

LINDEN LEGAL AID CENTRE INC.

DECEMBER 31, 2023

AUDITED FINANCIAL STATEMENTS

Table of Contents

Page No.

Report of Ram & McRae to the Members	
Statement of Financial Position.....	1
Statement of Comprehensive Income.....	2
Statement of Changes in Equity.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	5-9



**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
LINDEN LEGAL AID CENTRE INC.**

Opinion

We have audited the financial statements of **Linden Legal Aid Centre Inc.** (the Company), which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 1 to 9 present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act Cap. 89:01.

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 *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act Cap. 89:01, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.


Ram & McRae

Chartered Accountants
Professional Services Firm
157 'C' Waterloo Street,
Georgetown

June 21, 2024




Ram & McRae
Chartered Accountants
Professional Services Firm

Linden Legal Aid Centre Inc.

Statement of Financial Position

As at December 31, 2023

	Notes	2023 G\$	2022 G\$
Current assets			
Cash & cash equivalents	3	17,600,745	16,801,716
Accounts receivable		1,583,600	1,504,599
Total current assets		19,184,345	18,306,315
Current liabilities			
Accounts payable		156,640	779,300
Total current liabilities		156,640	779,300
Net current assets		19,027,705	17,527,015
Non-current asset			
Property plant & equipment	2 (f) & 4	1,486,580	1,626,904
Total non-current assets		1,486,580	1,626,904
Non-current liabilities			
Deferred income	4 (ii)	124,894	124,894
Legal Fees Liability Provision	5	88,128	88,128
Total non-current liabilities		213,022	213,022
Net non-current assets		1,273,558	1,413,882
Net assets		20,301,263	18,940,897
Represented by:			
Accumulated surplus		20,301,263	18,940,897
Total equity		20,301,263	18,940,897


Director


Company Secretary

The notes on pages 5 to 9 form an integral part of these financial statements.

Linden Legal Aid Centre Inc.
Statement of Comprehensive Income
For the year ended December 31, 2023

	Notes	<u>2023</u> G\$	<u>2022</u> G\$
Revenue			
Other Income		110,553	70,949
Donations		-	-
Grants	6	21,668,000	21,700,098
Legal fees		1,718,000	2,620,600
Total income		<u>23,496,553</u>	<u>24,391,647</u>
Expenses			
Administrative and operating expenses	7	22,141,187	19,759,032
Financial charges		-	-
Total expenses		<u>22,141,187</u>	<u>19,759,032</u>
Surplus for the year		<u>1,355,366</u>	<u>4,632,615</u>

The notes on pages 5 to 9 form an integral part of these financial statements.

bf

Linden Legal Aid Centre Inc.
Statement of Changes in Equity
For the year ended December 31, 2023

	<u>Accumulated surplus/(deficit) C\$</u>
At January 01, 2022	14,308,283
Adjustment to opening balance	-
Surplus for the year	<u>4,632,615</u>
At December 31, 2022	18,940,897
Adjustment to opening balance	5,000
Surplus for the year	1,355,366
At December 31, 2023	<u><u>20,301,263</u></u>

BT

The notes on pages 5 to 9 form an integral part of these financial statements.

Linden Legal Aid Centre Inc.
Statement of Cash Flows
For the year ended December 31, 2023

	<u>2023</u> G\$	<u>2022</u> G\$
Cash flow from operating activities		
Surplus/(deficit) for the year	1,355,366	4,632,615
<i>Adjustments for :</i>		
(Decrease)/increase deferred revenue	-	-31,224
Depreciation	571,162	522,694
Opening balance	5,000	(0)
Operating surplus/(deficit) before working capital changes	<u>1,931,528</u>	<u>5,124,084</u>
Increase in accounts receivable	(79,001)	(519,099)
(Decrease)/increase in accounts payable	(622,660)	495,821
(Decrease)/increase in legal fees provision	-	(22,032)
Net cash from operating activities	<u>1,229,867</u>	<u>5,078,774</u>
Cash flow from investing activity		
Acquisition of property, plant & equipment	(430,838)	(478,467)
Net increase in cash and cash equivalents	799,029	4,600,307
Cash and cash equivalents at the beginning of the year	16,801,716	12,201,408
Cash and cash equivalents at the end of the year	<u>17,600,745</u>	<u>16,801,716</u>
An analysis of cash and cash equivalents as at December 31		
Cash as shown in the Statement of Financial Position	17,600,745	16,801,716
Cash and cash equivalents	<u>17,600,745</u>	<u>16,801,716</u>

The notes on pages 5 to 9 form an integral part of these financial statements.

JS

Linden Legal Aid Centre Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

Incorporation and activity

The company was incorporated in the Co-operative Republic of Guyana on September 24, 2007 as a not-for-profit entity without share capital. The principal objective of the Company is to provide free or subsidised legal advice and representation to persons of the Linden Community who, because of lack of means, would otherwise have their need for such advice and representation unmet.

The Company's registered office is located at 97-98 Republic Avenue, McKenzie, Linden.

These financial statements were approved by the Board of Directors on June 21st 2024.

