



*Equal access
to justice for all
Manitobans.*

**Annual Report
2008/09**



**Legal Aid Manitoba
Aide juridique Manitoba**

Quick Facts

- Legal Aid Manitoba (LAM) provides legal help to people with low-incomes and is fundamental to a fair and balanced justice system.
- LAM opened its doors to clients in 1972. About half our cases are handled by staff lawyers with the other half being completed by private lawyers who are paid a fee for each case.
- Lawyers provided assistance on a formal or informal basis to 77,196 people in 2008/09.
- For those who qualify, LAM helps:
 - in domestic matters, such as divorce or child custody;
 - adults or youth facing serious criminal charges;
 - in disputes involving poverty law, such as workers compensation or disability pensions or welfare; and
 - in cases of public interest such as environmental, consumer or Charter of Rights challenges.
- Legal Aid Manitoba has offices in Winnipeg, Brandon, Dauphin, Thompson and The Pas. Staff travel to more than 40 rural and northern communities on a regular basis. Approximately 170 people are employed by LAM across the province.
- The Legal Aid Manitoba Act is provincial legislation that established LAM as an independent organization operating at arms length from government. A Management Council of seven to nine people appointed by Cabinet offers strategic and financial direction.
- Funding is provided by the Province of Manitoba, the Government of Canada, the Manitoba Law Foundation and fees paid by clients.

**Legal Aid Manitoba
Thirty-Seventh Annual Report
Fiscal year ending March 31, 2009**

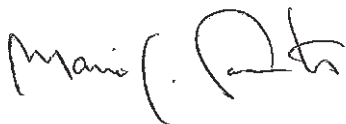
The Honourable Dave Chomiak
Minister of Justice
Attorney General
Room 104 – Legislative Building
Winnipeg, MB R3C 0V8

Dear Sir:

Pursuant to Section 28 of the Legal Aid Manitoba Act, I am pleased to submit the Thirty-Seventh Annual Report for the year ending March 31, 2009.

Detailed statistical information relating to clients, cases and costs is included. The report of the Auditor General and financial statements are attached. Also included is the Audited Statement of Compensation Paid to Council Members and Employees and the Statement of Private Bar Fees and Disbursements in excess of \$50,000 in accordance with Section 2 and 4 of The Public Sector Compensation Disclosure Act.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mario Santos', with a stylized flourish at the end.

Mario Santos
Chair
Legal Aid Manitoba Management Council

Table of Contents

Letter to the Minister	i
Message from the Chair	6
Message from the Executive Director	8
Executive Management Committee	9
Regional Directors	9
Management Council	10
Management Council Committees	11
About Us	12
Key Services	13
Strategic & Business Plan	14
Team Development	16
Community Law Office Statistics	17
Whistleblower Protection Act	18
Legal Aid Case Volume History	19
Legal Aid Activity by Area	20
Analysis of Certificates Issued	22
Analysis of Completed Cases by Type	25
Private Bar Statistics	28
Responsibility for Financial Reporting	29
Auditors' Report	30
Financial Statements	31
Notes to Financial Statements	36
Auditors' Report	49
Public Sector Compensation Disclosure Statement	50
Directory of Legal Aid Manitoba Offices	53



Message from the Chair: Renewal comes to Legal Aid

2008/09 has been a year of revitalization for Legal Aid Manitoba (LAM). The past twelve months have seen much progress in planning, policies and staffing. These fresh changes have rejuvenated LAM and we continue to work hard to provide legal services to low-income citizens in a dignified manner.

The year began with the retirement of Executive Director, Gerry McNeilly, who had guided LAM for nine years. The organization has prospered under the new leadership of Gil Clifford, who stepped up from Deputy Executive Director to be the Acting Executive Director. The competition for the selection of an Executive Director is underway and should be concluded early in the next fiscal year.

The Management Council, with the aid of the policy/services committee and staff, approved the new Area Director's Manual (ADM), which serves to modernize the organization. The previous manual was outdated and has been superseded by several practice directives that made it difficult for staff and private bar to navigate. The new manual is the result of the enthusiasm and commitment of the Supervising Attorneys, Area Directors and Executive Management team. The ADM governs the processing of applications, certificate issuances, refusals and cancellations and will take effect April 1, 2009. We feel that the significant updates made to the ADM will lead to dealing with clients consistently and efficiently.

The Council has also been working with staff to create a Human Resources Procedures Manual to better equip new and current staff with the tools they need to be successful at Legal Aid.

The finance and personnel committee was very active in taking a bigger internal audit role and documenting many of the internal control processes through the LAM Internal Controls Policies and the Internal Control Self Assessment Questionnaire.

This year brought new life to LAM's relationship with private bar lawyers as the tariff was increased by 40 per cent. As there were only minor increases over the past ten years and no increases in the 11 years prior, this adjustment was much needed. The tariff rate increase puts Manitoba on par with most Western provinces. It is our hope that the raise will result in the retention and resurgence of private bar lawyers providing legal aid services. We strive for access to fair justice and are thankful that the current government had the courage to take this action.

Legal Aid has been able to make all these changes thanks in large part to the tremendous support of, and access to, Manitoba Justice, other branches of the provincial government, the courts and private bar lawyers. As the Chair of the Management Council, I continue to meet with the Minister of Justice and Deputy Minister to discuss legal aid issues on a regular basis. In the past, when changes were made at the provincial court level, LAM was usually not a part of that decision-making process, but we are today. We thank the Chief Judge of the Court, the Minister and the Deputy Minister for their continued support.

We are extremely happy that the Province of Manitoba agreed to convert 33 of our contract positions to civil service. These individuals are extremely important to the

smooth operation of LAM and have been working tirelessly without the same job security or benefits as civil service employees. We are thankful that the government recognizes their contributions as being equal.

It is important to me to meet regularly with LAM employees throughout the province. I have continued to travel to the offices located outside of Winnipeg and enjoy seeing the employees and sitting down with them to hear thoughts and suggestions. All employees, from administrative staff and paralegals to lawyers and senior management, are vital to the success of Legal Aid and gaining their input will help me in my duties as Chair of Management Council.

The dedication of the Management Council and its committees has also been a huge factor in the great success at LAM throughout the fiscal year. Some of our members left the Council: Tony Gauthier, who wanted to focus on his career; Marietta Pellettieri, who is now a LAM staff lawyer; and Chris Martin, who was appointed to be a judge of the Court of Queen's Bench. The Lieutenant-Governor in Council appointed two new members, Diane Stevenson and Sandra Phillips, based on recommendations from the Law Society, pursuant to the Legal Aid Manitoba Act.

I am thankful to all members who share their time and expertise for the benefit of LAM and its clients. The governance, finance/personnel and policy/services committees have each assisted the Council and senior management in running the organization in the interests of current and future clients. The recently reconstituted advisory committee will serve

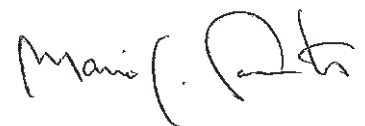
only to strengthen this group. I look forward to working with the current Council and its committees in the 2009/10 fiscal year.

The revamping of LAM does not stop when the fiscal year ends. Many plans are in the works, including:

- a completion of performance measurement project, which will include feedback from LAM stakeholders;
- the realization of a new method of measuring staff productivity;
- and revamping the Policy Manual, which deals with infrastructure, will be the next challenge in bringing LAM up-to-date on best practices.


I am pleased to be a part of these advancements and look forward to further progress as we envision and develop more ways to improve.

On behalf of Management Council, I thank LAM staff, private bar lawyers, the courts, Manitoba Justice, the Government of Manitoba and all key stakeholders for their time and commitment and I am looking forward to continuing our work. Through the rejuvenation of LAM we can actively grow and strengthen our services, strategies, policies and practices, allowing us to deliver access to justice to those in need.



Mario Santos
Chair, Management Council





Message from the Executive Director: Changing the way we work

I come to the Executive Director position with 34 years of experience at the bar, 15 of those years in private practice and the balance at Legal Aid Manitoba (LAM). When in private practice, Legal Aid criminal and family matters were a significant part of my caseload.

There are four new members on the five-member Executive Management Committee (EMC) and all have had a similar (albeit not as lengthy) mix of private practice and Legal Aid family and criminal law experience. I trust that this collective experience will result in empathy for lawyers and the challenges they face doing Legal Aid work, both as staff and in private practice.

LAM's Strategic Plan acts as a framework for the organization's operations. We continue to work at meeting the goals and objectives set out in LAM's strategic and business plans. In December, all staff met to reconnect, evaluate and establish new goals for the coming fiscal year. *(For more information on how LAM has met the goals of the strategic and business plan, see page 14-15).*

Over the past year, the EMC has invested a great deal of time and energy toward cleaning up our data input with a view to developing more meaningful business indicators in our system. One example is that going forward from April 1, 2009, our base measure for case work for private bar and staff will be legal matters. In the past we have used certificates as a measurement tool and this has led to problems and inaccuracies because certificates often contain more than one legal matter. That problem has been exacerbated by the ever-changing amendment policies of LAM.

Management has also developed a Complexity Weighted Caseload (CWC) model to measure staff productivity, allowing for fair and accurate assessment of caseloads handled by staff lawyers. Staff benchmarks have historically been set using certificate counts with some certificates being, of course, considerably more complex than others. As of April 1, 2009, all Legal Aid Manitoba staff files will be “billed” on closing, using a measure modelled exactly after the LAM private bar tariff. Benchmarks will be set according to this measure and staff lawyers will receive credit reflecting the complexity of their work. Kudos need to be given to our IT team for developing an in-house software application that is sophisticated, user-friendly and integrates existing data infrastructure.

Our Area Director’s Manual - which is the Legal Aid bible for policy regarding certificate issuing - has been completely updated and put on-line over the past year.

A commitment to a team building initiative throughout Legal Aid Manitoba is underway. Training and facilitation has begun and will continue over the next two years. This process promises to improve service delivery, efficiency, staff morale and decision-making at all levels of the organization.

In order to ensure that the perception of independence of each office of LAM meets the reality, a process of re-branding under their individual names began in February 2009. Re-branding reinforces the conflict legislation promise that two parties can be represented by separate LAM offices. It will also help clients, staff, private bar and

other stakeholders within the justice system readily identify one office from the other. To clarify its role, the Drop-In Centre name has also been changed to the Application Centre.

An ongoing challenge for LAM is the need to provide adequate services in northern communities. Though Thompson is now the third largest city in Manitoba, it is difficult to recruit lawyers to serve there. LAM has, however, been fortunate in attracting enthusiastic articling students who show great promise in continuing to practise in the north.

I recognize that the economic downturn and consequent low interest rates will have a significant impact on one of our principal funders. Legal Aid Manitoba will face some significant challenges as a result. Should difficult decisions become necessary, I undertake to deal with our private bar partners, staff and all other stakeholders with fairness, consistency and accountability.

I look forward to a continuing, productive and positive relationship with the Chair, Management Council, government and other key stakeholders.



Gil Clifford
Acting Executive Director

Executive Management Committee

Gerry McNeilly
Executive Director
Retired June 2008

Gil Clifford
Acting Executive Director
June 2008 - present

Sam Raposo
Acting Deputy Executive Director
June 2008 - present

Bruce Gammon
Legal Director

Robin Dwarka
Director of Administration

Bill Merrett
Area Director
Retired March 2009

Cathy Sherman
Deputy Area Director

Regional Directors

Lorne Giesbrecht
Westman

Therese Koturbash
Parklands

Theresa McDonald
Northlands





Management Council

Pictured standing (from left to right): Luis Martinez, Diane Stevenson, Herbert Peters, Kim Milne and Wendy Whitecloud.

Pictured sitting: Sandra Phillips, Mario Santos and Rose Buss.

Chair: Mario Santos, B.A., LL.B.
Barrister & Solicitor

Vice-Chair: Wendy Whitecloud
Director, Academic Support Program
Faculty of Law, University of Manitoba

Rose Buss

Tony Gauthier, CA (*Resigned 2008*)
Partner, Craig & Ross Chartered Accountants

Chris Martin (*Resigned 2008*)

Luis Martinez, R.T.

