

Our Founder Director Prof. Fr. M.A. Windey with visitors in Belgium



About Father Windey

Fr. Windey returned to Belgium on 12th of January 2009. He almost immediately was admitted to hospital for treatment. Small surgery was necessary to stabilize his medical health condition.

At present, he stays in Heverlee (Leuven) with the Jesuits. Medical care is given daily by the nurses. There's a doctor who has been visiting him several times a week. The hospital is very nearby in case his situation needs more specialized medical treatment. He can still walk for short distances, otherwise he needs a wheelchair.

Fr.'s health is stable, at present. Though, due to his condition and age; it is not possible for him to be as active (physically) as he was in the past. He needs to rest a lot. Mentally, he keeps on making plans, enjoys visits from family and friends, writes about new ideas, reads...

A journey to India and attend to the General Body Meeting on August 29th will, in all probability (I'm not saying "not", because, as you know, with Fr., you're never sure) not be possible. His condition makes travelling very difficult.

He's still very concerned about what is going on in "his" VRO. Undoubtedly, his thoughts will be with the members and participants from the General Body Meeting. The well-being of the Indian people will be always on his mind.

On the Annual General Body Meeting in Hyderabad, it is foreseen that Fr. Windey will address himself in a short video message to the participants and if his health permits it, even a live contact by 'Skype' may take place during the Meeting.

Sabien Arnaut / BIVRO

Niece of Fr. Windey

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Minutes of 37th Annual General Body Meeting of VRO held at Jeevan Jyothi, Hyderabad on October 6th, 2008

1. The 37th Annual General Body Meeting was called to order by the President at 10:15 a.m. after a grace period of 15 minutes.
2. A roll call was taken. 20 out of 36 Life Members and 3 out of 10 paid annual members were present. As the required quorum was present, members endorsed the decision of the President to begin the proceedings.
3. The meeting began with a Prayer sung by Ms. Malathi followed by the lighting of the lamp. Ms. Rita Astfalck was specially invited to light the lamp in view of her over time involvement in the work of the VRO. This was followed by a reading by Ms. Anitha and Ms. Ratna Manikyam from the work of St. Francis of Assisi.
4. The President, Fr. Joe Ubelmesser welcoming the members reiterated that we are all here today because of the founding father of VRO – Fr. Michael Windey and that we stand not only on his work but in the middle of it. He named three pillars of the VRO namely, VRO working for the poor; secondly, VRO of service to the poor and thirdly the village itself as the focus of VRO work. Since three pillars do not provide a firm base he added a fourth pillar and called it development. He talked about the need for a new dimension of leadership in tune with the demands of the donor partners. With the help of all, through counsel, material support and positive criticism VRO can move transparently to the top, he concluded.
5. Since the reports of the AGB were circulated well in advance and the members had an opportunity to go through them, the President, taking up the next point on the Agenda – Minutes of the 36th AGB – asked the members if they had anything to say prior to approval and passing the minutes.
 - Ms. Prema Bedell pointed out that the issue of GoB elections was discussed and it was suggested that they should be held once in three years, the monitoring and progress reports were received and that the election of the GoB Indian members was done by secret ballot. She added that part of the minutes of the first meeting were included in the minutes of the adjourned meeting. She also pointed out that Mr. Theo Vaes had pressed the need for Donor members on the GoB to boost the confidence of the donor partners in Europe.
 - Mr. Srimannarayana proposed that the minutes be approved and passed which was seconded by Mr. Vincent.
6. Prof. Kolhatkar presenting the Secretary's report mentioned about the ups and downs in the donor relations, the new administrative set up – change from 12 Regions to 4 Areas, disposal of unproductive assets, termination of volunteers and members not in line with the VRO Principles. He made a special mention of the help and assistance received from Mr. Hanumantha Rao in financial administration of the organization. In the discussion that followed,
 - Dr. Nagender Swamy pointed out that the Secretary's report should mention the work done by the members of the GoB and should also incorporate all key resolutions passed in the GoB meetings.
7. Main points were highlighted by the Operational Director in his report and similarly by the Area Directors, Mr. Ravi Pradeep for Andhra South, Mr. Sudhir John for Andhra North, Mr. Ramesh for Tamilnadu and Mr. Sethi for Orissa. The

Director of Central Services Mr. Daniel presenting his report recalled the values as emulated by VRO from Mahatma Gandhi and informed the measures taken with regard to Personnel and Finances during the year.

8. Prof. M.A. Windey in his address shared his reflections and expressed his pleasure and satisfaction at the renewal efforts in the VRO and appreciated the efforts aimed at sustainability of the VRO work. He expressed happiness that VRO was continuing to march ahead in the right direction and the courage to be different. He said that his fond hope was that VRO will continue to respond to the call of sharing and simplicity leading to joy.
9. Mr. Walter Linsi was called onto present the Treasurer's report.
 - a. He began with saying that his report is independent from book keeping and understands the difference in presenting accounts between European and Indian organizations.
 - b. Highlighting the fluctuations in donations due to decreasing trust gave the example of a drop in expenditure in the major sector of house building from Rs.60 million in the previous year to Rs.20 million in the current year (year of reporting 2006-07).
 - c. A number of projects and programmes had to be closed for want of finances.
 - d. Referring to the Balance Sheet he highlighted the fact that a Secured over Draft (SOD) had to be taken because of low liquidity.
 - e. Highlighting the budget he mentioned the efforts to complete all the ongoing villages (29). The gap in income is a result of a gap in the balance and in trust and this can be filled only from sale of assets (land).

Prof. Kolhatkar proposed that all the above reports be approved and Sr. Martin

seconded followed by appreciation and unanimous approval by the members.

10. The next point on the agenda was the nomination of the members to the GoB. The point with regard to term of office of the GoB as discussed in the previous AGB was brought up for discussion and resolution. Mr. Sreemannarayana raised the question whether such a proposal was possible as per the constitution of the organization. Sr. Martin, Dr. Rajaiah and Dr. Nagender Swamy pointed out that this was very much in line and did not violate the constitution. The Bye laws of the VRO were referred to and it was unanimously approved, when put to vote, that the term of the GoB shall be for a period of three years with effect from 2007-08 **and the term of the present GoB will continue until 2009 - 10.**
11. Nomination of Auditors. Mr. Walter Linsi proposed that the present auditors, Akasam & Associates be continued and this was seconded by Dr. Nagender Swamy.
12. In any other matter, Mrs. Nandita Sen expressed her anguish and sought clarifications on some of the decisions taken in VRO in the process of transition and change of leadership. Dr. Nagender Swamy and Mr. Willy responded and Prof. Windey added the need to take care of the Hindi belt.
13. The President thanked all members for their presence and active participation in the proceedings of the meeting and concluded with a poem of Tukaram.
14. The meeting concluded with the singing of Vijaya Viharamu by the members and volunteers of the VRO
15. The meeting was adjourned and followed by lunch.

Prof. R.V. Kolhatkar
Secretary – VRO

Report of the President



V R O could very well celebrate a jubilee in 2009. True, as a legal Trust this organisation was established only two years later on October 6th 1971. But the actual work begun already in 1969. So in the beginning I want to mention September 14th 1969, when the first of the newly reconstructed villages was inaugurated. This happened hardly four month after a killer cyclone, which had hit the eastern coastline of Andhra Pradesh. The name of this first V R O – Village sounds for us today like a promise: Rajapeth; king’s town. And it was really the starting point of V R O, or: the first step on a royal road of development. But since we do not intend to celebrate this special event of the past history of V R O, It should be at least remembered in this official statement.

However it is the purpose of this Annual Report, not so much to tell old stories or dwell on nostalgic memories, but rather to give a concrete report on the activities of V R O during the last financial year 2008/09. On all levels of our organisation a number of activities have taken place.

However the physical reconstruction of villages was the most important activity. When this present Governing Board took over the activities of VRO in October 2007, there existed a list of about 30 unfinished villages. In same places it

was not more than a promise of VRO, or an agreement with the villagers. In others the foundation stone was laid, other were already started. All these villages however were not finished and the building process had stopped. In some places it required big effort for the new Area directors, to regain the trust of the people. Thanks to them practically all these “old” unfinished villages are meanwhile inaugurated except a few. At the same time about 10 new villages have been started.

