

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2010**



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CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**ADMINISTRATION**


<b>Trustees:</b>	<p><b>C Daniels</b> (Chairperson)</p> <p><b>T Amupadhi</b></p> <p><b>H Angula</b></p> <p><b>E Angula</b></p> <p><b>E Schimming-Chase</b></p> <p><b>D F Smuts</b></p> <p><b>N Tjombe</b></p> <p><b>B Uirab</b></p>	
<b>Director:</b>	<b>T Hancox</b>	<i>(appointed 01/03/2010)</i>
<b>Auditors:</b>	<b>Stier Vente Associates</b>	
<b>Address:</b>	<p><b>PO Box 604</b>  <b>No 4 Körner Street</b>  <b>Windhoek</b></p>	



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**STATEMENT BY THE TRUSTEES**

*The consolidated annual financial statements set out on pages 5 to 18 have been approved by the Board of Trustees and are signed on their behalf by:*



**T HANCOX**



**C DANIELS**

**WINDHOEK**  
29 April 2011



**STIER VENTE ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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P O Box 90001, Klein Windhoek

**REPORT OF THE INDEPENDENT AUDITORS**

**To the trustees and donors of**

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**

We have audited the annual financial statements of The Legal Assistance Trust of Namibia which comprise the balance sheet as at 31 December 2010, the income statement, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 5 to 18.

**Trustees' responsibility for the financial statements**

The Trustees are responsible for the fair presentation of these annual financial statements in accordance with Statement of Generally Accepted Accounting Practice - NAC001: Financial Reporting for Small and Medium Sized Entities. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of annual financial statements and are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' responsibility**

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the annual 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 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 annual financial statements.

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

3/.....

**Opinion**

*In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Trust at 31 December 2010 and its financial performance and its cash flows for the year then ended in accordance with Statements of Generally Accepted Accounting Practice - NAC001: Financial Reporting for Small and Medium Sized Entities in Namibia.*

*Stier V & E Associates*  
**STIER VENTE ASSOCIATES**  
**REGISTERED ACCOUNTANTS AND AUDITORS**  
**CHARTERED ACCOUNTANTS (NAMIBIA)**

WINDHOEK  
29 April 2011



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2010**

	Note	<u>2010</u>	<u>2009</u>
		N\$	N\$
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
<i>Ford Foundation Investment</i>	8	11 164 689	9 964 998
<i>Property, motor vehicles and equipment</i>	3	<u>3 053 713</u>	<u>3 304 409</u>
		<u>14 218 402</u>	<u>13 269 407</u>
<b>CURRENT ASSETS</b>			
<i>Donations receivable</i>	9	-	840 381
<i>Trade and other receivables</i>		191 117	300 398
<i>Cash and cash equivalents</i>		<u>3 083 614</u>	<u>6 672 516</u>
		<u>3 274 731</u>	<u>7 813 295</u>
<b>TOTAL ASSETS</b>		<u>17 493 133</u>	<u>21 082 702</u>
<b><u>FUNDS AND LIABILITIES</u></b>			
<b>FUNDS AND RESERVES</b>			
<i>Ford Foundation Special Reserve Fund</i>	8	11 164 689	9 964 998
<i>Accumulated funds</i>	2	<u>3 758 034</u>	<u>7 426 384</u>
<i>Funds and reserves</i>		<u>14 922 723</u>	<u>19 391 382</u>
<b>CURRENT LIABILITIES</b>			
<i>Bridging advance - Special Reserve Fund</i>	8	1 350 000	2 000 000
<i>Bank overdraft</i>		310	-
<i>Other payables</i>		885 458	636 713
<i>Donations received in advance</i>	4	<u>334 642</u>	<u>1 054 607</u>
		<u>2 570 410</u>	<u>1 691 320</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>17 493 133</u>	<u>21 082 702</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	<u>2010</u>	<u>2009</u>
		N\$	N\$
<b>INCOME</b>			
Windhoek Office – core unit	5	<u>2 530 355</u>	<u>4 097 085</u>
<b>EXPENDITURE</b>			
Windhoek Office – core unit		<u>(4 299 091)</u>	<u>(4 096 261)</u>
(DEFICIT)/SURPLUS FOR THE YEAR	6	(1 768 736)	824
ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR		<u>2 840 957</u>	<u>2 840 133</u>
ACCUMULATED SURPLUS AT THE END OF THE YEAR		1 072 221	2 840 957
ACCUMULATED SURPLUS - PROJECTS	7	<u>2 685 813</u>	<u>4 585 427</u>
CONSOLIDATED ACCUMULATED SURPLUS AT THE END OF THE YEAR		<u>3 758 034</u>	<u>7 426 384</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	<u>2010</u> N\$	<u>2009</u> N\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from donors and SALS		16 504 001	13 633 384
Cash paid to service providers and employees		<u>(18 876 753)</u>	<u>(12 029 480)</u>
Cash (utilised)/generated by operations	10	(2 372 752)	1 603 904
Interest received		<u>240 459</u>	<u>147 376</u>
Net cash (outflow)/inflow from operating activities		<u>(2 132 293)</u>	<u>1 751 280</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of motor vehicles and equipment		(260 228)	(889 349)
Proceeds on disposal of motor vehicles and equipment		<u>3 000</u>	<u>96 550</u>
Net cash outflow from investing activities		<u>(257 228)</u>	<u>(792 799)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(2 389 521)	958 481
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>16 637 514</u>	<u>15 679 033</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11	<u>14 247 993</u>	<u>16 637 514</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**1. ACCOUNTING POLICIES**

