



LAWYERS FOR HUMAN RIGHTS

Annual Report 2006



CONTENTS

National director's report	1
The history of Lawyers for Human Rights	2
Project reports	3
1. Security of Farm Workers Project	3
2. HIV/AIDS Project	4
3. Gender Project	4
4. Child Rights Project	5
5. Penal Reform Project	5
6. Refugee and Migrant Rights Project	7
7. Strategic Litigation Unit	9
8. Legal Assistance Cluster	11
Report of the independent auditors	12
Trustees' responsibilities and approval	13
Trustees' report	14
Balance sheet	15
Income statement	16
Statement of changes in equity	17
Cash flow statement	18
Accounting policies	19
Notes to the annual financial statement	20
Funders	22
Contact details	23

Trustees

Ms Seehaam Samaai (chairperson)
Prof Bennie Khoapa
Adv Dyvia Singh
Prof Christoff Heyns
Adv Anne Skelton
Adv Rudolph Jansen (national director)

Registered office

357 Visagie Street, Pretoria, 0002

Business address

357 Visagie Street, Pretoria, 0002

Postal address

357 Visagie Street, Pretoria, 0002

Auditors

Ramathe Chartered Accountants (S.A.)
Registered Auditors Trust

Registration number 027928NPO

Patrons Mr Justice F Bam (president of the Land Claims Court) Ms Justice N Pillay (judge of the Interational Criminal Court of Justice)



NATIONAL DIRECTOR'S REPORT



The year 2006 was a positive one for Lawyers for Human Rights (LHR). After completing its restructuring in 2005, the organisation could start focusing on its core business of legal services, education and advocacy, and could start framing long-term plans.

The outgoing board of LHR and the LHR management felt confident enough to hand over the governance of the organisation to a new board of trustees during 2006. On behalf of the management and all the staff at LHR I wish to welcome the new board members, thank them for being available to serve on the board and assure them that we all look forward to working with them in the years to come. And a special thanks to the outgoing board for their work and guidance the last 10 years.

The Strategic Litigation Unit, which became operational in 2003, started seeing the fruits of its labour in 2006. We were involved in two cases before the Constitutional Court, and two more cases will be heard before the Constitutional Court in 2007. The unit was also very active in a wide range of cases in various high courts around South Africa and is preparing for a potentially precedent-setting case on eviction law before the Supreme Court of Appeal early in 2007.

During the year under review, LHR remained active in the areas of refugee and migrant rights, farm workers' rights, penal reform, HIV, child

rights and advocacy for the recognition of paralegals. The organisation also started taking on cases in the fields of housing and land restitution, an area that remains desperately in need of additional legal services.

As always, we should thank our funders for their continued support. The financial statements prove that the organisation has improved its financial position considerably over the last few years and is generally in good financial health. Our audit report remains free from any adverse comment or qualification.

Challenges that continue to face LHR are typical of those faced by most non-governmental organisations (NGOs). The funding environment remains extremely competitive, and legal services are finding it increasingly challenging to attract investors. Moreover, attracting sufficient funding is becoming more and more challenging for South Africa as a country.

Staff turnover also remains relatively high as a result of many employment opportunities available to lawyers in the public and private sector. However, we have fortunately managed to retain the services of many talented young lawyers who are committed to the public interest and human-rights law. These staff members will form the core of LHR's plans and activities going into the future.

THE HISTORY OF LAWYERS FOR HUMAN RIGHTS



LHR was founded in 1979 at a ground-breaking legal conference attended by numerous human-rights activists and prominent lawyers in South Africa who felt compelled to do more than the organised profession catered for in terms of their engagement in anti-apartheid matters. The organisation's history began as a result of this conference.

In 1986 the national directorate was established, and full-time lawyers were appointed. LHR then developed into a fully fledged NGO under the guidance of the then national director, Brian Currin. He led the organisation through a notable period of opposition to apartheid laws and brought it into public view.

Brian Currin was succeeded as national director by Jody Kollapen, who distinguished himself in the leadership of LHR before joining the South African Human Rights Commission, where he is currently chairperson. In 1997 Dr Vinodh Jaichand, professor of law and later dean of the faculty at the University of Durban-Westville (now the University of KwaZulu-Natal), was appointed national director. He was followed as national director in 2003 by advocate Rudolph Jansen of the Pretoria Bar.

Prior to 1994 the organisation focused predominantly on the abolishment of the death penalty, providing legal assistance to political detainees and the investigation of disappearances. In 1989 the organisation played a central role in uncovering the "apartheid death squad" through its legal assistance to security police officers who had broken rank with the establishment and who later testified before the Harms Commission inquiry into certain deaths and disappearances.

Post-1994 the organisation shifted its focus to a range of human-rights projects that were becoming more relevant and urgent to the new South Africa. Particular efforts went into human-rights education and training, as well as a range of access-to-justice issues.

LHR envisages a South Africa in which the rule of law is entrenched and the human rights enshrined in the Constitution are enjoyed by all who inhabit the country – a country that plays a leading role in regional and international affairs on the basis of its commitment to democracy and human rights.

In striving to achieve these goals, LHR focuses its activities on geographical and legal areas where the need is the greatest and where its work strengthens the core values of South Africa's Constitution.



1. Security of Farm Workers Project

High levels of illiteracy, poverty and a lack of awareness, amongst other causes, render farm workers, particularly those living and working in rural communities, highly vulnerable to unfair and unjust evictions and infringements of their tenure-security rights. This vulnerability is further exacerbated by the current housing backlog¹ and a lack of alternative accommodation options.

The Security of Farm Workers Project (SFWP) has offices in Stellenbosch in the Western Cape and Upington in the Northern Cape. The location of these offices ensures close proximity to some of the country's most vulnerable communities. During the past financial year, the SFWP effectively realised its objective of enforcing the tenure-security rights of farm workers, in terms of the legislation known as the Extension of Security of Tenure Act 62 of 1997. In addition, the project provided farm workers with advice and education as to their rights.

Legal representation

The spate of eviction proceedings instituted against farm workers has reached a critical point. Between 1984 and 2004 a total of 1 679 417 farm workers were evicted (Nkuzi Development and Social Survey – Africa research study)². Department of Land Affairs statistics show that between January and July 2006, 72 Section 9(3) requests were made by various magistrates courts in the Western Cape alone.

Against this background, the SFWP has been particularly active in providing legal representation for farm workers. Between the two SFWP offices a total of 118 new cases were opened during 2006; these involved 499 farm workers and their families.

In most of these cases intervention was required on behalf of farm workers in matters where their rights were not observed in eviction applications. In these instances the SFWP managed to have the cases withdrawn. In other cases the project assisted in the parties settling matters on equitable terms and conditions. The SFWP further assisted with the bringing of urgent restoration applications for reconnection of electricity and water before the court in response to unlawful disconnections by the land owners. The project also appeared before the Land Claims Court opposing an appeal against a decision of two presiding judges of the High Court. The project was successful as the court dismissed the appeal seeking the eviction.

Advice and education

In addition to providing legal representation, the SFWP provided general advice to farm workers as well trade-union representatives and community-development workers. A telephonic advice service running from both the Western and Northern Cape offices served 404 callers during 2006.

