

2013/2014



42nd
annual report



legal aid manitoba

letter to the minister



Legal Aid Manitoba
L'Aide Juridique du Manitoba

FORTY-SECOND ANNUAL REPORT
LEGAL AID MANITOBA
Fiscal Year Ending March 31, 2014

The Honourable Andrew Swan
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 Forty-Second Annual Report for the year ending March 31, 2014.

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 Act*.

Respectfully submitted,

TIMOTHY VALGARDSON
Chair
Legal Aid Manitoba Management Council

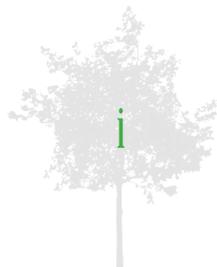


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message from the chair and executive director

We began this fiscal year with some daunting challenges anticipated with respect to funding and volume increases. Our primary focus has remained to work toward a balance between funding levels and services provided.

Every aspect of our finances has been examined in an effort to achieve cost savings, including, as a last resort, service reductions. The following operational changes were introduced:

- Closing conflict offices where the volume did not indicate the need to maintain a conflict office. The Prairie CLC (Winnipeg on October 31st, 2013), the Kelsey CLC (The Pas on October 31st, 2013) and the Parklands CLC (Dauphin on April 1st, 2014) were closed as their leases expired. Permanent staff were moved to the main office in those locations.
 - Circuit Duty Counsel positions have been redistributed to those closest to the court locations to reduce travel costs.
 - Circuit clinics will be run at the same time as the circuit courts to reduce travel costs.
 - The number of Area Directors has been reduced from four to two, combining three regional Area Directors' Offices into one.
 - Parking passes have been eliminated for staff unless they are required to appear in court. This includes the administrative staff at Legal Aid.
 - Planning and developing an online certificate system for use by private bar practitioners that will deliver all documents associated with certificates electronically, thereby reducing overhead costs, and creating greater efficiency for the justice system as a whole.
 - Maximizing efficiency by utilizing the strengths of our private bar and staff service delivery options.
- In addition to the above, Legal Aid Manitoba (LAM) has made several changes over the past five years to contain expenditures as follows:
- Reduced or eliminated coverage in the following areas: adoptions, committeeships, civil matters with the exception of landlord/tenant and residential tenancies matters.
 - Restricted family law coverage for property issues.
 - Tightened assessment criteria for certificate issuance. In 2009/10, LAM changed its criteria for contributing clients to include an assessment of their ability to repay the cost of their case within the lifetime of the case.
 - Expanded child protection full service duty counsel to facilitate early resolution and reduce unnecessary expensive litigation.
 - Re-introduced full service duty counsel in criminal courts to facilitate early resolution and reduce unnecessary expensive litigation.
 - Moved collaborative family law into the mainstream to facilitate early resolution to avoid expensive and destructive litigation.
 - Introduced conflict offices in Winnipeg to reduce costs in family and complex criminal matters.
 - Assigned staff lawyers to high volume circuit points throughout the Province which were previously exclusively serviced by private bar practitioners, utilizing spare capacity within the staff component.

- Encouraged the development of staff lawyers' ability to take on complex criminal matters. In FYE 2009, staff lawyers took 8% of all Category "A" matters issued. In FYE 2013, staff lawyers took 18% of all Category "A" matters issued.
- Created, developed and implemented complexity weighted staff billing performance measures (CWC) to more accurately monitor, adjust and compare staff productivity and cost against private bar productivity and cost. In the past fiscal year staff billings have improved sufficiently to compare favourably with the billings of their private bar counterparts.
- Created, developed and implemented the 'legal matter' base statistical measure to monitor the provision of legal aid across all coverage areas.
- Introduced a restrictive Change of Counsel policy to avoid the inefficiency, and cost, of paying for the same case more than once.
- Introduced a Criminal Application Centre at the Law Courts Complex in Winnipeg to provide same day and "in court" services thereby reducing delays to the courts.
- Reduced the size of the senior management team from seven to five.
- Terminated contracts to deliver services to the North using Winnipeg private bar counsel.
- Restructured the Winnipeg Area Office to ensure more timely application processing.
- Designed and implemented a computerized *Brydges* on-call management system.
- Taken the initial steps to move to a paperless environment commencing with PBOonline in FYE 2013/14.

- Staff lawyers now work in independent offices throughout the Province, similar to a private bar office environment. Staff lawyer workload is measured by billing all closed files using the same tariff as the private bar.

The Federal Government share of overall funding to Legal Aid plans continues to decrease. Federal funding for LAM has decreased from an initial 50% to 17% in FYE 2013/14.

LAM has taken an active role in developing innovative and cooperative access to justice initiatives with our stakeholders. Ultimately, however, improved access to justice is dependent on more than cooperation and innovation. Our eligibility guidelines have remained unchanged for 13 years and both the breadth of coverage and the scope of eligibility have declined dramatically resulting in significant impacts on the justice system as a whole.

Legal Aid Management and Council are intent on providing legal services to as many low-income Manitobans, in as broad a range of basic coverage, as our funding allows. We are cognizant, however, that we are stewards of public monies and cannot exceed our funding levels.

LAM will need a modest increase in funding going forward to maintain (and hopefully increase) service levels.

Our Management Council continues to be robust and engaged. This fiscal year has seen the appointment of three new Council members. We have conducted an intensive review of our governance structure which has resulted in the establishment of a policy governance management model, which is reflected in a new Corporate Directors' Manual.

We look forward to the challenges that lie ahead. 3

management council

Back row (from left to right): James McLandress, Diane Stevenson, Herbert Peters, Lisa Settee
Front row: Aileen Madden, Kim Milne, Tim Valgardson
Missing: Rose Buss, Mark O'Neill



Tim Valgardson, Chair

James McLandress, Vice-Chair
Barrister & Solicitor
Blairgowrie Consulting, Ltd.