Kim Milne
Comptroller

Marietta Pellettieri (*Resigned 2008*)

Herbert Peters
Partner, Aikins, MacAulay & Thorvaldson LLP

Sandra Phillips (*2009*)
Barrister & Solicitor

Diane Stevenson (*2009*)
Barrister & Solicitor

Management Council Committees

Advisory

Sandip Sett, Chair (Outgoing 2008)
Ernie Blais, Chair (Incoming 2008)
Leandre Buisse (Incoming 2009)
Lionel Chartrand (Outgoing 2008)
Aimee Craft (Incoming 2009)
Jennifer Dunik (Incoming 2009)
Carol Ellerbeck (Outgoing 2008)
Antoine Hacault (Outgoing 2008)
John Hutton (Incoming 2009)
Judyda Lagimodiere (Outgoing 2008)
Zita Lopes (Incoming 2008)
Dianna McGavin (Incoming 2009)
Gideon Nekou (Incoming 2008)
Mike Paluk (Incoming 2008)
Anna Pazdzierski (Incoming 2008)
Eugene Peterson (Outgoing 2008)
Saul Simmonds (Outgoing 2008)
Gerri Wiebe (Incoming 2009)

Appeals - Client

Rose Buss
Luis Martinez
Mario Santos, ex-officio

Appeals - Taxation

Chris Martin (Resigned 2009)
Kim Milne
Mario Santos, ex-officio

Governance

Chris Martin, Chair (Resigned 2009)
Herb Peters, Chair
Luis Martinez
Mario Santos, ex officio

Finance/Personnel

Tony Gauthier, Chair (Resigned 2008)
Luis Martinez, Chair
Kim Milne
Mario Santos, ex officio

Policy/Services

Wendy Whitecloud, Chair
Kim Milne
Rose Buss
Mario Santos, ex officio





About Us

Legal Aid Manitoba (LAM) provides legal help to people with low incomes, working to ensure that all Manitobans have the protections guaranteed in Canada by the Charter of Rights and Freedoms. Our service is fundamental to a fair and balanced justice system. We strive to serve all clients with respect and dignity.

In the 1930s and 1940s, the Law Society of Manitoba set up Canada's first program for low-income citizens, so they might get free legal help. Lawyers volunteered their time, but demand for legal services grew rapidly and lawyers quickly became overburdened with cases.

Legal Aid Manitoba became a legislated program in 1971 and opened its doors to clients a year later. LAM operates at arms length from government. We are mainly funded by the Province of Manitoba, the Government of Canada, the Manitoba Law Foundation and fees paid by clients.

We serve rural and northern Manitobans through four regional offices and lawyers and paralegals regularly travel to more than 40 communities.

LAM is governed by the Legal Aid Manitoba Act, which requires that we:

- provide quality legal advice and representation to eligible individuals;
- administer the delivery of legal aid in a cost-effective and efficient manner; and
- provide advice to the Minister on legal aid generally and on the specific legal needs of low-income individuals.

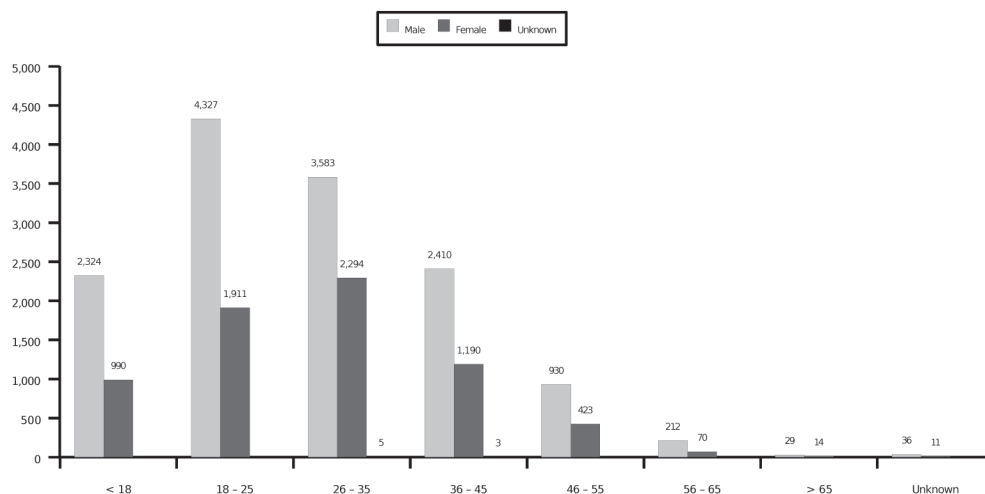
Key Services

For those who qualify, we help:

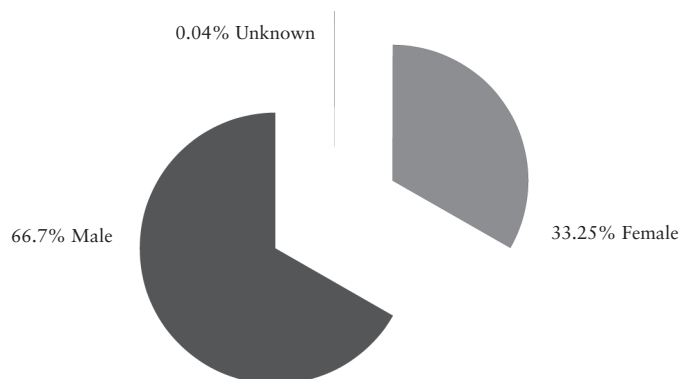
- people with family issues such as divorce, child custody, maintenance enforcement and child protection matters;
- adults and youth who are facing criminal charges;
- people with disputes involving welfare, workers compensation or disability benefits; and
- groups and individuals with test cases in the areas of consumer, poverty, environmental, Aboriginal and Charter of Rights challenges.

We do not handle real estate transactions, wills and estates, adoptions, corporate and commercial matters, or civil litigation matters, such as people suing each other.

Certificates - Age Distribution



Certificates - Gender Distribution (%)





Strategic & Business Plan

During 2008/09, Legal Aid Manitoba (LAM) successfully moved forward with several key initiatives within our strategic and business plan.

Initiative #1: Improve direct service delivery

Goal: To review and increase the accountability, efficiency and ability of our programs to meet client needs.

Initiatives:

1. Improve client services.
2. Improve relations with the private bar.
3. Address lawyer shortage.

Results: LAM's Area Director's Manual (ADM) was updated, which will improve the clarity and consistency of decisions respecting eligibility for services. The manual will provide a more transparent process, accessible to clients, counsel, the judiciary, the public and all other stakeholders. The revised document will be implemented in April 2009.

Management Council successfully petitioned the government to increase the tariff of fees from \$57 to \$80 per hour. which will make legal aid work more attractive to private bar. This represents the fourth increase since 1999, with previous increases occurring in 2000, 2003 and 2005.

Major steps were taken to reinstate full-service duty counsel. The expansion of duty counsel services to courthouses throughout the province

will allow for representation of eligible Manitobans for all summary matters. Lawyers will offer clients initial advice and information and sometimes speak for them in court.

A staff committee reviewed and updated all client correspondence using plain language guidelines to make it easier for clients to access legal aid and understand what services they are receiving.

Initiative #2: Improve internal support services

Goal: To review and advance support services to employees, thereby strengthening employee knowledge and satisfaction within the work environment.

Initiatives:

1. Improve human resource (HR) management.
2. Improve resource management.
3. Improve support staff management.
4. Improve technology.
5. Improve communications.

Results:

LAM continued to move forward with a number of HR initiatives identified in the strategic planning process. Many contract staff employees were converted to civil service. A formal succession plan is now in development and is anticipated to be in place by the next fiscal year. Our HR consultant worked on consolidating HR functions, filling vacant employee positions, as well as developing processes on recruitment, orientation and termination.

The delivery of criminal law services was restructured by the creation of three separate units at

the Criminal Law Office. A conflict office was added in Thompson to facilitate the representation of Manitobans on both sides of a family dispute without creating conflicts of interest. In light of these significant changes, LAM retained a facilitator to deliver system-wide team building training to provide staff with current management practices and strategies and the necessary tools to operate more autonomously. *(For more information, see page 16-17).*

LAM also moved forward with the development of a new staff lawyer productivity measurement tool. The complexity weighted caseload (CWC) model electronically tracks staff lawyer billings for case closings, drop-in, duty counsel and outreach activities using the private bar tariff of fees. LAM anticipates rolling out the CWC model in April 2009. During its first year, the model will run parallel to current measurement tools to establish realistic baseline benchmarks.

LAM has continued its commitment to improve technological capabilities. Routine maintenance on Legal Aid Manitoba Application System (LAMAS) was completed to improve its functionality and a new accounting software package was implemented.

LAM has also continued improving its resource management by sharing more detailed financial information within the organization. An internal controls resource is in development to codify processes and protocols for all financial transactions.

To improve communication, several internal initiatives continued within the organization, such as: a weekly Intranet news column, a quarterly newsletter and monthly lunch

information sessions. The external communications initiatives that occurred included: re-branding LAM offices as independent offices, developing and revising brochures and fact sheets, as well as maintaining representation at various events, including Law Day and the University of Manitoba Law School's Career Day.

Initiative #3: Implement new governance structure

Goal: To clearly delineate and communicate the roles of Management Council and the Executive Management Committee.

Initiatives:

1. Review roles and positions.
2. Develop self-assessment and appraisal tools.

Results:

Through various standing and ad-hoc committees, Management Council continued developing and refining the governance structure.

The Council reviewed the Advisory Committee's terms of reference, making adjustments to the membership size and clarifying its mandate. Preliminary discussions on developing an annual performance review process for council members took place.

Management Council and LAM will continue to develop specific guidelines and principles within the governance manual.





Team Development

In July 2008, following changes in senior management, the Executive Management Committee (EMC) began to identify and prioritize new initiatives to meet the goals set out in Legal Aid Manitoba's (LAM) business plan. Four priorities were eventually identified:

1. Implementation of the Complexity Weighted Caseload project;
2. Revision of the Area Director's manual;
3. Improvement of the data collection criteria; and
4. Team development training.

The team development training was initially going to be piloted in the Criminal Law Office, but planning was ultimately extended to include several offices. As the benefits of the model became apparent the training plan came to encompass the whole of LAM in a series of training and team development projects that will continue until December 2010.

Team development training is expected to provide us with overall improvement in at least five areas across LAM:

1. Improve work satisfaction by appropriate delegation of control.
2. Enhance flexibility and creativity when responding to change.
3. Provide efficient, self-directed management of local resources.
4. Share responsibility and credit for success where appropriate.
5. Localize routine performance management and succession training.

Achieving the benefits of this model required significant restructuring of many offices. The restructuring plan has been under implementation for

several months and the resilience and optimism of our staff is apparent in the generally positive response to these changes.

Legal Aid has hired Deri Latimer (a highly regarded local consultant, with significant experience and recognized expertise in team training), to lead us through the project. She has enthusiastically engaged in creating training materials and a development model, and assisted with troubleshooting in the application of this model to our unique and variable circumstances.

The first training sessions target specific supervisory level attorneys in a manner that will allow us to look at the team model in several different office contexts and in several different locations. This group began training in January 2009 and will continue through December 2009. Measuring the

success of the present model and streamlining the training process for subsequent training groups is a major focus of this early phase.

In May 2009, members of the EMC will begin their restructuring and training. A somewhat more flexible schedule and an adapted model will enable this group to complete their training sessions by November of 2009. A third series of training sessions for supervisory level attorneys and other team leaders will take place from January to December 2010.

Those who receive the benefit of formal training will go on to train their teams and to develop the skills and tools necessary for their respective groups to gradually become “self-directed”. Ultimately, the team will direct and supervise many aspects of its daily work through the process. In so far as

we can successfully incorporate this model into the management of Legal Aid Manitoba we expect to reap the benefits indicated above.

The team development project has the potential of providing significant benefits for all employees at LAM. Management has been greatly encouraged by the significant efforts and progress made in achieving these benefits. It is always a challenge to funnel efforts toward improvement when our daily tasks already require so much. By embracing the necessary changes and making this extra effort, we will achieve results we can be proud of; that will place us, and those who come after us, in a much better position to meet the challenges we face in meeting our mandate.

