

**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2019**



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**ADMINISTRATION**

*Trustees:*

	C Daniels	(Chairperson)
	T Amupadhi	
	E Angula	
	E Schimming-Chase	
	N Tjombe	
	B Uirab	
	N Kaiyamo	

*Director:* T Hancox

*Auditors:* Stier Vente Associates

*Address:* PO Box 604  
Marien Ngouabi Street  
Windhoek



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**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  
30 April 2020

**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 2019, 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 2019, and its financial performance and cash flows for the year then ended in accordance with the Namibian Statement 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 Company in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (revised July 2016), parts 1 and 3 of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (Revised July 2018) and other independence requirements applicable to performing audits of financial statements 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 the Namibian Statement 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, 30 April 2020



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
Ford Foundation Investment	7	10 435 527	9 702 734
Property, motor vehicles and equipment	3	<u>10 499 062</u>	<u>10 528 928</u>
		<u>20 934 589</u>	<u>20 231 662</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables		208 791	198 171
Cash and cash equivalents		<u>3 587 239</u>	<u>3 012 057</u>
		<u>3 796 030</u>	<u>3 210 228</u>
<b>TOTAL ASSETS</b>		<u>24 730 619</u>	<u>23 441 890</u>
 <b><u>FUNDS AND LIABILITIES</u></b>			
<b>FUNDS AND RESERVES</b>			
Ford Foundation Special Reserve Fund	7	10 435 527	9 702 734
Revaluation Reserve		8 532 975	8 532 975
Accumulated funds	2	<u>1 589 898</u>	<u>3 358 595</u>
Funds and reserves		<u>20 558 400</u>	<u>21 594 304</u>
<b>CURRENT LIABILITIES</b>			
Donations received in advance		-	483 064
Other payables		1 243 250	1 276 506
Palms For Life Fund payable	10	<u>2 928 969</u>	<u>88 016</u>
		<u>4 172 219</u>	<u>1 847 586</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>24 730 619</u>	<u>23 441 890</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<b>INCOME</b>			
Windhoek Office – core unit	4	<u>4 542 838</u>	<u>5 643 202</u>
<b>EXPENDITURE</b>			
Windhoek Office – core unit		<u>(5 652 757)</u>	<u>(6 001 587)</u>
DEFICIT FOR THE YEAR	5	<u>(1 109 919)</u>	<u>(358 385)</u>
ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR		<u>1 249 826</u>	<u>1 608 211</u>
ACCUMULATED SURPLUS AT THE END OF THE YEAR		139 907	1 249 826
ACCUMULATED SURPLUS - PROJECTS	5,6	<u>1 449 991</u>	<u>2 108 769</u>
CONSOLIDATED ACCUMULATED SURPLUS AT THE END OF THE YEAR		<u>1 589 898</u>	<u>3 358 595</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from donors		18 341 657	11 405 479
Cash paid to service providers and employees		<u>(17 017 017)</u>	<u>(12 034 356)</u>
Cash generated/(utilized) by operations	8	1 323 110	(628 877)
Interest received		<u>1 695</u>	<u>6 290</u>
Net cash inflow/(outflow) from operating activities		<u>1 324 805</u>	<u>(622 857)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of motor vehicles and equipment		(147 298)	(25 070)
Proceeds on disposal of motor vehicles and equipment		<u>130 468</u>	<u>20 000</u>
Net cash outflow from investing activities		<u>(16 830)</u>	<u>(5 070)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1 307 975	(627 657)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>12 714 794</u>	<u>13 342 451</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	<u>14 022 769</u>	<u>12 714 794</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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 2019**

