

INDEPENDENT AUDITOR'S REPORT

on the financial statements

**of Člověk v tísni, o.p.s.
(PEOPLE IN NEED)**

as at 31 December 2009



Identification data:

Name of the accounting unit: Člověk v tísni, o.p.s.
(PEOPLE IN NEED)

Registered office: 120 00 Prague 2
Šafaříkova 635/24

Id number: 25 75 52 77

Legal status: Public Benefit Organization

Executive Board: Kristina Taberyová
Chairwoman of the Executive Board

Jan Pergler
Member of the Executive Board

Petr Jančárek
Member of the Executive Board

Auditing firm: AUDIT SERVIS, spol. s r.o.
140 00 Praha 4, Kloboučnická 14
Licence of the Chamber of Auditors of the
Czech Republic no. 10

Auditor: Ing. Květoslava Vyleťalová
Licence of the Chamber of Auditors of the
Czech Republic no. 256

Audited period: from 1 January 2009 till 31 December 2009

**Date of the execution
of the Report:** 29 June 2010



INDEPENDENT AUDITOR'S REPORT

Addressee of the Report: **Executive Board and founders of the Člověk v tísni, o.p.s.
(PEOPLE IN NEED)**

We have audited the accompanying financial statements of Člověk v tísni, o.p.s. (PEOPLE IN NEED), which comprise the balance sheet as of 31 December 2009, profit and loss account from 1 January 2009 to 31 December 2009 and notes to these financial statements including the significant accounting policies and other explanatory notes. Information about Člověk v tísni, o.p.s. is presented in Note 1.1. to these financial statements.

Responsibility of the Statutory Body of the accounting entity for the financial statements

The Executive Board of Člověk v tísni, o.p.s. is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements 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 these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements 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 judgment, 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 financial statements 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the assets, liabilities, equity and financial position of Člověk v tísni, o.p.s. as of 31 December 2009, and of the expenses, income and results of its operations and cash flow for the year 2009 in accordance with Czech accounting regulations.

Audited financial statements as at 31 December 2009 (Balance sheet, Profit and loss account and Notes to the financial statements) are enclosure to this report.


In Prague on 29 June 2010

Auditing firm:

AUDIT SERVIS, spol. s r.o.
140 00 Praha 4, Kloboučnická 14
Licence of the Chamber of Auditors of the Czech Republic no. 10



Auditor:


Květoslava Vyleťalová
Licence of the Chamber of Auditors of the Czech Republic no. 256

Ministry of Finance CR

Approved by MF CR

in accordance with decree No. 504/2002 Coll.

Applies to accounting units
using tax forms applicable
to non-profit organizations

FINANCIAL BALANCE SHEET

As of 31 December 2009

(In thousands of CZK)

Úč NO 1 - 01

Name and address of
the accounting unit

Člověk v tísni, o.p.s
PEOPLE IN NEED
Šafaříkova 635/24
120 00 Praha 2

Organization Identification Number (IČ)

25755277

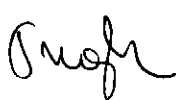
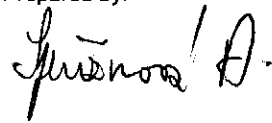
The accounting unit is to
deliver 1 copy hereof to the Tax
Administration of competence

ASSETS		Line	As of 1.1.2009	As of 31.12.2009
		No.	(Thousands of CZK)	(Thousands of CZK)
			1	2
A.	Fixed Assets line 02 + 10 + 21 + 29	01	50 018	29 544
A. I.	Intangible fixed assets subtotal line 03 through 09	02	3 073	3 604
1.	Research and development (012)	03		
2.	Software (013)	04	2 036	3 498
3.	Royalties (014)	05	85	85
4.	Small intangible fixed assets (018)	06	21	21
5.	Other intangible fixed assets (019)	07		
6.	Acquisition of intangible fixed assets (041)	08	931	
7.	Advance payments for intangible fixed assets (051)	09		
A. II.	Tangible fixed assets subtotal line 11 through 20	10	62 474	44 589
1.	Land (031)	11		
2.	Fine art & collections (032)	12		
3.	Buildings, halls and structures (021)	13	719	306
4.	Property, plant and equipment (022)	14	24 311	25 896
5.	Cultivated area (025)	15		
6.	Livestock (026)	16		
7.	Small tangible fixed assets (028)	17	4 281	3 780
8.	Other tangible fixed assets (029)	18		
9.	Acquisition of tangible fixed assets (constructions) (044)	19	32 837	14 046
10.	Advance payments for tangible fixed assets (052)	20	326	561
A. III.	Long-term investments subtotal line 22 through 28	21	7 947	5 070
1.	Investments in group undertakings (061)	22	1 326	1 262
2.	Investments in associated companies (062)	23		
3.	Other long-term securities and ownership interests (063)	24	6 621	3 808
4.	Intercompany loans (066)	25		
5.	Other long-term loans (067)	26		
6.	Other long-term investments (069)	27		
7.	Acquisition of financial investment (043)	28		
A. IV.	Adjustments to fixed assets subtotal line 30 through 40	29	-23 476	-23 719
1.	Adjustments to research and development (072)	30		
2.	Adjustments to software (073)	31	-1 488	-2 055
3.	Adjustments to royalties (074)	32	-85	-85
4.	Adjustments to small intangible fixed assets (078)	33	-21	-21
5.	Adjustments to other intangible fixed assets (079)	34		
6.	Adjustments to buildings, halls and structures (081)	35	-560	-158
7.	Adjustments to property, plant and equipment (082)	36	-17 041	-17 620
8.	Adjustments to cultivated area (085)	37		
9.	Adjustments to livestock (086)	38		
10.	Adjustments to small tangible fixed assets (088)	39	-4 281	-3 780
11.	Adjustments to other tangible fixed assets (089)	40		

ASSETS		Line	As of 1.1.2009	As of 31.12.2009
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
B.	Current assets line 42 + 52 + 72 + 81	41	116 790	196 094
B.I.	Inventory subtotal line 43 through 51	42	6 248	5 472
1.	Inventories (112)	43	4 162	4 752
2.	Inventory in transit (119)	44		
3.	Work-in-progress (121)	45		
4.	Semi-finished own production (122)	46		
5.	Finished goods (123)	47	641	92
6.	Livestock (124)	48		42
7.	Merchandise in stock (132)	49	573	586
8.	Merchandise in transit (139)	50		
9.	Advance payments for inventory (314)	51	872	
B.II.	Receivables subtotal line 53 through 71	52	36 111	55 700
1.	Trade receivables (311)	53	9 564	10 277
2.	Receivables from bills of exchange (312)	54		
3.	Receivables from discount securities (313)	55		
4.	Advance payments for operational expenditures (314 except the line 51)	56	2 723	3 304
5.	Other receivables (315)	57	1 544	265
6.	Receivables from employees (335)	58	2 520	2 599
7.	Receivables from social security (336)	59		
8.	Income tax (341)	60	94	
9.	Other direct taxes (342)	61		
10.	VAT (343)	62	728	412
11.	Other taxes & fees (345)	63		
12.	State subsidies & other budgetary contributions (346)	64		
13.	Local administration budgetary contributions (348)	65		
14.	Intercompany accounts (358)	66		
15.	Purchased options (373)	67		
16.	Bonds issued (375)	68		
17.	Other different receivables (378)	69	10 974	15 650
18.	Estimated receivables (388)	70	7 964	23 193
19.	Adjustment to receivables (391)	71		
B.III.	Financial assets subtotal line 73 through 80	72	57 094	120 546
1.	Cash (211)	73	4 758	6 187
2.	Valuables (213)	74		4
3.	Bank accounts (221)	75	47 822	112 103
4.	Equity shares (251)	76		
5.	Bonds & Debentures (253)	77		
6.	Other securities (256)	78	223	2 537
7.	Acquisition of financial assets (259)	79		
8.	Cash in transit (261)	80	4 291	-283
B.IV.	Other assets subtotal line 82 through 84	81	17 837	14 374
1.	Prepaid expenses (381)	82	1 281	1 710
2.	Accrued revenue (385)	83	14 753	11 746
3.	Unrealised exchange rate losses (386)	84	1 303	918
TOTAL ASSETS line 01 + 41		85	166 808	225 638

