

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**

**CONSOLIDATED**

**ANNUAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2011**



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**ADMINISTRATION**

<i>Trustees:</i>	<i>C Daniels</i> <i>T Amupadhi</i> <i>H Angula</i> <i>E Angula</i> <i>E Schimming-Chase</i> <i>D F Smuts</i> <i>N Tjombe</i> <i>B Uirab</i>	<i>(Chairperson)</i>
<i>Director:</i>	<i>T Hancox</i>	
<i>Auditors:</i>	<i>Stier Vente Associates</i>	
<i>Address:</i>	<i>PO Box 604</i> <i>Marien Ngouabi Street</i> <i>Windhoek</i>	



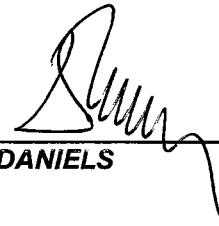
**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**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**

**4 April 2012**



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

50 Olof Palme Street  
P O Box 90001, Klein Windhoek  
Tel: 061-264440 / 60 / 80  
Fax: 061-264490  
e-mail: admin@svanam.com

**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 2011, 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 2011 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 & Associates*  
**STIER VENTE ASSOCIATES**  
**REGISTERED ACCOUNTANTS AND AUDITORS**  
**CHARTERED ACCOUNTANTS (NAMIBIA)**

Per: B VENTE  
Partner

WINDHOEK, 4 April 2012



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2011**

	Note	<u>2011</u>	<u>2010</u>
		N\$	N\$
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
Ford Foundation Investment	8	11 093 656	11 164 689
Property, motor vehicles and equipment	3	<u>2 541 629</u>	<u>3 053 713</u>
		<u>13 635 285</u>	<u>14 218 402</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables		232 103	191 117
Cash and cash equivalents		<u>4 943 361</u>	<u>3 083 614</u>
		<u>5 175 464</u>	<u>3 274 731</u>
<b>TOTAL ASSETS</b>		<u>18 810 749</u>	<u>17 493 133</u>
<b><u>FUNDS AND LIABILITIES</u></b>			
<b>FUNDS AND RESERVES</b>			
Ford Foundation Special Reserve Fund	8	11 093 656	11 164 689
Accumulated funds	2	<u>6 068 492</u>	<u>3 758 034</u>
Funds and reserves		<u>17 162 148</u>	<u>14 922 723</u>
<b>CURRENT LIABILITIES</b>			
Bridging advance - Special Reserve Fund	8	-	1 350 000
Bank overdraft		739 959	310
Other payables		908 642	885 458
Donations received in advance	4	<u>-</u>	<u>334 642</u>
		<u>1 648 601</u>	<u>2 570 410</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>18 810 749</u>	<u>17 493 133</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	<u>2011</u>	<u>2010</u>
		N\$	N\$
<b>INCOME</b>			
Windhoek Office – core unit	5	<u>7 288 776</u>	<u>2 530 355</u>
<b>EXPENDITURE</b>			
Windhoek Office – core unit		<u>(4 450 964)</u>	<u>(4 299 091)</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	6	2 837 812	(1 768 736)
<b>ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR</b>		<u>1 072 221</u>	<u>2 840 957</u>
<b>ACCUMULATED SURPLUS AT THE END OF THE YEAR</b>		3 910 034	1 072 221
<b>ACCUMULATED SURPLUS - PROJECTS</b>	7	<u>2 158 458</u>	<u>2 685 813</u>
<b>CONSOLIDATED ACCUMULATED SURPLUS AT THE END OF THE YEAR</b>		<u>6 068 492</u>	<u>3 758 034</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	<u>2011</u>	<u>2010</u>
		N\$	N\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from donors and Ford Foundation Reserve Fund		16 802 323	16 504 001
Cash paid to service providers and employees		<u>(16 014 347)</u>	<u>(18 876 753)</u>
Cash generated/(utilised) by operations	9	787 976	(2 372 752)
Interest received		<u>179 945</u>	<u>240 459</u>
Net cash inflow/(outflow) from operating activities		<u>967 921</u>	<u>(2 132 293)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of motor vehicles and equipment		(43 106)	(260 228)
Proceeds on disposal of motor vehicles and equipment		<u>124 250</u>	<u>3 000</u>
Net cash inflow/(outflow) from investing activities		<u>81 144</u>	<u>(257 228)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		1 049 065	(2 389 521)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<u>14 247 993</u>	<u>16 637 514</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	10	<u>15 297 058</u>	<u>14 247 993</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**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 2011**