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 2019**

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 2019**

	<u>2019</u>	<u>2018</u>			
	N\$	N\$			
<b>2. ACCUMULATED FUNDS</b>					
Windhoek Office	139 907	1 249 826			
LAC – Projects	<u>1 449 991</u>	<u>2 108 769</u>			
	<u>1 589 898</u>	<u>3 358 595</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 31/12/2019</b>					
Opening carrying Amount	10 055 000	333 366	138 205	2 357	10 528 928
Additions	-	123 900	21 100	2 298	147 298
Depreciation	<u>-</u>	<u>(119 896)</u>	<u>(56 578)</u>	<u>(690)</u>	<u>(177 164)</u>
Closing carrying Amount	<u>10 055 000</u>	<u>337 370</u>	<u>102 727</u>	<u>3 965</u>	<u>10 499 062</u>
<b>At 31/12/2019</b>					
At cost	10 055 000	2 293 914	1 841 012	272 408	14 462 334
Accumulated depreciation	<u>-</u>	<u>(1 956 544)</u>	<u>(1 738 285)</u>	<u>(268 443)</u>	<u>(3 963 272)</u>
Net carrying amount	<u>10 055 000</u>	<u>337 370</u>	<u>102 727</u>	<u>3 965</u>	<u>10 499 062</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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 31/12/2018</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>

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 2019.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</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>8 532 975</u>	<u>8 532 975</u>
	<u>10 055 000</u>	<u>10 055 000</u>
 <b>4. INCOME</b>		
 <i>DONATIONS</i>		
<i>Africa Group of Sweden</i>	3 195 704	2 698 523
<i>Namibia Law Report</i>	<u>50 000</u>	<u>80 000</u>
	3 245 704	2 778 523
 <i>OTHER INCOME</i>		
<i>Ford Foundation reserve contribution</i>	-	2 088 477
<i>Other income</i>	<u>1 297 134</u>	<u>776 202</u>
	<u>4 542 838</u>	<u>5 643 202</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
<b>5. DEFICIT 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>265 575</u>	<u>313 352</u>
<i>Depreciation</i>	177 164	159 284
<i>Interest received</i>	(1 695)	(6 290)
<i>Profit on disposal of motor vehicles and equipment</i>	<u>(130 468)</u>	<u>(20 000)</u>
<b>6. ACCUMULATED SURPLUS - PROJECTS</b>		
<i>Lead Project</i>	1 449 991	1 854 320
<i>Gender</i>	<u>-</u>	<u>254 449</u>
	<u>1 449 991</u>	<u>2 108 769</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>9 214 798</u>	<u>8 482 005</u>
	24 255 345	23 522 552
<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>2 088 477</u>
<i>Special Reserve Fund at the end of the year</i>	<u>10 435 527</u>	<u>9 702 734</u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
<b>7. FORD FOUNDATION SPECIAL RESERVE FUND (continued)</b>		
<i>The Special Reserve Fund is represented by:</i>		
SBN Cashplus	5 076 653	4 719 488
Pointbreak Money Market Unit Trust	5 358 874	4 983 249
First National Bank of Namibia Limited - call account	<u>4 314</u>	<u>4 243</u>
	10 439 841	9 706 980
Less: Gender project	-	-
LEAD project investment included	1 314	1 153
LAT Windhoek - core unit cash investment included	1 695	1 622
LEAD - Brot für die Welt project	<u>1 305</u>	<u>1 471</u>
	<u>10 435 527</u>	<u>9 702 734</u>
<i>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.</i>		
<i>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.</i>		
<b>8. RECONCILIATION OF DEFICIT TO CASH GENERATED/(UTILIZED) BY OPERATIONS</b>		
Net deficit for the year	(1 768 697)	(823 786)
<i>Adjusted for:</i>		
Depreciation	177 164	159 284
Foreign exchange gain	-	(5 600)
Transfer from reserve funds	-	(2 088 477)
Ford Foundation Special Reserve interest received	732 793	764 066
Interest received	(1 695)	(6 290)
Profit on sale of motor vehicles and equipment	<u>(130 468)</u>	<u>(20 000)</u>
Operating cash flow before working capital changes carried forward	(990 903)	(2 020 803)