LIABILITIES AND EQUITY		Line	As of 1.1.2009	As of 31.12.2009
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
A.	Equity and Funds line 87 + 91	86	129 323	179 530
A.I.	Funds subtotal line 88 through 90	87	125 944	179 515
1.	Equity (901)	88	13 951	13 940
2.	Funds (911)	89	112 031	165 639
3.	Gains and losses from the revaluation of assets (921)	90	-38	-64
A.II.	Operating results subtotal line 92 through 94	91	3 379	15
1.	Profit & loss for account year (+/-963)	92		15
2.	Profit/loss under approval (+/-931)	93	3 379	
3.	Retained earnings/losses from previous years (+/-932)	94		
B.	Liabilities line 96 + 98 + 106+ 130	95	37 485	46 108
B.I.	Provisions line 97	96	0	0
1.	Tax deductible provisions (941)	97		
B.II.	Long-term liabilities subtotal line 99 through 105	98	0	0
1.	Long-term bank loans (951)	99		
2.	Bonds issued (953)	100		
3.	Leasing payables (954)	101		
4.	Long-term advances received (955)	102		
5.	Long-term bills of exchange payable (958)	103		
6.	Estimated payables (389)	104		
7.	Other long-term liabilities (959)	105		
B.III.	Short-term liabilities subtotal line 107 through 129	106	26 740	40 828
1.	Trade payables (321)	107	4 759	5 112
2.	Payables of exchange (322)	108		
3.	Prepayments received (324)	109	3	3 480
4.	Other payables (325)	110	575	698
5.	Payables to employees (331)	111	6 175	5 321
6.	Other payables to employees (333)	112	627	259
7.	Social security & health insurance institutions (336)	113	2 231	2 443
8.	Income tax (341)	114		198
9.	Other direct taxes (342)	115	739	790
10.	VAT (343)	116		
11.	Other taxes and fees (345)	117	10	45
12.	State budget payables (346)	118	2 425	4 290
13.	Local administration budgets payables (348)	119		
14.	Subscriptions & deposits payable (367)	120		
15.	Payables to partners and consortium members (368)	121		
16.	Financial derivatives payables (373)	122		
17.	Other payables (379)	123	10 453	17 081
18.	Short-term bank loans (231)	124		
19.	Credits for discounted securities (232)	125		
20.	Short-term bonds issued (241)	126		
21.	Own bonds issued (255)	127		
22.	Estimated payables (389)	128	743	1 111
23.	Other short-term borrowings (249)	129		

LIABILITIES AND EQUITY		Line No.	As of 1.1.2009	As of 31.12.2009
			(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
B.IV.	Other liabilities subtotal line 131 through 133	130	5 745	5 280
1.	Accrued expenses (383)	131	3 273	2 200
2.	Deferred revenues (384)	132	4 102	2 338
3.	Unrealised exchange rate gains (387)	133	1 370	742
TOTAL LIABILITIES AND EQUITY line 86 + 95		134	166 808	225 638

Company stamp:	Signature of statutory representative: 	Prepared by: 	Date of creation: 29 th June, 2010
		Telephone: 226 200 402	

ČLOVĚK V TÍSNI, o.p.s.
 Šafaříkova 24, 120 00 Praha 2
 IČO: 25 75 52 77, DIČ: CZ25755277



Ministry of Finance CR

Approved by MF CR

in accordance with decree No. 504/2002 Coll.

Applies to accounting units

using tax forms applicable

to non-profit organizations

PROFIT & LOSS ACCOUNT

As of 31 December 2009

(In thousands of CZK)

Úč NO 2 - 01

Name and address of
the accounting unit

Člověk v tísni, o.p.s

PEOPLE IN NEED

Šafaříkova 635/24

120 00 Praha 2

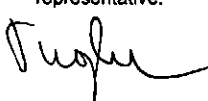
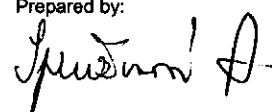
Organization Identification Number (IČ)

25755277

The accounting unit is to
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Administration of competence

Name of Indicator	No.	Activity			
		Main	Supplem.	Admin.	Total
A. Costs	01				
A.I. Consumption subtotal line 03 through 06	02	29 995	19	37	30 051
1. Material consumption (501)	03	27 069	19	37	27 125
2. Energy consumption (502)	04	1 623			1 623
3. Consumption of other not-for-stock materials (503)	05	697			697
4. Costs of goods sold (504)	06	606			606
A.II. Services subtotal line 08 through 11	07	126 364	1 788	224	128 376
5. Repair & maintenance (511)	08	1 893		4	1 897
6. Travel expenses (512)	09	23 370	4	3	23 377
7. Entertainment expenses (513)	10	1 335	2	16	1 353
8. Other services (516)	11	99 766	1 782	201	101 749
A.III. Personnel expenses subtotal line 13 through 17	12	129 335	205	474	130 014
9. Wages & salaries (521)	13	105 490	167	354	106 011
10. Mandatory social security expenses (524)	14	23 763	38	120	23 921
11. Other social security expenses (526)	15	73			73
12. Mandatory social expenses (527)	16	9			9
13. Other social expenses (528)	17				0
A.IV. Taxes & fees subtotal line 19 through 21	18	434	0	0	434
14. Road tax (531)	19	11			11
15. Real estate tax (532)	20				0
16. Other fees and taxes (536)	21	423			423
A.V. Other expenses subtotal line 23 through 30	22	142 526	10	36	142 572
17. Contractual penalties & late interest (541)	23	55			55
18. Other fines & penalties (542)	24	58			58
19. Write off bad receivables (tax deductible) (543)	25	713			713
20. Interest (544)	26	12			12
21. Currency exchange loss (545)	27	10 598	10		10 608
22. Gifts (546)	28	126 665			126 665
23. Deficits & damages (548)	29	171			171
24. Other expenses (549)	30	4 254		36	4 290
A.VI. Depreciation, assets sold, additions to provisions & adjustments line 32 through 37	31	5 672	0	11	5 683
26. Depreciation of tang. & intang. fixed assets (551)	32	5 126		11	5 137
28. Net book value of disposed tang. & intang. fixed assets (552)	33	107			107
27. Net book value of securities & deposits sold (553)	34	248			248
28. Net book value of material sold (554)	35	191			191
29. Additions to mandatory provisions (556)	36				0
30. Additions to mandatory adjustments (559)	37				0
A.VII. Contributions subtotal line 39 through 40	38	613	0	0	613
31. Intercompany contributions (561)	39				0
32. Membership contributions (562)	40	613			613
A.VIII. Income tax line 42	41	0	0	0	0
33. Additional income tax (566)	42				0
TOTAL COSTS line 02+07+12+18+22+31+36+41	43	434 939	2 022	782	437 743