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 2011**

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 2011**

	<u>2011</u>	<u>2010</u>			
	N\$	N\$			
<b>2. ACCUMULATED FUNDS</b>					
Windhoek Office	3 910 034	1 072 221			
LAC – Projects	<u>2 158 458</u>	<u>2 685 813</u>			
	<u>6 968 492</u>	<u>3 758 034</u>			
 <b>3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT</b>					
	<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 31/12/2011</b>					
Opening carrying amount	1 909 898	773 077	326 437	44 301	3 053 713
Additions	-	-	39 680	3 426	43 106
Disposals	-	(86 396)	-	-	(86 396)
Depreciation	<u>-</u>	<u>(334 588)</u>	<u>(119 754)</u>	<u>(14 452)</u>	<u>(468 794)</u>
Closing carrying amount	<u>1 909 898</u>	<u>352 093</u>	<u>246 363</u>	<u>33 275</u>	<u>2 541 629</u>
 <b>At 31/12/2011</b>					
At cost	1 909 898	1 655 373	1 579 892	272 950	5 418 113
Accumulated depreciation	<u>-</u>	<u>(1 303 280)</u>	<u>(1 333 529)</u>	<u>(239 675)</u>	<u>(2 876 484)</u>
Net carrying amount	<u>1 909 898</u>	<u>352 093</u>	<u>246 363</u>	<u>33 275</u>	<u>2 541 629</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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 31/12/2010</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>

**Depreciation rate**

Land and buildings comprise erf no 74, situated in Windhoek, Marien Ngouabi 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 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT</b> (continued)		
Buildings, Ongwediva	<u>387 873</u>	<u>387 873</u>
Land and buildings, erf no 74, Windhoek - at cost 1993	709 621	709 621
Improvements at cost		
- 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>		
HIVOS		
- Human Rights and Constitution	-	232 750
Ford Foundation		
- Aids Law Unit Project and Human Rights and Constitutional Unit	<u>-</u>	<u>101 892</u>
	<u>-</u>	<u>334 642</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>5. INCOME</b>		
<i>Africa Group of Sweden</i>	1 110 520	1 504 369
<i>AGS Capacity</i>	53 415	-
<i>Embassy of Finland</i>	2 104 959	491 609
<i>Legal Resource Foundation</i>	-	44 228
<i>Namibia Law Report</i>	217 649	-
<i>Pupkewitz Holdings</i>	1 500	-
<i>Special Reserve Fund drawings</i>	2 000 000	49 101
<i>St James Church</i>	7 168	-
<i>Swedish International Development Agency (SIDA)</i>	<u>1 586 967</u>	<u>-</u>
	7 082 178	2 089 307
<b>OTHER INCOME</b>	<u>206 598</u>	<u>441 048</u>
	<u>7 288 776</u>	<u>2 530 355</u>
<b>6. SURPLUS FOR THE YEAR</b>		
<i>Is stated after charging/(crediting):</i>		
<i>Auditors' remuneration</i>		
- <i>audit fees</i>	148 770	121 205
- <i>accounting services</i>	<u>18 150</u>	<u>27 300</u>
	<u>166 920</u>	<u>148 505</u>
<i>Depreciation</i>	468 794	510 924
<i>Interest received</i>	(179 945)	(240 459)
<i>Profit on disposal of motor vehicles and equipment</i>	(37 854)	(3 000)
<i>Rent received</i>	<u>(56 838)</u>	<u>(34 257)</u>
<b>7. PROJECTS' ACCUMULATED SURPLUS/(DEFICIT)</b>		
<i>Aids Law Unit</i>	(198 490)	107 528
<i>Lead Project</i>	1 589 827	2 032 407
<i>Gender</i>	562 412	258 774
<i>Human Rights and Constitutional Unit</i>	<u>204 705</u>	<u>287 104</u>
	<u>2 158 458</u>	<u>2 685 813</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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>2011</u>	<u>2010</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>2 912 510</u>	<u>2 333 543</u>
	17 953 057	17 374 090
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	49 101
Funding of LAC Core activities - Windhoek Office - 2011	2 000 000	-
Bridging advance - Windhoek Office - 2009	-	2 000 000
Add: Bridging advance repaid - Windhoek Office - 2010	<u>-</u>	<u>650 000</u>
Special Reserve Fund at the end of the year	<u>11 093 656</u>	<u>11 164 689</u>

