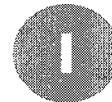


TRANSNATIONAL INSTITUTE

ANNUAL REPORT

2009



| CONTENTS | Page |
|--|-------------|
| <i>Aims of TNI</i> | 1 |
| <i>Composition of the Board of Directors</i> | 1 |
| <i>Personnel. Salaries.</i> | 1 |
| <i>Notes to the accounts and other information</i> | 1, 2 |
| <i>Balance Sheet as per December 31th, 2009</i> | 3 |
| <i>Notes to the Balance Sheet, December 2009</i> | 4 and 5 |
| <i>Summary of the Profit and Loss Account 2009</i> | 6 |
| <i>Profit and Loss Account 2009</i> | 7 |
| <i>Notes to Profit and Loss Account 2009</i> | 8 |
| <i>Summary of the projects 2009</i> | 9 |
| <i>Funders of TNI in 2009</i> | 10 |
| <i>Report of the Auditors</i> | 11 |



Accountants, Tax & Legal Advisers

Document to which our auditor's report of

3 1 MEI 2010

also refers
Initials for identification purposes

May 2010

AIMS OF TNI

The foundation "Stichting Transnational Institute" was created on March 21st of 1974.

The aims of the foundation are:

- to undertake, promote and supervise scientific research in the fields of culture, politics and social sciences;
- to create and promote international cooperation in the study of and research into solutions for world problems such as pollution, militarism, social injustice and racism on the one hand and development on the other hand.

The foundation shall attempt to realise its goal by, amongst other things:

- providing courses (in study groups) and organising international scientific conferences and
- collaborating with non-profit organisations which have a similar objective

COMPOSITION OF THE BOARD OF DIRECTORS

The Executive Board of Directors of the Transnational Institute consists of:

Susan George (chairperson)
David Sogge (honorary secretary)
Kees Biekart (treasurer)

PERSONNEL

In 2009 the foundation had 15,62 employees (FTE) (in 2008: 17,2) on the payroll. For 1 of them the costs are (partly) covered by a contribution of EUR € 18.422 in 2009 (in 2008: 23.596 €) under the terms of job creation.

The costs of the employees on the payroll are (in EUR):

| | <u>2009</u> | <u>2008</u> |
|---|----------------|----------------|
| Salaries | 616.760 | 575.392 |
| Social securities (incl sickness insurance) | 99.536 | 94.115 |
| Pension premium | 25.313 | 24.362 |
| | <u>741.609</u> | <u>693.869</u> |

SALARIES

The maximum salary within TNI in 2009 does not exceed the "Balkenende norm", which is set at scale 19 of the BBRA, amounting to Euro 124,072.97 for 2009. TNI's highest salary is set at scale 12 of the CAO Welzijn. This scale 12 amounted to 62,869 euro over 2009.

NOTES TO THE ACCOUNTS AND OTHER INFORMATION - part 1

General

Assets and liabilities are stated at face value unless a different valuation principle is mentioned.

RJ 640

This presentation of the financial statements is in accordance with Dutch Accounting Standard Board's Guideline for Annual Reporting 640 for not-for-profit organisations.

Currency

Amounts denominated in foreign currency have been calculated at the last known rates for the financial year, using Oanda Currency Converter, cash rate tables. Exchange differences are accounted for in the profit and loss account, unless a different rate is mentioned.



Document to which our auditor's report of

31 MEI 2010

also refers
Initials for identification purposes

NOTES TO THE ACCOUNTS AND OTHER INFORMATION - part 2

Comparative figures

The figures for the previous year included in the annual accounts have been adjusted for purposes of comparison only.

Changes in accounting principles

The valuation and the principles for determination of results remained unchanged compared to 2008.

Fixed assets

These are shown at historical cost. Depreciation and amortisation are calculated based upon these assets according to the straight line method on the expected useful life of the class of asset concerned. If there is deemed to be a permanent diminution in the value of an asset, the appropriate value adjustment is made.

Receivables

Receivables are stated at face value with a net of provisions for doubtful debts where necessary.

Changed categories

Service Charges have moved from Building Costs to Income .

KP 4.1, Water, is renamed KP 3.4 and is now part of the Trade and Development Programme.