The SFWP also published and distributed two editions of its newsletter, *Die Okkupeerder*, to more than 400 recipients during the period under review. In addition, the project conducted 16 Extension of Security of Tenure Act workshops, training a total of 257 participants on the tenure-security rights of farm workers. The participants at these workshops included, amongst others, trade-union officials, farm workers, community-development workers, municipal officials, civil-society members and paralegals.

Advocacy

The project also lobbied and advocated for the strengthening of tenure-security rights for farm workers and participated in various civil-society alliances calling for governmental intervention on the current spate of evictions.

¹ There are currently 15 000 to 20 000 households awaiting homes in one of the municipal districts alone in which the Security of Farm Workers Project operates. Report filed by an official of the Department of Land Affairs in terms of a court request addressing the impacts of an eviction on the constitutional rights of affected persons, especially children, specifically whether suitable alternative accommodation is available to the family being evicted. This was done in terms of Section 9(3) of the Extension of Security of Tenure Act 62 of 1997. This statistic was provided in a Section 9(3) report filed by the official, in the case of JA Cifti (Edms) Bpk v Frans Erasmus, Case No 6678/06, wherein the Project had been legally representing the farm dweller. Our client, Frans Erasmus, has been on the housing waiting list of the Drakenstein Municipality since 16 November 1998. He has no suitable alternative accommodation if he is evicted. He is waiting to be permanently medically boarded after being diagnosed with osteo-arthritis and mechanical backache. Frans cannot work as a result of his medical condition and his wife, Katrina, has been retrenched from her job.

² See the report by Nkuzi Development Association and Social Surveys Africa, 'National Evictions Survey' Briefing to Parliamentary Portfolio Committee for Agriculture and Land Affairs, dated 30 August 2005. Accessed at <http://www.sarprn.org.za/documents/d0001559/Parliament_Aug2005.pdf>



2. HIV/AIDS Project

The HIV/AIDS Project (HAP) was founded in 1993 as a result of a growing recognition that discrimination against people living with HIV/AIDS was becoming one of the most objectionable human-right issues facing the country. The project aims to create an enabling environment that promotes and protects the rights of people infected with and affected by HIV/AIDS.

The HAP is a national project situated in Pietermaritzburg, KwaZulu-Natal. The working relationship between the HAP and the office of the KwaZulu-Natal premier strengthened to such an extent during the year under review that the premier's office approached the HAP to assist with the Children's Forum, aimed at educating children about democracy. The HAP coordinator was also appointed to the executive committee of the KwaZulu-Natal Provincial Advisory Council for Children, an initiative driven from the premier's office.

The HIV and AIDS and Sexually Transmitted Infections Strategic Plan for South Africa benefited from HAP input during 2006. The project specifically contributed to the sections dealing with human rights and children. During 2006 the project administered two programmes: the Joint Oxfam HIV/AIDS Programme, funded by Oxfam Australia; and the Child Advocacy Programme, funded by the United Kingdom's Department for International Development.

Joint Oxfam HIV/AIDS Programme

For the funding period 2005/2006, the programme focused on promoting and protecting the rights of women and children infected with and affected by HIV/AIDS.

The project was mandated by Oxfam Australia to undertake the following activities:

- Empowering and developing the capacity of 100 grandmothers caring for their orphaned grandchildren or children they have absorbed from their communities, by conducting training workshops in KwaZulu-Natal and Limpopo during the next three years. In 2006 the project facilitated a workshop in Masangazani, approximately 30km from Richmond in KwaZulu-Natal, which was attended by 41 participants.
- Implementing mechanisms to monitor barriers to effective and accessible paediatric anti-retroviral treatment or anti-retroviral treatment for orphaned and vulnerable children cared for by their grandparents within KwaZulu-Natal. A workshop facilitated by the project in December 2006 was attended by 29 senior citizens.
- Capacitating and lobbying service providers to include senior citizens in their HIV/AIDS programmes and interventions over a three-year period so that grandmothers may provide optimum care and support to their orphaned grandchildren or orphaned children.
- Bringing together diverse Joint Oxfam HIV/AIDS Programme partners to work in synergy and share experiences and information with each other on an ongoing basis in order to achieve their common goal of building awareness of HIV/AIDS, the law and the Millennium Development Goals within the respective communities they service.
- Lobbying and advocating, in conjunction with LHR's Child Rights Project (CRP), for the adoption and implementation of the Orphaned and Vulnerable Children's Policy in KwaZulu-Natal.

The Child Advocacy Programme

The objective of this programme is to provide the children of Edendale and their care givers with relevant, user-friendly information with regards to their rights. In the period under review, the programme organised four community advice clinics to educate HIV-positive members of the community about their rights.

3. Gender Project

Ordinary women trying to access the justice system often encounter the system's flaws and can further be excluded from its protection due to financial reasons. LHR undertook to engage in the following activities to enable women to access their rights:

Advocacy

A working group was formed in consultation with a number of organisations to address the Criminal Law (Sexual Offences) Amendment Bill. The aim of the Bill is to amend the law relating to sexual offences of a particular nature as well as amend and repeal certain laws. The working group's purpose was to ensure that, when passed, the Bill will effectively represent the needs of women in general and the particular needs of women in communities regarded as most vulnerable.

The working group engaged in research for and contributed to the preparation of fact sheets surrounding the Bill. The fact sheets contained a breakdown of the timeline for implementation, provisions of the Bill regarding the medical and psychiatric needs of victims, sections of the Bill relating to offences against children, sections where children are the perpetrators, and the evidentiary and procedural aspects of the Bill.

In addition, the working group made an individual submission to the Law Commission in response to the issue paper on the potential new offence of stalking.

The Gender Project (GP) made submissions to the South African Law Reform Commission's proposed human-trafficking legislation. In particular the issues of identity and protection of victims of trafficking, immunity from prosecution, child victims, deportation and repatriation of victims of trafficking were addressed by the GP.

Legal assistance

During 2006, the GP assisted women seeking domestic-violence protection orders from the Durban, Pinetown, Chatsworth and Verulam Magistrates Courts. Legal assistance was provided in cooperation with the advice desk for abused women.

Each of the courts offered two qualified counsellors and a volunteer from the advice desk to assist with counselling women. Women who sought protection orders were assisted both legally and emotionally. Advice was given on issues such as maintenance, divorce, guardianship/custody and protection orders. When appropriate, clients were referred to the Legal Aid Board for more specific representation in court.

Training and education

The GP conducted workshops within the Durban area providing education and training on a number of gender-related topics including customary marriages, the Domestic Violence Act, the Maintenance Act and protection orders. The drafting of affidavits and the rights of refugees was also discussed.

Research

The GP continued its assessment of the implementation of the Domestic Violence Act and its effects on the lives of women seeking protection orders. This assessment entailed monitoring the intake of application forms for protection orders as well as analysing detailed data gathered through questionnaires and interviews. Eighty women who sought protection orders completed questionnaires, and interviews were conducted with 41 women.



PROJECT REPORTS

The women were interviewed six months after the protection orders had been granted. Thirty-two of the women stated that obtaining the protection orders had improved their lives. These women stated inter alia that they were experiencing less fear, less stress, renewed responsibility, a sense of freedom and newfound respect as a result of obtaining the protection orders.

4. Child Rights Project

Much of the CRP's attention was focused on the child-advocacy project (CAP). The CRP also contributed to various research projects and hosted a round-table discussion during the year under review.

