	0.0	124	124	0.0	124	100
	Good Governance	229	(6.0)	223	0.0	223	202	4.2	206	93
	TOTAL OFFICE IN YEREVAN	1,628	(29.1)	1,599	0.0	1,599	1,542	12.8	1,554	97
<u>Office in Baku</u>										
	Office of Head of Mission	194	(30.8)	163	0.0	163	152	0.2	153	93
	Fund Administration Unit	141	4.4	145	0.0	145	137	0.7	138	95
	Common Operational Costs	285	(17.0)	268	0.0	268	242	8.6	251	94
	Politico-Military Activities	309	(12.0)	297	0.0	297	277	3.9	281	95
	Economic and Environmental Activities	296	(39.0)	257	0.0	257	188	46.3	234	91
	Democratization	310	(11.7)	298	0.0	298	271	0.0	271	91
	Rule of Law and Human Rights	285	19.4	305	0.0	305	292	3.5	295	97
	TOTAL OFFICE IN BAKU	1,820	(86.7)	1,733	0.0	1,733	1,559	63.1	1,622	94
<u>High Level Planning Group</u>										
	Office of Head of Mission	180	(33.5)	146	0.0	146	116	2.2	118	81
	TOTAL HIGH LEVEL PLANNING GROUP	180	(33.5)	146	0.0	146	116	2.2	118	81
<u>The Minsk Process</u>										
	Office of Head of Mission	953	(453.6)	500	0.0	500	427	45.5	472	95
	TOTAL THE MINSK PROCESS	953	(453.6)	500	0.0	500	427	45.5	472	95
<u>Personal Representative of the CIO on the Conflict</u>										
	Dealt with by the Minsk Conference									
	Office of Head of Mission	567	(20.0)	547	(1.1)	546	546	0.0	546	100
	Fund Administration Unit	182	(1.4)	180	0.0	180	180	0.0	180	100
	Common Operational Costs	239	21.4	260	1.1	261	265	(3.4)	261	100
	TOTAL PERSONAL REPR. OF THE CIO ON THE	987	0.0	987	0.0	987	990	(3.4)	987	100
	CONFLICT DEALT WITH BY THE MINSK PROCESS									
	TOTAL FOR CAUCASUS	16,229	426.9	16,656	0.0	16,656	15,140	940.1	16,080	97

<u>Fund</u>	<u>Main Programme</u>	<u>Approved Budget</u>	<u>PC</u>	<u>Budget Revision</u>	<u>Transfers as</u>	<u>Revised</u>	<u>Disbursements</u>	<u>ULO</u>	<u>Expenditure</u>	<u>Utiliz.</u>
EUR '000	Programme	(PC.DEC/7'12)	Authorized Transfers	(PC.DEC/786)	per Fin. Reg. 3.02 (b)	Budget after Transfers				Rate %
CENTRAL ASIA										
<u>Centre in Almaty</u>										
	Office of Head of Mission	272	0.0	272	0.0	272	246	7.9	254	94
	Fund Administration Unit	91	0.0	91	0.0	91	85	0.6	86	94
	Common Operational Costs	424	(18.0)	406	0.0	406	344	23.3	367	91
	Politico-Military Activities	315	(20.0)	295	0.0	295	284	0.1	284	96
	Economic and Environmental Activities	391	0.0	391	0.0	391	383	0.0	383	98
	Human Dimension Activities	258	0.0	258	0.0	258	245	0.7	246	96
	Democratic Development and Freedom of the Media	224	0.0	224	0.0	224	218	3.0	221	98
	TOTAL CENTRE IN ALMATY	1,974	(38.0)	1,936	0.0	1,936	1,806	35.6	1,841	95
<u>Centre in Ashgabad</u>										
	Office of Head of Mission	248	(11.0)	237	0.0	237	211	0.1	212	89
	Fund Administration Unit	122	(13.0)	109	0.0	109	106	0.0	106	97
	Common Operational Costs	167	10.8	178	0.0	178	150	12.7	162	91
	Conflict Prevention and Confidence - and Security- Building	231	(9.0)	222	0.0	222	179	9.4	188	85
	Economic and Environmental Activities	232	0.0	232	0.0	232	188	12.5	201	86
	Human Dimension Activities	231	2.2	233	0.0	233	189	5.7	195	84
	TOTAL CENTRE IN ASHGABAD	1,232	(20.0)	1,212	0.0	1,212	1,024	40.4	1,064	88
<u>Centre in Bishkek</u>										
	Office of Head of Mission	819	0.0	819	0.0	819	755	57.2	812	99
	Fund Administration Unit	141	(0.5)	140	0.0	140	133	4.7	138	98
	Common Operational Costs	373	9.5	383	0.0	383	348	34.3	382	100
	Politico-Military Activities	667	1.0	668	0.0	668	614	52.8	667	100
	Economic and Environmental Activities	524	(5.0)	519	0.0	519	470	39.8	510	98
	Human Dimension Activities	629	(5.0)	624	0.0	624	504	96.6	601	96
	TOTAL CENTRE IN BISHKEK	3,153	0.0	3,153	0.0	3,153	2,824	285.3	3,109	99

Fund	Main Programme	Approved Budget (PC.DEC/712)	PC Authorized Transfers	Budget Revision (PC.DEC/786)	Transfers as per Fin. Reg. 3.02 (b)	Revised Budget after Transfers	Disbursements	ULO	Expenditure	Utiliz. Rate %
Project Co-ordinator in Uzbekistan****										
	Office of Head of Mission	198	(49.6)	148	0.0	148	117	8.9	126	85
	Fund Administration Unit	65	(10.9)	55	0.0	55	47	0.2	47	87
	Common Operational Costs	324	(105.8)	219	0.0	219	177	15.5	193	88
	Politico-Military Activities	415	(292.5)	123	0.0	123	98	0.0	98	80
	Economic and Environmental Activities	421	(201.5)	220	0.0	220	174	12.8	187	85
	Human Dimension Activities	410	(157.6)	252	0.0	252	202	5.8	208	82
	TOTAL PROJECT CO-ORDINATOR IN UZBEKISTAN	1,833	(817.9)	1,015	0.0	1,015	816	43.2	859	85
Centre in Dushanbe										
	Office of Head of Mission	350	0.0	350	0.0	350	326	0.0	326	93
	Fund Administration Unit	308	(22.0)	286	0.0	286	275	1.0	276	97
	Common Operational Costs	676	2.0	678	0.0	678	599	59.0	658	97
	Fostering Political Dialogue and Security	400	0.0	400	0.0	400	352	0.1	352	88
	SALW and CA, Mine Action, Anti-Terrorism and Security-Related Activities	562	0.0	562	0.0	562	450	0.1	450	80
	Addressing Environmental Issues - Capacity-Building	207	20.0	227	0.0	227	215	0.7	216	95
	Supporting Economic Development in Tajikistan	389	0.0	389	0.0	389	330	8.2	338	87
	Promoting Democratization in Tajikistan	308	0.0	308	0.0	308	282	1.1	284	92
	Fostering Democratization of Media in Tajikistan	407	0.0	407	0.0	407	340	0.0	340	84
	Gender Awareness and Equality in Tajikistan	331	0.0	331	0.0	331	287	0.1	287	87
	TOTAL CENTRE IN DUSHANBE	3,937	0.0	3,937	0.0	3,937	3,456	70.2	3,527	90
	TOTAL FOR CENTRAL ASIA	12,129	(875.9)	11,253	0.0	11,253	9,925	474.7	10,400	92
	TOTAL FOR FUNDS RELATED TO THE OSCE FIELD OPERATIONS	119,646	(3,727.5)	115,918	0.0	115,918	105,955	6,679.6	112,634	97
	TOTAL OSCE UNIFIED BUDGET	168,166	(5,453.7)	162,712	0.0	162,712	149,027	8,783.1	157,810	97

Chapter III - Financial Statements

**STATEMENT 1: OSCE Consolidated Statement of Income,
Expenditure and Changes in Fund Balance**
for the year ending 31 December 2006

EUR '000		TOTAL OSCE*	
	Note	2006	2005
Assessed Contributions	2/5	162,712	159,401
Extra-budgetary Contributions	3	21,577	27,260
Miscellaneous Income	2/5	3,879	2,938
Currency Exchange Adjustments	2/4	(987)	793
Savings on prior year ULO's	9	1,092	917
Other Adjustments	10	451	(386)
TOTAL INCOME	2/5	188,724	190,923
TOTAL EXPENDITURE	2/6	180,766	180,089
EXCESS OF INCOME OVER EXPENDITURE		7,958	10,834
Transfer to Wallnerstrasse Fund	2/2	1,100	3,960
Less credits to participating States/Transfers	2/7	(9,895)	(17,374)
Refund of unspent XB contributions to Donors		(3,207)	(1,534)
Fund Balance 1 January		61,823	65,938
Fund Balance at Period End	2/8	57,779	61,823

STATEMENT 2: OSCE Consolidated Statement of Assets, Liabilities and Fund Balance
as at 31 December 2006

EUR '000		TOTAL OSCE*	
Assets	Note	2006	2005
Cash and Short-term Deposits Budgetary	2/3	49,524	49,044
Cash and Short-term Deposits Extra-budgetary	2/3	36,018	40,542
Assessed Contributions Receivable	4	6,602	10,758
Accounts Receivable	5	2,493	3,165
Prepaid Expenses and Advances	6	5,258	6,395
Due from Other Funds		65,328	66,564
TOTAL ASSETS		165,223	176,468
Liabilities			
Accounts Payable	8	4,380	6,637
Reserve for unliquidated obligations	9	12,483	11,525
Funds held for third parties	11	4,840	3,570
Contributions Received in Advance	12	14,737	20,919
Due to Other Funds		65,328	66,564
Other Current Liabilities		426	186
TOTAL LIABILITIES		102,193	109,401
Reserves and Fund Balances			
Unallocated surplus	2/7	360	354
Revolving Fund	2/2	2,710	2,710
Contingency Fund	2/2	2,180	2,180
Fund Balance	2/8	57,779	61,823
TOTAL RESERVES AND FUND BALANCE		63,029	67,067
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		165,223	176,468

Note: Contingent Liabilities - see Note 14

* Unified Budget, Wallnerstrasse and Extra-budgetary

STATEMENT 3: OSCE Consolidated Statement of Cash Flow

for the year ending 31 December 2006

EUR '000	TOTAL OSCE*
	2006
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	7,958
(Increase) decrease in assessed contributions receivable	4,157
(Increase) decrease in accounts receivable	672
(Increase) decrease in prepaid expenditure and advances	1,137
Increase (decrease) in contributions received in advance	(6,182)
Increase (decrease) in reserve for unliquidated obligations	957
Increase (decrease) in accounts payable	(2,257)
Increase (decrease) in other current liabilities	240
NET CASH FLOW FROM OPERATING ACTIVITIES	6,682
Increase (decrease) in Unallocated Surplus	6
Increase (decrease) in funds held for third parties	1,271
Credits to participating States / Transfers	(9,895)
Refund of unspent extra-budgetary contribution	(3,207)
Transfer to Wallnerstrasse Fund	1,100
NET CASH FLOW FROM FINANCING ACTIVITIES	(10,725)
NET INCREASE (DECREASE) IN CASH	(4,044)

* Unified Budget, Wallnerstrasse and Extra-budgetary

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

for the year ending 31 December 2006

		Total Institutions		Total Field Operations		Total Unified Budget		IRMA		Wallnerstrasse		Total Extra-budgetary Funds		TOTAL OSCE	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Note															
Assessed Contributions		46,794	43,076	115,918	116,325	162,712	159,401	0	0	0	0	0	0	162,712	159,401
Extra-budgetary Contributions		0	0	0	0	0	0	0	0	0	0	21,577	27,260	21,577	27,260
Miscellaneous Income		3,671	2,653	208	288	3,879	2,941	0	(3)	0	0	0	0	3,879	2,938
Currency Exchange Adjustments		96	(247)	(251)	155	(155)	(92)	0	0	0	0	(832)	885	(987)	793
Savings on prior year ULO's		205	273	887	641	1,092	914	0	2	0	0	0	0	1,092	917
Other Adjustments		0	0	0	0	0	0	0	0	0	0	451	(386)	451	(386)
2/5		50,765	45,755	116,762	117,409	167,528	163,164	0	(1)	0	0	21,196	27,760	188,724	190,923
2/6		45,175	41,772	112,634	113,453	157,810	155,225	0	81	0	0	22,956	24,784	180,766	180,089
EXCESS OF INCOME OVER EXPENDITURE		5,590	3,983	4,128	3,956	9,718	7,940	0	(81)	0	0	(1,760)	2,976	7,958	10,834
Transfer to Wallnerstrasse Fund		0	0	0	0	0	0	0	0	1,100	3,960	0	0	1,100	3,960
Less credits to participating States/Transfers		(2,778)	(10,250)	(7,117)	(7,124)	(9,895)	(17,374)	0	0	0	0	0	0	(9,895)	(17,374)
Refund of unspent XB contributions to Donors		0	0	0	0	0	0	0	0	0	0	(3,207)	(1,534)	(3,207)	(1,534)
Fund Balance 1 January		9,271	15,538	15,352	18,519	24,623	34,058	0	81	3,960	0	33,240	31,799	61,823	65,938
2/8		12,083	9,271	12,363	15,352	24,446	24,623	0	0	5,060	3,960	28,273	33,240	57,779	61,823
Fund Balance at Period End															