The 2008 balance of the Water Project was added to the balance of the Trade and Development Programme.

KP 2.3 has been renamed from Madison Dialogue into CANTV/MSP.

Web contributions from the projects have been moved from Core income to Web/Publications costs.

OTHER INFORMATION

Allocation of results

The result has been allocated to the general reserves in advance of discussion of the Meeting of the Board of Directors.



Schippers

Accountants, Tax & Legal Advisers

Document to which our auditor's report of

31 MEI 2010

also refers
Initials for identification purposes

BALANCE SHEET AS PER DECEMBER 31th 2009

| ASSETS | | 12/31/2009 | 12/31/2008 |
|---|---------|-------------------|-------------------|
| | | EUR | EUR |
| Fixed assets | | | |
| Building (1) | | 2.190.696 | 2.252.724 |
| Office equipment (2) | | 4.077 | 8.522 |
| | | <u>2.194.773</u> | <u>2.261.246</u> |
| Receivables | | | |
| Accounts receivable | Note: A | 112.474 | 22.039 |
| Grants (3) | Note: A | 654.423 | 950.919 |
| Advances | | 5.444 | 3.241 |
| Other receivables (4) | Note: B | 20.763 | 4.076 |
| Prepayments (5) | | 14.283 | 19.053 |
| | | <u>807.387</u> | <u>999.328</u> |
| Cash | | | |
| Petty cash | | 5.172 | 2.513 |
| ABN-Amro Bank | | 415.717 | 382.893 |
| Triodos Bank | | 9.456 | 9.008 |
| Accounts in foreign currencies (6) | Note: C | 332.069 | 20.200 |
| | | <u>762.414</u> | <u>414.614</u> |
| Total assets | | <u>3.764.574</u> | <u>3.675.188</u> |
| LIABILITIES | | | |
| Equity | | | |
| Balance previous years | | 981.099 | 796.452 |
| Result current year | | 151.864 | 184.647 |
| | | <u>1.132.963</u> | <u>981.099</u> |
| Provisions | | | |
| Samuel Rubin's Scholarship Fund (7) | | 5.458 | 11.636 |
| Buiding restoration (8) | | 8.952 | 19.358 |
| | | <u>14.410</u> | <u>30.994</u> |
| Long term liabilities | | | |
| Triodos Bank, mortgage (9) | | <u>1.739.634</u> | <u>1.741.645</u> |
| Current liabilities | | | |
| Triodos Bank, mortgage, redemption due in the coming year | | 1.848 | 1.848 |
| Project balance (10) | Note: D | 121.484 | 729.800 |
| Grants next year (11) | Note: E | 561.207 | 17.500 |
| Accounts payable | | 56.891 | 47.264 |
| Wage withholding tax | | 37.739 | 22.599 |
| Provision vacationpay | | 32.761 | 26.549 |
| Security on rent | | 11.282 | 9.282 |
| Interest mortgage Triodos Bank | | - | 5.320 |
| Rent and services charges next year | | - | 1.978 |
| Other current liabilities (12) | | 54.356 | 59.310 |
| | | <u>877.567</u> | <u>921.450</u> |
| Total liabilities | | <u>3.764.574</u> | <u>3.675.188</u> |

Explanatory Notes to the Balance Sheet

A: Not all grants secured in 2009 were fully paid in 2009, hence the rise in Accounts Receivable.

B: Not all contributions contracted with third parties had been paid by the end of the year.

C: Some grants received in 2009 were in US dollars.

D: At the end of 2008, substantive funds were carried over for expenditure in 2009 in accordance with contracts with funders. (729.800 euro). In 2009, these funds were mainly spent, which explains the lower project balance relative to the previous year.

E: TNI secured a number of grants in 2009 to be spent in 2010 (587.000 euro) Schippers

F: We limited our expenses for the Asia-Europe People's Forum and were unable to repay 25.501 euro to the Dutch Ministry for Foreign Affairs in 2009. (See no: 12 p. 49) Document to which our auditor's report of

3 1 MEI 2010

also refers
initials for identification purposes

NOTES TO THE BALANCE SHEET, DECEMBER 2009 - part 1

12/31/2009
EUR

12/31/2008
EUR

Assets and liabilities are stated at nominal value, unless otherwise explained.
Fixed assets are stated at cost less accumulated depreciation.