The child-advocacy project

The CAP is a partnership between LHR (both the CRP and the HAP) in its capacity as a member of the Children In Distress Network, the Built Environment Support Group and the Child and Family Welfare Society of Pietermaritzburg. This project will be funded by the Department for International Development until March 2009. LHR is remunerated by a R72 000 consultancy fee per year and receives additional facilitation and litigation fees.

The project assists communities in the greater Pietermaritzburg area to gain access to their rights. To date, two community advisory services (CAS) offices have been set up, one at the Edendale Lay Centre and the other at the Eastwood River of Life Centre.

Community volunteers at each centre advise the community on accessing ID documents, obtaining school-fee exemptions as well as social-assistance and maintenance grants. The volunteers have furthermore been engaged on numerous topics, and one community seminar was held in February 2006; the Department of Education gave a presentation at this seminar.

The volunteers refer all problem cases to the CAS office where the CAS officer tries to assist. LHR monitors the CAS coordinators and provides legal support to all CAS cases. The project is currently engaging with the Department of Home Affairs (DHA) with regards to 18 cases. It is further dealing with three cases where children were assaulted by teachers at schools and several instances where children were excluded from school due to their inability to pay school fees.

The project is assisting one child who was injured when a test hand grenade detonated while he was holding it. The test grenade was found in his yard. We are seeking delictual damages from the South African Police Service and the National Defence Force, who carried out joint operations in the Edendale area during the early 1990s. In addition the project is seeking an expert opinion on the legal basis of claiming for damages for breach of a constitutional obligation of the state to protect its citizens from such weapons.

The CAP team in collaboration with the Children in Distress's Child Advocacy Committee (CAC) have re-launched the Child Intervention Panel (CHIP), an overseeing panel that will come into play when CAP, CAC and other civil organisations are unable to assist. CAC and CAP have considered approaches to avoid duplication of services and the manner in which CAP's legal support can leverage better service delivery from government. LHR and other CHIP members will meet with the Department of Social Development and the South African Social Security Agency to discuss blockages in the system. There are four pending cases thus far.

Research

To qualify for Kindermothilfe funding, LHR had to investigate inter-sectoral collaboration among government departments to the benefit of orphaned and vulnerable children in KwaZulu-Natal. The document developed by the previous coordinator had become outdated and needed to be reworked and revised. It was, however, challenging to obtain commitments from government, and progress was slow.

The CRP also contributed to research by the Child Justice Alliance on the Child Justice Bill.

Round-table discussions and other projects

The project held a round-table discussion (at the offices of the South African Human Rights Commission in Gauteng) on children accessing pornography and other harmful content. Key players from the industry, government and civil society attended. Lisa Thornton Inc, a cyber-law and telecommunications expert, facilitated. The Child Sexual Abuse Prevention Programme (CSAP), the funder, was supplied with a discussion document drafted by our consultant. The CRP is in the process of sourcing funding for a long-term project with the CSAP's assistance.

5. Penal Reform Project

With financial support from institutions including the Foundation for Human Rights and the International Community of Jurists, the Penal Reform Project (PRP) rendered free basic legal advice to prisoners. During 2006, the majority of assistance was given to prisoners in correctional institutions in Gauteng. Prisoners in the North West and Limpopo provinces also received assistance from the PRP.

The PRP travelled an approximate accumulative distance of 18 700km during this reporting period. Trips were undertaken to various prisons for purposes of consultations, conferences, preparations for court appearances and investigations. We consulted with prisoners at the Modderbee, Johannesburg, Leeuwkop, Pretoria Central, Pretoria Female, Zonderwater, and Baviaanspoort Correctional Centres. We also consulted with prisoners at Barberton and Rooigrond prisons. Many of the complaints related to lengthy periods awaiting trial, inadequate medical treatment and assaults both by fellow prisoners and correctional officers, improper parole procedure and practices, long periods before criminal appeals were dealt with (in some cases up to four years) and offenders who wanted to take legal action against the state for damages after being wrongfully convicted.

Prisoners' rights

Notwithstanding continued efforts to address the human-rights abuses of prisoners, these still remain some of the key human-rights concerns in post-apartheid South Africa.

Prisoners are a vulnerable group. The majority come from poor, disadvantaged and uneducated communities. Once they are incarcerated, they find themselves in overcrowded cells (there have been reports of 100 prisoners crammed into cells designed to accommodate only 40) thanks to the country's high crime rate and the backlog of cases to be heard. Human-rights abuses thrive in this kind of environment, and very often the prisoners themselves are ignorant of their own rights. Furthermore, there is little public understanding of abuse in prisons. One resort is the Legal Aid Board, but it does not often render legal assistance to sentenced prisoners with regard to parole procedures, disciplinary hearings and so forth. Rather, it focuses on accused parties for purposes of trial.



Foreign nationals in detention may further be subjected to unfair discrimination by prison authorities and the police as well as fellow prisoners.

Interventions

The project assisted a number of prisoners telephonically and by correspondence. In appropriate cases the PRP consulted with prisoners at the prisons and proceeded with legal action.

The project assisted a terminally ill prisoner to be released on medical parole without having to approach the High Court. The prisoner was previously diagnosed with HIV/AIDS. He was on anti-retroviral treatment for 18 months. His medical condition deteriorated dramatically, and the treatment did not improve the quality of his medical condition. Four days after the PRP approached the regional commissioner's office at Baragwanath Hospital, he was released on parole.

The project collaborated with LHR's Refugee and Migrant Rights Project (RMRP) to negotiate bail for 13 foreign nationals on trial at the Parys Magistrates Court. The accused faced charges relating inter alia to possession of falsified documentation and fraud. As a result of the objections that were raised to several unnecessary postponements, the matter was removed from the roll.

An urgent application to the Pretoria High Court on behalf of an offender who was diagnosed with cancer prior to his incarceration led to his transfer to a private clinic. He subsequently received specialist medical attention and has been released on parole. The PRP team argued that prison authorities at the Johannesburg correctional facility refused to provide the prisoner with adequate medical treatment and that this amounted to infringement of his constitutional rights. The Ministry of Health and the MEC of Health in Gauteng were the joint respondents.

The PRP assisted an offender who brought an urgent application in person to obtain a report from a departmental physiologist for purposes of a parole hearing. The team advised the client to amend his notice of motion and to include a prayer compelling prison authorities to place him before a departmental psychologist for purposes of an evaluation, which could in turn be used at his parole hearing. Our intervention led to the report being completed, and he was subsequently released on parole.

The project also appeared before the parole board on several occasions. In one such case the PRP's submission to the Odi Prison's parole board resulted in Josiah Dingmans Maruke being released on parole.

Conferences, workshops and other exposure

The project participated in an East London conference aimed at addressing overcrowding in prisons and also attended a two-day workshop in Polokwane addressing the "consideration process of prisoners" with regard to their placement on parole and medical parole. The PRP also participated in a two-day conference on the accountability of the judiciary held at the University of Johannesburg.

During 2006, the PRP received further exposure through a lengthy interview with PRP coordinator Louis van der Merwe on the television programme *Special Assignment*. Van der Merwe spoke about the Minister of Correctional Services' release of Dora Bell and the fact that the minister did not have the necessary statutory powers to authorise the release. Since 1 October 2004, jurisdiction over the release of prisoners has been resting with parole boards.

