

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020



**THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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ADMINISTRATION

Trustees:	C Daniels T Amupadhi T lithete E Schimming-Chase N Tjombe D Garosas T Hancox	(Chairperson)
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Director:	T Hancox
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Auditors:	Stier Vente Associates
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Address:	PO Box 604 Marien Ngouabi Street Windhoek
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THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT BY THE TRUSTEES

The consolidated annual financial statements set out on pages 6 to 27 have been approved by the Board of Trustees and are signed on their behalf by:



T HANCOX



C DANIELS

WINDHOEK
7 April 2021

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 27, which comprise the balance sheet as at 31 December 2020, 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 2020, 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 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.

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.

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Other information (continued)

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.

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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

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

Per: J Lourens
Partner

WINDHOEK, 7 April 2021



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020	2019
		N\$	N\$
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Ford Foundation Investment	7	11 028 499	10 435 527
Property, motor vehicles and equipment	3	<u>10 809 429</u>	<u>10 499 062</u>
		<u>21 837 928</u>	<u>20 934 589</u>
CURRENT ASSETS			
Cash and cash equivalents	9	3 321 709	3 587 239
Trade and other receivables	10	<u>1 561 318</u>	<u>208 791</u>
		<u>4 883 027</u>	<u>3 796 030</u>
TOTAL ASSETS		<u>26 720 955</u>	<u>24 730 619</u>
<u>FUNDS AND LIABILITIES</u>			
FUNDS AND RESERVES			
Ford Foundation Special Reserve Fund	7	11 028 499	10 435 527
Revaluation Reserve	3	8 532 975	8 532 975
Accumulated funds	2	<u>3 777 864</u>	<u>1 589 898</u>
Funds and reserves		<u>23 339 338</u>	<u>20 558 400</u>
CURRENT LIABILITIES			
Other payables	11	1 206 475	1 243 250
Palms For Life Fund payable	12	<u>2 175 142</u>	<u>2 928 969</u>
		<u>3 381 617</u>	<u>4 172 219</u>
TOTAL FUNDS AND LIABILITIES		<u>26 720 955</u>	<u>24 730 619</u>



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	<u>2020</u>	<u>2019</u>
		N\$	N\$
INCOME			
Windhoek Office – core unit	4	<u>9 362 761</u>	<u>4 542 838</u>
EXPENDITURE			
Windhoek Office – core unit		<u>(5 815 880)</u>	<u>(5 652 757)</u>
SURPLUS/(DEFICIT) FOR THE YEAR	5	3 546 881	(1 109 919)
ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR		<u>139 907</u>	<u>1 249 826</u>
ACCUMULATED SURPLUS AT THE END OF THE YEAR		3 686 788	139 907
ACCUMULATED SURPLUS - PROJECTS	5,6	<u>140 076</u>	<u>1 449 991</u>
CONSOLIDATED ACCUMULATED SURPLUS AT THE END OF THE YEAR		<u>3 826 864</u>	<u>1 589 898</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	<u>2020</u>	<u>2019</u>
		N\$	N\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from donors		17 413 271	18 341 657
Cash paid to service providers and employees		<u>(16 651 896)</u>	<u>(17 017 017)</u>
Cash generated by operations	8	761 375	1 323 110
Interest received		<u>11 977</u>	<u>1 695</u>
Net cash inflow from operating activities		<u>773 352</u>	<u>1 324 805</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of motor vehicles and equipment		(589 886)	(147 298)
Proceeds on disposal of motor vehicles and equipment		<u>143 973</u>	<u>130 468</u>
Net cash outflow from investing activities		<u>(445 913)</u>	<u>(16 830)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		327 439	1 307 975
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>14 022 769</u>	<u>12 714 794</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	<u><u>14 350 208</u></u>	<u><u>14 022 769</u></u>