*The annual financial statements have been prepared in accordance with Namibian general accepted accounting practice (GAAP), using the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through the profit and loss and conform to GAAP.*

*The preparation of the financial statements in conformity with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period based on management's best knowledge of current events and actions. Actual results may ultimately differ from these estimates.*

*The following are the principal accounting policies of the Trust which are consistent with those applied in prior years:*

*Income recognition*

*Revenue comprises donations received and accrued as per donor agreements.*

*Donation income is recognised to the extent that it is probable that the economic benefits will flow and the amount of revenue can be reliably measured.*

*Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity.*

*The Trust recognises other income when the Trust's right to receive payment is established.*

*Taxation*

*The Legal Assistance Trust is constituted as a trust with a not for gain motive and as such is not liable for income tax. Therefore the trust and its projects are not registered for income tax and the financial statements does not have to disclose income tax, tax liabilities and deferred tax.*

*Property, motor vehicles and equipment*

*The project carries buildings, motor vehicles and equipment at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.*

*Buildings, motor vehicles and equipment is depreciated on a straight line basis at rates calculated to reduce the book value of the assets to estimated residual values over their expected useful lives.*

*Residual values of land and buildings are estimated to equal current carrying values, therefore buildings are depreciated at a zero rate.*

*The depreciation rates used are shown in note 3.*



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

1. ACCOUNTING POLICIES (continued)

Property, motor vehicles and equipment (continued)

The assets depreciation rates and residual values are reviewed and adjusted if appropriate at each balance sheet date.

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Financial instruments

Financial instruments recognised on the balance sheet include cash and cash equivalents, investments, trade receivables, trade payables and borrowings.

Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. Such provision for impairment of trade receivables is established if there is objective evidence that the project will not be able to collect all amounts due according to the original terms of receivables.

Trade payables

Trade payables are carried at the fair value of the consideration to be paid in future for goods or services that have been received or supplied and invoiced or formally agreed with the supplier.

Related parties

All related party transactions are incurred in the ordinary course of business and at terms not more favourable than transactions with third parties.

Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Cash and cash equivalents

For the purposes of the cash flow statement cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are separately disclosed under current liabilities.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

1. ACCOUNTING POLICIES (continued)

Leases (lessor)

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the income statement.

Computer software

Computer software is expensed in the year it is incurred.

Employee benefits

The Trust recognises in full employees' right to annual leave entitlement in respect of past service.

Staff bonuses are accounted for in the period to which they relate.