Herbert Peters
Barrister & Solicitor
Managing Partner; Aikins MacAulay & Thorvaldson, LLP

Diane Stevenson
Barrister & Solicitor
Stevenson & Desrochers Law Corporation

Rose Buss

Aileen Madden

Kim Milne

Mark O'Neill

Lisa Settee

Wendy Whitecloud
(January 23, 2014)

Ernie Blais
(August 14, 2013)

Luis Martinez
(August 16, 2013)

management council committees

Advisory

Dianna McGavin, Chair
Edward G. Rice, Vice-Chair
Estelita Duque Antonio
Zita Lopes
Christian Monnin
Anna Pazdzierski
Amanda Sansregret
Mary Troszko
Janelle Pariseau
Gerri Wiebe

Appeals Panel

James McLandress, Chair
Diane Stevenson
Rose Buss
Kim Milne
Herbert Peters
Mark O'Neill
Lisa Settee
Aileen Madden
Tim Valgardson, ex-officio

Finance/Audit

Kim Milne, Chair
Aileen Madden
Mark O'Neill
Tim Valgardson, ex-officio

Governance/Human Resources

Herbert Peters, Chair
James McLandress
Lisa Settee
Tim Valgardson, ex-officio

executive management committee

Gil Clifford
Executive Director

Sam Raposo
Deputy Executive Director

Bruce Gammon
Legal Director

Robin Dwarka
Director of Finance and
Labour Management

Peter Kingsley
Senior Area Director

area directors

Cathy Sherman
Winnipeg

Theresa McDonald
Rural

strategic / business plan

Through Legal Aid Manitoba's (LAM's) strategic planning process, Management Council and the Executive Management Committee (EMC) identified seven areas of strategic focus to improve service delivery over the next five years (2013/14 to 2017/18):

- People Management/Morale
- Client Service
- Resources and Finance
- Systems/Technology
- Stakeholder Communication
- Northern/Rural Issues
- Governance

Business Plan Activities (FY 2013/14)

Effective April 1st 2013, LAM commenced an operational review of the organization. EMC began reviewing LAM's operational procedures and practices to determine necessary changes required to maintain or improve upon core client services while maximizing our fiscal efficiency given the current environment of static funding.

During FY 2013/14, EMC moved forward with several key initiatives identified through the operational review:

a) Private Bar Online System (PBOonline)

Strategic Focus Area Targeted – Resources and Finance, Systems/Technology, Stakeholder Communication

Activities – LAM has been developing an online certificate system (PBOonline) for use by private bar practitioners to receive legal aid certificates and disclosure electronically. Since September 2013, LAM has been undertaking user testing of the online certificate system. LAM anticipates deploying PBOonline system-wide in the 2014/15 fiscal year.

b) Area Director Structural Changes

Strategic Focus Area Targeted – People Management/Morale, Client Service, Resources and Finance, Systems/Technology, Northern/Rural Issues

Activities – LAM restructured the Rural Area Offices located in Brandon and Dauphin by having both Area Offices report to the Northern Area Director. The Area Director positions were eliminated for Brandon and Dauphin. The title of the Northern Area Director was also changed to Rural Area Director to reflect these structural changes.

LAM also restructured the Winnipeg Area Office to ensure more timely application processing as well as provide the necessary structural components for the deployment of LAM's PBOonline System.

c) Market Share Distribution

Strategic Focus Area Targeted – People Management/Morale, Client Service, Resources and Finance, Stakeholder Communication, Northern/Rural Issues

Activities – LAM implemented several changes to maximize LAM's efficient use of resources. Notably, LAM closed three conflict offices, launched the Enhanced Duty Counsel project, redistributed circuit Duty Counsel positions to reduce travel costs, scheduled circuit clinics concurrently with circuit court dates to reduce travel costs, re-introduced full service duty counsel in criminal courts to facilitate early resolutions in criminal matters, terminated private bar contracts for service delivery to the North, as well as moved collaborative family law into the mainstream to facilitate early resolutions and minimize the use of litigation.

d) Big Case Management/Note 5 Process

Strategic Focus Area Targeted – People Management/Morale, Client Service, Resources and Finance, Systems/Technology, Stakeholder Communication

Activities – LAM has taken steps to provide clarifications and explanations to counsel taking complex criminal matters about the Big Case Management (BCM) process and its compensation formula. LAM has also begun requesting that counsel certify their total number of hours spent on a case when making a discretionary increase request (DI). By providing counsel with a clearer understanding of the BCM/DI processes, LAM anticipates that it will be better able to balance and allocate its funding so that it can more effectively compensate counsel for complex legal matters.

e) Manual Updates

Strategic Focus Area Targeted – People Management/Morale, Client Service, Resources and Finance, Systems/Technology, Stakeholder Communication

Activities – During the course of FY 2013/14, various revisions were made to the Area Director Manual, General Policy Manual and Legal Accounts Manual to reflect recent changes highlighted above in LAM's operational structure and procedures.

f) Notice to Profession 17

Strategic Focus Area Targeted – Client Service, Resources and Finance, Stakeholder Communication, Northern/Rural Issues

Activities – LAM continued to track service levels for child protection trial approval and duty counsel representation in mental health and criminal courts. Tracking service delivery volumes increases LAM's ability to monitor access to justice issues and identify court process improvements for these service delivery areas.

