

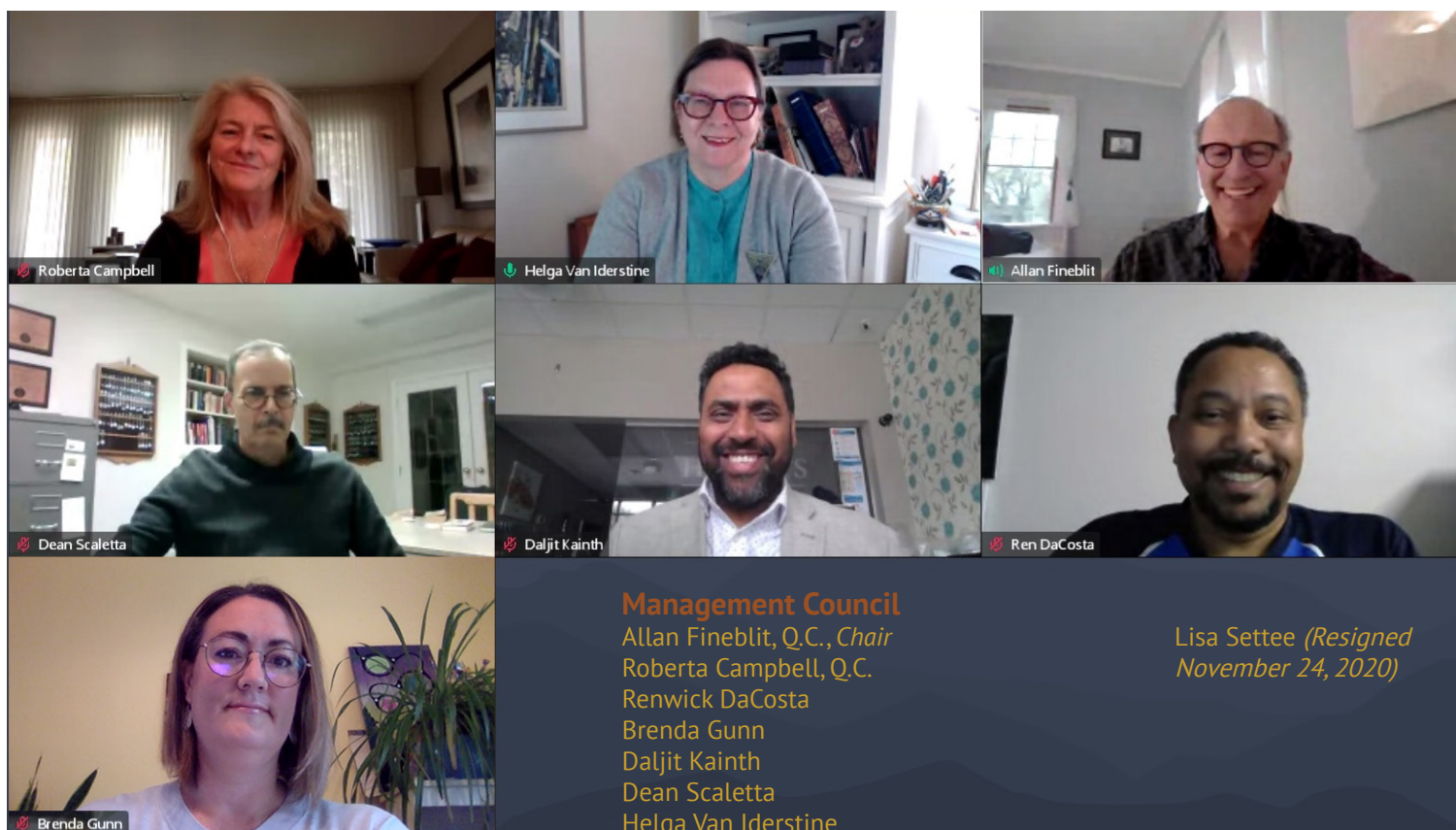


Legal Aid Manitoba
L'Aide Juridique du Manitoba

2020/21 ANNUAL REPORT

*DELIVERING ACCESS TO JUSTICE
FOR LOW-INCOME MANITOBBANS*





Management Council Committees

Advisory

Irene Hamilton, Q.C., *Chair*
John Ramsay, *Vice-Chair*
Maria Campos
Serena Puranen
Stacy Nagle
Therese Koturbash
Gerraldine Wiebe
Gary Robinson
Wendy Martin-White (*Effective May 29, 2020*)

James Wood (Resigned May 29, 2020)
Michael Mahon (Resigned May 29, 2020)

Finance/Audit

Dean Scaletta, *Chair*
Renwick DaCosta
Daljit Kainth
Allan Fineblit, Q.C., *ex-officio*

Appeals Panel

Roberta Campbell, Q.C.
Renwick DaCosta
Brenda Gunn
Daljit Kainth
Dean Scaletta
Helga Van Iderstine
Allan Fineblit, Q.C., *ex-officio*

Public Interest Law Centre Advisory

Jessica Saunders, *Chair*
Harvey Sector
Charles Loewen
Louise Simbandumwe
Darcia Senft
Richard J. Scott
Carli Owens
Richard Cloutier

Executive Management Committee

Peter Kingsley, Q.C.
Executive Director and CEO

Bruce Gammon
Acting Deputy Executive Director and Legal Director

Sam Raposo, Executive Director and CEO (Resigned October 1, 2020)

Robin Dwarka
Director of Finance and Labour Management

Sandra Bracken
Senior Legal Officer

Katherine Dowle
Senior Legal Officer

Area Directors

Lori Anderson
Gary Robinson

Letter To The Minister



Legal Aid Manitoba
L'Aide Juridique du Manitoba

FORTY-NINTH ANNUAL REPORT
LEGAL AID MANITOBA
Fiscal Year Ending March 31, 2021

The Honourable Cameron Friesen
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-Ninth Annual Report for the year ending March 31, 2021.

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 \$75,000 in accordance with Section 2 and 4 of *The Public Sector Compensation Act*.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Allan Fineblit'.

ALLAN FINEBLIT, Q.C.

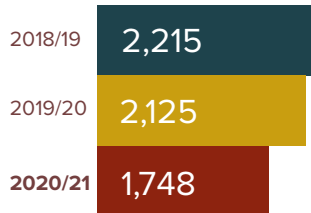
Chair
Legal Aid Manitoba Management Council



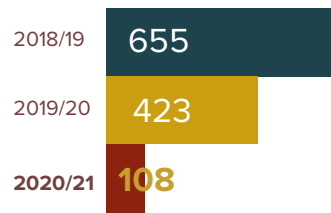
At-a-Glance

Legal Matters Issued (Opened Cases)

CHILD PROTECTION



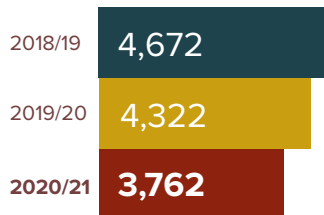
IMMIGRATION & REFUGEE



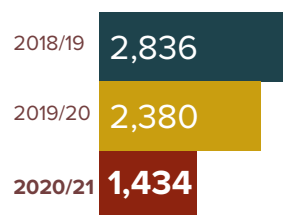
TELEPHONE ADVICE (BRYDGES)



FAMILY



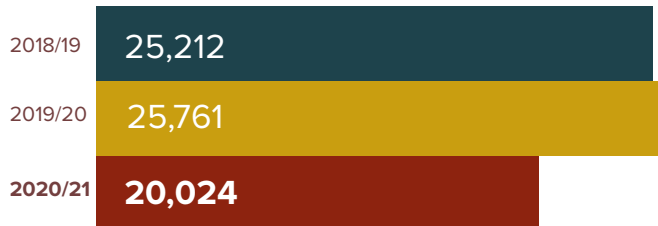
CRIMINAL (YOUTH)



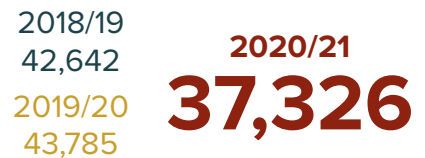
FULL REPRESENTATION OF CLIENTS (CERTIFICATES)



CRIMINAL (ADULT)

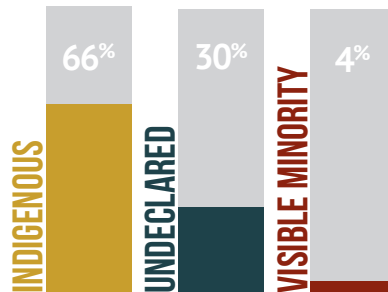


PARTIAL REPRESENTATION OF CLIENTS (DUTY COUNSEL)



AGE RANGE FOR LARGEST
NUMBER OF CLIENTS

26-35



PEOPLE SELF-IDENTIFYING AS BEING OF
INDIGENOUS ANCESTRY MAKE UP THE BIGGEST
PROPORTION OF LAM CLIENTS



PEOPLE WITH GROSS FAMILY INCOMES UNDER
\$10,000 OR IN RECEIPT OF EMPLOYMENT AND
INCOME ASSISTANCE MAKE UP THE BIGGEST
PERCENTAGE OF LAM CLIENTS

CIVIL LAW



UNIVERSITY LAW CENTRE



AVERAGE COST PER CASE

\$924

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Cette publication est aussi disponible en français.



Chair's Report

I am pretty sure that every annual report, for every organization, business and agency will start with the same words. They will all note that this was a year like no other. Rightly so, and Legal Aid Manitoba (LAM) is, of course, no different.

We now know that the impact of the pandemic is far more significant for our client base (the poorest of the poor). Those who are homeless or marginally housed will find it harder to isolate. Those with chronic mental or physical health challenges will find it harder to get the timely treatment they need. Those without access to technology will find it challenging to move to virtual services and sources of information.

Legal services are essential services, and, as the primary provider of those services to low-income Manitobans, LAM had to figure out new, safe, ways to deliver those services to those clients who had far fewer options than most. For many it meant front line service delivery: in-person meetings, attending at offices, courts and custodial facilities. The staff and private lawyers, paralegals, clerks and other support people who provide those services are among the many "heroes" of the pandemic.

The LAM Management Council (its Board of Directors) took a number of policy decisions intended to ease the challenges of a COVID-19 world for our clients, our staff and the private lawyers who deliver service to clients. For example, some clients are required to contribute to the cost of the legal services they receive. We decided to suspend all monthly payments so that they would not be an additional burden on those already suffering financially. We offered technology to our staff that would help them work remotely, whenever possible.

“...LAM had to figure out new, safe, ways to deliver those services to those clients who had far fewer options than most.”

The financial challenges of the pandemic were particularly hard on the private lawyers who deliver a lot of the legal services our clients require. They are paid modestly at the best of times. During 2020/21, courts were forced to shut down or reduce their activities significantly. That meant that the combination of already modest fees and significant delays in getting paid (lawyers are only paid when the case is complete) created significant hardship for many. Our Management Council introduced a number of policies to increase fees on a temporary basis and to allow for early partial billing of files that had to be delayed because of court closures.

In August of 2020, our long-time Deputy Executive Director (ED), Sam Raposo, was finally and deservedly appointed as the ED of LAM (a position he had been acting in for some time prior). Just to make things really interesting, however, a few months later Sam was appointed as a Judge of the Provincial Court of Manitoba. Great for Judge Raposo and for that court where I know he will be a star, but what an additional challenge for us! Thank heavens that Bruce Gammon, our Legal Director, who had announced his upcoming retirement, agreed to step in as Acting ED while we accelerated our search for a new leader.

I am very pleased that after a national search, our own Peter Kingsley was appointed as ED of LAM. Peter has many great qualities and lots of experience as a leader but, as I said when I announced his appointment, none of that will be more important in this job than his background as a fire fighter!

One of Peter's first "fires" had to do with LAM's finances and it's not what you might think. Every legal aid plan in the world struggles with too much demand and not enough resources to meet it all. In the year of COVID-19, however, we had the opposite problem. Demand declined as all activity ground to a halt. Billings were slow to come because courts were closed. Meanwhile, on the revenue side one of our major funders, The Manitoba Law Foundation (MLF) advised that our annual grant based on 50% of the MLF's revenue in the prior year would be much higher than anticipated. This might sound like good news, and it mostly is, except we know that delayed cases will eventually get heard and



Allan Fineblit, Q.C.
Chair

probably in an accelerated way once the courts are fully opened. Adding to that challenge was the announcement by the province that agencies like LAM would no longer be allowed to carry over surpluses. That means that putting aside a reserve to pay for those cases when the floodgates open is not an option. Peter and his team led us through a financial plan to draw down the anticipated surplus in a responsible way by addressing LAM's COVID needs (described above) and investing in some initiatives regarding office space and technology that will result in long-term efficiencies for LAM.

One of the most significant policy issues for the Management Council has been the future of the Public Interest Law Centre (PILC). The Provincial Government was of the view that PILC would be better situated as an independent organization outside of LAM. Management Council debated the pros and cons of that option. Many groups and organizations provided advice and insights to the Management Council about that issue. Management Council ultimately decided that PILC would best be able to serve our clients effectively as a part of LAM.

There continue to be discussions about how to improve how PILC operates so that the service they provide is secure for the long-term and they are able to provide those services effectively to all who need their help. This includes discussions with First Nations about developing capacity that will best serve their needs.

There are many people to thank. The Management Council is small (7 members) and one of that small group resigned this year. Lisa Settee was a Management Council veteran. She was one of only two council members with more than 2 years experience on Council and it showed. She was a ready volunteer to hear appeals, an active participant in our debates and a critical thinker. The remaining Council members are proving to be cohesive (even if we only get together virtually), open-minded and hard working. As a result, I feel like we are doing a pretty good job of governing, stewardship and oversight during these interesting times.

I have already noted the dedicated staff but a few need a special "shout out". Bruce Gammon stepped up when he should have been coasting into retirement and we are lucky he did. He is knowledgeable, a very good lawyer and his unflappable manner is calming even in the roughest of seas. Our Director of Finance and Labour Management, Robin Dwarka, is responsible for so much of whatever success LAM has. She has a deep understanding of finances, of government policy and most importantly, of how to get stuff done. Sam Raposo served us so well and his departure this year was a huge loss. He was a dedicated, highly respected leader and will be missed (in spite of how much we love Peter).

Now here is a thank you I'm pretty sure you won't often (ever?) find in a LAM Annual Report. I want to thank Manitoba Justice and the Minister(s) of Justice. LAM is fiercely independent from government. We need to be in order to ensure that our clients, whose legal matters often are on the other side of government, are not only independently served, but that the independence is loudly and publicly proclaimed, so there can be no appearance of government interference in the decision making at LAM.

All that said, we depend on government for the vast majority of our funding, our Legislation and our staffing (all employees are civil servants, though they report independently through LAM and not to government). In all those important areas we have had nothing but exceptional support and cooperation from Manitoba Justice. They have helped to keep our funding appropriate during the pandemic. They expedited the civil service hiring approvals for the Executive Director and other key positions and they have supported the much needed legislative change we have asked for.