Community Law Office Statistics

	Agassiz Law Office	Criminal Law Office	Northlands Community Law Centre	Parklands Community Law Centre	Public Interest Law Centre	Somerset Law Office	Thompson Community Law Centre	University Law Centre	Westman Community Law Centre	Winnipeg Law Office	All Community Law Offices
Supervising Attorney	1	3	1	1	1	3	1	0	1	1	13
Staff Lawyer	4	18	2	2	4	10	3	0	3	5	51
Paralegal	1	5	1	3	0	3	1	0	0	0	14
Articling Student	1	3	1	0	1	4	3	0	0	1	14
Office Manager	0	1	0	0	0	1	0	0	0	0	2
Support Staff	2	6	2	3	1	10	5	1	6	4	40
Total	9	36	7	9	7	31	13	1	10	11	134



Whistleblower Protection Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

There were no disclosures under section 10 or section 14 of the Whistleblower Protection Act during the period between April 1, 2008 and March 31, 2009. The activity under this Act is set forth in the disclosure reporting matrix below:

Information required annually (per Section 18 of the Act)	Fiscal year 2008/09
The number of disclosures received and the number acted on and not acted on. Subsection 18(2)(a)	NIL
The number of investigations commenced as a result of a disclosure. Subsection 18(2)(b)	NIL
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no correction action was taken. Subsection 18(2)(c)	NIL

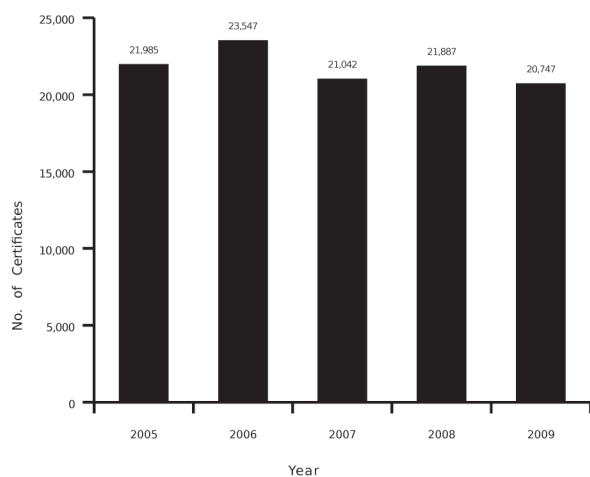


Bruce Gammon
Legal Director & Designated Officer under the Whistleblower Protection Act
Legal Aid Manitoba

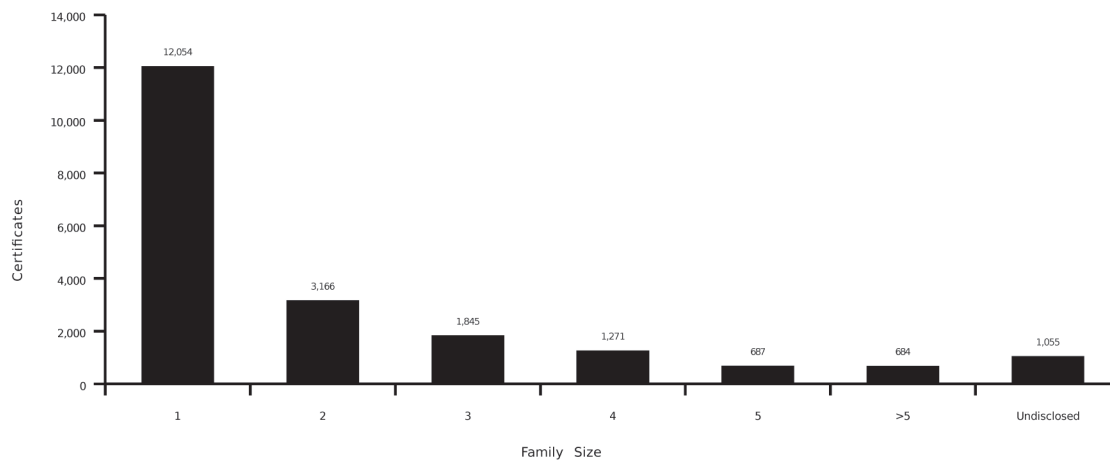
Legal Aid Case Volume History

Area	Certificates Issued					
	Civil		Criminal		Youth	
	2009	2008	2009	2008	2009	2008
Brandon	477	518	890	972	243	209
Dauphin	430	388	868	952	263	300
The Pas & Thompson	678	537	2,264	2,487	561	668
Winnipeg	4,042	4,247	7,685	8,234	2,346	2,375
Provincial Total	5,627	5,690	11,707	12,645	3,413	3,552

Total Case Historial Comparison



Certificates - Family Size



Legal Aid Activity by Area

Area	Applications for Legal Aid Certificates		Applications refused		Certificates Issued						Certificates Cancelled		Persons Assisted Duty Counsel	
	2009	2008	2009	2008	Civil		Criminal		Youth		2009	2008	2009	2008
Brandon	1,814	1,801	524	495	477	518	890	972	243	209	139	128	2,296	3,434
Dauphin	1,614	1,522	366	345	430	388	868	952	263	300	116	119	2,388	1,840
The Pas & Thompson	3,014	3,069	514	426	678	537	2,264	2,487	561	668	313	431	8,204	5,748
Winnipeg	15,444	15,718	4,974	4,876	4,042	4,247	7,685	8,234	2,346	2,375	2,101	1,808	27,091	31,469
Provincial Total	21,887	22,110	6,378	6,142	5,627	5,690	11,707	12,645	3,413	3,552	2,669	2,486	39,979	42,491

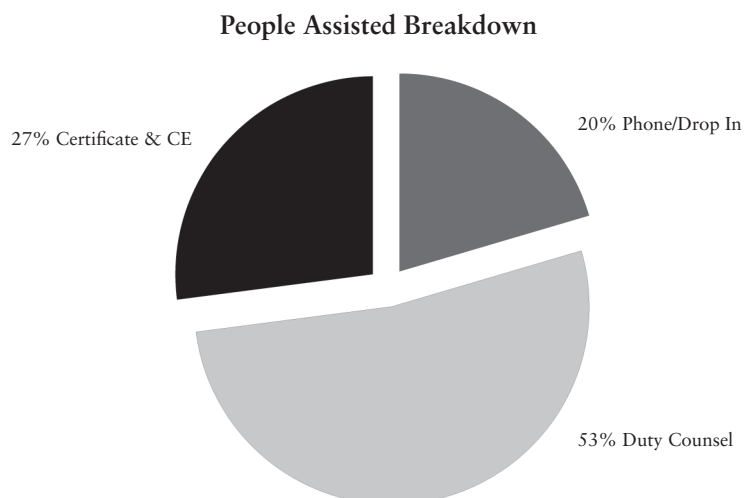
NOTES:

1. In the fiscal year ended March 31, 2009 there were a total of 21,887 (22,110) certificates issued. Of this total, 7,613 (8,908) were assigned to staff lawyers through the following community law centres:

	2009	2008
Winnipeg	4,913	5,691
Westman	810	915
Parklands	740	908
Northlands	514	487
Thompson	636	907
	<u>7,613</u>	<u>8,908</u>

2. In the fiscal year ended March 31, 2009 there was a total of 39,979 (42,491) people assisted by Duty Counsel Services; of this total 30,744 (34,995) were assisted by staff lawyers through the following community law centres:

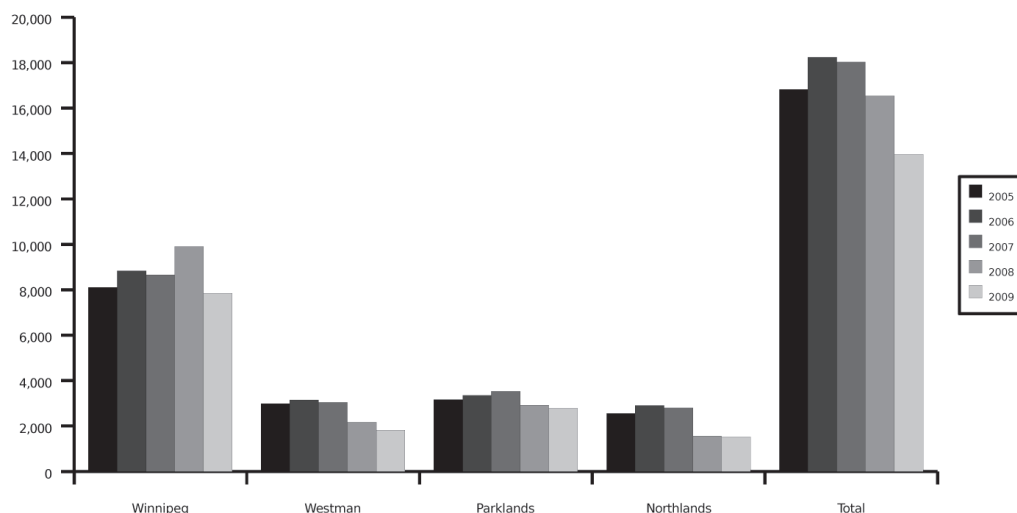
	2009	2008
Winnipeg		
<i>Somerset Law Office</i>	2,361	2,616
<i>Criminal Law Office</i>	17,793	21,235
<i>Agassiz Law Office</i>	1,741	1,715
<i>Winnipeg Law Office</i>	1,413	1,517
Westman	2,271	3,428
Parklands	2,381	1,834
Northlands	963	1,298
Thompson	1,821	1,352
	<u>30,744</u>	<u>34,995</u>



3. For the year ended March 31, 2009 6,378 (29.1%) of the applications for Legal Aid were refused as compared to 6,142 (27.8%) in the previous year.
4. For the year ended March 31, 2009 there was a total of 13,958 (16,541) phone and drop-in inquiries. The following represents the break-down by community law centre:

	2009	2008
Winnipeg		
Administration Office	1,821	747
Somerset Law Office	1,482	2,638
Criminal Law Office	2,928	4,502
Agassiz Law Office	795	1,042
Winnipeg Law Office	205	389
University Law Clinic	611	582
Westman	1,819	2,161
Parklands	2,779	2,921
Northlands	511	1,057
Thompson	1,007	502
	<hr/> 13,958	<hr/> 16,541

Drop-In Inquiries by Region



5. For the year ended March 31, 2009 there was a total of 74,684 (80,919) people assisted either on a formal or informal basis, a decrease of 7.7% (increase of 0.9%) over the previous year.

