

***THE LEGAL ASSISTANCE TRUST OF NAMIBIA***  
***CONSOLIDATED***  
***ANNUAL FINANCIAL STATEMENTS***  
***FOR THE YEAR ENDED***  
***31 DECEMBER 2018***



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**ADMINISTRATION**

<i>Trustees:</i>	<p><i>C Daniels</i> <i>T Amupadhi</i> <i>E Angula</i> <i>E Schimming-Chase</i> <i>N Tjombe</i> <i>B Uirab</i> <i>N Kaiyamo</i></p>	<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 2018

STATEMENT BY THE TRUSTEES

The consolidated annual financial statements set out on pages 6 to 26 have been approved by the Board of Trustees and are signed on their behalf by:



T HANCOX



C DANIELS

WINDHOEK  
26 April 2019



## REPORT OF THE INDEPENDENT AUDITORS

To the trustees and donors of

### THE LEGAL ASSISTANCE TRUST OF NAMIBIA

#### Opinion

We have audited the consolidated annual financial statements of The Legal Assistance Trust of Namibia set out on pages 6 to 26, which comprise the balance sheet as at 31 December 2018, the income statement, the cash flow statement for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated annual financial statements present fairly, in all material respects, the financial position of the project as at 31 December 2018, and its financial performance and cash flows for the year then ended in accordance with Namibian Statements of General Accepted Accounting Practice NAC 001: Financial Reporting for Small and Medium Sized Entities.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the project in accordance with the independence requirements applicable to performing audits of financial statements in Namibia which is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We have fulfilled our other ethical responsibilities in accordance with the ethical requirements applicable to performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

Our opinion on the consolidated annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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### **Other information (continued)**

*In connection with our audit of the consolidated annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.*

*If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.*

### **Responsibilities of the Trustees for the consolidated annual financial statements**

*The Trustees are responsible for the preparation and fair presentation of the consolidated annual financial statements in accordance with Namibian Statements of General Accepted Accounting Practice NAC 001: Financial Reporting for Small and Medium Sized Entities, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.*

*In preparing the consolidated annual financial statements, the Trustees are responsible for assessing the project's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the project or to cease operations, or have no realistic alternative but to do so.*

### **Auditor's responsibilities for the audit of the consolidated annual financial statements**

*Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.*

*Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial statements.*

*As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:*

- ❖ *Identify and assess the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- ❖ *Obtain an understanding of internal control relevant to the audit 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 project's internal control.*
- ❖ *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.*

**Auditor's responsibilities for the audit of the consolidated annual financial statements (continued)**

- ❖ *Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the project to cease to continue as a going concern.*
- ❖ *Evaluate the overall presentation, structure and content of the consolidated annual financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.*
- ❖ *Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.*