I want to conclude this report by saying that LAM has a lot of data and in this report there are a lot of numbers. In my view, there is one that is more than the rest, the number of people we served in the 2020/21 fiscal year. If you read that section carefully you will see the impact of LAM and our effort to improve the lives of those Manitobans who need us.



Allan Fineblit
Chair, Management Council



Message from the Executive Director and CEO

Last year's message by then Executive Director (ED), Sam Raposo, opened noting that before we look to the future we should acknowledge that the past year (2019/20) had been a difficult year full of transition. How little we understood, at that time, the level of transition in store for us in 2020/21.

It is trite to say that 2020 is a year for the history books. Not just the effects of COVID-19, which I will speak of later, but for the changes at Legal Aid Manitoba (LAM). In October, Sam Raposo was appointed to the Provincial Bench and Bruce Gammon assumed the role of Acting ED. Sam's leadership in the first six months of the pandemic and Bruce's leadership over the next five, provided LAM with the strong foundation needed to ensure that our responsibilities were met to our clients, the courts and our private bar partners. We continued to provide our services, albeit in new and novel ways, to a justice system that has seen more evolution in a year than in the past half century. Stepping into this role in March is made easier because of the excellent foundation laid by Sam, Bruce and our Chair, Allan Fineblit.

However, it was not just our leadership but also, and perhaps more importantly, our staff who stepped up and accepted that new ways to work had to be found. Each and every department made significant changes, found new ways to do their jobs and continued to provide the best possible service to the our clients, the courts and the private bar:

- Intake staff who moved from in-person to telephone appointments almost overnight;
- IT staff who faced crisis after crisis and kept us running with almost no interruption in service;
- Legal Accounts who ensured that the private bar continued to receive their cheques; and
- Community Law Centres who continued to serve their clients while navigating court procedures on what felt like a daily basis.

We have all become experts in meeting virtually, adapting to new processes and, while we anticipate an end of the pandemic, we know that our organization and the practice of law is forever changed. Throughout this crisis our focus has remained on providing service to both the clients and the counsel who assist those clients. Through the ongoing support of Management Council (MC) and our strong relationship with the Department of Justice, LAM was able to increase our guidelines, freeze Agreement to Pay Project Payments and increase funding to private bar counsel.

LAM has been in the forefront of innovation in delivering access to justice and even during the pandemic this continued:

- ✓ **Digital Archiving** - Working with the Government Records Centre, LAM has begun the process of moving to a completely digital records management and archiving process. Moving to primarily digital business processes, record keeping and archiving systems reduces paper, increases efficiency, provides rapid retrieval of archived files, and reduces the need for long-term storage providing a substantial savings in overall costs. This innovation increasingly incorporates ISO standards for creating and tracking access to LAM's business records.
- ✓ **Improving our Digital Infrastructure** - LAM took significant steps to increase our bandwidth and digital infrastructure to prepare the way to move to VOIP telephone services, while at the same time improving our capacity to host video conferences.
- ✓ **Office moves** - With the continued movement to paperless office environments and digital archiving along with the new reality of staff working, at least part-time, at home, LAM has been able to absorb three additional community law centres into the space at 287 Broadway. This will save significant funds over the coming years in reduced rent costs.

This next year will bring new additional innovations as we expand our paperless office project, develop capacity for virtual trials and improve our technological infrastructure. These are not the only changes that will be taking place.



Peter Kingsley Q.C.
Executive Director and CEO

For the first time since LAM was created, the tariff is in the control of our Management Council. LAM has a unique opportunity to meaningfully change our tariff to make it more responsive to market conditions and to the way the courts are operating in the 21st century. Over the next year, LAM senior management, MC and the Advisory Committee and other stakeholders will be examining how the tariff affects access to justice in Criminal, Youth, Child Protection, Family Law and Immigration to ensure that everyone is fairly treated.

While we look to the new, we are continuing to enhance earlier innovations. Last year LAM noted a few of the programs that had been instituted to improve access to justice including:

- ✓ **The Out-of-Court Family Resolution Project** - opposing parties that each qualify for legal aid are granted coverage on the condition that, where appropriate, the matter will be dealt with using an out-of-court family resolution process such as collaborative law, 4-way settlement meetings, etc. This approach to resolving family disputes keeps the focus on the best interests of children and families and aligns with the new approach taken by the Manitoba Court of Queen's Bench (MBQB) to family justice in our province.
- ✓ **Weekend Bail Program (Thompson)** - Manitoba's Criminal Justice System Modernization Strategy identified the need to have a more rigorous review of matters remanded into custody. This is even more important on the weekend as detained accused otherwise remain in custody over the weekend, and are sometimes moved to distant parts of Manitoba, without any meaningful review of their matters and no true opportunity to apply for release. Results demonstrate that the Thompson weekend bail duty counsel project has contributed to reducing delay, unnecessary movement of detainees, and lowering the volume of bails in Thompson during the week.
- ✓ **Evening Bail Program** - Starting January 20, 2020, in an effort to further enhance immediate assistance to detained accused, and after consulting with Manitoba Justice, LAM contracted with private bar lawyers to provide evening bail services to detained accused province-wide every day of the week from 4:00 p.m. to 11:00 p.m.
- ✓ **Overnight Bail Program** - Starting March 30, 2020, in an effort to enhance immediate assistance to detained accused, and after consulting with Manitoba Justice, LAM contracted with private lawyers to provide overnight bail services to detained accused province-wide every day of the week from 11:00 p.m. until 7:00 a.m.

All of these programs have continued through the pandemic and we look forward to further enhancing them as we move forward.

Most importantly, LAM recognizes the importance of our Journey to Reconciliation. Since 2018 LAM has recognized the importance of the Truth and Reconciliation Commission's Report and the Calls to Action. We have taken steps to educate our staff on the effects of colonization. We acknowledge our need to build better relationships based on mutual trust and understanding with First Nations, Metis and Inuit peoples in Manitoba. As these relationships develop, LAM will seek guidance to build capacity within the indigenous peoples of Manitoba, providing cross-training, mentorship and support to organizations which represent those peoples. Where possible, we will seek to increase our funding to public interest cases which specifically address the effects of colonization as well as building opportunities for Indigenous lawyers to take on these cases themselves on behalf of their peoples.

As we continue to work together with staff and stakeholders to move LAM forward, we will ensure that we continue to deliver services in an accountable and transparent manner with an emphasis on the following identified priorities:

- openness;
- ethical standards;
- performance outcomes; and
- fiscal responsibility.

As CEO of this organization, I am committed to working with our funders, our stakeholders and those we represent to provide the best possible service for all Manitobans. I am frequently reminded that justice can only exist when it is accessible from the most to the least privileged without qualification. I am proud to say that the staff at LAM have demonstrated the best in public service over the past year and working together, we will continue to provide the highest level of service possible.



Peter Kingsley, Q.C.
Executive Director and CEO



The Public Interest Disclosure (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.

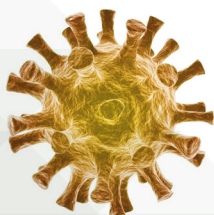
A disclosure made by an employee in good faith, in accordance with the *Act*, and with a reasonable belief that wrongdoing has been or is about to be committed, is considered to be a disclosure under the *Act*, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful 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 Public Interest Disclosure (Whistleblower Protection) Act* during the period between April 1, 2020 and March 31, 2021. The activity under the *Act* is set forth in the disclosure reporting matrix below:

Information required annually	Fiscal year 2020/21
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 Public Interest Disclosure (Whistleblower Protection) Act*
Legal Aid Manitoba



COVID-19 LAM FACT

LAM Counsel took part in the first all virtual Zoom Trial in Court of Queen's Bench in November of 2020

Delivering Access to Justice

In Manitoba, there is a continuum of legal and non-legal services provided by publicly funded, non-profit, and volunteer-based organizations that strive to meet the different legal needs of the poor and working poor.

At one end of the continuum is a basic need for legal information and education services. This basic need is met by a number of organizations throughout Manitoba. Legal Aid Manitoba (LAM) seeks to support and coordinate the provision of services with these organizations, but does not duplicate these services.

At the other end of the continuum is the need for specialized legal advice and/or representation services that require the skill, knowledge and expertise provided by lawyers. LAM is an arms-length government agency that provides advice and representation in essential areas of legal need to ensure access to justice for eligible, low-income individuals and groups throughout Manitoba.

POVERTY LAW

2020/21

We provided a range of poverty law services, including disputes involving housing and government benefits and *Mental Health Act* detentions





Performance Measurement: Supporting the Delivery of Results and Access to Justice

Financial Guidelines

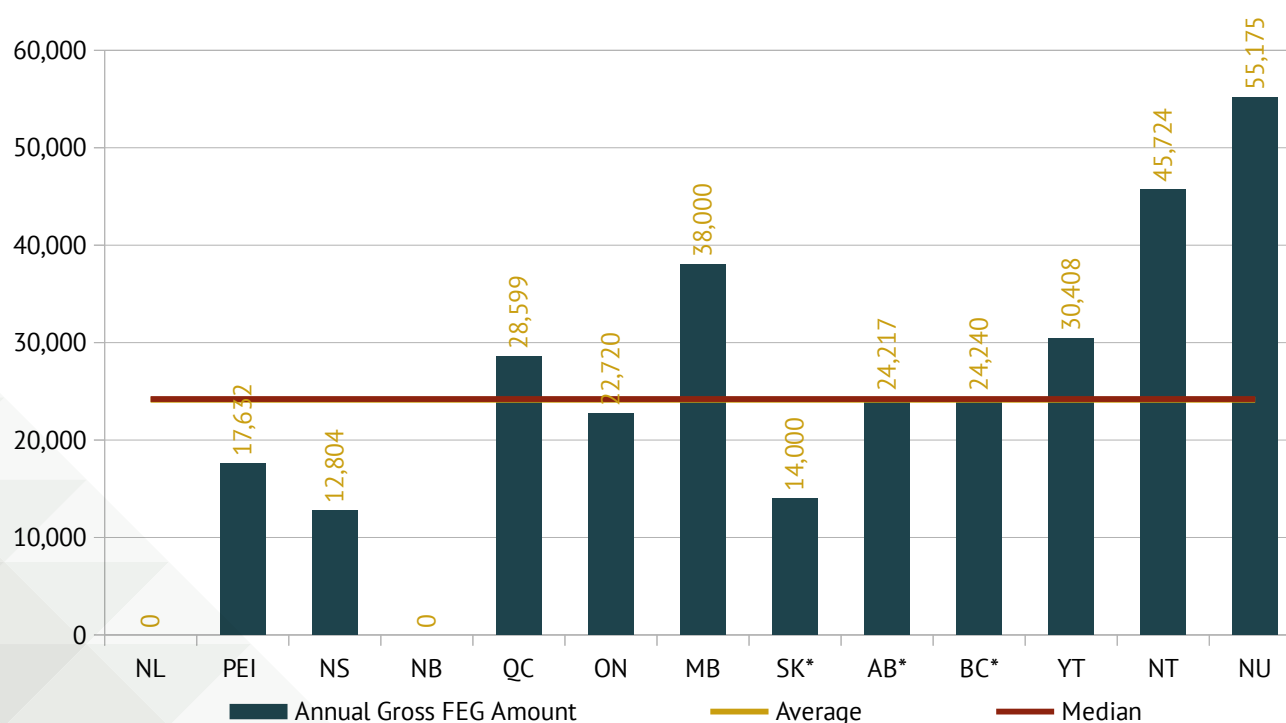
Legal Aid Manitoba's (LAM's) financial eligibility guidelines are designed to ensure LAM can provide legal services to as many Manitobans as possible (see Figure 1). We extend these eligibility guidelines through an "Agreement to Pay" program which recovers the cost of providing services at legal aid rates.

Figure 1

Family Size	"Free" Legal Aid Gross Family Income	Agreement to Pay Gross Family Income	Poverty Line [2020 Stats Canada Low-Income Cut Off (LICO) before tax]
1	\$0 - 26,000	\$26,000 - 38,000	\$25,920
2	\$0 - 30,000	\$30,000 - 48,000	\$32,270
3	\$0 - 34,000	\$34,000 - 53,000	\$39,672
4	\$0 - 37,000	\$37,000 - 57,000	\$48,166
5	\$0 - 40,000	\$40,000 - 60,000	\$54,630
6	\$0 - 43,000	\$43,000 - 63,000	\$61,612
More than 6	\$0 - 46,000	\$46,000 - 63,000	\$68,598

Figure 2 shows LAM's financial guidelines alongside those of the other Canadian legal aid plans.

Figure 2

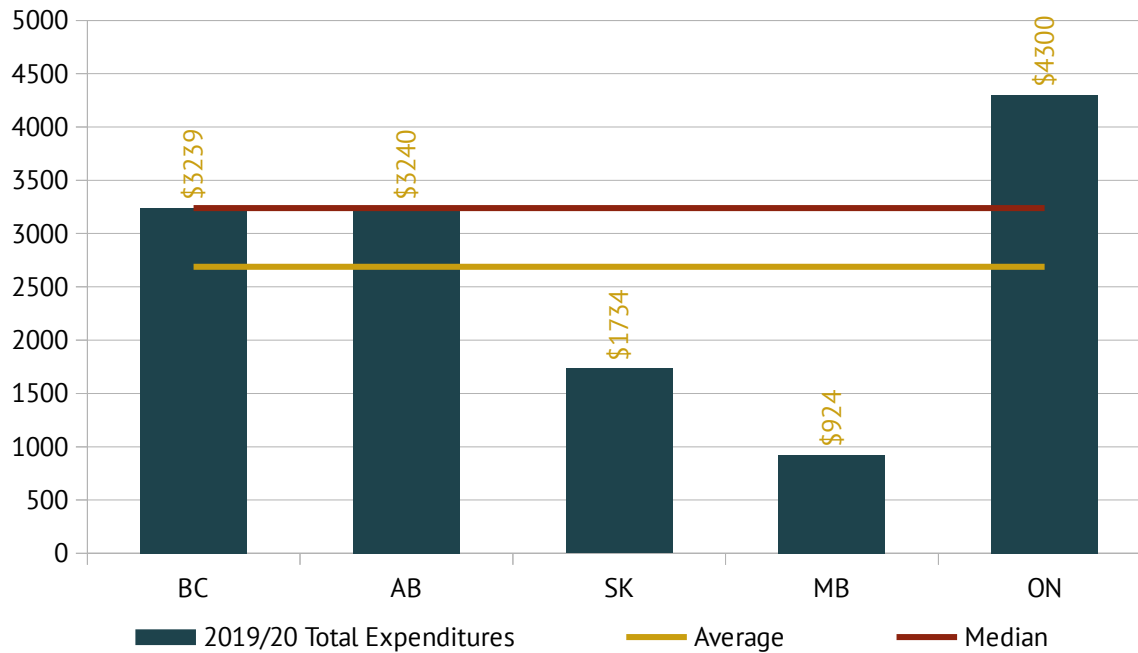


* Jurisdictions that calculate financial eligibility guidelines on a net income amount were adjusted to the gross amount for the comparative purposes.

