

	Budget 2020 €	Budget 2019 €
Income		
Grants	4.393.672	4.630.769
Donations and contributions	0	0
Exchange losses/gains	0	0
Interest	0	2.000
Other	0	6.876
Total income	4.393.672	4.639.645
Expenditure		
Overhead		
- Personnel costs	433.577	425.246
- Building expenses	23.608	49.870
- Office and communication	304.390	292.760
Total overhead	761.575	767.876
Project costs		
- Direct project costs	2.562.983	2.810.026
- Personnel costs charged to projects	1.069.114	1.014.401
Total project costs	3.632.097	3.824.427
Total expenditure	4.393.672	4.592.303
Balance	0	47.342
Result	0	47.342

The 2020 budget was discussed with the Audit Committee of the Supervisory Board on 21 November 2019, and formally approved at the Supervisory Board meeting of 6 January 2020.

Budgeted income is based on secured contracts accounting for 92% of the budget. The balance is expected to come from pending funding applications and/or additional fundraising undertaken in the course of 2020. Any funds raised through individual donors are to be reserved for the continuity fund as securing the 2021 budget would depend on the outcome of a renewal of a grant from a major donor, currently accounting for around half TNI's total budget.

Overhead costs were budgeted at 17.33% of the total budget. These are divided into three categories:

1. Personnel – This accounts for 9.87% of total expenditure and concerns the costs of staff time not spent directly on project implementation (eg. Fundraising). It also includes a budget for training, interns and volunteers, and commuting costs of staff members who do not live in Amsterdam where TNI offices are located. TNI expects one staff member to go on maternity leave in 2020. No new employment was envisaged. The budget excluded the cost of salary increases due in July 2020 in line with the industrial wage agreement for the welfare and care sector, which TNI follows. The increase would only be implemented should the income budget be exceeded such that it is sufficient to cover this cost, and subject to approval of a revised budget by the Supervisory Board.

2. Building – This accounts for 0.54% of total expenditure. The figure reflects the balance of total costs of the building less rent and contributions to service costs received from tenants. Breakdown costs include depreciation; the mortgage; annual provision for major maintenance; cleaning and minor maintenance; utility costs; insurance, taxes and land lease. Minor maintenance costs were lower than previous years due to the revised maintenance plan. Rental income was budgeted higher than the previous

year due to an increase to be effected in May 2020. A major maintenance plan up to 2035 is drawn up by the qualified constructor who advises and supervises building upkeep, and who revised the plan on 21 May 2019. Major maintenance planned for 2020 included replacement of aged boilers, painting of the external front woodwork and maintenance of masonry and joints.

3. Office and Communication – This accounts for 6.93% of total expenditure. Additional costs planned for in 2020 include investments in the upgrade of the website and in fundraising. Breakdown costs include office equipment, stationery, and other supplies; communication infrastructure such as the network, software, website, telephone and mailing; audit, financial and salary administration, bank charges; board meetings, fundraising and other organizational costs.

Project costs constitute 83% of the total budget, and are based on budgets agreed with funders. Personnel costs, on average, amount to 29% of total project costs. This is considered by TNI's funders to be an appropriate proportion, particularly given that TNI is primarily a research and advocacy institute. The balance is spent on the direct costs of project implementation.

Of the project contracts running in 2019, thirteen ended in 2019 (see Results). Most of the remaining projects end in 2020. The project goals or specific deliverables to be achieved are laid down in contracts with funders (See Funding agreements Active in 2019).

TNI's Planning, Monitoring and Evaluation system helps us monitor whether a project is on track to achieve its goals, including quarterly budget monitoring, ongoing assessments of contextual changes so that strategies can be adjusted where necessary, and annual outcome harvests.