*We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.*

*We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.*



**STIER VENTE ASSOCIATES**  
**REGISTERED ACCOUNTANTS AND AUDITORS**  
**CHARTERED ACCOUNTANTS (NAMIBIA)**

Per: J Lourens  
Partner

WINDHOEK, 26 April 2019



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2018**

	Note	<u>2018</u>	<u>2017</u>
		N\$	N\$
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
<i>Ford Foundation Investment</i>	7	9 702 734	11 027 147
<i>Property, motor vehicles and equipment</i>	3	<u>10 528 928</u>	<u>10 663 142</u>
		<u>20 231 662</u>	<u>21 690 289</u>
<b>CURRENT ASSETS</b>			
<i>Donations receivable</i>		-	293 985
<i>Trade and other receivables</i>		198 171	305 216
<i>Cash and cash equivalents</i>		<u>3 012 057</u>	<u>2 315 304</u>
		<u>3 210 228</u>	<u>2 914 504</u>
<b>TOTAL ASSETS</b>		<u>23 441 890</u>	<u>24 604 793</u>
<b><u>FUNDS AND LIABILITIES</u></b>			
<b>FUNDS AND RESERVES</b>			
<i>Ford Foundation Special Reserve Fund</i>	7	9 702 734	11 027 147
<i>Revaluation Reserve</i>		8 532 975	8 532 975
<i>Accumulated funds</i>	2	<u>3 358 595</u>	<u>4 182 381</u>
<i>Funds and reserves</i>		<u>21 594 304</u>	<u>23 742 503</u>
<b>CURRENT LIABILITIES</b>			
<i>Donations received in advance</i>		483 064	-
<i>Other payables</i>		<u>1 364 522</u>	<u>862 290</u>
		<u>1 847 586</u>	<u>862 290</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>23 441 890</u>	<u>24 604 793</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	<u>2018</u>	<u>2017</u>
		N\$	N\$
<i>INCOME</i>			
Windhoek Office – core unit	4	<u>5 643 202</u>	<u>6 094 109</u>
<i>EXPENDITURE</i>			
Windhoek Office – core unit		<u>(6 001 587)</u>	<u>(6 589 083)</u>
DEFICIT FOR THE YEAR	5	(358 385)	(494 974)
FUNDS RETURNED TO AFRICA GROUP OF SWEDEN		-	(6 126)
ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR		<u>1 608 211</u>	<u>2 109 311</u>
ACCUMULATED SURPLUS AT THE END OF THE YEAR		1 249 826	1 608 211
ACCUMULATED SURPLUS - PROJECTS	5,6	<u>2 108 769</u>	<u>2 574 170</u>
CONSOLIDATED ACCUMULATED SURPLUS AT THE END OF THE YEAR		<u>3 358 595</u>	<u>4 182 381</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	<u>2018</u>	<u>2017</u>
		N\$	N\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from donors		11 405 479	9 950 009
Cash paid to service providers and employees		<u>(12 034 356)</u>	<u>(5 489 501)</u>
Cash utilised by operations	8	(628 877)	(4 460 508)
Interest received		<u>6 290</u>	<u>30 340</u>
Net cash outflow from operating activities		<u>(622 857)</u>	<u>(4 430 168)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of motor vehicles and equipment		(25 070)	(468 912)
Proceeds on disposal of motor vehicles and equipment		<u>20 000</u>	<u>361 211</u>
Net cash outflow from investing activities		<u>(5 070)</u>	<u>(107 701)</u>
<b>CASH FLOWS FORM FINANCING ACTIVITIES</b>			
Repayment AGS/GIZ funding		<u>-</u>	<u>(6 126)</u>
Net cash outflow from financing activities		<u>-</u>	<u>(6 126)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(627 657)	(4 543 995)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>13 342 451</u>	<u>17 886 446</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	<u>12 714 794</u>	<u>13 342 451</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

1. ACCOUNTING POLICIES

*The consolidated annual financial statements have been prepared using the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through the profit and loss.*

*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 do not have to disclose income tax, tax liabilities and deferred tax.*

*Property, motor vehicles and equipment*

*The Trust 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. Land and buildings have been revalued in 2014 and are from now being carried at revalued cost.*

*Buildings, motor vehicles and equipment are 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 2018**