Compensations for wrongful convictions

The project has been involved with an ongoing criminal appeal. It does happen that some offenders are wrongfully convicted and sentenced. These individuals are not compensated after successful appeals, and their convictions and/or sentences are set aside. In one such case the appellant had served more than eight years prior to the appeal being heard. His conviction and sentence were set aside on appeal. Once these individuals are released, they have the right to compensation, but they often can't afford to take legal action to secure this compensation as they don't have the financial means to do so.

Terminally ill prisoners

Despite various court challenges confirming the right of terminally ill prisoners to be considered for placement on medical grounds once they reach the "final stage" of a terminal illness, far too many prisoners are still not allowed to die a dignified death at home with their family and friends. Approximately 1 750 prisoners die of illness annually while in custody. Only a few are released on medical grounds.



It is also alarming that awaiting-trial prisoners do not qualify for consideration for release on medical grounds in terms of the Correctional Services Act. A court may, however, decide that an accused's medical condition amounts to a compelling and substantiating reason to grant bail, but that would depend on the circumstances of each case, the discretion of the court, and whether or not a bail application is in fact brought.

The project has not been successful in obtaining funding for 2007 and will be suspending its activities until funding is secured in the future.

6. Refugee and Migrant Rights Project

The protection of refugees and asylum seekers has become a key human-rights concern during South Africa's first decade of democracy. Although the country has been fortunate not to experience a mass influx of refugees, South Africa is increasingly considered a safe and politically stable host to those fleeing political persecution and insecurity. Since 1994 approximately 200 000 people – mainly from conflict areas such as the Great Lakes, Somalia and Zimbabwe – have applied for asylum in South Africa.

Despite the relatively modest figures, the South African government has struggled to honour its constitutional and international obligations to provide sanctuary and protection to refugees and asylum seekers.

The poor implementation of the Refugees Act has resulted in the following consequences:

- Inaccessible asylum-admission procedures, long delays and a high degree of arbitrariness in the asylum-determination process leaving large numbers of asylum seekers without any legal protection and therefore vulnerable to arrest, detention and deportation.
- Enormous backlogs at the refugee offices of the DHA; there are currently approximately 100 000 outstanding refugee applications. In practice refugee-status decisions can take many years to be finalised.
- A failure to issue refugee-identity documents, travel documents and to renew refugee and asylum-seeker permits, leaving refugees with no means to prove their legal residence in the country, which places them at risk of arrest and deportation. Without identification, refugees and asylum seekers cannot access any government services.

Other government departments such as the Department for Social Development, the Health Department, the Department of Labour and the South African Police Service, have also failed to integrate refugees and asylum seekers in their policies and programmes, creating the following problems in the process:

- arbitrary arrests and detention;
- refugee children struggling to access basic education;
- hospitals and clinics refusing admission of foreigners or charging excessive admission fees;
- the exclusion of refugees from government-subsidised housing-rental programmes;
- the exclusion of vulnerable groups such as the disabled, the elderly and unaccompanied children from government grants; and
- the exclusion of foreigners from unemployment benefits despite having made contributions.

LHR has been at the forefront of advocating and enforcing the rights of refugees and migrants in South Africa for almost a decade. The RMRP is a multifaceted project that offers legal services to refugees and migrants and is currently the leading legal service provider to the refugee and migrant community in South Africa. The project operates from its four offices in Johannesburg, Pretoria, Durban and Port Elizabeth. The RMRP team consists of eight attorneys, one in-house counsel (advocate), one paralegal, a qualified social worker, two interpreters/legal assistants and an operations manager.

The project's programme includes:

- free legal services through its law clinics and advice offices,
- strategic litigation,
- detention monitoring,
- policy advocacy,
- training and education and
- research.

Strategic litigation

Refugee-law jurisprudence is slowly emerging mostly as a result of litigation brought by legal NGOs such as LHR. The registration of LHR's Pretoria and Durban law clinics has given momentum to the project's



litigation programme, enabling it to represent refugee clients in court and to litigate in precedent-setting matters.

The project, in collaboration with the LHR Strategic Litigation Unit, successfully took a number of precedent-setting and high-impact matters to court in 2005 addressing the following problems:

- inaccessible asylum procedures;
- unlawful deportation and the refoulement of asylum seekers and refugees;
- failure to issue and renew valid refugee and asylum-seeker permits;
- inadequate and harmful deportation practices of both children and adults;
- statutory prohibitions of access to social assistance, including access to social grants for vulnerable groups; and
- access to employment in the private-security industry.

The project also represented a number of refugees and asylum seekers in criminal matters relating to their immigration status.

Detention monitoring

The detention-monitoring programme, which operates from the project's Johannesburg office, provides legal assistance to people who are being detained under immigration legislation and monitors the detention conditions at the Lindela Repatriation Centre, police stations, prisons, border posts and airports. Lindela is South Africa's main immigration detention centre.

Numerous studies have shown that refugees and asylum seekers live under constant threat of arrest at the hands of sometimes corrupt police officials who demand bribes for their release. Even those who hold asylum papers are not immune from arrest, and there are reports of police tearing up the documents of asylum seekers. The fate of those arrested is detention at Lindela and deportation. There has been a catalogue of complaints about overcrowding and ill-treatment at Lindela and police stations. The deaths in July 2005 of two Zimbabwean detainees at Lindela prompted a committee of enquiry into conditions at the centre by the Minister of Home Affairs. A report highlighting problems regarding the treatment of detainees was submitted to the committee by LHR. The committee concluded in its report that detention conditions at Lindela, especially regarding medical care, were not as they should be. The Minister of Home Affairs declared the report to be "an indictment of our department".

LHR also made a submission on the arbitrary detention of refugees and migrant workers to the United Nations (UN) Working Group on Arbitrary Detention during its first visit to South Africa. In its subsequent report, the working group found that foreigners and refugees are sometimes unlawfully detained at Lindela and recommended improvements to be made at the detention facility.

In collaboration with the Wits Law Clinic the RMRP is currently involved in litigation against the DHA regarding the persistent unlawful detention and deportation practices at Lindela. This case was brought in response to the department's decision to deport 58 Congolese asylum seekers and refugees in contravention of the Refugees Act.

Policy advocacy

LHR made policy submissions on draft legislation to the South African parliament. The newly passed Children's Act was an important focus point for the project, particularly in as far as it fails to incorporate the protection and care of foreign children. In addition to making written submissions to the parliamentary portfolio committee, LHR was also requested to conduct research on the cost implications of the new act.

Despite the initial inclusion of foreign children in earlier drafts, the final draft that was approved by parliament contained insufficient reference to the protection and care of foreign children.

The RMRP also prepared written comments on the South African Law Reform Commission's discussion paper on trafficking and smuggling highlighting the need for legal protection of trafficking victims.

In August LHR made detailed submissions on the newly proposed Refugees Amendment Bill. The bill was subsequently withdrawn.

Training and education

The RMRP's training and education programme provides practical legal training to various government departments and civil-society organisations to enable them to fulfil their mandate to protect and assist refugees and asylum seekers.

In 2005, training programmes were conducted for the following groups:

- the South African Defence Force in the Limpopo Province on the protection of foreign unaccompanied minors in collaboration with Save the Children,
- social workers from the Department of Social Development in eight provinces,
- lawyers from the Legal Aid Board's justice centres in collaboration with the Centre for Child Law,
- South African Police and Metro Police officers from Tshwane and Johannesburg and
- South African Human Rights Commission legal officers.