EUR '000

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

as at 31 December 2006

EUR '000																
		Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cash and Short-term Dep. Budgetary	2/3		46,119	45,378	3,405	3,666	49,524	49,044	0	0	0	0	0	0	49,524	49,044
Cash and Short-term Dep. Extra-budgetary	2/3		36,018	40,542	0	0	36,018	40,542	0	0	0	0	0	0	36,018	40,542
Assessed Contributions Receivable	4		2,967	4,640	3,635	6,118	6,602	10,758	0	0	0	0	0	0	6,602	10,758
Accounts Receivable	5		1,872	2,400	472	615	2,344	3,016	0	0	0	0	150	150	2,493	3,165
Prepaid Expenses and Advances	6		1,239	828	3,934	5,159	5,173	5,988	0	0	0	0	85	408	5,258	6,395
Due From Other Funds			348	29	27,950	26,259	28,298	26,288	0	0	5,060	3,960	31,969	36,316	65,328	66,564
TOTAL ASSETS			88,563	93,818	39,395	41,818	127,958	135,635	0	0	5,060	3,960	32,204	36,873	165,223	176,468
Accounts Payable	8		1,926	4,060	2,222	2,329	4,148	6,388	0	0	0	0	232	249	4,380	6,637
Reserve for unliquidated obligations	9		2,103	1,457	6,680	6,684	8,783	8,141	0	0	0	0	3,700	3,384	12,483	11,525
Funds held for third parties	11		4,820	3,551	21	19	4,840	3,570	0	0	0	0	0	0	4,840	3,570
Contributions Received in Advance	12		14,327	20,509	409	409	14,737	20,919	0	0	0	0	0	0	14,737	20,919
Due To Other Funds			48,005	49,688	17,541	16,963	65,546	66,651	0	0	0	0	(218)	(87)	65,328	66,564
Other Current Liabilities			48	37	160	62	208	99	0	0	0	0	218	87	426	186
TOTAL LIABILITIES			71,230	79,302	27,032	26,466	98,262	105,768	0	0	0	0	3,932	3,633	102,193	109,401
Unallocated surplus	2/7		360	354	0	0	360	354	0	0	0	0	0	0	360	354
Revolving Fund	2/2		2,710	2,710	0	0	2,710	2,710	0	0	0	0	0	0	2,710	2,710
Contingency Fund	2/2		2,180	2,180	0	0	2,180	2,180	0	0	0	0	0	0	2,180	2,180
Fund Balance	2/8		12,083	9,271	12,363	15,352	24,446	24,623	0	0	5,060	3,960	28,273	33,240	57,779	61,823
TOTAL RESERVES AND FUND BALANCE			17,333	14,515	12,363	15,352	29,696	29,867	0	0	5,060	3,960	28,273	33,240	63,029	67,067
TOTAL LIABILITIES, RESERVES AND FUND BALANCE			88,563	93,818	39,395	41,818	127,958	135,635	0	0	5,060	3,960	32,204	36,873	165,223	176,468

STATEMENT 6: Summary of all OSCE Statement of Cash Flow

for the year ending 31 December 2006

EUR '000	Total Institutions	Total Field Operations	Total Unified Budget	IRMA	Wallnerstrasse	Total Extra-Budgetary Funds	TOTAL OSCE
	2006	2006	2006	2006	2006	2006	2005
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	5,590	4,128	9,718	0	0	(1,760)	7,958
(Increase) decrease in assessed contributions receivable	1,673	2,484	4,157	0	0	0	4,157
(Increase) decrease in accounts receivable	528	144	672	0	0	0	672
(Increase) decrease in prepaid expenditure and advances	(411)	1,226	815	0	0	322	1,137
(Increase) decrease in inter-fund balances receivable	(319)	(1,691)	(2,010)	0	(1,100)	4,346	1,237
Increase (decrease) in contributions received in advance	(6,182)	0	(6,182)	0	0	0	(6,182)
Increase (decrease) in reserve for unliquidated obligations	646	(4)	642	0	0	315	957
Increase (decrease) in accounts payable	(2,133)	(107)	(2,240)	0	0	(17)	(2,257)
Increase (decrease) in other current liabilities	11	98	109	0	0	131	240
Increase (decrease) in inter-fund balances payable	(1,683)	577	(1,105)	0	0	(131)	(1,237)
NET CASH FLOW FROM OPERATING ACTIVITIES	(2,279)	6,854	4,575	0	(1,100)	3,207	6,682
(Increase) Decrease in Unallocated Surplus	6	0	6	0	0	0	6
Increase (decrease) in funds held for third parties	1,269	2	1,271	0	0	0	1,271
Credits to participating States	(2,778)	(7,117)	(9,895)	0	0	0	(9,895)
Refund of unspent Extra-budgetary contribution	0	0	0	0	0	(3,207)	(3,207)
Transfer to Wallnerstrasse Fund	0	0	0	0	1,100	0	1,100
NET CASH FLOW FROM FINANCING ACTIVITIES	(1,504)	(7,115)	(8,618)	0	1,100	(3,207)	(10,725)
NET INCREASE (DECREASE) IN CASH	(3,783)	(261)	(4,044)	0	0	0	(4,044)

STATEMENT 7: Summary of all OSCE Statement of Cash Surplus*
for the year ending 31 December 2006

EUR '000	Total Institutions	Total Field Operations	Total Unified Budget
	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE			
Add Contributions Receivable 1. Jan	5,590	4,128	9,718
Less Contributions Receivable at Period End	4,640	6,118	10,758
	(2,967)	(3,635)	(6,602)
CASH SURPLUS FOR THE YEAR	7,263	6,612	13,875
Cash Surplus 1. Jan	4,631	9,233	13,865
Less Credits to participating States / Transfers	(2,778)	(7,117)	(9,895)
Cash Surplus at Period End	9,116	8,729	17,845
Add contributions receivable at Period End	2,967	3,635	6,602
Fund Balance at Period End	12,083	12,363	24,446

* See note 2/7

STATEMENT 8: OSCE Secretariat and Institutions, Statement of Income, Expenditure and Changes in Fund Balance
for the Year ending 31 December 2006

	Note	The Secretariat		Office for Democratic Institutions and Human Rights		High Commissioner on National Minorities		Representative on Freedom of the Media		Total Secretariat and Institutions	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assessed Contributions	2/5	29,590	27,319	13,304	11,964	2,767	2,698	1,134	1,096	46,794	43,076
Miscellaneous Income	2/5	3,621	2,522	47	125	2	3	1	2	3,671	2,653
Currency Exchange Adjustments	2/4	170	(275)	(72)	29	(1)	(1)	0	0	96	(247)
Savings on prior year ULO's	9	100	164	90	99	1	1	14	10	205	273
TOTAL INCOME	2/5	33,480	29,730	13,368	12,217	2,768	2,701	1,149	1,107	50,765	45,755
TOTAL EXPENDITURE	2/6	28,588	26,400	12,836	11,693	2,624	2,604	1,127	1,074	45,175	41,772
EXCESS OF INCOME OVER EXPENDITURE		4,892	3,330	532	524	144	97	22	33	5,590	3,983
Less credits to participating States / Transfers	2/7	(1,972)	(9,753)	(617)	(366)	(136)	(110)	(53)	(21)	(2,778)	(10,250)
Fund Balance 1 January		6,554	12,977	2,092	1,934	465	478	160	148	9,271	15,538
Fund Balance at Period End		9,473	6,554	2,007	2,092	474	465	130	160	12,083	9,271

EUR '000

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

as at 31 December 2006

EUR '000

	Note	2006	2005	Office for Democratic Institutions and Human Rights		High Commissioner on National Minorities		Representative on Freedom of the Media		Total Secretariat and Institutions	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cash and Short-term Deposit Budgetary	2/3	45,078	44,050	938	1,247	103	81	0	0	46,119	45,378
Cash and Short-term Deposit Extra-budgetary	2/3	36,018	40,542	0	0	0	0	0	0	36,018	40,542
Assessed Contributions Receivable	4	1,909	2,953	800	1,278	193	303	65	106	2,967	4,640
Accounts Receivable	5	1,770	2,258	90	121	13	21	0	0	1,872	2,400
Prepaid Expenses and Advances	6	161	105	1,073	719	6	4	0	0	1,239	828
Due From Other Funds		0	(233)	0	0	242	141	106	122	348	29
TOTAL ASSETS		84,936	89,675	2,900	3,364	556	551	171	228	88,563	93,818
Accounts Payable	8	1,609	3,830	274	183	44	46	0	0	1,926	4,060
Reserve for unliquidated obligations	9	1,661	958	398	429	3	3	42	68	2,103	1,457
Funds held for third parties	11	4,527	3,406	292	145	0	0	0	0	4,820	3,551
Contributions Received in Advance	12	14,327	20,509	0	0	0	0	0	0	14,327	20,509
Due To Other Funds		48,076	49,173	(71)	515	0	0	0	0	48,005	49,688
Other Current Liabilities		12	1	0	0	36	36	0	0	48	37
TOTAL LIABILITIES		70,213	77,877	893	1,272	83	85	41	68	71,230	79,302
Unallocated surplus	2/7	360	354	0	0	0	0	0	0	360	354
Revolving Fund	2/7	2,710	2,710	0	0	0	0	0	0	2,710	2,710
Contingency Fund	2/2	2,180	2,180	0	0	0	0	0	0	2,180	2,180
Fund Balance		9,473	6,554	2,007	2,092	474	465	130	160	12,083	9,271
TOTAL RESERVES AND FUND BALANCE		14,723	11,798	2,007	2,092	474	465	130	160	17,333	14,515
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		84,936	89,675	2,900	3,364	556	551	171	228	88,563	93,818

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

for the year ending 31 December 2006

EUR '000	2006	2006	2006	2006	2006
	The Secretariat	Office for Democratic Institutions and Human Rights	High Commissioner on National Minorities	Representative on Freedom of the Media	Total Secretariat and Institutions
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	2006	2006	2006	2006	2006
	4,892	532	144	22	5,590
(Increase) decrease in assessed contributions receivable	1,044	478	110	41	1,673
(Increase) decrease in accounts receivable	488	31	9	0	528
(Increase) decrease in prepaid expenditure and advances	(55)	(354)	(2)	0	(411)
(Increase) decrease in inter-fund balances receivable	(233)	0	(101)	16	(319)
Increase (decrease) in contributions received in advance	(6,182)	0	0	0	(6,182)
Increase (decrease) in reserve for unliquidated obligations	703	(31)	0	(26)	646
Increase (decrease) in accounts payable	(2,221)	90	(3)	0	(2,133)
Increase (decrease) in other current liabilities	11	0	0	0	11
Increase (decrease) in inter-fund balances payable	(1,097)	(586)	0	0	(1,683)
NET CASH FLOW FROM OPERATING ACTIVITIES	(2,650)	161	158	53	(2,279)
(Increase) Decrease in Unallocated Surplus	6	0	0	0	6
Increase (decrease) in funds held for third parties	1,121	148	0	0	1,269
Credits to participating States	(1,972)	(617)	(136)	(53)	(2,778)
NET CASH FLOW FROM FINANCING ACTIVITIES	(846)	(469)	(136)	(53)	(1,504)
NET INCREASE (DECREASE) IN CASH	(3,496)	(309)	22	0	(3,783)

STATEMENT 11: OSCE Secretariat and Institutions, Statement of Cash Surplus*
for the year ending 31 December 2006

	2006	Office for Democratic Institutions and Human Rights	High Commissioner on National Minorities	Representative on Freedom of the Media	Total Secretariat and Institutions
EUR '000	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE					
Add Contributions Receivable 1. Jan	4,892	532	144	22	5,590
Less Contributions Receivable at Period End	2,953	1,278	303	106	4,640
	(1,909)	(800)	(193)	(65)	(2,967)
CASH SURPLUS FOR THE YEAR	5,936	1,010	254	63	7,263
Cash Surplus 1. Jan	3,601	814	162	54	4,631
Less Credits to participating States / Transfers	(1,972)	(617)	(136)	(53)	(2,778)
Cash Surplus at Period End	7,564	1,207	281	65	9,116
Add contributions receivable at Period End	1,909	800	193	65	2,967
Fund Balance at Period End	9,473	2,007	474	130	12,083

* See note 2/7

STATEMENT 12: Summary by Region OSCE Field Operations, Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

EUR '000		South-Eastern Europe		Eastern Europe		Caucasus		Central Asia		Total Regions		Closed Funds		Total Field Operations	
	Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assessed Contributions	2/5	83,080	84,993	4,930	4,108	16,656	17,030	11,253	10,194	115,918	116,325	0	0	115,918	116,325
Miscellaneous Income		103	197	27	19	35	29	42	44	208	288	0	0	208	288
Currency Exchange Adjustments	2/4	0	121	(60)	45	(50)	(53)	(141)	42	(251)	155	0	0	(251)	155
Savings on prior year ULO's	9	678	483	40	51	75	64	94	43	887	641	0	0	887	641
TOTAL INCOME	2/5	83,862	85,795	4,937	4,222	16,715	17,070	11,248	10,323	116,762	117,409	0	0	116,762	117,409
TOTAL EXPENDITURE	2/6	81,529	83,845	4,625	3,873	16,080	16,294	10,400	9,442	112,634	113,453	0	0	112,634	113,453
EXCESS OF INCOME OVER EXPENDITURE		2,333	1,950	312	350	635	776	848	881	4,128	3,956	0	0	4,128	3,956
Less credits to participating States / Transfers	2/7	(5,207)	(4,380)	(232)	(151)	(1,142)	(1,834)	(437)	(433)	(7,018)	(6,798)	(99)	(326)	(7,117)	(7,124)
Fund Balance 1 January		9,714	12,144	813	614	2,796	3,855	1,685	1,236	15,008	17,850	344	670	15,352	18,519
Fund Balance at Period End		6,840	9,714	892	813	2,289	2,796	2,096	1,685	12,118	15,008	245	344	12,363	15,352