FIXED ASSETS

(1) **Building Costs**

| | | |
|---|------------------|------------------|
| Opening balance | 2.481.123 | 2.481.123 |
| Investments | - | - |
| | <u>2.481.123</u> | <u>2.481.123</u> |
| Accumulated depreciation of the building | | |
| Opening balance | 228.399 | 166.371 |
| Charge for the year | 62.028 | 62.028 |
| | <u>290.427</u> | <u>228.399</u> |
| Net book value | <u>2.190.696</u> | <u>2.252.724</u> |

The depreciation rate is 2,5 % per annum.

(2) **Office equipment cost**

| | | |
|--|---------------|---------------|
| Opening balance | 54.075 | 55.009 |
| Investments 2009 | 1.693 | 2.783 |
| | <u>55.768</u> | <u>57.792</u> |
| Fully depreciated | 6.128- | 3.717- |
| | <u>49.640</u> | <u>54.075</u> |
| Accumulated depreciation of equipment | | |
| Opening balance | 45.553 | 36.494 |
| Charge for the year | 6.138 | 12.776 |
| | <u>51.691</u> | <u>49.270</u> |
| Fully depreciated | 6.128- | 3.717- |
| | <u>45.563</u> | <u>45.553</u> |
| Net book value | <u>4.077</u> | <u>8.522</u> |

The depreciation rate is 25% or 33,33 % per annum.

RECEIVABLES

(3) **Grants**

| | | |
|-----------------------------------|----------------|----------------|
| Dutch Ministry of Foreign Affairs | 234.893 | 700.333 |
| Novib | 300.000 | - |
| European Commission Europe Aid | 71.876 | - |
| Samuel Rubin Foundation | 30.384 | - |
| Isvara Foundation | 11.000 | 10.000 |
| GTZ | 6.270 | 41.800 |
| Ministerie van Buitenlandse zaken | - | 75.000 |
| Heinrich Boll Stiftung | - | 14.761 |
| Foundation Open Society Institute | - | 109.025 |
| | <u>654.423</u> | <u>950.919</u> |

(4) **Other receivables**

| | | |
|----------------|---------------|--------------|
| Loan employees | 1.750 | 4.076 |
| Miscellaneous | 19.013 | - |
| | <u>20.763</u> | <u>4.076</u> |



Accountants, Tax & Legal Advisers
Document to which our auditor's report of

3 1 MEI 2010

also refers
Initials for identification purposes

NOTES TO THE BALANCE SHEET, DECEMBER 2009 - part 2

| | 12/31/2009 EUR | 12/31/2008 EUR |
|---|-------------------|-------------------|
| (5) Prepayments | | |
| Prepaid personnel costs | 1.028 | 3.375 |
| Prepaid housing costs | - | 9.843 |
| Prepaid office costs | 1.034 | 2.462- |
| Prepaid travel costs | 12.221 | 8.297 |
| | <u>14.283</u> | <u>19.053</u> |
| (6) Accounts in foreign currencies | | |
| ABN-Amro Bank USD | 317.339 | 6.315 |
| ABN-Amro Bank GBP | 10.206 | 8.747 |
| First Union National Bank USD | 4.524 | 5.138 |
| | <u>332.069</u> | <u>20.200</u> |

The exchange rates at year end was: \$ = € 0,670 (in 2008: € 0,762); GBP = € 1,0667 (in 2008: € 0,956)

PROVISIONS

| | | |
|--|--------------|---------------|
| (7) Samuel Rubin's Scholarship Fund | | |
| Opening balance | 11.636 | 6.670 |
| Provision | - | 4.966 |
| Expenditure | 6.178- | - |
| | <u>5.458</u> | <u>11.636</u> |
| (8) Building restoration | | |
| Opening balance | 19.358 | 79.662 |
| Provision | 5.000 | 30.000 |
| Restoration | 15.406- | 90.304- |
| | <u>8.952</u> | <u>19.358</u> |