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020

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 2020

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 2020

	<u>2020</u>	<u>2019</u>			
	N\$	N\$			
2. ACCUMULATED FUNDS					
Windhoek Office	3 686 788	139 907			
LAC – Projects	<u>91 076</u>	<u>1 449 991</u>			
	<u>3 777 864</u>	<u>1 589 898</u>			
3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT					
	<u>Buildings</u>	<u>Motor vehicles</u>	<u>Computer and office equipment</u>	<u>Furniture & fittings</u>	<u>Total</u>
	N\$	N\$	N\$	N\$	N\$
For the year ended 31/12/2020					
Opening carrying Amount	10 055 000	333 370	102 727	3 965	10 499 062
Additions	-	504 595	85 291	-	589 886
Depreciation	<u>-</u>	<u>(220 515)</u>	<u>(58 317)</u>	<u>(690)</u>	<u>(279 519)</u>
Closing carrying Amount	<u>10 055 000</u>	<u>621 451</u>	<u>129 701</u>	<u>3 275</u>	<u>10 809 429</u>
At 31/12/2020					
At cost	10 055 000	1 717 487	1 571 611	221 540	13 565 638
Accumulated depreciation	<u>-</u>	<u>(1 096 036)</u>	<u>(1 441 910)</u>	<u>(218 265)</u>	<u>(2 756 209)</u>
Net carrying amount	<u>10 055 000</u>	<u>621 451</u>	<u>129 701</u>	<u>3 275</u>	<u>10 809 429</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	<u>Buildings</u>	<u>Motor vehicles</u>	<u>Computer and office equipment</u>	<u>Furniture & fittings</u>	<u>Total</u>
	N\$	N\$	N\$	N\$	N\$
For the year ended 31/12/2019					
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>
At 31/12/2019					
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>

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 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
3. PROPERTY, MOTOR VEHICLES AND EQUIPMENT		
<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>
4. INCOME		
DONATIONS		
<i>Africa Group of Sweden</i>	3 844 175	3 195 704
<i>Namibia Law Report</i>	<u>29 272</u>	<u>50 000</u>
	<u>3 873 447</u>	<u>3 245 704</u>
OTHER INCOME		
<i>Namlex copyrights sold</i>	4 000 000	-
<i>Other income</i>	<u>1 474 051</u>	<u>1 297 134</u>
	<u>5 474 051</u>	<u>1 297 134</u>
	<u>9 347 498</u>	<u>4 542 838</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
5. DEFICIT FOR THE YEAR		
<i>Are stated after charging/(crediting) the following consolidated income and expenditures.</i>		
<i>Auditors' remuneration</i>		
<i>- audit fees</i>	<u>276 295</u>	<u>265 575</u>
<i>Depreciation</i>	279 519	177 164
<i>Interest received</i>	(11 977)	(1 695)
<i>Profit on disposal of motor vehicles and equipment</i>	<u>(143 976)</u>	<u>(130 468)</u>
6. ACCUMULATED SURPLUS - PROJECTS		
<i>Lead Project</i>	-	1 449 991
<i>Gender</i>	<u>91 076</u>	<u>-</u>
	<u>91 076</u>	<u>1 449 991</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>		
7. FORD FOUNDATION SPECIAL RESERVE FUND		
<i>Redemption of SALS - Ford Foundation capital reserve fund</i>	15 040 547	15 040 547
<i>Interest received since inception</i>	<u>9 807 770</u>	<u>9 214 798</u>
	24 484 317	24 255 345
<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>11 028 499</u>	<u>10 435 527</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
7. FORD FOUNDATION SPECIAL RESERVE FUND (continued)		
<i>The Special Reserve Fund is represented by:</i>		
SBN Cashplus	5 351 042	5 076 653
Pointbreak Money Market Unit Trust	5 677 457	5 358 874
First National Bank of Namibia Limited		
- call account	<u>416 586</u>	<u>4 314</u>
	11 445 085	10 439 841
Less: Gender project	410 907	-
LEAD project investment included	1 245	1 314
LAT Windhoek - core unit cash investment included	2 766	1 695
LEAD - Brot für die Welt project	<u>1 668</u>	<u>1 305</u>
	<u>11 028 499</u>	<u>10 435 527</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>		
8. RECONCILIATION OF SURPLUS/(DEFICIT) TO CASH GENERATED BY OPERATIONS		
Net surplus/(deficit) for the year	2 236 966	(1 768 697)
Adjusted for:		
Depreciation	279 519	177 164
Ford Foundation Special Reserve interest received	592 972	732 793
Interest received	(11 977)	(1 695)
Profit on sale of motor vehicles and equipment	<u>(143 976)</u>	<u>(130 468)</u>
Operating cash inflow/(outflow) before working capital changes carried forward	2 953 504	(990 903)