Cost-Effective Delivery of Services

Legal Aid Manitoba (LAM) is focused on innovation and practices that increase overall efficiency in the delivery of full representation legal services, while still providing effective legal representation. The cost per certificate, and number of full representation certificates issued per capita by LAM, are provided in Figures 3 and 4 below, alongside comparative data for other Canadian legal aid plans.

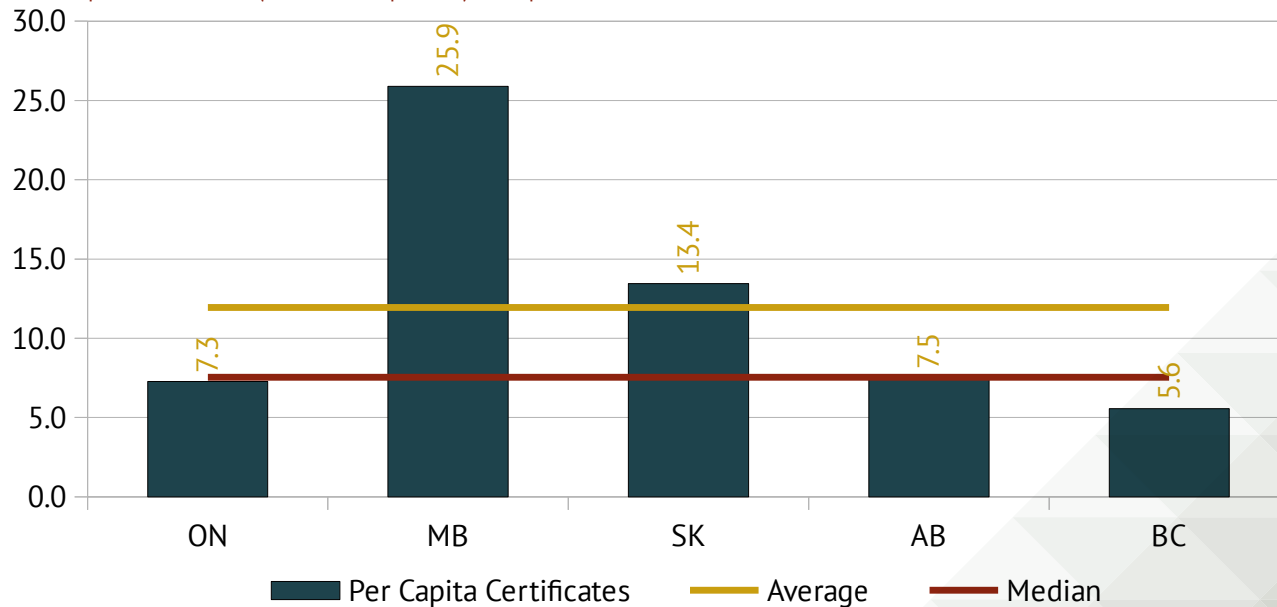
Figure 3
Total Expenditures per Certificate (\$)



Source: Legal Aid in Canada 2019-20. Research and Statistics Division and Legal Aid Directorate. Department of Justice Canada

“Jennifer represented our family in an appeal case in December in regards to denial of Community Living DisABILITY support for our son. We just really can’t express how truly grateful we are for all her kindness, hardwork, expertise in how she dealt with our case. In short she was wonderful!!!
— a client of the Poverty Law Unit, Public Interest Law Centre

Figure 4
Per Capita Certificates (Certificates/person) Rate per 1,000



Source: Legal Aid in Canada 2019-20. Research and Statistics Division and Legal Aid Directorate. Department of Justice Canada



Scope of Service Details

Legal Aid Manitoba's (LAM's) purpose is to serve the public interest by providing low-income individuals and groups with fundamental and essential legal "advice" and "representation" services. These services fulfill Manitoba's constitutional obligation to ensure procedural and substantive fairness in the administration of justice, and address the constitutional principles of "fairness" and "efficiency" in Manitoba's justice system.

Services are provided in the areas of:

- Criminal defence (adult and youth);
- Child Protection;
- Family Law;
- Immigration and Refugee;
- Poverty Law issues - including disputes involving housing issues, government benefits and Mental Health Act detentions; and
- Public Interest (Indigenous, consumer and environmental).

The scope of coverage provided in Manitoba is set out in Figure 5 alongside those reported by other Canadian legal aid plans.

Figure 5

	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC	YT	NT	NU
Legal Information		✓	✓			✓				✓	✓		
Legal Advice (not Duty Counsel)	✓	✓	✓			✓	✓			✓	✓		✓
Criminal Representation													
Likelihood of jail	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Loss of means of earning a living	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Youth	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Traffic/By-law Offences (unrelated to other CC charges)	✓					✓	✓				✓		✓
Other factors						1				2			
Mental Health Reviews	✓	✓	✓		✓	✓	✓		✓	✓	✓		✓
Institutional Disciplinary Hearings			✓		✓	✓	✓		✓	✓	✓		✓
Family Representation													
Simple Divorce	✓	✓	✓		✓	✓	✓				✓		✓
Divorce with corollary	✓		✓		✓	✓	✓	✓	✓	✓	✓		✓
Property Division (never alone)	✓	✓	✓		✓	✓	✓		✓	✓	✓		✓
Family Maintenance Act	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Emergency Protection	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Child Welfare	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Civil Representation													
Mental Health Act	✓	✓	✓		✓		✓		✓		✓		✓
Income Support	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Residential Tenancy			✓				✓				✓		✓
Public Interest													
Indigenous, Consumer, Environmental, Human Rights			✓			✓ ³	✓						✓ ⁴
Law Reform/Test Cases			✓			✓	✓						
Immigration - Refugee/Deportation	✓				✓	✓	✓		✓	✓			

Source: Statistics Canada website and information published by legal aid plans

¹ Member of vulnerable group i.e. First Nation, mental health or addiction issues

² Indigenous and case impacts your ability to follow traditional livelihood

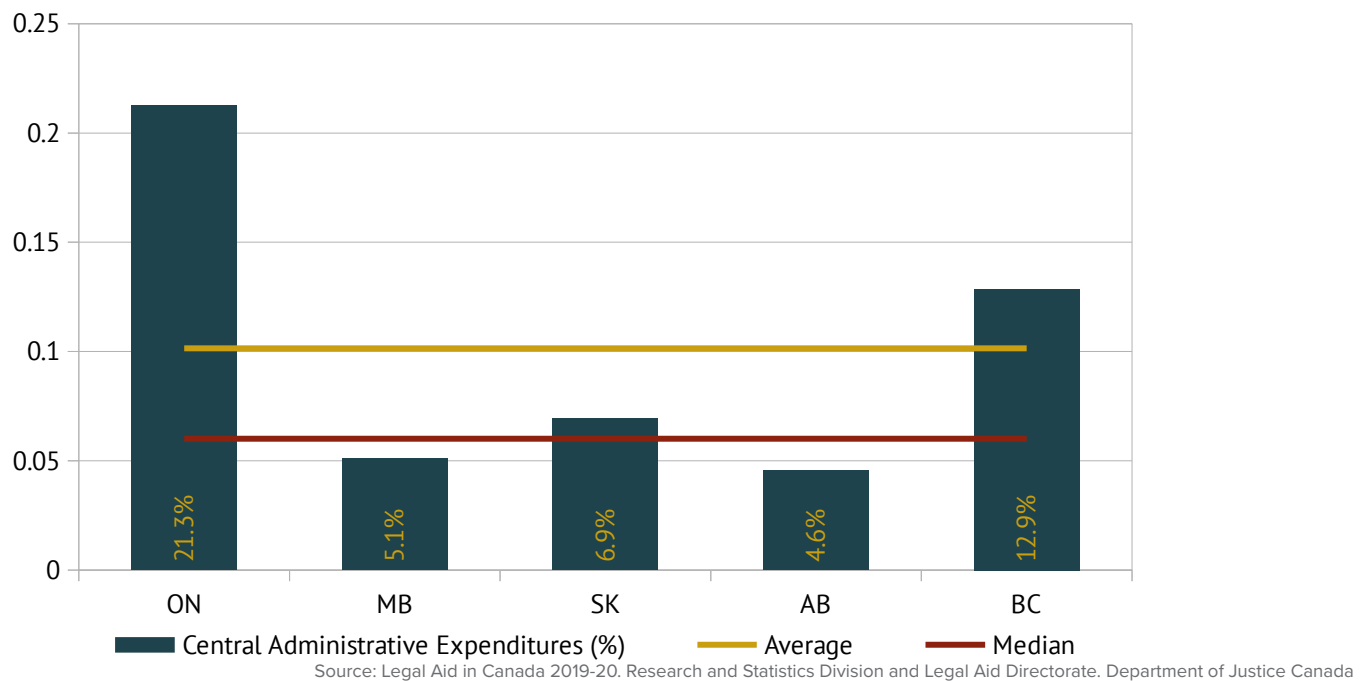
³ Consumer Law Excluded

⁴ Consumer and Environmental Law Excluded

Central Administrative Expenditures

Legal Aid Manitoba (LAM) endeavours to administer the provision of legal aid using sound business practices and principles. LAM's administrative costs, as a percentage of total expenditures, reflect this approach. The ability to provide all Manitobans living near the poverty line access to LAM's essential advice and representation services is the result of these sound business practices (see Figure 6).

Figure 6
Central Administrative Expenditures



UNIVERSITY OF MANITOBA COMMUNITY LAW CENTRE

Law students provided a range of criminal defence and civil law representation and information services on almost 300 matters under the supervision of LAM staff lawyers



Publicly-funded legal aid programs – like Legal Aid Manitoba and its counterparts across Canada – are an indispensable part of a fair, efficient and equal justice system. Legal aid alone will not remove all barriers to access to justice but the Canadian Bar Association has often said that legal aid is our most important access to justice program. Our justice system cannot serve the most vulnerable and disadvantaged people in our communities without a healthy legal aid system. The Canadian Bar Association sees the work of Legal Aid Manitoba as an integral part of equal justice for Manitobans.

—BRADLEY D. REGEHR
President, Canadian Bar Association



Stakeholder Engagement and Corporate Responsibility

Legal Aid Manitoba (LAM) serves the public interest by providing quality legal advice and representation services to eligible low-income individuals and groups in an accountable and transparent manner, with an emphasis on:

- openness;
- ethical standards;
- performance outcomes; and
- fiscal responsibility.

Stakeholders play a key role in LAM's strategic planning and implementation process. Stakeholder engagement ensures that Management Council's oversight of LAM emphasizes the following principles:

1. Transparency

The principle that LAM will conduct its business in an accessible, clear and visible manner and that its activities are open to examination by its stakeholders.

2. Accountability

The principle that LAM is obligated to demonstrate and take responsibility for its actions, decisions and policies, and that it is answerable to the public at large.

In consultation with stakeholders, we will continue our efforts to advance LAM's strategic objectives, and increase access to justice.

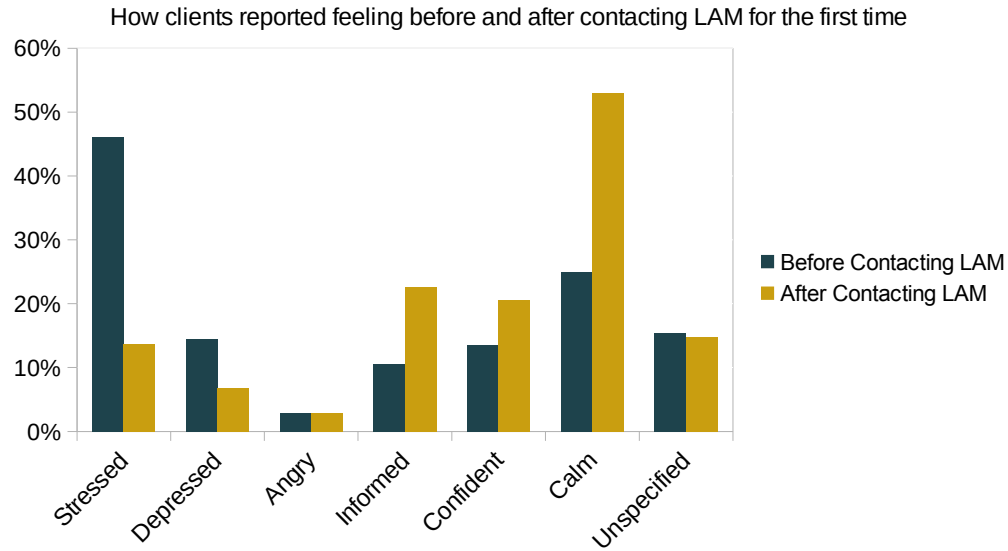
CRIMINAL LAW 2020/21

We approved and issued almost 22,000 full representation criminal adult and youth defence matters - safeguarding constitutional rights and ensuring procedural and substantive fairness in the administration of justice in Manitoba.

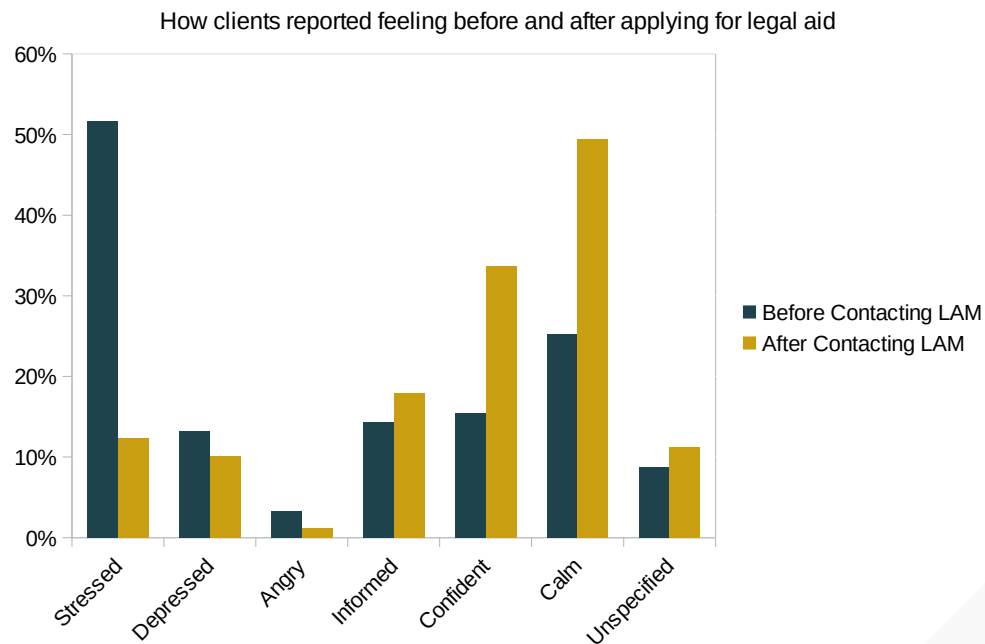


Client Satisfaction

During fiscal year 2020/21, Legal Aid Manitoba (LAM) directly engaged with Manitobans accessing our services. Through online surveys, we ask Manitobans to provide feedback regarding their experience with our administrative processes, and the services received from staff and private bar lawyers.