(9) LONG TERM LIABILITIES

| | | |
|--|------------------|------------------|
| Triodos Bank, mortgage 21.21.49.342, due in 2025 | 1.600.000 | 1.600.000 |
| Triodos Bank, mortgage 21.21.49.237, due in 2025 | 141.482 | 143.493 |
| | <u>1.741.482</u> | <u>1.743.493</u> |

The mortgage to Triodos Bank is specified as follows:

| | | |
|--|------------------|------------------|
| Balance | 1.741.482 | 1.743.493 |
| Included in the current liabilities: | 1.848- | 1.848- |
| The redemption due in the coming year. | <u>1.739.634</u> | <u>1.741.645</u> |

The mortgage is granted on security, 2.250.000 €, of the building at De Wittenstraat 25, Amsterdam. The term of the loan is 20 years. The redemption of mortgage number 21.21.49.342 will take place at the end of the loan, January 1st 2025. The redemption of mortgage number 21.21.49.237 takes place in 240 monthly terms. The first term became payable at June 1st 2005. The terms are € 642 each month (interest included). The interest is set at 3,99%. Fixed rate until 1-1-2010.

(10) CURRENT LIABILITIES

| | | |
|--|----------------|----------------|
| Project balance (see summary of the projects) | <u>121.484</u> | <u>729.800</u> |
|--|----------------|----------------|

(11) Grants next year

| | | |
|------------------|----------------|---------------|
| Novib | 468.008 | 17.500 |
| Rubin Foundation | 30.384 | - |
| GTZ | 42.000 | - |
| CEVI/EC | 20.814 | - |
| | <u>561.206</u> | <u>17.500</u> |

(12) Other current liabilities

| | | |
|---------------------|---------------|---------------|
| Accountant | 8.000 | 8.000 |
| Prepaid expenses | 12.790 | - |
| AEPF overschot BuZa | - | 25.501 |
| Miscellaneous | 33.566 | 25.809 |
| | <u>54.356</u> | <u>59.310</u> |



Accountants, Tax & Legal Advisers

Document to which our auditor's report of

31 MEI 2010

also refers
initials for identification purposes

SUMMARY OF THE PROFIT AND LOSS ACCOUNT 2009

(Note: Amounts are rounded to multiples of 100 euro)

| | real 2009 in euro | in % | budget 2009 in euro | in % | real 2008 in euro | in % |
|--------------------------------------|----------------------|--------|------------------------|--------|----------------------|--------|
| Income | | | | | | |
| Core income (balance projects INCL.) | 789.800 | 36,7% | 455.300 | 22,8% | 805.100 | 29,8% |
| Project income | 1.361.600 | 63,3% | 1.545.400 | 77,2% | 1.895.400 | 70,2% |
| | <u>2.151.400</u> | 100,0% | <u>2.000.700</u> | 100,0% | <u>2.700.500</u> | 100,0% |
| Expenditure | | | | | | |
| Administration & fundraising | 440.900 | 22,1% | 508.700 | 24,0% | 370.100 | 14,8% |
| Research & activities - core | 197.000 | 9,9% | 167.300 | 7,9% | 250.300 | 9,9% |
| Research & activities - projects | 1.361.600 | 68,1% | 1.453.700 | 68,3% | 1.895.400 | 75,3% |
| | <u>1.999.500</u> | 100,0% | <u>2.129.700</u> | 100,0% | <u>2.515.800</u> | 100,0% |
| Balance | <u>151.900</u> | | <u>129.000-</u> | | <u>184.700</u> | |

RESULT

The result in 2009 of EUR 151866 and the result in 2008 of EUR 184.649 are calculated as follows:

| | 2009 | 2008 |
|--------------------------------------|----------------|----------------|
| Core income (balance projects EXCL.) | 789.792 | 745.174 |
| Administration & fundraising | 440.888 | 370.093 |
| Research & activities - core | 197.038 | 250.345 |
| | <u>637.926</u> | <u>620.438</u> |
| | 151.866 | 124.736 |
| Balance core projects | - | 59.913 |
| | <u>151.866</u> | <u>184.649</u> |

Explanatory Notes to the Profit and Loss Accounts

G: A payment of 5,930 euro was mistakenly double booked in 2008, so the income for subsidised jobs in 2008 and 2009 is more or less equal.