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
8. RECONCILIATION OF SURPLUS/(DEFICIT) TO CASH GENERATED BY OPERATIONS (continued)		
Operating cash outflow before working capital changes brought forward	2 953 504	(990 903)
Increase in trade and other receivables	(1 401 527)	(10 620)
(Decrease)/increase in trade and other payables	(790 602)	2 807 697
Movement in donations received in advance	<u>-</u>	<u>(483 064)</u>
Cash generated by operations	<u>761 375</u>	<u>1 323 110</u>
9. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents comprise of:		
First National Bank of Namibia Limited		
- call account	416 586	4 314
Pointbreak Money Market Unit Trust	5 677 457	5 358 874
Standard Bank Namibia Cashplus Fund	351 042	5 076 653
First National Bank of Namibia Limited		
- current accounts	<u>2 905 123</u>	<u>3 582 928</u>
	<u>14 350 208</u>	<u>14 022 769</u>
Disclosed as follows:		
Ford Foundation Investments	11 028 499	10 435 527
Cash and cash equivalents	<u>3 321 709</u>	<u>3 587 239</u>
	<u>14 350 208</u>	<u>14 022 769</u>
10. TRADE AND OTHER RECEIVABLES		
Trade receivables	50 490	43 994
Accrued income – Brot für die Welt	1 405 976	-
Staff loans	99 019	95 060
Other receivables	<u>5 833</u>	<u>157 725</u>
	<u>1 561 318</u>	<u>208 791</u>
The trustees consider the carrying amount of trade and other receivables to approximate its fair value.		



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
11. TRADE AND OTHER PAYABLES		
Accruals	318 745	243 425
Salary related accruals	833 006	631 503
Legal cost recovered on behalf of client	-	150 000
Sister for change	17 096	160 871
Other	<u>37 628</u>	<u>57 451</u>
	<u>1 206 475</u>	<u>1 243 250</u>

The trustees consider the carrying amount of trade and other payables to approximate its fair value.

12. PALMS FOR LIFE FUND PAYABLE		
Opening balance	2 928 969	88 016
Contributions received	-	4 575 913
Interest received	53 830	43 874
Expenditure paid in the current financial year	<u>(807 657)</u>	<u>(1 778 834)</u>
Closing balance	<u>2 175 142</u>	<u>2 928 969</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 2020

13. PROJECTS ADMINISTERED BY THE LEGAL ASSISTANCE TRUST

Social Justice Programme

The Open Society Initiative For Southern Africa granted N\$ 171 530. The United Nations High Commissioner for Refugees granted N\$ 1 747 608, and the American Bar Association Fund granted N\$ 52 962 to the project.

Gender Research and Advocacy

The European Union contributed N\$ 2 306 498 and the United Nations Children's Fund granted N\$ 336 250. The project received N\$ 15 000 from the Ministry of Justice. N\$ 46 732 was granted by the German Partnership Group.

Hans Seidel Foundation granted the project N\$ 360 000.

Land, Environment and Development Project

Brot für die Welt is the main sponsor of the project with N\$ 847 369 granted during the year and N\$ 1 405 976 still receivable. The contract covers the period 2020 to 2022.

World Wildlife Fund (WWF) granted the project N\$ 1 867 574.

14. FINANCIAL RISK MANAGEMENT

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

Credit risk:

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

Liquidity risk:

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



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

14. *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 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
DONATIONS RECEIVED		
Africa Groups of Sweden	3 859 438	3 195 704
Namibia Law Report - various contributions	<u>29 272</u>	<u>50 000</u>
	<u>3 888 710</u>	<u>3 245 704</u>
OTHER INCOME		
Consultation income	-	34 966
Donation	10 741	20 000
Etosha-Haikom-Buch	1 200	-
Interest received	1 070	1 695
Legal fees recovered	-	62 847
Namlex copyright sold	4 000 000	-
Management fee income	1 444 351	1 029 874
Photocopy income	7 713	26 892
Profit on sale of motor vehicles and equipment	8 976	120 000
Sundry income	<u>-</u>	<u>860</u>
	<u>5 474 051</u>	<u>1 297 134</u>
TOTAL INCOME	9 362 761	4 542 838
Less: EXPENDITURE (page 22)	<u>(5 815 880)</u>	<u>(5 652 757)</u>
SURPLUS/(DEFICIT) FOR THE YEAR	3 546 881	(1 109 919)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	<u>139 907</u>	<u>1 249 826</u>
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>3 686 788</u>	<u>139 907</u>