Research

The RMRP contributed to two significant surveys undertaken in 2006, the State of Refugee Protection in South Africa and the World Refugee Survey. In addition, it was one of three bodies that contributed to a report specifically looking into the treatment of Zimbabwean asylum seekers.

- 2006 State of Refugee Protection in South Africa – This comprehensive survey was commissioned by the National Consortium for Refugee Affairs and was co-edited by the Forced Migration Studies Programme at the University of the Witwatersrand and launched to commemorate World Refugee Day 2006.
- World Refugee Survey 2006 – The RMRP did a short survey on behalf of the United States Committee for Refugee and Immigrants for inclusion in their annual report.
- Report on the treatment of Zimbabwean asylum seekers – At the request of the Minister of Home Affairs LHR, the South African Human Rights Commission and Crisis Zimbabwe conducted research on the treatment and protection concerns of Zimbabwean asylum seekers and refugees living in South Africa. A report summarising our findings was presented to the minister in July 2006.

In addition, the RMRP participated in and contributed to a number of conferences, workshops and other public events.

- The 10th Biannual Conference of the International Association for Forced Migration Studies – Fritz Gaerdes presented a paper entitled The Role of Litigation in the South African Policy Dialogue at this conference, which was hosted by the Centre for Refugee Studies, York University, Toronto, Canada in June 2006.
- United Nations High Commissioner for Refugees (UNHCR) regional consultation – Jacob van Garderen and Nyari Machingambi attended as part of a process to develop a new UNHCR policy for refugees in urban areas. LHR gave a presentation wherein it advocated for a more rights-based approach.



PROJECT REPORTS

- Consultative meeting on migration and development with Mary Robinson and the Ethical Globalisation Initiative – Jacob van Garderen and Kaajal Ramjathan-Keogh made submissions on various modalities on the legislation of undocumented migrants in South Africa at this meeting with the former United Nations High Commissioner for Human Rights.
- Book launch at Constitution Hill – Jacob van Garderen was a panellist at the launch of *Law and Sacrifice: Towards a Post-Apartheid Theory of Law*. The panel was moderated by Steven Friedman and included the author of the book, Johan van der Walt, and Judge Albie Sachs.
- Presentation at the Aids Law Conference – Jacob van Garderen's presentation was entitled *The Protection of Refugees living with HIV and AIDS*. The conference was held at Wits University.
- Southern African National Editor's Forum seminar – Jacob van Garderen facilitated the seminar, which dealt with the theme of xenophobia and the media.

Project funding

The RMRP receives funding from Atlantic Philanthropies, the United Nations High Commission for Refugees, the International Commission of Jurists, the Ford Foundation, Save the Children (Sweden) and the Foundation for Human Rights.

7. Strategic Litigation Unit

Established in 2003, the Strategic Litigation Unit (SLU) aims to use the law as a positive instrument for change and to deepen the democratisation of South African society. The SLU's primary objective is to provide high-level legal services free of charge to vulnerable, marginalised and indigent individuals and communities in cases involving constitutional and human-rights violations.

The unit employs full-time lawyers and also relies on assistance from various LHR programmes, pro bono attorneys involved in human-rights work and leading constitutional-law counsel. The unit works under the strategic guidance of the Joint Litigation Committee, made up of LHR board members, the LHR director and SLU staff.

The unit's focus areas aim to "make rights real" and include:

- Land restitution and security of tenure – The SLU represents a number of land claimants in the Land Claims Court and serves as a litigation resource for the Land Claims Commission. Together with the LHR SFWP in Stellenbosch, the unit involves itself in security of tenure and eviction cases.
- Refugee and migrant rights – The unit has led legal developments in the area of refugee and immigration law. It has successfully litigated in precedent-setting cases in the High Court, the Supreme Court of Appeal and the Constitutional Court.
- Equality and anti-discrimination – A wide range of cases involving discrimination on the grounds of religion, refugee status, national origin, marital status and health have been successfully concluded.
- Children – For nearly two decades, LHR has actively campaigned for child rights. It is therefore only appropriate that the SLU and LHR's CRP are collaborating in cases dealing with child labour, access to social assistance, protection of children in immigration detention and the development of legal obligations to avoid injury to children.
- Other areas – The unit remains available to litigate in areas where there is a need for the development of law, its interpretation and the enforcement of the rights of particular groups and policy challenges.

In brief, cases considered by the SLU must have public-interest value, the potential of being precedent-setting and/or have high policy impact, and have a broad impact on the deepening of democracy, social transformation and the advancement of rights and socio-economic justice.

Recent cases

1. Access to the asylum process – Somali Refugee Forum case

International law requires that asylum seekers be given immediate legal protection on arrival pending the determination of their status as refugees. This right is denied to asylum seekers in South Africa due to systemic administrative incapacity, thus disallowing newly arrived asylum seekers from gaining immediate access to the DHAs asylum-application procedure. The SLU has achieved some success in addressing this unsatisfactory situation with two applications in the High Court launched during 2005 and 2006.

Pursuant to these applications, in 2005 the Pretoria High Court ordered the DHA to procure the services of more staff and an independent process engineer to assess and make recommendations to ensure that newly arrived asylum seekers have proper and lawful access to South Africa's asylum procedures. The court also ordered the department to re-open a refugee-reception office in Johannesburg and ensure that asylum seekers would be received at a facility in Johannesburg from January 2006 onwards.

In response to the court order, the department appointed an independent process engineer to investigate the current shortcomings in the asylum process and to advise the minister on improvements to the system, particularly to solve the ongoing access problems.

2. Employment of refugees in the private security industry – Union of Refugee Women case

Pursuant to legal amendments in 2001, the Private Security Industry Regulatory Authority, the statutory body tasked with the registration of private-sector security guards, started to deregister all refugees working as security guards and refused all new registration applications from refugees. Research reports indicate that this industry provided employment to almost 20% of all economically active asylum seekers and refugees in South Africa.

The SLU brought litigation on behalf of 14 individuals and one refugee community organisation, the Union of Refugee Women, challenging this exclusion as being unconstitutional.

3. Social grants for disabled refugees – Scalabrini Centre of Cape Town case

Disabled refugees in South Africa are excluded from accessing government-provided social-assistance grants. Following a Constitutional Court judgment that held that the exclusion of permanent residents from the welfare scheme is discriminatory and unfair and infringes on the right to equality, LHR pursued the extension of grants to disabled refugees. The SLU represents a number of individual refugees who are disabled and two refugee organisations that have refugee members who are disabled. We assisted our clients to launch an application challenging the constitutionality of their exclusion from disability grants.

An interim settlement agreement was concluded with Department of Social Development provided that LHR's clients were allowed to apply for social relief of distress grants, and that the department filed a comprehensive social assistance plan for refugees. Filed in October 2006, the plan provides for disabled refugees to receive disability grants to the same value as those received by South African citizens.



4 *School discrimination against a Tamil Hindu child wishing to wear a nose ring in the exercise of her cultural and religious beliefs*

In this matter a high school threatened disciplinary steps against our client's daughter, a Tamil Hindu, for wearing a nose ring in expression of her cultural practices and religious beliefs.

After the Durban Magistrate's Equality Court handed down a judgment in favour of the school the unit stepped in to represent the learner and her mother with an appeal to the Natal High Court.