Name of indicator	Line No.	Activity			
		Main	Supplem.	Admin.	Total
B. Revenues	44				
B.I. Revenues from production and goods sold subtotal line 46 through 48	45	63 593	2 302	0	65 895
1. Sale of own products (601)	46	171			171
2. Sale of own services (602)	47	62 231	2 302		64 533
3. Sales of goods purchased for resale (604)	48	1 191			1 191
B.II. Change in Inventory subtotal line 50 through 53	49	32	0	0	32
4. Change in work-in-progress (611)	50				0
5. Change in semi-finished product inventory (612)	51				0
6. Change in finished product inventory (613)	52	32			32
7. Change in livestock (614)	53				0
B.III. Capitalization subtotal line 55 through 58	54	101	0	0	101
8. Capitalization of material & merchandise (621)	55	101			101
9. Capitalization of intercompany services (622)	56				0
10. Capitalization of intangible fixed assets (623)	57				0
11. Capitalization of tangible fixed assets (624)	58				0
B.IV. Other revenues subtotal line 60 through 66	59	369 368	0	3	369 371
12. Contractual penalties & late interest (641)	60	80			80
13. Other fines & penalties (642)	61				0
14. Payments for written-off receivables (643)	62				0
15. Interest (644)	63	504			504
16. Exchange rate gains (645)	64	9 839			9 839
17. Accounting for funds (646)	65	338 127			338 127
18. Other revenues (649)	66	20 818		3	20 821
B.V. Revenues from assets sold, accounting for provisions & adjustm. line 68 through 74	67	1 090	0	0	1 090
19. Sale of intang. & tang. fixed assets (652)	68	201			201
20. Revenues from securities sold (653)	69				0
21. Revenues from material sold (654)	70	459			459
22. Revenues from short-term financial assets (655)	71	258			258
23. Accounting for mandatory provisions (656)	72				0
24. Revenues from long-term financial assets (657)	73	172			172
25. Accounting for mandatory adjustments (659)	74				0
B.VI. Contributions received subtotal line 76 through 78	75	786	0	775	1 561
26. Intercompany contributions received (681)	76				0
27. Contributions received (gifts) (682)	77	786		775	1 561
28. Membership contributions received (684)	78				0
B.VII. Operating subsidy line 80	79	0	0	0	0
29. Operating subsidy (691)	80				0
TOTAL REVENUES line 45+49+54+59+67+75+79	81	434 970	2 302	775	438 050
C. Profit/loss before tax line 81 minus 43	82	31	280	-4	307
Income tax (591)	83	253	39		292
D. Profit/loss after tax line 82 minus 83	84	-222	241	-4	16

Signature of statutory representative:	Prepared by:	Date of creation:
		29 th June, 2010
Company stamp:	Telephone: 226 200 402	

ČLOVĚK V TÍSNI, o.p.s.
Šafaříkova 24, 120 00, Praha 2
IČO: 25 75 52 77, DIČ: CZ25755277



Notes to Financial Statements as of December 31, 2009

1. General data

1.1. Company headquarters - Czech Republic

Accounting entity: Člověk v tísni, o.p.s. (PEOPLE IN NEED).
(Formerly Člověk v tísni – společnost při České televizi, o.p.s.)

Registered office: Šafaříkova 635/24, 120 00 Praha2

ID Number: 25755277

Tax ID Number: CZ25755277

Legal status: Public Benefit Organization

Date of the foundation of the Benevolent Society: April 16, 1999

Registration: The Organization has been entered in the Register of Public Benefit Organization,
Kept with the Municipal Court in Prague,
Section O., insert 119

Statutory bodies of the Organization as of the date of drawing up of the financial statements (i.e. as of June 29, 2010) are:

Executive Board: Kristina Taberyová – Chairman
Jan Pergler
Petr Jančárek

Supervisory Board: Jan Urban
Vlasta Lajčaková
Václav Mazánek

Director of the Benevolent Society: Šimon Pánek

Founders: Česká televize (Czech Television)
Ing. Jaromír Štětina
Šimon Pánek

In the period from December 31, 2009 to the date of Financial Statements drawing up these following changes:

1. Changes in the composition of company bodies were made:

Mrs. Vlasta Lajčaková resigned her function in the Executive Board and Mr. Petr Jančárek resigned his function in the Supervisory Board on March 21, 2010.

On the free positions in the Supervisory Board, Mrs. Vlasta Lajčaková and in the Executive Board, Mr. Petr Jančárek were appointed by the founders of the organization on the March 22, 2010.

The Executive Board of the organization acknowledged this nomination on April 22, 2010.

2. Change of registered office

The change of registered office from Sokolská 18, Praha 2 to current registered office – Šafaříkova 24, Praha 2, was decided by the Executive Board of company as of January 1, 2010. This fact has been entered in the Register of Public Benefit Organization on February 3, 2010.

Benevolent services:

- Organizing humanitarian and development aid both abroad and in the Czech Republic
- Providing assistance to politically, racially or otherwise persecuted persons both abroad and in the Czech Republic
- Providing assistance to young journalists and independent press both abroad and in the Czech Republic
- Providing assistance to local governments and other local organizations
- Organizing assistance to minorities both abroad and in the Czech Republic
- Social consultancy
- Public education
- Organization of workshops and trainings
- Organization of cultural and sports events
- Providing social services
- Community planning and organization
- Organization of education and leisure activities for children and youth
- Supporting and operation of work-therapeutic and re-socialization workshops including the sales of products manufactured in these workshops both abroad and in the Czech Republic
- Publishing activities
- Providing consultancy and assistance in the field of protection against discrimination based on the gender, racial or ethnic origin, religion, world view, handicap, age or sexual orientation
- Operating in the field of protection of rights and justified interests of consumers.

Supplementary activity:

Apart from the basic scope of activities specified in the previous section of this article, for the purpose of which the Organization has been founded, the Organization pursues also additional activities that are provided on principle as a paid service. These **supplementary activities** include:

- Creation and distribution of audio-visual programs
- Advertising activities
- Brokerage in the field of advertising and promotion

The Organization pursues the supplementary activities exclusively with the aim to make a more efficient use of the property and at the same time these activities must not affect the quality, scope and availability of benevolent services. Any profit made on these supplementary activities may be used only for the improvement and extension of benevolent services.