The Legal Assistance Trust operates a defined contribution plan. The Trust pays contributions to a publicly administered pension insurance plan and has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Provisions

Provisions are recognised when:

- the Trust has a present legal or constructive obligation as a result of past events and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and
- a reliable estimate of the amount of the obligation can be made.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>2. ACCUMULATED FUNDS</b>		
Windhoek Office	1 072 221	2 840 957
LAC – Projects	<u>2 685 813</u>	<u>4 585 427</u>
	<u>3 758 034</u>	<u>7 426 384</u>

**3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT**

	<u>Buildings</u>	<u>Motor vehicles</u>	<u>Computer and office equipment</u>	<u>Furniture &amp; fittings</u>	<u>Total</u>
	N\$	N\$	N\$	N\$	N\$
<b>For the year ended 31/12/2010</b>					
Opening carrying amount	1 909 898	1 034 667	332 406	27 438	3 304 409
Additions	-	143 000	88 628	28 600	260 228
Depreciation	<u>-</u>	<u>(404 590)</u>	<u>(94 597)</u>	<u>(11 737)</u>	<u>(510 924)</u>
Closing carrying amount	<u>1 909 898</u>	<u>773 077</u>	<u>326 437</u>	<u>44 301</u>	<u>3 053 713</u>
<b>At 31/12/2010</b>					
At cost	1 909 898	1 920 930	1 564 912	269 509	5 665 249
Accumulated depreciation	<u>-</u>	<u>(1 147 853)</u>	<u>(1 238 475)</u>	<u>(225 208)</u>	<u>(2 611 536)</u>
Net carrying amount	<u>1 909 898</u>	<u>773 077</u>	<u>326 437</u>	<u>44 301</u>	<u>3 053 713</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

3. **PROPERTY, MOTOR VEHICLES AND EQUIPMENT (continued)**

	<u>Buildings</u>	<u>Motor vehicles</u>	<u>Computer and office equipment</u>	<u>Furniture &amp; fittings</u>	<u>Total</u>
	N\$	N\$	N\$	N\$	N\$
<b>For the year ended 31/12/2009</b>					
Opening carrying amount	1 909 898	639 603	149 169	18 978	2 717 648
Additions	-	603 078	269 790	16 481	889 349
Disposals	-	-	(5 697)	-	(5 697)
Depreciation	-	(208 014)	(80 856)	(8 021)	(296 891)
Closing carrying amount	<u>1 909 898</u>	<u>1 034 667</u>	<u>332 406</u>	<u>27 438</u>	<u>3 304 409</u>
<b>At 31/12/2009</b>					
At cost	1 909 898	1 953 680	1 474 731	240 909	5 579 218
Accumulated depreciation	-	(919 013)	(1 142 325)	(213 471)	(2 274 809)
Net carrying amount	<u>1 909 898</u>	<u>1 034 667</u>	<u>332 406</u>	<u>27 438</u>	<u>3 304 409</u>
Depreciation rate		25%	20%	20%	

Land and buildings comprise erf no 74, situated in Windhoek, No 4 Körner Street and buildings in Ongwediva.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT</b> <i>(continued)</i>		
<i>Buildings, Ongwediva</i>	<u>387 873</u>	<u>387 873</u>
 <i>Land and buildings, erf no 74, Windhoek</i>		
- at cost 1993	709 621	709 621
 <i>Improvements at cost</i>		
- 1993	167 736	167 736
- 1994	5 791	5 791
- 1995	157 916	157 916
- 1996	12 307	12 307
- 2007	466 126	466 126
- 2008	<u>2 528</u>	<u>2 528</u>
	<u>1 522 025</u>	<u>1 522 025</u>
	<u>1 909 898</u>	<u>1 909 898</u>
 <b>4. DONATIONS RECEIVED IN ADVANCE</b>		
<i>HIVOS</i>		
- <i>Human Rights and Constitution</i>	232 750	703 126
 <i>Ford Foundation</i>		
- <i>Aids Law Unit Project and Human Rights and Constitutional Unit</i>	101 892	325 127
 <i>Ministry of Gender Equality and Child Welfare</i>		
- <i>Gender Issues Project</i>	<u>-</u>	<u>26 354</u>
	<u>334 642</u>	<u>1 054 607</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>5. INCOME</b>		
<i>Africa Group of Sweden</i>	1 504 369	523 890
<i>Black Opal</i>	-	5 993
<i>Embassy of Finland</i>	491 609	1 189 000
<i>European Commission</i>	-	31 325
<i>Legal Resource Foundation</i>	44 228	156 814
<i>Namibia Law Report</i>	-	80 186
<i>Pupkewitz Holdings</i>	-	1 500
<i>SALAN</i>	-	800
<i>Special Reserve Fund drawings</i>	49 101	461 233
<i>Stanford University</i>	-	36 800
<i>Swedish International Development Agency (SIDA)</i>	<u>-</u>	<u>1 062 901</u>
	2 089 307	3 550 442
<b>OTHER INCOME</b>	<u>441 043</u>	<u>546 643</u>
	<u>2 530 355</u>	<u>4 097 085</u>
<b>6. SURPLUS/(DEFICIT) FOR THE YEAR</b>		
<i>Is stated after charging:</i>		
<i>Auditors' remuneration</i>		
- <i>audit fees</i>	121 205	133 385
- <i>accounting services</i>	<u>27 300</u>	<u>4 500</u>
	<u>148 505</u>	<u>137 885</u>
<i>Depreciation</i>	510 924	296 891
<i>Interest received</i>	(240 459)	(147 376)
<i>Profit on disposal of motor vehicles and equipment</i>	(3 000)	(90 853)
<i>Rent received</i>	<u>(34 257)</u>	<u>(6 500)</u>
<b>7. PROJECTS' ACCUMULATED SURPLUS</b>		
<i>Aids Law Unit</i>	107 528	427 665
<i>Lead Project</i>	2 032 407	2 710 884
<i>Gender</i>	258 774	1 201 256
<i>Human Rights and Constitutional Unit</i>	<u>287 104</u>	<u>245 622</u>
	<u>2 685 813</u>	<u>4 585 427</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