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 counselling 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, 2013 and March 31, 2014. 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 2013/14
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 corrective action was taken. subsection 18(2)(c)	NIL



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

statistics

Community Law Centre (CLC) Statistics

	Supervising Attorney	Staff Lawyer	Paralegal	Articling Student	Support Staff	Total
Winnipeg Offices:						
Agassiz CLC	1	4	0	1	3	9
Child Protection Law Office	1	2	1	0	2	6
Criminal Duty Counsel Office	1	5	0	1	1	8
Phoenix CLC	1	3	0	1	4	9
Public Interest Law Centre	1	4	2	2	2	11
Regency CLC	1	4	0	1	3	9
Riel CLC	1	4	0	1	3	9
Riverwood CLC	1	4	0	1	3	9
University Law Centre	0	0	0	0	1	1
Willow CLC	1	4	0	1	4	10
Outlying Offices:						
Amisk CLC, Dauphin	1	1	0	0	2	4
Northlands CLC, The Pas	1	2	0	2	2	7
Parklands CLC, Dauphin	1	1	1	0	2	5
Thompson CLC, Thompson	1	3	1	2	3	10
Westman CLC, Brandon	1	2	0	0	2	5
All Community Law Centres	14	43	5	13	37	112

Service Delivery Volumes	2013/2014	2012/2013
Application Services		
Applications Received ¹	33,063	33,286
Applications Rejected	6,400	7,573
Legal Matters Issued (Opened Cases)		
Criminal Adult	18,604	18,495
Criminal Youth	3,777	4,160
Family	5,963	5,779
Other Civil	254	209
<i>Total Legal Matters Issued (a) ²</i>	<i>28,598</i>	<i>28,643</i>
<i>LM issued to Private Bar</i>	<i>18,526</i>	<i>18,091</i>
<i>LM issued to Staff</i>	<i>10,072</i>	<i>10,552</i>
Other Services		
Duty Counsel Assists (b)	44,524	42,854
Drop-In and Phone Assists (c) ³	17,526	17,252
TOTAL ASSISTS (a + b + c) ⁴	90,648	88,749
Legal Matters Closed		
Criminal Adult	17,264	17,401
Criminal Youth	3,761	3,886
Family	5,067	5,418
Other Civil	244	220
<i>Total Legal Matters Closed</i>	<i>26,336</i>	<i>26,925</i>
<i>LM closed by Private Bar</i>	<i>16,298</i>	<i>16,378</i>
<i>LM closed by Staff</i>	<i>10,038</i>	<i>10,547</i>

Notes:

1 Statistics include applications and non-initial legal matters. Non-initial legal matters are any subsequent legal matter that may attract coverage under an existing (open) client certificate. Non-initial legal matters are subject to the same eligibility criteria applied to all applications.

2 LAM uses a mixed-model service delivery system. In 2013/14, the ratio of private bar to staff services was 65:35 (63:37).

3 Includes assists provided through LAM's application centres, University Law Centre, Age & Opportunity, custody calls and general assistance calls.

4 A total of 90,648 (88,749) people were assisted either on a formal or informal basis during 2013/14. This represents an increase of 2.1% over the previous fiscal year.

For 2013/14, LAM observed increases in duty counsel assists as well as drop-in/phone assists.

financial overview

Sources of Funding

During 2013/2014, Legal Aid Manitoba (LAM) received funding from three sources:

1. Funds appropriated by the Provincial Government through Manitoba Justice.
2. Statutory and discretionary grants from the Manitoba Law Foundation.
3. Contributions from clients, costs awarded by the Court on behalf of clients, interest earned on monies invested and miscellaneous receipts.

The Government of Canada reimbursed the Province for some of the legal aid expenditures on federal criminal matters (adult and youth). The contribution agreement was renewed to March 31, 2017.

Distribution of Funding

LAM divides its budget into two general areas of direct legal service including staff and members of the private bar and administration. The table below shows the distribution.

Significant Pressures on LAM

- LAM's low financial guidelines continue to exclude many low-income Manitobans from accessing legal aid. The current state of the economy makes it very difficult to increase the guidelines.

	2014 (\$000's)	2013 (\$000's)
Operating Fund Revenue:		
Appropriation	\$ 30,225	\$ 29,914
Manitoba Law Foundation	1,194	1,194
Other ¹	1,958	1,353
TOTAL REVENUE	33,377	32,461
Operating Fund Expenses:		
Private Bar ²	11,319	12,920
Direct legal services ³	19,716	18,549
Administration ⁴	1,698	1,842
TOTAL EXPENSES	32,733	33,311
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE	\$ 644	\$ (850)

¹ Other includes client and third party recoveries net of bad debt expense and collection fees.

² Private bar fees and disbursements include an accrual for cases outstanding at year end.

³ Direct legal services expenditures include salaries and benefits, travel, provision of legal services, taxation, collection and other legal expenses.

⁴ Administration includes Management Council, the Executive Management Committee, and other administrative expenses for Winnipeg.

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, 2014.

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

August 26, 2014

auditor's report



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Legal Aid Manitoba, which comprise the statement of financial position as at March 31, 2014 and the statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Legal Aid Manitoba as at March 31, 2014 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Office of the Auditor General
August 26, 2014
Winnipeg, Manitoba

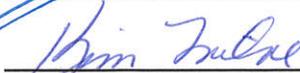
500 - 330 Portage Avenue Winnipeg, Manitoba R3C 0C4 office: (204) 945-3790 fax: (204) 945-2169
www.oag.mb.ca

LEGAL AID MANITOBA
Statement of Financial Position
As at March 31

	2014	2013
ASSETS		
Current Assets		
Cash	\$ 3,017,150	\$ 1,589,910
Client accounts receivable (Note 3)	258,838	168,586
Receivable from the Province of Manitoba	5,115,000	5,341,692
Receivable from the Government of Canada	-	167,450
Other receivables (Note 4)	334,433	472,454
Prepaid expenses	244,124	227,859
	8,969,545	7,967,951
Capital Assets (Note 5)		
	325,865	441,882
Long-term receivable - charges on land (Note 6)		
	742,633	782,837
Long-term receivable - severance - Province of Manitoba (Note 7)		
	716,166	716,166
Long-term receivable - pension - Province of Manitoba (Note 14)		
	22,017,688	20,587,677
	\$ 32,771,897	\$ 30,496,513
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 5,183,560	\$ 5,412,708
Accrued vacation pay	1,344,588	1,290,514
Deferred revenue from clients	616,814	454,540
	7,144,962	7,157,762
Severance liability (Note 8)		
	2,388,693	2,174,427
Provision for employee pension benefits (Note 14)		
	22,017,688	20,587,677
	24,406,381	22,762,104
Net Assets		
Invested in Capital Assets	325,865	441,882
Restricted Net Assets (Note 15)	78,559	78,559
Unrestricted Net Assets	816,130	56,206
	1,220,554	576,647
	\$ 32,771,897	\$ 30,496,513