Number of employees, Personnel costs:

Accounting Period: January 1 till December 31, 2009	Average number of employees*	Gross wages, total in CZK	Average monthly gross wages in CZK	Social, health and other funds contributions, in CZK	Personnel costs, total in CZK
Afghanistan	203,83	19 200 976,13	7 850,08		19 200 976,13
Angola	21,33	1 513 074,94	5 911,37	109 384,81	1 622 459,75
Armenia	14,67	1 243 888,69	7 065,94	183 805,63	1 427 694,32
Congo – mission from February 1, 2009	63,55	1 077 835,78	1 541,86	54 925,32	1 132 761,10
Ethiopia	26,58	1 862 512,80	5 839,33	72 858,58	1 935 371,38
Georgia	20,92	2 081 102,91	8 289,93		2 081 102,91
Cambodia	3,92	344 890,30	7 331,85		344 890,30
Namibia	8,67	1 404 095,14	13 495,72	10 055,10	1 414 150,24
Slovakia	9,75	1 627 624,43	13 911,32	521 696,95	2 149 321,38
Sri Lanka	36,00	1 828 370,41	4 232,34	279 015,04	2 107 385,45
Missions total	409,22	32 184 371,53		1 231 741,43	33 416 112,96

The Czech Republic: - employments	230,6	68 085 623,00	24 604,52	22 771 197,00	90 856 820,00
Of this executive	8,8	3 935 321,00	37 266,30	1 338 238,00	5 273 559,00

	Number of Contracts of services	Total amount paid for Contracts of services			
The Czech Republic – Contract of Services	1 246	5 740 551,00			5 740 551,00

Personnel costs, total in CZK		106 010 545,53		24 002 938,43	130 013 483,96
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*Missions not lasting 12 months in 2009 have adjusted average according to the amount of months of real operating

Members of the organization's corporate bodies, i.e. the executive and supervisory boards, have not been paid any remuneration for the activity in corporate bodies. The organization neither has provided any advance payment or credit nor any guarantee for the liabilities of members of statutory bodies. Family members of the members of statutory bodies do not have any employment or similar relationships with regard to the accounting entity. Neither members of statutory bodies nor their family members are part of a legal entity, with which the accounting entity concluded a business contract or other contract relationships in the respective period.

1.2 Organization unit in another country of the EU:

Under the decision of the Ministry of Internal Affairs of Slovakia of August 2, 2004 the organization unit of the company was founded in Slovakia, which is entered in the Register of Public Benefit Organization, kept with the Municipal Court in Prešov.

Name: Člověk v tísní, o.p.s.

Registered office: Palešovo námestie 34, 053 04 Spišské Podhradie

ID Number: 35562617

Tax ID Number: 2021920923

Statutory representative: Šimon Pánek

The sphere of business of the organization unit is identical with activities of the company in the Czech Republic.

1.3 Shares in other accounting entity:

In 2007 the Company established its subsidiary in Jordan. The share in the subsidiary at the time of acquisition was valued at fair acquisition price and at the date of financial statements it is valued by the equivalence.

The date of registration: October 3, 2007

The name of the organization: People in Need Jordan

Registered by the institution: The Hashemite Kingdom of Jordan, Ministry of Commerce, Department of company inspections,

The registered capital: 50.000 JOD

Representative: Mrs. Megan King – the director until April, 2009, Mrs. Lucía Pavelová – the director since May, 2009

The registered office: Wasti Al Tal St.80 (of.303), P.O.Box 930 478

Other information about Company is noted in chapter 3.1.1.1.

2. Information on used accounting methods and general accounting principles

The company has been processing its accounting records using the computer equipment with the utilization of the Microsoft Business Solutions (Navision) software with required adjustments for the company needs. Client's adjustments have been made by AUTOCONT a.s.

Accounting documents are archived in the form of hard copies in place of archiving in registered office of the Organization, the address Šafaříkova 24, 120 00 Praha2. At the missions abroad, where the local legislation requires archiving of accounting documents in the country of origin, these accounting documents are archived in local archives in registered offices of foreign branch of the entity. Accounting records are also filed in the electronic form on a separate server and simultaneously on an external storage medium deposited outside the Organization's business premises.

2.1. Tangible, intangible fixed assets and long-term investments

Tangible and intangible fixed assets are assets with a useable life exceeding one year and starting from the following valuation limit:

- Tangible fixed assets CZK 40,000,-
- Intangible fixed assets CZK 60,000,-
- Technical tangible fixed assets improvement CZK 40,000,-
- Technical intangible fixed assets improvement CZK 40,000,-
- Appreciable rights CZK 60,000,-
- Livestock and draught animals – regardless the purchase price

Buildings are considered as tangible fixed assets regardless the purchase price and useable life.

Long-term financial assets are the assets with the due period longer than one year regardless the evaluation.

Fixed assets are valued on the basis of the purchase cost, i.e. including secondary acquisition costs (cost of transport, installation etc.), or replacement cost (assets acquired free of charge).

Depreciation of tangible and intangible fixed assets is regulated by the depreciation plan. Organization applies the method of depreciation evenly. Unless stipulated otherwise in individual cases, the period of depreciation of fixed assets is based on the table below:

<u>Description of assets</u>	<u>period of depreciation (months)</u>
Software without time limitation	36
Intangible assets with time limitation	according to the validity of the licence
Office equipment	36
Furniture and other workplace equipment	48
Passenger cars	48
Passenger cars Angola	24
Passenger cars Ethiopia	36
Motor bikes Angola, Ethiopia	24
Mobile phones	24
Appreciable rights	18
Livestock and draught animals	36
Buildings	individually
Technical improvement of the leased assets	during the lease contract duration valid at the time of including in beneficial property
Technical improvement of assets brought into operation, that had not been depreciated	remaining period of depreciation of assets with technical improvement
Technical improvement of assets brought into operation, that had been already depreciated	intangible assets – 18 months tangible assets – individually according to the type of assets

Small intangible and tangible fixed assets acquired by December 31, 2002 have been recorded in the Organization's assets and are valued at the purchase cost. These assets are registered on asset accounts until their retirement.

The assets acquired after January 1, 2003, that are below the above given valuation limit or with the usable life less than 1 year are reflected in the Organization's expenses at the time of acquisition. However, these assets are during the whole period of use registered in the operational inventory records.

In case of bookkeeping of the depreciation of assets acquired from subsidies and grants the amount of equity will decrease after posting the depreciation against the depreciation reserves account by the depreciation amount and at the same time the other revenues account will increase.

At the account 044 expenses incurred for humanitarian buildings, which have not been completed and commissioned to end recipients by December 31, 2009, are recorded.