7. **PROJECTS' ACCUMULATED SURPLUS (continued)**

The Legal Assistance Trust (via The Legal Assistance Centre - Windhoek) manages the projects and controls the disbursements.

All surpluses may be subject to refund.

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>8. FORD FOUNDATION SPECIAL RESERVE FUND</b>		
Redemption of SALS - Ford Foundation capital reserve fund	15 040 547	15 040 547
Interest received since inception	<u>2 333 543</u>	<u>1 734 751</u>
	17 374 090	16 775 298
Less: Funding of LAC Core activities - Windhoek Office - 2008	4 349 067	4 349 067
Funding of LAC Core activities - Windhoek Office - 2009	461 233	461 233
Funding of LAC Core activities - Windhoek Office - 2010	49 101	-
Bridging advance - Windhoek Office - 2009	2 000 000	2 000 000
Add: Bridging advance repaid - Windhoek Office - 2010	<u>650 000</u>	<u>-</u>
Special Reserve Fund at the end of the year	<u>11 164 689</u>	<u>9 964 998</u>
 The Special Reserve Fund is represented by:		
Pointbreak Money Market Unit Trust	2 000 000	-
Old Mutual Nedbank Namibia Corporate Fund	2 000 000	-
First National Bank of Namibia Limited - call account	9 448 426	11 467 217
Less: LEAD project investment included	1 780 286	1 143 622
Huricon project investment included	459 461	-
Gender project investment included	<u>43 990</u>	<u>358 597</u>
	<u>11 164 689</u>	<u>9 964 998</u>

The Ford Foundation Special Reserve Fund originates from a donation of the Ford Foundation of US\$ 1 000 000 in 1995 and was invested for the benefit of the LAC by the Southern African Legal Service Foundation.

On 8 February 2008, The Legal Assistance Trust and the Southern African Legal Services signed an agreement to transfer the Capital Reserve Fund to Namibia. An amount of US\$ 1 953 326,32 was transferred. The fund is under control of the Trustees of the Legal Assistance Trust and may only be utilised to cover LAC Core Unit - Windhoek expenditure. Trustees resolutions are necessary to utilise funds of the Ford Foundation Special Reserve.