H: We received less rent than budgeted as not all offices were rented out all year.

I: Interest rates declined in 2009 as did our average balance compared to the previous year.

J: Thanks to a contribution from NOVIB, our miscellaneous Core Income went up from 779 euro to 212.685euro.

K: In 2009, we received a lot less in grants than the previous year. As overheads are charged on grants received, the overhead figure went down proportionally.

L: Miscellaneous project income denotes either contributions for third parties on which TNI does not charge overheads, or contribution from partners for joint activities. TNI received significantly less miscellaneous project income relative to 2008.

M: In 2008, we invested 30,000 euro towards major renovation of the building. In 2009, no major jobs were planned immediately so we allocated just 5,000 to the Maintenance Fund.

N: The rise in Office and Communications costs is mainly due to investments in the hiring of consultants to help us with professionalisation of our policies and systems, and to assist with fundraising.

O: In 2009, we had less applications for Samuel Rubin Next Generation programme grants.

P: Web and Publications costs went up in 2009, in fact, as we employed consultants to redesign our website and convert to open source software.

Q: There was no WSF in 2008, whereas there was in 2009.

R: Due to a misinterpretation of Dutch Tax system on labour, we hugely overbudgeted salary costs.

S: Reduced income requires a reduction in activities and thus activity costs. See also notes K and L.



Schippers
Accountants, Tax & Legal Advisers

Document to which our auditor's report of

3 1 MEI 2010

also refers

initials for identification purposes

PROFIT AND LOSS ACCOUNT 2009

| INCOME | | real 2009 EUR | budget 2009 EUR | real 2008 EUR |
|---|---------|---------------------|-----------------------|---------------------|
| Core Income | | | | |
| Rubin Foundation | | 95.165 | 89.100 | 81.584 |
| Reallocated money | | 211.486 | - | 377.966 |
| NV Werk/PANTAR | Note: G | 12.492 | 14.280 | 23.596 |
| Rent | Note: H | 162.586 | 173.800 | 162.798 |
| Publications & royalties | | 499 | - | 1.459 |
| Interest | Note: I | 11.145 | 8.000 | 18.988 |
| Exchange losses/gains | | - | - | - |
| Samuel Rubin's Scholarship Fund | | 6.178 | - | - |
| Miscellaneous | Note: J | 212.685 | 90.000 | 779 |
| Overheads | Note: K | 77.556 | 80.167 | 115.615 |
| Subtotal | | 789.792 | 455.347 | 782.785 |
| Balance of core projects | | - | - | 59.913 |
| Total core income | | 789.792 | 455.347 | 842.698 |
| Project Income | | | | |
| Received grants | Note: K | 889.479 | 847.879 | 2.702.205 |
| Reallocated money | | 211.486- | 60.000 | 377.966- |
| NV Werk / PANTAR | | - | - | - |
| Publication sales | | 11 | - | 184 |
| Miscellaneous | Note: L | 75.285 | 74.457 | 202.607 |
| Subtotal | | 753.289 | 982.336 | 2.527.030 |
| Project balance | Note: D | 608.314 | 563.024 | 631.603- |
| Total project income | | 1.361.603 | 1.545.360 | 1.895.427 |
| TOTAL INCOME | | 2.151.395 | 2.000.707 | 2.738.125 |
| EXPENDITURE | | | | |
| Core: Administration and fundraising | | | | |
| Personnel cost | Note: S | 215.115 | 263.005 | 231.904 |
| Building expenses | Note: M | 202.124 | 211.850 | 220.928 |
| Travel and accomodation | | 2.227 | 5.810 | 1.378 |
| Office and communication | Note: N | 58.946 | 28.045 | 20.878 |
| Publication and outreach | | 37.524- | - | 67.384- |
| | | 440.888 | 508.710 | 407.704 |
| Core: Research and activities | | | | |
| Fellow/Board Meetings | | 3.530 | 10.000 | 53.316 |
| Young Fellows Program | Note: O | 6.178 | - | 52.836 |
| Web/Publications | Note: P | 142.496 | 139.835 | 130.516 |
| World Social Forum/conferences | Note: Q | 33.741 | 17.500 | 1.354- |
| Organisational development | | 11.094 | - | 15.031 |
| | | 197.038 | 167.335 | 250.345 |
| Projects: Research and activities | | | | |
| Personnel costs and research fees | Note: R | 639.301 | 737.354 | 572.607 |
| Office and communication | | 48.461 | 30.665 | 49.307 |
| Activity costs | Note: S | 430.447 | 431.489 | 992.627 |
| Publication and outreach | | 165.840 | 174.010 | 165.274 |
| Overhead costs | | 77.556 | 80.167 | 115.615 |
| | | 1.361.605 | 1.453.685 | 1.895.430 |
| TOTAL EXPENDITURE | | 1.999.531 | 2.129.730 | 2.553.479 |
| BALANCE | | 151.864 | 129.023- | 184.647 |