Since 2006, the organization have purchased securities, namely obligations with and without coupons and intends to hold them till their maturity. The company also purchased realizable securities (allotment certificates of the bond unit trust). In the company bookkeeping following principles are applied:

- Purchased realizable securities are recorded within the short time financial assets. Realizable securities as of December 31, 2009 are revaluated to the real value and the evaluation differences are debited or credited to the account no. 921 under ČÚS (Czech Accounting Standard) no. 406 point 4.4.
- In the end of the balance sheet day bonds are valued at the purchase price increased or decreased by interest revenues or costs
- Current coupon yields and the dissolution of discounts with bonds, which are not settled by the end of the year, are entered in books by the company annually,
- Upon the calculation of the accruing of discount with securities (bonds) held till the maturity the company uses the actual number of days from the day following the day of the purchase to the maturity date,
- Upon the maturity the organization accounts for the sales of securities in the balance sheet; with securities registered in foreign currencies the exchange difference at the clearing day is accounted at the same time,
- Securities (bonds) in foreign currencies, which are not settled by the end of the year, are recounted by the rate of exchange applicable on December 31 of the respective year; these exchange rate differences are accounted to accounts of the group 38.
- The division of securities to short-term and long-term securities is made at the date of the financial statements depending on the total time of the bond "holding".(i.e. from the purchase to their maturity).

2.2. Inventory

The purchased inventory is valued at the purchase cost that includes the cost of the purchase of inventory and the costs relating to the purchase.

Own products are valued at the own costs (i.e. direct expenses and the part of indirect expenses related to the production).

Inventory received free of charge and intended for the core activity of the Organization is registered in the operational records specifying the person and place of their handing over to other entities.

2.3. Cash and valuables

Cash and valuables are valued at their respective nominal values.

For funds received from collections and grants separate bank accounts are opened, on which these resources are filed and recorded.

2.4. Receivables

Receivables are valued at their initial nominal value. The Organization does not have receivables transferred from other entities.

2.5. Payables

Payables are valued at their initial nominal value. Organization has not assumed payables of other entities.

2.6. Use of foreign currency in accounting

2.6.1. Use of foreign currency in the course of the accounting period

During the accounting period receivables and payables registered in foreign currencies declared by ČNB (Czech National Bank) are converted to the Czech currency at the ČNB exchange rate declared at the first day of the calendar month after 2:30 p.m. On the first working day of the month, till the declaration of the exchange rate at 2:30 p.m. the exchange rate of the previous month is used.

Receivables and payables in other currencies not declared by ČNB on a daily basis were converted to the Czech currency at the exchange rate declared by the ČNB as exchange rates of other currencies except the following examples, when the actual exchange rate is as follows:

- Exchange rate of the Cuban Convertible Peso (CUC) to EUR, converted to CZK declared by the Cuba National Bank as the first one in the month
- The rate of exchange of the Myanmar kyat (MMK), which is determined by the rate of exchange to USD and using the rules below (as a rule only movements at cash desks are accounted):
 - The exchange rate for the given month is bound to real exchange from USD to MMK currency, the exchange rate of every real exchange from USD to MMK currency is determined

- Conversion of USD to CZK is based on the ČNB monthly exchange rate
- The exchange rate for the conversion of CZK to MMK currency: the real exchange rate of USD to MMK currency is divided by the monthly exchange rate of USD (according to the exchange rate of ČNB) and the result is round to 3 decimals
- The exchange rate for the conversion of MMK to CZK: 1 CZK is divided by the calculated exchange rate of CZK to MMK currency, then multiplied by 100 and rounded to 3 decimals
- Calculation of the exchange rate for the next months: all exchange rates of real exchange of the given month are added to the calculated exchange rate of the previous month and this is divided by the number of the exchanges and 1 is added. The result is rounded to 3 decimals. The result is the exchange rate for the next month.

2.6.2. Use of foreign currency at the end of the balance sheet day

Exchange differences identified at the end of the balance sheet day or at another moment of financial statements drawing up, with the exception of interim financial statements, are specified:

- a) According to their nature in the Profit and Loss Account in the item "A.V.21 Currency exchange losses" or "B.IV.16. Exchange rate gains", if these exchange differences relate to accounts of groups of accounts 21, 22 and 26,
- b) According to their nature in the Balance Sheet in assets under "B.IV.3. Unrealised exchange rate losses" or in liabilities item "B.IV.3. Unrealised exchange rate gains", if these exchange differences relate to accounts of the group of accounts 05, 06 and to the accounts of receivables, payables, loans and financial assistance.

The value of financial means, payables and receivables reported as of December 31, 2009 and recorded in foreign currency declared by ČNB is converted by the ČNB exchange rate valid as of December 31, 2009. If the foreign currency is not declared by ČNB daily, the exchange rate declared by the ČNB as of December 31, 2009 as exchange rate of other currencies with exception of the under-mentioned examples, the exchange rate as of December 31, 2009 is used:

- The rate of exchange of Cuban Convertible Peso (CUC), calculated for a given accounting period as of December 31, 2009
- The rate of exchange of Myanmar kyat (MMK): for the conversion as of December 31, 2009 the way of determination mentioned above for the conversion during the accounting period will be used, for the conversion of USD to CZK, the rate of exchange declared by the ČNB as of December 31, 2009 will be used.

2.7. Funds and equity

In compliance with the valid accounting principles, the items are accounted for in the funds on public collections announced pursuant to Act no. 117/2001 Coll., furthermore funds received by the Organization from other persons and companies for the purpose of the implementation of the Organization's main mission: gifts and grants.

At the equity accounts the company accounts for the economic result, assets acquired from grants, and donated assets and material.

The list of important donors is a part of the company annual report.

The company opened synthetic accounts 912 (funds-provided advance payments for structures), 914 (funds - construction in process or non-commissioned structures), 916 (funds - animals in transit) and 919 (funds - inventory in transit) in the account classification within the account group 91 (funds). The account 912 contains the part of financial resources allotted for the coverage of funds for advance payments for structures in process as of December 31, 2009. At the account 914 part of resources of funds allocated for the coverage of expenses incurred for structures in-process or non-commissioned structures are recorded as of December 31, 2009. At the account 916 a part of resources of funds allocated for the coverage of purchased animals and animals in transit as of December 31, 2009 is recorded. At the account 919 a part of financial resources of funds allocated for the coverage of purchased inventories and inventories in transit as of December 31, 2009 is reported. Draw down (accounting) of funds reported at accounts 912, 914, 916 and 919 will be made in the next accounting period under the physical handover of completed structures, animals or inventories in compliance with respective contracts.

3. Additional information to selected data from the company financial statement

The Organization's assets are not encumbered with any lien.

The Organization does not register any payables not included in the financial statements.

All numeral values specified below are in thousands CZK, unless specified otherwise in the text.

3.1. Balance sheet

3.1.1. Fixed assets (thousand CZK)

Fixed assets - purchase costs

	Status as of December 31,2008	Increase	Decrease					Status as of December 31,2009
			Liquidation	Sale	Donation	Revaluation of assets	Advance payment accounting	
Intangible fixed assets	3 073	1 993	0	0	0	0	1 462	3 604
Of this								
Software	2 036	1 462						3 498
Small intangible assets	21							21
Royalties	85							85
Acquisition of intangible fixed assets	931	531					1 462	0
Provided advances for the fixed intangible assets	0							0
Tangible fixed assets	62 474	51 132	3 535	1 099	617	0	63 767	44 589
Of this								
Buildings	241	65						306
Technical improvement of building	478		478					0
Cars	8 037	4 105	129	1 088				10 925
Other tangible fixed assets	16 274	1 752	2 444	11	600			14 971
Livestock	0							0
Small tangible fixed assets	4 281		484		17			3 780
Acquisition of tangible fixed assets (constructions)	32 837	41 293			54 163		5 921	14 046
Provided advances for the fixed tangible assets	326	3 917					3 682	561
Long term investments	7 947	1 823	0	4 636	0	64	0	5 070
Of this:								
Securities *	6 621	1 823		4 636				3 808
Investments in group undertakings	1 326					64		1 262
Total	73 494	54 948	3 535	5 735	54 780	64	11 065	53 263

* In the securities line, in the decrease-sales column also settlement values at the time of bond sheath or bond coupon maturity are reported.