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>9. DONATIONS RECEIVABLE</b>		
UNICEF		
- Gender Issues Project	-	<u>314 992</u>
African Group of Sweden	-	523 889
Pupkewitz Holding	-	<u>1 500</u>
Windhoek Office – core unit	-	<u>525 389</u>
<b>TOTAL</b>	<u>-</u>	<u>840 381</u>
<b>10. RECONCILIATION OF (DEFICIT)/SURPLUS TO CASH (UTILISED)/GENERATED BY OPERATIONS</b>		
Net (deficit)/surplus income for the year	(3 668 350)	3 139 044
Adjusted for:		
Depreciation	510 924	296 891
Ford Foundation Special Reserve	549 691	(1 678 412)
Interest received	(240 459)	(147 376)
Profit on sale of assets	<u>(3 000)</u>	<u>(90 853)</u>
Operating cash flow before working capital changes	(2 851 194)	1 519 294
Decrease/(increase) in donations receivable	840 381	(840 381)
Decrease in trade and other receivables	109 281	265 223
Increase in trade and other payables	248 745	113 868
(Decrease)/increase in donations received in advance	<u>(719 965)</u>	<u>545 900</u>
<b>CASH (UTILISED)/GENERATED BY OPERATIONS</b>	<u>(2 372 752)</u>	<u>1 603 904</u>
<b>11. CASH AND CASH EQUIVALENT</b>		
Cash and cash equivalent comprise of:		
First National Bank of Namibia Limited		
- call account	13 448 426	11 467 217
First National Bank of Namibia Limited		
- current accounts	<u>799 567</u>	<u>5 170 297</u>
	<u>14 247 993</u>	<u>16 637 514</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

12. PROJECTS ADMINISTERED BY THE LEGAL ASSISTANCE TRUST

Community Paralegal Training Project

This project came to an end on 31 December 2009. No additional funding was received. The project utilised the surplus from the prior year and core funding was received by LAT. All assets and liabilities were transferred to LAT at the close off of the project.

Human Rights Constitutional Unit

The Ford Foundation granted US\$ 100 000.00 to the project for the period of one year and six months from September 2009 to February 2011. The Humanist Institute for co-operation with developing countries (HIVOS) granted € 120 000.00 to the project for the period of two years from July 2009 to August 2011.

Aids Law Unit

The Ford Foundation agreed to fund the project with USD 100 000 for the period of one year and six months from September 2009 to February 2011. Matching grants have to be secured from other sources. IBIS Wus Denmark funded the project for the year under review with N\$ 458 524 and PACT Agencies Collaborating Together with N\$ 3 544 762. Various other smaller grants have been received towards this project covering the remaining third party contribution towards this project.

Gender Research and Advocacy

The Dutch Ministry – MDG3 agreed to fund the project with € 749 991.67 for the period of two years from June 2009 to June 2011.

An amount of N\$ 393 069 from other donors was received.

Land, Environment and Development Project

The Evangelischer Entwicklungsdienst (EED) granted Euro 490 000 to the project for the period of two and a half years from September 2007 to June 2010. This grant covers 83,76% of the budgeted project expenses up to a maximum of Euro 490 000. During the current period these other expenses have been covered by grants of the Embassy of Finland and HIVOS.

All unspent funds at the end of a project may be subject to refund at the discretion of the donors.

	<u>2010</u>	<u>2009</u>
	N\$	N\$
13 CONTINGENT LIABILITY		
V Mutumbulwa	<u>30 000</u>	<u>-</u>

V Mutumbulwa is suing the Trust/Aids Law Unit for consulting fees owing to him, which amounts to N\$ 30 000. Management is confident that this claim will be settled in a manner which makes most economic sense.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**14. FINANCIAL RISK MANAGEMENT**

*In the normal course of its operations, the Trust is exposed to credit, liquidity, interest rate, currency and operational risk. The Trust manages these risks as follows:*

*Credit risk:*

*The Trust has policies in place to ensure that sales and services are made to organisations with an appropriate credit history. The Trust has policies that limit the amount of credit risk exposure to any one financial institution, and cash transactions are limited to high credit quality financial institutions.*

*Liquidity risk:*

*Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.*

*Interest rate risk:*

*As part of managing interest rate exposure, interest rate characteristics of borrowings will be positioned according to expected movements in interest rates*

*Foreign currency risk:*

*Foreign currency risk is created due to the influence of exchange rate fluctuations. The Trust has a policy to take out cover on foreign currency transactions only as agreed by the Board.*

*Operational risk:*

*Operational risk is inherent in the Trust's operation. The goal is to manage the risk to acceptable levels and to minimise unexpected events.*