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 2018**

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 2018**

	<u>2018</u>	<u>2017</u>			
	N\$	N\$			
<b>2. ACCUMULATED FUNDS</b>					
Windhoek Office	1 249 826	1 608 211			
LAC – Projects	<u>2 108 769</u>	<u>2 574 170</u>			
	<u>3 358 595</u>	<u>4 182 381</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 31/12/2018</b>					
Opening carrying Amount	10 055 000	441 586	163 509	3 047	10 663 142
Additions	-	-	25 070	-	25 070
Depreciation	<u>-</u>	<u>(108 220)</u>	<u>(50 374)</u>	<u>(690)</u>	<u>(159 284)</u>
Closing carrying Amount	<u>10 055 000</u>	<u>333 366</u>	<u>138 205</u>	<u>2 357</u>	<u>10 528 928</u>
<b>At 31/12/2018</b>					
At cost	10 055 000	2 170 014	1 819 912	270 110	14 315 036
Accumulated depreciation	<u>-</u>	<u>(1 836 648)</u>	<u>(1 681 707)</u>	<u>(267 753)</u>	<u>(3 786 108)</u>
Net carrying amount	<u>10 055 000</u>	<u>333 366</u>	<u>138 205</u>	<u>2 357</u>	<u>10 528 928</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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 31/12/2017</b>					
Opening carrying Amount	10 055 000	221 083	195 607	-	10 471 690
Additions	-	446 545	18 917	3 450	468 912
Disposals	-	(28 458)	-	-	(28 458)
Depreciation	<u>-</u>	<u>(197 584)</u>	<u>(51 015)</u>	<u>(403)</u>	<u>(249 002)</u>
Closing carrying Amount	<u>10 055 000</u>	<u>441 586</u>	<u>163 509</u>	<u>3 047</u>	<u>10 663 142</u>
<b>At 31/12/2017</b>					
At cost	10 055 000	2 170 014	1 794 842	270 110	14 289 966
Accumulated depreciation	<u>-</u>	<u>(1 728 428)</u>	<u>(1 631 333)</u>	<u>(267 063)</u>	<u>(3 626 824)</u>
Net carrying amount	<u>10 055 000</u>	<u>441 586</u>	<u>163 509</u>	<u>3 047</u>	<u>10 663 142</u>