Fixed assets - depreciation reserves (adjustmentsto fixed assets)

	Status as of December 31, 2008	Increase	Decrease			Status as of December 31, 2009
			Liquidation	Sale	Donation	
Intangible fixed assets	1 594	567	0	0	0	2 161
Of this						
Software	1 488	567				2 055
Small intangible assets	21					21
Royalties	85					85
Tangible fixed assets	21 882	4 927	3 535	1 099	617	21 558
Of this						
Buildings	122	36				158
Technical improvement of building	438	40	478			0
Cars	4 526	2 177	129	1 088		5 486
Other tangible fixed assets	12 515	2 674	2 444	11	600	12 134
Livestock	0					0
Small tangible fixed assets	4 281		484		17	3 780
Total	23 476	5 494	3 535	1 099	617	23 719

Fixed assets - depreciated price

	Status as of December 31, 2008	Status as of December 31, 2009
Intangible fixed assets	1 479	1 443
Of this		
Software	548	1 443
Small intangible fixed assets	0	0
Royalties	0	0
Acquisition of intangible fixed assets	931	0
Provided advances for the fixed intangible assets	0	0
Tangible fixed assets	40 592	23 031
Of this		
Buildings	119	148
Technical improvement of building	40	0
Cars	3 511	5 439
Other tangible fixed assets	3 759	2 837
Livestock	0	0
Small tangible fixed assets	0	0
Acquisition of tangible assets (construction)	32 837	14 046
Provided advances for the fixed tangible assets	326	561
Long-term investments	7 947	5 070
Of this		
Securities	6 621	3 808
Investments in group undertakings	1 326	1 262
Total	50 018	29 544

3.1.1.1 - Detailed information on the long-term investments

Equity shares (thousand CZK)

Company name	Share in basic capital in %	Purchase price of equity share	Revaluation on the equivalent price			Equity share – as of December 31, 2009
			Differences in valuation as of December 31, 2008	Revaluation on the equivalent price for the year 2009	Difference in valuation as of December 31, 2009	
People in Need Jordan	100	1 358 (50.000JOD)	- 32	-64	-96	1 262

People in Need Jordan (indication in JOD currency):

Status as of	January 1, 2009	Change in 2009	December 31, 2009
Basic capital	50 000,00	0,00	50 000,00
Retained earnings/losses from previous years	-1 470,00	0,00	-1 470,00
Profit/loss under approval*		46,00	46,00
- of this allocation to the statutory reserve fund		5,00	5,00
Equity	48 530,00		48 576,00

The amount of operating results and statutory funds according to the financial statements of the PIN Jordan as of December 31, 2009. In the year 2009, the operating result amounts to 46.000 JOD, from that 5.000 JOD was transferred into the statutory fund in 2009.

Securities (long-term) held to maturity

Issuer name	Bond currency	Date of maturity	Number of pieces (bonds) as of December 31, 2009	Amount in (thousand CZK) (according to evaluation in financial statements) as of December 31, 2009
FORTIS BANQUE	CZK	8.9.2010	15	1 009
HSH NORDBANK AG	CZK	18.11.2010	20	1 585
DENMARK KINGDOM (bond with coupon)	USD	15.11.2011	64	1 214
Total				3 808

3.1.2. Inventory

Inventory (thousand CZK)	as of December 31, 2008	as of December 31, 2009
Inventories	4162	4752
Finished goods	641	92
Animals	0	42
Merchandise in stock	573	586
Advance payments for inventory Pakistan	872	0
Total Inventory	6 248	5472

Inventories especially consist of:

- inventory in transit within the humanitarian and development aid, which will be donated in the next period
- educational DVD and VHS cassettes "Jednoho světa na školách", manual GRV, T-shirts

Finished goods consist of stock of "Nebolí (Does not pain)" book.

Animals consist of inventory in transit within the development and humanitarian aid, which will be donated in the next period

Merchandise in stock consists of products from Namibia, which have been transferred to the warehouse in Prague.

3.1.3. Receivables (thousands CZK)

Status as of
December 31,
2008

Status as of
December
31, 2009

Matters written in the cursive relate to the year 2009

	Status as of December 31, 2008	Status as of December 31, 2009
Trade receivables total	13 831	13 847
<i>of this</i>		
receivables from customers	9 564	10 277
Receivables overdue more than 365 days*	1 670	45
Receivables overdue 181 up to 364 days	66	34
Receivables overdue 91 up to 180 days	111	1 477
Receivables overdue 0 up to 90 days	1 248	6 442
Receivables prior to maturity	6 469	2 279
<i>The amount of outstanding receivables as of the date of drawing up of the financial statement: 1 789</i>		
<i>A significant part of the amount is outstanding receivable from Regional front office of education and culture in Bié province, Angola, incurred based on the contract for work of March 18, 2009 with deliverable of building-up of five schools in the Bié province, municipality Andulo.</i>		
Advance payments for operational expenditures	2 723	3 304
<i>The most significant amounts are advance payments for services (electricity, gas, rent).</i>		
Other receivables	1 544	265
Receivables from employees	2 520	2 599
<i>advance payments for not finished long term business journeys.</i>		
Receivables from the state budget	822	412
<i>unreturned value added tax overpaid</i>		
Other different receivables (row 69 of balance sheet)	10 974	15 650
<i>The most significant part are receivables from not invoiced advance payments paid to the partners of particular common projects realized from the grants of the European Commission. Related received advance payments for common projects of the European Commission are recorded in the balance sheet on the line no.123 other payables.</i>		
Estimated receivables	7 964	23 193
<i>These are performance in 2009, invoiced in 2010. The settlement of these invoices is supposed to be in the 2nd half of the year 2010.</i>		
<i>A major part of the estimated receivables is the performance of the project of development of regional communities in Afghanistan.</i>		
<i>The program is financed from resources of the World Bank by Afghan Ministry of Rural Rehabilitation and Development</i>		
Total receivables	36 111	55 700

3.1.4. Financial assets (thousands CZK)	Status as of December 31, 2008	Status as of December 31, 2009
Cash	4 758	6 187
Valuables	0	4
Bank accounts*	47 822	112 103
Other securities	223	2 537
Cash in transit **	4 291	-283
Short-term financial assets - total	57 094	120 548

* balances increase of bank accounts was caused due to public collection "Povodně 2009"

and also due to pre financing of projects from EU resources.