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
8. RECONCILIATION OF DEFICIT TO CASH GENERATED/(UTILIZED) BY OPERATIONS		
Operating cash outflow before working capital changes brought forward	(990 903)	(2 020 803)
Decrease in donation receivable	-	293 985
(Increase)/decrease in trade and other receivables	(10 620)	112 645
Increase in trade and other payables	2 807 697	502 232
Movement in donations received in advance	<u>(483 064)</u>	<u>483 064</u>
Cash generated/(utilized) by operations	<u>1 323 110</u>	<u>(628 877)</u>
9. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents comprise of:		
First National Bank of Namibia Limited		
- call account	4 314	4 243
Pointbreak Money Market Unit Trust	5 358 874	4 983 249
Standard Bank Namibia Cashplus Fund	5 076 653	4 719 488
First National Bank of Namibia Limited		
- current accounts	<u>3 582 928</u>	<u>3 007 814</u>
	<u>14 022 769</u>	<u>12 714 794</u>
10. PALMS FOR LIFE FUND PAYABLE		
Opening balance	88 016	37 632
Contributions received	4 575 913	492 450
Interest received	43 874	-
Expenditure paid in the current financial year	<u>(1 778 834)</u>	<u>(442 066)</u>
Closing balance	<u>2 928 969</u>	<u>88 016</u>
Cash and cash equivalents	<u>2 928 969</u>	<u>88 016</u>

The Legal Assistance Centre (LAC) entered into an administrative services agreement with Palms For Life Fund to provide temporary administrative services to Palms For Life by hosting all the project funds that are transferred to Namibia by Palms For Life from time to time.

The Legal Assistance Centre (LAC), upon request from Palms For Life, will transfer funds to different beneficiaries as directed by the Palms for Life's authorized representative. The payable represents the balance of the proceeds received which has not yet been utilized for Palms For Life.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

11. PROJECTS ADMINISTERED BY THE LEGAL ASSISTANCE TRUST

Social Justice Programme

The United Nations Voluntary Fund For Victims of Torture granted N\$ 684 530, The Legal Assistance Center contributed N\$ 885 217 to the project for the 2019 financial year and The United Nations High Commissioner for Refugees granted N\$ 632 942.

Gender Research and Advocacy

Hans Seidel Foundation granted the project N\$ 695 456, US Embassy N\$ 279 902, UNICEF Social Responsibility sponsored N\$ 115 120. Sister For Change contributed N\$ 695 036. The Legal Assistance Centre contributed N\$ 425 721.

Land, Environment and Development Project

Brot für die Welt is the main sponsor of the project with N\$ 3 817 485 and a contract covering the period 2019 to 2021.

Deutsche Gesellschaft granted the project N\$ 698 824 for the financial year.

World Wildlife Fund (WWF) granted the project N\$ 5 003 974 and US Department of the State granted N\$ 1 507 245.