		2009	2008
27.8%	Certificates and certificate equivalents	20,747	21,887
53.5%	Duty counsel	39,979	42,491
18.7%	Telephone and drop-in inquiries	13,958	16,541
	Total	<hr/> 74,684	<hr/> 80,919



Analysis of Certificates Issued - Criminal Adult

Certificate Classification	Private Bar		Law Centres		Totals	
	2009	2008	2009	2008	2009	2008
Murder	49	50	10	14	59	64
Attempt Murder	31	18	2	6	33	24
Manslaughter	4	9	3	0	7	9
Sexual Assault - A	9	17	2	2	11	19
Sexual Assault - Indictable	173	180	43	59	216	239
Assault - B	286	239	91	94	377	333
Robbery	351	367	119	111	470	478
Cause Harm/Death	29	32	13	9	42	41
Other Sexual Offences - B	45	56	26	27	71	83
Arson	44	56	25	22	69	78
Narcotics - B	441	445	228	228	669	673
Incest	2	3	0	1	2	4
Sexual Assault - Summary	67	55	33	28	100	83
Miscellaneous - B	54	25	17	11	71	36
Other Sexual Offences - C	7	10	2	9	9	19
Break, Enter	570	610	203	288	773	898
Possess Weapon Dangerous to Public Peace	183	194	57	87	240	281
Theft - Indictable	111	105	56	71	167	176
Possess Goods Obtained by Crime - Indictable	103	87	22	41	125	128
Forgery/Uttering	28	40	22	32	50	72
Fraud - Indictable	24	20	10	17	34	37
False Pretences - Indictable	0	3	0	1	0	4
Mischief	280	246	116	175	396	421
U.A.L./Escape	38	55	18	23	56	78
Other Weapons Offences - C	85	72	29	26	114	98
Communication for the Purpose	14	24	7	19	21	43
Other Narcotics - C	124	126	45	69	169	195
M.V.O. - Federal	306	274	154	263	460	537
Uttering Threats	398	412	152	204	550	616
Obstruction	86	90	35	45	121	135
Breach Probation	846	737	328	395	1,174	1,132
Fraud - Summary	39	33	18	35	57	68
False Pretences - Summary	2	5	1	5	3	10
Possess Goods Obtained by Crime - Summary	70	100	25	36	95	136
Theft - Summary	373	314	180	288	553	602
Other Breach and F.T.A.	1,131	1,129	409	534	1,540	1,663
Assault - C	1,861	1,859	638	929	2,499	2,788
M.V.O. - Provincial	17	21	3	12	20	33
Other Federal Offence	91	98	47	71	138	169
Other Provincial Offence	6	11	7	8	13	19
Parole/Prison Law	6	7	20	30	26	37
Appeals - Client	42	44	15	9	57	53
Appeals - Crown	9	5	2	2	11	7
Junior Counsel	27	18	12	8	39	26
Total Criminal Adult	8,462	8,301	3,245	4,344	11,707	12,645

Analysis of Certificates Issued - Criminal Youth

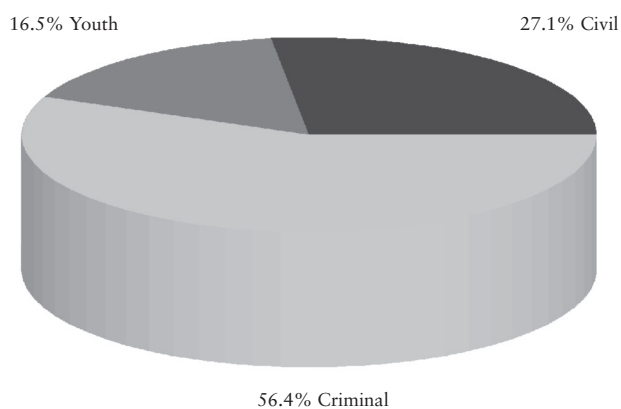
Certificate Classification	Private Bar		Law Centres		Totals	
	2009	2008	2009	2008	2009	2008
Murder	11	20	0	4	11	24
Attempt Murder	5	6	2	4	7	10
Manslaughter	2	0	1	0	3	0
Sexual Assault - A	1	0	0	0	1	0
Sexual Assault - Indictable	19	20	13	8	32	28
Assault - B	71	62	19	22	90	84
Robbery	175	147	71	65	246	212
Cause Harm/Death	2	7	2	0	4	7
Other Sexual Offences - B	10	14	12	9	22	23
Arson	52	48	19	19	71	67
Narcotics - B	96	70	42	44	138	114
Sexual Assault - Summary	13	11	5	7	18	18
Miscellaneous - B	5	1	5	2	10	3
Other Sexual Offences - C	1	1	1	1	2	2
Break, Enter	283	337	108	165	391	502
Possess Weapon Dangerous to Public Peace	79	91	41	44	120	135
Theft - Indictable	47	79	22	38	69	117
Possess Goods Obtained by Crime - Indictable	66	66	25	16	91	82
Forgery/Uttering	1	3	3	1	4	4
Fraud - Indictable	2	0	2	1	4	1
Mischief	129	132	85	70	214	202
U.A.L./Escape	10	19	2	4	12	23
Other Weapons Offences - C	36	26	8	14	44	40
Communication for the Purpose	2	2	2	0	4	2
Other Narcotics - C	38	44	39	24	77	68
M.V.O. - Federal	31	27	19	11	50	38
Uttering Threats	66	61	44	40	110	101
Obstruction	10	14	4	12	14	26
Breach Probation	162	63	64	35	226	98
Fraud - Summary	0	5	1	4	1	9
False Pretences – Summary	0	1	0	0	0	1
Possess Goods Obtained by Crime - Summary	27	39	19	26	46	65
Theft - Summary	81	107	71	65	152	172
Other Breach and F.T.A.	184	213	73	101	257	314
Assault - C	345	328	146	149	491	477
M.V.O. - Provincial	1	0	2	2	3	2
Other Federal Offences	11	13	10	8	21	21
Other Provincial Offences	2	6	4	3	6	9
Parole/Prison Law	0	0	0	0	0	0
Youth Reviews/Breaches	252	318	95	124	347	442
Appeals - Youth	1	6	1	0	2	6
Appeals – Crown	1	1	0	1	1	2
Junior Counsel	1	0	0	1	1	1
Total Criminal Youth	2,331	2,408	1,082	1,144	3,413	3,552



Analysis of Certificates Issued - Civil

Certificate Classification	Private Bar		Law Centres		Totals	
	2009	2008	2009	2008	2009	2008
Divorce	275	274	411	514	686	788
Separation	485	510	812	838	1,297	1,348
Variation: Maintenance/Enforcement	182	170	199	223	381	393
C.F.S.	547	518	719	735	1,266	1,253
Adoption	1	2	0	3	1	5
Parentage Proceeding	339	338	682	661	1,021	999
Immigration	122	63	0	0	122	63
Welfare Matters	1	7	33	42	34	49
Other Administrative	2	2	9	4	11	6
Landlord/Tenant	6	7	38	16	44	23
Appeals - Civil	9	13	8	20	17	33
Legal Opinions - Civil	6	2	44	20	50	22
Other - Civil	6	9	11	12	17	21
Youth Court Appointed/Amicus	118	65	55	35	173	100
Workers Compensation	3	0	3	8	6	8
Mental Health Matters	4	7	13	14	17	21
Estate Matters	0	0	0	0	0	0
Defendant - Civil Suit	0	2	1	0	1	2
Plaintiff - Civil Suit	0	0	0	0	0	0
Private Guardianship	56	73	67	86	123	159
Enforcement Only	13	22	6	15	19	37
Variation: Access/Custody	138	158	148	140	286	298
Grandparent Access	6	1	6	3	12	4
Court Appointed & Costs Recoverable	1	0	0	0	1	0
Other Family	21	27	21	31	42	58
Total Civil	2,341	2,270	3,286	3,420	5,627	5,690

Case Breakdown by Category



Analysis of Completed Cases by Type - Criminal Adult (Private Bar Only)

Certificate Classification	Number of Cases		Total Fees & Disbursements		Average Cost Per Case	
	2009	2008	2009	2008	2009	2008
Murder	35	50	264,622	605,531	7,560.63	12,110.62
Attempt Murder	13	17	57,060	59,725	4,389.21	3,513.21
Manslaughter	6	14	49,387	86,307	8,231.18	6,164.78
Sexual Assault - A	17	13	99,842	12,881	5,873.03	990.87
Sexual Assault - Indictable	168	178	183,590	227,904	1,092.80	1,280.36
Assault - B	229	232	342,694	299,554	1,496.48	1,291.18
Robbery	316	383	294,944	380,237	933.37	992.79
Cause Harm/Death	32	31	33,947	26,622	1,060.86	858.76
Other Sexual Offences - B	51	36	63,284	30,459	1,240.87	846.08
Arson	42	44	38,507	39,559	916.83	899.08
Narcotics - B	393	449	345,879	327,597	880.10	729.61
Incest	1	2	1,695	1,155	1,695.47	577.55
Sexual Assault - Summary	44	49	24,397	44,092	554.47	899.83
Miscellaneous - B	32	20	24,246	20,319	757.68	1,015.95
Other Sexual Offences - C	6	6	4,359	2,411	726.55	401.79
Break, Enter	554	666	265,979	299,026	480.11	448.99
Possess Weapon Dangerous to Public Peace	176	189	86,197	80,547	489.75	426.17
Theft - Indictable	98	108	42,185	48,336	430.46	447.55
Possess Goods Obtained by Crime - Indictable	82	91	39,325	35,052	479.57	385.19
Forgery/Uttering	34	51	14,163	18,588	416.56	364.46
Fraud - Indictable	27	12	11,097	10,280	411.01	856.63
False Pretences - Indictable	2	1	647	176	323.26	176.11
Mischief	281	243	128,999	84,901	459.07	349.39
U.A.L./Escape	37	52	13,931	17,486	376.51	336.26
Other Weapons Offences - C	71	67	33,357	34,118	469.81	509.22
Communication for the Purpose	17	22	6,582	6,254	387.19	284.26
Other Narcotics - C	108	129	50,884	49,903	471.15	386.84
M.V.O. - Federal	288	241	123,610	99,925	429.20	414.62
Uttering Threats	367	391	189,097	163,630	515.25	418.49
Obstruction	86	69	38,862	23,544	451.89	341.22
Breach Probation	800	713	333,333	236,315	416.67	331.44
Fraud - Summary	35	40	13,961	15,242	398.88	381.06
False Pretences - Summary	3	4	804	978	268.07	244.39
Possess Goods Obtained by Crime - Summary	76	91	29,228	28,539	384.58	313.61
Theft - Summary	344	344	139,818	106,510	406.45	309.62
Other Breach and F.T.A.	1,056	1,014	427,003	324,233	404.36	319.76
Assault - C	1,818	1,749	870,278	727,447	478.70	415.92
M.V.O. - Provincial	13	24	5,090	10,016	391.50	417.35
Other Federal Offences	83	99	126,159	57,708	1,519.98	582.91
Other Provincial Offences	8	15	4,655	65,953	581.90	4,396.89
Parole/Prison Law	8	3	33,704	717	4,213.06	238.87
Appeals - Client	37	51	98,912	171,041	2,673.31	3,353.75
Court Appointed & Costs Recoverable	1	0	1,570	0	1,570.10	0.00
Appeals - Crown	7	5	6,875	6,195	982.13	1,238.96
Junior Counsel	14	14	86,003	103,232	6,143.05	7,373.74
Total Criminal Adult	7,916	8,022	5,050,761	4,990,243	638.04	622.07



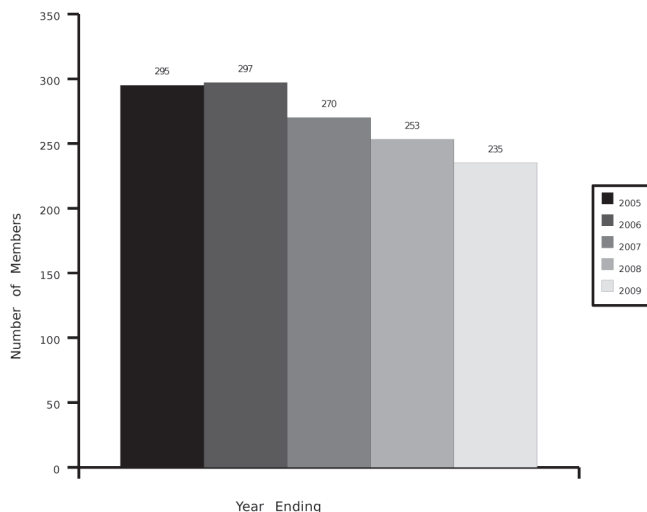
Analysis of Completed Cases by Type - Criminal Youth (Private Bar Only)