The Special Reserve Fund is represented by:

SBN Cashplus	2 065 492	-
Pointbreak Money Market Unit Trust	2 122 693	2 000 000
Old Mutual Nedbank Namibia Corporate Fund	2 114 607	2 000 000
First National Bank of Namibia Limited - call account	7 777 737	9 448 426
Less: LEAD project investment included	1 218 899	1 780 286
Huricon project investment included	134 002	459 461
Gender project investment included	1 009 470	43 990
LAT Windhoek - core unit cash investment included	<u>624 502</u>	<u>-</u>
	<u>11 093 656</u>	<u>11 164 689</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.





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

8. **FORD FOUNDATION SPECIAL RESERVE FUND**

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.

	<u>2011</u>	<u>2010</u>
	N\$	N\$
9. <b>RECONCILIATION OF SURPLUS/(DEFICIT) TO CASH GENERATED /(UTILISED) BY OPERATIONS</b>		
Net surplus/(deficit) income for the year	2 348 724	(3 668 350)
Adjusted for:		
Depreciation	468 794	510 924
Ford Foundation Special Reserve	(71 033)	549 691
Interest received	(179 945)	(240 459)
Profit on sale of assets	(37 854)	(3 000)
Repayment of bridging advance Ford Foundation	<u>(1 350 000)</u>	<u>-</u>
Operating cash flow before working capital changes	1 178 686	(2 851 194)
Decrease in donations receivable	-	840 381
(Increase)/decrease in trade and other receivables	(40 986)	109 281
(Decrease)/increase in trade and other payables	(15 082)	248 745
Decrease in donations received in advance	<u>(334 642)</u>	<u>(719 965)</u>
Cash generated/(utilised) by operations	<u>787 976</u>	<u>(2 372 752)</u>

10. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise of:

First National Bank of Namibia Limited		
- call account	7 777 737	9 448 426
Old Mutual Nedbank Namibia Corporate Fund	2 114 607	2 000 000
Pointbreak Money Market Unit Trust	2 122 693	2 000 000
Standard Bank Namibia Cashplus Fund	2 065 492	-
First National Bank of Namibia Limited		
- current accounts	1 956 488	799 877
First National Bank of Namibia Limited		
- bank overdraft	<u>(739 959)</u>	<u>(310)</u>
	<u>15 297 058</u>	<u>14 247 093</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

11. **PROJECTS ADMINISTERED BY THE LEGAL ASSISTANCE TRUST**

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. African Group of Sweden granted N\$ 160 000 for the 2011 financial year to cover certain expenditure.

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. PACT Agencies Collaborating Together funded the project with N\$ 1 818 460, International Labour Organisation with N\$ 959 517, Open Society Initiative for Southern Africa with N\$ 378 097 and UNDP with N\$ 438 130. 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 and a half years from June 2009 to December 2011.

An amount of N\$ 995 074 from other donors was received.

Land, Environment and Development Project

The Evangelischer Entwicklungsdienst (EED) granted Euro 480 000 to the project for the period of three years from 1 January 2011 to 31 December 2013. This grant covers 70,59% of the budgeted project expenses up to a maximum of Euro 480 000. During the current period these other expenses have been covered by grants of the Embassy of Finland, HIVOS and other partners of LAC.