12. 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 2019**

12. **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 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
<b>DONATIONS RECEIVED</b>		
<i>Africa Groups of Sweden</i>	3 195 704	2 698 523
<i>Namibia Law Report - various contributions</i>	<u>50 000</u>	<u>80 000</u>
	<u>3 245 704</u>	<u>2 778 523</u>
<b>OTHER INCOME</b>		
<i>Consultation income</i>	34 966	-
<i>Donations (30 years celebration)</i>	-	9 500
<i>Donation</i>	20 000	-
<i>Etosha-Haikom-Buch</i>	-	8 690
<i>Transfer from Ford Foundation Reserve to cover project contributions</i>	-	2 088 477
<i>Insurance refund</i>	-	22 282
<i>Interest received</i>	1 695	4 876
<i>Legal fees recovered</i>	62 847	-
<i>Management fee income</i>	1 029 874	688 701
<i>Photocopy income</i>	26 892	20 799
<i>Profit on sale of motor vehicles and equipment</i>	120 000	20 000
<i>Sundry income</i>	<u>860</u>	<u>1 350</u>
	<u>1 297 134</u>	<u>2 864 675</u>
<b>TOTAL INCOME</b>	4 542 838	5 643 202
<b>Less: EXPENDITURE (page 21)</b>	<u>(5 652 757)</u>	<u>(6 001 587)</u>
<b>DEFICIT FOR THE YEAR</b>	(1 109 919)	(358 385)
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>	<u>1 249 826</u>	<u>1 608 211</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>	<u>139 907</u>	<u>1 249 826</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**WINDHOEK OFFICE**  
**SCHEDULE OF EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
Auditors' remuneration	111 475	108 100
Bad debt	-	107
Bank charges	34 189	35 605
Computer maintenance	156 986	151 301
- computer maintenance	-	8 974
- switch board	22 806	35 837
- photocopies	14 170	11 627
- IT support	103 163	71 084
- accounting support	16 847	23 779
Cleaning and refreshments	25 782	24 548
Consultants	5 415	10 000
Contributions		
- Contingencies	870	15 413
- Gender	425 721	-
- Social Justice Project (SJP)	885 217	1 549 432
Counsel fees	-	4 485
Depreciation	22 182	11 920
Insurance and licenses	26 030	20 364
Law reports editing	-	120 000
Litigation costs (net)	-	8 627
Maintenance		
- vehicles	-	11 484
- yard	277 847	50 525
Municipal expenses	131 097	118 818
Petrol	29 152	28 523
Publications	70 891	60 909
Salaries and staff benefits	3 218 311	3 419 923
Security costs	112 887	83 749
Seminars and workshops	23 124	24 697
Stationery and printing	32 102	37 368
Membership to National & Regional bodies	3 220	9 823
Telephone, telefax and postage	58 759	74 758
Travelling and accommodation	1 500	21 108
	<u>5 652 757</u>	<u>6 001 587</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA  
LAND, ENVIRONMENT AND DEVELOPMENT PROJECT  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
<b>INCOME</b>		
<i>Donations received</i>		
- Deutsche Gesellschaft für Internationale Zusammenarbeit	698 824	1 278 673
- Brot für die Welt	3 817 485	1 790 440
- Salary contribution from UNHCR	26 262	-
- NAMAS	-	17 666
- K.A.S.	-	12 947
- U.S. Department of State	1 507 245	1 079 712
- World Wildlife Fund (USAID)	3 001 028	1 254 961
- World Wildlife Fund (INL)	<u>2 002 946</u>	<u>848 924</u>
	<u>11 053 790</u>	<u>6 283 323</u>
<b>OTHER INCOME</b>		
- interest received	-	896
- insurance refund	-	7 929
- publication income	-	504
- sundry income	<u>137 942</u>	<u>18 053</u>
	<u>137 942</u>	<u>27 382</u>
	<u>11 191 732</u>	<u>6 310 705</u>



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**LAND, ENVIRONMENT AND DEVELOPMENT PROJECT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	N\$	N\$
<b>EXPENDITURE</b>		
Administration costs	26 294	49 793
Auditors' remuneration	110 400	139 127
Bank charges	26 827	15 968
Computer expenses	-	36 964
Consulting fees	566 416	429 116
Depreciation	146 780	142 469
DNA equipment	2 324 474	-
Electricity and water	40 800	39 204
Insurance	44 359	44 006
Local experts	-	546 024
Management fees	820 010	116 740
Maintenance and repairs	26 383	9 707
Office expenses	132 878	56 058
Professional fees	911 947	628 784
Programme/activity expenditure	856 720	720 095
Rent	32 582	-
Research		
- publications	-	2 200
- travel	340 721	236 736
Security	73 269	63 600
Staff development	-	5 486
Staff remuneration	2 889 827	1 820 988
Telephone, fax and postage	-	17 894
Workshops and conferences	<u>2 225 374</u>	<u>811 999</u>
	<u>11 596 061</u>	<u>5 932 958</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>(404 329)</b>	<b>377 747</b>
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>	<u><b>1 854 320</b></u>	<u><b>1 476 573</b></u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>	<u><b>1 449 991</b></u>	<u><b>1 854 320</b></u>