Certificate Classification	Number of Cases		Total Fees & Disbursements		Average Cost Per Case	
	2009	2008	2009	2008	2009	2008
Murder	16	15	48,862	86,094	3,053.88	5,739.63
Attempt Murder	3	1	2,982	343	994.05	343.12
Manslaughter	2	1	19,935	4,215	9,967.72	4,215.08
Sexual Assault - Weapon	0	0	0	0	0	0.00
Sexual Assault - Indictable	15	19	11,803	17,173	786.88	903.83
Assault - B	51	62	47,392	67,326	929.26	1,085.90
Robbery	153	143	116,196	106,303	759.45	743.38
Cause Harm/Death	5	8	3,684	6,805	736.76	850.59
Other Sexual Offences - B	11	13	8,270	8,909	751.81	685.27
Arson	50	39	40,728	31,389	814.56	804.83
Narcotics - B	76	76	57,494	44,356	756.51	583.63
Sexual Assault - Summary	5	8	1,866	3,272	373.23	408.97
Miscellaneous - B	1	3	315	2,301	315.14	766.98
Other Sexual Offences - C	1	1	315	1,564	314.94	1564
Break, Enter	254	313	108,737	110,680	428.10	353.61
Possess Weapon Dangerous to Public Peace	70	89	29,052	30,383	415.03	341.38
Theft - Indictable	56	65	25,546	22,816	456.18	351.01
Possess Goods Obtained by Crime - Indictable	60	53	26,363	15,756	439.38	297.28
Forgery/Uttering	1	5	452	1,411	452.14	282.24
Fraud - Indictable	1	0	310	0	310.40	0.00
Mischief	115	107	46,700	33,489	406.09	312.99
U.A.L./Escape	12	18	5,650	5,943	470.81	330.14
Other Weapons Offences	30	22	13,521	9,498	450.71	431.73
Communication for the Purpose	2	2	1,071	323	535.55	161.56
Other Narcotics - C	42	37	17,347	11,411	413.02	308.39
M.V.O. - Federal	26	19	11,870	5,743	456.53	302.26
Uttering Threats	56	42	22,890	13,402	408.75	319.10
Obstruction	12	13	5,032	4,197	419.36	322.86
Breach Probation	112	52	46,341	16,413	413.75	315.63
Fraud - Summary	4	3	1,108	469	277.07	156.47
False Pretences - Summary	0	1	0	312	0.00	312.16
Possess Goods Obtained by Crime - Summary	21	40	8,531	13,668	406.24	341.70
Theft - Summary	86	97	32,976	29,016	383.44	299.13
Other Breach and F.T.A.	165	186	66,234	54,383	401.42	292.38
Assault - C	330	279	146,171	105,664	442.94	378.72
M.V.O. - Provincial	0	1	0	314	0	314.00
Other Federal Offences	12	9	3,630	4,512	302.46	501.33
Other Provincial Offences	3	5	1,615	1,582	538.33	316.41
Youth Reviews/Breaches	252	287	103,850	85,506	412.10	297.93
Appeals - Youth	4	4	8,278	5,874	2,069.38	1,468.52
Appeals – Crown	1	1	961	718	960.80	717.70
Junior Counsel	1	2	2,480	7,985	2,480.00	3,992.29
Total Criminal Youth	2,117	2,141	1,096,559	971,516	517.98	453.77

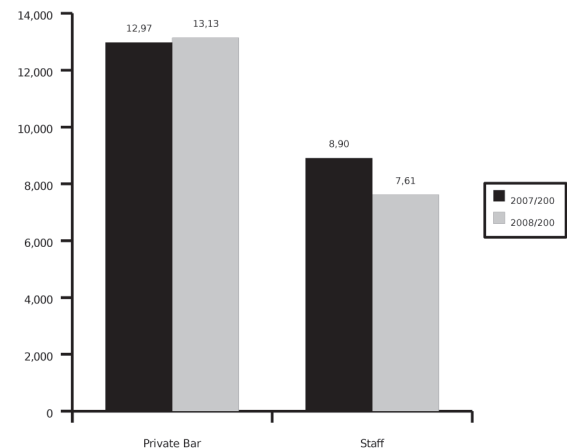
Analysis of Completed Cases by Type - Civil (Private Bar Only)

Certificate Classification	Number of Cases		Total Fees & Disbursements		Average Cost Per Case	
	2009	2008	2009	2008	2009	2008
Divorce	358	359	248,550	342,670	694.27	954.51
Separation	596	549	408,766	451,076	685.85	821.63
Variation: Maintenance/Enforcement	256	242	160,835	178,246	628.26	736.55
C.F.S.	513	454	546,056	421,512	1,064.44	928.44
Adoption	6	4	4,640	1,897	773.29	474.37
Parentage Proceeding	371	298	253,868	202,139	684.28	678.32
Immigration	144	113	107,765	77,154	748.37	682.77
Welfare Matters	3	7	1,701	3,946	566.98	563.78
Other Administrative	5	1	1,078	821	215.60	821.45
Landlord/Tenant	3	6	2,275	3,080	758.27	513.35
Appeals - Civil	9	10	10,523	13,048	1,169.19	1,304.82
Legal Opinions - Civil	6	6	1,247	2,823	207.83	470.52
Other - Civil	11	7	2,524	1,920	229.41	274.30
Youth Court Appointed/Amicus	99	45	103,994	39,348	1,050.44	874.39
Workers Compensation	5	1	1,564	498	312.76	498.26
Mental Health Matters	4	8	1,723	5,195	430.80	649.32
Estate Matters	0	1	0	469	0.00	468.5
Defendant - Civil Suit	2	1	0	33,035	0.00	33,034.57
Plaintiff - Civil Suit	1	0	1,117	0	1,116.69	0.00
Private Guardianship	61	106	44,722	77,142	733.14	727.76
Enforcement Only	13	12	4,707	5,207	362.09	433.94
Variation: Access/Custody	174	170	138,887	144,854	798.20	852.08
Grandparent Access	2	0	2,520	0	1,260.23	0.00
Disbursements Only	2	1	2,575	0	1,287.50	0.00
Other Family	28	23	19,803	13,261	707.26	576.58
Total Civil	2,672	2,424	2,071,440	2,019,342	775.24	833.06

Active Private Bar Members



Private Bar/Staff Breakdown



Private Bar Statistics

Fees and Disbursements By Area

	Total Fees & Disbursements		Completed Cases		Average Cost Per Case	
	2009	2008	2009	2008	2009	2008
Criminal Adult						
Brandon	209,555	194,088	421	429	497.75	449.57
Dauphin	265,393	216,892	484	473	548.33	479.90
The Pas & Thompson	831,337	503,860	1,632	1,233	509.40	495.80
Winnipeg	3,744,477	4,075,403	5,379	5,887	696.13	658.39
Criminal Youth						
Brandon	34,778	26,117	74	66	469.97	384.59
Dauphin	46,523	49,362	103	115	451.68	529.27
The Pas & Thompson	217,195	131,181	411	321	528.45	436.12
Winnipeg	798,063	764,856	1,529	1,639	521.95	499.38
Civil						
Brandon	173,140	174,031	238	274	727.48	831.48
Dauphin	89,898	115,543	122	183	736.87	708.06
The Pas & Thompson	177,938	90,567	265	152	671.46	596.39
Winnipeg	1,630,463	1,639,201	2,047	1,815	796.51	806.30
Totals	8,218,760	7,981,102	12,705	12,587	646.89	634.07

NOTE: Reconciliation to private bar fees and disbursements disclosed on the financial statements:

Fees and disbursements per private bar system as above
Add: Accruals

8,218,760
(323,490)

Fees and disbursements on an accrual basis as
per the financial statements

7,895,270

Duty Counsel Fees & Disbursements

Area	Total Fees & Disbursements		Persons Assisted		Average Cost Per Case	
	2009	2008	2009	2008	2009	2008
Brandon	480	314	25	6	19.20	52.25
Dauphin	1,245	1,549	7	6	177.91	258.13
The Pas & Thompson	640,521	284,140	5,420	3,088	118.18	92.01
Winnipeg	190,469	174,264	3,783	4,392	50.35	39.68
Totals	832,715	460,267	9,235	7,492	90.17	61.43

NOTE: The financial statements show total duty counsel disbursements of \$1,032,273. That figure includes disbursements of \$15,610 for Age and Opportunity, \$191,904 for on-call duty counsel, and a net \$7,956 accrual adjustment recorded in the fiscal year.

Responsibility for Financial Reporting

The accompanying financial statements of Legal Aid Manitoba are the responsibility of management and have been prepared in accordance with the accounting policies stated in Note 2 to the financial statements for the year ended March 31, 2009.

As management is responsible for the integrity of the financial statements, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The responsibility of the Auditor General is to express an independent professional opinion on whether the financial statements are fairly presented in accordance with the accounting policies stated in the financial statements. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.



Gil Clifford
Executive Director
Legal Aid Manitoba

July 31, 2009



AUDITORS' REPORT

**To the Legislative Assembly of Manitoba
To the Management Council of Legal Aid Manitoba**

We have audited the balance sheet of Legal Aid Manitoba as at March 31, 2009 and the statements of revenue and expense, changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of Legal Aid Manitoba's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether 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. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Legal Aid Manitoba as at March 31, 2009 and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
July 31, 2009

Legal Aid Manitoba
Balance Sheet
as at March 31

ASSETS	2009	2008
Current Assets		
Cash	\$ 2,496,588	\$ 1,804,400
Short term investment	1,400,000	-
Client accounts receivable, net (Note 3)	192,588	150,956
Receivable from the Province of Manitoba	4,043,300	5,918,000
Receivable from the Government of Canada	-	148,797
Other receivables, net (Note 4)	142,069	66,711
Prepaid expenses	182,716	202,152
	8,457,261	8,291,016
Capital Assets (Note 5)	320,796	346,743
Long-term receivable - charges on land, net (Note 6)	757,549	726,238
Long-term receivable - severance - Province of Manitoba (Note 7)	716,166	716,166
Long-term receivable - pension - Province of Manitoba (Note 14)	13,244,586	12,063,756
	<u>\$ 23,496,358</u>	<u>\$ 22,143,919</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 4,110,061	\$ 4,351,454
Accrued vacation pay	951,364	892,488
Deferred revenue from clients	417,888	421,058
Deferred contribution from Province of Manitoba	30,000	-
	5,509,313	5,665,000
Severance liability (Note 8)	1,637,600	1,533,709
Provision for employee pension benefits (Note 14)	13,244,586	12,063,756
	14,882,186	13,597,465
Net Assets		
Invested in Capital Assets	320,796	346,743
Restricted Net Assets	78,559	78,559
Unrestricted Net Assets	2,705,504	2,456,152
	3,104,859	2,881,454
	<u>\$ 23,496,358</u>	<u>\$ 22,143,919</u>

Approved by the Council

Chairperson

Council Member

**Legal Aid Manitoba
Statement of Revenue and Expense
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Revenue		
Province of Manitoba (Note 9)	\$ 21,286,572	\$ 20,750,223
Manitoba Law Foundation (Note 10)	4,009,943	3,290,634
Contributions from clients	973,985	850,293
Recoveries from third parties	686,340	435,517
Government of Canada	1,875	15,775
Judgment costs and settlements	134,690	89,580
Interest income	21,522	69,470
Other	7,222	8,723
	<u>\$ 27,122,149</u>	<u>\$ 25,510,215</u>
Expense		
Private bar fees and disbursements (Note 13)		
Legal aid certificates	\$ 7,895,270	\$ 7,941,564
Duty counsel services	1,032,273	696,933
Transcripts	68,812	77,487
	<u>8,996,355</u>	<u>8,715,984</u>
Community Law Centres, Schedule 1	11,526,065	10,199,725
Public Interest Law Centre, Schedule 1	881,060	642,314
University Law Centre, Schedule 1	122,521	103,017
General and Administrative, Schedule 1	5,372,743	4,850,259
	<u>\$ 26,898,744</u>	<u>\$ 24,511,299</u>
Excess of Revenue over Expense	<u>\$ 223,405</u>	<u>\$ 998,916</u>

Legal Aid Manitoba
Statement of Changes in Net Assets
for the year ended March 31

	2009			2008
	Invested in Capital Assets	Restricted Net Assets (Note 15)	Unrestricted Net Assets	Total
Balance, Beginning of Year	\$ 346,743	\$ 78,559	\$ 2,456,152	\$ 2,881,454
Restricted Net Assets Expenses	-	-	-	-
Excess of Revenue over Expense	(98,322)	-	321,727	998,916
Capital Asset Additions	72,375	-	(72,375)	-
Balance, end of the year	\$ 320,796	\$ 78,559	\$ 2,705,504	\$ 2,881,454