Approved by the Council





Chairperson

Council Member

LEGAL AID MANITOBA
Statement of Operations
for the year ended March 31

	2014	2013
Revenue		
Province of Manitoba (Note 9)	\$ 30,305,241	\$ 29,914,138
Manitoba Law Foundation (Note 10)	1,273,629	1,194,398
Contributions from clients	923,768	890,943
Recoveries from third parties	958,524	527,652
Government of Canada	25,000	(3,228)
Judgment costs and settlements	127,430	158,893
Interest income	8,849	197
Other	8,692	39,747
	33,631,133	32,722,740
Expense		
Private bar fees and disbursements (Note 13)		
Legal aid certificates	10,807,024	12,263,131
Duty counsel services	463,324	603,458
Transcripts	48,250	53,823
	11,318,598	12,920,412
Community Law Centres, Schedule 1	13,024,953	12,675,640
Public Interest Law Centre, Schedule 1	1,733,025	1,289,510
University Law Centre, Schedule 1	124,632	124,330
General and Administrative, Schedule 1	6,786,018	6,563,183
	32,987,226	33,573,075
Excess (deficiency) of revenue over expense	\$ 643,907	\$ (850,335)



LEGAL AID MANITOBA
Statement of Changes in Net Assets
for the year ended March 31

	2014				2013
	Invested in Capital Assets	Restricted Net Assets (Note 15)	Unrestricted Net Assets	Total	Total
Balance, Beginning of Year	\$ 441,882	\$ 78,559	\$ 56,206	\$ 576,647	\$ 1,426,982
Excess (deficiency) of revenue over expense	(95,464)	-	739,371	643,907	(850,335)
Capital Asset Additions	73,758	-	(73,758)	-	-
Capital Asset Disposals	(94,311)	-	94,311	-	-
BALANCE, END OF YEAR	\$ 325,865	\$ 78,559	\$ 816,130	\$ 1,220,554	\$ 576,647

LEGAL AID MANITOBA
Statement of Cash Flow
for the year ended March 31

	2014	2013
Cash Flow Provided by (Used In) Operating Activities:		
Excess (deficiency) of revenue over expense	\$ 643,907	\$ (850,335)
Add items not affecting cash		
Amortization	95,464	99,633
Loss on disposal of capital assets	94,311	-
Changes in working capital:		
Client accounts receivable	(90,252)	27,473
Province of Manitoba receivable	226,692	(385,692)
Government of Manitoba receivable	167,450	4,446
Other receivables	138,021	(149,010)
Prepaid expenses	(16,265)	70,809
Accounts payable and accrued vacation pay	(175,074)	1,086,232
Deferred revenue	162,274	58,665
Charges on land	40,204	(18,165)
Long-term funding commitments - pension	(1,430,011)	(1,217,589)
Severance liability	214,266	155,395
Provision for employee pension benefits	1,430,011	1,217,589
	1,500,998	99,451
Cash Flow Provided by (Used In) Capital Activities:		
Purchase of capital assets	(73,758)	(127,229)
	(73,758)	(127,229)
Net Increase (Decrease) in Cash for the Year	1,427,240	(27,778)
Cash - Beginning of Year	1,589,910	1,617,688
Cash - End of Year	\$ 3,017,150	\$ 1,589,910

Supplemental Cash Flow Information	2014	2013
Interest Received	\$ 8,849	\$ 197

LEGAL AID MANITOBA
Schedule of Expenses
for the year ended March 31

SCHEDULE 1

	Community Law Centres		Public Interest Law Centre		University Law Centre		General and Administrative		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,807	\$ 23,911	\$ 21,807	\$ 23,911
Amortization	41,871	48,440	2,412	2,299	2,186	1,886	48,365	47,008	95,464	99,633
Bad debts	-	-	-	-	-	-	239,674	248,660	239,674	248,660
Bank charges	-	-	-	-	-	-	2,075	2,146	2,075	2,146
Collection costs	-	-	-	-	-	-	14,230	13,142	14,230	13,142
Computer costs	21,835	12,514	972	137	159	34	20,493	44,610	43,459	57,295
Council expenses	-	-	-	-	-	-	103,123	208,029	103,123	208,029
Duty counsel	196,100	202,914	3,899	4,032	-	-	904	1,841	200,903	208,787
Equipment maintenance	81,600	96,151	3,280	9,366	612	2,738	32,160	57,615	117,652	165,870
File disbursements	287,114	310,647	641,893	270,930	3,551	2,221	24,621	33,292	957,179	617,090
Library	79,391	62,066	9,627	9,007	133	158	1,707	2,284	90,858	73,515
Meetings	4,238	6,815	907	2,472	1,813	1,628	8,752	14,669	15,710	25,584
Office expenses	187,158	221,845	13,936	11,898	5,019	6,834	129,856	138,731	335,969	379,308
Office relocation	6,767	31,597	480	525	-	-	-	2,497	7,247	34,619
Pension costs (Note 14)	-	-	-	-	-	-	2,376,552	2,054,004	2,376,552	2,054,004
Premise costs	998,498	1,020,956	56,044	58,904	92	134	303,131	305,294	1,357,765	1,385,288
Professional fees	204,886	195,622	19,423	17,967	775	747	133,732	135,079	358,816	349,415
Salaries, benefits and levy	10,577,137	10,133,949	948,543	867,977	98,547	92,091	2,965,636	2,890,940	14,589,863	13,984,957
Severance benefits	-	-	-	-	-	-	269,947	235,958	269,947	235,958
Staff development	45,547	44,397	7,966	10,140	-	-	7,156	7,988	60,669	62,525
Staff recruitment	21,812	8,839	214	96	34	99	262	2,627	22,322	11,661
Telephone	109,302	108,871	10,419	8,294	2,696	2,723	67,366	70,283	189,783	190,171
Transcripts	14,517	22,153	-	-	-	1,442	-	-	14,517	23,595
Travel	147,180	147,864	13,010	15,466	8,385	11,595	14,469	22,575	183,044	197,500
TOTAL	\$ 13,024,953	\$ 12,675,640	\$ 1,733,025	\$ 1,289,510	\$ 124,632	\$ 124,330	\$ 6,786,018	\$ 6,563,183	\$ 21,668,628	\$ 20,652,663

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

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) Basis of Presentation

The financial statements are prepared in accordance with the Canadian standards for government not-for-profit organizations ("GNFPO") including Public Sector Accounting Handbook 4200 series as issued by the Canadian Public Sector Accounting Standards Board.

b) Financial Instruments

Financial assets and liabilities are initially recorded at fair value and subsequently recorded at cost or amortized cost.