Statement of accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act Cap. 89:01 under the historical cost convention.

The preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium-sized Entities requires management to make adjustments, estimates and assumptions. Actual results could differ from those estimates.

b) Income & expenditure

Income and expenditure are dealt with in these financial statements on the accrual basis.

c) Revenue recognition

Revenue from services is recognized when the service has been rendered. Donations, other than capital donations, are recognized when received. Income from grants, other than capital grants, is recognized to the extent utilized. Any unutilized amounts are credited to deferred income.

84

Linden Legal Aid Centre Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

Statement of accounting policies continued

d) Capital donations

Capital donations comprise the estimated or actual (if available) acquisition cost of office furniture and equipment donated in-kind as well as cash donations and grants received specifically for the acquisition of office furniture and equipment. Capital donations of non-depreciable assets are credited to capital reserve. Capital donation of depreciable assets are credited to deferred income with an amount equivalent to their annual depreciation charge transferred to the income and expenditure account each year.

e) Reporting currency

These financial statements are stated in Guyana Dollars. Foreign currency transactions during the year are translated at the prevailing exchange rate at the time of those transactions. Monetary assets and liabilities denominated in foreign currencies at the date of the statement of financial position are translated at the prevailing exchange rate at the end of the year and exchange gains/losses were recognised in the statement of comprehensive income.

f) Property, plant & equipment

Office furniture and equipment are stated at historical cost. Depreciation is provided for on the straight line basis at rates sufficient to write off the cost of the assets over their estimated useful lives. Effective January 1, 2023, the Company applied a standard rate of 20% on all property, plant and equipment.

In prior years, the Company charged multiple rates of depreciation. The rates are as follows:

Office furniture	10%
Office equipment - electrical	50%
Office equipment - other	15%

	2023	2022
	G\$	G\$
Cash and cash equivalents		
Bank balances	<u>17,600,745</u>	<u>16,801,716</u>

BT

Linden Legal Aid Centre Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

Property, plant & equipment	Office furniture G\$	Office equipment G\$	Total G\$
i Cost			
At January 1, 2022	1,047,483	2,286,009	3,333,492
Additions	36,280	442,187	478,467
At December 31, 2022	1,083,763	2,728,196	3,811,959
Additions	221,388	209,450	430,838
At December 31, 2023	1,305,151	2,937,646	4,242,797
Depreciation			
At January 1, 2022	471,481	1,190,880	1,662,360
Charges for the year	163,471	359,223	522,695
At December 31, 2022	634,952	1,550,103	2,185,055
Charges for the year	130,515	440,647	571,162
At December 31, 2023	765,467	1,990,750	2,756,217
Net book value			
At December 31, 2023	539,684	946,896	1,486,580
At January 1, 2023	448,811	1,178,093	1,626,904

ii Deferred income (non-current)	2023 G\$	2022 G\$
Donated depreciated assets:	<u>124,894</u>	<u>124,894</u>

This represents the unamortised income in respect of assets donated to the Company.

Legal Fees Liability Provision

At January 1,	88,128	110,160
Released to income	-	(22,032)
Deferral for the period	-	-
At December 31,	88,128	88,128

67

Linden Legal Aid Centre Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

Grants	2023 G\$	2022 G\$
(i) Represent monies received from Government subventures	21,668,000	21,668,874
U.S Agency for International Development	-	-
Total	<u>21,668,000</u>	<u>21,668,874</u>

(ii) This amount represents a cash grant received from the Ministry of Social Protection and the U.S Agency for International Development to cover expenses. The purpose of the grant is to enable the Company to refurbish its office, purchase office equipment and furniture and pay fees to the attorneys and staff during the year.

Administrative and operating expenses

Legal and professional services	6,920,760	3,904,250
Audit fees	-	-
Rent	1,775,000	1,687,500
Local travel	720,266	473,218
Refund	-	44,167
Repairs & maintenance - building	-	-
Repairs & maintenance - office fur & equip	17,760	133,107
Repairs & maintenance - bicycle	-	-
Security	-	-
Office expenses	407,079	592,782
Stamps & postage	5,300	4,640
Cleaning & sanitation	45,031	11,780
Telephone & internet	420,771	530,185
Meals & accommodation	329,859	290,605
Advertising & promotion	10,384	-
Casual labour	-	-
Other expenses	-	125,609
Interest & penalties	3,694	-
Donation	-	86,640
Depreciation	571,162	522,694
Bank charges	23,475	24,650
Victim support services	-	-
Employment cost	10,890,646	11,327,205
Total	<u>22,141,187</u>	<u>19,759,032</u>

lf

Linden Legal Aid Centre Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

Taxation

The Company is a not-for-profit organisation and has therefore prepared these financial statements under the assumption that an exemption from taxes will be granted.

Fair values of financial instruments

The fair value of cash and cash equivalents and accounts payable approximate to their carrying values due to their short term nature.

Capital management

The Company manages its capital, represented by accumulated surplus on its statement of financial position, to ensure that it will be able to continue operating into the foreseeable future.

67