**Legal Aid Manitoba
Statement of Cash Flow
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Cash Flow Provided by (Used In) Operating Activities:		
Excess of Revenue over Expense	\$ 223,405	\$ 998,916
Add items not affecting cash		
Amortization	98,322	86,665
Bad debt expense	227,500	138,105
Changes in working capital:		
Client accounts receivable	(142,866)	(62,532)
Province of Manitoba receivable	1,874,700	(1,818,000)
Government of Canada receivable	73,025	176,037
Other receivables	(177,441)	(58,867)
Prepaid expenses	19,436	61,592
Accounts payable and accrued vacation pay	(182,517)	104,894
Deferred revenue	(3,170)	12,510
Deferred contribution from Province of Manitoba	30,000	-
Charges on land	20,278	61,536
Long-term funding commitments - pension	(1,180,830)	(1,011,976)
Severance liability	103,891	98,509
Provision for employee pension benefits	1,180,830	1,011,976
	<u>2,164,563</u>	<u>(200,635)</u>
Cash Flow Provided by (Used In) Investing Activities:		
Purchase of short term investment	(1,400,000)	-
Purchase of capital assets	(72,375)	(81,933)
	<u>(1,472,375)</u>	<u>(81,933)</u>
Net Increase (Decrease) in Cash for the Year	692,188	(282,568)
Cash - Beginning of Year	1,804,400	2,086,968
Cash - End of Year	<u>\$ 2,496,588</u>	<u>\$ 1,804,400</u>

Legal Aid Manitoba
Schedule of Expenses
for the year ended March 31

	Community Law Centres		Public Interest Law Centre		University Law Centre		General and Administrative		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,213	\$ 28,912	\$ 30,213	\$ 28,912
Amortization	66,857	56,564	3,548	3,314	900	390	27,017	26,397	98,322	86,665
Bad debts	-	-	-	-	-	-	227,500	138,105	227,500	138,105
Bank charges	-	-	-	-	-	-	2,565	2,140	2,565	2,140
Collection costs	-	-	-	-	-	-	17,494	9,525	17,494	9,525
Computer costs	2,428	10,778	692	1,965	5,720	1,391	37,442	41,465	46,282	55,599
Council expenses	-	-	-	-	-	-	147,584	122,480	147,584	122,480
Duty counsel	174,266	132,470	4,220	904	-	-	2,998	1,240	181,484	134,614
Equipment maintenance	92,291	96,567	9,454	8,839	353	-	56,231	65,532	158,329	170,938
Expert witnesses and consultants	-	-	61,157	13,775	-	-	-	-	61,157	13,775
File disbursements	283,914	272,891	232,462	189,931	1,327	811	23,424	26,226	541,127	489,859
Library	64,384	49,880	12,901	8,801	134	-	6,152	8,255	83,571	66,936
Meetings	22,848	27,757	5,214	630	265	-	25,489	41,369	53,816	69,756
Office expenses	209,255	190,254	13,664	14,355	7,321	3,785	114,556	103,119	344,796	311,513
Office relocation	3,345	3,011	-	-	-	-	-	933	3,345	3,944
Pension (note 14)	-	-	-	-	-	-	1,429,141	1,296,456	1,429,141	1,296,456
Premise costs	693,687	626,258	26,152	23,260	1,771	45	177,218	159,627	898,828	809,190
Professional fees	100,808	102,279	10,176	7,335	590	-	110,618	146,691	222,192	256,305
Salaries, benefits and levy	9,371,144	8,260,629	483,411	350,584	93,516	88,677	2,670,307	2,369,454	12,618,378	11,069,344
Severance benefits	-	-	-	-	-	-	165,145	172,539	165,145	172,539
Staff development	163,525	110,985	5,994	5,018	-	7	11,569	19,338	181,088	135,348
Staff recruitment	37,353	56,942	136	624	1,435	-	4,581	5,291	43,505	62,857
Telephone	103,808	96,246	6,227	7,200	3,187	1,979	56,103	44,857	169,325	150,282
Transcripts	25,446	11,991	-	-	63	-	-	-	25,509	11,991
Travel	110,706	94,223	5,652	5,779	5,939	5,932	29,396	20,308	151,693	126,242
TOTAL	\$ 11,526,065	\$ 10,199,725	\$ 881,060	\$ 642,314	\$ 122,521	\$ 103,017	\$ 5,372,743	\$ 4,850,259	\$ 17,902,389	\$ 15,795,315



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

1. Nature of the Corporation

Legal Aid Manitoba (the Corporation) was established by an Act of the Legislative Assembly of Manitoba.

The purpose of the Corporation, as set out in the Act, is to service the public interest by:

- a) Providing quality legal advice and representation to eligible low-income individuals;
- b) Administering the delivery of legal aid in a cost-effective and efficient manner; and
- c) Providing advice to the Minister on Legal Aid generally and on the specific legal needs of low-income individuals.

The Corporation is economically dependent upon the Province of Manitoba. Other revenue sources include The Manitoba Law Foundation, individual clients, and third party agencies.

2. Significant Accounting Policies

a) General

The financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP).

b) New Accounting Policies

Effective April 1, 2008 the Corporation adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants (CICA):

Sections 3862 and 3863 Financial Instruments – Disclosures and Presentation

The CICA has issued two new standards, CICA 3862: Financial Instruments – Disclosures and CICA 3863: Financial Instruments – Presentation, which enhance the abilities of users of financial statements to evaluate the significance of financial instruments to an entity, related exposures and the management of these risks. CICA eliminated the requirement for not-for-profit entities to adopt these sections. The Corporation has continued to apply Section 3861: Financial Instruments – Disclosure and Presentation in place of sections 3862 and 3863.

Section 1535 Capital Disclosures

Section 1535 established standards for disclosing information about an entity's capital and how it is managed. These standards require an entity to disclose its objectives, policies and processes for managing capital, a summary of quantitative data about what it manages as capital and whether it complied with any externally imposed capital requirements to which it is subject and, if not, the consequences of such non-compliance. The adoption of this revised standard had no material impact on the Corporation's financial statements for the year ended March 31, 2009 (note 16).

Section 1400 General Standards of Financial Statement Presentation

Section 1400 has been amended to include requirements to assess and disclose an entity's ability to continue as a going concern. This amendment is effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of these changes have no impact on the Legal Aid Manitoba's financial statements.

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

c) **Financial Instruments**

Financial assets and liabilities are initially recorded at fair value. Measurement in subsequent periods depends on the financial instrument's classification. Financial instruments are classified into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings. All other financial instruments are subsequently measured at amortized cost.

The financial assets and liabilities of Legal Aid Manitoba are classified and measured as follows:

Financial Asset/Liability	Category	Subsequent Measurement
Cash	Held for trading	Fair value
Short term investment	Held for trading	Fair value
Client accounts receivable	Loans and receivables	Amortized cost
Receivable from Province of Manitoba	Loans and receivables	Amortized cost
Receivable from Government of Canada	Loans and receivables	Amortized cost
Other receivables	Loans and receivables	Amortized cost
Long-term receivables:		
- Charges on land	Loans and receivables	Amortized cost
- Severance – Province of Manitoba	Loans and receivables	Amortized cost
- Pension – Province of Manitoba	Loans and receivables	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued vacation	Other financial liabilities	Amortized cost

Amortized cost is determined using the effective interest rate method.

Gains and losses on financial instruments subsequently measured at amortized cost are recognized in the statement of revenue and expense in the period the gain or loss occurs. Changes in fair value on financial instruments classified as held for trading are recognized in the statement of revenue and expense for the current period. Changes in fair value on financial instruments classified as available for sale are recorded in statement of changes in net assets until realized, at which time they are recorded in the statement of revenue and expense.

Fair value of financial instruments

The fair value of a financial instrument is the estimated amount that the Corporation would receive or pay to settle a financial asset or financial liability as at the reporting date.

Due to the redeemable nature of cash and short term investment, carrying value is considered to be fair value.

The fair values of the client accounts receivable, receivable from the Province of Manitoba, receivable from the Government of Canada, other receivables and accounts payable and accrued vacation pay approximates their carrying values due to their short-term maturity.



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

The fair value of the long-term receivable – Charges on land approximates the carrying value because it is estimated from an analysis of expected recoveries based on recent experience and discounted to reflect the time value of money.

The fair value of the long-term receivable from the Province of Manitoba-severance approximates its carrying value as the receivable includes an interest component as described in Note 7.

The fair value of the long-term receivable from the Province of Manitoba-pension approximates its carrying value as the receivable includes an interest component as described in Note 14.

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

Financial Asset/Liability	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash	\$ 2,496,588	\$ 2,496,588	\$ 1,804,400	\$ 1,804,400
Short term investment	1,400,000	1,400,000	-	-
Client accounts receivable	192,588	192,588	150,956	150,956
Receivable from Province of Manitoba	4,043,300	4,043,300	5,918,000	5,918,000
Receivable from Government of Canada	-	-	148,797	148,797
Other receivables	142,069	142,069	66,711	66,711
Long-term receivables:				
– Charge on land	757,549	757,549	726,238	726,238
– Severance – Province of Manitoba	716,166	716,166	716,166	716,166
– Pension – Province of Manitoba	13,244,586	13,244,586	12,063,756	12,063,756
Accounts payable	4,110,061	4,110,061	4,351,454	4,351,454
Accrued vacation	951,364	951,364	892,488	892,488

Financial risk management – overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Interest rate risk; and
- Foreign currency risk

The Corporation manages its exposure to risks associated with financial instruments that have the potential to affect its operating performance. The Corporation's Management Council has overall responsibility for the establishment and oversight of the Corporation's objectives, policies and procedures for measuring, monitoring and managing these risks.

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Corporation to credit risk consist principally of cash, term deposits and accounts receivable.

The maximum exposure of Legal Aid Manitoba to credit risk at March 31, 2009 is:

Cash and short term investment	\$ 3,896,588
Client accounts receivable	192,588
Receivable from the Province of Manitoba	4,043,300
Other receivables	142,069
Long-term receivables:	
– Charge on land	757,549
– Severance – Province of Manitoba	716,166
– Pension – Province of Manitoba	13,244,586
	\$ 22,992,846

Cash and short term investment: The Corporation is not exposed to significant credit risk as the cash and short term investment are held by a large financial banking institution.

Clients accounts receivable includes clients that contribute toward the cost of their case under the agreements to pay and expanded eligibility payment programs based on a contract. The Corporation manages its credit risk on these accounts receivables which are primarily small amounts held by a large client base. It is typically expected that clients will settle their account based on their payment program. The Corporation establishes an allowance for doubtful accounts that represents its estimate of potential credit losses.

Receivables from the Province of Manitoba: The Corporation is not exposed to significant credit risk as the receivable is from the provincial government.

Other receivables includes court costs, Child and Family Services agencies, Employment and Income Assistance, and miscellaneous. The Corporation is not exposed to significant credit risk related to court costs as an allowance of 95% is set up to recognize the likelihood of collection. In the case of receivables from Child and Family Services agencies and Employment and Income Assistance, they are funded through the Province of Manitoba. Miscellaneous includes employee advances, GST and other recoverable costs. Employee advances are usually paid within one month, GST is received quarterly and other recoverable costs are usually paid within 90 days of receipt of an order to pay by the courts or other authority.

Long-term receivable – charges on land: The Corporation manages its credit risk on these accounts receivables which primarily consists of small amounts held by a large client base for which payment is secured by a lien on property. The Corporation establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is calculated on a specific identification basis and a general provision for the remainder.



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

Long-term receivables – severance and pension – Province of Manitoba: The Corporation is not exposed to significant credit risk as the receivables are with the provincial government.

Liquidity risk

Liquidity risk is the risk that Legal Aid Manitoba will not be able to meet its financial obligations as they come due.

Legal Aid Manitoba manages liquidity risk by maintaining adequate cash balances. The Corporation prepares and monitors detailed forecasts of cash flows from operations and anticipated investing and financing activities. Identified funding requirements are requested, reviewed and approved by the Minister of Finance to ensure adequate funding will be received to meet the obligations. The Corporation continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash, short term investment and accounts payable.

The interest rate risk is considered to be low on cash and short term investment because of their short-term nature and low on accounts payable because they are typically paid when due.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

d) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

e) Future Accounting Policy Changes

Not-For-Profit Organizations

The CICA amended a number of standards applicable to not-for-profit organizations (NFPOs) and issued new standard, CICA 4470 *Disclosures of Allocated Expenses by Not-for-Profit Organizations*.

CICA 4400 *Financial Statement Presentation by Not-For-Profit Organizations* was amended to:

- eliminate the requirement to treat net assets invested in capital assets as a separate component of net assets and, instead, permit a not-for-profit organization (NFPO) to present such an amount as a category of internally restricted net assets when it chooses to do so;
- clarify that revenues and expenses must be recognized and presented on a gross basis when a not-for-profit organization is acting as a principal in transactions;

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

- make Section 1540 *Cash Flow Statements* applicable to NFPOs; and
- make Section 1751 *Interim Financial Statements* applicable to NFPOs that prepare interim financial statements in accordance with GAAP.