Accountants, Tax & Legal Advisers

Document to which our auditor's report of

3 1 MEI 2010

also refers

Initials for identification purposes

NOTES TO THE PROFIT AND LOSS ACCOUNT 2009

| | real 2009 EUR | budget 2009 EUR | real 2008 EUR |
|---|---------------------|-----------------------|---------------------|
| ADMINISTRATION AND FUNDRAISING | | | |
| Salaries & pension core staff | 134.467 | 198.039 | 161.480 |
| I/D-banen | 31.509 | 18.588 | 27.494 |
| Administration Consult | 9.714 | 11.000 | 10.498 |
| Auditor | 26.296 | 15.000 | 20.157 |
| Training | 2.481 | 4.000 | 1.012 |
| Arbo/sickness insurance | 2.714 | 5.378 | 4.201 |
| Miscellaneous Personnel costs | 7.934 | 11.000 | 10.329 |
| Received sickness payment | - | - | 3.267- |
| Personnel cost | 215.115 | 263.005 | 231.904 |
| Ground lease | 16.138 | 19.000 | 16.140 |
| Building maintenance/provision building maintenance | 5.000 | 5.000 | 30.000 |
| Purchases | 872 | 1.500 | 1.525 |
| Insurance and tax | 8.931 | 7.850 | 7.636 |
| Energy | 31.203 | 40.000 | 27.026 |
| Maintenance and cleaning | 13.743 | 11.500 | 8.487 |
| Depreciation building | 62.028 | 62.000 | 62.028 |
| Interest Mortgage building | 64.209 | 65.000 | 68.086 |
| Building expenses | 202.124 | 211.850 | 220.928 |
| Travel costs | 391 | 4.060 | 820 |
| Accomodation and Meetings | 1.744 | 1.250 | 558 |
| Per diem | 92 | 500 | - |
| Travel and accomodation | 2.227 | 5.810 | 1.378 |
| Depreciation and maintenance of equipment | 7.682 | 14.500 | 14.578 |
| Office materials and copying costs | 13.159 | 9.900 | 11.014 |
| Phone, fax and internet | 1.796 | 6.500 | 3.531 |
| Postage | 1.077 | 4.000 | 2.009 |
| Various domestic costs | 2.810 | 2.500 | 2.761 |
| Documentation | 569 | 500 | 523 |
| Meetings | - | - | - |
| Bank charges/currency fluctuations | 8.382 | 2.500 | 7.351 |
| Bad debts | 27.145 | - | 1.020- |
| Office cost charges | 14.295- | 14.355- | 21.565- |
| Miscellaneous organisational costs | 10.621 | 2.000 | 1.696 |
| Office and communication | 58.946 | 28.045 | 20.878 |
| Printing | 589 | - | - |
| Buy books | - | - | - |
| Contributions for web and editing | 38.114- | - | 60.361- |
| Other activity costs | - | - | 7.023- |
| Publication and conferences | 37.524- | - | 67.384- |
| TOTAL EXPENDITURE CORE | 440.888 | 508.710 | 407.704 |