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

	<u>2011</u>	<u>2010</u>
	N\$	N\$
12. <b>CONTINGENT LIABILITY</b>		
V Mutumbulwa	-	<u>30 000</u>

This amount was allegedly due to Victor Mutumbulwa. Despite disagreeing, LAC thought it prudent to settle same without admitting liability, in order to minimise any legal fees or costs.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**13. 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 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>DONATIONS RECEIVED</b>		
<i>Africa Group of Sweden</i>	1 110 520	1 504 369
<i>AGS Capacity</i>	53 415	-
<i>Drawing from Ford Foundation - special reserve fund</i>	2 000 000	49 101
<i>Embassy of Finland</i>	2 104 959	491 609
<i>Legal Resource Foundation</i>	-	44 228
<i>Namibia Law Report</i>	217 649	-
<i>Pupkewitz Holdings</i>	1 500	-
<i>St James Church</i>	7 168	-
<i>Swedish International Development Agency (SIDA)</i>	<u>1 586 967</u>	<u>-</u>
	<u>7 082 178</u>	<u>2 089 307</u>
<b>OTHER INCOME</b>		
<i>Bookkeeping and management fees</i>	-	25 868
<i>Consulting income</i>	-	147 483
<i>Etosha-Haikom-Buch</i>	-	37 284
<i>Human Rights Development Initiative</i>	31 314	-
<i>Interest received</i>	34 756	10 634
<i>Photocopy income</i>	11 375	536
<i>Profit on sale of motor vehicles and equipment</i>	250	3 000
<i>Rent received</i>	56 838	34 257
<i>Sundry income</i>	68 752	22 955
<i>Transport income/refunds</i>	<u>3 313</u>	<u>159 031</u>
	<u>206 598</u>	<u>441 048</u>
<b>TOTAL INCOME</b>	7 288 776	2 530 355
<b>Less: EXPENDITURE (page 6)</b>	<u>(4 450 964)</u>	<u>(4 299 091)</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	2 837 812	(1 768 736)
<b>SURPLUS AT THE BEGINNING OF THE YEAR</b>	<u>1 072 221</u>	<u>2 840 957</u>
<b>SURPLUS AT THE END OF THE YEAR</b>	<u>3 910 033</u>	<u>1 072 221</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**WINDHOEK OFFICE**  
**SCHEDULE OF EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<i>Auditors' remuneration</i>	68 827	86 060
<i>Bad debts</i>	6 500	-
<i>Bank charges</i>	22 720	21 829
<i>Computer support</i>	114 315	83 106
<i>Consultancy fees</i>	94 595	116 178
<i>Contributions</i>		
- <i>Community Paralegal Volunteer Training</i>	3 691	-
- <i>LAC - Yelula</i>	48 952	-
- <i>PACT Namibia</i>	38 860	-
- <i>Land, Environment and Development Project - prior year Embassy of Finland funding</i>	-	212 000
<i>Counsel fees</i>	63 995	70 215
<i>Depreciation</i>	101 536	87 254
<i>Insurance and licences</i>	117 690	124 082
<i>Interest paid</i>	6 761	-
<i>Legal fees</i>	1 600	1 797
<i>Maintenance</i>		
- <i>other expenses</i>	39 394	37 436
- <i>vehicles</i>	24 409	17 137
- <i>yard</i>	25 948	75 457
<i>Municipal expenses</i>	115 971	107 867
<i>Office expenses</i>	30 288	38 651
<i>Petrol</i>	36 414	137 053
<i>Publications</i>	264 669	141 860
<i>Recruiting of professional and administrative staff</i>	2 260	5 401
<i>Salaries and staff benefits</i>	2 785 288	2 470 328
<i>Security costs</i>	164 088	157 147
<i>Seminars and workshops</i>	26 104	22 482
<i>Staff development costs</i>	75 202	5 886
<i>Stationery and printing</i>	68 853	70 905
<i>Subscriptions to legal publications</i>	500	500
<i>Telephone, telefax and postage</i>	91 924	157 765
<i>Transport costs - Etosha-Haikom Project</i>	-	5 445
<i>Travelling and accommodation</i>	<u>9 610</u>	<u>45 250</u>
	<u>4 450 964</u>	<u>4 299 091</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
LAND, ENVIRONMENT AND DEVELOPMENT PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Embassy of Finland	240 000	360 565
- H I V O S	152 559	625 969
- Evangelischer Entwicklungsdienst (EED)	1 215 484	859 214
- Africa Group of Sweden (AGS)	150 000	-
- Open Society Initiative for Southern Africa (OSISA)	<u>336 945</u>	<u>-</u>
	<u>2 094 988</u>	<u>1 845 748</u>
<i>Consulting income</i>		
- Cologne VW income	-	62 219
- Programme for Land and Ag;arian Studies (PLAAS)	26 593	210 202
- International Labour Organisation (ILO)	<u>-</u>	<u>186 442</u>
	<u>26 593</u>	<u>458 863</u>
<i>Other income</i>		
- transport costs recovered	-	1 230
- interest received	88 371	97 462
- publication income	6 698	7 050
- profit on sale of fixed assets	<u>3 604</u>	<u>-</u>
	<u>98 673</u>	<u>105 742</u>
	<u>2 220 254</u>	<u>2 410 353</u>
<b>EXPENDITURE</b>		
Auditors' remuneration	29 268	33 925
Bank charges	11 264	15 538
Communications	16 330	20 953
Depreciation	166 754	233 445
Insurance	42 108	38 409
Management fees	138 290	43 572
Maintenance	<u>26 776</u>	<u>111 262</u>
- motor vehicle		
BALANCE CARRIED FORWARD	430 790	497 104



