

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

We have audited the accompanying financial statements of **Linden Legal Aid Centre Inc.**, which comprise the balance sheet as at December 31, 2007, and the related statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Companies Act 1991. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements on pages 1 to 6 present fairly, in all material respects, the financial position of Linden Legal Aid Centre Inc. as of December 31, 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the Companies Act 1991.


RAM & McRAE
CHARTERED ACCOUNTANTS
PROFESSIONAL SERVICES FIRM
157 'C' WATERLOO STREET
GEORGETOWN, GUYANA

September 2, 2009

Linden Legal Aid Centre Inc.

Balance Sheet

As at December 31, 2007

| | Notes | 2007 G\$ |
|--------------------------------|--------------|----------------------|
| Cash on hand | | 5,000 |
| Office furniture and equipment | | 10,000 |
| Net assets | | <u>15,000</u> |
| Represented by: | | |
| Accumulated surplus | | 15,000 |
| Total equity | | <u>15,000</u> |

The notes on pages 4 to 6 form an integral part of these financial statements.

Director

Treasurer

Linden Legal Aid Centre Inc.

Statement of Income

For the period ending December 31, 2007

| | Notes | 2007 G\$ |
|---------------------------------------|-------|----------------------|
| Income | | |
| Legal fees | | 50,000 |
| Donations | | 7,000 |
| Total income | | <u>57,000</u> |
| Expenses | | |
| Operating and administrative expenses | 3 | <u>42,000</u> |
| Total expenses | | <u>42,000</u> |
| Surplus for the period | | <u><u>15,000</u></u> |

The notes on pages 4 to 6 form an integral part of these financial statements.

Linden Legal Aid Centre Inc.
Statement of Changes in Equity
For the period ending December 31, 2007

| | Accumulated Fund G\$ |
|------------------------------|-------------------------------------|
| At September 24, 2007 | - |
| Surplus for the year | 15,000 |
| At December 31, 2008 | <u>15,000</u> |

The notes on pages 4 to 6 form an integral part of these financial statements.

Linden Legal Aid Centre Inc.
Statement of Cash Flows
For the period ending December 31, 2007

| | 2007 |
|----------------------------------------------------------------------------|----------------------------|
| | G\$ |
| Cash flows from operating activities | |
| Surplus for the period | 15,000 |
| Cash flows from investing activities | |
| Purchase of office furniture and equipment | (10,000) |
| Net increase in cash and cash equivalents | <u>5,000</u> |
| Cash and cash equivalents at September 24, 2007 | - |
| Cash and cash equivalents at December 31, 2007 | <u><u>5,000</u></u> |
| Analysis of cash and cash equivalents as shown in the balance sheet | |
| Cash in hand and at bank | 5,000 |
| Total | <u><u>5,000</u></u> |

The notes on pages 4 to 6 form an integral part of these financial statements.

Linden Legal Aid Centre Inc.

Notes to the financial statements

For the period ending December 31, 2007

1. Incorporation and principal 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, who because of lack of means would otherwise have their need for such advice and representation unmet of the Linden Community.

The company's registered office is located at Christianburg Magistrate's Court Building, Burnham Drive, Linden.

These financial statements were approved by the Board of Directors August 19, 2009.

2. Statement of accounting policies

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) and no account has been taken of the effects of inflation.

The preparation of financial statements in conformity with IFRS requires management to make certain critical accounting estimates and to exercise judgment in the process of applying the company's accounting policies.

In the current year, the Company adopted the new and amended standards and interpretations which came into effect, including IFRS 7: Financial Instruments: Disclosures, and the Capital Disclosures amendment to IAS 1: Presentation of Financial Statements. The adoption of these standards and interpretations did not have an impact on the Company's accounting policies but resulted in enhanced disclosures.

At the date of authorisation of these financial statements, IFRS 8: Operating Segments was in issue but not yet effective. Additionally, there are several Interpretations and amendments to existing Standards which are not yet effective. The directors anticipate that the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Company.

Linden Legal Aid Centre Inc.

Notes to the financial statements

For the period ending December 31, 2007

2. Statement of accounting policies continued

(b) Income and expenditure

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

(c) Revenue recognition

Revenue from services are recognised when the service has been rendered. Donations, other than capital donations, are recognised when received. Income from grants, other than capital grants, are recognised in income to the extent utilised. Any unutilised amounts are credited to deferred income.

(e) Reporting currency

These financial statements are stated in Guyana dollars. Foreign currency transactions during the year are translated at the exchange rates ruling at the dates of these transactions. Any gains or losses arising from these conversions are accounted for in the income statement in the period which they were incurred. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated at the rates prevailing at the end of the year.

| | 2007 |
|-------------------------------------------------|----------------------|
| 3. Operating and administrative expenses | G\$ |
| Registration fees | 33,550 |
| PO Box rental | 5,000 |
| Casual labour | 3,450 |
| Total | <u>42,000</u> |

4. 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.