The main attention of V R O however during this year was directed towards the question of budget and accounting. (The “tally” software for accounting was introduced and will help V R O to streamline its budgeting, accounting and controlling from top to bottom.)

So for all our more than 150 programmes and Centres, - , Schools of different kinds, Kindergartens, Basic Productivity Training Centres, Places for children, who are in danger of child labour, or of old people - budgets were made. The question of the budget may seem to be a matter for the treasurer and the financial department only. And I will surely not infringe on their departments. But budgets, - and it seems it was the first time, such budgets were made in a systematic and comprehensive way, - have also an important function for training, control, evaluation and leadership.

- Budgets of the individual programmes are not only a means, to make the volunteers aware of the cost factor, but also a method for training
- they are also an instrument of control for all responsible persons in the different regions and the areas; and parameters for evaluation;
- and they provide at the same time the absolutely necessary material for the reporting to the donors.

One other important subject was taken up and will be followed systematically: Fundraising. V R O has become very much aware of this necessity, because during 2007 and 2008 there was a certain lack of liquidity. Thanks to a very big donation (by Linsi Foundation Switzerland) the work could go on as usual. In the meantime V R O has sold a plot of land close to our Central office in Pedakakani for about rupees 60,000,000. So, at the moment V R O is financially in a good shape. But we have to think of the future.

We are aware, that some of our very big donors in Europe are growing old and the succession is not in every case unproblematic. So we have to improve our relationship with the old partners and look out for new ones. With this in mind our treasurer has developed a new concept for fundraising

Budgeting, accounting and fundraising may sound a bit too materialistic. But these simply have been

necessities for the organisation. I am well aware, that Fr. Windey always liked to say, that V R O is not so much an organisation but rather a movement. But I feel, that only both concepts combined – organisation and movement - will provide a holistic approach. So I do understand the organisation of V R O as the body, and the movement as its soul. Following the old Roman proverb: **“sit mens sana in corpore sano”** Or: **“A healthy mind can only be in a healthy body”**, V R O has tried especially during the past year to keep the body of V R O fit and healthy and strong for its main purpose, that is: to house the soul and spirit of the movement.

It is this soul and vision, which is all the time before our eyes and in our mind, whatever concrete steps are taken by the Governing Board or the Operational Team: In all our activities we are following the old vision and mission of the founder. **Better Villages for a Better World.**

Fr. Joe Übelmesser SJ
President of VRO



Report of the Secretary



Dear Friends

It gives me great pleasure indeed to present the Annual Report of our Organisation as your Secretary. We are all aware that only with the commitment and dedication of many members from the Governing Board, benefactors and the work which is done by our volunteers day by day, the crisis which the Organization underwent is slowly disappearing and we are able to extend services for reviving the Organization. I am very thankful that also during the past financial year 2008/2009 I was part of VRO in my function as Secretary. Despite of my limitations, I always tried to do my level best in lines of setting up the Organization in a more functional way for the upliftment of the down – trodden sections - in our target communities.

MEETINGS OF THE GOVERNING BOARD

A total of 6 GoB meetings were held in India during the reporting period. The GoB had to deal with the following main issues and take accordingly decisions to strengthen and develop the processes within the organisation:

- Revision and embedding of Tamilnadu in the responsibility of Area III – Andhra

South

- Sale of Guntur B-Site in order to secure the liquidity of the Organisation
- To establish a new allowance structure for the Volunteers
- To have all Programs and Service Centres evaluated and documented with a detailed budget for each activity of VRO
- To introduce a software for the accounting system for more efficiency and transparency
- To establish a new Balanced Score Card 2009/2010
- To introduce a new Controlling and Quality Management
- To work with Donor Agreements

PERSONAL REMARKS

Due to health reasons I have asked the GoB to release me from my duties as secretary of the organisation. In the meeting of March 2009, the GoB has accepted my request and discharged me from the function of being the Secretary of VRO. I am very grateful that as from 1st April 2009 Dr. Nagender Swamy took over as new Secretary.

Last but not least I would like to express my hearty thanks to each and every one of you who have always given me support and had faith in me. With this feeling of being carried by many volunteers and friends here in India and abroad, I bid farewell as secretary VRO.

Prof. R.V. Kolhatkar
Secretary - VRO

Area - I Orissa - Area Director's Report



Respected President, members of the Governing Board, General Body, Volunteers and well wishers of the Organization,

It is indeed a great privilege to be associated with a unique movement like the VRO founded 40 years ago by the incomparable and inimitable Prof. M. A. Windey, SJ. Admittedly, it is a heavy burden and responsibility of no ordinary means bestowed upon the present Operational Team to carry forward the Vision and Mission as envisaged by the Founder. However, I reiterate with confidence and conviction that the Operational Team is making every effort to work in the direction of rejuvenating, restructuring and strengthening the present administrative system by the active cooperation and assistance of GoB.

It gives me immense pleasure to put forth a brief report of my Involvement with VRO to the members present in 38 General Body Meeting. I, Sri Pitambar Sethy, completed my Bachelor Degree in Arts in the year 1983 & joined in VRO on 7th April, 1984 at Chandikhole. Mean while, I have been trained in Andhra, Tamilnadu, Orissa, Maharashtra by the Founder and other Members of VRO and working in Orissa different sector and places. On 6th Oct, 2008 in 37th Annual General Body Meeting GoB gave me opportunity to work as Area Director of Orissa VRO and Team Members of Operational Team. I am trying to my

noble best to perform my duty successfully to grow VRO in Orissa.

In the fast moving world, one thing we ignore is to walk along. In VRO, long back the common song book was ***Sing Along***. This not only symbolizes walk along but also taken to a stage of living along.

Much time has been passed since VRO operations began in Orissa after the wake of 1971 cyclone. Many disasters happened before and after that, devastating the life and livelihood of the people. But 1971 cyclone remains as the watershed of development. The VRO **Saptashila** while embarking community as the subject agent and authentic result of development, it has given thrust that crises is the most opportune moment for development and change.

VRO in its own history has witnessed many ups and downs. But always it has encashed all its crises moments as opportunity for development. With recent restructuring of the whole VRO system, it has lead firm step for organizational change in view of society development.

We as the torch-bearers of the society and faithful commandants of VRO, always try to maintain the spirit to overcome all the hurdles and constraints we face. This has also been supported by our seniors and superiors. Hence, it has smoothened our way and strengthened our stand.

We have a large community behind us who are real force to drive us further. Many a times while we are in a confused situation they have guided us and encouraged to proceed on a right path technology.

Hence, it is needless to say that our strength and spirit has become stronger day by day. We believe, this ***solidarity*** will help us to stand better and bigger in future. If this happens and continues, the vision of ***“Better Villages for a Better World”*** will not be an elusive dream.

Pitambar Sethy
Area Director - Orissa

Overview of Construction Projects, Programs & Service Centers 2008 – 09

VRO-India entered into Orissa soon after October 1971 Cyclone and continues to work ceaselessly till now. The activities started in North Orissa extended to South Orissa after devastating floods in the Vamsadhara River in 1980. VRO-India operates in Orissa in 7 Districts, four in North and three in South known as Region I and Region II respectively, being State Coordination Office at Bhubaneswar, the State headquarters.

In these days, VRO in Orissa had seen many ups and downs. In fact since 2006, many of the activities were stopped and few run with less capacity. In the course of restructuring of VRO in October 2008, both the regions remain intact under Orissa Area and started running with more vigor and strength. In the last General Body Meeting Report, the challenges posed before Orissa were renewal of commitment to the villagers and the poor, renovation of village communities and our volunteers, rationalization of VRO presence and activities, restoration of the centers and facilities and resource mobilization. Keeping that in mind, the VRO Orissa team under the able and dynamic guidance of the then Joint Secretary & Orissa In charge, Dr. T. Nagender Swamy and Operational Team Leader Mr. K. Ravipradeep has demonstrated their best possible efforts.

The detail personnel of the area as follows:

28 volunteers, 13 Auxiliary, 6 CCCP Teachers and 5 part time workers Grand total – 52 (Gents 60%, Ladies 40%) personnel's are working in VRO Orissa. During this year 7 volunteers left and 13 new volunteers, CCCP teacher were joined the organization.