Amortized cost is determined using the effective interest rate method.

Gains and losses on financial instruments measured at fair value are recorded in accumulated surplus as re-measurement gains and losses until realized. Upon disposition of the financial instruments, the cumulative re-measurement gains and losses are reclassified to the statement of operations. The Corporation did not incur any re-measurement gains and losses during the year ended March 31, 2014 (2013 – \$nil).

Gains and losses on financial instruments subsequently measured at cost or amortized cost are recognized in the statement of revenue and expense in the period the gain or loss occurs.

Notes to Financial Statements for the year ended March 31, 2014

The Corporation's financial instruments include cash, client accounts receivable, receivable from the Province of Manitoba, other receivables, long-term receivables, and accounts payable.

c) 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. Estimates include the allowance for doubtful accounts, accrual for private bar fees and the severance liability and provision for employee pension benefits. Actual results could differ from these estimates.

d) 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.

e) Recognition of Contributions from Clients

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

i) Agreements to Pay – Partial

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 service is provided.

ii) Agreements to Pay – Full

Under terms of Agreements to Pay - Full, clients are required to pay all of the legal costs and an administration fee of 25% of the Corporation's cost of the case. The maximum administration fee is \$250. The revenue and receivable are recognized based on the date of the lawyer's billing which coincide with when the service is provided.

Notes to Financial Statements
for the year ended March 31, 2014

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 which coincide with when the service is provided. Collection of these accounts in the future is dependent on the client disposing of the property or arranging for payment.

f) 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.

g) 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 & 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.

h) 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. 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 is amortized over the expected remaining service life (EARSL) of the employee group which



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

is currently 15 years (2013 – 15 years). Amortization commences the year following the year when the actuarial gain or loss arises.

i) Severance Liability

The Corporation records 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 on a straight-line basis over the expected average remaining service life (EARSL) of the related employee group. Amortization commences the year following the year when the actuarial gain or loss arises.

3. Client Accounts Receivable

	2014	2013
Agreements to Pay – Partial	\$ 51,655	\$ 66,240
Agreements to Pay – Full	442,805	464,805
	494,460	531,045
Less: Allowance for Doubtful Accounts	235,622	362,459
Client accounts receivable	\$ 258,838	\$ 168,586

4. Other Receivables

	2014	2013
Court costs	\$ 273,886	\$ 287,616
Child and Family Services agencies	61,762	44,487
Employment and Income Assistance	153,809	181,803
Employee advances, GST recoverable, and miscellaneous	113,302	239,012
	602,759	752,918
Less: Allowance for Doubtful Accounts	268,326	280,464
Other receivables	\$ 334,433	\$ 472,454

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

5. Capital Assets

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and office equipment	\$ 318,731	\$ 216,469	\$ 308,836	\$ 191,031
Computer hardware & software	324,385	266,036	300,352	214,510
Leasehold improvements	198,923	33,669	267,680	29,445
	\$ 842,039	\$ 516,174	\$ 876,868	\$ 434,986
Net book value		\$ 325,865		\$ 441,882

6. Charges on Land

	2014	2013
Charges on land	\$ 1,587,154	\$ 1,539,085
Less: Allowance for Doubtful Accounts	844,521	756,248
Charges on land	\$ 742,633	\$ 782,837

7. Long-term Receivable - Severance Benefits

The amount recorded as a receivable from the Province of Manitoba 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, the Corporation 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 on a straight-line basis over the expected average remaining

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

service life (EARSL) of the related employee group. Amortization commences the year following the year when the actuarial gain or loss arises.

An actuarial report was completed for the severance pay liability as at March 31, 2014 by Ellement & Ellement Consulting Actuaries. The Corporation's actuarially determined net liability for accounting purposes as at March 31, 2014 was \$2,388,693 (2013 - \$2,174,427). The report provides a formula to update the 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 9 years of service and that the employee is retiring from the Corporation.

	2014	2013
Balance at beginning of year	\$ 2,258,837	\$ 1,930,906
Benefits accrued	117,444	116,753
Interest accrued on benefits	149,761	128,018
Benefits paid	(55,681)	(80,563)
Actuarial (gain) loss	(8,713)	163,723
Balance at end of year	2,461,648	2,258,837
Unamortized actuarial gains (losses)	(72,955)	(84,410)
	\$ 2,388,693	\$ 2,174,427

The Corporation's severance costs consist of the following:

	2014	2013
Benefits accrued	\$ 117,444	\$ 116,753
Interest accrued on benefits	149,761	128,018
Amortization of actuarial losses (gains)	2,742	(8,813)
	\$ 269,947	\$ 235,958

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

Significant long-term actuarial assumptions used in the March 31, 2014 valuation, and in the determination of the March 31, 2014 present value of the accrued severance benefit obligation were:

	2014	2013
Annual rate of return		
Inflation component	2.00%	2.00%
Real rate of return	4.00%	4.00%
	6.00%	6.00%
Assumed salary increase rates		
Annual productivity increase	0.75%	0.75%
Annual general salary increase	2.00%	2.00%
Service, merit & promotion (SMP) – average	1.00%	1.00%
	3.75%	3.75%

9. Revenue from the Province of Manitoba

	2014	2013
Grant	\$ 15,014,767	\$ 15,410,589
Salaries and other payments	12,984,329	12,353,802
Health and post-secondary education tax levy	276,993	262,958
Employer portion of employee benefits	1,949,402	1,774,289
Other government agencies	79,750	112,500
	\$ 30,305,241	\$ 29,914,138

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

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

10. Revenue from the Manitoba Law Foundation

	2014	2013
Statutory grant	\$ 1,007,629	\$ 928,398
Public Interest Law Centre	180,000	180,000
University Law Centre	86,000	86,000
	\$ 1,273,629	\$ 1,194,398

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, 2014, all funds received through these grants have been spent in the current year.