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

as at 31 December 2006

EUR '000																Total Field Operations
	Note	South-Eastern Europe		Eastern Europe		Caucasus		Central Asia		Total Regions		Closed Funds		2006	2005	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005			
Cash and Short-term Deposit Budgetary	2/3	1,480	2,102	680	460	676	364	569	739	3,405	3,666	0	0	3,405	3,666	
Assessed Contributions Receivable	4	2,160	3,953	196	292	771	1,126	331	525	3,459	5,897	176	222	3,635	6,118	
Accounts Receivable	5	330	490	74	32	0	0	68	94	472	615	0	0	472	615	
Prepaid Expenses and Advances	6	2,197	2,328	140	96	1,364	2,307	232	428	3,934	5,159	0	0	3,934	5,159	
Due From Other Funds		24,210	23,544	591	579	1,386	1,197	1,633	749	27,819	26,069	131	190	27,950	26,259	
TOTAL ASSETS		30,378	32,418	1,681	1,459	4,197	4,995	2,832	2,534	39,088	41,406	307	412	39,395	41,818	
Accounts Payable	8	1,480	1,179	42	83	440	923	260	145	2,222	2,329	0	0	2,222	2,329	
Reserve for unliquidated obligations	9	4,948	5,038	317	274	940	819	475	553	6,680	6,684	0	0	6,680	6,684	
Funds held for third parties	11	20	18	0	0	0	0	0	0	21	19	0	0	21	19	
Contributions Received in Advance	12	0	0	0	0	409	409	0	0	409	409	0	0	409	409	
Due To Other Funds		16,937	16,427	427	283	115	38	0	147	17,479	16,895	61	68	17,541	16,963	
Other current liabilities		153	42	2	7	4	9	1	4	160	62	0	0	160	62	
TOTAL LIABILITIES		23,538	22,704	788	647	1,908	2,198	736	849	26,971	26,398	61	68	27,032	26,466	
Fund Balance		6,840	9,714	892	813	2,289	2,796	2,096	1,685	12,118	15,008	245	344	12,363	15,352	
TOTAL FUND BALANCE		6,840	9,714	892	813	2,289	2,796	2,096	1,685	12,118	15,008	245	344	12,363	15,352	
TOTAL LIABILITIES AND FUND BALANCE		30,378	32,418	1,681	1,459	4,197	4,995	2,832	2,534	39,088	41,406	307	412	39,395	41,818	

STATEMENT 14: Summary by Region OSCE Field Operations, Statement of Cash Flow
for the year ending 31 December 2006

EUR '000	South-Eastern Europe	Eastern Europe	Caucasus	Central Asia	Total Regions	Closed Funds	Total Field Operations
	2006	2006	2006	2006	2006	2006	2006
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	2,333	312	635	848	4,128	0	4,128
(Increase) decrease in assessed contributions receivable	1,793	96	355	194	2,438	46	2,484
(Increase) decrease in accounts receivable	160	(42)	0	26	144	0	144
(Increase) decrease in prepaid expenditure and advances	131	(45)	943	196	1,226	0	1,226
(Increase) decrease in inter-fund balances receivable	(667)	(12)	(189)	(384)	(1,751)	60	(1,691)
Increase (decrease) in reserve for unliquidated obligations	(89)	43	121	(79)	(4)	0	(4)
Increase (decrease) in accounts payable	301	(40)	(483)	116	(107)	0	(107)
Increase (decrease) in other current liabilities	111	(6)	(5)	(3)	98	0	98
Increase (decrease) in inter-fund balances payable	510	145	77	(147)	584	(7)	577
NET CASH FLOW FROM OPERATING ACTIVITIES	4,583	451	1,454	267	6,755	99	6,854
Increase (decrease) in funds held for third parties	2	0	0	0	2	0	2
Credits to participating States	(5,207)	(232)	(1,142)	(437)	(7,018)	(99)	(7,117)
NET CASH FLOW FROM FINANCING ACTIVITIES	(5,205)	(232)	(1,142)	(437)	(7,016)	(99)	(7,115)
NET INCREASE (DECREASE) IN CASH	(622)	219	312	(170)	(261)	0	(261)

STATEMENT 15: Summary by Region OSCE Field Operations, Statement of Cash Surplus*
for the year ending 31 December 2006

EUR '000	South-Eastern Europe	Eastern Europe	Caucasus	Central Asia	Total Regions	Closed Funds	Total Field Operations
	2006	2006	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE							
Add Contributions Receivable 1. Jan	2,333	312	635	848	4,128	0	4,128
Less Contributions Receivable at Period End	3,953	292	1,126	525	5,897	222	6,118
	(2,160)	(196)	(771)	(331)	(3,459)	(176)	(3,635)
CASH SURPLUS FOR THE YEAR	4,126	408	990	1,042	6,566	46	6,612
Cash Surplus 1. Jan	5,761	520	1,670	1,160	9,111	122	9,233
Less Credits to participating States / Transfers	(5,207)	(232)	(1,142)	(437)	(7,018)	(99)	(7,117)
Cash Surplus at Period End	4,680	696	1,518	1,765	8,659	69	8,729
Add contributions receivable at Period End	2,160	196	771	331	3,459	176	3,635
Fund Balance at Period End	6,840	892	2,289	2,096	12,118	245	12,363

* See note 2/7

STATEMENT 16: OSCE Field Operations South-Eastern Europe, Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

	Note	Mission in Kosovo		Tasks in Bosnia and Herzegovina		Mission to Croatia		Mission to Serbia		Presence in Albania		Spillover Monitor Mission to Skopje		Mission to Montenegro		Total South-Eastern Europe	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assessed Contributions	2/5	32,955	34,147	18,077	17,583	8,360	9,219	8,551	9,324	3,800	3,658	10,386	11,062	952	0	83,080	84,993
Miscellaneous Income	2/5	7	42	24	40	6	77	52	26	6	8	7	4	0	0	103	197
Currency Exchange Adjustments	2/4	(1)	4	0	8	2	59	(17)	8	2	22	13	22	0	0	0	121
Savings on prior year ULO's	9	313	183	12	21	22	35	31	34	74	36	227	175	0	0	678	483
TOTAL INCOME	2/5	33,274	34,376	18,113	17,652	8,390	9,390	8,617	9,392	3,882	3,724	10,634	11,261	952	0	83,862	85,795
TOTAL EXPENDITURE	2/6	32,171	33,959	17,734	17,400	8,241	9,070	8,521	9,128	3,788	3,548	10,181	10,739	893	0	81,529	83,845
EXCESS OF INCOME OVER EXPENDITURE		1,103	417	379	251	150	320	95	264	94	176	453	522	59	0	2,333	1,950
Less credits to participating States / Transfers	2/7	(2,221)	(1,764)	(906)	(713)	(457)	(258)	(608)	(799)	(323)	(98)	(693)	(748)	0	0	(5,207)	(4,380)
Fund Balance 1 January		3,472	4,819	1,813	2,275	1,009	947	1,126	1,660	818	740	1,476	1,702	0	0	9,714	12,144
Fund Balance at Period End		2,355	3,472	1,286	1,813	702	1,009	613	1,126	589	818	1,237	1,476	59	0	6,840	9,714

EUR '000

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

as at 31 December 2006

		Mission in Kosovo		Tasks in Bosnia and Herzegovina		Mission to Croatia		Mission to Serbia		Presence in Albania		Spillover Monitor Mission to Skopje		Mission to Montenegro		Total South-Eastern Europe	
Note		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
	Cash and Short-term Deposit Budgetary	2/3	307	643	198	365	390	194	148	375	25	130	330	83	0	1,480	2,102
	Assessed Contributions Receivable	4	758	1,409	454	909	180	387	257	430	263	362	246	2	0	2,160	3,953
	Accounts Receivable	5	0	3	147	174	0	0	0	0	101	26	82	0	0	330	490
	Prepaid Expenses and Advances	6	278	518	0	0	181	385	1,306	922	22	50	401	9	0	2,197	2,328
	Due From Other Funds		20,806	19,954	1,400	1,092	199	530	0	0	605	774	1,202	0	0	24,210	23,544
	TOTAL ASSETS		22,148	22,526	2,199	2,541	950	1,496	1,711	1,726	1,016	1,341	2,262	93	0	30,378	32,418
	Accounts Payable	8	850	696	57	106	143	13	268	221	45	54	116	2	0	1,480	1,179
	Reserve for unliquidated obligations	9	2,364	1,880	850	622	106	473	309	375	382	468	908	29	0	4,948	5,038
	Funds held for third parties	11	0	0	10	12	0	0	0	0	0	0	11	0	0	20	18
	Due To Other Funds		16,441	16,441	(10)	(12)	0	0	514	5	0	0	(11)	3	0	16,937	16,427
	Other current liabilities		139	37	7	0	0	0	6	0	0	0	1	0	0	153	42
	TOTAL LIABILITIES		19,794	19,054	913	728	248	487	1,098	601	427	523	1,025	34	0	23,538	22,704
	Fund Balance		2,355	3,472	1,286	1,813	702	1,009	613	1,126	589	818	1,237	59	0	6,840	9,714
	TOTAL FUND BALANCE		2,355	3,472	1,286	1,813	702	1,009	613	1,126	589	818	1,237	59	0	6,840	9,714
	TOTAL LIABILITIES AND FUND BALANCE		22,148	22,526	2,199	2,541	950	1,496	1,711	1,726	1,016	1,341	2,262	93	0	30,378	32,418

EUR '000

STATEMENT 18: OSCE Field Operations South-Eastern Europe, Statement of Cash Flow
for the year ending 31 December 2006

	Mission in Kosovo	Tasks in Bosnia and Herzegovina	Mission to Croatia	Mission to Serbia	Presence in Albania	Spillover Monitor Mission to Skopje	Mission to Montenegro	Total South-Eastern Europe
EUR '000	2006	2006	2006	2006	2006	2006	2006	2006
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	1,103	379	150	95	94	453	59	2,333
(Increase) decrease in assessed contributions receivable	651	454	207	173	98	210	(2)	1,793
(Increase) decrease in accounts receivable	3	28	0	0	(75)	205	0	160
(Increase) decrease in prepaid expenditure and advances	240	0	203	(384)	28	53	(9)	131
(Increase) decrease in inter-fund balances receivable	(852)	(308)	331	0	169	(7)	0	(667)
Increase (decrease) in reserve for unliquidated obligations	484	228	(368)	(65)	(86)	(311)	29	(89)
Increase (decrease) in accounts payable	154	(50)	129	47	(10)	28	2	301
Increase (decrease) in other current liabilities	101	7	0	6	0	(3)	0	111
Increase (decrease) in inter-fund balances payable	0	2	0	509	0	(4)	3	510
NET CASH FLOW FROM OPERATING ACTIVITIES	1,884	741	653	381	218	624	83	4,583
Increase (decrease) in funds held for third parties	0	(2)	0	0	0	4	0	2
Credits to participating States	(2,221)	(906)	(457)	(608)	(323)	(693)	0	(5,207)
NET CASH FLOW FROM FINANCING ACTIVITIES	(2,221)	(908)	(457)	(608)	(323)	(689)	0	(5,205)
NET INCREASE (DECREASE) IN CASH	(336)	(167)	196	(227)	(105)	(65)	83	(622)

STATEMENT 19: OSCE Field Operations South-Eastern Europe, Statement of Cash Surplus*
for the year ending 31 December 2006

	Mission in Kosovo	Tasks in Bosnia and Herzegovina	Mission to Croatia	Mission to Serbia	Presence in Albania	Spillover Monitor Mission to Skopje	Mission to Montenegro	Total South-Eastern Europe
	2006	2006	2006	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE								
Add Contributions Receivable 1. Jan	1,103	379	150	95	94	453	59	2,333
Less Contributions Receivable at Period End	1,409 (758)	909 (454)	387 (180)	430 (257)	362 (263)	457 (246)	0 (2)	3,953 (2,160)
CASH SURPLUS/(DEFICIT) FOR THE YEAR	1,754	834	357	268	192	663	58	4,126
Cash Surplus 1. Jan	2,063	904	622	696	456	1,020	0	5,761
Less Credits to participating States / Transfers	(2,221)	(906)	(457)	(608)	(323)	(693)	0	(5,207)
Cash Surplus at Period End	1,597	831	522	356	325	990	58	4,680
Add contributions receivable at Period End	758	454	180	257	263	246	2	2,160
Fund Balance at Period End	2,355	1,286	702	613	589	1,237	59	6,840

* See note 2/7

STATEMENT 20: OSCE Field Operations Eastern Europe, Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

EUR '000

	Note	Mission to Moldova		Project Co-ordinator in Ukraine		Office in Minsk		Rep. on the Estonian Commission on Military Pensioners		Rep. on the Latvian Russian Joint Commission on Military Pensioners		Total Eastern Europe	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assessed Contributions	2/5	1,623	1,486	2,324	1,650	874	859	102	105	8	8	4,930	4,108
Miscellaneous Income	2/5	5	6	4	3	17	9	1	0	0	0	27	19
Currency Exchange Adjustments	2/4	(9)	0	(48)	42	(3)	2	0	0	0	0	(60)	45
Savings on prior year ULO's	9	25	47	1	2	14	2	0	0	0	0	40	51
TOTAL INCOME	2/5	1,644	1,539	2,280	1,697	902	873	103	105	8	8	4,937	4,222
TOTAL EXPENDITURE	2/6	1,611	1,440	2,198	1,624	712	698	99	105	6	6	4,625	3,873
EXCESS OF INCOME OVER EXPENDITURE		33	99	82	74	191	175	4	0	2	3	312	350
Less credits to participating States / Transfers	2/7	(104)	(21)	(50)	(2)	(67)	(113)	(9)	(13)	(1)	(1)	(232)	(151)
Fund Balance 1 January		277	199	196	124	316	254	20	33	4	3	813	614
Fund Balance at Period End		206	277	227	196	439	316	15	20	5	4	892	813