Clients rated their first contact with LAM as four out of five stars.



Clients rated LAM's appeal process as four out of five stars.



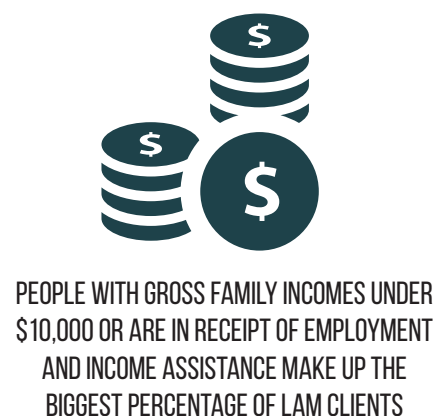
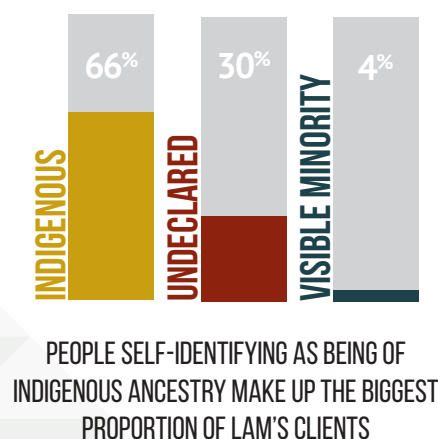
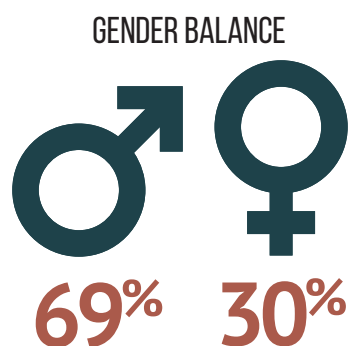


Who We Serve

Legal Aid Manitoba (LAM) provides legal services to low-income adults and youth in Manitoba who:

- qualify financially; and
- have a case with merit.

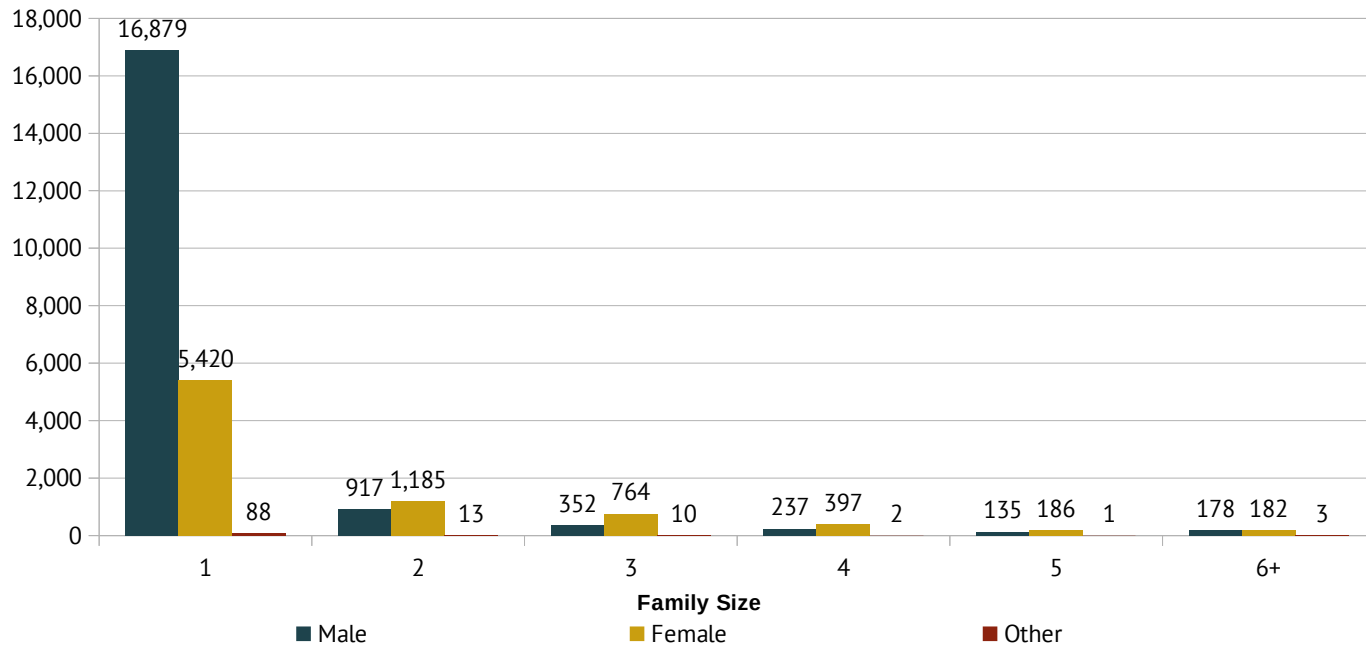
LAM collects statistics on the age, gender, family size, ethnicity and income of people that receive legal aid services. Over the years, statistics show:



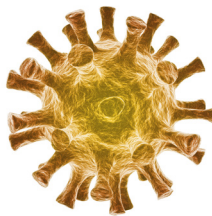
Client Family Size by Gender Distribution

Majority of services are provided to single individuals.

Figure 7



Note – Other includes clients that selected “other” as their gender and clients that opted not to identify their gender at all.



COVID-19 LAM FACT

LAM spent over \$124,000 on expenditures directly related to the COVID-19 pandemic. Expenditures included personal protective equipment (PPE), plexiglass shields, signage, enhanced cleaning, communication tools, and the rapid implementation of a call centre to replace in-person applications.



Ethnicity by Gender Breakdown*

People self-identifying as Indigenous are the biggest percentage of Legal Aid Manitoba (LAM) clients. Undeclared** in Figures 8(a) and 8(b) represent all other ethnicities and people who did not declare as being Indigenous or a Visible Minority.

Figure 8(a)

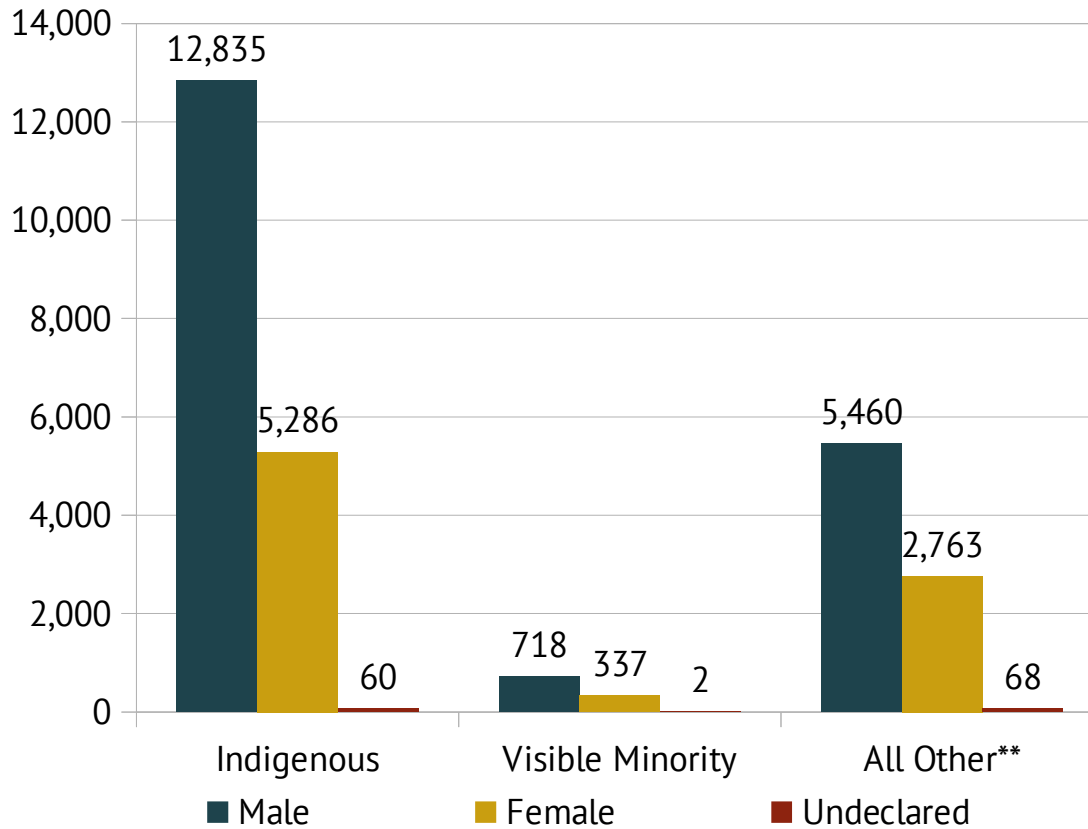
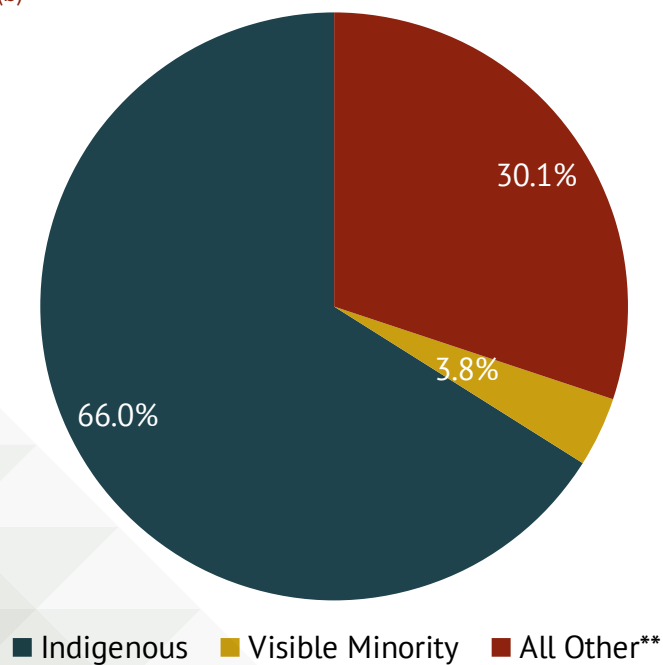


Figure 8(b)



* Where applicable, Indigenous clients were not included in the visible minority count where they also self-declared as being part of a visible minority group.

** May include Indigenous and other visible minority groups who chose not to self-identify their ethnicity.

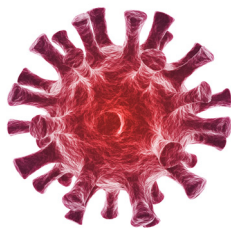
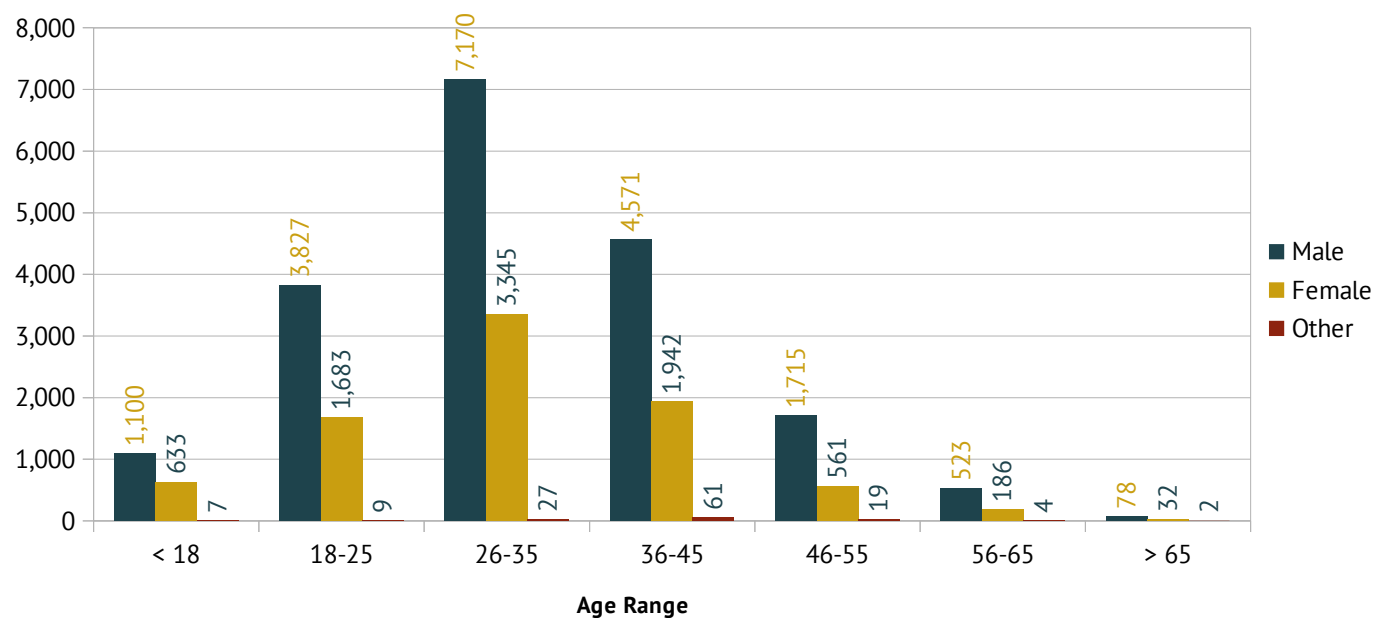
“The process was much easier and quicker than I expected and the staff were very easy to talk to and help me to understand the process. Thanks so much!”

- LAM Client with respect to the application process

Client Age by Gender Distribution

LAM's client base falls primarily in the 26-35 year age range.