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
LAND, ENVIRONMENT AND DEVELOPMENT PROJECT  
INCOME STATEMENT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<i>EXPENDITURE (continued)</i>		
BALANCE BROUGHT FORWARD	430 790	497 104
Professional fees	685 388	830 634
Research	9 689	81 854
- publications	69 768	112 005
- travel	1 288 673	1 247 680
Staff remuneration	3 402	22 038
Stationery and subscription	<u>175 124</u>	<u>297 515</u>
Workshops and conferences	<u>2 662 834</u>	<u>3 088 830</u>
DEFICIT FOR THE YEAR	(442 580)	(678 477)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	<u>2 032 407</u>	<u>2 710 884</u>
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>1 589 827</u>	<u>2 032 407</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
GENDER RESEARCH AND ADVOCACY PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>INCOME</b>		
Donations received		45 961
- Amnesty International	-	
- Dutch Ministry – MDG3	3 644 392	3 096 082
- Embassy of Finland	-	151 550
- UNICEF - Childcare Protection Act	612 711	-
- Ministry of Gender Equality and Child Welfare	112 108	45 608
- Africa Groups of Sweden	100 000	-
- Save the Children Sweden	162 926	150 000
- Self Regulating Alcohol Industry Forum SAIF	-	10 137
Interest received	37 041	97 976
Consulting fees received	92 747	36 644
Publication sales	81 810	28 360
Refund motor vehicle expenditure	<u>1 329</u>	<u>-</u>
	<u>4 851 069</u>	<u>3 662 318</u>
<b>EXPENDITURE</b>		
Administration costs	159 105	91 067
Bookkeeping fees	37 720	35 535
Computer costs	-	11 393
Consultants and outsourced printing costs	175 100	99 568
Depreciation	70 023	70 023
Field research	250 862	121 804
Motor vehicle maintenance	5 551	9 000
Office rent	-	16 932
Publications (including film and radio show production)	2 441 137	2 687 501
Repairs and maintenance	3 425	-
Salaries and staff benefits	1 321 271	1 313 961
Telephone and fax	-	2 500
Workshops	<u>83 228</u>	<u>145 516</u>
	<u>4 547 422</u>	<u>4 604 800</u>
SURPLUS/(DEFICIT) FOR THE YEAR	303 642	(942 482)
SURPLUS AT THE BEGINNING OF THE YEAR	<u>258 774</u>	<u>1 201 256</u>
SURPLUS AT THE END OF THE YEAR	<u>562 416</u>	<u>258 774</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
HUMAN RIGHTS AND CONSTITUTIONAL UNIT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- African Group of Sweden	160 000	-
- HIVOS	385 309	393 220
- Ford Foundation	50 946	503 439
- Embassy of Finland	-	150 126
Interest received	16 049	17 447
Other donations	-	1 250
Profit on disposal of motor vehicle	<u>34 000</u>	<u>-</u>
	<u>646 304</u>	<u>1 065 482</u>
<b>EXPENDITURE</b>		
Administration costs	3 781	30 875
Auditors' remuneration	10 925	8 625
Counsel and legal fees	-	35 618
Depreciation	5 091	1 645
Foreign exchange loss	-	-
Insurance	8 252	-
Professional costs	-	71 400
Publications	5 184	13 642
Repairs and maintenance	6 440	27 852
Staff remuneration	633 337	813 456
Telephone, fax, postage and stationery	52 365	14 880
Text books and subscriptions	2 321	3 519
Travel and accommodation	<u>1 007</u>	<u>2 488</u>
	<u>728 703</u>	<u>1 024 000</u>
(DEFICIT)/SURPLUS FOR THE YEAR	(82 399)	41 482
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	<u>287 104</u>	<u>245 622</u>
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>204 705</u>	<u>287 104</u>