STATEMENT 21: OSCE Field Operations Eastern Europe, Statement of Assets, Liabilities and Fund Balance
as at 31 December 2006

EUR '000		Mission to Moldova		Project Co-ordinator in Ukraine		Office in Minsk		Rep. on the Estonian Commission on Military Pensioners		Rep. on the Latvian Russian Joint Commission on Military Pensioners		Total Eastern Europe	
Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Cash and Short-term Deposit Budgetary	2/3	27	18	599	404	52	24	2	15	0	0	680	460
Assessed Contributions Receivable	4	61	96	66	100	61	85	8	11	0	0	196	292
Accounts Receivable	5	41	32	31	0	2	0	0	0	0	0	74	32
Prepaid Expenses and Advances	6	89	92	52	0	0	0	0	3	0	0	140	96
Due From Other Funds		179	333	0	0	401	242	6	0	4	4	591	579
TOTAL ASSETS		396	571	748	504	516	351	16	29	5	4	1,681	1,459
Accounts Payable	8	43	61	(1)	22	0	0	0	0	0	0	42	83
Reserve for unliquidated obligations	9	145	233	94	12	76	28	1	0	0	0	317	274
Due To Other Funds		0	0	428	274	0	0	0	9	0	0	427	283
Other current liabilities		1	0	0	0	0	7	0	0	0	0	2	7
TOTAL LIABILITIES		189	294	521	309	77	35	1	9	0	0	788	647
Fund Balance		206	277	227	196	439	316	15	20	5	4	892	813
TOTAL FUND BALANCES		206	277	227	196	439	316	15	20	5	4	892	813
TOTAL LIABILITIES AND FUND BALANCE		396	571	748	504	516	351	16	29	5	4	1,681	1,459

STATEMENT 22: OSCE Field Operations Eastern Europe, Statement of Cash Flow
for the year ending 31 December 2006

EUR '000	Mission to Moldova	Project Co-ordinator in Ukraine	Office in Minsk	Rep. on the Estonian Commission on Military Pensioners	Rep. on the Latvian Russian Joint Commission on Military Pensioners	Total Eastern Europe
	2006	2006	2006	2006	2006	2006
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE						
	33	82	191	4	2	312
(Increase) decrease in assessed contributions receivable	36	34	24	3	0	96
(Increase) decrease in accounts receivable	(9)	(31)	(2)	0	0	(42)
(Increase) decrease in prepaid expenditure and advances	4	(51)	0	3	0	(45)
(Increase) decrease in inter-fund balances receivable	154	0	(159)	(6)	(1)	(12)
Increase (decrease) in reserve for unliquidated obligations	(89)	82	48	1	0	43
Increase (decrease) in accounts payable	(18)	(23)	0	0	0	(40)
Increase (decrease) in Other Current Liabilities	1	0	(7)	0	0	(6)
Increase (decrease) in inter-fund balances payable	0	153	0	(9)	0	145
NET CASH FLOW FROM OPERATING ACTIVITIES	113	246	95	(4)	1	451
Credits to Participating States	(104)	(50)	(67)	(9)	(1)	(232)
NET CASH FLOW FROM FINANCING ACTIVITIES	(104)	(50)	(67)	(9)	(1)	(232)
NET INCREASE (DECREASE) IN CASH	9	196	28	(13)	0	219

STATEMENT 23: OSCE Field Operations Eastern Europe, Statement of Cash Surplus*
for the year ending 31 December 2006

	Mission to Moldova	Project Co-ordinator in Ukraine	Office in Minsk	Rep. on the Estonian Commission on Military Pensioners	Rep. on the Latvian Russian Joint Commission on Military Pensioners	Total Eastern Europe
EUR '000	2006	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE						
Add Contributions Receivable 1. Jan	33	82	191	4	2	312
Less Contributions Receivable at Period End	96 (61)	100 (66)	85 (61)	11 (8)	0	292 (196)
CASH SURPLUS/(DEFICIT) FOR THE YEAR	69	115	215	7	2	408
Cash Surplus 1. Jan	181	96	231	9	4	520
Less credits to participating states / Transfers	(104)	(50)	(67)	(9)	(1)	(232)
Cash Surplus at Period End	146	161	378	7	4	696
Add contributions receivable at Period End	61	66	61	8	0	196
Fund Balance at Period End	206	227	439	15	5	892

* See note 2/7

STATEMENT 24: OSCE Field Operations Caucasus, Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

	Note	Mission to Georgia		Office in Yerevan		Office in Baku		*Funds Relating to the Conflict Dealt with by the OSCE Minsk Conference		Total Caucasus	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assessed Contributions	2/5	11,691	12,325	1,599	1,461	1,733	1,594	1,633	1,651	16,656	17,030
Miscellaneous Income	2/5	16	10	0	0	18	15	1	4	35	29
Currency Exchange Adjustments	2/4	(31)	(55)	(4)	(10)	(11)	6	(5)	5	(50)	(53)
Savings on prior year ULO's	9	54	48	10	2	11	2	1	12	75	64
TOTAL INCOME	2/5	11,729	12,328	1,605	1,453	1,751	1,617	1,630	1,672	16,715	17,070
TOTAL EXPENDITURE	2/6	11,326	11,901	1,554	1,403	1,622	1,472	1,578	1,518	16,080	16,294
EXCESS OF INCOME OVER EXPENDITURE		403	427	51	50	129	145	52	154	635	776
Less credits to participating States / Transfers	2/7	(870)	(1,627)	(61)	12	(75)	(48)	(135)	(171)	(1,142)	(1,834)
Fund Balance 1 January		1,893	3,094	160	98	275	177	469	486	2,796	3,855
Fund Balance at Period End		1,426	1,893	149	160	328	275	386	469	2,289	2,796

EUR '000

* 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 2006

EUR '000		Mission to Georgia				Office in Yerevan				Office in Baku				* Funds Relating to the Conflict Dealt with by the OSCE Minsk Conference				Total Caucasus	
	Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cash and Short-term Deposit Budgetary	2/3	377	76	189	24	47	206	63	58	676	364								
Assessed Contributions Receivable	4	539	787	46	73	50	79	136	188	771	1,126								
Accounts Receivable	5	0	0	0	0	0	0	0	0	0	0								
Prepaid Expenses and Advances	6	1,263	2,098	53	44	49	165	0	0	1,364	2,307								
Due From Other Funds		506	243	0	65	246	149	634	740	1,386	1,197								
TOTAL ASSETS		2,685	3,203	287	206	392	599	833	987	4,197	4,995								
Accounts Payable	8	435	776	10	5	1	139	(7)	3	440	923								
Reserve for unliquidated obligations	9	820	525	13	41	63	186	44	68	940	819								
Contributions Received in Advance	12	0	0	0	0	0	0	409	409	409	409								
Due To Other Funds		0	0	115	0	0	0	0	38	115	38								
Other current liabilities		4	9	0	0	0	0	0	0	4	9								
TOTAL LIABILITIES		1,259	1,310	138	46	64	324	447	518	1,908	2,198								
Fund Balance		1,426	1,893	149	160	328	275	386	469	2,289	2,796								
TOTAL FUND BALANCES		1,426	1,893	149	160	328	275	386	469	2,289	2,796								
TOTAL LIABILITIES AND FUND BALANCE		2,685	3,203	287	206	392	599	833	987	4,197	4,995								

* 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 2006

EUR '000	Mission to Georgia	Office in Yerevan	Office in Baku	* Funds Relating to the Conflict Dealt with by the OSCE Minsk Conference	Total Caucasus
	2006	2006	2006	2006	2006
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	403	51	129	52	635
(Increase) decrease in assessed contributions receivable	248	27	28	52	355
(Increase) decrease in accounts receivable	0	0	0	0	0
(Increase) decrease in prepaid expenditure and advances	835	(9)	117	0	943
(Increase) decrease in inter-fund balances receivable	(263)	65	(97)	107	(189)
Increase (decrease) in reserve for unliquidated obligations	294	(28)	(122)	(23)	121
Increase (decrease) in accounts payable	(340)	5	(138)	(10)	(483)
Increase (decrease) in other current liabilities	(5)	0	0	0	(5)
Increase (decrease) in inter-fund balances payable	0	115	0	(38)	77
NET CASH FLOW FROM OPERATING ACTIVITIES	1,171	226	(83)	140	1,454
Credits to participating States	(870)	(61)	(75)	(135)	(1,142)
NET CASH FLOW FROM FINANCING ACTIVITIES	(870)	(61)	(75)	(135)	(1,142)
NET INCREASE (DECREASE) IN CASH	301	164	(159)	5	312

* 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 2006

	** Funds Relating to the Conflict Dealt with by the OSCE					Total Caucasus
	Mission to Georgia	Office in Yerevan	Office in Baku	Minsk Conference		
EUR '000	2006	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE						
Add Contributions Receivable 1. Jan	403	51	129	52	635	
Less Contributions Receivable at Period End	787	73	79	188	1,126	
	(539)	(46)	(50)	(136)	(771)	
CASH SURPLUS FOR THE YEAR	651	77	158	104	990	
Cash Surplus 1. Jan	1,106	87	196	281	1,670	
Less Credits to participating States / Transfers	(870)	(61)	(75)	(135)	(1,142)	
Cash Surplus at Period End	887	103	278	250	1,518	
Add contributions receivable at Period End	539	46	50	136	771	
Fund Balance at Period End	1,426	149	328	386	2,289	

* See note 2/7

** 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 2006

EUR '000													
Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2005
Assessed Contributions	2/5	1,936	1,684	1,212	1,051	3,153	2,455	1,015	1,276	3,937	3,729	11,253	10,194
Miscellaneous Income	2/5	5	3	1	19	18	1	17	0	2	20	42	44
Currency Exchange Adjustments	2/4	(9)	7	(2)	2	(22)	29	(9)	8	(98)	(3)	(141)	42
Savings on prior year ULO's	9	18	12	2	0	54	23	13	4	7	4	94	43
TOTAL INCOME	2/5	1,950	1,705	1,212	1,072	3,203	2,508	1,036	1,288	3,847	3,749	11,248	10,323
TOTAL EXPENDITURE	2/6	1,841	1,542	1,064	789	3,109	2,227	859	1,195	3,527	3,689	10,400	9,442
EXCESS OF INCOME OVER EXPENDITURE		108	164	148	283	93	282	177	93	321	60	848	881
Less credits to participating States / Transfers	2/7	(55)	(50)	(48)	(72)	(124)	(23)	(69)	(40)	(140)	(247)	(437)	(433)
Fund Balance 1 January		266	152	370	159	469	210	214	161	367	553	1,685	1,236
Fund Balance at Period End		319	266	470	370	437	469	322	214	548	367	2,096	1,685

STATEMENT 29: OSCE Field Operations Central Asia, Statement of Assets, Liabilities and Fund Balance
as at 31 December 2006

EUR '000													
	Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cash and Short-term Deposit Budgetary	2/3	64	191	98	35	51	107	45	31	311	375	569	739
Assessed Contributions Receivable	4	44	74	36	56	61	108	47	66	142	220	331	525
Accounts Receivable	5	0	0	0	0	68	94	0	0	0	0	68	94
Prepaid Expenses and Advances	6	22	40	0	3	168	240	26	45	16	100	232	428
Due From Other Funds		282	20	398	321	522	221	270	187	160	0	1,633	749
TOTAL ASSETS		412	325	532	415	870	769	387	330	630	694	2,832	2,534
Accounts Payable	8	58	6	22	5	147	7	22	46	11	81	260	145
Reserve for unliquidated obligations	9	36	54	40	40	285	290	43	71	70	99	475	553
Funds held for third parties	11	0	0	0	0	0	0	0	0	0	0	0	0
Due To Other Funds		0	0	0	0	0	0	0	0	0	147	0	147
Other current liabilities		0	0	0	0	0	4	0	0	1	0	1	4
TOTAL LIABILITIES		93	59	63	46	432	301	66	117	82	327	736	849
Fund Balance		319	266	470	370	437	469	322	214	548	367	2,096	1,685
TOTAL FUND BALANCE		319	266	470	370	437	469	322	214	548	367	2,096	1,685
TOTAL LIABILITIES AND FUND BALANCE		412	325	532	415	870	769	387	330	630	694	2,832	2,534

STATEMENT 30: OSCE Field Operations Central Asia, Statement of Cash Flow
for the year ending 31 December 2006

EUR '000	Centre in Almaty	Centre in Ashgabad	Centre in Bishkek	Project Co-ordinator in Uzbekistan	Centre in Dushanbe	Total Central Asia
	2006	2006	2006	2006	2006	2006
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	108	148	93	177	321	848
(Increase) decrease in assessed contributions receivable	30	20	47	19	78	194
(Increase) decrease in accounts receivable	0	0	26	0	0	26
(Increase) decrease in prepaid expenditure and advances	18	3	72	20	83	196
(Increase) decrease in inter-fund balances receivable	(263)	(77)	(301)	(83)	(160)	(884)
Increase (decrease) in reserve for unliquidated obligations	(18)	0	(5)	(28)	(29)	(79)
Increase (decrease) in accounts payable	52	17	141	(24)	(70)	116
Increase (decrease) in other current liabilities	0	0	(4)	0	1	(3)
Increase (decrease) in inter-fund balances payable	0	0	0	0	(147)	(147)
NET CASH FLOW FROM OPERATING ACTIVITIES	(72)	111	68	83	76	267
Increase (decrease) in funds held for third parties	0	0	0	0	0	0
Credits to participating States	(55)	(48)	(124)	(69)	(140)	(437)
NET CASH FLOW FROM FINANCING ACTIVITIES	(55)	(48)	(124)	(69)	(140)	(437)
NET INCREASE (DECREASE) IN CASH	(127)	63	(56)	14	(63)	(170)

