

Legal Services Board of Nunavut



Annual Report 2013-2014

(Fourteenth Annual Report)

Introduction

The Legal Services Board of Nunavut (LSB) was incorporated in July 2000, pursuant to section 3(1) of the *Legal Services Act, R.S.N.W.T. 1988, c-14*. As the territory's legal aid plan, LSB is responsible for providing legal services to financially eligible Nunavummiut in the areas of criminal, family and civil law. In addition to providing legal counsel, LSB is also mandated to deliver public legal education and information in the territory and to develop and support the Inuit courtworkers program at the local level. LSB programs also include an After Hours Law Line for citizens seeking legal advice on arrest outside of business hours, a Family Law Line offering general family law information, and a Civil/Poverty Law Line offering general civil law information.

The LSB is governed by a territorial Board of Directors comprised of a Government of Nunavut representative, a Law Society of Nunavut representative, three regional clinic representatives, and two members-at-large. The GN Minister of Justice appoints all LSB Board members. Legal services are provided through three regional clinics, each of whom has a regional board of directors. Although LSB is publicly funded it is not a government department - it is an arms' length public agency that is independently managed. The administrative offices of LSB are located in Gjoa Haven, Rankin Inlet and Iqaluit. LSB's accounts payable and receivable are handled by the Gjoa Haven office, along with client intake, application assessments, and the financial eligibility analysis. The Chief Executive Officer is located in Rankin Inlet, and is supported by a Chief Operations Officer in Iqaluit, a Comptroller, and an Executive Assistant.

LSB's regional legal aid clinics are located in Cambridge Bay (Kitikmeot Law Centre), Rankin Inlet (Kivalliq Legal Services), and Iqaluit (Maliiganik Tukisiiniakvik). Each clinic is staffed by a complement of criminal lawyers, family lawyers, administrative support, and courtworkers. Courtworkers are based both within the clinics and in most Nunavut communities. Communities without a local courtworker receive telephone and in-person support from assigned regional courtworkers. There are also civil/poverty lawyers on staff at the Iqaluit and Cambridge Bay clinics.

In addition to its staff lawyers, LSB continues to rely on private counsel to meet the demands of clients, conflicts, the Court, and a demanding circuit schedule. The private lawyers are approved by the Board to LSB's criminal and family law panels. At first instance, all Nunavummiut who are criminally charged are presumptively entitled to legal aid counsel up to their first Court appearance. Legal aid defence representation for subsequent appearances will only be approved by LSB if a client has satisfied the financial eligibility criteria.

Similarly, family and civil law applicants must also meet financial eligibility and case criteria prerequisites. Assignment of legal aid counsel will be made following the assessment of a legal opinion. Legal opinions are not required for child welfare cases or for child clients who require independent representation for their own interests, separate from those of guardians or the state.

This is the Nunavut Legal Services Board's fourteenth full year of operation.

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Message from the Chair of the Board

It is with great pleasure I present the 2013-2014 Annual Report of the Legal Services Board of Nunavut.

The Legal Services Board has been able to develop better and more appropriate internal procedures and processes in the last 5 years to ensure that the work the organization is doing is accurately reflected.

These processes underline the organization's commitment to accountability, and its ability to manage the organization and its resources responsibly.



The organization is now capable of producing independent annual financial audits, capturing accurate statistical information, identifying and responding to organizational and operational needs. The regular monitoring and assessing legal practice trends has all contributed to a more productive and efficient Nunavut legal aid plan.

Ultimately, the organization's policies, procedures, and management resulted in an organization that is able to be responsive to its clients, staff and funders. With the exceptional efforts made by the Board of Directors, the senior management team, the legal staff, regional clinics and Boards, and with the support of our funders and justice colleagues, all have played a role in improving access to justice for Nunavummiut.

At the same time, the organization recognizes that further improvements regarding its structure with its clinic partners and financial management with the Government of Nunavut must be made in order to achieve the most efficient and effective delivery of legal aid services for the territory. We look forward to making those changes as we strive to be one of Canada's top and leading legal aid plans in the country

Thank you,

A handwritten signature in blue ink, which appears to read "M. Redfern".

Madeleine Redfern

LSB Chair

Mandate

LSB's mandate is outlined in section 7 of the *Legal Services Act*. The organization is to provide legal representation for eligible applicants and to deliver public legal education and information for Nunavummiut.

s.7 The objects of the Board are

- (a) to ensure the provision of legal services to all eligible persons;*
- (b) to ensure that the legal services provided and the various systems for providing those services are the best that circumstances permit; and*
- (c) to develop and co-ordinate territorial or local programs aimed at
 - (i) reducing and preventing the occurrence of legal problems, and*
 - (ii) increasing knowledge of the law, legal processes and the administration of justice;*
 - (iii) providing public education and outreach with respect to human rights.**

In recent years, Nunavut has experienced significant growth in the demand on the justice system. Consequently, LSB has increased its legal resources and instituted internal administrative and financial procedures to manage that growth. Additional Court weeks and the rising number of applicants for criminal, family and civil representation in the last several years have challenged LSB to provide services that support Nunavummiut. Legal aid continues to ensure that counsel is accessible to clients, and present and available for Court in every hamlet of the territory.