The result of the efforts is presented in the following three basic areas of activities:

A. Construction Projects:

No construction activities were taken up in the year. New proposals were submitted for two villages, namely, Nuamunda, Rayagada District – 34 families (Kondha Tribe) and Gopalpur, Jajpur District – 42 families (Munda Tribe)

B. Programs:

Gram Seva Kendra – Six Gram Seva Kendras were in operation in the year under review, out of which five in North Orissa and one in South. There was pre-school education to 3~6 years aged children, women organization for capacity building and women adult literacy activities in each centre.

Centre	Stream	Establishment year	Trainees	Skills	Staff Members
Gonasika	Boys	1979	30	Carpentry, Tailoring Stone Carving	4
Bayakumutia	Girls	1986	30	Tailoring, Embroidery Handicrafts	3
Kuang Basa	Boys	1987	25	Carpentry, Tailoring Wood Carving	3
Tumudibandh	Girls	2003	20	Tailoring, Handicrafts	3

Health Service Centre - There are two Health Service Centers running in Keonjhar District of North Orissa Region having high concentration of Malaria and inaccessibility to the local medical facilities. The centers are manned by one Health Educator each, who concentrates on imparting health education, hygiene and sanitation promotion in neighboring villages besides providing first aid to the patients. Advice on referral services to the critical patients is one of the important functions. The coverage of villages and patients are given below:

Centre	Health Educator	Villages Covered	Patients Treated	Referral Cases
Bayakumulia	B.B. Giri	10	3822	335
Ashapuri	B.K. Sahu	12	1735 (Nov to March)	135
Total		22	5557	470

Tribal Language School - Two Tribal Language Schools are operating since June 2007 for the most primitive tribal (Juang) in Keonjhar district of Orissa in two villages (Guptaganga and Bayakumuita) around the origin place of the tribe. The centers primarily operate to preserve their language and culture, fast vanishing due to modernization. There are 67 children enrolled and continuing education in the centers under two teachers.

Micro Projects - In order to undertake planned comprehensive village development programme, five old construction villages of the area have been identified and preliminary survey activities were conducted. The focused developmental activities will be taken up with due community and Government participation. The villages are Sandhapur (27 families), Gengutia (41 families), Gandhinagar (70 families), Dhobagudi -I (34 families) and Dhobagudi - II (27 families).

C. Service Centers:

Village Learning Centre - In order to provide primary education to the deprived community, two Village Learning Centers were under operation in North Orissa. The centers provide primary education along with basic value based teaching of VRO Philosophy for better community. The Village Community also oriented

in the line of VRO village renewal philosophy. The details of the centers are furnished below:

District	Centre	Standard	Students	Learning Guide
Jajpur	Nanpur	I - III	31	Mr. PK Motali
Kendrapara	Pelechhela	I - V	52	Ms. Parbati Maharana

In the year under review, 14 children have been passed out and admitted into next higher classes in the local Government schools.

Basic Productivity Training Centre (BPTC) - There are altogether 4 BPTCs, two each for boys and girls are operating equally in North and South Orissa. With a basic premise of developing potential village leaders, the centers are running since long. However, the capacity and strength of the centers had run through ups and downs for some time in 2006 and 2007, which have been regained since October 2008.

The details of the centers are furnished below:

Centre	Stream	Establishment year	Trainees	Skills	Staff Members
Gonasika	Boys	1979	30	Carpentry, Tailoring, Stone Carving	4
Bayakumuita	Girls	1986	30	Tailoring, Embroidery, Handicrafts	3
Kuang Basa	Boys	1987	25	Carpentry, Tailoring, Wood Carving	3
Tumudibandh	Girls	2003	20	Tailoring, Handicrafts	3

Village Health & Child Development Guide Training Centre - In order to provide basic child development and health & sanitation guidance to the village youths (women) a centre is functioning at Ashapuri (North Orissa) since 1995. By now, 13 batches of local secondary education passed youths have been trained in the subjects and passed out successfully. In the current year, 25 youths were taught fundamentals to computer application in addition to traditional tailoring, embroidery, knitting, appliqué and soft toy making skills. Of the total 315 trainees, 11 successful trainees have been engaged in VRO at different service centers. Besides, 45 works in Government and other NGOs, while 60 trainees are self employed successfully.

Sunset Home - In order to house the aged persons having potential leadership quality but neglected by their family, a Sunset Home was established at Ashapuri (North Orissa) in 2006.

However, the centre was ceased to function from April 2007 to September 2008. Again, the centre was reopened in October 2008 with 20 inmates (16 males and 4 females). The able bodied aged is engaged in environment development activities in the centre, whereas all of them are oriented in systematic village management process. They are given brief assignments to go to their village and teach the management practices.

D. Other Activities

Orissa Management Council - The Orissa Management Council, a committee formed to aid and advice VRO operations in Orissa headed by Mr. V.S. Matthews, former Chief Secretary of the State has formally met twice in the year, in May and July.

Appointment of Area Director - As per the new organizational pattern set up on 2nd October 2008, Mr. Pitambar Sethy, and earlier Area Coordinator was appointed as Area Director on 6th October 2008. Since then, he is discharging the functions of the Area Director diligently.

Orientation on Balance Score Card - In order to maintain transparency in all our activities, an internationally know Balance Score Card was introduced in VRO administration by the Governing Board. As it was a new tool and challenge for the Staff members, orientations were conducted for them. Dr. T. Nagender Swamy, Joint Secretary and Mr. Pitambar Sethy, Area Director explained the same to the staff members in a convincing way. It was then followed for every project activities.

Congregation of Old VRO Companions - In response to the invitation of then Joint Secretary and In-charge of Orissa VRO operations, Dr. T. Nagender Swamy, a congregation of old companions of VRO in Orissa was organized for two days (31st May ~ 1st June 2008). There were 23 participants in the meeting from various parts of the State being engaged in voluntary sector. The efforts of VRO in building voluntarism in the state were praised and the participants extended their wholehearted support to the endeavor VRO. They have also expressed their solidarity to the unity and integrity of VRO and assured to help to bring the organization out of crisis. The definite areas of mutual support were reorganizing the village

community, linking local community with Government schemes, helping VRO Area Office to get more Government Funds and dovetailing their effort close to the VRO centers.

Visitors - The following dignitaries paid their visit to different VRO Centers and functions during the year:

1. Fr. MA Windey, Founder Director, VRO – India
2. Fr. Joe Uebelmesser, President, VRO – India
3. Dr. T. Nagender Swamy, Joint Secretary, VRO - India
4. Mr. Walter Linsi, Treasurer, VRO-India
5. Mr. Willy van Herck, Member, VRO India GoB
6. Ms. Rita Astfalck, Coordinator, VRO – India GoB~OT
7. Ms. Ulrike , Special Monitor for VRO-India GoB, Germany
8. Mr. Chaturbhuja Sethy, DI of Scholls, Anandpur
9. Mr. Labanyanidhi Jena, BDO, Ghasipura
10. Mr. Suresh Kumar Sahu, Deputy Director, Agriculture Department, Keonjhar
11. Dr. G.P. Mishra, Medical Officer, SCB Medical, Cuttack
12. Mr. Anil Kumar Aggrawal, FCA, Bhubaneswar
13. Mr. U.N. Behera, Direcgor, VARRAT, Baulakani
14. Mr. Nihar Das Patnaik, Manager, CSR, POSCO-India Steels

Closing Remarks:

Under the new system and able guidance, we are striving for a better future. We are hopeful to meet the basic requirements for our effective service presence by the next year.

Pitambar Sethy
Area Director - Orissa

Area - I Orissa - Programs and Projects 2008 - 09



BAYAKUMUTIA G. BPTC TRAINEES & STAFFS



KUANGABASA B. BPTC TRAINEES



FIELD WORK BY B. BPTC TRAINEES AT KUANGABASA



GEETA READING BY SUPTD. AT OLD AGE HOME



PRAYER AT B. BPTC KUANGABASA



MAHILA MANDALI AT DARPATA BALWADI CENTRE

Area - II Andhra North - Area Director 's Report



Revered President and Members of the Governing Board, and respected mentor Ms. Rita Astfalck, and dear General Body Members and colleagues. It is with a sense of gratitude that I stand here in front of this August Body, to present the achievements of the North Andhra Area, of which I am the Director. Let me explain first, why I am filled with a sense of gratitude. Never before in the history of VRO, have we worked in such a systematic manner.