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**AIDS LAW UNIT**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
	N\$	N\$
<b>INCOME</b>		
Donations received	-	458 524
- IBIS	-	144 900
- Embassy of Finland	50 946	503 440
- Ford Foundation	378 097	825 000
- Open Society Initiative for Southern Africa (OSISA)	160 000	-
- African Group of Sweden	438 130	-
- United Nations Development Programme	-	5 180
- Del Mundo PA	959 517	142 386
- The International Labour Organisation	-	80 199
- International Council of Swedish Industry	105 000	352 498
- Southern Africa Litigation Centre	48 388	11 217
- Other		
Presentation income	1 818 460	3 544 762
- PACT Agencies Collaborating Together	208 191	224 655
Other income	<u>3 728</u>	<u>16 940</u>
Interest received	<u>4 170 457</u>	<u>6 309 701</u>
<b>EXPENDITURE</b>		
Auditors' remuneration	20 180	19 895
Bank charges	28 601	30 757
Depreciation	125 390	118 557
Donations	33 571	-
Education and training material	160 348	286 662
Institutional strengthening	-	80 680
Insurance	11 799	45 143
Legal fees	89 000	220 893
Maintenance		
- equipment	14 382	43 702
- vehicles	13 599	62 756
Meetings	-	5 250
Office expenses	59 423	63 259
Professional fees	66 000	1 179 230
Rent	<u>36 660</u>	<u>2 882</u>
BALANCE CARRIED FORWARD	658 953	2 159 666



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**AIDS LAW UNIT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	<u>2011</u>	<u>2010</u>
		N\$	N\$
<i>EXPENDITURE (continued)</i>			
BALANCE BROUGHT FORWARD		658 953	2 159 666
Research and publications		59 996	-
Staff remuneration		2 513 317	2 778 477
Stationery		25 558	11 435
Subscription		(850)	-
Telephone, fax and postage		67 857	57 111
Travelling		147 262	366 036
Water and electricity		-	3 836
Workshops		<u>1 004 382</u>	<u>1 253 277</u>
		<u>4 476 475</u>	<u>6 629 838</u>
DEFICIT FOR THE YEAR		(306 018)	(320 137)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR		<u>107 528</u>	<u>427 665</u>
(PROJECT DEFICIT)/ACCUMULATED FUNDS AT THE END OF THE YEAR		<u>(198 490)</u>	<u>107 528</u>