**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**GENDER RESEARCH AND ADVOCACY PROJECT**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<b>INCOME</b>			
<i>Donations received</i>			
- Hans Seidel Foundation		695 456	454 332
- Embassy of Finland		-	167 754
- German Embassy		-	683 734
- UNICEF Social Responsibility CCPA – 2017 (Part 2 – 2015)		115 120	-
- Ministry of Home Affairs		73 000	-
- US Embassy		279 902	66 838
- Sister for change – salaries recovery		695 036	-
Admin fee income		41 407	-
Consulting fees received		16 500	214 216
Contribution from LEAD		189 000	-
Contribution from LAT		425 721	-
Interest received		-	518
Foreign exchange gain		-	5 600
Other income		-	5 000
Profit on disposal of asset		10 468	-
Salary recoveries		<u>64 802</u>	<u>-</u>
		<u>2 606 412</u>	<u>1 597 992</u>
<b>EXPENDITURE</b>			
Administration costs		42 303	119 943
Auditors remuneration		20 700	29 325
Depreciation		6 062	2 758
Insurance		22 630	21 825
Motor vehicle maintenance (repairs and maintenance)		-	13 084
Project expenses			
- Hans Seidel Foundation		268 955	185 063
- German Embassy		216 171	305 797
- US Embassy project		<u>10 262</u>	<u>17 100</u>
BALANCE CARRIED FORWARD		587 083	694 895



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**GENDER RESEARCH AND ADVOCACY PROJECT**  
**INCOME STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<i>EXPENDITURE (continued)</i>			
BALANCE BROUGHT FORWARD		587 083	694 895
<i>Project expenses (continued)</i>			
- Embassy of Finland Project expenditure		562 936	171 623
- OSISA Six Legislative areas		58 948	-
Salaries and staff benefits		<u>1 651 894</u>	<u>1 551 830</u>
		<u>2 860 861</u>	<u>2 418 348</u>
DEFICIT FOR THE YEAR		(254 449)	(820 356)
SURPLUS AT THE BEGINNING OF THE YEAR		<u>254 449</u>	<u>1 074 805</u>
SURPLUS AT THE END OF THE YEAR		<u>          -</u>	(*) <u>254 449</u>

(\*) Included in the 2018 surplus at year-end is N\$ 215 895 which relates to a non-cost extension which was spent subsequent to year-end relating to "project sharing" information by the German Embassy.



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA**  
**SOCIAL JUSTICE PROGRAMME**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
<b>INCOME</b>			
Canadian DFATD		-	236 563
United Nations High Commissioner for Refugees (UNHCR)		632 942	306 498
Contribution LAT Windhoek Core funds		885 217	1 549 432
Southern Africa Litigation Centre		-	24 200
Salary contribution from UNHCR		208 471	189 498
University of Amsterdam		49 751	-
United Nations Voluntary Fund for Victims of Torture		<u>684 530</u>	<u>-</u>
		<u>2 460 911</u>	<u>2 306 191</u>
<b>OTHER INCOME</b>			
Bad debts recovered		4 300	-
Consulting income		90 000	120 000
Legal fees recovered		20 000	-
Sundry income		<u>1 400</u>	<u>600</u>
		<u>115 700</u>	<u>120 600</u>
		<u>2 576 611</u>	<u>2 426 791</u>
<b>EXPENDITURE</b>			
Administration costs		-	4 249
Auditors' remuneration		23 000	36 800
Bank charges		5 747	4 212
Canadian DFATD expenditure		-	193 771
Counsel and professional fees		-	212 632
Depreciation		2 142	2 137
Forex changes		478	-
Fuel and oil		6 867	6 117
Insurance		15 837	-
Legal fees, legal cost and litigation		115 944	33 854
Membership fees lawyer		5 415	-
Publications		377	-
Staff remuneration and training		1 970 440	1 846 135
Telephone, fax, postage and stationery		24 620	6 179
Training		-	1 590
Travelling expenses		64 792	-
UNHCR expenses		<u>340 952</u>	<u>101 907</u>
		<u>2 576 611</u>	<u>2 449 583</u>
<b>DEFICIT FOR THE YEAR</b>		-	(22 792)
<b>ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR</b>		<u>-</u>	<u>22 792</u>
<b>ACCUMULATED FUNDS AT THE END OF THE YEAR</b>		<u>-</u>	<u>-</u>