Whereas in the pioneering days of the VRO, all volunteers were equal and expected to do everything as circumstances required, now we have an Organization pattern, and an administrative structure, with duties and responsibilities and privileges allotted to each category of volunteers. This was a Herculean task taken up by Members of the Governing Board after the VRO nearly collapsed in 2006. Many attempts had to be made, on trial and error basis before the VRO was brought to its present shape. The advantage of this system is that accountability and responsibility can be fixed on individuals concerned.

I, as well as my colleagues, are specially grateful to Ms. Rita for giving so much of her time and effort to introduce the system of target oriented time management. We have learnt a lot during this short period, and I am sure there will be much more to learn as time progresses. But with Ms. Rita and Ms. Christine Camenzind to direct and guide us, we feel that soon we can be truly global in our approach.

So our achievements in general may be regarded, not only as the achievements of the VRO volunteers, but also as the achievements of the Governing Board Members.

This report becomes incomplete if I do not put on record our appreciation for the overwhelming support extended to us by the Overseas Donors and Benefactors who have been relentlessly aiding the various Programmes and Projects undertaken by the VRO during the Reporting Year. The confidence and faith reposed upon the Operational Team had to be translated into deeds and achievements of high order. It has been a unique learning experience to go around the villages with Dr. Robert Wychera of the Entwicklungshilfe Klub, Austria - whose concern and care for the needy villages inspires us to work with more enthusiasm and commitment. It is the same with Donor Agencies like the Missions Prokur, Germany and the People of Kelkheim, Germany who have always been very generous.

The achievements are reflected in the completion of all the Village Building Projects which were started in the year 2005-2006 and which were 'paralysed' for a long while. It was a challenging task to overcome the bottlenecks and this was achieved with a fair amount of success. I recollect I mentioned in my Annual Report of 2007-2008 the extraordinary success case of Manchala Gadaburu village, a community of 80 families belonging to the "hill tribes" (girijans) – in Kothakota Region of Visakhapatnam District. With a little assistance from the Andhra Pradesh State Housing Corporation Limited and massive support from the Missions Prokur, Germany; this particular village was successfully completed and inaugurated on May 1, 2009. Political Parties made every effort to take credit for the success of 'Manchala Gadaburu' which turned out to be a Model Village. I thank all my Team Members who contributed to the success of the Village.

On behalf of all my Team Members, I humbly express my appreciation and gratitude to all our Donors and Benefactors who have contributed to the realization of the dreams and aspirations of the rural poor in North Andhra Area.

G. Sudhir John
Area Director - Andhra North

Overview of Construction Projects, Programs & Service Centers 2008 - 09

Village Building Activity forms an integral and major part of the various comprehensive Rural Development Programs initiated by the VRO. Several villages were taken up for reconstruction in the year 2005-2006 in the regions of Hyderabad, Rajahmundry, Kothakota and Wardha. However, due to certain administrative

restructuring, the villages that were started in the year 2005-2006 came to a stand-still. The challenge that appeared before the new Operational Team in the year March 2008 was to complete on top priority all the disrupted villages. The villages listed below were completed and the lost ground was regained with dignity.

DETAILS OF VILLAGE BUILDING PROJECTS COMPLETED DURING THE REPORTING YEAR AND AFTER

Region	Name of the Village	Year when Started	Completion/Inauguration Date	Community	No of Fam.	New Name of Village	Sponsor / Donor
HYDERABAD	1. KNK Thanda	2005-2006	24/11/2008	STs (Girijans)	60	Dharnipuri	Missions Prokur, Germany
	2. Thimmapuram	2005-2006	27/11/2008	SCs, STs & BCs	30	Brundavan Colony	Dorn Birn, E-Klub, Austria
RAJAHMUNDRY	3. Karawaka	2005-2006	21/11/2008	STs, Fisherman, Washermen, Dalits	52	Sagar Nagar	Nachbar In Not, E-Klub, Austria
	4. Revuvaripeta	2005-2006	07/12/2008	SCs	36	Shantinagar	Dorn Birn, E-Klub, Austria
	5. Lakshmpuram	2005-2006	30/04/2009	STs (Hill Tribes)	50	Santosh Nagar	Missions Prokur, Germany
	6. Biyaputippa - II	2008	03/04/2009	BCs	28	Sadhana Nagar	Nachbar Innot, E-Klub, Austria
KOTHAKOTA	7. Seethabandala	2005-2006	18/04/2009	STs (Hill Tribes)	34	Seetha Nagar	E-Klub Austria
	8. Manchala Gadaburu	2005-2006	01/05/2009	STs (Hill Tribes)	80	Sriram Nagar	Missions Prokur, Germany

CONSTRUCTION PROJECTS AT A GLANCE AND EXPECTED DATE OF COMPLETION

Region	Name of the Village	Work Started on	No of Families	Expected date of Completion	Donor
HYDERABAD	1. Jaggu Thanda	June, 2008	40	October, 2009	E-Klub, Austria
	2. Bukyapandya Thanda	June, 2008	40	October, 2009	Missions Prokur, Germany
	3. Satrasala	Yet to be started	30	----	E-Klub, Austria
	4. Kotapahad Thanda	April, 2009	36	February, 2010	Kelkheim, Germany
	5. Kondaveedi	July, 2009	30	July, 2010	E-Klub
RAJAHMUNDRY	5. Chollangi	March, 2009	24	November, 2009	HAAR, Germany
	6. Gollapeta	March, 2009	46	March, 2010	E-Klub, Austria
KOTHAKOTA	7. Gunli	March, 2008	48	October, 2009	E-Klub, Austria
	8. I Ponnayolu	March, 2008	30	October, 2009	E-Klub, Austria
WARDHA	9. Bhivapur	October, 2007, work Started March '09	56	1st Phase 2009	SWIVRO, Switzerland

PROGRAMS AND SERVICES CENTERS COVERED AND DETAILS OF OUTREACH IN NORTH ANDHRA AREA

Region	VRP	No of Families	CCCC	Women Craft Centers	VLE	CLRC	BPTC	VHCDG	HC	Others
HYDERABAD	04	146	08	04	02	---	02	01	05	02
RAJAHMUNDRY	02	70	03	---	01	03	01	---	---	---
KOTHAKOTA	03	114	06	01	01	---	---	---	01	---

Note: VRP - Village Rebuilding Program, CCCC – Community Child Care Centers, VLE - Village Learning Estates, CLRP – Child Labor Rehabilitation Centre, BPTC - Basic Productivity Training Center, VHCDG – Village Health and Child Development Guides, HC – Health Center.

Wardha and Beyond:

The VRO Developmental Activities are initiated from the J.C. Kumarappa Centre in Sewagram. Vocational Training Programs for the benefit of young women of the BPL communities are organized regularly – with a fair degree of success. The Village Rebuilding Project at Bhivapur, for a community of 56 families belonging to the “Pardhi” sect of the Scheduled Tribes, is in good progress. This village is supported by “SWIVRO”, and Sisters of the Society of John the Baptist, Wardha are assisting to make a success of the project at Bhivapur. The people of Bhivapur are grateful to the students of the Z V School of Business, Zurich, Switzerland who are supporting Bhivapur village.

Region, Child Labor Rehabilitation Program is a prestigious and need-based activity which is serving its objective of assisting the vulnerable children who become victims of extreme exploitation by ruthless elements. Another successful activity is Village Rebuilding Projects, where the participation and progress is at a high level and all villages which were started in the beginning of the year 2008 are reaching completion stage by end September 2009. This is a result of concerted efforts put in by a Team of committed and motivated volunteers. The Area Director expresses his gratitude to all his Team Members for their unstinted supported and enthusiasm exhibited in the realization of the targets.