A critical component of LSB's service delivery is the Inuit courtworker program. Our courtworkers are based in almost every community, and are a vital link between lawyers, clients, and local people. Their most valuable contribution is language support and community knowledge. Clients and counsel rely heavily on courtworkers to ensure the justice processes are efficient, fair, and most importantly, understood.

Public legal education and information is a challenge in a territory where communities are accessible only by air and where no other legal resources are available. LSB's toll free legal lines are an important asset, along with the time our legal staff contributes to doing community sessions, developing presentations, and identifying legal areas that need to be addressed. Partnerships with local organizations help maximize the value of community sessions, and provide important information on what a specific hamlet's legal information needs are.

LSB's legal team of lawyers and courtworkers has grown significantly over the years. The staff and Board consistently meet our mandate with dedication, integrity, enthusiasm, and skill.

The Legal Services Board of Directors

Legal aid in Nunavut is delivered through three regional clinics in Iqaluit, Rankin Inlet, and Cambridge Bay. Funded by the LSB, each clinic is a separate registered society and is governed by their own regional board of directors and by-laws. Generally, each regional board is responsible for the financial and administrative management of each clinic. The regional Boards report to the territorial Board through a designated member who sits on both boards, and through the regional clinic directors.

The territorial Board of directors are appointed by the Minister of Justice. Territorial Board positions are designated as follows:

- 3 regional representatives, a Board member from each regional Board of directors;
- 1 Law Society of Nunavut representative;
- 1 GN Department of Justice representative;
- 2 members-at-large.

The LSB Board of Directors takes responsibility for financial management and reporting, policy development, and strategic planning for the organization. This year our directors were:

Member	Community	Office
Mr. Elijah Padluq	Kimmirut	Member at large; appointed May 2007
Mr. Teddy Carter	Gjoa Haven	Kitikmeot representative; appointed May 2007; <i>resigned June 2013</i>
Ms. Madeleine Redfern, Chair	Iqaluit	Baffin representative; appointed March 2008
Ms. Tara Tootoo-Fotheringham	Rankin Inlet	Kivalliq representative; appointed October 2009
Mr. Chris Debicki	Iqaluit	Law Society of Nunavut representative; appointed August 2011; <i>resigned March 2013</i>
Ms. Sarah Nunia Flynn	Rankin Inlet	Member at large; <i>resigned July 2013</i>
Ms. Margaret Hollis	Iqaluit	GN representative; appointed September 2012
Ms. Kimberly Tattuinee	Rankin Inlet	Member at large; appointed September 2013

The territorial Board rotates its in-person meetings throughout the three regions. This year, the Board held 3 in-person meetings in July 2013, September 2013, and December 2013. They also held one teleconference meeting in January 2014. Generally, the in-person meetings last between 2-3 days, and teleconferences are only called when the full Board is needed to ratify a decision of the Executive Committee on an urgent issue.

At the beginning of this year, the Executive Committee was comprised of Madeleine Redfern, Tara Tootoo-Fotheringham, and Chris Debicki. Margaret Hollis joined the committee following Mr. Debicki's resignation. The Executive Committee generally meets through teleconference if and when there are issues arising from on-going business that cannot wait until the next full Board meeting. The full Board receives a report from the Executive Committee on their activities between Board meetings, and is occasionally asked to convene a teleconference if an issue is significant enough to warrant the endorsement of the full Board.

This year, the Executive Committee held 3 teleconference calls in October 2013, and twice in February 2014.

In addition, the Chair of the Board is required to be available on an as-needed basis to LSB's Board of Directors, Executive Committee, senior management, and to the Minister of Justice. The Chair receives regular organizational updates, offers direction when needed, and provides administrative approvals, most particularly in connection with the CEO. The Chair also is a signatory to significant LSB contracts, monitors sensitive emerging issues, and identifies matters to be brought forward to the Executive Committee or full Board. Madeleine Redfern served as Chair of LSB this year, and served in this capacity at all Board meetings. She reported to the full Board on her activities as well as those of the Executive Committee, and also reported to and brought reports from the regional Board of Maliiganik Tukisiiniakvik, for whom she serves as the regional representative.

The Legal Services Board Team

The number of LSB staff lawyers has been growing steadily in recent years, largely in part to the increasing demands on legal aid. Staff lawyers are based in 3 regional clinics: Maliiganik Tukisiiniakvik (Iqaluit), Kivalliq Legal Services (Rankin Inlet), and the Kitikmeot Law Centre (Cambridge Bay). LSB maintains staff positions for 16 criminal lawyers, 6 family lawyers, 2 civil/poverty lawyers and the CEO who is statutorily required to also be a lawyer.