Land and buildings comprise erf no 74, situated in Windhoek, Marien Ngouabi Street and was valued by PJJ Wilders on 28 February 2014 at estimated market value on the basis of depreciated building values with compared market value of land. The Trustees accepted this value as at 31 December 2018.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT</b> <i>(continued)</i>		
<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
- 1999	466 126	466 126
- 2000	<u>2 528</u>	<u>2 528</u>
	1 522 025	1 522 025
<i>Revaluation 2014</i>	<u>8 532 945</u>	<u>8 532 945</u>
	<u>10 055 000</u>	<u>10 055 000</u>
<b>4. INCOME</b>		
<b>DONATIONS</b>		
<i>Africa Group of Sweden</i>	2 698 523	2 703 044
<i>Namibia Law Report</i>	<u>80 000</u>	<u>241 792</u>
	2 778 523	2 944 836
<b>OTHER INCOME</b>		
<i>Ford Foundation reserve contribution</i>	2 088 477	2 600 000
<i>Other income</i>	<u>776 198</u>	<u>549 273</u>
	<u>5 643 198</u>	<u>6 094 109</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>5. (DEFICITS)/SURPLUSES FOR THE YEAR</b>		
<i>Are stated after charging/(crediting) the following consolidated income and expenditures.</i>		
<i>Auditors' remuneration</i>		
<i>- audit fees</i>	<u>313 352</u>	<u>234 255</u>
<i>Depreciation</i>	159 284	249 002
<i>Interest received</i>	(6 290)	(30 340)
<i>Loss on disposal of equipment</i>	-	-
<i>Profit on disposal of motor vehicles and equipment</i>	<u>(20 000)</u>	<u>(332 754)</u>
<b>6. ACCUMULATED SURPLUS/(DEFICIT) - PROJECTS</b>		
<i>Social Justice Programme</i>	-	22 792
<i>Lead Project</i>	1 854 320	1 476 573
<i>Gender</i>	<u>254 449</u>	<u>1 074 805</u>
	<u>2 108 769</u>	<u>2 574 170</u>
<i>The Legal Assistance Trust (via The Legal Assistance Centre - Windhoek) manages the projects and controls the disbursements. All surpluses may be subject to refund.</i>		
<b>7. FORD FOUNDATION SPECIAL RESERVE FUND</b>		
<i>Redemption of SALS - Ford Foundation capital reserve fund</i>	15 040 547	15 040 547
<i>Interest received since inception</i>	<u>8 482 005</u>	<u>7 717 941</u>
	23 522 552	22 758 488
<i>Less: Funding of LAC Core activities - Windhoek Office- 2008</i>	4 349 067	4 349 067
<i>Funding of LAC Core activities - Windhoek Office- 2009</i>	461 233	461 233
<i>Funding of LAC Core activities - Windhoek Office- 2010</i>	49 101	49 101
<i>Funding of LAC Core activities - Windhoek Office- 2011</i>	2 000 000	2 000 000
<i>Funding of LAC Core activities - Windhoek Office- 2016</i>	2 271 940	2 271 940
<i>Funding of LAC Core activities - Windhoek Office- 2017</i>	2 600 000	2 600 000
<i>Funding of LAC Core activities - Windhoek Office- 2018</i>	<u>2 088 477</u>	<u>-</u>
<i>Special Reserve Fund at the end of the year</i>	<u>9 702 734</u>	<u>11 027 147</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>7. FORD FOUNDATION SPECIAL RESERVE FUND (continued)</b>		
<i>The Special Reserve Fund is represented by:</i>		
SBN Cashplus	4 719 488	4 383 129
Pointbreak Money Market Unit Trust	4 983 249	4 628 319
Old Mutual Nedbank Namibia Corporate Fund	-	1 753 632
First National Bank of Namibia Limited - - call account	<u>4 243</u>	<u>532 031</u>
	9 706 980	11 297 111
Less: Gender project	-	10 575
LEAD project investment included	1 153	7 977
LAT Windhoek - core unit cash investment included	1 622	250 174
LEAD - Brot für die Welt project	<u>1 471</u>	<u>1 238</u>
	<u>9 702 734</u>	<u>11 027 147</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 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>8. RECONCILIATION OF DEFICIT TO CASH UTILISED BY OPERATIONS</b>		
Net deficit for the year	(823 786)	(441 372)
Adjusted for:		
Depreciation	159 284	249 002
Foreign exchange gain	(5 600)	-
Transfer from reserve funds	(2 088 477)	(2 600 000)
Ford Foundation Special Reserve interest received	764 066	982 788
Interest received	(6 290)	(30 340)
Loss/(profit) on sale of motor vehicles and equipment	(20 000)	(332 754)
Repayment of AGS/GIZ funding	<u>-</u>	<u>6 126</u>
Operating cash flow before working capital changes carried forward	(2 020 803)	(2 166 550)
Decrease/(increase) in donation receivable	293 985	47 300
Decrease/(increase) in trade and other receivables	112 645	(249 670)
Increase/(decrease) in trade and other payables	502 232	(1 251 358)
Movement in donations received in advance	<u>483 064</u>	<u>(840 230)</u>
Cash utilised by operations	<u>(628 877)</u>	<u>(4 460 508)</u>
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprise of:		
First National Bank of Namibia Limited		
- call account	4 243	532 031
Old Mutual Nedbank Namibia Corporate Fund	-	1 753 632
Pointbreak Money Market Unit Trust	4 983 249	4 628 319
Standard Bank Namibia Cashplus Fund	4 719 488	4 383 129
First National Bank of Namibia Limited		
- current accounts	<u>3 007 814</u>	<u>2 045 340</u>
	<u>12 714 794</u>	<u>13 342 451</u>
<b>10. PROJECTS ADMINISTERED BY THE LEGAL ASSISTANCE TRUST</b>		
<u>Social Justice Programme</u>		
Canadian DFATD granted N\$ 236 563, The Legal Assistance Center partly via the Ford Reserve N\$ 1 549 432 to the project for the 2018 financial year, United Nations High Commissioner for Refugees granted N\$ 495 996.		