The court declared the school's decision to prohibit the wearing of nose rings in school by Hindu/Indian learners null and void. The judgment sets a positive legal precedent for cultural diversity in South Africa. The school filed an application for leave to appeal the matter to the Constitutional Court.

The matter has received a lot of interest from international media due to similar issues being dealt with in Canada and Europe. This judgment will affect all religious and cultural groups and especially minority groups in South Africa and will add to the growing international jurisprudence on the subject.

5 *Atrocious past persecution as sufficient grounds for refugee status – Mayongo case*

The SLU represented an Angolan asylum seeker who was atrociously tortured during the time of the civil war in Angola. After he applied for asylum in South Africa the DHA took in excess of two years to determine his status and reach the decision to reject his asylum claim. He appealed the DHA's decision, but his appeal was dismissed by the Refugee Appeal Board (RAB).

The SLU then stepped in and assisted the client in applying for permanent residence advancing that there existed special circumstances to grant such status. The Minister of Home Affairs denied the granting of permanent residence, providing no adequate reason for this decision. The SLU then launched an application for judicial review of both the RAB's and the minister's decisions; this application was heard by the Pretoria High Court in November 2006.

6 *China's one-child policy as grounds for asylum*

In this case, the SLU represented a Chinese national who has four children. The client initially came to South Africa after fleeing persecution on the basis of his political opinion. However, in the 12 years that he has been in South Africa the client fathered four children with his wife. Accordingly, should he return to China, he would face acts of persecution such as economic penalties and difficulty in finding employment while his wife may be subjected to forced sterilisation and his children may be denied identity documents and education.

The DHA in the first instance and the RAB thereafter rejected his asylum application. The board held that parents of children born in contravention of China's one-child policy did not constitute members of a particular social group and that the client accordingly did not satisfy the definition of a refugee in terms of the Refugees Act. It is the unit's view that the RAB made an error of law as many other jurisdictions, such as Canada and the United Kingdom, have recognised that such parents are entitled to international protection under the refugee regime. The SLU thus launched an application in the Pretoria High Court for the judicial review of both the department's and the RAB's decisions. The court dismissed this application in November 2006. The client has chosen not to appeal the decision.

7 *Foster care and child-support grants*

ACCESS, an alliance of NGOs working to protect children's rights, has launched an application in the Pretoria High Court seeking to strike down the requirements of the regulations to the Social Assistance Act requiring that children and/or foster parents should submit either 13-digit identity documents or birth certificates when applying for foster care and child-support grants. ACCESS submits that many children and foster parents do not have access to the necessary documents and are therefore not paid the relevant grants.

LHR applied and were granted leave to enter these proceedings as an amicus curiae. The basis of LHR's argument was that the relevant legislation does not allow access to 13-digit identity documents or birth certificates for foreign children (for example refugee, asylum-seeking and undocumented foreign children). As a result the adults fostering these children, whether South African or not, are not given access



PROJECT REPORTS

to foster-care grants to benefit the children they foster. LHR submitted that this situation is in conflict with sections 9 (equality), 27 (right to social assistance) and 28 (children's rights provisions) of the Constitution.

The parties are still in the process of exchanging pleadings and will apply for a court date once this process is finalised.

8 *Deportation of foreign unaccompanied children from South Africa*

Pursuant to an application brought by the Centre for Child Law and LHR, the Pretoria High Court handed down a judgment in September 2004 that held that the legal mechanisms for the protection of South African children, found in the Constitution and the Child Care Act of 1983, apply equally to unaccompanied foreign children present within South Africa's borders.

Before this judgment, many unaccompanied foreign children were simply dropped off at the borders of Mozambique, Zimbabwe and other countries without attempts to reunite these children with their families or to reintegrate them into society. Although the judgment of the Pretoria High Court held that this practice was unlawful, there is still no proper government policy or procedure providing for the lawful and dignified deportation of children from South Africa.

The second objective of the case is to ensure that the South African government formulates legal and humane policies for the deportation of foreign unaccompanied children. To this end, LHR met with government lawyers to discuss the adoption of a policy circular that would set out a procedure and safeguards to be followed. This settlement will be formalised through the courts in 2007.

9 *The Tshwelopele eviction case*

In this matter the Pretoria High Court upheld a defence of impossibility to a Mandament van Spolie claim. The local authority (Tshwane) and South African Police Service unlawfully evicted a large group of informal dwellers from a vacant piece of land and destroyed all their building materials in the process. Leave to appeal was granted to the Supreme Court of Appeal.

10 *M v Disa Pre-Primary School*

In this matter a pre-primary school, as a private entity, refused admission to a four-year-old pupil on the basis that she was an insulin-dependant diabetic and that the school could not accommodate her treatment routines. After LHR issued urgent proceedings, the matter was settled amicably between the parties after the intervention of Diabetes South Africa was sought.

The unit has subsequently assisted Diabetes South Africa with a number of similar cases. They have all been settled. These cases illustrate the value of legal and medical education in the settlement of disputes.

8. *Legal Assistance Cluster*

Most countries in the Southern African region are not able to provide adequate legal assistance, and people seeking legal advice have resorted to using paralegals, as they can not afford to consult qualified lawyers. The role played by paralegals has thus had a major impact in enhancing access to justice for the disadvantaged.

The Legal Assistance Cluster (LAC) was formed in 2003 to campaign for the recognition of paralegals in Southern Africa – creating strategies for the accreditation of uniform training programmes and syllabi, a clear approach to ethics and accountability and close collaboration with the legal profession in general. It is a group of non-profit making NGOs in the Southern African region that provide free legal-aid services to the poor and marginalised. It advocates access to justice through developing the role of paralegals in the legal systems, encouraging states to recognise their responsibilities to provide accessible legal and social services and working together to benefit from each other's knowledge and experience.

The LAC consists of eight partner organisations from six countries: Maos Livres (Angola); Malawi Centre for Advice, Research, Education on Rights; Liga dos Direitos Humanos (Mozambique); LHR (South Africa); National Community-Based Paralegal Association (South Africa); Legal Resources Foundation Zambia; Legal Resources Foundation Zimbabwe and the Southern African Legal Assistance Network. The core business of these partners is providing legal assistance and legal aid to poor and marginalised citizens.

Its main objectives are to:

- carry out lobbying and advocacy initiatives geared towards the legal recognition of paralegals in Southern Africa on a national and regional basis;
- enhance the knowledge, capacity and effectiveness of paralegals as an integral part of the justice-delivery systems in the respective Southern African countries; and
- build partnerships and strengthen the strategic alliances between paralegals and the justice-delivery system to enhance access to justice for the poor in Southern Africa.

During 2006, member countries partook in national meetings to discuss strategies to prioritise recognition of paralegals. It was decided that each country should assist paralegals to establish paralegal associations and to develop nationally recognised qualifications. Meetings to set these activities commenced in 2006 and will continue into 2007.

The LAC has been solely funded by The Netherlands Institute for Southern Africa, which also supports member countries with capacity building.

REPORT OF THE INDEPENDENT AUDITORS TO LAWYERS FOR HUMAN RIGHTS



We have audited the annual financial statements of Lawyers for Human Rights set out on pages 14 to 22 for the year ended 31 December 2006. These financial statements are the responsibility of the organisation's trustees and national director. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Qualification

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over donations from project funders prior to initial entry of receipts in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

Qualified audit opinion

In our opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the organisation at 31 December 2006 and the South African Statements of Generally Accepted Accounting Practice.