Section 4430 *Capital Assets Held by Not-For-Profit Organizations* was amended to provide additional guidance with respect to the appropriate use of the scope exemption for smaller entities.

Section 4460 *Disclosure of Related Party Transactions by Not-For-Profit Organizations* was amended to make the language in Section 4460 consistent with Section 3840 Related Party Transactions.

New Section CICA 4470 *Disclosure of Allocated Expenses by Not-For-Profit Organizations* establishes disclosure standards for not-for-profit organizations that choose to classify their expenses by function and allocate expenses from one function to another. The main features of the new Section are:

- A requirement for an entity that allocates its fundraising and general support expenses to other functions to disclose the policies adopted for the allocation of expenses among functions, the nature of the expenses being allocated and the basis on which such allocations have been made; and
- A requirement for an entity to disclose the amounts allocated from each of its fundraising and general support functions and the amounts and functions to which they have been allocated.

These new requirements are effective April 1, 2009 and will only require additional disclosure in the financial statements.

f) Revenue Recognition

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

g) Recognition of Contributions from Clients

Clients may be required to pay a portion or all of the legal costs incurred on their behalf by Legal Aid Manitoba based on the clients' ability to pay.

- i) **Agreements to Pay**
Clients who are able to pay, sign an agreement to pay for their portion of the applicable legal costs. The amount the client is required to pay is specified on the Legal Aid Certificate. The revenue and receivable are recognized when the certificate is signed.
- ii) **Expanded Eligibility**
Under terms of expanded eligibility, clients are required to pay all of the legal costs and an administration fee of 25% of the Corporation's cost of the case up to a maximum of \$250. The revenue and receivable are recognized based on the date of the lawyer's billing.



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

iii) Charges on Land

Charges on Land are registered under Section 17 of *The Corporations Act* in a Land Titles Office against property owned by clients. The revenue and receivable are recognized at the later of the date the lien is filed or the date of the lawyer's billing. Collection of these accounts in the future is dependent on the client disposing of the property or arranging for payment.

h) Allowance for Doubtful Accounts

The allowances for doubtful accounts are determined annually based on a review of individual accounts. The allowances represent management's best estimate of probable losses on receivables. Where circumstances indicate doubt as to the ultimate collectability of an account, specific allowances are established for individual accounts. In addition to the allowances identified on an individual account basis, the Corporation establishes a further allowance representing management's best estimate of additional probable losses in the remaining accounts receivable.

i) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization of capital assets is recorded on a straight-line basis over the estimated useful lives of the capital assets as follows:

- Furniture and office equipment – 10 years
- Computer hardware and software – 4 years
- Leasehold improvements – over the term of the lease

Work in progress assets are not amortized until the asset is available to be put into service.

j) Pension Plan

Employees of the Corporation are pensionable under *The Civil Service Superannuation Act*. The Civil Service Superannuation Plan is a defined benefit pension plan. Legal Aid Manitoba is a non-matching employer. Under provisions of *The Civil Service Superannuation Act* non-matching employers defer contributing their share of employee pension benefits until they are billed for 50% of the benefit payments processed. The Corporation accrues a provision for the liability for the employer's share of employee pension benefits, including future cost of living adjustments, based on actuarial calculations. When actual experience varies from actuarial estimates, the adjustment needed is recognized immediately in net revenue (expense) in the year that the actuarial gain or loss arises.

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

3. Client Accounts Receivable, net

	2009	2008
Agreements to Pay	\$ 57,974	\$ 57,281
Expanded Eligibility	411,211	364,395
	<u>469,185</u>	<u>421,676</u>
Less: Allowance for Doubtful Accounts	276,597	270,720
Clients Accounts Receivable, net	<u>\$ 192,588</u>	<u>\$ 150,956</u>

4. Other Receivables, net

	2009	2008
Court Costs	\$ 205,390	\$ 233,624
Child and Family Services Agencies	31,131	11,304
Employment and Income Assistance	78,371	22,618
Employee Advances, GST Recoverable and Miscellaneous	27,194	28,883
	<u>342,086</u>	<u>296,429</u>
Less: Allowance for Doubtful Accounts	200,017	229,718
Other Receivables, net	<u>\$ 142,069</u>	<u>\$ 66,711</u>

5. Capital Assets

	2009		2008	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and Office Equipment	\$ 232,691	\$ 92,001	\$ 218,728	\$ 69,430
Computer Hardware and Software	194,032	122,113	198,589	114,732
Leasehold Improvements	314,736	206,549	274,253	168,140
Work in Progress	-	-	7,475	-
	<u>\$ 741,459</u>	<u>\$ 420,663</u>	<u>\$ 699,045</u>	<u>\$ 352,302</u>
Net Book Value		<u>\$ 320,796</u>		<u>\$ 346,743</u>



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

6. Charges on Land, net

	2009	2008
Charges on Land	\$ 1,432,197	\$ 1,452,475
Less: Allowance for Doubtful Accounts	674,648	726,237
Charges on Land, net	\$ 757,549	\$ 726,238

7. Long-term Receivable - Severance Benefits

The amount recorded as a receivable from the Province for severance pay was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at March 31, 1998. Subsequent to March 31, 1998, the Province provides annual grant funding for severance expense. As a result, the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

8. Severance Liability

Effective April 1, 1998, Legal Aid commenced recording the estimated liability for accumulated severance pay benefits for their employees. The amount of this estimated liability is based on actuarial calculations. The periodic actuarial valuation of this liability may determine that an adjustment is needed to the actuarial calculation when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are recognized immediately in net revenue (expense) in the year that the actuarial gain or loss arises.

An actuarial report was completed for the severance pay liability as at March 31, 2009 by Ellement & Ellement Ltd., Consulting Actuaries. The Corporation's actuarially determined net liability for accounting purposes as at March 31, 2009 was \$1,637,600 (2008 - \$1,533,709). The report provides a formula to update liability on an annual basis.

Severance pay, at the employee's date of retirement, will be determined using the eligible employee's years of service and based on the calculation as set by the Province of Manitoba. The maximum payout is currently 23 weeks at the employee's weekly salary at the date of retirement. Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from the Corporation.

Significant long-term actuarial assumptions used in the March 31, 2009 valuation, and in the determination of the March 31, 2009 present value of the accrued severance benefit obligation were:

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

Annual rate of return	
Inflation component	2.50%
Real rate of return	4.00%
	<u>6.50%</u>
Assumed salary increase rates	
Annual productivity increase	0.75%
Annual general salary increase	2.50%
	<u>3.25%</u>

9. Revenue from the Province of Manitoba

	2009	2008
Grant	\$ 11,473,617	\$ 11,541,814
Salaries and other payments	8,861,749	8,322,630
Health and post secondary education tax levy	195,210	171,777
Employer portion of employee benefits	755,996	714,002
	<u>\$ 21,286,572</u>	<u>\$ 20,750,223</u>

Grant revenue from the Province of Manitoba includes the Corporation's share of provisions recorded for unfunded pension liabilities.

10. Revenue from The Manitoba Law Foundation

	2009	2008
Statutory Grant	\$ 3,743,943	\$ 3,021,134
Public Interest Law Centre	180,000	180,000
University Law Centre	86,000	89,500
	<u>\$ 4,009,943</u>	<u>\$ 3,290,634</u>

A statutory grant, pursuant to subsection 90(1) of *The Legal Profession Act*, is received annually from The Manitoba Law Foundation. The Corporation's share under the Act is 50% of the total interest on lawyers' trust accounts as received by the Foundation or a minimum of \$1,007,629, whichever is greater. In the event that interest received by the Foundation in the preceding year, after deduction of the Foundation's operational expenses, is not sufficient to pay the statutory minimum of \$1,007,629 to the Corporation, the Act provides for pro-rata sharing of the net interest.

Other grants from The Manitoba Law Foundation are received pursuant to subsection 90(4) of *The Legal Profession Act*. These grants are restricted for the Public Interest Law Centre and the University Law Centre. At March 31, 2009, there were no funds remaining from these grants.



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

11. Commitments

a) Lease

The Corporation rents facilities under operating leases. Unpaid remaining commitments under the leases, which expire at varying dates are:

2010	\$	686,679
2011		687,029
2012		471,356
2013		120,229
2014		40,603
Thereafter		-
	\$	<u>2,005,896</u>

b) Private Bar

Estimated total commitments for future billings on outstanding Legal Aid Certificates amount to \$2,284,000 as at March 31, 2009 (2008 - \$1,550,000).

12. Related Parties Transactions

The Corporation is related in terms of common ownership to all Province of Manitoba created departments, agencies and crown corporations. The Corporation enters into transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.

13. Private Bar Fees and Disbursements

	Fees	Disbursements	2009 Total	2008 Total
Legal Aid Certificates	\$ 7,227,316	\$ 667,954	\$ 7,895,270	\$ 7,941,564
Duty Counsel	1,032,273	-	1,032,273	696,933
Transcripts and Other	-	68,812	68,812	77,487
Total	<u>\$ 8,259,589</u>	<u>\$ 736,766</u>	<u>\$ 8,996,355</u>	<u>\$ 8,715,984</u>

The Management Council declared a hold back holiday for all certificates processed during the fiscal year April 1, 2008 - March 31, 2009. Certificates issued in this fiscal year were not subject to a hold back.

14. Provision for Employee Pension Benefits

Pension costs consist of benefits accrued, interest accrued on benefits and experience (gain) loss. This liability is determined by an actuarial valuation every three years with the balances for the intervening years being determined by a formula provided by the actuary. The most recent valuation was completed as at March 31, 2009 by Ellement & Ellement Ltd., Consulting Actuaries.

Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

	2009	2008
Balance at beginning of year	\$ 12,063,756	\$ 11,051,780
Benefits accrued	573,555	532,517
Interest accrued on benefits	937,650	763,939
Benefits paid	(248,311)	(284,480)
Experience (Gain) Loss	(82,064)	-
Balance at end of year	\$ 13,244,586	\$ 12,063,756

The Corporation's pension costs consist of the following:

	2009	2008
Benefits accrued	\$ 573,555	\$ 532,517
Interest accrued on benefits	937,650	763,939
Experience (Gain) Loss	(82,064)	-
	\$ 1,429,141	\$ 1,296,456

The key actuarial assumptions were a rate of return of 6.50% (2004 – 6.50%), 2.50% inflation (2004 – 2.50%), salary rate increases of 4.25% (2004 – 4.25%) and post retirement indexing 2/3 of the inflation rate. The projected benefit method was used and the liability has been extrapolated to March 31, 2009 using a formula provided by the actuary.

The Province of Manitoba has accepted responsibility for funding of the Corporation's pension liability and related expense which includes an interest component. The Corporation has therefore recorded a receivable from the Province equal to the estimated value of its actuarially determined pension liability \$13,244,586 (2008 - \$12,063,756), and has recorded revenue for 2008/09 equal to its increase in the unfunded pension liability during the year of \$1,180,830 (2008 - \$1,011,976). The Province makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

15. Restricted Net Assets - Wrongful Conviction Cases

During the fiscal year ended March 31, 2006 the Province of Manitoba approved a reallocation of \$130,000 from the Corporation's unrestricted net assets. This funding was provided for section 696 applications under the Criminal Code for wrongful conviction appeals. In the current fiscal year, the Corporation did not incur any expenses (2008 - \$12,548) for private bar fees and disbursements related to wrongful conviction cases. The balance remaining is \$78,559.

16. Capital Management

Legal Aid Manitoba's objective when managing capital is to maintain sufficient capital to cover its costs of operations.

Legal Aid Manitoba's capital consists of the total of the various net asset balances in the amount of \$3,104,859 (2008 – \$2,881,454).



Legal Aid Manitoba
Notes to Financial Statements
for the year ended March 31, 2009

Legal Aid Manitoba is not subject to externally imposed capital requirements.

There were no changes in Legal Aid Manitoba's approach to capital management during the period.