** negative balance was created by mistake of the Bank of Afghanistan during transfer of resources between bank accounts of the company

3.1.4.1 – More detailed information on "Other securities"

The name of the issuer	Currency	Number of securities as of December 31, 2009	Value as of December 31, 2009
Allotment certificates of the unit trust KBC MONEY CZK ALPHA DIV	CZK	20	200
Allotment certificates of the unit trust KBC MONEY CZK OMEGA DIV	CZK	210	2 077
Allotment certificates of the unit trust KBC MONEY CZK OMEGA DIV	CZK	24,98	260
Total Amount			2 537

3.1.5. Other assets (thousands CZK)	Status as of December 31, 2008	Status as of December 31, 2009
Prepaid expenses	1 281	1 710
<p><i>A significant part is made of the expenses of the year 2010, paid in 2009, for air ticket and insurance.</i></p> <p><i>There, the accounting unit accounts for current expenses related to the accrued expenses.</i></p> <p><i>Accounting of accrued expenses for the respective expenses account will be performed by the accounting unit in the accounting period, to which expenses are factually related.</i></p>		
Accrued revenues	14 753	11 746
<p><i>These are contractually assured and received incomes in the following accounting period for projects, which were partially realized in 2009. The most significant part of revenues comes from: the European Commission, the IBIS, the Mercy Corps Scotland.</i></p>		
Unrealised exchange rate losses	1 303	918
<p><i>These are unrealized exchange rate differences, which will be accounted for at the payment of payables or collection of receivables and liabilities in the next accounting period in compliance with regulations.</i></p>		
Total other assets	17 337	14 374

3.1.6. Liabilities (thousands CZK)	Status as of December 31, 2008	Status as of December 31, 2009
<i>Matters written in cursive relate to the year 2009</i>		
Liabilities (trade payables, prepayments received, other payables) - total	5 337	9 290
Of this		
Trade payables total	4 759	5 112
Payables overdue - more than 365 days	5	1
Payables overdue - 181 to 364 days	709	151
Payables overdue - 91 to 180 days	72	14
Payables overdue - 0 to 90 days	1 917	2 977
Payables prior to the maturity	2 056	1 969
<i>Amount of unpaid payables as of the date of drawing up of the financial statements: 1</i>		
prepayments received	3	3 480
<i>The most significant part is formed by received advance payables from the Czech development agency for realization of the project "Support of the primary education in distant districts of the Bié province, Angola"</i>		
other payables	575	698
<i>These are retainers related to building of schools in Ethiopia</i>		
Payables to employees	6 802	5 580
<i>As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
Payables to social security institution (Czech republic)	1 473	1 635
<i>As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
Payables to health insurance institutions (Czech republic)	653	734
<i>As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
Payables to social and health insurance institutions (Angola, Ethiopia, Congo, Namibia, Sri Lanka)	105	74
<i>As of the date of drawing up of the financial statements liabilities amounting to 13 thousand CZK are overdue (Namibia)</i>		
State budget payables	3 174	5 323
<i>These are refunds of parts of subsidies from the state budget. Regarding these subsidies it has been applied for an increasing, but the decision has been issued too late so that it was not possible to use these resources.</i>		
<i>Furthermore, tax liabilities amounting to 1.033 thousand CZK are included in the balance of this account</i>		
Other payables (row no. 123 of the balance sheet)	10 453	17 081
<i>Majority is formed by advance payments received from the European Commission that are intended for partners of common projects. These resources are transferred to partners of particular projects by means of advance payments. After approval of the final financial report by the European Commission, advanced payments received and advance payment paid are accounted for and settled..</i>		
<i>Related advance payment to partners are recorded in the balance sheet on the line no.69 other receivables.</i>		
Estimated payables (electricity, gas, sewage charges)	743	1 111
<i>These are the costs of the accounting period that have not been invoiced to the company yet.</i>		
Total liabilities	28 740	40 828

3.1.7. Other liabilities (thousands CZK)

Status as of December 31, 2008	Status as of December 31, 2009
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Accrued expenses	3 273	2 200
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Through this account, the company accounts for expenses, which are related to the current accounting period but payments were made in the following period, especially travel expenses.

Deferred revenues	4 102	2 338
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These are received resources used for building activity in Angola during the current period and performance will be in 2010.

Unrealised exchange rate gains	1 370	742
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These are unrealized exchange rate gains, which will be accounted at the payment of payables or collection of receivables in the next accounting period in compliance with regulations.

Total other liabilities	8 745	5 280
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3.1.8. Equity (CZK)

Account 901 - Equity

	Equity from previous periods	Acquisitions from grants for own production	Material gifts	Total
Status as of January 1, 2009	8 176 418,90	5 766 184,94	8 250,00	13 950 853,84
Increase - acquisition of fixed assets and material gifts accepted		3 506 922,09	208 737,00	3 715 659,09
Decrease - dispose of fixed assets, depreciation, material gifts to other parties		-3 511 291,49	-214 987,00	-3 726 278,49
Status as of December 31, 2009	8 176 418,90	5 761 815,54	2 000,00	13 940 234,44

Approval of the financial statements for 2008

The Executive Board at its meeting on September 5, 2009 approved the financial statements of the Organization for the accounting period 2008 showing a profit in the amount of CZK 3.379.605,78 after tax that was in compliance with the decision of the Executive Board accounted as the increase of the company general reserve.

3.1.9. Funds - accounting group 91 (CZK)

In compliance with valid accounting principles, the following items are accounted for in the funds:

- Public collections announced pursuant to Act no. 117/2001 Coll.
- Funds received by Organization from other persons for the purpose of the implementation of the Organization's main mission: donations, dotation and grants,
- Creation and utilization of the reserve fund

Summary of accounts 91x FUNDS for 2009 (CZK)

	Initial status as of January 1, 2009	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2010
Collections					
MHMP/152250/2005 Schools to Afghan children (Afghanistan)	325 357,43	0,00	325 357,43	0,00	0,00
MHMP/183851/2004 SOS Sri Lanka (Sri Lanka)	4 319 542,01	0,00	4 319 542,01	0,00	0,00
S-MHMP/114549/2006 SOS Burma (Burma)	2 091 032,02	62 142,00	2 153 174,02	0,00	0,00
SOS Georgia (Georgia)	464 000,71	10 007,00	474 007,71	0,00	0,00
S_MHMP/123708/2006 Loss of immunity (Namibia)	510 398,55	35 587,00	537 268,70	0,00	8 716,85
S-MHMP/335421/2006 SOS Cuba (Cuba)	56 532,30	30 502,73	87 035,03	0,00	0,00
S-MHMP/301654/2007 Let's build a school in Africa (Ethiopia)	1 370 803,24	3 142 851,41	4 512 654,65	0,00	1 000,00
S-MHMP/166354/2008 Collection "Skutečná pomoc" (Real Help)	2 355 100,97	11 993 612,08	6 253 676,89	0,00	8 095 036,16
S-MHMP/292449/2009 SOS "Povodně" (Flood) (Czech Republic)	0,00	69 055 509,01	46 414 424,45	0,00	22 641 084,56
SOS Burma II (Burma)	0,00	11 708,09	11 708,09	0,00	0,00
SOS Sumatra (Sumatra)	0,00	357 455,00	357 455,00	0,00	0,00
Total collections	11 492 767,23	84 699 734,32	65 446 303,98	0,00	30 745 837,57