THE LEGAL ASSISTANCE TRUST OF NAMIBIA
WINDHOEK OFFICE
SCHEDULE OF EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
Auditors' remuneration	113 275	111 475
Bad debt	-	-
Bank charges	34 296	34 189
Computer expenses	166 649	156 986
- switch board	833	22 806
- photocopies	16 066	14 170
- IT support	130 090	103 163
- accounting support	19 660	16 847
Cleaning and refreshments	36 835	25 782
Consultants	-	5 415
Contingencies	51 000	870
Contributions		
- Gender	-	425 721
- Social Justice Project (SJP)	196 371	885 217
- LEAD	460 404	-
Counsel fees	7 514	-
Depreciation	35 403	22 182
Insurance and licenses	23 325	26 030
Legal fee	61 713	-
Maintenance		
- equipment	6 698	-
- vehicles	11 923	-
- yard	278 111	277 847
Municipal expenses	138 718	131 097
Petrol	21 544	29 152
Publications	53 634	70 891
Salaries and staff benefits	3 855 427	3 218 311
Security costs	148 200	112 887
Seminars and workshops	-	23 124
Stationery and printing	39 863	32 102
Membership to National & Regional bodies	13 097	3 220
Telephone, telefax and postage	61 880	58 759
Travelling and accommodation	-	1 500
	<u>5 815 880</u>	<u>5 652 757</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
 LAND, ENVIRONMENT AND DEVELOPMENT PROJECT
 INCOME STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
INCOME		
<i>Donations received</i>		
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	698 824
- Brot für die Welt	2 253 345	3 817 485
- Salary contribution from UNHCR	183 810	26 262
- Namibiaforeningen	149 515	-
- Contribution from LAT	460 404	-
- U.S. Department of State	-	1 507 245
- World Wildlife Fund (USAID)	1 867 574	3 001 028
- World Wildlife Fund (INL)	<u>-</u>	<u>2 002 946</u>
	<u>4 914 648</u>	<u>11 053 790</u>
OTHER INCOME		
- interest received	110	-
- profit on asset disposal	18 814	-
- sundry income	<u>21 948</u>	<u>137 942</u>
	<u>40 872</u>	<u>137 942</u>
	<u>4 955 520</u>	<u>11 191 732</u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
LAND, ENVIRONMENT AND DEVELOPMENT PROJECT
INCOME STATEMENT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>2020</u>	<u>2019</u>
	N\$	N\$
EXPENDITURE		
Administration costs	130 705	26 294
Auditors' remuneration	94 185	110 400
Bank charges	11 184	26 827
Capital investments	2 562	-
Consulting fees	-	566 416
Depreciation	147 073	146 780
DNA equipment	-	2 324 474
Electricity and water	21 780	40 800
Insurance	42 251	44 359
Management fees	266 014	820 010
Maintenance and repairs	29 994	26 383
Office expenses	71 433	132 878
Professional fees	1 276 722	911 947
Programme/activity expenditure	102 484	856 720
Rent	-	32 582
Research		
- travel	49 491	340 721
Security	16 830	73 269
Staff development	-	-
Staff remuneration	3 364 311	2 889 827
Workshops and conferences	<u>778 492</u>	<u>2 225 374</u>
	<u>6 405 511</u>	<u>11 596 061</u>
DEFICIT FOR THE YEAR	(1 449 991)	(404 329)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	<u>1 449 991</u>	<u>1 854 320</u>
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u><u>-</u></u>	<u><u>1 449 991</u></u>

THE LEGAL ASSISTANCE TRUST OF NAMIBIA
SOCIAL JUSTICE PROGRAMME
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	<u>2020</u>	<u>2019</u>
		N\$	N\$
INCOME			
American Bar Association Fund (ABA)		52 962	-
United Nations High Commissioner for Refugees (UNHCR)		827 151	632 942
Contribution from LAT Windhoek Core funds		196 371	885 217
Open Society Initiative for Southern Africa (OSISA)		171 530	-
Salary contribution from UNHCR		402 733	208 271
University of Amsterdam		-	49 751
United Nations High Commission for Refugees - statelessness		517 724	-
United Nations Voluntary Fund for Victims of Torture		-	684 530
		<u>2 168 471</u>	<u>2 460 911</u>
OTHER INCOME			
Bad debts recovered		-	4 300
Consulting income		-	90 000
Legal fees recovered		-	20 000
Sundry income		-	1 400
		<u>-</u>	<u>115 700</u>
		<u>2 168 471</u>	<u>2 576 611</u>
EXPENDITURE			
American Bar Association expenses		18 511	-
Auditors' remuneration		31 970	23 000
Bad debts		4 300	-
Bank charges		9 666	5 747
Contingencies		13 450	-
Counsel and professional fees		42 734	-
Depreciation		2 140	2 142
Forex changes		-	478
Fuel and oil		62 352	6 867
Insurance		15 837	15 837
Legal fees, legal cost and litigation		70 618	115 944
Membership fees lawyer		16 305	5 415
Publications		-	377
Staff remuneration and training		671 578	1 970 440
Statelessness expenses		484 937	-
Telephone, fax, postage and stationery		8 939	24 622
Travelling expenses		54 217	64 790
UNHCR expenses		660 917	340 952
		<u>2 168 471</u>	<u>2 576 611</u>
DEFICIT FOR THE YEAR		-	-
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR		-	-
ACCUMULATED FUNDS AT THE END OF THE YEAR		-	-