11. Commitments

a) Lease

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

2015	\$ 935,979
2016	1,165,875
2017	1,106,776
2018	1,114,686
2019	1,122,183
Thereafter	6,393,164
	\$ 11,838,663

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

b) Private Bar

Estimated total commitments for future billings on outstanding Legal Aid Certificates amount to \$2,587,000 as at March 31, 2014 (2013 - \$1,866,000).

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

	2014			2013
	Fees	Disbursements	Total	Total
Legal aid certificates	\$ 10,120,423	\$ 686,601	\$ 10,807,024	\$ 12,263,131
Duty counsel services	463,324	0	463,324	603,458
Transcripts	0	48,250	48,250	53,823
	\$ 10,583,747	\$ 734,851	\$ 11,318,598	\$ 12,920,412

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 annually with the balances for the intervening periods being determined by a formula provided by the actuary. The most recent valuation was completed as at December 31, 2013 by Ellement & Ellement Consulting Actuaries. The actuary has projected the pension obligation to March 31, 2014.

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

	2014	2013
Balance at beginning of year	\$ 22,017,185	\$ 19,097,212
Benefits accrued	853,343	831,051
Interest accrued on benefits	1,428,121	1,241,145
Benefits paid	(945,541)	(836,414)
Actuarial (gain) loss	(634,410)	1,684,192
Balance at end of year	22,718,698	22,017,185
Unamortized actuarial gains (losses)	(701,010)	(1,429,508)
	\$ 22,017,688	\$ 20,587,677

The Corporation's pension costs consist of the following:

	2014	2013
Benefits accrued	\$ 853,343	\$ 831,051
Interest accrued on benefits	1,428,121	1,241,145
Amortization of actuarial (gains) losses	94,088	(18,192)
	\$ 2,375,552	\$ 2,054,004

The key actuarial assumptions were a rate of return of 6.00% (2013 – 6.00%), 2.00% inflation (2013 – 2.00%), salary rate increases of 3.75% (2013 – 3.75%) 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, 2014.

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 \$22,017,688 (2013 – \$20,587,677), and has recorded revenue for 2013/14 equal to its increase in the unfunded pension liability during the year of \$1,430,011 (2013 – \$1,217,580). The Province makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

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 (2013 - nil) for private bar fees and disbursements related to wrongful conviction cases. The balance remaining is \$78,559.

16. 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 the Corporation is disclosed in a separate statement.

17. Financial Risk Management

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

- Credit risk;
- Liquidity risk;
- Market 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.

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 and accounts receivable.

The maximum exposure of the Corporation to credit risk at March 31, 2014 is:

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

Cash	\$ 3,017,150
Client accounts receivable	258,838
Receivable from the Province of Manitoba	5,115,000
Receivable from the Government of Canada	0
Other receivables	334,433
Long-term receivables:	
• Charges on land	742,633
• Severance - Province of Manitoba	716,166
• Pension - Province of Manitoba	22,017,688
	\$ 32,201,908

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

Client accounts receivable includes clients that contribute toward the cost of their case under the Agreements to Pay – Partial and Agreements to Pay – Full 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.

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

Receivable from the Government of Canada: The Corporation is not exposed to significant credit risk as the receivable is from the federal government.

Other receivables include court costs, Child and Family Services agencies, Employment and Income Assistance, and miscellaneous. The Corporation is exposed to significant credit risk related to court costs and therefore, 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.

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2014

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 based on historical experience.

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.

The Corporation establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, client analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

The change in the allowance for doubtful accounts during the year was as follows:

	2014	2013
Balance, beginning of the year	\$ 1,289,505	\$ 1,203,836
Provision for bad debts	239,674	248,660
Amounts written off	(290,377)	(162,991)
Balance, end of the year	\$ 1,238,802	\$ 1,289,505

Liquidity risk

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

The Corporation 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.

Notes to Financial Statements
for the year ended March 31, 2014

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the fair values of its financial instruments. The significant market risks the Corporation is exposed to are: interest rate risk and foreign currency risk.

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 and accounts payable.

The interest rate risk is considered to be low on cash because of its 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.

auditor's report



INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba
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 of \$50,000 or more of Legal Aid Manitoba for the year ended March 31, 2014. The statements have been prepared by management in accordance with Sections 2 and 4 of *The Public Sector Compensation Disclosure Act*.

Management's Responsibility for the Statements

Management is responsible for the preparation of these statements in accordance with Sections 2 and 4 of *The Public Sector Compensation Disclosure Act* and for such internal control as management determines is necessary to enable the preparation of the statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial information in the statements of public sector compensation of Legal Aid Manitoba for the year ended March 31, 2014 is prepared, in all material respects, in accordance with Section 2 and 4 of *The Public Sector Compensation Disclosure Act*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the statements which describes the basis of accounting. The statements are prepared to assist the entity to meet the requirements of Sections 2 and 4 of *The Public Sector Compensation Disclosure Act*. As a result, the statements may not be suitable for another purpose.