STATEMENT 31: OSCE Field Operations Central Asia, Statement of Cash Surplus*
for the year ending 31 December 2006

EUR '000	Centre in Almaty	Centre in Ashgabad	Centre in Bishkek	Project Co-ordinator in Uzbekistan	Centre in Dushanbe	Total Central Asia
	2006	2006	2006	2006	2006	2006
EXCESS OF INCOME OVER EXPENDITURE						
Add Contributions Receivable 1. Jan	108	148	93	177	321	848
Less Contributions Receivable at Period End	74 (44)	56 (36)	108 (61)	66 (47)	220 (142)	525 (331)
CASH SURPLUS FOR THE YEAR	138	168	140	197	398	1,042
Cash Surplus 1. Jan	191	314	360	147	147	1,160
Less Credits to participating States / Transfers	(55)	(48)	(124)	(69)	(140)	(437)
Cash Surplus at Period End	275	434	376	275	406	1,765
Add contributions receivable at Period End	44	36	61	47	142	331
Fund Balance at Period End	319	470	437	322	548	2,096

* See note 2/7

STATEMENT 32: Extra-budgetary Part 1 Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

	Note	Fund 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 Aspects 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	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Extra-budgetary Contributions	3	624	549	0	0	1,312	944	0	10	0	0
Miscellaneous Income	2/5	0	0	0	0	0	0	0	0	0	0
Currency Exchange Adjustments	2/4	0	0	0	0	0	0	(932)	885	0	0
Savings on prior year ULO's	9	0	0	0	0	0	0	0	0	0	0
Other Adjustments	10	0	0	(21)	14	30	(119)	(20)	(266)	(46)	(4)
TOTAL INCOME	2/5	624	550	(21)	14	1,342	826	(952)	629	(46)	(4)
TOTAL EXPENDITURE	2/6	923	696	0	7	1,019	742	93	6	0	40
EXCESS OF INCOME OVER EXPENDITURE		(299)	(146)	(22)	7	323	84	(945)	623	(46)	(44)
Refund of unspent XB contributions to Donors		(70)	(329)	(9)	0	(1)	(1)	(2,108)	(55)	(8)	0
Fund Balance 1 January		1,669	2,144	66	59	682	600	10,457	9,889	69	113
Fund Balance at Period End		1,301	1,669	35	66	1,004	682	7,404	10,457	15	69

EUR '000

STATEMENT 33: Extra-budgetary Part 1 Statement of Assets, Liabilities and Fund Balance

as at 31 December 2006

		Fund 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 Aspects 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	
	Note	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
EUR '000											
Accounts Receivable	5	147	147	0	0	0	0	0	0	0	0
Prepaid Expenses and Advances	6	85	85	0	0	0	0	0	0	0	0
Due From Other Funds		1,141	1,499	36	66	1,031	707	7,404	10,457	15	69
TOTAL ASSETS		1,374	1,732	36	66	1,031	718	7,404	10,457	15	69
Accounts Payable	8	13	13	0	0	0	0	0	0	0	0
Reserve for unliquidated obligations	9	61	49	0	0	26	36	0	0	0	0
Due To Other Funds		0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES		74	62	0	0	27	36	0	0	0	0
Fund Balance		1,301	1,669	35	66	1,004	682	7,404	10,457	15	69
TOTAL FUND BALANCE		1,301	1,669	35	66	1,004	682	7,404	10,457	15	69
TOTAL LIABILITIES AND FUND BALANCE		1,374	1,732	36	66	1,031	718	7,404	10,457	15	69

STATEMENT 34: Extra-budgetary Part 1 Statement of Cash Flow
for the year ending 31 December 2006

	2006	2006	2006	2006	2006
	Fund 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 Aspects 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					
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	2006	2006	2006	2006	2006
(Increase) decrease in accounts receivable	(299)	(22)	323	(945)	(46)
(Increase) decrease in prepaid expenditure and advances	0	0	0	0	0
(Increase) decrease in inter-fund balances receivable	0	0	11	0	0
Increase (decrease) in reserve for unliquidated obligations	357	30	(323)	3,053	54
Increase (decrease) in accounts payable	11	0	(10)	0	0
Increase (decrease) in inter-fund balances payable	0	0	0	0	0
NET CASH FLOW FROM OPERATING ACTIVITIES	70	9	1	2,108	8
Refund of unspent extra-budgetary contribution	(70)	(9)	(1)	(2,108)	(8)
NET CASH FLOW FROM FINANCING ACTIVITIES	(70)	(9)	(1)	(2,108)	(8)
NET INCREASE (DECREASE) IN CASH	0	0	0	0	0

STATEMENT 35: Extra-budgetary Part 2 Statement of Income, Expenditure and Changes in Fund Balance
for the year ending 31 December 2006

	Note	Fund for activities related to the Reduction of Military Forces and Equipment from Georgia		Bishkek Conference		Other Activities and Special Projects		Total Extra-budgetary Funds	
		2006	2005	2006	2005	2006	2005	2006	2005
Extra-budgetary Contributions	3	64	35	0	0	19,577	25,721	21,577	27,260
Miscellaneous Income	2/5	0	0	0	0	0	0	0	0
Currency Exchange Adjustments	2/4	0	0	0	0	0	0	(832)	885
Savings on prior year ULO's	9	0	0	0	0	0	0	0	0
Other Adjustments	10	1	0	0	0	507	(10)	451	(386)
TOTAL INCOME	2/5	65	35	0	0	20,084	25,711	21,196	27,760
TOTAL EXPENDITURE	2/6	426	84	0	0	20,495	23,208	22,956	24,784
EXCESS OF INCOME OVER EXPENDITURE		(360)	(49)	0	0	(411)	2,503	(1,760)	2,976
Refund of unspent XB contributions to Donors		0	(2)	0	0	(1,012)	(1,148)	(3,207)	(1,534)
Fund Balance 1 January		1,121	1,172	26	26	19,150	17,795	33,240	31,799
Fund Balance at Period End		761	1,121	26	26	17,727	19,150	28,273	33,240

EUR '000

STATEMENT 36: Extra-budgetary Part 2 Statement of Assets, Liabilities and Fund Balance
as at 31 December 2006

	Note	Fund for activities related to the Reduction of Military Forces and Equipment from Georgia		Bishkek Conference		Other Activities and Special Projects		Total Extra-budgetary Funds	
		2006	2005	2006	2005	2006	2005	2006	2005
Accounts Receivable	5	0	0	0	0	2	2	150	150
Prepaid Expenses and Advances	6	0	0	0	0	0	311	85	408
Due From Other Funds		813	1,146	26	26	21,504	22,346	31,969	36,316
TOTAL ASSETS		813	1,146	26	26	21,506	22,659	32,204	36,873
Accounts Payable	8	0	0	0	0	219	235	232	249
Reserve for unliquidated obligations	9	52	25	0	0	3,560	3,274	3,700	3,384
Due To Other Funds		0	0	0	0	(218)	(87)	(218)	(87)
Other current liabilities		0	0	0	0	218	87	218	87
TOTAL LIABILITIES		52	25	0	0	3,779	3,510	3,932	3,633
Fund Balance		761	1,121	26	26	17,727	19,150	28,273	33,240
TOTAL FUND BALANCE		761	1,121	26	26	17,727	19,150	28,273	33,240
TOTAL LIABILITIES AND FUND BALANCE		813	1,146	26	26	21,506	22,659	32,204	36,873

EUR '000

STATEMENT 37: Extra-budgetary Part 2 Statement of Cash Flow
for the year ending 31 December 2006

	Fund for activities related to the Reduction of Military Forces and Equipment from Georgia	Bishkek Conference	Other Activities and Special Projects	Total Extra-budgetary Funds
EUR '000	2006	2006	2006	2006
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE				
(Increase) decrease in accounts receivable	0	0	0	0
(Increase) decrease in prepaid expenditure and advances	0	0	311	322
(Increase) decrease in inter-fund balances receivable	333	0	842	4,346
Increase (decrease) in reserve for unliquidated obligations	27	0	286	315
Increase (decrease) in accounts payable	0	0	(17)	(17)
Increase (decrease) in other current liabilities	0	0	131	131
Increase (decrease) in inter-fund balances payable	0	0	(131)	(131)
NET CASH FLOW FROM OPERATING ACTIVITIES	0	0	1,012	3,207
Refund of unspent extra-budgetary contribution	0	0	(1,012)	(3,207)
NET CASH FLOW FROM FINANCING ACTIVITIES	0	0	(1,012)	(3,207)
NET INCREASE (DECREASE) IN CASH	0	0	0	0

Chapter IV - Notes to the Financial Statements

Notes to the Financial Statements

Note 1 - Mandate

The OSCE, recognized as a regional arrangement under the United Nations' Charter, is a primary instrument for early warning, conflict prevention, crisis management and post-conflict rehabilitation in its area. Its approach to security is unique in being both comprehensive and co-operative: **comprehensive** is that it deals with three dimensions of security – the politico-military, the economic and environmental and the human. It therefore addresses a wide range of security-related concerns, including arms control, confidence-and security-building measures, human rights, national minorities, democratization, policing strategies, counter-terrorism, anti-trafficking measures and economic and environmental activities. It is **co-operative** in that all 56 States enjoy equal status. Decisions are taken by consensus and are politically but not legally binding.

Note 2 - Significant Accounting Policies

2/1 Basis of presentation

The financial statements of the Organization are presented in thousands of Euro and are prepared in accordance with the Financial Regulations, the United Nations System Accounting Standards, and stated accounting policies.

2/2 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/712 dated 20 December 2005 and subsequent budget revisions, the Wallnerstrasse Fund and Extra-budgetary Funds.

For purposes of the presentation and approval of the 2006 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 operated during the year:

a) Standard Scale of Contributions for 2005-2007 (PC.DEC/704 dated 24 November 2005)

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 2005-2007 (PC.DEC/704 dated 24 November 2005)

II. FUNDS RELATED TO OSCE FIELD OPERATIONS

South-Eastern Europe

- Mission in Kosovo
- Tasks in Bosnia and Herzegovina
- Mission to Croatia
- Mission to Serbia²
- Presence in Albania
- Spillover Monitor Mission to Skopje
- Mission to Montenegro¹

Eastern Europe

- Mission to Moldova
- Project Co-ordinator in Ukraine
- Office in Minsk
- Representative to the Estonian Commission on Military Pensioners
- Representative to the Latvian-Russian JC on Military Pensioners

Caucasus

- Mission to Georgia
- Office in Yerevan
- Office in Baku
- High Level Planning Group
- The Minsk Process
- Personal Representative of the CIO

Central Asia

- Centre in Almaty
- Centre in Ashgabad
- Centre in Bishkek
- Project Co-ordinator in Uzbekistan³
- Centre in Dushanbe

Missions and Field Operations whose mandate has expired for 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

c) Revolving and Contingency Funds

- The Revolving Fund, amounting to EUR 2.7 million 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, amounting to EUR 2.18 million 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.

Neither the Revolving Fund nor the Contingency Fund were utilized during the 2006 Financial Year.

The Statement of Cash Flows for the Revolving and Contingency Funds for the year ending 31 December 2006, expressed in thousands of Euro, is as follows:

	Revolving Fund	Contingency Fund
EUR '000		
Balance 1 January 2006	2,710	2,180
Cash Outflow	-	-
Cash Inflow	-	-
Balance 31 December 2006	2,710	2,180

1 The Office in Podgorica closed and the OSCE Mission to Montenegro was established on 29 June 2006 under PC.DEC/732.

2 The "OSCE Mission to Serbia and Montenegro" was renamed to "OSCE Mission to Serbia" on 29 June 2006, under PC.DEC/733.

3 The OSCE Project Co-ordinator in Uzbekistan was established on 30 June 2006 under PC.DEC/734. This replaced the OSCE Centre in Tashkent, which was established in 2000.

d) IRMA

No transactions were recorded under the IRMA Fund in 2006.

e) Wallnerstrasse Fund

The Wallnerstrasse Fund was established by the Permanent Council (PC.DEC/709, 15 December 2005) for the financing of the OSCE's share of the costs related to the renovation and refurbishment of the designated premises, as well as those related to the required adjustments to this building and security arrangements. The Fund will cover an implementation period extending to the end of 2007, with the balance carried forward from one year to the next. An amount of EUR 3.96 million was allocated to the Wallnerstrasse Fund from the 2004 cash surplus in 2005.

An additional amount of EUR 1.10 million was allocated to the Wallnerstrasse Fund from the 2005 Cash Surplus in 2006 for the financing of the OSCE's costs related to removal expenditures from Kaertner Ring to the Wallnerstrasse premises, the reinstatement of the Kaertner Ring offices and the costs of new fixtures and fittings at the Wallnerstrasse premises (PC.DEC/774, 21 December 2006).

There was no expenditure under this Fund in 2006.