G. Sudhir John

Area Director – Andhra North

Conclusion:

The multifarious activities which are categorized as Programs, Service Centers and Projects are functioning on similar lines with identical objectives as those that are functioning in South Andhra Area. To highlight, in Rajahmundry

Area - II Andhra North – Programs and Projects 2008 - 2009



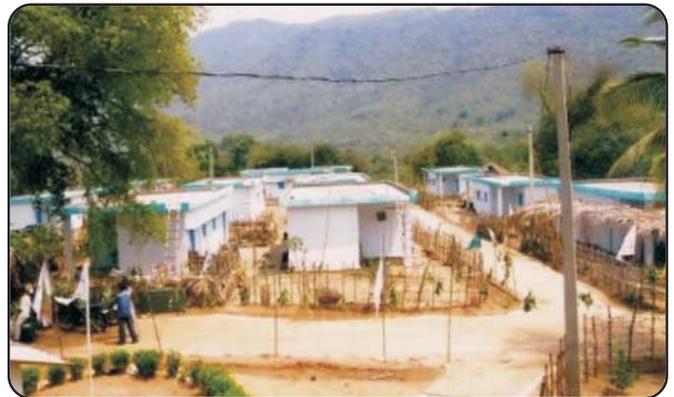
VINOBHA NAGAR – BPTC GIRLS – AT PRAYER



PEDIMPALEM – VILLAGE LEARNING ESTATE



JAGGAMPETA CLRP - GIRLS AT PLAY



SEETHABANDHALA VILLAGE - COMPLETED VIEW



A WOMEN'S CRAFT TRAINING CENTRE



WOMEN EMPOWERMENT AT KNK THANDA

Area - III Andhra South - Area Director 's Report



Honorable members of the Governing Board, Respected members of the General Body and Stake – holders of the VRO Mission in India,

I am very glad to be associated with the VRO, once again, during the past one year, at a 'CORE' level. I am indeed thankful and grateful to the members of the Governing Board and especially the functionaries at Linsi Foundation for having given me a unique opportunity to visit several parts in Europe on the Mission of VRO. I represented the VRO – India at Donors/Partners Meeting at Hofheim, Germany in February, 2009 and it gave me an excellent opportunity to interact with various benefactors of VRO in Europe. I learned many new things and it gave me an excellent opportunity to revive the contacts with many partner organizations of VRO which stepped back during the past couple of years. Inevitably many changes took place during the past one year at the organizational level. Many responsibilities were entrusted to me as an Operational Team Leader and as an Area Director – Andhra South and I am very glad to state that I could discharge my duties to the satisfaction of all the concerned.

The movement of VRO is progressing well. This is undoubtedly with the cooperation and support of all the concerned volunteers in the Field as well as in the Offices. Our benefactors and donors could extend their support and partnership after having assessed the previous and the prevailing situations. I admit that there were a few shortcomings as well as unsuccessful events at different levels. In our efforts to revive the Organization, we also faced many challenges from the Field as well as at the Administration level with in the Organization. One should not forget that the VRO

continues to work with the same old personnel at the grass roots level whose capacities and capabilities are to be strengthened. At the same time the volunteers are now willing to accept the drastic changes that have taken place and are extending their cooperation at all levels.

The Operational Team (OT) with 5 members was formed and it performed well with the entrusted responsibilities with a team spirit. The OT which was functioning very well for a few months for strengthening the Organization became "weak", due to the withdrawal of a few active members. Monthly OT meetings are held to assess the work executed and under execution. Many new management systems were introduced and adapted. The Balanced Score Card (BSC) was prepared as a tool to measure and assess the work that is under execution. Like – wise the 'Pyramid' strategy is established with more thrust on Vision, Mission, Values, Policies and the like. Job Descriptions / Tasks to be performed by all the functionaries at different levels were prepared, issued to the concerned and were followed to deliver goods in a more qualitative manner.

We are all aware that the movement of VRO is now undergoing a transition between traditional service organization and the professional development organization. In this process, many of our partners and well – wishers have contributed their might. We were guided by the Governing Board in all our Operations.

At this point, I wish to put on record that the Governing Board gladly accepted towards the change of office/work timings of all the functionaries with more commitment and dedication. The staff members and other functionaries are quite happy that the long pending "allowances enhancement" issue was taken up at the Governing Board level and the allowances of all the personnel were enhanced and that the VRO has taken up several measures towards the welfare of those working in the VRO in lines of "**Better Villages for a Better World**". I take this opportunity to present a detailed report of the various Construction Projects, Development Programs and Service Centers in Guntur, Nellore, Kadapa and Tamilnadu regions.

K. Ravi Pradeep

Area Director - Andhra South

Overview of Construction Projects, Programs & Service Centers 2008 – 09

A. Construction Projects:

The total number of villages under the re-building program, during the reporting period is 18.

Guntur Region: Out of 05 villages approved - 02 villages (Sangineeduplaem & Ramachandra Kota) were inaugurated and 02 Villages (Dindiadavala & Pedapatnam) are under construction and 01 Village (Program), the new village is planned for construction with the support of external donor group and the co-financing of INDIRAMMA Social Housing Scheme of the local Government.

Nellore Region: Out of 06 villages approved - 01 (Kothpalem) was inaugurated, 04 (03 [old]

(Melanelatur, Obulayapalli & Vallamedu) + 01[new]) Pavarotti) are under construction and 01 the new village (B.K.Sangham) is yet to be started.

Kadapa Region: Out of 03 villages approved - 01 Village (Gollapalli) was inaugurated and 02 (01[old] (Challagirigilla) + 01[new] (Krishnampalli) are under construction.

Tamilandu Region: Out of 04 villages approved - 01 Village (Madevipattinam) is ready for inauguration and 03 Village (Alancherry, Merukurajapatti & Keelkaranai) are under construction.

Construction Projects of Andhra South at a Glance

SN	Region	Inaugurated Villages	Ongoing (Old Villages)	Ongoing (New Villages)	Total
01	Guntur	02	02	01 (yet to be started)	05
02	Nellore	01	03	02 (01 yet to be started)	06
03	Kadapa	01	01	01	03
04	Tamilnadu	01	02	01	04
TOTAL		05	08	05	18

It is anticipated that by the end of 2009, all the 13 Villages will be completed, ready for inauguration and peoples' entry will take place. Out of the 18 Villages of South Andhra Area, 02 Villages in Guntur region were taken up after the Tsunami calamity. The remaining 16 are taken after the Village tests and their association with the VRO. Where ever possible and feasible, we are working towards to involve the local Government Departments for mobilizing Public funds. Totally, 21 experienced and trained volunteers are residing in the Villages under construction and are working hard to complete the Villages as per the schedule.

B. Programs

Micro Projects:

In South Andhra Area, totally 12 Micro Projects were under construction of which 03 were completed and handed over to the Village Communities for further use. The following gives brief state of Micro Projects which are under active process:

Region	Village	Project (s)
Nellore	Suddamadugu	House Improvements & Drinking Water
	Ponnavolu	House Improvements
	Thangedu Dibba	Stair Cases Construction, Women SHGs & Income Generation
	Srinivasapuram	State - II Construction, Women SHGs & Income Generation
Kadapa	Agraharam	Community Hall Construction
	Bosavapuram	Community Hall Construction
	Papireddy Palli II	Community Hall, Drinking Water & Sewing Machines
	Narasimhapuram	Drinking Water Supply & Verandas Construction
	Pendlimarri H.W.	Drinking Water Facilities

Community Child Care Program (CCCP):

Community Child Care Centers are being run in South Andhra Area in the four regions. CCCP is basically for Social, Physical and Intellectual Development of the Children in the age group of 3 is basically for Social, Physical and Intellectual Development of the Children in the age group of 3 – 5 years. This Program is mostly used by working Mothers in our Villages – the Children are left at the Center and the Mothers attend to their routine duties without any disturbance. The Child Care workers are also conducting Craft Classes during the noon besides helping people to access Government Welfare measures such as Old Age / Widow / Physically Handicapped pensions and other assistance to Female Children / Pregnant Women / HIV & AIDS infected cases. It was in principle, accepted by the Members of GoB – VRO that these CCCPs will be renamed as Village Service Centers (VSCs) from the forth coming Financial Year.

Health Center (HC):

In South Andhra Area 10 Health Centers are established in far – flung areas to cater to Health Education, First Aid work, Counseling and

Referral Services to the patients. The Health workers working in these Centers are trained and experienced. They are trained with Refresher courses every year. They also work in close association with the Health workers and Paramedical staff who visit these Villages from the Government Departments. They also provide Counseling and Referral Services to HIV & AIDS infected and affected cases.

Other Program (OP):

Women Empowerment (formation and strengthening of women Self – Help Groups [SHGs]), Forestry Development and Grama Shakthi (Village Empowerment) are the activities implemented by the trained volunteers of VRO at a few selected and central location of cluster of villages. Regular periodical Training Sessions and Village Contact Persons' meetings are conducted to capacitate and empower the stake – holders on several Village Development issues. Demonstration units of Tree plantation, Kitchen gardens, etc., are raised in these Centers.