Accountants, Tax & Legal Advisers

Document to which our auditor's report of

31 MEI 2010

also refers

Initials for identification purposes

FUNDERS OF TNI IN 2009

PROJECTS FUNDERS

| | | | |
|--------------------------------|-----------------------------------|---------|----------------|
| Core Projects | Dutch Ministry of Foreign Affairs | 190.926 | |
| Trade, Investment, Regionalism | | | |
| a) Europe & Asia Policy | Irish Aid | 50.000 | |
| b) EU-Latin America | Oxfam Novib | 29.710 | |
| c) Europe Debates | Isvara | 24.500 | |
| c) Human Rights & Devt. | European Commission | 32.576 | |
| d) Water | Europe Aid/CeVi | 5.964 | |
| | Oxfam Novib | 15.000 | |
| Environmental Justice | Network for Social Change | 12.539 | |
| | Isvara | 29.391 | |
| | NOVIB-COP 15 | 14.000 | |
| Drugs and Democracy | Foundation Open Society Institute | 351.627 | |
| | GTZ | 18.000 | |
| | C.E. | 2.578 | |
| | NOVIB-SE Asia | 16.667 | |
| CREPE / Agrofuels | European Commission | 54.000 | |
| | ICCO | 25.000 | |
| Peace and Security | Grundtvig | 17.000 | |
| | | | <u>889.478</u> |

PROJECTS CONTRIBUTIONS OF PARTNERS

| | | |
|------------------------|-----------------------|-----------------------|
| CEO | 2.750 | |
| NOVIB-Health Unlimited | 21.000 | |
| Siemenpuu | 1.700 | |
| Belem-ORIT | 3.268 | |
| ISS | 538 | |
| Heinrich Böll Stiftung | 4.806 | |
| WOLA | 9.214 | |
| Appleton | 10.335 | |
| Plataforma de Acuerdo | 2.000 | |
| EA 4 Honduras | 150 | |
| FOCUS | 3.863 | |
| Marc Bloch | 7.989 | |
| FIAN | 1.472 | |
| AEPF reserve | 6.200 | |
| | | <u>75.285</u> |
| | Total project grants: | <u>964.763</u> |

CORE FUNDERS

| | | |
|-------------------------|--------|---------------|
| Samuel Rubin Foundation | 95.165 | |
| | | <u>95.165</u> |

CORE CONTRIBUTIONS OF PARTNERS

| | | |
|----------------------------|--------------------|-----------------------|
| NOVIB-Core Funding | 185.000 | |
| N.N. | 100 | |
| NOVIB-WSF | 17.500 | |
| Belem Martin | 410 | |
| Glenn Greenwald Foundation | 9.674 | |
| | | <u>212.685</u> |
| | Total core grants: | <u>307.850</u> |