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
WINDHOEK OFFICE  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>DONATIONS RECEIVED</b>		
<i>Africa Group of Sweden</i>	1 504 369	523 890
<i>Black Opal</i>	-	5 993
<i>Drawing from Ford Foundation - special reserve fund</i>	49 101	461 233
<i>Embassy of Finland</i>	491 609	1 189 000
<i>European Commission</i>	-	31 325
<i>Legal Resource Foundation</i>	44 228	156 814
<i>Namibia Law Report</i>	-	80 186
<i>Pupkewitz Holdings</i>	-	1 500
<i>SALAN</i>	-	800
<i>Stanford University</i>	-	36 800
<i>Swedish International Development Agency (SIDA)</i>	-	<u>1 062 901</u>
	<u>2 089 307</u>	<u>3 550 442</u>
<b>OTHER INCOME</b>		
<i>Arbitration income</i>	-	128 289
<i>Bookkeeping and management fees</i>	25 868	102 400
<i>Consulting income</i>	147 483	120 881
<i>Council meeting income</i>	-	2 400
<i>Etosh-Haikom-Bush</i>	37 284	-
<i>Foreign exchange gain</i>	-	27 498
<i>Gala dinner</i>	-	250
<i>Interest received</i>	10 634	2 484
<i>Legal fees recovered</i>	-	2 000
<i>Photocopy income</i>	536	331
<i>Profit on sale of motor vehicles and equipment</i>	3 000	-
<i>Rent received</i>	34 257	80 767
<i>Sundry income</i>	22 955	5 306
<i>Transport income</i>	<u>159 031</u>	<u>74 037</u>
	<u>441 048</u>	<u>546 643</u>
<b>TOTAL INCOME</b>	2 530 355	4 097 085
<i>Less: EXPENDITURE (page 6)</i>	<u>(4 299 091)</u>	<u>(4 096 261)</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	(1 768 736)	824
<b>SURPLUS AT THE BEGINNING OF THE YEAR</b>	<u>2 840 957</u>	<u>2 840 133</u>
<b>SURPLUS AT THE END OF THE YEAR</b>	<u>1 072 221</u>	<u>2 840 957</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**WINDHOEK OFFICE**  
**SCHEDULE OF EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<i>Auditors' remuneration</i>	86 060	60 030
<i>Bad debts</i>	-	34 595
<i>Bank charges</i>	21 829	31 805
<i>Computer support</i>	83 106	91 692
<i>Consultancy fees</i>	116 178	219 240
<i>Contributions</i>		
- <i>Community Paralegal Volunteer Training</i>	-	61 793
- <i>Land Environment and Development Project - prior year</i>		
<i>Embassy of Finland funding</i>	212 000	-
<i>Counsel fees</i>	70 215	46 985
<i>Depreciation</i>	87 254	88 512
<i>Entertainment</i>	-	8 613
<i>Insurance and licences</i>	124 082	70 748
<i>Legal fees</i>	1 797	5 963
<i>Maintenance</i>		
- <i>other expenses</i>	37 436	54 819
- <i>vehicles</i>	17 137	26 313
- <i>yard</i>	75 457	40 772
<i>Municipal expenses</i>	107 867	96 266
<i>Namdeb</i>	5 445	15 819
<i>Office expenses</i>	38 651	30 920
<i>Petrol</i>	137 053	158 360
<i>Publications</i>	141 860	14 711
<i>Recruiting of professional and administrative staff</i>	5 401	72 094
<i>Salaries and staff benefits</i>	2 470 328	2 236 784
<i>Security costs</i>	157 147	137 071
<i>Seminars and workshops</i>	22 482	68 321
<i>Staff development costs</i>	5 886	18 908
<i>Stationery and printing</i>	70 905	133 016
<i>Subscriptions to legal publications</i>	500	1 000
<i>Telephone, telefax and postage</i>	157 765	178 099
<i>Travelling and accommodation</i>	45 250	93 012
	<u>4 299 091</u>	<u>4 096 261</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
LAND, ENVIRONMENT AND DEVELOPMENT PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Embassy of Finland	360 565	765 000
- HIVOS	625 969	464 700
- Evangelischer Entwicklungsdienst (EED)	859 214	1 413 851
<i>Consulting income</i>		
- Cologne VW income	62 219	-
- Land matters	-	110
- Ethosha Haikc:m	-	1 890
- Programme for Land and Agrarian Studies (PLAAS)	210 202	125 184
- International Labour Organisation (ILO)	186 442	-
<i>Other income</i>		
- transport costs recovered	1 230	-
- interest received	97 462	82 159
- publication income	7 050	46 545
- profit on sale of fixed assets	-	90 853
	<u>2 410 353</u>	<u>2 990 292</u>
<b>EXPENDITURE</b>		
Auditors' remuneration	33 925	21 620
Bad debts	-	980
Bank charges	-	-
Communications	15 538	15 660
Depreciation	20 953	20 584
Insurance	233 445	39 196
Management fees	38 409	41 615
Maintenance	43 572	64 400
- motor vehicle	-	-
	<u>111 262</u>	<u>26 377</u>
<b>BALANCE CARRIED FORWARD</b>	497 104	230 432