Supplementary information

The detailed income statement and Annexures A1-A15 do not form part of the annual financial statements and are presented as additional information to be obtained from LHR.

Ramathe

Chartered Accountants (S.A.)
Registered auditors

Parktown

31 July 2007



TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees and national director are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees and national director acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees and national director sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours

to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees and national director are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Although the board of trustees and national director are primarily responsible for the financial affairs of the organisation, they are supported by the organisation's external auditors.

The external auditors are responsible for independently reviewing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors, and their report is presented on page 12.

The annual financial statements set out on pages 14 to 22, which have been prepared on the going-concern basis, were approved by the board of trustees and national director on 31 July 2007 and were signed on its behalf by:

Ms Seehaam Samaai (chairperson)

Parktown
31 July 2007

TRUSTEES' REPORT



The trustees submit their report for the year ended 31 December 2006.

1. Review of activities

Main business and operations

The organisation is engaged in nongovernmental organisation and operates principally in South Africa. It is a human-rights monitor, advocate, promoter and enforcer of human rights. Lawyers for Human Rights is registered as a non-profit organisation in terms of the Non Profit Organisations Act, 71 of 1997. Its registration number is 027928NPO. The operating results and state of affairs of the trust are fully set out in the attached annual financial statements and do not in our opinion require any further comment. The national office represents the central administration of Lawyers for Human Rights. From the comparative figures for 2002, 2003, 2004, 2005 and 2006 it is clear that both the costs and losses have been reduced. Management believes the national office will also show a surplus in 2007. The comparative figures are as follows:

Year	Expenses (R)	Profit/(Deficit) (R)
2002	3 322 550	(1 701 077)
2003	1 892 759	(433 189)
2004	1 355 508	(433 189)
2005	1 222 342	243 995
2006	818 535	573 730

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Post balance sheet events

The trustees and national director are not aware of any matter or circumstance arising since the end of the financial year.

4. Property, plant and equipment

In accordance with accounting practice often followed by non-profit organisations, Lawyers for Human Rights has adopted a policy in the reporting year in terms of which all property, plant and equipment are expensed in full as capital expenditure in the year such assets were acquired.

5. Trustees

The trustees of the organisation during the year and to the date of this report are as follows:

Name	Change in appointment
Ms Seehaam Samaai (chairperson)	08 July 2006
Prof Bennie Khoapa	08 July 2006
Adv Dyvia Singh	08 July 2006
Prof Christoff Heyns	08 July 2006
Adv Anne Skelton	08 July 2006
Adv Rudolph Jansen (national director)	08 July 2006

6. Auditors

Ramathe will continue in office for the next financial period.

7. Project expenditure (annexures A2 to A15)

Due to the size of Lawyers for Human Rights and the multiplicity of its projects, it is unavoidable that some costs are shared between projects. As most funding contracts make money available for specific projects, it is therefore important to have a sound accounting and management basis for the allocation of expenses.

Management follows established cost-allocation rules and policy within Lawyers for Human Rights; a simple and equitable system is followed. Costs that are incurred exclusively in respect of a project, are allocated to such project. Where costs are shared, and the specific portion of the costs incurred in respect of any particular project can be determined accurately, the allocation is done accordingly. In respect of shared costs where it is not practical or possible to determine the exact portion of usage by the various projects, the expenses are allocated equitably depending on the size and the budget of the relevant projects.

8. Reporting on contributions to central administration.

In 2004, Lawyers for Human Rights commenced reporting on amounts received from funders for its central administration. These are reflected in annexure A1. These amounts reflected as "administration fees", together with funding given directly to the national office, represent the financial resources available to the central administration of the organisation.

BALANCE SHEET AS AT 31 DECEMBER 2006

Figures in rand	Note(s)	2006	2005
Assets			
<i>Non-current assets</i>			
Loans receivable	2	37 328	37 684
<i>Current assets</i>			
Trade and other receivables	3	172 699	255 447
Cash and cash equivalents	4	1 822 188	1 050 694
		1 994 887	1 306 141
Total assets		2 032 215	1 343 825
Equity and liabilities			
<i>Equity</i>			
Accumulated surplus		1 245 972	(576 650)
<i>Liabilities</i>			
<i>Current liabilities</i>			
Trade and other payables	5	786 243	1 920 475
Total equity and liabilities		2 032 215	1 343 825

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006



Figures in rand	Note(s)	2006	2005
Gross revenue	6	8 027 800	6 648 318
Other income		615 928	592 754
Operating costs	7	6 652 048	6 926 225
Operating surplus		1 991 680	314 847
Operating surplus is stated after:			
Income			
Proceeds on disposals of property, plant and equipment	35 000	18 000	
Expenditure			
Auditors remuneration		68 228	80 000
Audit fee	11	68 228	80 000
Prior year under-provision	-	-	
Capital expenditure		95 680	43 537
Property, plant and equipment		95 680	43 537
Lease rentals		711 006	759 124
Premises		425 390	365 023
Motor vehicles		20 485	20 388
Equipment		265 131	373 713
Interest received	8	30 109	-
Finance costs	9	(199 167)	(15)
Surplus		1 822 622	315 832
Represented by the following projects:			
Refer to annexures A2 to A15			
		2006	2005
		Surplus/(Deficit)	Surplus/(Deficit)
National office		648 546	231 995
Law clinic – Polokwane		131 119	(124 818)
Law clinic – Umtata		-	53 219
Education Project		-	(82 256)
Gender Project		(302 211)	244 430
Penal Reform Project		94 495	(133 714)
Refugee Rights Project		1 188 505	(114 215)
Rural Justice		(350 509)	283 551
NIZA Paralegal Manual		(201 379)	180 035
Child Rights Project		100 989	(271 939)
HIV/AIDS Project		(18 524)	157 303
Security for Farmworkers Project		422 638	142 762
Strategic Litigation Unit		214 908	(94 273)
Legal Assistance Network of Southern Africa		(105 955)	(157 251)
Total		1 822 622	314 832



STATEMENT OF CHANGES IN EQUITY

Figures in rand	Accumulated surplus
Balance at 01 January 2005	(891 480)
Changes in equity	
Surplus for the year	314 830
Total changes	314 830
Balance at 01 January 2006	(576 650)
Changes in equity	
Surplus for the year	1 822 622
Total changes	1 822 622
Balance at 31 December 2006	1 245 972

CASH FLOW STATEMENT



Figures in rand	Note(s)	2006	2005
Cash flows from operating activities			
Cash receipts from funders		8 027 700	7 241 072
Cash paid to suppliers and employees		(7 122 504)	(6 842 771)
Cash generated from operations	12	905 196	398 301
Interest income		30 109	–
Finance costs		(199 167)	(436 395)
Net cash from operating activities		736 138	(38 094)
Cash flows from investing activities			
Sale of property, plant and equipment		35 000	18 000
Loans raised		356	10 690
Net cash from investing activities		35 356	28 690
Cash flows from financing activities			
Loans repaid		–	(33 864)
Total cash movement for the period		771 494	(43 268)
Cash at the beginning of the period		1 050 694	1 093 960
Total cash at the end of the period	4	1 822 188	1 050 692



ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

All property, plant and equipment are expensed as capital expenditure in the year such assets were acquired.