On 1 March 2007 an amount of EUR 2.60 million was paid to the Austrian Government as a progress payment towards the OSCE's share of the costs related to the renovation and refurbishment of the new premises.

f) Extra-budgetary Funds (see Note 3)

2/3 Cash

Cash is managed centrally to ensure the safekeeping of funds and to reduce exchange rate and interest rate exposure (Provisional Financial/Administrative Instruction Five on Income and Cash Management). Cash, bank balances and short-term investments as at 31 December 2006 amounted to EUR 85.5 million. EUR 49.5 million of this amount is in respect of budgetary funds (including Revolving and Contingency Funds) and EUR 36.0 million is in respect of extra-budgetary funds. After the final adjustments were made and the accounts closed, the actual net amount due from the Secretariat to all Extra-budgetary Funds amounted to EUR 32.2 million. 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. The investments made during the year and the respective interest rates are reflected in Appendix II.

2/4 Transactions involving Foreign Currencies

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 financial year 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 and amounted to a net loss of EUR 987 thousand in 2006. This was mainly due to the depreciation of the US Dollar against the Euro. The major part of the unrealised loss in the amount of EUR 832 thousand is recorded against the Fund for Activities related to the Removal and Destruction of Russian Ammunition and Armaments from Moldova. 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.

2/5 Budget and Income

Income from assessed contributions from participating States is recorded on an accrual basis. Accrued income for the financial year ending 31 December 2006 amounted to EUR 162.7 million, which is equal to the OSCE 2006 Year-end Unified Budget Revision (PC.DEC/786, 20 February 2007). Total miscellaneous income, which is mainly bank interest, amounted to EUR 3.9 million in 2006.

2/6 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 157.8 million and extra-budgetary expenditure amounted to EUR 23.0 million.

2/7 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(s) 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 360 thousand as at 31 December 2006, is presented as an unallocated surplus in the Statement of Assets, Liabilities and Fund balances.

The formula used to calculate the cash surplus / deficit, as in previous years, is as follows:

EUR '000	Statement 4 - Total UB
Assessed Contributions	162,712
+ Miscellaneous Income	3,879
+/- Foreign Exchange gain / (loss)	(155)
+ Savings on prior year Unliquidated Obligations	1,092
+ Other Adjustments	0
= Total Income	167,528
- Total Expenditure	(157,810)
	Statement 7 - Total UB
= Excess of Income over Expenditure	9,718
+ Assessed Contributions receivable on 1 January 2006	10,758
- Assessed Contributions receivable on 31 December 2006	(6,602)
= Cash Surplus for the year 2006	13,875
+ Cash Surplus 1 January 2006	13,865
- Distribution of cash surplus/transfers	(9,895)
= Cash Surplus as at 31 December 2006	17,845
+ Assessed Contributions receivable on 31 December 2006	6,602
= Fund Balance as at 31 December 2006	24,446

Therefore the declared cash surplus for 2006 amounts to EUR 13,875 thousand. This is comprised of the excess of income over expenditure of EUR 9,718 thousand plus the decrease of Assessed Contributions Receivable of EUR 4,156 thousand.

The distribution of cash surplus/transfers of EUR 9,895 thousand includes the distribution of the 2004 cash surplus of EUR 8,795 thousand and the transfer to the Wallnerstrasse Fund from the 2005 cash surplus of EUR 1,100 thousand.

2/8 Fund Balance

The total Fund Balance at 31 December 2006 contains five elements, the cash surplus payable to participating States in 2006 and 2007, the reserve for assessed contributions receivable, the Wallnerstrasse Fund and balances relating to Extra-budgetary projects funded by donors, as detailed in the following table.

EUR Million	
2005 Cash surplus payable 2007	4.0
2006 Cash surplus payable 2008	13.9
Reserve for Assessed Contributions receivable	6.6
Wallnerstrasse Fund	5.0
Total Extra-budgetary Fund Balance	28.3
Total Fund Balance	57.8

The 2005 cash surplus payable in 2007 of EUR 4.0 million is made up of the 2005 cash surplus of EUR 5.1 million, less the transfer to the Wallnerstrasse Fund of EUR 1.1 million.

2/9 Contributions In-Kind

Contributions in-kind in the form of salaries for seconded staff, rental of premises and equipment are not recorded in the accounts of the Organization. For 2006 the estimated value of in kind contributions is approximately EUR 61 million (EUR 68 million in 2005).

2/10 Presentation

The figures in the accounts are presented rounded to the nearest Euro thousand. This may result in totals that are different by EUR 1-2,000.

Note 3 - Extra-budgetary Contributions

Income from Extra-budgetary contributions is recorded on a cash basis. Extra-budgetary contributions pledged in 2006 amounted to EUR 24.9 million, of which EUR 16.4 million was received in 2006 and EUR 8.5 million was outstanding as at 31 December 2006. Extra-budgetary contributions received in 2006 in respect of pledges made in 2005 and 2004 amounted to EUR 5.2 million. Total extra-budgetary contributions received in 2006 amounted to EUR 21.6 million (see Note 10 "Other Adjustments").

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 (293rd 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).

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

Expenditure of Extra-budgetary resources amounted to EUR 23.0 million for the year ended 31 December 2006 (EUR 24.8 million in 2005).

Note 4 - Assessed Contributions

4/1 Assessed Contributions Receivable

Assessed Contributions Receivable as at 31 December 2006 amounted to a total of EUR 6.6 million (EUR 10.8 million in 2005). An aged schedule of Assessed Contributions Receivable as at 31 December 2006 is reflected in Appendix III.

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 Chairman-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 Chairman-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).

Assessed contributions receivable from participating States whose arrears equalled or exceeded the amount of contributions due for the preceding two full years amounted to EUR 6.6 million as at 31 December 2006 (EUR 6.8 million in 2005), detailed as follows:

EUR '000				
Participating State	2004 and prior	2005	2006	Balance
Armenia	576	45	47	668
Georgia	682	45	47	773
Kyrgyzstan	918	45	47	1,009
Moldova	634	45	47	725
Tajikistan	391	45	47	483
Turkmenistan	618	45	47	709
Uzbekistan	1,803	209	222	2,234
Total	5,623	479	501	6,602

In 2006 these participating States paid a combined total of approximately EUR 649 thousand towards prior years' outstanding contributions as follows:

EUR '000	
Participating State	Amount paid in 2006
Armenia	101
Georgia	167
Kyrgyzstan	27
Moldova	75
Tajikistan	58
Turkmenistan	160
Uzbekistan	61
Total	649

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)

Note 5 - Accounts Receivable

Accounts receivable amounted to EUR 2.5 million as at 31 December 2006 (EUR 3.2 million in 2005). This amount is comprised primarily of VAT reimbursements receivable, amounts receivable from participating States and rent reimbursable from the Austrian government.

Note 6 - Prepaid Expenditure and Advances

Prepaid Expenditure and Advances amounted to EUR 5.3 million as at 31 December 2006 (EUR 6.4 million in 2005). This amount is comprised primarily of advances to suppliers and implementing partners and advances to staff for travel.

Note 7 - Material Assets

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.

Definition

Material assets are defined as:

- Tangible assets with a minimum cost of EUR 1,000 and a useful life of minimum of two (2) years or
- Attractive assets with a cost below EUR 1,000, but which bear a special importance due to their nature or area of use, such as mobile phones, GPS units and handheld radios.

Accounting Policy

The cost of a material asset comprises its purchase price, non-refundable import duties and purchase taxes, initial delivery and handling costs, installation fees, and any direct costs of bringing the material asset to working condition for its intended use.

The purchase cost of material assets is charged to expenditure on purchase and therefore, is not reflected as an asset on the balance sheet. The OSCE maintains separate material asset records, including the historical acquisition cost, accumulated depreciation and net book value. Income from the disposal of surplus assets is normally recorded as miscellaneous income and simultaneously the historical acquisition cost and depreciation are removed from the material asset records. Data from this module is used as the basis of this disclosure note to the financial statements.

The historical acquisition cost of material assets as at 31 December 2006 is EUR 60.3 million, the accumulated depreciation is EUR 48.4 million and the net book value is EUR 11.9 million. The movement in material assets during the year is summarised in the following table.

EUR '000	Total	Total
Historical acquisition cost	2006	2005
Balance at 1 January	64,192	67,729
Additions	7,247	5,704
Disposals	(11,112)	(9,246)
Cost Adjustments	2	5
Balance at 31 December	60,329	64,192
Accumulated depreciation		
Balance at 1 January	(51,044)	(52,373)
Depreciation charge for year	(6,123)	(6,806)
Disposals	8,718	8,135
Balance at 31 December	(48,450)	(51,044)
Net book value as at 31 December	11,880	13,148

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

	Historical Acquisition Cost	Net Book Value as at 31 Dec.2006	Percentage based on Net book Value
EUR '000			
I. Funds Related to the Secretariat and Institutions			
The Secretariat	4,986	898	8%
ODIHR	1,405	403	3%
HCNM	138	33	0%
RFoM	62	17	0%
II. Funds Related to the OSCE Field Operations			
<u>South-Eastern Europe</u>			
Mission in Kosovo	21,703	2,712	23%
Task in Bosnia and Herzegovina	7,156	996	8%
Mission to Croatia	2,056	358	3%
Mission to Serbia	2,298	522	4%
Presence in Albania	2,645	662	6%
Spillover Monitor Mission in Skopje	5,054	1,217	10%
Mission to Montenegro	457	92	1%
<u>Eastern Europe</u>			
Mission to Moldova	554	196	2%
Project Co-ordinator in Ukraine	303	131	1%
Office in Minsk	199	46	0%
Representative to the Estonian Commission on Military Pensioners	0	0	0%
<u>Caucasus</u>			
Mission to Georgia	6,578	1,815	15%
Office in Yerevan	478	169	1%
Office in Baku	336	196	2%
Funds Relating to the Conflict Dealt with by the Minsk Conference	337	135	1%
<u>Central Asia</u>			
Centre in Almaty	275	99	1%
Centre in Ashgabad	278	120	1%
Centre in Bishkek	1,329	588	5%
Project Co-ordinator in Uzbekistan	368	154	1%
Centre in Dushanbe	1,334	320	3%
Total	60,329	11,880	100%

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

Category of Material Asset	Useful Life - Range of Years	Historical Acquisition Cost EUR'000	%
Power Generation	5	2,893	5%
Office Equipment	3 to 8	3,105	5%
Vehicles and Safety Equipment	3 to 10	18,554	31%
Security Equipment	3 to 8	2,179	4%
Building & Construction	3 to 7	2,260	4%
Information Technology (incl. communications)	2 to 7	22,609	37%
Tools and General	3 to 5	79	0%
Electrical Systems	3 to 10	1,179	2%
Conditioning Systems	2 to 10	1,553	3%
Printing, Audio & Visual Equipment	3 to 8	1,661	3%
Industrial Processing Machinery	4 to 7	24	0%
Furniture & Furnishings	5 to 10	963	2%
Materials Handling & Storage	2 to 10	628	1%
Domestic Appliances	2 to 7	753	1%
Other Equipment	3 to 8	1,890	3%
Total		60,329	100%

The historical acquisition cost of material assets retired in 2006 is EUR 11,112 thousand. The net book value of material assets retired in 2006 is EUR 2,394 thousand.

Taking into account proceeds from sale and insurance claims the net loss on material assets retired in 2006 is EUR 1.596 thousand as shown in the following tables:

Gain/Loss on Material Assets retired in 2006

EUR '000	Total
Historical Acquisition Cost of Retired Assets	11,112
Net Book Value of Retired Assets	2,394
Deduct Proceeds of Sale (including reimbursed amount from employees, less removal costs)	(700)
Deduct Proceeds received from the Insurance company	(97)
(Gain) /Loss	1,596

Proceeds received from the profit sharing scheme with the insurance company amounted to EUR 225 thousand in 2006.

Note 8 - Accounts Payable

Accounts Payable amounted to EUR 4.4 million as at 31 December 2006 (EUR 6.6 million in 2005). This amount is comprised of goods and services for which invoices were received but not paid, as well as amounts owing to staff.

Note 9 - Unliquidated Obligations

Unliquidated obligations charged to expenditure as at 31 December 2006 amounted to EUR 12.5 million (EUR 11.5 million in 2005). Savings on prior year unliquidated obligations at 31 December 2006 amounted to 1.1 million.

Savings on prior year Unliquidated Obligations

Fund Name	2005 Reserve for ULOs	Expenditure in 2006 against 2005 Reserve on 2005 ULOs	(Savings)/ Over expenditure
EUR '000			
I. Funds Related to the Secretariat and Institutions			
The Secretariat	958	858	(100)
ODIHR	429	339	(90)
HCNM	3	2	(1)
RFoM	68	54	(14)
II. Funds Related to the OSCE Field Operations			
<u>South-Eastern Europe</u>			
Mission in Kosovo	1,880	1,567	(313)
Tasks in Bosnia and Herzegovina	622	610	(12)
Mission to Croatia	473	451	(22)
Mission in Serbia and Montenegro	375	343	(31)
Presence in Albania	468	395	(74)
Spillover Monitor Mission to Skopje	1,219	993	(227)
<u>Eastern Europe</u>			
Mission to Moldova	233	208	(25)
Project Coordinator in Ukraine	12	12	(1)
Office in Minsk	28	14	(14)
Representative to the Estonian Comm. on Military Pensioners	0	0	0
Repr. to the Latvian-Russian JC on Military Pensioners	0	0	0
<u>Caucasus</u>			
Mission to Georgia	525	472	(54)
Office in Yerevan	41	31	(10)
Office in Baku	186	174	(11)
High Level Planning Group	6	5	(1)
The Minsk Process	2	2	0
Personal Repr. of the CiO	59	59	0
<u>Central Asia</u>			
Centre in Almaty	54	36	(18)
Centre in Ashgabad	40	39	(2)
Centre in Bishkek	290	236	(54)
Project Co-ordinator in Uzbekistan	71	57	(13)
Centre in Dushanbe	99	92	(7)
Tot. Extra-budgetary Funds	3,384	3,384	-
Grand Total	11,525	10,433	(1,092)

Note 10 - Other Adjustments

Other adjustments, which are mainly the reclassification of income from funds held for third parties to extra-budgetary contributions, amounted to a credit of EUR 451 thousand in 2006. In 2005 other adjustments amounted to a debit of EUR 386 thousand, which was mainly the reclassification of income from extra-budgetary contributions to funds held for third parties.