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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

Gender Research and Advocacy

Hans Seidel Foundation granted the project N\$ 454 332, US Embassy N\$ 66 838, The Embassy of Finland N\$ 167 754, the German Embassy sponsored N\$ 683 734 and US Embassy sponsored N\$ 66 838.

Land, Environment and Development Project

Brot für die Welt is the main sponsor of the project with N\$ 1 790 440 and a contract covering the period 2017 to 2019.

Deutsche Gesellschaft granted the project N\$ 1 278 673 for the financial year.

World Wildlife Fund (WWF) granted the project N\$ 2 103 885 and US Department of the State granted N\$ 1 079 712.

11. **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.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

11. **FINANCIAL RISK MANAGEMENT (continued)**

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 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>DONATIONS RECEIVED</b>		
<i>Africa Groups of Sweden</i>	2 698 523	2 703 044
<i>Namibia Law Report - various contributions</i>	<u>80 000</u>	<u>241 792</u>
	<u>2 778 523</u>	<u>2 944 836</u>
<b>OTHER INCOME</b>		
<i>Consultation income</i>	-	28 200
<i>Donations (30 years celebration)</i>	9 500	-
<i>Etosha-Haikom-Buch</i>	8 690	12 720
<i>Transfer from Ford Foundation Reserve to cover project contributions</i>	2 088 477	2 600 000
<i>Insurance refund</i>	22 282	-
<i>Interest received</i>	4 876	6 856
<i>Legal fees recovered</i>	-	7 000
<i>Management fee income</i>	688 701	384 154
<i>Photocopy income</i>	20 799	18 878
<i>Profit on sale of motor vehicles and equipment</i>	20 000	57 754
<i>Sundry income</i>	<u>1 350</u>	<u>33 711</u>
	<u>2 864 675</u>	<u>3 149 273</u>
<b>TOTAL INCOME</b>	5 643 202	6 094 109
<i>Less: EXPENDITURE (page 21)</i>	<u>(6 001 587)</u>	<u>(6 589 083)</u>
<b>DEFICIT FOR THE YEAR</b>	(358 385)	(494 974)
<b>FUNDS RETURNED TO AFRICA GROUP OF SWEDEN</b>	-	(6 126)
<b>SURPLUS AT THE BEGINNING OF THE YEAR</b>	<u>1 608 211</u>	<u>2 109 311</u>
<b>SURPLUS AT THE END OF THE YEAR</b>	<u>1 249 826</u>	<u>1 608 211</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**WINDHOEK OFFICE**  
**SCHEDULE OF EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<i>Auditors' remuneration</i>	108 100	88 550
<i>Bad debt</i>	107	-
<i>Bank charges</i>	35 605	33 663
<i>Computer maintenance</i>	151 301	163 064
- <i>computer maintenance</i>	8 974	-
- <i>switch board</i>	35 837	18 111
- <i>photocopies</i>	11 627	29 966
- <i>IT support</i>	71 084	99 088
- <i>accounting support</i>	23 779	18 869
<i>Cleaning and refreshments</i>	24 548	30 827
<i>Consultants</i>	10 000	16 733
<i>Contributions</i>		
- <i>Contingencies</i>	15 413	-
- <i>Aids Law Unit</i>	-	81 392
- <i>Social Justice Project (SJP)</i>	1 549 432	2 000 000
<i>Counsel fees</i>	4 485	263
<i>Depreciation</i>	11 920	30 942
<i>Insurance and licenses</i>	20 364	24 024
<i>Law reports editing</i>	120 000	180 000
<i>Litigation costs (net)</i>	8 627	-
<i>Maintenance</i>		
- <i>vehicles</i>	11 484	13 415
- <i>yard</i>	50 525	19 836
<i>Municipal expenses</i>	118 818	93 696
<i>Office expenses</i>	-	-
<i>Petrol</i>	28 523	35 278
<i>Publications</i>	60 909	47 827
<i>Salaries and staff benefits</i>	3 419 923	3 405 890
<i>Security costs</i>	83 749	194 780
<i>Seminars and workshops</i>	24 697	17 417
<i>Stationery and printing</i>	37 368	20 648
<i>Membership to National &amp; Regional bodies</i>	9 823	9 362
<i>Telephone, telefax and postage</i>	74 758	77 772
<i>Travelling and accommodation</i>	21 108	3 704
	<u>6 001 587</u>	<u>6 589 083</u>