Gains on disposal of property, plant and equipment are determined by the full amount received and are taken into account in determining operating profit.

1.2 Financial instruments

Initial recognition

Financial instruments carried on the balance sheet include cash and cash equivalents, trade and other receivables, trade and other payables and loans receivable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Trade and other receivables and loans receivables

Trade and other receivables are carried at cost.

Trade and other payables

Trade and other payables are carried at cost.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks. In the balance sheet bank overdraft are included in current liabilities.

1.3 Leased assets

Leases of assets under which all risk and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on straightline basis over the period of the lease.

1.4 Provisions and contingencies

Provisions are recognised when the organisation has a present legal or constructive obligation as a result of past events. 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.

1.5 Revenue

Project funds and donations are accounted on a receipts basis and no provision is made for project funds and donations intimated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS



Figures in rand	2006	2005
2. Loans Receivable		
<i>At fair value through profit or loss</i>		
Lawyers For Human Rights Trust	36 294	36 294
National Consortium of Refugee Affairs	1 034	1 390
	37 328	37 684
<i>The loans are unsecured, interest free and have no fixed terms of repayment.</i>		
Noncurrent assets		
<i>At fair value through profit or loss</i>	37 328	37 684
3. Trade and other receivables		
Prepayments	30 134	30 463
Deposits	52 759	12 370
VAT	89 806	212 614
	172 699	255 447
4. Cash and cash equivalents		
<i>Cash and cash equivalents consist of:</i>		
Bank balances	1 822 188	1 050 694
5. Trade and other payables		
Trade payables	46 701	85 087
Accrued leave pay	115 902	151 992
Audit fees	74 000	120 000
PAYE liability	549 640	1 371 469
UIF and SDL liability	–	170 934
Accrued expense	–	20 993
	786 243	1 920 475
<i>No formal agreement exists with SARS in respect of repayment terms. The liability was settled in full after year end. An additional amount was raised to record that liability as raised by SARS in prior years. SDL was reversed and the payments made were set off against PAYE liability.</i>		
6. Revenue		
Funds received	8 027 800	6 648 318
7. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
<i>Operating lease charges</i>		
Premises		
Contractual amounts	425 660	365 023
Motor vehicles		
Contractual amounts	20 485	20 388
Equipment		
Contractual amounts	265 131	373 713
	711 276	759 124
Profit on sale of property, plant and equipment	35 000	18 000
Capital expenditure: property, plant and equipment	95 680	43 537
Employee costs	3 862 229	3 895 245
8. Interest received		
<i>Interest revenue</i>		
Bank	30 109	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in rand	2006	2005
9. Finance costs		
Bank	14	15
Late payment of tax	199 153	436 380
	199 167	436 395
<i>Prior year penalties and interest have been raised to reflect the full amount claimed by SARS in order to be conservative.</i>		
10. Taxation		
<i>No provision has been made for taxation as the organisation is not liable for taxation. Lawyers for Human Rights is a registered tax-exempt organisation.</i>		
11. Auditors' remuneration		
Fees	68 228	80 000
12. Cash generated from operations		
Surplus before taxation	1 822 622	314 830
<i>Adjustments for:</i>		
Surplus on sale of assets	(35 000)	(18 000)
Interest received	(30 109)	–
Finance costs	199 167	436 395
<i>Changes in working capital:</i>		
Trade and other receivables	82 748	(244 577)
Trade and other payables	(1 134 232)	(90 347)
	905 196	398 301
13. Commitments		
Operating leases		
<i>Minimum lease payments due</i>		
within one year	517 560	532 822
in second to fifth year inclusive	1 073 649	953 505
	1 591 209	1 486 327
<i>Lawyers For Human Rights leased property, equipment and vehicles from various lessors for periods ranging from three to five years. The lease agreements are renewable at the end of the lease terms for the properties and Lawyers For Human Rights do not have the option to purchase the properties. The lease agreements in terms of the vehicle and equipment is not renewable at the end of the lease terms, and Lawyers For Human Rights do not have the option to purchase the goods at the end of the agreement. The above table represents the minimum future lease payments.</i>		

PROJECT FUNDS AND DONATIONS RECEIVED FOR THE YEAR ENDED 31 DECEMBER 2006



	Admin fees 2006 R	Donations 2006 R	Admin fees 2005 R	Donations 2005 R
Project funds:				
Atlantic Philanthropies	150 000	1 500 000	–	–
DANIDA (Danish Embassy)	13 831	138 305	22 864	228 645
Department of Health	–	–	31 963	456 608
Foundation for Human Rights	6 300	157 200	11 200	350 000
Ford Foundation	–	–	–	621 598
Belgium	13 500	139 835	–	–
Horizon	77 343	773 426	–	–
International Commission of Jurists (Sweden)	320 769	2 138 434	108 173	721 154
KNH (Cindi)	–	–	–	22 691
KNH	–	102 118	–	–
Cindi	–	240 725	–	–
Legal Aid Board	–	–	–	28 003
National Film and Video Foundation	–	–	–	–
National Lottery	–	–	50 000	500 000
NIZA	13 500	556 804	38 046	684 512
Open Society Foundation	–	–	–	–
OXFAM/JOHAP	–	285 782	15 706	384 923
US Committee	–	3 206	–	–
Sasol	–	–	–	12 000
Save the Children (Sweden)	–	250 431	23 00	230 001
Save the Children (UK)	–	–	–	133 241
Ster-Kinekor	–	–	–	–
Swiss Catholic Lenten Fund	57 272	572 719	80 551	805 511
Themba Lesizwe	–	–	6 650	131 000
UN High Commissioner for Refugees	–	1 163 630	129 900	1 334 464
UWC	–	–	–	16 375
Refund to donors	–	(6 476)	–	(15 518)
	652 514	8 038 226	518 053	6 648 319
Other income				
Interest received		30 109		–
Litigation income		–		64 827
SDL reversed		233 689		–
VAT refund 2004		308 151		–
Sale of assets		35 000		18 000
Other income		39 880		509 927
Administration fee		652 514		518 053



LAWYERS FOR HUMAN RIGHTS CONTACT DETAILS

National office

IDASA Democracy Centre
357 Visagie Street
Pretoria
Tel: (012) 320 2943
Fax: (012) 320 2949

Security of Farm Workers Project

Upington

Office 101, River City Centre
Corner Hill and Scott streets
Tel: (054) 331 2200
Fax: (054) 331 2220

Stellenbosch

Former Corobrick offices
Bridge Street
Tel: (021) 887 1003
Fax: (021) 883 3302

Child Rights and HIV/AIDS Project

Room S104, Diakonia Centre
20 St. Andrews Street
Durban
Tel: (031) 301 0538
Fax: (031) 301 1538

Gender Project

IDASA Democracy Centre
357 Visagie Street
Pretoria
Tel: (012) 320 2943
Fax: (012) 320 2949

Refugee and Migrant Rights Project

Durban

Room S104, Diakonia Centre
20 St Andrews Street
Tel: (031) 301 0538
Fax: (031) 301 1538

Johannesburg

Second floor, Braamfontein Centre
23 Jorissen Street
Braamfontein
Tel: (011) 339 1960
Fax: (011) 339 2665

Pretoria

IDASA Democracy Centre
357 Visagie Street
Tel: (012) 320 2943
Fax: (012) 320 2949