Figure 9



COVID-19 LAM FACT

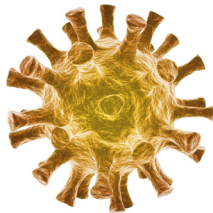
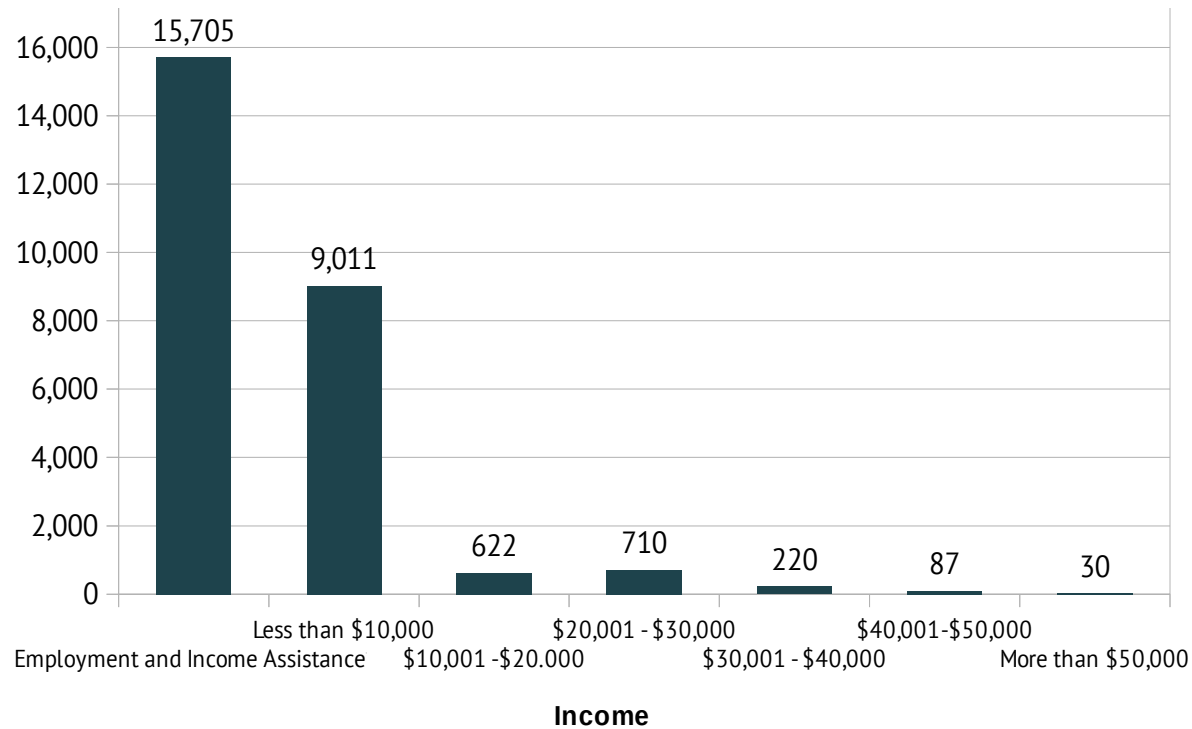
By day three of the province-wide shut down in March, 2020, 20% of LAM's staff were working from home. By April 1, every employee who needed / wanted to work from home was given equipment to do so.



Income Breakdown

People in receipt of Employment and Income Assistance benefits and those with gross family incomes below \$10,000.00 make up the biggest percentage of LAM clients.

Figure 11



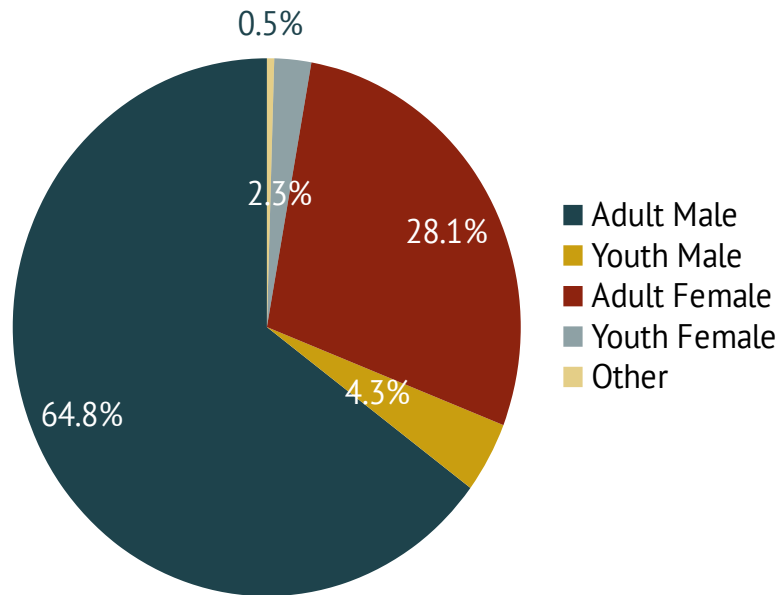
COVID-19 LAM FACT

LAM purchased 6,000 disposable masks, 1,250 reusable masks, over 60 litres of hand sanitizer, over 36 litres of disinfectant spray, and other supplies to minimize the impact of COVID-19 in the workplace.

Client Breakdown

Adult males make up the biggest proportion of LAM clients (64.8%).

Figure 10



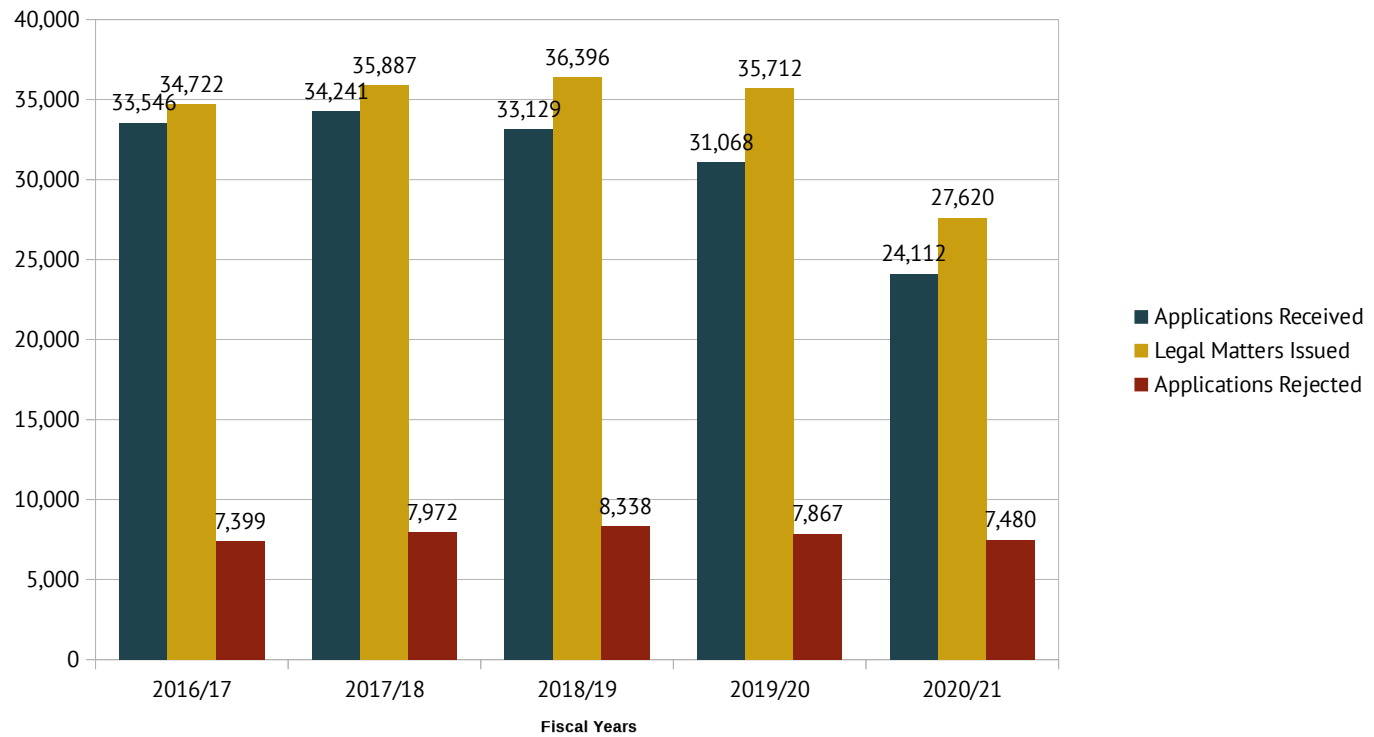
IMMIGRATION/REFUGEE 2020/21

We helped over 100 people with immigration matters such as seeking refugee status or opposing deportation or removal orders



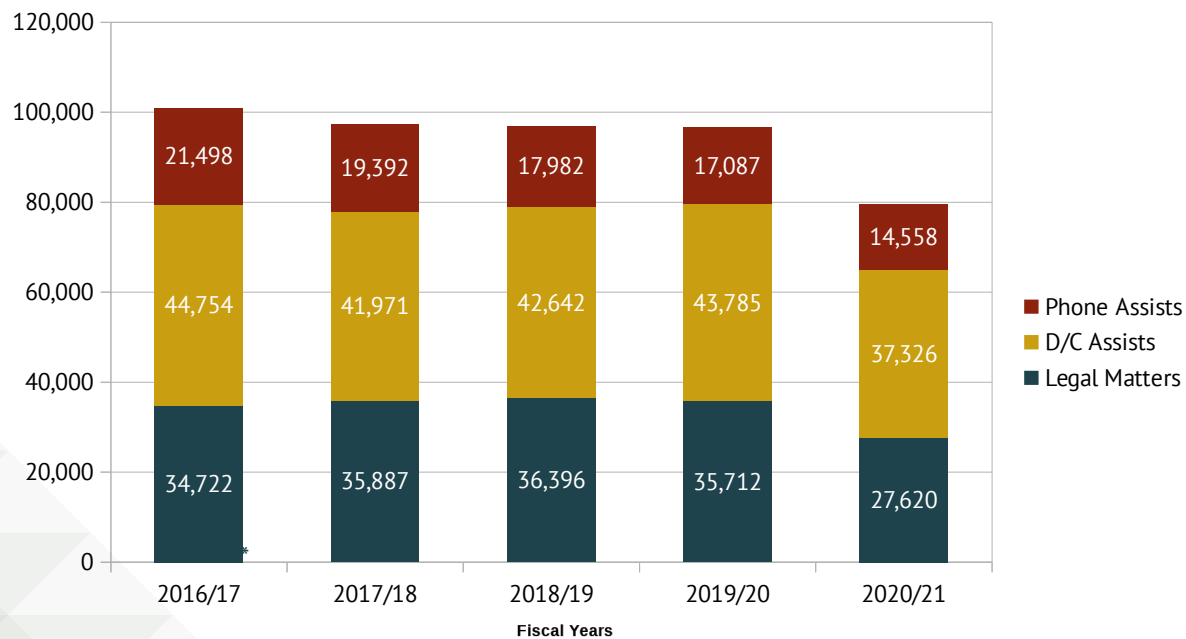


FIGURE 12
Applications and Initial Outcomes



Note – Applications received may include requests for multiple legal services. Approved applications may result in issuing more than one legal matter. Therefore, the number of legal matters are greater than the number of applications. A rejection is only recorded if the applicant is not financially eligible and/or all the services requested are not covered or lack legal merit.

FIGURE 13
Legal Services Delivery Breakdown



**FY 2016/17 Drop-In/Phone Assist statistics were readjusted moving University of Manitoba CLC matters to legal matters issued.*

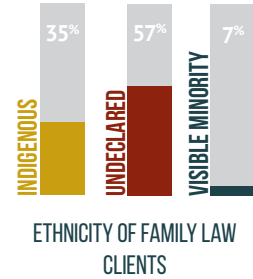
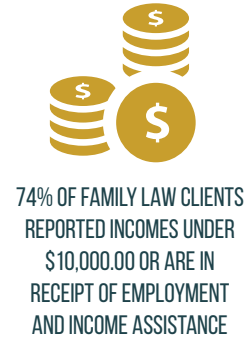
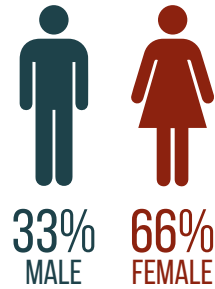
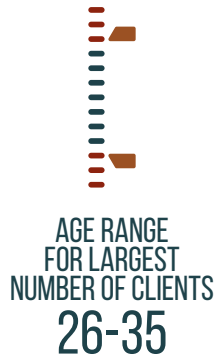
LAM provides duty counsel services to individuals, regardless of their financial circumstances, in many rural circuit points, and the service has been re-introduced in Winnipeg to ensure immediate access to justice where the assistance of legal counsel is reasonably required to prevent a miscarriage of justice and/or fulfil the Charter right to counsel primarily in the areas of criminal defence and child protection. Duty counsel services include:

- meeting with unrepresented persons at court to provide urgent advice and assistance as needed;
- remanding matters from time to time for the appointment or retention of counsel; and
- assisting with impromptu bails, guilty pleas, and negotiated settlements with the Crown where a remand for counsel would significantly prejudice the interests of the Accused, or where a Judge directs that assistance be provided for the instant sitting of the court.

Client Base by Matter Type

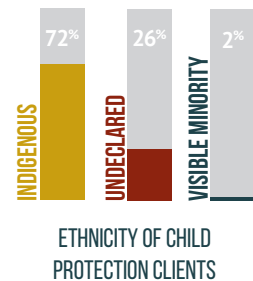
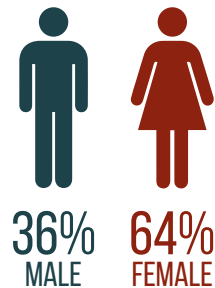
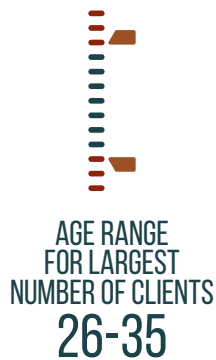
3,762 FAMILY LAW

FULL REPRESENTATION CASES APPROVED & ISSUED



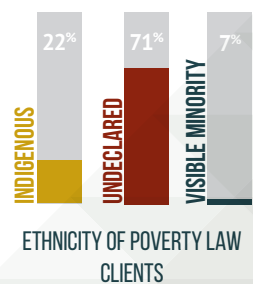
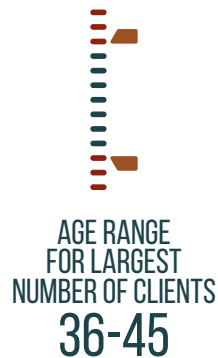
1,748 CHILD PROTECTION

FULL REPRESENTATION CASES APPROVED & ISSUED



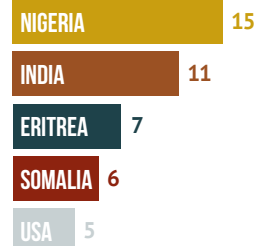
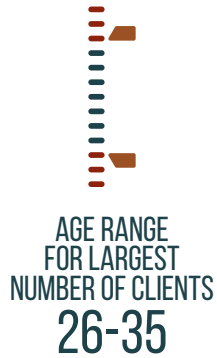
165 POVERTY LAW

FULL REPRESENTATION CASES APPROVED & ISSUED



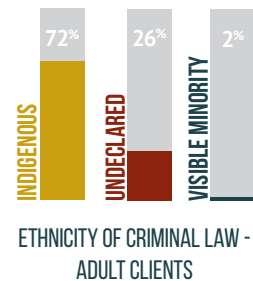
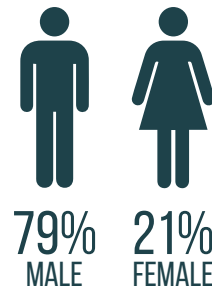


108 IMMIGRATION AND REFUGEE FULL REPRESENTATION CASES APPROVED & ISSUED



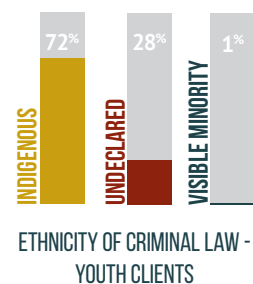
TOP 5 SOURCE COUNTRIES FOR
CLIENTS SEEKING ASYLUM

20,024 CRIMINAL LAW - ADULT FULL REPRESENTATION CASES APPROVED & ISSUED



ETHNICITY OF CRIMINAL LAW -
ADULT CLIENTS

1,434 CRIMINAL LAW - YOUTH FULL REPRESENTATION CASES APPROVED & ISSUED



ETHNICITY OF CRIMINAL LAW -
YOUTH CLIENTS

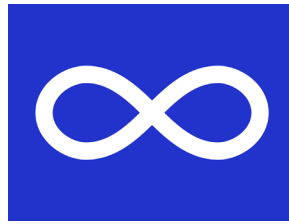
Journey to Reconciliation / Pimohtéwin tati mīnowastānowahk

The Canadian Constitution recognizes three groups of Indigenous Peoples, each with unique cultural practices, heritages, beliefs, protocols and languages.