C. Service Centers:

Village Learning Center (VLC):

During the reporting year, 02 Village Learning Centers are in operation. The Tamil Village Learning Center at Perecherla caters to the needs of Tamil migrant query workers children in Tamil medium of instruction. Totally, 76 Children in the age group of 06 – 12 years are getting benefited from the Tamil Learning Center. The other Center at Pallipalem in Nellore Region has been functioning for the Children of traditional Marine Fisher – folk and totally 52 Children in the age group of 06 – 12 years are availing the facility. Like-wise, the Transit School at 'Pragnam' Village in Guntur region has been providing Formal Education Program for School drop – out Adivasi Children in the age group of 07 – 14 years.

Basic Productivity Training Centers (BPTCs):

During the reporting year 03 BPTCs are functioning of which 01 is for Boys at Gandhi

Nagar in Nellore region and 02 for Girls – 01 in Nellore and 01 in Kadapa regions. The BPTCs are focusing at developing leadership skills and vocational development for the Children in the age group of 12 – 16 years. Formal Education is also being provided to the Children and they are appearing the Governmental School Examinations. Skills such as Carpentry, Tailoring, Wood Carving, Weaving, Embroidery, etc., are taught besides general education.

Child Labor Rehabilitation Center (CLRC):

The residential center CLRC at Ananthavaram in Nellore region has been providing Formal Education and Vocational Skills such as Tailoring and Carpentry to about 85 Children, both Boys and Girls, in the age group of 06 – 11 years. These Children hail from the neighboring 15 Micro Villages comprising of Backward Classes and Scheduled Caste Communities. Most of these Children are School drop – outs and never enrolled in school.

Children’s Villages (CV):

03 Centers known as “Children’s Villages” are being run to cater to the educational needs of Orphans and Semi – orphans. On the whole 70 Children are getting benefited by this program. These Centers are providing residential care and motherly affection to the unfortunate Children in the age group of 06 – 12 years.

Village Development Training Center (VDTC):

The Village Health and Child Development Center has been in operation with 15 Female youth and it provides basic village health issues, child development activities and skill development. These trainees, in the age group of 16 – 25 years, are selected from the neighboring villages and provided with the training for one year. A special curriculum is designed and the female youth are absorbed in different NGOs / Child Development Centers as Child Care workers and Women Animators / Organizers.

Village Youth Training Center (VYTC):

The Center at Rajupalem in Guntur region has been training 20 Male youth from the neighboring village communities and providing with special education in Computer Education, Social studies and Leadership Development. The Youth for Water (YfW) training center at Arogya Nagar in Kadapa region accommodates 20 Male youth and provides Technical training in Water management, Carpentry, Tailoring besides general Formal Education and Leadership Development.

Programs and Service Centers of South Andhra Area at a Glance

SN	Region	CCCP	VLC	BPTC	CLRC	HC	CV	VDTC	VYTC	OP
01	Guntur	08	02	01	--	02	01	--	01	01
02	Nellore	06	01	02	01	03	01 (III Units)	--	--	02
03	Kadapa	03	--	01	--	01	--	--	01	--
04	Tamilnadu	06	--	--	--	03	01	01	--	02
TOTAL		23	03	04	01	09	03	01	02	05

D. The Personnel achieving the Mission:

The Operating Personnel for Mission at grass-root level

Region	Confirmed Volunteers	Part Timers	Child Care workers	Auxiliary Staff	Total
Guntur	11	02	10	05	28
Nellore	15	05	06	09	35
Kadapa	09	00	03	02	14
Tamilnadu	09	07	06	07	29
Total	43	15	25	33	106



K. Ravi Pradeep

Area Director – Andhra South & OTL

Area - III Andhra South – Programs and Projects 2008 - 2009



ANANTHAVARAM_CHILDREN LEARNING CARPENTRY WORK



RP PALEM_KINDERGARTEN



WOMEN EMPOWERMENT _ SHGS



VARENJA NAGAR_BPTC_GIRLS LEARNING FABRIC PAINTING



BPTC_THOTLAPALLI_GIRLS AT PLAY



RAJUPALEM_VYTC

Finances – Auditor’s Report

To
The Members
Village Reconstruction Organization - India

We have audited the attached balance Sheet of Village Reconstruction Organization – India and all the regions as on 31st March, 2009 and the Receipts and Payments, Income and Expenditure Account of the Society for the year ended as on that date. These financial statements are the responsibility of the Society’s Managing Committee. Our responsibility is to express an opinion on these financial statements based on our audit report.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurances about whether the financial statements are free of material misstatement. An audit includes examining, on the test basis, 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We have obtained all the information and explanations, which to the best of our Knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by the VRO-India and all the Regions; so far as it appears from our examination of the books.
3. The Balance Sheet and the Income and Expenditure Account dealt with by this report are in agreement with the books of accounts.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes there on give the information required by the Societies Act, 1860 in the manner so required and give true and fair view.
5. In the case of the Balance of the state of affairs of the Society as at 31st March, 2009.
6. In the case of the Receipts and Payments Account, Income and Expenditure Account of the excess of expenditure over income of the Society for the year ended as on that date.

For Akasam & Associates
Chartered Accountants

Sd / -

S. Ravi Kumar
Partner – M. No. 28881

Place: Hyderabad
Date: 23-06-2009

Receipts & Payments Account for the year ending 31.03.2009

As at 31.03.2008	Receipts	As at 31.03.2009	As at 31.03.2008	Payments	As at 31.03.2009
48,314,951	OPENING BALANCE		195,021	SURVEY & RESEARCH	3,600
	Cash in Hand	193,107			
	Cash At Banks	8,648,713		PERSONNEL & TRAINING	
	Post Office	2,294	684,133	Volunteers Training	152,636
	Deposits/Mutual Funds	43,159,532	476,376	Gramashakthi	394,919
			571,097	Service Centre	133,752
40,420,010	Donations	73,841,163	54,195	Training Camps	830
			-	Pelican Echo-Center	17,510
499,737	Local Contribution	171,970	220,806	Sector Coordination	62,318
6,270,457	Bank Interest/ Dividends	2,312,667		ENVIRONMENT	
			271,280	Social Forestry	64,619
90,770	Sale Proceeds	197,850	-	VFC	23,606
			105,021	Land Development	-
80,748	Misc.Income	21,909	32,135	Tree Plantation	-
1,418,831	Villager's Contributions	1,074,550		COMPREHENSIVE DEVELOPMENT PROGRAMME	
				C C C P	1,482,848
10,600	Member Ship Fees	7,400	1,869,944	B.P.T.C	4,487,515
			3,016,586	Village Technology	41,710
58,800	Sale of Assets	566,900	102,493	CLR/CLCP	4,536,624
			4,217,227	V.L.P	1,791,286
-	Medical Contribution	36,620	1,599,606	VLGTC	278,310
			256,756	Youth and Scouts	731,390
3,259,282	Advances Recovered	152,000	822,515	Childrens Village	884,708
			628,067	Skill Training /Work Shop	166,962
20,000	Advance Received	65,000	283,076	Wood Carving	67,594
			-	Tailoring	43,633
-	Volunteers Savings	1,218,117	-	VHCDG	1,268,522
			943,744		-
				HEALTH,NUTRITION & SANITATION	
			1,337,384	Medical	1,516,256
			-	Lepra CH Thanda	93,517
			-	Mass/Micro/Water	423,610
			-	SELF HELP GROUPS	151,476
				CONSTRUCTION	
			13,485,351	Village Building Programme	36,581,063
			515,680	Sunset Training Center	749,326
			263,590	Village Maintenance	-
				TSUNAMI PROGRAMME	
			7,770,048	Village Building Programme	3,922,044
			657,681	Culture & Communication Organization	158,791
			287,006	Welfare	-
			120,304	Legal	325,927
			204,463	Administration	99,695
			2,843,275	Transport	6,100,961
			745,466	Bank Charges	1,253,881
			30,421	Accounts & Audit	41,954
			-	Building Repairs	191,893
			-	Interest on Secured Overdraft	830,161
			-	Advances Given	1,014,122
			3,493,177	Volunteers Savings	500,725
			-		1,218,117
				ASSETS :	
			-	Buildings	451,286
			-	Vehicles	209,272
			-	Office Equipment	50,249
			-	Furniture	105,820
			-	Computers	750,295
			336,614	Machinery	-
				CLOSING BALANCES	
			193,107	Cash in Hand	62,376
			8,648,713	Cash At Banks	19,537,860
			43,159,532	Deposits/Mutual Funds	38,691,930
			2,294	Post Office	2,294
100,444,186		131,669,792	100,444,186		131,669,792

