

CONGRESS WORKING PARTY 4: MSF AND FINANCE

16th December 2009

1. The Muhammad Subuh Foundation (MSF) was founded in 1991 stating “the purpose of the Foundation is to support the aims of the World Subud Association (WSA) by managing money well.” MSF has the same aims as the WSA. The MSF annual budget is agreed in a meeting of the WSA directors and the MSF trustees. The MSF trustees are appointed by the WSA directors. In recent years the MSF, WSA cooperation has been strong; for instance, MSF trustees have participated in WSC meetings.

2. The World Subud Council (WSC) has suggested the following initial questions for the MSF and finance working party:

- a) How can Subud bodies cooperate to fundraise in a more cooperative way according to agreed upon ethical guidelines? Can the WSA and/or the MSF fundraise for members’ projects and according to what guidelines and standards?
- b) How can we strengthen the contribution of the WSA to the work of the MSF (including cooperation with national committees)?
- c) How can we strengthen the contribution of the MSF to the work and development of the WSA (including, for example, capacity building, use of Subud houses, WSA archives, and international helper travel)?
- d) What is the cross fertilization to the other working parties?

3. MSF asked for the following to be included:

1. A discussion on the need and value of an annual joint fundraising campaign involving key international Subud bodies and the National Committees.
2. How MSF can more effectively work with the National Committees and/or develop an extensive, reliable and dedicated team of MSF National Liaisons.
3. How WSA could assist in promoting awareness of MSF within the membership and with fundraising?
4. How groups can use their latihan halls to generate income?
5. How to more meaningfully engage Subud enterprises in supporting MSF’s mandate of building the financial resources needed to fund the long-term aims of the WSA and Subud internationally.
6. A Discussion of micro-enterprises and the role MSF, SDIA and SES can play in supporting such ventures more fully.

4. WSA finances from 2006-9 (3rd quarter): extracts from ISC/WSA executive financial report:

Income: WSA member countries in average covered 41%; grants represented 18% and enterprises/individuals 10% and 23% of total income.

- In European countries a large part comes from a small group of older members.
- In some countries in zone 3, income from the rental of Subud houses is increasing

Expenditure: WSA's work programmes are grouped into three areas: the Kejiwaan 28%, Media 11% and Human Activity Programs 14%; the fourth expenditure area is supporting services: 47%.

Figures US\$K:	2005	2006	2007	2008	2009 3Q
Income:	286	362	586	437	281
Expenditure:	252	343	310	338	324

(Adjusted to exclude special purpose donation)

Balance Sheet: In 2004, WSA showed net assets of ca \$117k. By September 2009, net assets had been increased to \$368k, representing 27% p.a. cumulative growth, to a large degree made possible by the special donation and, following the sale of the PTSW building, other donations from individuals. With negligible liabilities and safe deposits for its cash funds, the balance sheet is solid.

5. Recommendations from ISC/WSA executive:

- Fundraising: Agreements on fund raising are needed between e.g. WSA/MSF/SDI and national Subud organisations. Consider establishing joint or coordinated fund raising projects. Awareness building among members about Subud's international aims and projects.
- Build on the examples of some Subud countries, e.g. Britain, on how to generate income from Subud Houses and create awareness and enthusiasm in other countries to do the same. This could be done by a dedicated task force.
- WSA should consider the effectiveness of the present governance structure, i.e. the World Subud Council, and how it could be improved to justify expenses at the order of 8% of total WSA costs.
- Improve operative agreements between WSA/MSF/Wings that are needed to define areas of operative responsibilities and synergies, and ultimately to provide for also financial transparency. Communicate agreements jointly to the membership.
- Establish annual *pro forma* consolidated financial accounts for the main international Subud bodies.

6. Consolidated accounts

Thanks to Leonard van Hien, an unaudited *pro forma* consolidated balance sheet has been developed including WSA, MSF, SDIA, SICA, SIHA, SPI, YMS and YS. Total consolidated net assets have been calculated to be US\$ 4.8 million. MSF holds almost 2/3 of net assets, while the remainder is held mainly by SDI (12%), YMS (10%) and WSA (8%).