Office of the Auditor General

Office of the Auditor General
August 26, 2014
Winnipeg, Manitoba

LEGAL AID MANITOBA

Note to Financial Information for the year ended March 31, 2014

1. Basis of Accounting

a) Aggregate Compensation to Council Members

The financial information discloses the amount of the payments, in aggregate, to the Council Members during the fiscal year ended March 31, 2014. The amounts are calculated in accordance with the *Public Sector Compensation Disclosure Act* of Manitoba.

b) Compensation of \$50,000 or More

The financial information lists employees who received compensation of \$50,000 or more during the fiscal year ended March 31, 2014. The amounts are calculated in accordance with the *Public Sector Compensation Disclosure Act* of Manitoba.

c) Private Bar Fees and Disbursements of \$50,000 or More

The financial information discloses every person who received \$50,000 or more during the fiscal year ended March 31, 2014 for providing legal aid. The amounts are calculated in accordance with the *Public Sector Compensation Disclosure Act* of Manitoba.

LEGAL AID MANITOBA
Statement of Compensation Paid to Council Members and Employees
For the Year Ended March 31, 2014
(Prepared in accordance with Section 2 of the *Public Sector Compensation Disclosure Act*)

Paid to Council Members:

In aggregate \$58,428.66

Amounts paid to employees of \$50,000 or more:

Name	Position	Amount
Clifford, G.	Executive Director	\$ 161,432.77
Raposo, S.	Deputy Executive Director	153,798.21
Gammon, G.B.	Legal Director	152,801.53
McDonald, T.	Area Director	152,749.57
Kingsley, P.	Senior Area Director	152,747.53
Cadloff, K.	Staff Attorney	151,636.24
Brecht, R.	Staff Attorney	151,403.74
Sansregret, A.	Supervising Attorney	151,329.06
Sherman, C.	Area Director	151,287.39
Robinson, G.	Supervising Attorney	150,467.37
Giesbrecht, L.	Supervising Attorney	150,347.87
Loney, A.	Staff Attorney	150,230.45
Hawrysh, G.	Supervising Attorney	150,011.75
Pitts, H.	Supervising Attorney	149,559.99
Koturbash, T.	Supervising Attorney	149,198.64
Lovegrove, C.	Supervising Attorney	148,412.39
Paluk, M.	Supervising Attorney	148,217.39
Williams, J.B.	Director, PILC	148,149.12
Joyce, D.	Supervising Attorney	148,037.39
Pauls, C.	Supervising Attorney	147,497.39
Woodman, F.G.R.	Staff Attorney	147,019.89
Walker, M.	Supervising Attorney	146,297.39
Van Schie, S.	Staff Attorney	145,782.82
Libman, A.	Staff Attorney	145,512.82
Tailleur, L.	Staff Attorney	144,892.39
Dzydz, D.	Staff Attorney	144,787.39
Sneesby, K.	Staff Attorney	144,334.99
MacAulay, G.	Staff Attorney	144,247.39
McAmmond, J.	Staff Attorney	144,247.39
Schwartz, B.	Staff Attorney	141,147.14
Paler, S.	Staff Attorney	139,257.68
Kennedy, C.	Staff Attorney	131,971.74
Horst, A.	Supervising Attorney	130,087.07
Hwozdulych, B.	Staff Attorney	126,059.85

Name	Position	Amount
Cottam, G.C.	Staff Attorney	\$ 124,319.53
Nygaard, D.	Staff Attorney	122,582.76
Tait, C.	Supervising Attorney	122,037.44
Froese, B.	Staff Attorney	120,909.47
Fawcett, R.	Staff Attorney	117,727.51
Anderson, L.	Staff Attorney	116,025.36
Soper, D.	Staff Attorney	115,686.24
Dowle, K.	Staff Attorney	114,250.58
Buss, B.	Staff Attorney	114,175.11
Aniceto, L.	Staff Attorney	111,329.63
Craft, A.	Staff Attorney	110,691.27
Ferens, M.	Staff Attorney	109,391.63
Bracken, S.	Staff Attorney	108,453.93
Colquhoun, L.	Staff Attorney	107,141.71
Henderson, D.	Staff Attorney	106,739.59
Tonge, P.	Staff Attorney	106,104.71
Kuszelewski, R.	Staff Attorney	101,859.49
McNaught, I.	Staff Attorney	95,871.64
Hanslip, M.	Staff Attorney	89,549.30
Koshy, S.	Staff Attorney	88,886.60
Balneaves, S.	Information Technologist	88,355.88
Dwarka, R.	Director of Finance and Labour Management	88,034.73
Valcourt, G.	Information Technologist	87,815.88
Tasche, H.	Staff Attorney	87,230.32
Sieklicki, P.	Staff Attorney	82,612.87
Mitchell, M.	Staff Attorney	81,555.00
Liu, W.	Information Technologist	79,754.48
Mitchell, G.	Staff Attorney	76,619.36
Neufeld, J.	Staff Attorney	75,966.55
Sinclair, M.	Staff Attorney	75,263.45
Beaudry, M.	Staff Attorney	74,480.45
Wiebe, C.	Information Technologist	73,929.70
Bakker, N.	Intake Officer (Retired)	73,017.88
Perchal, J.	Accountant	72,961.13
Simpson, P.	Information Technologist	70,216.26
Swait, M.	Policy Analyst	68,840.20
Makar, L.	Administrative Law Advocate	68,018.18
Clifford-Johnson, T.	Administrative Law Advocate	66,452.18
Unger, J.	Administrative Law Advocate	62,413.30
Gardezi, S.	Staff Attorney	62,066.13
Loreth, L.	Intake Officer	61,688.80

Name	Position	Amount
Drewniak, B.	Intake Officer	\$ 61,149.40
Williams, M.	Intake Officer	61,149.40
Settee, S.	Intake Officer	61,143.00
Menzies, M.	Staff Attorney	60,349.89
Muchnik, A.	Intake Officer	59,943.00
Bousquet, M.	Legal Accounts Officer (Retired)	59,512.89
Penno, W.	Intake Officer	57,800.65
Caldwell, S.	Paralegal	56,542.98
Lagimodiere, M.	Paralegal	55,632.28
Strang, K.	Staff Attorney	55,164.53
Settee, L.	Application Intake Assessment Officer	55,092.28
Bachelor, I.	Staff Attorney	54,756.30
Beens, D.	Office Manager	54,566.32
Langford, K.	Intake Officer	54,358.36
Beatty, M.	Intake Officer	54,358.34
Maloney, M.	Intake Officer	53,892.28
Villanueva, C.	Legal Accounts Supervisor	53,892.28
Hlady, C.	Intake Officer	53,294.36
McRobbie, C.	Financial Review Officer	53,059.32
Meade, E.	Intake Officer	52,817.70
Lundrigan, D.	Intake Officer	51,542.70