Note 11 - Funds Held for Third Parties

Funds held for third parties amounted to EUR 4.8 million as at 31 December 2006 (EUR 3.6 million in 2005). This amount consists partly of funds received from participating States in advance of paying salaries to seconded staff on their behalf.

Note 12 - Contributions Received in Advance

Assessed contributions received in advance amounted to EUR 14.7 million as at 31 December 2006 (EUR 20.9 million in 2005). This is mainly due to (a) the distribution of the 2004 cash surplus of EUR 8.8 million, which was credited to the participating States in accordance with the Financial Regulations and (b) the OSCE 2006 Year-end Unified Budget Revision which amounted to a reduction of EUR 5.2 million.

Note 13 - Cash and Other Losses

Cash and other losses for the year ended 31 December 2006 amounted to a total of EUR 215,097.56.

Cash and Other Losses for 2006

Fund	Description	EUR
Secretariat/Prague Off.	Uncollectible Receivable	1,649.77
ODIHR	Uncollectible Receivable	3,884.96
Mission in Kosovo	Uncollectible Receivable	67.00
Tasks in Bosnia and Herzegovina	Uncollectible Receivable	174,261.98
Mission to Croatia	Cash and Other Loss	9.11
Spillover Monitor Mission to Skopje	Uncollectible Receivable	29,482.05
Mission to Moldova	Cash Loss	5,237.80
Project Co-ordinator in Ukraine	Cash Loss	372.00
Mission to Georgia	Uncollectible Receivable	132.89
Total Cash and Other Losses		215,097.56

Loss and Theft Report for 2006 - Material Assets (Net Book Value)

The net book value of lost and stolen material assets in 2006 amounted to EUR 13,823.

EUR	Loss	Theft	Grand Total
The Secretariat	822	139	961
HCNM	47	0	47
RFoM	0	69	69
Mission to Kosovo	875	0	875
Tasks in Bosnia and Herzegovina	16	0	16
Mission to Serbia	194	5,356	5,550
Mission to Croatia	157	0	157
Presence in Albania	614	555	1,168
Spillover Monitor Mission to Skopje	627	0	627
Mission to Moldova	118	0	118
Office in Minsk	49	0	49
Project Co-ordinator in Ukraine	2,559	363	2,922
Mission to Georgia	0	962	962
Office in Baku	0	269	269
Project Co-ordinator in Uzbekistan	31	0	31
Total Net Book Value	6,109	7,714	13,823

Note 14 - Contingent Liabilities

A contingent liability is noted as at 31 December 2006 for the OSCE Mission in Kosovo to cover eventual potential liabilities in the amount of EUR 5.2 million.

Note 15 - Ex-Gratia Payments

During 2006 ex-gratia payments totalling EUR 4,500 were approved by the Secretary General.

Note 16 - Contractual Obligations and Separation Benefits

The total contractual obligations under the Unified Budget extending beyond 31 December 2006 amount to approximately EUR 10.8 million and the contractual obligations payable if notice was given on 31 December 2006 amount to approximately EUR 1.6 million.

Separation payments under the Unified Budget that would have been due to staff if they had separated on 31 December 2006 amount to approximately EUR 23.1 million. This figure is made up of termination indemnity, accrued annual leave, notice period, repatriation grant, travel and removal costs.

Note 17 - Post Balance Sheet Event

With the approval of the 2007 Unified Budget on 2 February 2007, PC.DEC/780, the Representative to the Estonian Commission on Military Pensioners was closed.

The Budget and Assessed Contributions in respect of 2006 were adjusted (reduced) by EUR 5.2 million to EUR 162.7 million as a result of PC.DEC/786, dated 20 February 2007, on the OSCE 2006 Year-end Unified Budget Revision.

Note 18 - Provident Fund

The Provident Fund is a defined contribution plan. The employer contributions of 15% and employee contributions of 7.5% of salary plus post adjustment (if applicable) are fixed. Employees may make additional voluntary contributions of up to 15%. The amounts collected are paid into a number of funds, held with Generali Worldwide Insurance Company Limited, Guernsey, Channel Islands (Generali Guernsey), on behalf of the employee. 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 closing balance of the Provident Fund as at 31 December 2006 was EUR 48.8 million.

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 2005 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 2006 is at Annex 1.

Provident Fund Summary Statement
for the year ending 31 December 2006

	DEPOSIT ADMINISTRATION FUNDS				INTERNATIONAL EQUITY FUNDS				EUROPEAN EQUITY FUND			
	Units '000	EUR '000	Units '000	USD '000	Units '000	EUR '000	Units '000	USD '000	Units '000	EUR '000	Units '000	TOTAL EUR '000
Opening Balance 1 Jan 2006	30,065	32,615	8,217	8,848	44	1,144	43	1,320	8	87		
Contributions/Premium Allocation	9,333	10,238	1,816	1,969	6	171	6	221	13	149		
Unit Adjustments	98	107	17	18	-	-	-	-	1	12		
Surrenders	(4,334)	(4,728)	(1,361)	(1,471)	(2)	(51)	(8)	(272)	(2)	(26)		
Withdrawals	(828)	(907)	(36)	(39)	(0)	(11)	(0)	(7)	(0)	(0)		
Switch Out	(23)	(26)	(13)	(14)	(0)	(1)	-	-	(1)	(10)		
Switch In	9	10	-	-	-	-	-	14	2	27		
Fees (Administration Fee and Establishment Charge)	-	-	-	-	-	-	-	-	-	-		
Total movements during year	4,254	4,694	424	464	4	108	(2)	(43)	13	151		
Guaranteed Interest on Opening Balance		652		111								
Guaranteed Interest on units accumulated during year		14		(2)								
Deposit Administration Units (additional interest)	536	593	266	290								
Closing Balance 31 December 2006	34,855	38,567	8,907	9,711	48	1,401	41	1,588	21	268		
Market Value as at 31 December 2006				1,318				1,318				
Exchange Rate												
Closing Balance 31 December 2006 in EUR '000		38,567		7,371		1,401		1,205		268		48,812

Appendix I - Bank and Cash Balances as at 31 December 2006

Financial Institution	Currency	Interest rate	EUR '000 Balance
Bank Austria, Vienna - Current Account	EUR	1.65%	218
Bank Austria, Vienna - R/CF	EUR	-	0
Bank Austria, Vienna - Current Account	USD	1.50%	100
Bank Austria, Moscow - Current Account	USD	-	6
Bank Austria, Vienna - Fixed Deposit	EUR	See Appendix II	39,750
Bank Austria, Vienna - Revolving and Contingency Funds Fixed Deposit	EUR	3.47%	4,890
Bank Austria, Vienna - Overnight Account	EUR	3.10%	8
Ceskoslovenska Obchodni Banka, Prague	EUR	0.30%	12
Ceskoslovenska Obchodni Banka, Prague	CZK	0.01%	83
Sub Total: Secretariat Budgetary Bank Accounts			45,066
Bank Austria, Vienna - Current Account	EUR	1.65%	2
Bank Austria, Vienna - Fixed Deposit	EUR	See Appendix II	30,700
Bank Austria, Vienna - Current Account	USD	1.50%	2
Bank Austria, Vienna - Fixed Deposit	USD	See Appendix II	5,313
Bank Austria, Vienna - Overnight Account	EUR	3.10%	0
Sub Total: Extra Budgetary Bank Accounts			36,018
Total : Secretariat Bank Accounts			81,083
Raiffeisen Bank, Warsaw - ODIHR	EUR	0.10%	523
Raiffeisen Bank, Warsaw - ODIHR	USD	0.10%	110
Raiffeisen Bank, Warsaw - ODIHR	PLN	0.10%	253
ING Bank, The Hague - HCNM	EUR	2.07%	103
Total: Institutions Bank Accounts			989
American Bank of Albania, Tirana	EUR	-	0
Raiffeisen Bank SH. A., Tirana	EUR	0.50%	11
Raiffeisen Bank SH. A., Tirana	USD	0.30%	0
Raiffeisen Bank SH. A., Tirana	ALL	1.50%	6
Raiffeisen Bank D.D. Bosna i Hercegovina, Sarajevo	EUR	-	89
Raiffeisen Bank D.D. Bosna i Hercegovina, Sarajevo	BAM	-	27
Raiffeisen Bank D.D. Bosna i Hercegovina, Sarajevo	EUR	-	0
Raiffeisen Bank D.D. Bosna i Hercegovina, Sarajevo	EUR	-	0
Splitska banka D.D., Split	EUR	-	0
Splitska banka D.D., Split	HRK	-	0
Zagrebacka Banka D.D., Zagreb	EUR	0.17%	223
Zagrebacka Banka D.D., Zagreb	USD	0.27%	0
Zagrebacka Banka D.D., Zagreb	HRK	0.50%	150
Zagrebacka Banka D.D., Zagreb	GBP	-	0
Raiffeisen Bank Kosovo J.S.C., Pristina	EUR	-	106
ProCredit Bank Kosovo, Pristina	EUR	-	100
Komercijalna Banka A.D. Beograd, Belgrade	EUR	2.00%	115
Komercijalna Banka A.D. Beograd, Belgrade	CSD	-	25
Komercijalna Banka A.D. Beograd, Belgrade	EUR	-	74
ProCredit Bank, Skopje	EUR	-	289
ProCredit Bank, Skopje	USD	-	5
ProCredit Bank, Skopje	MKD	-	28
Hansapank A/S, Tallin	EUR	0.20%	0
Hansapank A/S, Tallin	EEK	0.20%	0
Priorbank JSC, Minsk	EUR	-	25
Priorbank JSC, Minsk	USD	-	17
Priorbank JSC, Minsk	BYR	-	1
Closed joint-stock company OTP Bank, Kiev-Mykhalivskiy	EUR	0.50%	295
Closed joint-stock company OTP Bank, Kiev-Mykhalivskiy	USD	0.50%	46
Closed joint-stock company OTP Bank, Kiev-Mykhalivskiy	UAH	1.00%	238
Universalbank JSB, Moldova	EUR	-	0
Universalbank JSB, Moldova	USD	-	8
Universalbank JSB, Moldova	MDL	-	1
Bank of Georgia JSC, Tbilisi	EUR	2.00%	284
Bank of Georgia JSC, Tbilisi	USD	2.00%	16
Bank of Georgia JSC, Tbilisi	GEL	3.00%	29
International Bank of Azerbaijan, Baku	EUR	-	25
International Bank of Azerbaijan, Baku	USD	-	10
International Bank of Azerbaijan, Baku	AZN	-	2
HSBC, Midland Armenia Bank JSC, Yerevan	EUR	-	171
HSBC, Midland Armenia Bank JSC, Yerevan	USD	-	5
HSBC, Midland Armenia Bank JSC, Yerevan	AMD	-	7
ABN - AMRO Bank Kazakhstan, Almaty	EUR	-	47
ABN - AMRO Bank Kazakhstan, Almaty	USD	-	11
ABN - AMRO Bank Kazakhstan, Almaty	KZT	-	2

Appendix I - Bank and Cash Balances as at 31 December 2006 (continued)

Financial Institution	Currency	Interest rate	EUR '000 Balance
Turkmen Turkish Commercial Bank, Ashgabad	EUR	-	75
Turkmen Turkish Commercial Bank, Ashgabad	USD	-	21
Turkmen Turkish Commercial Bank, Ashgabad	TMM	-	0
Demir Kyrgyz International Bank, Bishkek	EUR	-	14
Demir Kyrgyz International Bank, Bishkek	USD	-	0
Demir Kyrgyz International Bank, Bishkek	KGS	-	1
Demir Kyrgyz International Bank, Osh	EUR	-	18
Demir Kyrgyz International Bank, Osh	USD	-	1
Demir Kyrgyz International Bank, Osh	KGS	-	1
National Bank of Foreign Econ.Act., Tashkent	EUR	-	25
National Bank of Foreign Econ.Act., Tashkent	USD	-	6
National Bank of Foreign Econ.Act., Tashkent	UZS	-	8
TojikSodirotBonk, Dushanbe	EUR	-	192
TojikSodirotBonk, Dushanbe	USD	-	48
TojikSodirotBonk, Dushanbe	TJS	-	38
Total: Field Missions Bank Accounts			2,937
Total Bank Accounts			85,009
Total Cash			531
Grand Total			85,540

Appendix II - Short-term Investments and Interest Rates for 2006 (EUR)