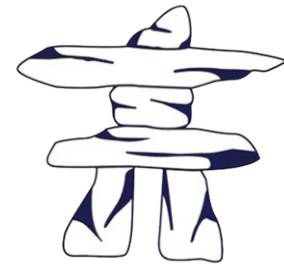
FIRST NATIONS

Descendants of the original inhabitants of Canada who have lived here for thousands of years.



MÉTIS

Descendants of communities that have historic links to the fur trade with a unique mixed First Nations and European heritage.



INUIT

Inuit are the Indigenous Peoples of the Arctic, living mainly in Northern Quebec, Northwest Territories, Nunavut and Labrador.



FAMILY LAW 2020/21

We opened 3,762 family cases, involving matters such as divorce, separation, protection orders and child custody/support

The Judges of the Provincial Court of Manitoba are grateful for the services provided by Legal Aid Manitoba to those charged with criminal offences, involved in family court proceedings and child protection proceedings. Legal Aid plays an important role in providing the people of Manitoba with a justice system that is accessible and fair to all. This role became even more important as the world entered the pandemic of COVID-19 in March 2020. All justice stakeholders faced new challenges in the delivery of legal services in the time of a pandemic. The commitment and dedication of Legal Aid Manitoba to embrace the challenge was evident from the outset.

**THE HONOURABLE CHIEF JUDGE
MARGARET WIEBE
Provincial Court of Manitoba**



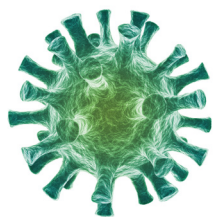
The delivery of services to Indigenous peoples and communities is a sizable core component of Legal Aid Manitoba's (LAM's) mandate. As an organization, LAM promotes the following principles:

Respect: Respect for Indigenous nations, Indigenous Peoples and all Manitobans that access our services;

Engagement: Engagement with Indigenous nations, Indigenous Peoples and other key stakeholders to inform our strategic planning and implementation; and

Action: Concrete and constructive action that improves access to our advice and representation services for Indigenous and non-Indigenous Manitobans in the areas of criminal defence, child protection, family, immigration and refugee, public interest and poverty law matters.

LAM is committed to ongoing engagement with Indigenous Peoples and communities to ensure that they are treated fairly, respectfully and equitably in the justice system.



COVID-19 LAM FACT

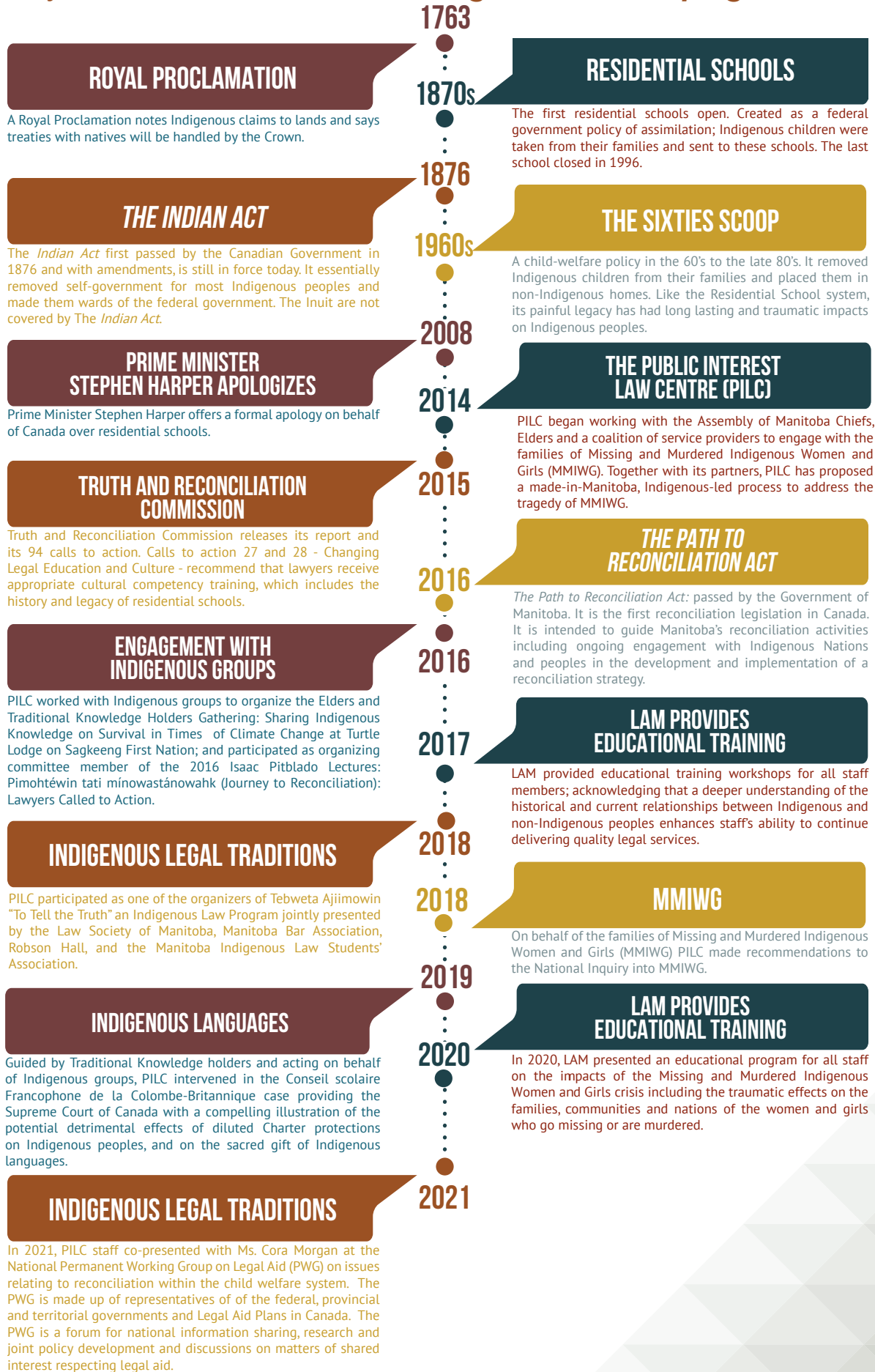
LAM intensified its reliance on teleconference and video conferencing during the pandemic. June, 2020 marked the costliest teleconferencing month at \$4,571. Communication is key when you are working remotely.



CHILD PROTECTION 2020/21

We opened over 1,700 child protection matters providing services that strengthen families and protect children

Journey to Reconciliation: Connecting the Past, Shaping the Future





Statistics

Community Law Centre (CLC) Statistics						
	Supervising Attorney	Staff Lawyer	Advocate	Articling Student	Support Staff	Total
Winnipeg Offices						
Agassiz CLC	1	4	0	1	4	10
Child Protection Law Office	0	2	0	1	3	6
Criminal Duty Counsel Office	1	5	0	0	1	7
Phoenix CLC	1	3	0	1	2	7
Public Interest Law Centre	1	3	3	1	2	10
Regency CLC	1	3	0	1	2	7
Riel CLC	1	4	0	1	3	9
Riverwood CLC	1	4	0	1	3	9
University of Manitoba CLC	1	1	0	0	1	3
Willow CLC	1	3	0	1	4	9
Outlying Offices						
Amisk CLC, Dauphin	1	2	0	1	3	7
Northlands CLC, The Pas	0	4	0	2	1	7
Thompson CLC, Thompson	1	5	1	2	4	13
Westman CLC, Brandon	1	2	0	0	1	4
All Community Law Centres	12	44	4	13	34	108

Service Delivery Volumes	2020/21	2019/20
Application Services		
Applications Received	24,112	31,068
Applications Refused	7,480	7,867
Legal Matters Issued (Opened Cases)		
Criminal Adult	20,024	25,761
Criminal Youth	1,434	2,380
Family	3,762	4,322
Child Protection	1,748	2,125
Immigration	108	423
University Law Centre	289	425
Civil ¹	255	276
Total Legal Matters Issued² (a)	27,620	35,712
LM issued to Private Bar	18,992	24,310
LM issued to Staff	8,628	11,402
Other Services		
Duty Counsel Assists (b)	37,326	43,785
Drop-In and Phone Assists ³ (c)	14,558	17,087
TOTAL ASSISTS (a + b + c)⁴	79,504	96,584
Legal Matters Closed		
Criminal Adult	19,968	24,860
Criminal Youth	1,673	2,484
Family	4,236	4,580
Child Protection	1,834	2,147
Immigration	363	506
University Law Centre	0	421
Civil	125	94
Total Legal Matters Closed	28,199	35,092
LM closed by Private Bar	19,688	24,084
LM closed by Staff	8,511	11,008

¹ Civil includes the following legal matters: Residential/Landlord Tenant claims, mental health matters, workers compensation claims, Public Interest Law Centre, Employment and Income Assistance matters, civil appeals, other civil and administrative matters.

² LAM uses a mixed-model service delivery system. In 2020/21, the ratio of private bar to staff services was 69:31 (68:32).

³ Includes assists provided through LAM's application centres, Age & Opportunity, *Bridges* On-Call and general assistance calls.

⁴ At the end of March 31st 2021, a total of 79,504 (96,584) people were assisted either on a formal or informal basis. This represents a decrease of 17.7% over the previous fiscal year. For 2020/21, LAM observed decreases in all areas of service delivery resulting from government restrictions enacted during the COVID-19 pandemic.



Financial Overview

Sources of Funding

During 2020/21, 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; and
3. Contributions from clients, costs awarded by the Court on behalf of clients, project funding, 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) and immigration and refugee matters. The contribution agreement is in effect until March 31, 2022.

Distribution of Funding

LAM divides its budget into three areas: direct legal services provided through staff; direct legal services provided through the private bar; and administration. The table below shows the distribution.

Significant Pressures

COVID-19 Pandemic – the closure of courts, institutions and other facilities within the justice system in early March, 2020 resulted in reductions in file disbursement and travel expenditures. While the shut down led to savings in 2020/21, these costs will be pushed into 2021/22 and 2022/23 as courts reopen more broadly.

Funding from the Provincial Government was significantly down this year compared to last year. Less funding was needed due to reduced volumes of cases and travel related to the COVID-19 pandemic. In addition, the province's migration to summary accounting, which includes Other Reporting Entities such as LAM, has resulted in a concerted effort by the province to reduce LAM's accumulated surplus. In the past, LAM has relied upon the accumulated surplus as a "shock absorber" to manage in-year spikes in expenditures.

	2021 (\$000's)	2020 (\$000's)
Operating Fund Revenue:		
Appropriation	\$28,602	\$35,056
Manitoba Law Foundation	\$4,229	\$3,663
Other – 1	\$1,786	\$1,619
Total	\$34,617	\$40,338
Operating Fund Expenses:		
Private bar – 2	\$13,338	\$16,178
Direct legal services – 3	\$19,820	\$19,800
Administration – 4	\$1,501	\$1,681
Total	\$34,659	\$37,659
Excess (deficiency) of revenue over expense	(\$42)	\$2,679

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, collections 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 Canadian public sector accounting standards for the year ended March 31, 2021.

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 the financial statements. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.



PETER KINGSLEY, Q.C.
Executive Director and CEO
Legal Aid Manitoba
July 14, 2021





Auditor General MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

To the Management Council of Legal Aid Manitoba

Opinion

We have audited the financial statements of Legal Aid Manitoba, which comprise the statement of financial position as at March 31, 2021, and the statement of operations, the statement of changes in net financial assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Legal Aid Manitoba as at March 31, 2021, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Legal Aid Manitoba in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing Legal Aid Manitoba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate Legal Aid Manitoba or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Legal Aid Manitoba's financial reporting process.



Auditor General
MANITOBA

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Legal Aid Manitoba's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Legal Aid Manitoba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Legal Aid Manitoba to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

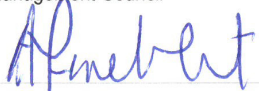
Office of the Auditor General
Winnipeg, Manitoba
July 14, 2021



Statement of Financial Position

	2021	2020
Financial assets:		
Cash	\$ 5,937,076	\$ 3,912,008
Short-term Investments	2,817,221	3,531,201
Client accounts receivable (Note 3)	106,263	101,622
Receivable from the Province of Manitoba	1,900,000	4,070,000
Other receivables (Note 4)	324,740	217,320
Long-term receivable – charges on land (Note 6)	820,459	813,459
Long-term receivable – severance – Province of Manitoba (Note 7)	716,167	716,167
Long-term receivable – pension – Province of Manitoba (Note 14)	33,257,785	31,369,821
	<u>45,879,711</u>	<u>44,731,598</u>
Financial liabilities:		
Accounts payable	2,458,431	2,635,262
Accrued vacation pay	1,400,626	1,388,711
Deferred revenue from clients	762,365	872,907
Provision for employee future benefits (Note 8)	3,275,362	3,410,578
Provision for employee pension benefits (Note 14)	33,257,785	31,369,821
	<u>41,154,569</u>	<u>39,677,279</u>
Net financial assets	4,725,142	5,054,319
Non-financial assets:		
Prepaid expenses	206,771	217,469
Tangible capital Assets (Note 5)	468,505	170,466
	<u>675,276</u>	<u>387,935</u>
Accumulated surplus	<u>\$ 5,400,418</u>	<u>\$ 5,442,254</u>

Approved by the Management Council

 Chairperson

 Council Member

The accompanying notes and schedule are an integral part of the financial statements