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**LAND, ENVIRONMENT AND DEVELOPMENT PROJECT**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Deutsche Gesellschaft	1 278 673	-
- Gesellschaft für Organisation, Planung and Asisbildung (GOPA)	-	9 715
- The Royal Foundation	-	44 696
- Brot für die Welt	1 790 440	2 720 335
- GIZ - European Development Fund	-	398 266
- NAMAS	17 666	-
- K.A.S.	12 947	-
- Open Society Initiative for Southern Africa (OSISA)	-	443 045
- U.S. Department of State	1 079 712	-
- World Wildlife Fund (USAID)	1 254 961	70 888
- World Wildlife Fund (INL)	848 924	666 518
- World Wildlife Fund (Small project)	-	76 566
<i>Contributions from:</i>		
- American Bar Association (ABA)	<u>-</u>	<u>40 440</u>
	<u>6 283 323</u>	<u>4 470 469</u>
 <i>Consulting income</i>		
- Programme for Land and Agrarian Studies (PLAAS)	<u>-</u>	<u>26 715</u>
 <i>Other income</i>		
- interest received	896	19 513
- interest received - European NYAE	-	60
- publication income	504	2 370
- sundry income	18 053	22 141
- insurance refund	<u>7 929</u>	<u>275 000</u>
	<u>27 382</u>	<u>319 084</u>
	<u>6 310 705</u>	<u>4 816 268</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**LAND, ENVIRONMENT AND DEVELOPMENT PROJECT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<u>2018</u>	<u>2017</u>
	N\$	N\$
<b>EXPENDITURE</b>		
<i>Administration costs</i>	49 793	-
<i>ABA expenditure</i>	-	27 600
<i>Auditors' remuneration</i>	139 127	81 305
<i>Bank charges</i>	15 968	17 813
<i>Computer expenses</i>	36 964	-
<i>Consulting fees</i>	429 116	523 919
<i>Depreciation</i>	142 469	211 082
<i>Electricity and water</i>	39 204	39 200
<i>Insurance</i>	44 006	47 486
<i>Local experts</i>	546 024	-
<i>Management fees</i>	116 740	17 107
<i>Maintenance and repairs</i>	9 707	65 630
<i>Office expenses</i>	56 058	52 379
<i>Professional fees</i>	628 784	527 595
<i>Programme/activity expenditure</i>	720 095	226 052
<i>Research</i>		
- publications	2 200	35 411
- travel	236 736	111 995
<i>Security</i>	63 600	63 600
<i>Staff development</i>	5 486	-
<i>Staff remuneration</i>	1 820 988	2 544 423
<i>Telephone, fax and postage</i>	17 894	-
<i>Workshops and conferences</i>	<u>811 999</u>	<u>539 358</u>
	<u>5 932 958</u>	<u>5 131 955</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	377 747	(315 687)
<b>FUNDS RETURNED TO GIZ</b>	-	(21 451)
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>	<u>1 476 573</u>	<u>1 813 711</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>	<u>1 854 320</u>	<u>1 476 573</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
GENDER RESEARCH AND ADVOCACY PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	<u>2018</u>	<u>2017</u>
		N\$	N\$
<b>INCOME</b>			
<i>Donations received</i>			
- Hans Seidel Foundation		454 332	251 900
- Embassy of Finland		167 754	1 546 638
- German Embassy		683 734	-
- UNICEF Social Responsibility CCPA – 2017 (Part 2 – 2015)		-	86 360
- US Embassy		66 838	271 420
<i>Consulting fees received</i>		214 216	684 985
<i>Interest received</i>		518	10 797
<i>Foreign exchange gain</i>		5 600	-
<i>Other income</i>		5 000	-
<i>Publication sales</i>		-	<u>3 800</u>
		<u>1 597 992</u>	<u>2 855 900</u>
<b>EXPENDITURE</b>			
<i>Administration costs</i>		119 943	65 250
<i>Auditors remuneration</i>		29 325	26 450
<i>Depreciation</i>		2 758	4 837
<i>Foreign exchange loss</i>		-	14 584
<i>Insurance</i>		21 825	22 142
<i>Motor vehicle maintenance (repairs and maintenance)</i>		13 084	24 310
<i>Project expenses</i>			
- EU expenditure		-	15 000
- British High Commission		-	17 412
- Hans Seidel Foundation		185 063	20 000
- German Embassy		305 797	-
- US Embassy project		<u>17 100</u>	<u>48 951</u>
<b>BALANCE CARRIED FORWARD</b>		694 895	258 936