LEGAL AID MANITOBA
Statement of Private Bar Fees and Disbursements of \$50,000 or more
For the Year Ended March 31, 2014

(Prepared in accordance with Section 4 of the *Public Sector Compensation Disclosure Act*)

Name of Lawyer	Amount	Name of Lawyer	Amount
Zaman, Saheel	\$ 357,054.21	Bueti, Katherine	\$ 179,236.25
Skinner, John	355,268.67	Newman, Scott	178,322.57
Sawchuk, Darren	290,960.55	Corona, John	174,880.93
Ramsay, John	253,313.90	Bretecher, Jacqueline	172,612.28
Coggan, Derek	233,824.60	Sinder, Barry	172,220.76
Phillips, David	225,873.40	Martin-White, Wendy	170,166.38
Van Dongen, Lori	211,408.54	McKay, Cameron	166,588.66
Phillips, Cory	210,986.63	Cook, Michael	165,196.57
Smith, Pamela	206,428.58	Rees, Tom	158,892.37
Gladstone, Brett	205,500.16	Mokriy, Don	156,132.91
Harrison, Robert	199,854.08	Robbins, Jon	142,321.32

Name of Lawyer	Amount	Name of Lawyer	Amount
Cellitti, Antonio	\$ 139,594.13	English, Chantal	\$ 75,645.73
Brodsky, Greg	133,880.85	Bright, Michelle	74,388.10
Mariash, Theodore	124,623.38	Boucher, Nolan	74,096.80
Armstrong, Bill	122,656.09	Kostiuk, Jeremy	74,041.42
Puranen, Serena	121,695.31	Kreklewich, Daniel	73,736.05
Glazer, Martin	121,364.21	Jones, Zilla	73,717.46
Briscoe, Curtis	120,435.17	Braun, Aaron	72,989.46
Manning, Daniel	118,711.65	Dyck, Michael	70,413.36
Gould, Matthew	117,503.47	Dawson, Roy	69,141.73
Champagne, Gisele	111,700.27	Buisse, Leandre	68,897.57
Ostapiw, Jody	109,190.52	Rice, Edward	68,362.12
Hayward, Steven	106,422.08	Gudelot, Gregory	68,237.03
Antila, Crystal	104,308.49	Wood, James	67,711.42
Bonney, Bruce	102,970.21	Webb, Karen	67,486.40
Purvis, Darcy	99,804.99	Khan, Bashir	66,779.10
Inness, Sarah	99,751.59	Hatherly, Jason	65,380.26
Walker, Tara	98,161.37	Pariseau, Janelle	65,008.61
Sigurdson, Chris	86,392.42	Huberdeau, Alain	63,002.09
Robinson, Laura	86,016.30	Murphy, Edmond	62,670.83
Thatcher, Regan	85,115.77	Hebert, Vanessa	62,386.65
Soldier, Stacey	83,503.98	Roitenberg, Evan	62,185.93
Bhangu, Mandeep	82,415.73	Poole, Richard	62,147.06
Santos, Mario	81,991.70	Buzza, Timothy	59,006.94
LaBossiere, Lisa	81,392.42	Alcock, Richard	58,119.63
Schaan, Chad	80,164.23	Marks, William	53,454.73
Bourcier, Todd	79,440.06	Shankar, Arjun	52,828.39
Davids, Michael	77,243.38	McKelvey-Gunson, Andrew	51,788.58
Raffey, Matthew	75,851.87		

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

notes

directory of legal aid offices

Administration Office

4th Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8500
Toll-free: 1.800.261.2960
Fax: 204.944.8582

Agassiz Community Law Centre

520 - 136 Market Avenue
Winnipeg MB R3B 0P4
Ph: 204.985.5230
Toll-free: 1.800.300.2307
Fax: 204.985.5237

Child Protection Law Office

300 - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8560
Toll-free: 1.855.777.3753
Fax: 204.985.5224

Criminal Duty Counsel Office

100 - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8500
Toll-free: 1.800.261.2960
Fax: 204.949.9216

Phoenix Community Law Centre

500 - 175 Carlton Street
Winnipeg MB R3C 3H9
Ph: 204.985.5222
Toll-free: 1.855.777.3759
Fax: 204.942.2101

Public Interest Law Centre

300 - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8540
Toll-free: 1.800.261.2960
Fax: 204.985.8544

Regency Community Law Centre

200 - 393 Portage Avenue
Winnipeg MB R3B 3H6
Ph: 204.985.9440
Toll-free: 1.855.777.3756
Fax: 204.947.2976

Riel Community Law Centre

410 - 330 Portage Avenue
Winnipeg MB R3C 0C4
Ph: 204.985.8555
Toll-free: 1.855.777.3758
Fax: 204.774.7504

Riverwood Community Law Centre

200 - 175 Hargrave Street
Winnipeg MB R3C 3R8
Ph: 204.985.9810
Toll-free: 1.855.777.3757
Fax: 204.985.8554

University Law Centre

Faculty of Law
101 Robson Hall
University of Manitoba
Winnipeg MB R3T 2N2
Ph: 204.985.5206
Fax: 204.985.8551

Willow Community Law Centre

102 - 433 Main Street
Winnipeg MB R3C 1B3
Ph: 204.985.9732
Toll-free: 1.855.777.3760
Fax: 204.942.7362

Winnipeg Application Centre

100 - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8500
Toll-free: 1.800.261.2960
Fax: 204.949.9216

Amisk Community Law Centre

202 Main Street South
Dauphin MB R7N 1K6
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

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





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