17. Public Sector Compensation Disclosure

For the purposes of *The Public Sector Compensation Disclosure Act*, all compensation for employees, Management Council members, and the private bar fees and disbursements from Legal Aid Manitoba is disclosed in a separate statement.

18. Legal Aid Manitoba Application System (LAMAS)

A new software application system was installed and implemented fiscal 2006/07 at a cost of \$764,850. The system was paid for by the Department of Justice and therefore, a capital asset has not been recorded in these financial statements.

19. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.



AUDITORS' REPORT
Supplementary Financial Information Prepared in Accordance
with The Public Sector Compensation Disclosure Act

To the Legislative Assembly of Manitoba, and
To the Management Council of Legal Aid Manitoba

We have audited the Statement of Compensation Paid to Council Members and Employees and the Statement of Private Bar Fees and Disbursements in Excess of \$50,000 for the Legal Aid Manitoba for the year ended March 31, 2009 prepared in accordance with Sections 2 and 4 of The Public Sector Compensation Disclosure Act. This financial information is the responsibility of the management of the Legal Aid Manitoba. Our responsibility is to express an opinion on this financial information based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial information.

In our opinion, these statements present fairly, in all material respects, the compensation payments to council members and employees, and payments to persons providing legal aid services for the year ended March 31, 2009 by the Legal Aid Manitoba in accordance with the provisions of The Public Sector Compensation Disclosure Act.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
July 31, 2009



Legal Aid Manitoba
Statement of Private Bar Fees and Disbursements in Excess of \$50,000
for the year ended March 31, 2009
(Prepared in accordance with Section 4 of the Public Sector Compensation Disclosure Act)

Name of Firm	Amount
Phillips, Aiello	\$ 1,225,449.08
Smith Corona VanDongen	677,799.83
Saheel Zaman Law Corporation	514,906.81
Gindin, Wolson, Simmonds	426,621.29
Brodsky & Company	412,772.35
William L. Malcolm Law Corporation	402,599.10
Cassidy Ramsay	321,186.16
Campbell Gunn Inness	285,326.43
Phillips Law Office	230,239.53
Dawson Law Office	228,209.93
Skinner Law Office	206,717.42
Hunt, Miller & Company	197,008.66
Anderson Law Office	182,752.44
McRoberts Law Offices	170,441.89
Killeen Chapman	165,475.50
McDonald Thompson	164,754.93
Kucher & Nichols	136,548.20
Regan Thatcher Law Office	136,218.86
Bill Armstrong	118,815.72
Taylor Law Office	118,568.11
Poole Law Office	109,553.77
Chris Sigurdson Law	100,410.93
Pinx & Company	95,720.08
David Matas	92,793.60
Edmond & Associates	92,255.26
Gisele Champagne	84,695.66
Kreklewich & Kinnear LLP	82,493.33
Ginnell Bauman Watt Corporation	78,083.37
Scott Newman Law Office	71,636.16
Wendy Martin White	70,493.62
Irwin Law Office	66,349.85
Purvis Law Office	63,722.71
Edward G. Rice	59,338.22
McCoy Law Office	56,309.03
Sandip Sett	55,230.97
Eagle Law Office	54,550.32
Sims & Company	52,664.05
Mugerwa Law Office	52,648.64
Kohaykewych & Associates	51,080.99

The payments reflected in this statement are on a cash basis.

Legal Aid Manitoba
Statement of Compensation Paid to Council Members and Employees
for the year ended March 31, 2009
(Prepared in accordance with Section 2 of the Public Sector Compensation Disclosure Act)

Paid to Council Members:

In aggregate	\$	15,993.00
Santos, Mario	Council Chair	95,623.78

Paid to employees in excess of \$50,000:

Name	Position	Amount
McDonald, T.	Area Director/Supervising Attorney	\$ 142,334.35
Giesbrecht, L. D.	Area Director/Supervising Attorney	142,203.22
Koturbash, T. M.	Area Director/Supervising Attorney	138,704.63
Williams, J. B.	Director, PILC	137,847.39
Paluk, M. D.	Supervising Attorney	137,503.05
Joyce, D.	Supervising Attorney	137,170.60
Walker, M.	Supervising Attorney	135,658.99
Bates, G. D.	Supervising Attorney	135,083.05
Sherman, C. D.	Deputy Area Director	134,643.05
Pauls, C.	Supervising Attorney	134,322.34
Cadloff, K. A.	Staff Attorney	134,147.45
Kingsley, P.	Staff Attorney	133,145.42
MacAulay, G. G.	Staff Attorney	132,612.14
Heinrichs, R. M.	Staff Attorney	132,444.72
Brecht, R.B.	Staff Attorney	132,414.28
Clifford, G.	Acting Executive Director	132,159.20
Libman, A.	Staff Attorney	129,959.25
Loney, A.	Staff Attorney	129,182.48
Birks, C.G.	Supervising Attorney	128,131.65
Funke, J.	Supervising Attorney	127,864.38
Woodman, R.	Staff Attorney	126,041.65
Stewart, C.	Staff Attorney	125,777.64
Dzydz, D.	Staff Attorney	125,312.55
Tailleur, L. J.	Staff Attorney	123,621.85
McAmmond, J.	Staff Attorney	123,314.45
Merrett, W.	Area Director	122,957.63
Hawrysh, G.B.	Staff Attorney	122,853.35
Raposo, S.	Acting Deputy Executive Director	122,479.60
Lovegrove, C.	Supervising Attorney	122,137.01
Robinson, G.B.	Staff Attorney	122,092.96
Van Schie, S.	Staff Attorney	119,917.82
Strang, K.	Staff Attorney	117,865.40
Sansregret, A.	Staff Attorney	115,796.91
Barclay, J. A.	Staff Attorney	115,083.06
Paler, S.	Staff Attorney	114,767.69
Janis, R.	Staff Attorney	113,204.16
Hwozdulych, B. A.	Staff Attorney	112,651.07



Name	Position	Amount
Sneesby, K.	Staff Attorney	105,886.80
Schachter, S.	Staff Attorney	105,116.72
Cox, J.	Staff Attorney	103,704.23
Gammon, G. B.	Legal Director	102,832.65
Cottam, G.	Staff Attorney	99,150.88
Kennedy, C.	Staff Attorney	99,110.41
McNeilly, G. K.	Executive Director, retired	97,991.29
Glowacki, L. J.	Staff Attorney	94,149.41
Lonstrup, R.	Staff Attorney	90,448.15
Anciceto, L.	Staff Attorney	81,757.57
Balneaves, S.	Info. Services Officer	80,665.60
Nygaard, D.	Staff Attorney	80,468.85
Tait, C.	Staff Attorney	80,323.82
Craft, A.	Staff Attorney	77,509.49
Dwarka, R.	Director of Administration	76,509.85
Henderson, D.	Staff Attorney	75,487.68
Dowle, K.	Staff Attorney	73,014.82
Froese, B.	Staff Attorney	68,840.97
Wiebe, C.	Info. Services Officer	68,589.95
Valcourt, G.	Info. Services Officer	67,735.90
Ferens, M.	Staff Attorney	67,603.65
Tonge, P.	Staff Attorney	67,022.48
Grafton, R. N.	Staff Attorney, retired	66,199.60
Perchal, J. M.	Accountant	65,974.03
Laberge, C.	Staff Attorney	65,157.60
Riezebos, S.	Staff Attorney	62,038.88
Swait, M.	Policy Analyst	58,065.25
Simpson, P.	Info. Services Officer	55,455.85
Poudrier, C.	Staff Attorney	55,326.04
Loreth, L. M.	Intake Officer	55,235.70
Makar, L. C.	Intake Officer	55,235.70
Poneira, M.	Intake Officer	55,235.70
McNaught, I.	Staff Attorney	53,444.48
Merasty, J.	Intake Officer	52,727.09
Unger, J.	Intake Officer	52,363.27
Muchnik, A.	Intake Officer	52,012.53
Moir, J.	Staff Attorney	51,393.70
Chastellaine, M.	Paralegal	51,217.93
Laham-Szutiak, M.	Staff Attorney	51,067.27
Clifford-Johnson, T.	Paralegal	51,037.37
White, D.	Staff Attorney	50,549.13
Balkaran, M.	Paralegal	50,473.65
Ross, M.	Paralegal	50,473.65
Settee, L.	Paralegal	50,473.65
Soldier, S.	Staff Attorney	50,050.38

Directory of Legal Aid Manitoba Offices

Administration Office & Winnipeg Area Office

402-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-8500
Toll-free: 1-800-261-2960
TTY: 943-1131
Fax: (204) 944-8582

Agassiz Law Office

416-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-5230
Fax: (204) 985-5237

Application Centre

300-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-8500
Fax: (204) 944-8582

Child Protection Unit

300-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-5211
Toll-free: 1-800-839-7946
Fax: (204) 985-5224

Criminal Law Office

514 St. Mary Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-8570
Fax: (204) 774-7504

Public Interest Law Centre

610 - 294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-8540
Fax: (204) 985-8544

Somerset Law Office

300-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-8550
Fax: (204) 956-4146

University of Manitoba Law Centre

Faculty of Law - 101 Robson Hall
University of Manitoba
Winnipeg, MB R3T 2N2
Ph: (204) 985-5206
Fax: (204) 474-7580

Winnipeg Law Office

807-294 Portage Avenue
Winnipeg, MB R3C 0B9
Ph: (204) 985-9732
Fax: (204) 942-7362

Westman Community Law Centre

236 - 11th Street
Brandon, MB R7A 4J6
Ph: (204) 729-3484
Toll-free: 1-800-876-7326
Fax: (204) 726-1732

Parklands Community Law Centre

31 - 3rd Avenue N.E.
Dauphin, MB R7N 0Y5
Ph: (204) 622-7000
Toll-free: 1-800-810-6977
Fax: (204) 622-7029

Northlands Community Law Centre

Box 2429
236 Edwards Avenue
The Pas, MB R9A 1M2
Ph: (204) 627-4820
Toll-free: 1-800-268-9790
Fax: (204) 627-4838

Thompson Community Law Centre

3 Station Road
Thompson, MB R8N 0N3
Ph: (204) 677-1211
Toll-free: 1-800-665-0656
Fax: (204) 677-1220

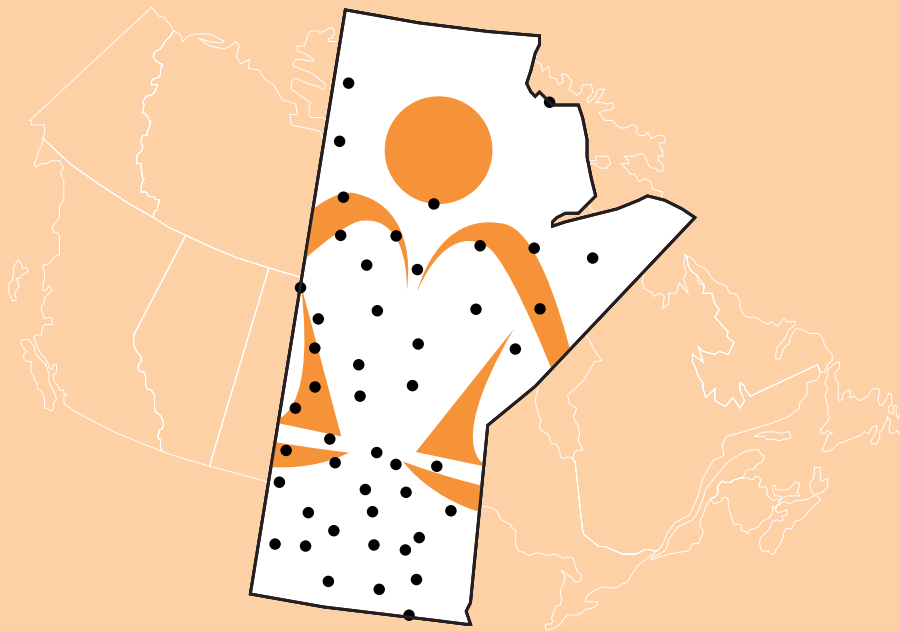
Thompson North Centre Office

2nd floor - 3 Station Road
Thompson, MB R8N 0N3
Ph: 1-866-318-4037 or (204) 677-1342
Fax: (204) 677-1348



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