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**GENDER RESEARCH AND ADVOCACY PROJECT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	<u>2018</u>	<u>2017</u>
		N\$	N\$
<i>EXPENDITURE (continued)</i>			
BALANCE BROUGHT FORWARD		649 895	258 936
<i>Project expenses (continued)</i>			
- Embassy of Finland Project expenditure		171 623	577 791
- KAS Project expenditure		-	58 500
- OSISA Six Legislative areas		-	57 492
Salaries and staff benefits		<u>1 551 830</u>	<u>1 527 911</u>
		<u>2 418 348</u>	<u>2 480 630</u>
(DEFICIT)/SURPLUS FOR THE YEAR		(820 356)	375 270
SURPLUS AT THE BEGINNING OF THE YEAR		<u>1 074 805</u>	<u>699 535</u>
SURPLUS AT THE END OF THE YEAR (*)		<u>254 449</u>	<u>1 074 805</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**SOCIAL JUSTICE PROGRAMME**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018	2017
		N\$	N\$
<b>INCOME</b>			
Canadian DFATD		236 563	149 415
United Nations High Commissioner for Refugees (UNHCR)		306 498	-
Contribution LAT Windhoek Core funds		1 549 432	2 081 392
Southern Africa Litigation Centre		24 200	-
Salary contribution from UNHCR		<u>189 498</u>	<u>-</u>
		<u>2 306 191</u>	<u>2 230 807</u>
<b>OTHER INCOME</b>			
Interest received		-	111
Consulting income		120 000	105 046
Contribution received from Lead 2nd		-	30 000
Sundry income		<u>600</u>	<u>-</u>
		<u>120 600</u>	<u>135 157</u>
		<u>2 426 791</u>	<u>2 365 964</u>
<b>EXPENDITURE</b>			
Accommodation		-	5 700
Administration costs		4 249	1 055
Auditors' remuneration		36 800	37 950
Bad debt		-	4 300
Bank charges		4 212	6 177
Canadian DFATD expenditure		193 771	73 365
Computer expenses		-	1 500
Contribution to Aids Law Unit		-	-
Counsel and professional fees		212 632	16 925
Depreciation		2 137	2 140
Fuel and oil		6 117	3 425
Legal fees, legal cost and litigation		33 854	57 760
Membership fees lawyer		-	8 602
Publications		-	12 986
Staff remuneration		1 846 135	1 965 600
Telephone, fax, postage and stationery		6 179	21 446
Training		1 590	1 174
Travelling expenses		-	12 223
UNHCR expenses		101 907	-
Workshop		<u>-</u>	<u>110 844</u>
		<u>2 449 583</u>	<u>2 343 172</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(22 792)</b>	<b>22 792</b>
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>		<u>22 792</u>	<u>-</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>		<u><u>-</u></u>	<u><u>22 792</u></u>