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**LAND, ENVIRONMENT AND DEVELOPMENT PROJECT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<i>EXPENDITURE (continued)</i>		
BALANCE BROUGHT FORWARD	497 104	230 432
Professional fees	830 634	519 568
Research		
- publications	81 854	99 201
- travel	112 005	60 132
Staff remuneration	1 247 680	1 019 866
Stationery and subscription	22 038	3 941
Workshops and conferences	<u>297 515</u>	<u>308 376</u>
	<u>3 088 830</u>	<u>2 241 516</u>
(DEFICIT)/SURPLUS FOR THE YEAR	(678 477)	748 776
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	<u>2 710 884</u>	<u>1 962 108</u>
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>2 032 407</u>	<u>2 710 884</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
GENDER RESEARCH AND ADVOCACY PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Amnesty International	45 961	-
- French Embassy	-	45 807
- Dutch Ministry – MDG3	3 096 082	1 761 792
- Embassy of Finland	151 550	-
- Ministry of Gender Equality and Child Welfare	45 608	104 558
- Save the Children Sweden	150 000	-
- Self Regulating Alcohol Industry Forum SAIF	10 137	-
- UNICEF	-	1 574 961
<i>Interest received</i>	97 976	54 881
<i>Consulting fees received</i>	36 644	22 500
<i>Publication sales</i>	<u>28 360</u>	<u>18 174</u>
	<u>3 662 318</u>	<u>3 582 673</u>
<b>EXPENDITURE</b>		
<i>Administration costs</i>	91 067	127 077
<i>Bookkeeping fees</i>	35 535	18 000
<i>Computer costs</i>	11 393	35 298
<i>Consultants and outsourced printing costs</i>	99 568	388 607
<i>Depreciation</i>	70 023	60 296
<i>Field research</i>	121 804	47 185
<i>Maintenance</i>	9 000	-
<i>Management fees</i>	-	20 000
<i>Office rent</i>	16 932	56 346
<i>Publications</i>	2 687 501	943 893
<i>Salaries and staff benefits</i>	1 313 961	1 257 205
<i>Telephone and fax</i>	2 500	3 710
<i>Workshops</i>	<u>145 516</u>	<u>414 793</u>
	<u>4 604 800</u>	<u>3 372 410</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	(942 482)	210 263
<b>SURPLUS AT THE BEGINNING OF THE YEAR</b>	<u>1 201 256</u>	<u>990 993</u>
<b>SURPLUS AT THE END OF THE YEAR</b>	<u>258 774</u>	<u>1 201 256</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
HUMAN RIGHTS AND CONSTITUTIONAL UNIT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Grant income	393 220	464 700
- Ford Foundation	503 439	671 270
- Embassy of Finland	150 126	-
Interest received	17 447	4 978
Other donations	<u>1 250</u>	<u>-</u>
	<u>1 065 482</u>	<u>1 140 948</u>
<b>EXPENDITURE</b>		
Administration costs	30 875	4 796
Auditors' remuneration	8 625	9 200
Counsel and legal fees	35 618	236 187
Depreciation	1 645	-
Foreign exchange loss	-	68 044
Insurance	-	10 763
Professional costs	71 400	-
Publications	13 642	71 662
Repairs and maintenance	27 852	11 950
Staff remuneration	813 456	618 629
Telephone, fax, postage and stationery	14 880	42 166
Text books and subscriptions	3 519	43 049
Travel and accommodation	<u>2 488</u>	<u>750</u>
	<u>1 024 000</u>	<u>1 117 196</u>
<b>SURPLUS FOR THE YEAR</b>	41 482	23 752
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>	<u>245 622</u>	<u>221 870</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>	<u>287 104</u>	<u>245 622</u>