Accountants, Tax & Legal Advisers
Document to which our auditor's report of

31 MEI 2010

also refers
Initials for identification purposes

SUMMARY OF THE PROJECTS 2009

| | project balance 31-12-2008 EUR | Personnel cost EUR | Office costs EUR | Activity costs EUR | Publications & Outreach EUR | Overhead & Misc. EUR | Expenditure 2009 EUR | Income 2009 EUR | Result 2009 EUR | project balance 31-12-2009 EUR |
|---|--------------------------------------|--------------------------|------------------------|--------------------------|-----------------------------------|----------------------------|----------------------------|-----------------------|-----------------------|--------------------------------------|
| New Politics | 90.680 | 71.091 | 6.523 | 10.297- | 43.027 | - | 110.344 | 7.989 | 102.355- | -11.675 |
| Trade, investment & development | 223.437 | 206.941 | 11.499 | 130.706 | 41.275 | 16.331 | 406.752 | 243.025 | 163.727- | 59.710 |
| Public Services | 0 | - | - | - | - | - | - | - | - | 0 |
| Environmental Justice | 3.433 | 60.928 | 2.327 | 30.380 | 17.576 | 4.195 | 115.406 | 111.973 | 3.433- | 0 |
| Drugs | 170.527 | 253.711 | 25.672 | 203.225 | 36.516 | 31.380 | 550.504 | 419.087 | 131.417- | 39.110 |
| CREPE: Agrofuels | -5.109 | 839 | 154 | 47.941 | 868 | 24.375 | 74.177 | 84.429 | 10.252 | 5.143 |
| Peace and security | 80.237 | 45.791 | 2.286 | 28.492 | 26.577 | 1.275 | 104.421 | 27.346 | 77.075- | 3.162 |
| T.M.F. BUZA | 140.559 | - | - | - | - | - | - | 140.559- | 140.559- | 0 |
| Drogas | 4.164 | - | - | - | - | - | - | - | - | 4.164 |
| Regionalism | 21.872 | - | - | - | - | - | - | - | - | 21.872 |
| Basker Vashee Africa Fund | 0 | - | - | - | - | - | - | - | - | 0 |
| Total research and activities - projects | 729.800 | 639.301 | 48.461 | 430.447 | 165.839 | 77.556 | 1.361.604 | 753.290 | 608.314- | 121.486 |
| Core Projects | | | | | | | | | | |
| Fellow/Board meetings | - | - | - | 2.207 | 1.323 | - | 3.530 | 3.530 | - | 0 |
| Young Fellows Program | - | 260 | - | 5.918 | - | - | 6.178 | 6.178 | - | 0 |
| Web/Publications | - | 123.979 | 4.127 | 2.213 | 12.176 | - | 142.496 | 142.496 | - | 0 |
| World Social Forum/conferences Institutional Development | - | - | 170 | 33.571 | - | - | 33.741 | - | - | 0 |
| Total research and activities - core | - | 124.247 | 4.297 | 54.995 | 13.500 | - | 197.038 | 197.038 | 197.038 | 0 |
| | | | | | | | | | | |
| | 729.800 | 763.548 | 52.758 | 485.442 | 179.338 | 77.556 | 1.558.643 | 950.321 | ME109010 | 121.486 |

Accountants, Tax & Legal Advisers
Schippers

Document which our auditor's report of

also refers
Initials for identification purposes

To: Transnational Institute (TNI)
Board of Directors and Ms F.B. Dove
De Wittenstraat 25, 1052 AK AMSTERDAM

AUDITOR'S REPORT

Report on the annual report

We have audited the accompanying annual report of Transnational Institute, Amsterdam, which comprise the balance sheet as at December 31, 2009, the profit and loss account for the year then ended and the notes (as set out on pages 1 to 11).

Management's responsibility

Management is responsible for the preparation and fair presentation of the annual report in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the annual report that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Global in Reach, Local in Touch

Buitenveldertselaan 106 - P.O. Box 75264, 1070 AG Amsterdam, The Netherlands, Telephone +31 (0)20 646 40 11, Fax +31 (0)20 646 32 51, E-mail amsterdam@hls-schippers.nl

The general terms and conditions of HLB Nederland Accountants & Consultants bv, filed with the Amsterdam Chamber of Commerce under number 33 23 86 06, apply to our services.
HLB Schippers Beheer B.V. is a private company with limited liability.

HLB Schippers is a member of  International. A world-wide organization of accounting firms and business advisers

www.hls-schippers.nl

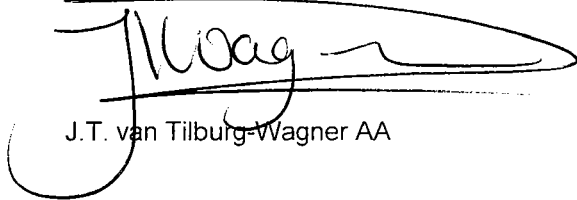
Opinion

In our opinion, the annual report gives a true and fair view of the financial position of Transnational Institute as at December 31, 2009, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

Amsterdam, May 31, 2010

HLB Schippers Beheer B.V.

Paragraph for identification purposes:



J.T. van Tilburg-Wagner AA



Global in Reach, Local in Touch

Buitenveldertse laan 106 - P.O. Box 75264, 1070 AG Amsterdam, The Netherlands, Telephone +31 (0)20 646 40 11, Fax +31 (0)20 646 32 51, E-mail amsterdam@hlb-schippers.nl

The general terms and conditions of HLB Nederland Accountants & Consultants bv, filed with the Amsterdam Chamber of Commerce under number 33 23 86 06, apply to our services.
HLB Schippers Beheer B.V. is a private company with limited liability.

HLB Schippers is a member of  International. A world-wide organization of accounting firms and business advisers

www.hlb-schippers.nl