Statement of Operations

		2021	2020
	Budget	Actual	Actual
	(Note 21)		
Revenue			
Province of Manitoba (Note 9)	\$ 33,174,000	\$ 28,601,962	\$ 35,055,923
Manitoba Law Foundation (Note 10)	1,712,900	4,228,857	3,662,568
Contribution from clients	960,000	633,778	910,511
Recoveries from Client services	767,210	1,139,406	1,024,196
Judgment costs and settlements	0	225,330	233,997
Interest income	40,000	23,865	87,264
Other	0	4,604	12,447
	<u>\$ 36,654,110</u>	<u>\$ 34,857,802</u>	<u>\$ 40,986,906</u>
Expense			
Private Bar Service Delivery (Note 13)	16,965,900	13,338,051	16,178,350
Area Director and Community Law Centres, Schedule 1	15,408,398	15,194,630	14,595,912
Public Interest Law Centre Service Deliveries, Schedule 1	1,293,808	1,700,084	1,757,863
University of Manitoba Community Law Centre Service Deliveries, Schedule 1	293,348	137,604	212,305
Management Council and Administrative, Schedule 1	4,913,310	4,529,269	5,563,520
	<u>38,874,764</u>	<u>34,899,638</u>	<u>38,307,950</u>
Surplus (deficit) for the year	<u>\$ (2,220,654)</u>	<u>\$ (41,836)</u>	<u>\$ 2,678,956</u>
Accumulated surplus, beginning of year		5,442,254	2,763,298
Accumulated surplus, end of year		<u>5,400,418</u>	<u>5,442,254</u>

The accompanying notes and schedule are an integral part of the financial statements



Statement of Changes in Net Assets

	Budget (Note 21)	2021	2020
Annual surplus (deficit)	\$ (2,220,654)	\$ (41,836)	\$ 2,678,956
Tangible capital assets:			
Acquisition of tangible capital assets		(349,507)	(5,250)
Amortization of tangible capital assets		51,468	55,014
Net acquisition of tangible capital assets		(298,039)	49,764
Other non-financial assets:			
Decrease (increase) in prepaid expenses		10,698	(3,040)
Net acquisition of other non-financial assets		10,698	(3,040)
Decrease (increase) in net financial assets		(329,177)	2,725,680
Net financial assets, beginning of year	5,054,319	5,054,319	2,328,639
Net financial assets, end of the year	<u>2,833,665</u>	<u>\$ 4,725,142</u>	<u>\$ 5,054,319</u>

The accompanying notes and schedule are an integral part of the financial statements

Statement of Cash Flow

	2021	2020
Operating Activities:		
Annual surplus (deficit)	\$ (41,836)	\$ 2,678,956
Non-cash changes in operations:		
Amortization of tangible capital assets	51,468	55,014
Change in non-cash working capital:		
Client accounts receivable	(4,641)	8,051
Province of Manitoba receivable	2,170,000	(770,000)
Other receivables	(107,420)	(17,043)
Prepaid expenses	10,698	(3,040)
Accounts payable and accrued vacation pay	(164,916)	(58,082)
Deferred revenue	(110,542)	12,930
Charges on land	(7,000)	168,032
Long-term receivable - pension	(1,887,964)	(1,932,789)
Severance liability	(107,616)	(18,610)
Sick leave liability	(27,600)	27,400
Provision for employee pension benefits	1,887,964	1,932,789
	<u>1,660,595</u>	<u>2,083,607</u>
Capital activities:		
Purchase of tangible capital assets	(349,507)	(5,250)
	<u>(349,507)</u>	<u>(5,250)</u>
Investment Activities:		
Proceeds from sale of investments	713,980	-
Purchase of investments	-	(645,592)
	<u>713,980</u>	<u>(645,592)</u>
Net Increase in cash	2,025,068	1,432,765
Cash - Beginning of Year	3,912,008	2,479,243
Cash - End of Year	<u>\$ 5,937,076</u>	<u>\$ 3,912,008</u>
Supplemental Cash Flow Information	2021	2020
Interest Received	\$ 23,865	\$ 87,264

The accompanying notes and schedule are an integral part of the financial statements



Schedule of Expenses

		Budget	2021	2020
Advertising	\$	15,000	12,024	14,102
Amortization		0	51,468	55,014
Bad debts		179,000	237,212	646,842
Bank charges		9,600	8,343	6,869
Collection costs		15,000	3,417	2,618
Computer costs		224,700	199,781	111,638
Council expenses		97,000	45,709	75,602
Duty counsel		220,680	84,297	311,217
Equipment maintenance		101,448	85,017	88,007
File disbursements		441,280	655,683	801,720
Library		105,620	51,862	61,118
Meetings		22,940	13,224	22,414
Office expenses		490,361	300,736	263,404
Office relocation		13,000	16,107	2,358
Pension costs (Note 14)		1,454,938	2,866,256	2,938,847
Premise costs		2,019,581	2,005,834	1,577,360
Professional fees		407,185	358,267	319,512
Salaries, benefits, and levy		15,225,724	13,778,848	13,969,337
Severance benefits		100,000	254,708	264,071
Sick leave provision		0	-27,600	27,400
Staff development		113,850	66,447	79,284
Staff recruitment		28,310	9,950	12,912
Telecommunications & Internet		367,932	318,738	286,448
Transcripts		35,880	14,711	10,883
Travel		219,835	150,548	180,624
TOTAL	\$	21,908,864	21,561,587	22,129,600

Notes to Financial Statements

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

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.

In March 2020, the novel strain of coronavirus (COVID-19) was declared a pandemic by the World Health Organization. The spread of COVID-19 has severely impacted many local economies around the globe, and global stock markets have experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The Corporation has continued to operate throughout the pandemic as an essential service.

The Corporation currently continues to receive funding from the Manitoba Government and other agencies, however, given the high level of uncertainty surrounding the duration of the pandemic, it is not possible to reasonably estimate the potential impact on the liquidity, financial condition and operations of the Corporation.

2. Significant Accounting Policies

(a) Basic of Accounting

The financial statements are prepared in accordance with the Canadian Public Accounting Standards (PSAS) as recommended by the Public Sector Accounting Board.

(b) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenues related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

Provincial government transfers are recognized as revenues in the fiscal year they are authorized and any eligibility criteria are met, stipulations, if any, have been met and a reasonable estimate of the amounts can be determined.

Any unrestricted non-government grants are recorded as revenue in the year received or in the years the funds are committed if the amount can be reasonably estimated and collection is reasonably assured. All non-government contributions or grants that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose specified. Any externally restricted amounts received prior to the criteria are satisfied is recorded as unearned revenue until met.

Interest income is recognized in the fiscal period in which it is earned.

(c) Recognition of Services to 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 revenue and receivable are recognized based on the date of the lawyer's billing which coincide with when the service is provided.

iii) Charges on Land

Charges on land are registered under section 17.1 and 17.2 of The *Legal Aid Manitoba 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.

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

(d) Financial Instruments

Financial instruments are recorded at fair value on initial recognition and are subsequently measured at Financial assets and liabilities are recognized at cost or amortized cost using the effective interest rate method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is recorded in the statement of operations.

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

(e) Portfolio Investments


Portfolio investments consist of Guaranteed Investment Certificates (GIC's). These investments are recognized at cost plus accrued interest. Accrued interest is recognized through the statement of operations in the year earned

(f) 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 provision for employee future benefits and provision for employee pension benefits. Actual results could differ from these estimates.

(g) 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.





LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

(h) 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

(i) 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 of the employee group (EARSL) which is currently 15 years (2020 – 14 years). Amortization commences the year following the year when the actuarial gain or loss arises.

(j) 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.

(k) Sick Leave Liability

The Corporation records the estimated liability for accumulated sick leave 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.

LEGAL AID MANITOBA

Notes to Financial Statements
for the year ended March 31, 20213. Client Accounts Receivable

	2021	2020
Agreements to Pay – Partial	\$ 12,220	\$ 13,678
Agreements to Pay – Full	205,446	188,658
	217,666	202,336
Less: Allowance for Doubtful Accounts	111,403	100,714
Client accounts receivable	\$ 106,263	\$ 101,622

4. Other Receivables

	2021	2020
Court costs	\$ 729,465	\$ 629,315
Child and Family Services agencies	193,514	177,015
Employment and Income Assistance	104,885	17,644
GST recoverable, and miscellaneous	15,450	11,689
	1,043,314	835,663
Less: Allowance for Doubtful Accounts	718,574	618,343
Other receivables	\$ 324,740	\$ 217,320

5. Capital Assets

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and office equipment	\$ 243,084	\$ 230,832	\$ 289,546	\$ 268,282
Computer hardware & software	325,487	264,605	380,248	334,541
Leasehold improvements	530,062	134,691	232,354	134,109
Work-in-Progress	0	0	5,250	0
	\$ 1,098,633	\$ 630,128	\$ 907,398	\$ 736,932
Net book value		\$ 468,505		\$ 170,466



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

6. Charges on Land

	2021	2020
Charges on land	\$ 2,527,023	\$ 2,505,264
Less: Allowance for Doubtful Accounts	1,706,564	1,691,805
Charges on land	\$ 820,459	\$ 813,459

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. Provision for Employee Future Benefits

	2021	2020
Severance benefits	\$ 2,883,162	\$ 2,990,778
Sick leave benefits	392,200	419,800
	\$ 3,275,362	\$ 3,410,578

Severance benefits

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 service life (EARSLS) 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, 2021. The Corporation's actuarially determined net liability for accounting purposes as at

LEGAL AID MANITOBA

Notes to Financial Statements
for the year ended March 31, 2021

March 31, 2021 was \$2,883,162 (2020 - \$2,990,778). 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.

	2021	2020
Balance at beginning of year	\$ 2,381,700	\$ 2,407,100
Benefits accrued	128,723	139,103
Interest accrued on benefits	136,948	144,426
Benefits paid	(370,901)	(282,681)
Actuarial gain	(125,570)	(26,248)
Balance at end of year	2,150,900	2,381,700
Unamortized actuarial losses	732,262	609,078
	\$ 2,883,162	\$ 2,990,778

The Corporation's severance costs consist of the following:

	2021	2020
Benefits accrued	\$ 128,723	\$ 139,103
Interest accrued on benefits	136,948	144,426
Amortization of actuarial (gains)	(10,963)	(19,458)
	\$ 254,708	\$ 264,071

Significant long-term actuarial assumptions used in the March 31, 2021 valuation, and in the determination of the March 31, 2021 present value of the accrued severance benefit obligation were:



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

	2021	2020
Annual rate of return		
Inflation component	2.00%	2.00%
Real rate of return	3.75%	3.75%
	5.75%	5.75%
Assumed salary increase rates		
Annual productivity increase	0.50%	0.50%
Annual general salary increase	2.00%	2.00%
Service, merit, & promotion (SMP) – average	1.00%	1.00%
	3.50%	3.50%

Sick leave benefits

Effective April 1, 2014, the Corporation commenced recording the estimated liability for sick leave benefits for their employees that accumulate but do not vest. The amount of this estimated liability is based on actuarial calculations.

An actuarial report was completed for the sick leave liability as at March 31, 2021. The valuation is based on employee demographics, sick leave usage and actuarial assumptions. These assumptions include an annual rate of return of 5.75% (2020 – 5.75%) and a salary increase rate of 3.50% (2020 – 3.50%). The Corporation's actuarially determined net liability for accounting purposes as at March 31, 2021 was \$392,200 (2020 - \$419,800).

9. Revenue from the Province of Manitoba

	2021	2020
Grant	\$ 14,589,387	\$ 20,700,187
Salaries and other payments	11,890,017	12,195,171
Health and post secondary education tax levy	239,494	256,102
Employer portion of employee benefits	1,883,064	1,904,463
	\$ 28,601,962	\$ 35,055,923

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, 202110. Revenue from the Manitoba Law Foundation

	2021	2020
Statutory grant	\$ 3,922,957	\$ 3,356,668
Public Interest Law Centre	207,000	207,000
University Law Centre	98,900	98,900
	\$ 4,228,857	\$ 3,662,568

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, 2021, all funds received through these grants have been spent in the current year.

11. Lease Commitments

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

2022	\$ 893,153
2023	751,162
2024	625,855
2025	625,854
2026	625,854
Thereafter	521,545
	\$ 4,043,423

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



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.

13. Private Bar Fees and Disbursements

	2021			2020
	Fees	Disbursements	Total	Total
Legal aid certificates	\$ 11,441,686	\$ 727,576	\$ 12,169,262	\$ 15,443,430
Duty counsel services	754,936	140,211	895,147	547,671
Transcripts	—	273,642	273,642	187,249
	\$ 12,196,622	\$ 1,141,429	\$ 13,338,051	\$ 16,178,350

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, 2020. The actuary has projected the pension obligation to March 31, 2021.

	2021	2020
Balance at beginning of year	\$ 32,599,098	\$ 32,234,898
Benefits accrued	870,748	854,608
Interest accrued on benefits	1,871,116	1,849,338
Benefits paid	(986,644)	(999,625)
Actuarial (gains) losses	(608,120)	(1,340,121)
Balance at end of year	33,746,198	32,599,098
Unamortized actuarial losses	(488,413)	(1,229,278)
	\$ 33,257,785	\$ 31,369,820

LEGAL AID MANITOBA

Notes to Financial Statements
for the year ended March 31, 2021

The Corporation's pension costs consist of the following:

	2021	2020
Benefits accrued	\$ 870,748	\$ 854,608
Interest accrued on benefits	1,871,116	1,849,338
Amortization of actuarial (gains) losses	132,745	228,468
	\$ 2,874,609	\$ 2,932,414
Employee contributions for the year	862,042	871,605

The key actuarial assumptions were a rate of return of 5.75% (2020 – 5.75%), 2.00% inflation (2020 – 2.00%), salary rate increases of 3.50% (2020 – 3.50%) 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, 2021.

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 \$33,257,785 (2020 – \$31,369,820), and has recorded revenue for the current fiscal year equal to its increase in the unfunded pension liability during the year of \$1,887,965 (2020 – \$1,932,788). The Province makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

15. Reserves:

The following reserves have been set aside in the accumulated surplus for future operating purposes:

	2021	2020
Invested in Capital Assets	\$ 468,505	\$ 170,466
Externally Restricted – Wrongful Conviction	51,854	51,854
Internally Restricted – Access to Justice	1,500,000	1,500,000
Internally Restricted – Mega Case Fund	600,000	600,000
Unrestricted Net Assets	2,780,059	3,119,934
	\$ 5,400,418	\$ 5,442,254



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

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 (2020 - \$26,705) for private bar fees and disbursements related to wrongful conviction cases. The balance remaining is \$51,854.

Access to Justice Initiatives

Effective the fiscal year ended March 31, 2015, the Management Council internally restricted \$1,500,000 of the accumulated surplus for the purpose of implementing access to justice initiatives and addressing the low financial eligibility guidelines. These funds are not available for other purposes without approval by the Management Council.

Mega Case Fund

Effective the fiscal year ended March 31, 2016, the Management Council internally restricted \$600,000 of the accumulated surplus to fund legal aid services to eligible individuals charged with indictable offences that are complex and costly. These funds are not available for other purposes without approval by the Management Council.

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. The Corporation's Public Sector Compensation Disclosure statements are published in its annual report immediately following the audited financial statements and notes.