Vide our report of even date attached
For akasam and associates
chartered accountants

Sd /-----

S. Ravi Kumar
Partner
M.No.28881

Place : Hyderabad
Date : 23-06-2009

For and on behalf of
Village Reconstruction Organisation (India)

Sd /-----
Operational Team Leader

Place : Hyderabad
Date : 23-06-2009

Sd /-----
Treasurer

Place : Hyderabad
Date : 23-06-2009

Income & Expenditure Account for the year ending 31.03.2009

As at 31.03.2008	Expenditure	As at 31.03.2009	As at 31.03.2008	Income`	As at 31.03.2009
-	SURVEY & RESEARCH	-	499,737	Local Contribution	171,970
	PERSONNEL & TRAINING		6,270,457	Bank Interest / Dividends	2,312,667
684,133	Volunteers Training	152,636			
476,376	Gramashakthi	394,919	90,770	Sale Proceeds	197,850
187,201	Service Centre	133,752			
-	Training Camps	830	80,748	Misc.Income	21,909
-	Pelican Echo-Center	17,510			
220,806	Sector Coordination	62,318	1,418,831	Villager's Contributions	1,074,550
			10,600	Member Ship Fees	7,400
	ENVIRONMENT				
271,280	Social Forestry	46,300	58,800	Sale of Assets	-
105,021	Land Development	-			
32,135	Tree Plantation	-	-	Medical Contribution	36,620
	COMPREHENSIVE DEVELOPMENT PROGRAMME		1,403,013	Excess of Expenditure Over Income	4,601,363
645,325	C C C P	352,087			
1,506,440	B.P.T.C	349,615			
102,493	Village Technology	-			
-	CLRP/CLCP	85,578			
644,833	V.L.P	695,238			
256,756	VLGTC	135,217			
351,087	Youth and Scouts	282,741			
-	Childrens Village	371,793			
-	Skill Training /Work Shop	16,901			
-	VHCDG	125,000			
	HEALTH,NUTRITION & SANITATION				
85,748	Medical	203,671			
-	Mass/Micro/Water	3,610			
-	SELF HELP GROUPS	151,476			
	CONSTRUCITION				
-	Village Building Programme	628,000			
515,680	Sunset Training Center	-			
	TSUNAMI PROGRAMME				
-	Village Building Programme	242,000			
548,993	Culture & Communication	57,917			
287,006	Organization	-			
120,304	Welfare	85,912			
204,463	Legal	99,695			
718,541	Administration	600,500			
30,421	Bank Charges	41,954			
1,040,414	Interest on SOD	1,519,568			
797,500	Loss on Sale / Written off Asset	1,567,592			
9,832,956		8,424,329	9,832,956		8,424,329

Vide our report of even date attached
For akasam and associates
chartered accountants

Sd/-----
S. Ravi Kumar
Partner
M.No.28881

Place : Hyderabad
Date : 23-06-2009

For and on behalf of
Village Reconstruction Organisation (India)

Sd/-----
Operational Team Leader

Sd/-----
Treasurer

Place : Hyderabad
Date : 23-06-2009

Place : Hyderabad
Date : 23-06-2009

Balance Sheet as on 31.03.2009

As at 31.03.2008	Liabilities		As at 31.03.2009	As at 31.03.2008	Assets		As at 31.03.2009
	CAPITAL FUND :				FIXED ASSETS :		
69,042,020	Opening Balance	67,916,821		66,317,359	Opening Balance	65,797,674	
336,614	Add : Assets Acquired out of Donor Funds	1,566,922		336,614	Add : Additions for the year	1,566,922	
1,461,813	Less : Excess of Expenditure	4,601,363	64,882,380	65,797,674	Less: Sale of Assets	2,134,491	
67,916,821	Over Income						65,230,105
				1,699,513	ADVANCES/LOANS		1,998,740
29,957,990	CORPUS FUND		29,957,990	87,394	DEPOSITS		87,394
	DONOR AGENCY				CLOSING BALANCES		
5,287,343	Opening Balance	8,755,034		193,107	Cash in Hand		62,376
40,420,010	Add : Donations	73,841,163		8,648,713	Cash At Banks		19,537,860
45,707,353		82,596,197		2,294	Post Office		2,294
36,952,319	Less : Expenditure	67,790,930		43,159,532	Deposits/Mutual Funds		38,691,930
8,755,034			14,805,267				
25,200	MEMBERSHIP FEES		25,200				
-	VOLUNTEERS SAVINGS		2,436,234				
12,858,781	SECURED OVER DRAFT		13,364,227				
74,401	SUNDRY PAYABLES		139,400				
119,588,227			125,610,698	119,588,227			125,610,698

Vide our report of even date attached
For akasam and associates
chartered accountants

For and on behalf of
Village Reconstruction Organisation (India)

Sd/-----
S. Ravi Kumar
Partner
M.No.28881

Sd/-----
Operational Team Leader

Sd/-----
Treasurer

Place : Hyderabad
Date : 23-06-2009

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Disclosure of Significant Accounting Policies

1. The Society is following the system of cash basis accounting.
2. Foreign grants received by the society are accounted for as per the exchange value credited by the bank taking into account the prevailing foreign exchange conversion rate.
3. Donor Account represents the donations received in foreign exchange for the reconstruction of villages. In the absence of detailed break up for the Opening Balance the same is adopted as per the last year's balance sheet and donations received during the year are added and the amount spent was reduced there from to arrive at the balance as at 31st March, 2009.
4. The Grants / donations received by the society are accounted for on receipt basis.
5. The materials issued to the construction sites for various purposes are treated as materials consumed during the year.
6. There are no contingent liabilities.
7. Accounting for Taxes on Income: Accounting standard 22 on accounting for taxes on income is not applicable to this society, as this society's income is exempt under the Income Tax Act 1961.
8. Transfer of Funds to Regions / Inter – Region Transfer of Funds within the State:
The receiving region of the Society credits the amount under the head 'Transfer from other Region' (Receipts) and the remitting Society Debits the same under the head 'Transfer to other Region' (Payments) and in consolidated accounts these are set off against each other like contra entries.
9. Treatment of Fixed Assets and Depreciation:
Assets acquired under the project are valued at historical cost including all direct costs (i.e. purchase price, transportation expenses, installation charges and other expenses incurred for bringing the fixed asset in working condition), incurred prior to its first use. In consonance of financial guidelines, no depreciation is charged on fixed assets.
A schedule of Fixed Assets has not been given along with the financials giving the details of assets since the breakup of opening balance is not available. It is suggested for the financial year 2009 – 10.
10. Treatment of Interest earned in the Bank account:
Interest earned on the funds kept in the Saving Bank Account / Mutual Funds maintained by the Society is accounted as Receipt to be utilized for the same purposes for which the grant was received and subject to the same norms / guidelines.

NOTES FORMING PART OF ACCOUNTS:

1. No Depreciation is being provided on the Fixed Assets.
2. Foreign grants received by the bank taking into account the prevailing foreign exchange conversion rate.
3. The Grants / donations received by the society are accounted for on receipt basis.
4. Interest on bank deposits, Mutual Funds and grants has been accounted on receipt basis. During the year Rs.3,86,91,930/- amount of mutual fund was redeemed and reinvested in various Funds.
5. The materials issued to the construction sites for various purposes are treated as materials consumed during the year.
6. Secured Overdraft of Rs.1,33,64,227/- was taken from Union Bank of India, Hyderabad by hypothecating of Fixed Deposits of the Organization.