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**AIDS LAW UNIT**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- IBIS		
- Embassy of Finland	458 524	984 516
- Ford Foundation	144 900	-
- Open Society Initiative for Southern Africa (OSISA)	503 440	670 606
- Other	825 000	45 000
- Social Marketing Association	11 217	-
- Tusano – Human Rights PLWHA Program	-	357 155
- United Nations Development Programme	-	71 430
- Del Mundo PA	-	889 200
- ARASA	5 180	46 355
- The International Labour Organisation	-	99 500
- International Council of Swedish Industry	142 386	-
- Southern Africa Litigation Centre	80 199	-
	352 498	-
<i>Presentation income</i>		
- PACT Agencies Collaborating Together	3 544 762	2 051 969
<i>Other income</i>	224 655	48 369
<i>Interest received</i>	<u>16 940</u>	<u>219</u>
	<u>6 309 701</u>	<u>5 264 319</u>
<b>EXPENDITURE</b>		
<i>Auditors' remuneration</i>	19 895	11 730
<i>Bank charges</i>	30 757	40 613
<i>Depreciation</i>	118 557	105 620
<i>Education and training material</i>	286 662	337 531
<i>Institutional strengthening</i>	80 680	168 607
<i>Insurance</i>	45 143	63 075
<i>Legal and counsel fees</i>	220 893	214 889
<i>Maintenance</i>		
- equipment	43 702	38 516
- vehicles	62 756	41 520
<i>Meetings</i>	5 250	4 785
<i>Office expenses</i>	63 259	32 901
<i>Professional fees</i>	1 179 230	337 304
<i>Recruiting</i>	-	10 290
<i>Rent</i>	<u>2 882</u>	<u>32 100</u>
<b>BALANCE CARRIED FORWARD</b>	2 159 666	1 439 481



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**AIDS LAW UNIT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	<u>2010</u>	<u>2009</u>
		N\$	N\$
<i>EXPENDITURE (continued)</i>			
<b>BALANCE BROUGHT FORWARD</b>		2 159 666	1 439 481
<i>Staff remuneration</i>		2 778 477	2 222 270
<i>Stationery</i>		11 435	14 874
<i>Subscription</i>		-	850
<i>Telephone, fax and postage</i>		57 111	88 155
<i>Travelling</i>		366 036	108 610
<i>Water and electricity</i>		3 836	39 312
<i>Workshops</i>		<u>1 253 277</u>	<u>688 094</u>
		<u>6 629 838</u>	<u>4 601 646</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		(320 137)	662 673
<b>UNUTILISED FUNDS PAID BACK TO - PACT Agencies Collaborating Together</b>		-	(131 139)
<b>ACCUMULATED FUNDS/(DEFICIT) AT THE BEGINNING OF THE YEAR</b>		<u>427 665</u>	<u>(103 869)</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>		<u>107 528</u>	<u>427 665</u>

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
COMMUNITY PARALEGAL VOLUNTEER TRAINING  
INCOME STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
	N\$	N\$
<b>INCOME AND CONTRIBUTIONS</b>		
- The Legal Assistance Trust of Namibia – Core funds	-	61 792
Interest received	<u>-</u>	<u>2 874</u>
	<u>-</u>	<u>64 666</u>
<b>EXPENDITURE</b>		
<b>Administration</b>		
Audit fee	-	7 130
Bank charges	-	1 411
Computer maintenance and support	-	3 267
Insurance	-	2 126
Telephone, fax and internet	<u>-</u>	<u>5 779</u>
Total administration	<u>-</u>	<u>19 713</u>
<b>Activities</b>		
Training and workshops - Communities	-	207 343
Training and workshops - Paralegals	-	6 715
AGM of NPA	-	54 550
Support to service points	<u>-</u>	<u>54 429</u>
Total activities	<u>-</u>	<u>323 037</u>
<b>Personnel</b>		
Coordinator - CPVT salary and benefits	<u>-</u>	<u>98 021</u>
Total personnel	<u>-</u>	<u>98 021</u>
<b>Total expenditure</b>	<u>-</u>	<u>440 771</u>
<b>DEFICIT FOR THE YEAR</b>	-	(376 105)
<b>SURPLUS AT THE BEGINNING OF THE YEAR</b>	<u>-</u>	<u>376 105</u>
<b>SURPLUS AT THE END OF THE YEAR</b>	<u><u>-</u></u>	<u><u>-</u></u>