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

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

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, 2021 is:

Cash	\$ 5,937,076
Portfolio investments	2,817,221
Client accounts receivable	106,263
Receivable from the Province of Manitoba	1,900,000
Other receivables	324,740
Long-term receivables:	
• Charges on land	820,459
• Severance - Province of Manitoba	716,167
• Pension - Province of Manitoba	33,257,785
	\$ 45,879,711

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

Portfolio investments: The Corporation is not exposed to significant credit risk as the portfolio investments consists of several Guaranteed Investment Certificates 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.



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

Receivable from the Province of Manitoba: The Corporation is not exposed to significant credit risk as the receivable is from the provincial 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 GST and other recoverable costs. 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 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:

	2021	2020
Balance, beginning of the year	\$ 2,410,863	\$ 2,137,741
Provision for bad debts	237,212	646,842
Amounts written off	(111,536)	(373,720)
Balance, end of the year	\$ 2,536,539	\$ 2,410,863

Liquidity risk

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

LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

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. As disclosed in note 1, the Corporation is dependent on continued financial support from the Province of Manitoba.

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 Corporation is not exposed to significant market risk as its portfolio investment consists primarily of GICs.

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.

20. Measurement Uncertainty – Private bar

A certificate is issued to individuals seeking legal aid assistance. Each certificate issued authorizes legal services to be performed within the tariff guidelines based on the type of legal case. The estimated liability on work performed but not yet billed is \$1,900,000 (2020 – \$2,300,000). The estimation is based on an analysis of historical costs and time frames to complete similar cases. The estimated liability is included in accounts payable. It is offset by an associated accounts receivable from the Province of Manitoba, which is included in the Receivable from the Province of Manitoba balance. Additionally, management estimates a future liability related to work not yet performed on outstanding



LEGAL AID MANITOBA

Notes to Financial Statements for the year ended March 31, 2021

certificates as at March 31, 2021 of \$6,607,000 (2020 – \$6,805,000). This amount has not been recorded in the financial statements.

The estimated liability is subject to measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable amount, as there is whenever estimates are used. While management's best estimates have been used for reporting the private bar liability, it is possible that there will be a material difference between estimated amount and actual costs.

21. Budgeted Figures

The budgeted amounts represent the operating budget approved in May 2020 by Legal Aid Manitoba's Management Council.





INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

To the Management Council of Legal Aid Manitoba

Opinion

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 \$75,000 of Legal Aid Manitoba for the year ended March 31, 2021 ("the statement").

In our opinion, the financial information in the statement of Legal Aid Manitoba for the year ended March 31, 2021, is prepared, in all material respects, in accordance with Section 2 and 4 of *The Public Sector Compensation Disclosure Act*.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of Legal Aid Manitoba in accordance with the ethical requirements that are relevant to our audit of the statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the statement, which describes the basis of accounting. The statement is prepared to assist Legal Aid Manitoba to meet the requirements of Section 2 and 4 of *The Public Sector Compensation Disclosure Act*. As a result, the statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the statement in accordance with Section 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 statement that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing Legal Aid Manitoba's financial reporting process.



Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial information.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Legal Aid Manitoba's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Office of the Auditor General
Winnipeg, Manitoba
July 14, 2021

Public Sector Compensation Statement

Legal Aid Manitoba Statement of Private Bar Fees and Disbursements in Excess of \$75,000 For the Year Ended March 31, 2021 (Prepared in accordance with Section 4 of <i>The Public Sector Compensation Disclosure Act</i>)			
Name	Amount	Name	Amount
Amy, Ryan	117,026	Jemmett, Meagan	118,308
Antila, Crystal	109,519	Johnson, Alexandra	115,246
Armstrong, Bill	94,631	Jones, Kristen	82,922
Beddome, Aaron	142,663	Jones, Zilla	137,998
Bonney, Bruce	167,718	Joyce, David	160,826
Braun, Aaron	121,915	Kavanagh, Tony	133,827
Bretecher, Jacqueline	85,745	Kinahan, Zachary	152,944
Briscoe, Curtis	128,296	Mahoney, Carley	135,620
Brodsky, G.	141,839	Mariash, Theodore	141,528
Bueti, Katherine	82,166	Marks, William	265,277
Claros, Amado	214,069	Martin-White, Wendy	186,610
Cook, Michael	110,406	Matas, David	112,668
Corona, John	155,431	Mayer, Douglas	136,788
Dyck, Michael	76,737	McKay, Cameron	194,139
English, Chantal	83,829	McKelvey-Gunson, Andrew	103,393
Enright, Mitch	104,600	McNamara, Sarah	88,270
Gladstone, Brett	419,604	Mokriy, Don	232,185
Goertzen, Kendra	180,030	Morgan, Kyle	87,119
Gould, Matthew	222,643	Munce, Matthew	210,073
Gupta, Rohit	123,565	Myskiw, Jodi	100,117
Harrison, Robert	198,789	Newman, Scott	93,183
Henley, Kathryn	76,151	Phillips, David	191,855
Hodge, Adam	130,449	Plotnik, Omri	107,197
Jack, Simon	86,719	Pollock, Ethan	183,680
Janssens, Jennifer	92,784	Raffey, Matthew	107,420



Name	Amount	Name	Amount
Rahimi, Kobra	92,943	Sinder, Barry	161,084
Rai, Surinder	107,674	Skinner, John	198,239
Ramsay, John	322,318	Smith, Pamela	146,796
Rees, Tom	87,145	Steigerwald, Alex	102,100
Robinson, Laura	118,010	Synyshyn, Andrew	121,829
Roitenberg, Evan	107,520	Van Dongen, Lori	156,938
Segal, Shimon	93,163	Walker, Tara	183,827
Simmonds, Saul	105,359	Zaman, Saheel	277,676

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, 2021 <i>(Prepared in accordance with Section 2 of The Public Sector Compensation Disclosure Act)</i>					
Paid to Council Members: In aggregate \$40,806 of this amount, \$35,000 was provided to the Chair Amounts paid to employees of \$75,000 or more:					
Name	Position	Amount	Name	Position	Amount
Amott, L.	Attorney	79,133.75	Goodine, S.	Attorney	81,737.50
Anderson, L.	Area Director	156,491.40	Hanslip, M.	Attorney	130,115.02
Aniceto, L.	Attorney	130,115.02	Hawrysh, G.	Supervising Attorney	160,634.22
Balneaves, S.	Systems Administrator	93,805.57	Henderson, D.	Attorney	130,115.02
Bracken, S.	Senior Legal Officer	153,516.40	Kennedy, C.	Supervising Attorney	153,266.40
Cheng, W.	General Accountant	76,760.10	Kingsley, P.	Executive Director	160,350.43
Colquhoun, L.	Attorney	120,598.37	Koturbash, T.	Supervising Attorney	154,325.88
Dowle, K.	Supervising Attorney	147,101.37	Libman, A.	Attorney	150,266.40
Dwarka, R.	Director Of Finance And Labour Management	104,768.79	Liu, W.	Information Technologist	84,672.75
Fawcett, R.	Attorney	150,266.40	Loney, A.	Attorney	150,266.40
Fenske, A.	Attorney	113,830.89	Lovegrove, C.	Attorney	75,070.94
Ferens, M.	Supervising Attorney	142,091.12	MacAulay, G.	Attorney	150,266.40
Gammon, B.	A/Deputy Executive Director	159,429.38	Maloney, M.	Intake Officer	83,432.25

Name	Position	Amount	Name	Position	Amount
McAmmond, I.	Attorney	81,737.50	Santos, M.	Supervising Attorney	156,866.50
McLean, K.	Attorney	106,432.89	Sherman, C.	Area Director	123,652.97
McNaught, I.	Attorney	118,283.02	Sieklicki, P.	Attorney	89,755.96
Mendelson, L.	Attorney	112,797.24	Simpson, P.	Info Technologist	78,516.54
Mitchell, M.	Supervising Attorney	141,004.99	Sneesby, K.	Attorney	150,266.40
Nygaard, D.	Attorney	130,115.02	Stewart, C.	Attorney	158,445.61
Paler, S.	Attorney	150,266.40	Stewart, W.	Supervising Attorney	153,141.40
Pastora Sala, J.	Attorney	108,063.42	Strang, K.	Attorney	130,115.02
Pauls, C.	Supervising Attorney	153,516.40	Tailleur, L.	Attorney	150,266.40
Plenert, H.	Intake Officer	82,732.24	Tait, C.	Attorney	130,115.02
Puranen, S.	Attorney	145,955.88	Tasche, H.	Attorney	124,457.85
Raposo, S.	Executive Director	82,844.61	Taylor, B.	Attorney	80,518.57
Reid, A.	Attorney	93,883.52	Van Schie, S.	Attorney	150,266.40
Robbins, J.	Attorney	141,395.36	Walker, M.	Attorney	137,621.37
Robinson, G.	Area Director	156,516.40	Weisensel, S.	Attorney	89,954.63
Rutherford, J.	Attorney	90,533.42	Whidden, S.	Attorney	94,190.68
Sandulak, T.	Attorney	85,733.28	Williams, B.	Director	157,384.22
Sansregret, A.	Senior Legal Officer	183,456.13	Woodman, R.	Attorney	150,266.40



Notes to Financial Information

LEGAL AID MANITOBA

Note to Financial Information
for the year ended March 31, 2021

1. Basis of Accounting

a) Private Bar Fees and Disbursements of \$75,000 or More

The financial information discloses every person who received \$75,000 or more during the fiscal year ended March 31, 2021 for providing legal aid. The amounts are calculated in accordance with *The Public Sector Compensation Disclosure Act* of Manitoba.

b) 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, 2021. The amounts are calculated in accordance with *The Public Sector Compensation Disclosure Act* of Manitoba.

c) Compensation of \$75,000 or More

The financial information lists employees who received compensation of \$75,000 or more during the fiscal year ended March 31, 2021. The amounts are calculated in accordance with *The Public Sector Compensation Disclosure Act* of Manitoba.

[illegible]



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 CLC

1st Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.5230
Toll-free: 1.800.300.2307
Fax: 204.985.5237

Child Protection Law Office

3rd Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8560
Toll-free: 1.855.777.3753
Fax: 204.985.5224

Criminal Duty Counsel Office

3rd Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8500
Toll-free: 1.800.261.2960
Fax: 204.949.9216

Phoenix CLC

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

1st Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8540
Toll-free: 1.800.261.2960
Fax: 204.985.8544

Regency CLC

3rd Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.9440
Toll-free: 1.855.777.3756
Fax: 204.947.2976

Riel CLC

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

Riverwood CLC

3rd Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.9810
Toll-free: 1.855.777.3757
Fax: 204.985.8554

University of Manitoba CLC

1st Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.5206
Fax: 204.985.8551

Willow CLC

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

4th Floor - 287 Broadway
Winnipeg MB R3C 0R9
Ph: 204.985.8500
Toll-free: 1.800.261.2960
Fax: 204.949.9216

Amisk CLC

138 1st Avenue SW, Unit A
Dauphin MB R7N 1S2
Ph: 204.622.7000
Toll-free: 1.800.810.6977
Fax: 204.622.7029

Northlands CLC

Box 2429, 236 Edwards Ave
The Pas MB R9A 1M2
Ph: 204.627.4820
Toll-free: 1.800.268.9790
Fax: 204.627.4838

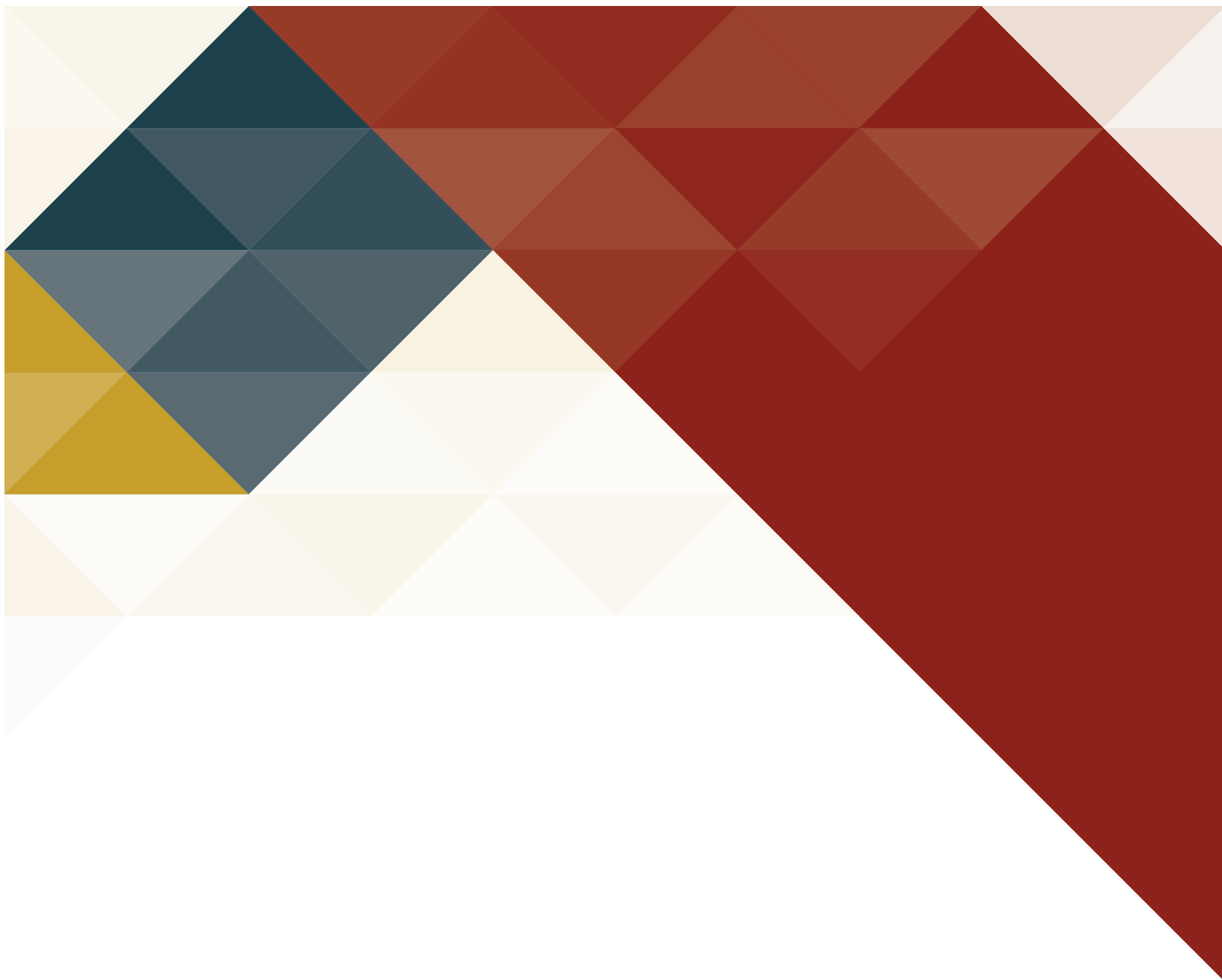
Thompson CLC

3 Station Road
Thompson MB R8N 0N3
Ph: 204.677.1211
Toll-free: 1.800.665.0656
Fax: 204.677.1220

Westman CLC

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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