From	To	Amount EUR '000	Interest Rate % p.A.
14-Nov-05	16-Jan-06	4,890	2.25
19-Dec-05	02-Jan-06	65,600	2.39
21-Dec-05	04-Jan-06	1,900	2.39
23-Dec-05	09-Jan-06	750	2.39
30-Dec-05	09-Jan-06	4,350	2.33
02-Jan-06	09-Jan-06	63,800	2.33
04-Jan-06	06-Feb-06	2,000	2.36
09-Jan-06	16-Jan-06	65,350	2.33
16-Jan-06	23-Jan-06	28,000	2.32
16-Jan-06	30-Jan-06	37,390	2.34
18-Jan-06	25-Jan-06	2,500	2.33
20-Jan-06	27-Jan-06	2,700	2.33
23-Jan-06	30-Jan-06	5,000	2.32
23-Jan-06	06-Feb-06	21,000	2.34
26-Jan-06	02-Feb-06	9,500	2.33
27-Jan-06	03-Feb-06	4,500	2.33
30-Jan-06	06-Feb-06	41,215	2.33
02-Feb-06	09-Feb-06	2,200	2.33
02-Feb-06	06-Mar-06	9,000	2.37
03-Feb-06	06-Mar-06	3,000	2.36
06-Feb-06	13-Feb-06	66,825	2.35
06-Feb-06	06-Apr-06	4,890	2.46
07-Feb-06	08-Mar-06	2,500	2.36
09-Feb-06	22-Feb-06	4,000	2.34
13-Feb-06	20-Feb-06	38,900	2.34
13-Feb-06	13-Mar-06	24,000	2.36
17-Feb-06	27-Feb-06	6,500	2.34
20-Feb-06	20-Mar-06	35,000	2.45
23-Feb-06	23-Mar-06	8,000	2.47
27-Feb-06	27-Mar-06	4,500	2.52
06-Mar-06	20-Mar-06	10,000	2.60
08-Mar-06	10-Apr-06	1,500	2.60
13-Mar-06	13-Apr-06	23,300	2.60
16-Mar-06	23-Mar-06	1,500	2.58
17-Mar-06	18-Apr-06	2,000	2.60
20-Mar-06	24-Apr-06	50,000	2.61
21-Mar-06	24-Apr-06	1,500	2.61
22-Mar-06	05-Apr-06	7,500	2.60
23-Mar-06	24-Apr-06	5,000	2.61
24-Mar-06	10-Apr-06	4,500	2.61
27-Mar-06	03-Apr-06	2,000	2.60
29-Mar-06	05-Apr-06	3,500	2.61
31-Mar-06	02-May-06	6,200	2.62
05-Apr-06	08-May-06	10,000	2.62
06-Apr-06	13-Apr-06	4,890	2.63
07-Apr-06	14-Apr-06	5,500	2.62
10-Apr-06	24-Apr-06	4,500	2.62
12-Apr-06	19-Apr-06	3,000	2.59
13-Apr-06	27-Apr-06	29,490	2.60
14-Apr-06	28-Apr-06	5,800	2.60
19-Apr-06	26-Apr-06	3,500	2.60
24-Apr-06	08-May-06	63,200	2.62
26-Apr-06	26-Jun-06	4,300	2.70
27-Apr-06	04-May-06	28,990	2.63
28-Apr-06	05-May-06	6,000	2.61
02-May-06	03-Jul-06	6,000	2.73
04-May-06	04-Jul-06	28,590	2.73
05-May-06	24-May-06	6,800	2.57
08-May-06	15-May-06	69,500	2.59
08-May-06	10-Jul-06	3,000	2.74
09-May-06	10-Jul-06	7,000	2.75
10-May-06	17-May-06	1,000	2.59
15-May-06	22-May-06	3,000	2.59
15-May-06	29-May-06	31,000	2.61
17-May-06	18-Jul-06	33,000	2.78
19-May-06	19-Jun-06	1,500	2.63
19-May-06	19-Jun-06	4,000	2.66
19-May-06	19-Jul-06	8,000	2.80
24-May-06	31-May-06	1,000	2.59
24-May-06	26-Jun-06	1,500	2.69
29-May-06	06-Jun-06	12,000	2.59
29-May-06	31-Jul-06	18,000	2.83
31-May-06	31-Jul-06	3,500	2.84
02-Jun-06	02-Aug-06	8,000	2.87
06-Jun-06	13-Jun-06	3,000	2.56
06-Jun-06	21-Jun-06	5,000	2.69
08-Jun-06	08-Aug-06	1,000	2.89
12-Jun-06	12-Jul-06	4,000	2.81
12-Jun-06	14-Aug-06	4,000	2.87
14-Jun-06	28-Jun-06	1,500	2.83
19-Jun-06	21-Aug-06	4,500	2.89
21-Jun-06	21-Aug-06	6,000	2.89

Appendix II - Short-term Investments and Interest Rates for 2006 (continued)

From	To	Amount EUR '000	Interest Rate % p.A.
26-Jun-06	03-Jul-06	1,000	2.86
29-Jun-06	29-Aug-06	1,800	2.93
30-Jun-06	31-Aug-06	900	2.93
03-Jul-06	03-Aug-06	7,000	2.87
04-Jul-06	04-Aug-06	23,890	2.86
05-Jul-06	05-Sep-06	4,000	2.93
06-Jul-06	06-Sep-06	5,000	2.93
07-Jul-06	07-Sep-06	1,300	2.95
10-Jul-06	11-Sep-06	8,500	2.95
12-Jul-06	12-Sep-06	3,000	2.97
18-Jul-06	25-Jul-06	4,000	2.82
18-Jul-06	18-Sep-06	27,000	2.99
19-Jul-06	26-Jul-06	3,000	2.82
19-Jul-06	19-Sep-06	4,000	3.01
20-Jul-06	27-Jul-06	500	2.82
21-Jul-06	21-Sep-06	500	3.01
26-Jul-06	26-Sep-06	1,500	3.02
27-Jul-06	27-Sep-06	1,500	3.04
31-Jul-06	31-Aug-06	10,000	2.99
31-Jul-06	02-Oct-06	11,000	3.06
02-Aug-06	09-Aug-06	1,500	2.83
02-Aug-06	29-Sep-06	7,000	3.06
03-Aug-06	04-Sep-06	7,000	3.03
04-Aug-06	11-Aug-06	21,640	3.00
08-Aug-06	25-Aug-06	1,500	3.06
09-Aug-06	23-Aug-06	1,500	3.06
10-Aug-06	17-Aug-06	1,000	3.06
11-Aug-06	25-Aug-06	20,140	3.06
14-Aug-06	28-Aug-06	3,000	3.06
16-Aug-06	16-Oct-06	2,500	3.11
17-Aug-06	17-Oct-06	2,000	3.11
21-Aug-06	23-Oct-06	8,000	3.12
25-Aug-06	25-Oct-06	19,890	3.14
28-Aug-06	30-Oct-06	2,000	3.14
29-Aug-06	05-Sep-06	1,800	3.01
31-Aug-06	31-Oct-06	11,000	3.17
04-Sep-06	06-Nov-06	6,500	3.17
05-Sep-06	06-Nov-06	4,000	3.17
06-Sep-06	06-Nov-06	4,000	3.18
08-Sep-06	08-Nov-06	700	3.20
11-Sep-06	13-Nov-06	8,500	3.21
13-Sep-06	13-Nov-06	1,000	3.23
15-Sep-06	15-Nov-06	950	3.23
18-Sep-06	25-Sep-06	2,000	3.05
18-Sep-06	20-Nov-06	24,400	3.23
27-Sep-06	27-Nov-06	2,000	3.27
29-Sep-06	02-Oct-06	6,900	3.06
02-Oct-06	09-Oct-06	5,000	3.05
02-Oct-06	16-Oct-06	2,000	3.17
02-Oct-06	01-Dec-06	6,000	3.30
04-Oct-06	04-Dec-06	1,500	3.31
05-Oct-06	12-Oct-06	1,000	3.29
06-Oct-06	06-Dec-06	1,000	3.33
09-Oct-06	11-Dec-06	3,000	3.33
16-Oct-06	18-Dec-06	5,000	3.36
23-Oct-06	30-Oct-06	4,000	3.33
25-Oct-06	02-Nov-06	17,890	3.33
30-Oct-06	29-Dec-06	1,000	3.41
30-Oct-06	29-Dec-06	6,000	3.41
31-Oct-06	07-Nov-06	10,500	3.35
02-Nov-06	02-Jan-07	17,390	3.47
06-Nov-06	13-Nov-06	7,000	3.33
06-Nov-06	08-Jan-07	7,000	3.49
07-Nov-06	08-Jan-07	6,000	3.49
08-Nov-06	22-Nov-06	1,000	3.33
13-Nov-06	27-Nov-06	10,000	3.33
13-Nov-06	15-Jan-07	6,500	3.51
15-Nov-06	23-Nov-06	1,000	3.32
20-Nov-06	20-Dec-06	7,000	3.38
20-Nov-06	22-Jan-07	12,500	3.52
21-Nov-06	21-Dec-06	1,000	3.40
27-Nov-06	04-Dec-06	1,000	3.31
27-Nov-06	27-Dec-06	5,000	3.44
27-Nov-06	29-Jan-07	1,000	3.56
01-Dec-06	15-Dec-06	6,000	3.42
05-Dec-06	05-Feb-07	700	3.58
15-Dec-06	22-Dec-06	2,000	3.58
18-Dec-06	02-Jan-07	3,000	3.64
20-Dec-06	03-Jan-07	7,000	3.64
21-Dec-06	28-Dec-06	1,000	3.62
27-Dec-06	03-Jan-07	6,000	3.73
28-Dec-06	04-Jan-07	1,400	3.70
29-Dec-06	05-Jan-07	6,850	3.67

Appendix II - Short-term Investments and Interest Rates for 2006 (USD)

From	To	Extra Budgetary USD '000	Interest Rate % p.A.
16-Dec-05	05-Jan-06	1,700	4.27
19-Dec-05	11-Jan-06	2,000	4.28
21-Dec-05	04-Jan-06	1,200	4.31
28-Dec-05	04-Jan-06	3,000	4.34
04-Jan-06	11-Jan-06	4,200	4.20
05-Jan-06	18-Jan-06	1,500	4.19
11-Jan-06	13-Feb-06	6,700	4.29
18-Jan-06	25-Jan-06	1,500	4.19
25-Jan-06	01-Feb-06	500	4.29
25-Jan-06	08-Feb-06	1,000	4.34
01-Feb-06	08-Feb-06	700	4.42
08-Feb-06	15-Feb-06	1,000	4.44
13-Feb-06	22-Feb-06	6,700	4.44
15-Feb-06	22-Feb-06	700	4.44
22-Feb-06	01-Mar-06	7,400	4.44
01-Mar-06	08-Mar-06	7,200	4.44
08-Mar-06	15-Mar-06	5,200	4.44
08-Mar-06	10-Apr-06	2,000	4.54
15-Mar-06	22-Mar-06	3,400	4.44
15-Mar-06	18-Apr-06	2,000	4.59
22-Mar-06	05-Apr-06	3,200	4.64
05-Apr-06	03-May-06	3,300	4.69
10-Apr-06	18-Apr-06	2,000	4.70
18-Apr-06	25-Apr-06	500	4.71
18-Apr-06	18-May-06	3,700	4.77
25-Apr-06	26-May-06	500	4.79
03-May-06	06-Jun-06	3,300	4.89
18-May-06	26-May-06	3,700	4.94
26-May-06	06-Jun-06	4,000	4.94
06-Jun-06	14-Jun-06	7,300	4.94
14-Jun-06	21-Jun-06	1,000	4.98
14-Jun-06	05-Jul-06	6,000	5.05
21-Jun-06	28-Jun-06	1,000	4.97
28-Jun-06	05-Jul-06	700	5.20
05-Jul-06	12-Jul-06	7,000	5.22
12-Jul-06	19-Jul-06	1,000	5.19
12-Jul-06	16-Aug-06	6,300	5.22
19-Jul-06	26-Jul-06	800	5.19
26-Jul-06	02-Aug-06	500	5.19
02-Aug-06	09-Aug-06	300	5.22
09-Aug-06	16-Aug-06	600	5.24
16-Aug-06	30-Aug-06	6,700	5.20
30-Aug-06	06-Sep-06	6,700	5.19
06-Sep-06	13-Sep-06	6,500	5.19
13-Sep-06	20-Sep-06	6,500	5.19
20-Sep-06	27-Sep-06	6,200	5.19
27-Sep-06	04-Oct-06	6,700	5.19
04-Oct-06	11-Oct-06	6,500	5.20
11-Oct-06	18-Oct-06	6,500	5.19
18-Oct-06	25-Oct-06	6,500	5.19
25-Oct-06	02-Nov-06	6,200	5.19
02-Nov-06	09-Nov-06	6,000	5.20
09-Nov-06	16-Nov-06	500	5.19
09-Nov-06	30-Nov-06	6,000	5.20
16-Nov-06	24-Nov-06	1,000	5.19
24-Nov-06	24-Jan-07	800	5.23
28-Nov-06	21-Dec-06	600	5.19
30-Nov-06	14-Dec-06	1,000	5.18
30-Nov-06	30-Jan-07	5,000	5.23
14-Dec-06	14-Feb-07	700	5.21
14-Dec-06	04-Jan-07	200	5.21
21-Dec-06	04-Jan-07	300	5.24

Appendix III - Assessed Contributions Receivable as at 31 December 2006

EUR '000 Participating State	2004 and prior	2005	2006	Balance
Albania	0	0	0	0
Andorra	0	0	0	0
Armenia	576	45	47	668
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
the Former Yugoslav Republic of Macedonia	0	0	0	0
Finland	0	0	0	0
France	0	0	0	0
Georgia	682	45	47	773
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
Kyrgyzstan	918	45	47	1,009
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	634	45	47	725
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	0	0
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	0	0
Sweden	0	0	0	0
Switzerland	0	0	0	0
Tajikistan	391	45	47	483
Turkey	0	0	0	0
Turkmenistan	618	45	47	709
Ukraine	0	0	0	0
United Kingdom	0	0	0	0
United States	0	0	0	0
Uzbekistan	1,803	209	222	2,234
Total	5,623	478	501	6,602