**State and local administration
budgetary contributions, budgetary
contributions of EU and subsidies
of other foreign governments**

	Initial status as of January 1, 2009	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2010
State budget subsidies	22 343 909,34	90 438 814,88	100 777 496,18	4 635 799,55	7 369 428,49
Local administration subsidies	90 000,00	6 294 981,41	6 114 900,44	26 494,05	243 568,92
EU funds subsidies	21 864 727,05	96 651 704,22	57 579 895,92	1 892 244,69	59 044 290,66
Subsidies from funds of other foreign governments	2 908 508,37	43 290 167,33	34 850 055,65	334 320,37	11 014 299,68
Total subsidies	47 207 144,76	236 675 667,84	199 322 348,19	6 888 858,66	77 671 605,75

	Initial status as of January 1, 2009	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2010
Funds - grants					
Grants - UN Agencies	14 253 501,75	31 785 097,52	41 393 644,90	154 688,88	4 490 265,49
Grants - funds of other foreign governments	509 461,63	2 004 963,02	1 751 178,92	40 208,70	723 037,03
Grants - NGO	9 645 872,27	22 312 040,09	18 541 046,97	14 075,38	13 402 790,01
Total funds (grants)	24 408 835,65	56 102 100,63	61 685 870,79	208 972,96	18 616 092,53

	Initial status as of January 1, 2009	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2010
Other funds					
Fund created from resources of: Charles Stewart Mott Foundation, The Ford Foundation, Šimon Pánek - Qudriga prize, Unilever prize - purchase of securities	9 581 645,00	0,00	322 211,95	0,00	9 259 433,02
Club of Friends	15 810 577,31	15 883 139,33	11 637 099,67	0,00	20 056 616,97
Other donations	2 865 071,52	4 688 503,25	2 308 563,19	0,00	5 245 011,58
Reserve fund (created from profit from previous periods)	665 255,99	3 379 605,78	0,00	0,00	4 044 861,77
Non-monetary gifts	0,00	500,00	500,00	0,00	0,00
Total of Other funds	28 922 549,82	23 951 748,36	14 268 374,84	0,00	38 605 923,34

TOTAL FUNDS	112 031 297,46	401 426 891,15	340 722 897,80	7 097 831,62	165 639 459,19
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3.2 Profit/Loss and tax calculation as of December 31, 2009

The company profit and loss statement for 2009 is the accounting profit in the amount of CZK 15 thousand. The balanced (slightly positive) economic result has been caused due to a good budgetary discipline in all section of the company, perfectly working fundraising department of company had a significant impact on the profit as well.

The Profit and Loss Account includes revenues and costs for:

- Implementation of activities, which are in compliance with the company mission - in the main activity column,
- Implementation of additional activities - column supplementary activity
- Administrative activity - column - administrative activity (under the Act no. 248/1995 Coll. Act of public benefit organization)

Tax liability for 2009 taxation period relating to corporate income tax is CZK 292 thousand. The Company has used the option of exemption pursuant to § 20 par. 7 of Income Tax Act no. 586/1992 Coll.

Tax calculation:

Revenues total	438 050 177,66
Costs total (except 591)	437 742 763,87
Taxable income	307 413,79
Tax base from main activity	1 806 811,58
Tax base from additional activity	281 828,34
Total tax base	2 088 639,92
Adjustment of the tax base under §20 ZDP	626 591,98
Adjusted tax base	1 462 047,95
Tax base after rounding	1 462 000,00
20 % tax	292 400,00

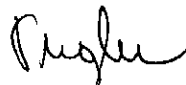
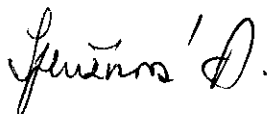
In 2008 the deduction under § 20 within the income tax of corporate bodies in the amount of CZK 540.098.06 was applied. Resources acquired by the attained tax obligation saving under § 20 of the Act no. 586/92 Coll. from previous years were used to cover costs related to activities, the incomes generated from which were not tax subject in 2009.

3.2.1 Important facts which occurred in the company after December 31, 2009

Between the balance sheet date and the date of drawing up the financial statements, no important facts and unusual changes in the status of assets and liabilities occurred, which would significantly influence values of assets and liabilities, financial situation and economic result of the company stated in the financial statement as of December 31, 2009.

In Prague, June 29, 2010

Prepared by: Anna Spružinová
Accountant



Jan Pergler
Executive Board member
Člověk v tísni, o.p.s.

Člověk v tísni, o. p. s.
PEOPLE IN NEED
 Id Number: 25755277

Cash flow statement
 as of 31 December 2009
 (In thousands of CZK)

	current period	prior period
P. Cash and cash equivalents, beginning of year	57 094	65 211
Net operating cash flow		
Z. accounting profit (loss) before taxation	307	3 644
A.1. Non-cash transactions	59 502	53 501
A.1.1. Depreciation of fixed assets	5 386	7 720
A.1.2. Change in provisions and other adjustments	0	0
A.1.3. Profit(-) Loss(+) on sale of fixed assets	-94	-13
A.1.4. Expense and revenue interests accounted for	-703	-1 068
A.1.5. Other non-cash transactions	750	566
A.1.6. Gifts (buildings)	54 163	46 296
Net operating cash flow before taxation, changes in working capital and extraordinary items	59 809	57 145
A.2. Current assets	-8 498	1 860
A.2.1. Change in receivables and other temporary assets	-17 631	1 043
A.2.2. Change in short-term liabilities and other temporary liabilities	8 357	1 614
A.2.3. Change in inventory	776	-797
A.2.4. Change in short term financial assets	0	0
Net operating cash flow before financial balances, taxation and extraordinary items	51 311	59 005
A.3. Interest paid excluding amounts capitalised	-12	
A.4. Interest received	504	736
A.5. Income tax paid on ordinary income and income tax relating to prior periods	0	-63
A.*** Net operating cash flow	51 803	59 678
Investment activity		
B.1. Acquisition of fixed assets	-43 276	-43 349
B.1.1. Acquisition of tangible fixed assets	-41 528	-40 647
B.1.2. Acquisition of intangible fixed assets	-531	-5
B.1.3. Acquisition of long-term investments	-1 217	-2 697
B.2.1. Proceeds from sales of fixed assets	201	426
B.2.2. Proceeds from sales of long-term investments	4 508	4 907
B.*** Net cash flow from investment activity	-38 567	-38 016
Financial activity		
C.1. Change in long-term liabilities and bank loans	0	0
C.1.1. Increase and decrease in long-term loans	0	0
C.1.2. Increase and decrease in other long-term payables	0	0
C.2. Increase and decrease in equity	50 218	-29 779
C.2.1. Change in own equity	-3 390	-2 375
C.2.2. Change in funds	53 608	-27 404
C.*** Net cash flow from financial activity	50 218	-29 779
F. Net increase or decrease in cash balance	63 454	-8 117
R. Cash and cash equivalents, end of period	120 548	57 094