Vide our report of even date attached

For Aakasam and Associates
Chartered Accountants

Sd/-

S. Ravi Kumar

Place: Hyderabad
Date : 23-06-2009

For and on behalf of
Village Reconstruction Organization

Sd/-

Operational
Team Leader

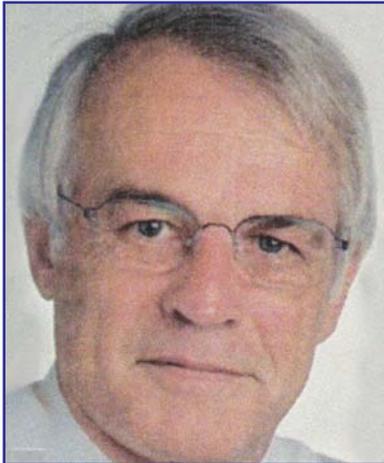
Place: Hyderabad
Date : 23-06-2009

Sd/-

Treasurer

Place: Hyderabad
Date : 23-06-2009

Finances - Treasurer's Report



Ladies and Gentlemen,

I herewith present you with my general comments regarding the VRO Consolidated Financial Statements 2008/2009, held-up as of closing March 31, 2009. For more detailed

information on accounting facts and matters, please refer to the relevant consolidated balance sheet and related accounts as herewith attached. I would like to take this opportunity, however, to inform you about what has been initiated and/or already achieved in terms of controlling and transparency regarding our financial administration and operations.

Reported financial period:

The annual Financial Statements for the period ending March 30, 2009, i.e. the assets-, liabilities-, income- and expenditures accounts, as herewith attached, were properly maintained in accordance with the from time to time established legal rules and regulations, and thoroughly examined by the responsible staff under my supervision, all further co-acknowledged by my good self. However, it must be pointed out, that the style and quality of those financial statements do not allow sufficient information and transparency for VRO's European donors. Their main concerns remain unchanged, i.e. they need to be transparently evidenced, that their donations to VRO efficiently reach the poorest of the poor, and they vigorously shy away from any facts and danger

of their donations disappearing within the organization itself. VRO has of course tried to regularly inform their donors by means of financial statements. The problem was that the donors so far did not have the possibility of checking on their account data as they wished. Accordingly, and as a further step toward a material improvement of the reporting quality toward the Donors, we thus foresee a direct on-line access to allow them to confidentially review their own account data via Internet.

New software:

During the reporting period the necessary pre-arrangements were made to introduce professional accounting software at VRO. For the ongoing financial period 2009-2010 we have started to work with the Tally-9-Softwares, but we first of all we had to establish a common understanding as far as the accounting definitions re. Cost centers and Cost categories are concerned.

New budget:

The new Budget 2009-2010 is structured on a variety of cost centers, such as: construction projects (old/new), service centers (six different types) and programs (three different types). The consolidation of the Financial Statements 2008-2009 contains a summary of around 127 detailed single field-budgets with the cost categories duly lined-up therein. Included in the Cost Centers of those budgets are the overhead expenditures, including office costs.

New donor's agreements:

Those detailed field-budgets represented the negotiation base for establishing the donor agreements, and by doing this, we successfully managed to conclude agreement with each major donor in Europe. Hence, we are now in a comfortable situation that for almost all programs and service centers a new donor has been found covering the current period 2009-2010.

“Old” VRO-Villages:

On the other hand: VRO has to bear all shortfalls resulting from the additional cost of the “old villages” which exceeded the initial original budgets.

New cost distribution key:

In the various budgets of the different Cost Centers all overhead expenditures e.g. office costs are included. For the first time, VRO has a clear distribution key, which is shortly defined as follows:

Overhead Costs – percentage surcharge

Kind of Activity	total	Regional Office	Area Office	Head Office
Construction Projects	05%	00%	02%	03%
Development Programs	15%	07%	05%	03%
Service Centres	15%	07%	05%	03%

Current Financial period 2009-2010:

The requirement allowing a transparent and efficient preparation of a professionally run accounting system is now in place. The Finance Team is presently preparing an *Interim Financial Status-Report as of June 30, 2009*. Although we do not expect any miracles, it will be assured that all will be done to constantly improve and optimize the new accounting system. I hope that I will be in a position to inform you upon my next following annual report, that the herein indicated renovation process is concluded and that the new accounting system will be up and running at our full satisfaction.

Management enhancements:

The professional budgeting process relating Cost Centers, as defined, must further be used as a foundation for a better management of human resources and more efficient use-management of materials and services. Further, the Operation Team works hard to meet the challenges of a constant optimization of the working process within the organization itself, but also as far as the overall leadership on all levels of operation is concerned.

Walter Linsi
Treasurer - VRO

Budget 2009 - 2010

Consolidated Budget 2009 - 10 of Construction Projects, Service Centres and Programmes									
S.No.	Details	Units	Area 1 Orissa	Area II Andhra North	Area III Andhra South	Total	Local Contribution	Donor Contribution	Balance Remarks
INR									
I	Construction Projects								
1	Old Villages	16 V/710 F	1,314,500	6,471,615	15,863,117	23,649,232	3,560,000	0	(20,089,232)
2	New Villages	10 V/408 F	0	19,459,237	14,808,883	34,268,120	2,449,930	28,917,181	
	Sub Total (A)		1,314,500	25,930,852	30,672,000	57,917,352	6,009,930	28,917,181	
II	Service Centres								
1	BPTC	11	4,210,150	1,153,954	2,329,828	7,693,932	110,205	7,583,727	
2	CLRC	4	0	5,070,479	1,610,000	6,680,479	152,911	6,527,568	
3	CV	2	0	0	977,500	977,500	21,346	956,154	
4	OAH	2	805,000	460,000	0	1,265,000	20,145	1,244,855	
5	VLC	10	317,400	1,455,740	667,783	2,440,923	33,339	2,407,584	
6	VDTC	6	747,500	1,288,963	1,628,267	3,664,730	64,280	3,600,450	
	Sub Total (B)		6,080,050	9,429,136	7,213,378	22,722,564	402,226	22,320,338	
III	Programmes								
1	CCCP	47	427,800	1,639,900	1,283,400	3,351,100	32,336	3,318,764	
2	HC	16	288,650	967,184	1,341,605	2,597,439	120,050	2,477,389	
3	OP	5	0	87,033	805,000	892,033	38,600	853,433	
	Sub Total (C)		716,450	2,694,117	3,430,005	6,840,572	190,986	6,649,586	
Grand Total (A+B+C)			8,111,000	38,054,105	41,315,383	87,480,488	6,603,142	57,887,105	(20,089,232)

Ch. Venkateswara Rao
Chief Controlling

Looking Forward to 2010

“Better Villages for a Better World”

This our old slogan is as valid as ever. Only the emphasis is slowly changing with the change of time and circumstances. In the beginning of VRO our organisation was a pioneer in building houses and whole villages. And the material and physical building of houses was indeed one of the main purposes of VRO, as also our name of **Village Reconstruction Organisation** is indicating. This idea was well understood and taken up by the donors.

In the meantime the government of India has started big programmes for building houses for the poor. So today we are indeed confronted with a new situation. But still: VRO is also today needed with its original activities. First of all VRO can and should supplement the efforts of government and work more than it did before in union with the public sector. Secondly VRO is also able to contribute a spiritual and humanizing dimension to the material building of houses.

But in the long run the emphasis of VRO will have to change from a mere material and physical building of houses for villages to the building of living and human village communities. VRO has also realized in the course of time, that ultimately it is not enough, to provide a “roof over their heads” for the poor, but more and other infrastructural facilities and programmes are needed, to make life in the villages not only more human but in many instances at least possible.

VRO has started with these programmes already long ago. So this ship of emphasis is nothing

entirely new. Schools and Kindergartens, health Centres and safe drinking water facilities, small loans for village entrepreneurs, self help groups and many other programmes have been started, because they have proofed necessary and important. It is this direction in which VRO will move now more and more, - without forgetting and leaving aside its original village activities to build new villages.

Besides this shift in emphasis I personally have a dream: And I feel and hope, that this dream also meets the deepest aspirations of Fr. Windey and of anybody, who is engaged in development. The work of VRO cannot be an end in itself. All our efforts can have only one end, to make people independent, even independent from our help. As long as this help is required, it should be given in a subsidiary way, meaning: subsidising and motivating the peoples own efforts towards greater independence. Only independent people can be called really free.

Do not worry: even in futures there will always be ample opportunities in India for VRO and its volunteers to work for other poor people in other places of this vast country. Because, as a biblical saying has it: “Poor you will have always with you!” And I add here for all of us: there will always be the necessity for a helping hand. VRO is able to extend this hand, - your hands, dear volunteers and donors, - to the poorest of the poor.

Joe Übelmesser SJ
President of VRO