Practicing law in Nunavut is challenging and rewarding. Our lawyers work with significant travel schedules, scarce administrative support, unreliable phone and internet services, inconsistent community resources, and are sometimes required to manage their files and Court appearances entirely through phone access. The LSB legal team continues to meet these challenges with professionalism, enthusiasm and great skill.

In addition to the staff lawyers, LSB employs an executive management team comprised of a Chief Executive Officer, a Chief Operations Officer, a Comptroller, a Finance Assistant, and an Executive Assistant. The Gjoa Haven office also employs a Statute Administration Officer, a Finance Officer, and an Office Manager.

In 2013-14, the LSB team members were:

Staff	Location	With LSB since	Position
Teena Hartman	Rankin Inlet	August 2003	Chief Executive Officer, LSB
Jonathan Ellsworth	Iqaluit	May 2004	Chief Operations Officer, LSB
Feliks Gawor	Rankin Inlet	February 2010	Executive Assistant to CEO; <i>until June 2013</i>
Stacy Paniyuk	Rankin Inlet	February 2014	Finance Assistant
Caleb Christie	Iqaluit	November 2013	Interim Executive Assistant to CEO
Tiffany Halstead	Steinbach, MB	September 2012	Comptroller, LSB
Tony Akoak	Gjoa Haven	February 2004	Acting Financial Supervisor; Office Manager <i>until August 2013</i>
Sara Takkirug	Gjoa Haven	February 2000	Senior Statute Administrator
Hannah Qirrqut	Gjoa Haven	Fall 2004	Finance & Operations Analyst; Statute Clerk
Jordan Bens	Iqaluit	April 2012	Interim Clinic Director, Maliiganik Tukisiiniakvik; <i>until May 2013</i>

Christian Lyons	Iqaluit	October 2006	Criminal Lawyer; Lead Criminal Counsel; <i>until December 2013</i>
Scott Wheildon	Iqaluit	February 2009	Criminal Lawyer; <i>until September 2013</i>
Naomi Wilman	Iqaluit	February 2009	Family Lawyer
Julie Bedford	Iqaluit	November 2013	Criminal Lawyer
Mandy Sammurtok	Iqaluit	January 2009	Criminal Lawyer; <i>until March 2014</i>
Mark Mossey	Iqaluit	January 2010	Civil/Poverty Lawyer; Clinic Director
Norman Boose	Iqaluit	January 2009	Criminal Lawyer; <i>until September 2013</i>
Janet Rowsell	Iqaluit	May 2012	Family Lawyer
Jack Squire	Iqaluit	June 2011	Family Lawyer
Tamara Fairchild	Iqaluit	September 2010	Criminal Lawyer
Mark Christie	Iqaluit	February 2012	Criminal Lawyer; Lead Criminal Counsel
Patrick Bruce	Iqaluit	January 2013	Criminal Lawyer
Stephen Shabala	Iqaluit	January 2013	Criminal Lawyer
Susan Charlesworth	Iqaluit	September 2013	Criminal Lawyer
Joey Murdoch-Flowers	Iqaluit	August 2013	Criminal Lawyer
Glen Wilson	Rankin Inlet	February 2006	Criminal Lawyer; Lead Criminal Counsel
Andrea Smart	Rankin Inlet	January 2011	Family Lawyer; <i>until September 2013</i>
Susan Switch	Rankin Inlet	March 2011	Family Lawyer; Clinic Director
Kathryn Kellough	Rankin Inlet	August 2011	Criminal Lawyer
Ted Hopkins	Rankin Inlet	February 2014	Family Lawyer
Riali Johannesson	Rankin Inlet	February 2013	Criminal Lawyer; <i>until June 2013</i>
Jonathan Park	Rankin Inlet	November 2013	Criminal Lawyer; <i>until March 2014</i>

Morna Boyle	Rankin Inlet	August 2013	Articling Student
Deanna Harris	Cambridge Bay	January 2012	Criminal Lawyer; Lead Criminal Counsel; Clinic Director; After Hours Law Line Coordinator
Clare Henderson	Cambridge Bay	September 2009	Criminal Lawyer; Interim Clinic Director; After Hours Law Line Coordinator; <i>until July 2013</i>
Gloria Song	Cambridge Bay	February 2013	Civil/Poverty Lawyer
Caroline Pothemont	Cambridge Bay	March 2014	Family Lawyer
Sara Siebert	Cambridge Bay	March 2014	Criminal Lawyer

LSB extends a heartfelt thanks to all staff for their efforts in continuing to deliver high quality legal aid services in Nunavut. This team has proven itself to be dedicated, hard-working, and committed to the people of Nunavut.

The Legal Services Board -Legal Aid Services

LSB provides legal aid services to financially eligible clients, under the legal areas of coverage as set out by the *Legal Services Act*. This includes criminal defence representation, child representation, child protection and family law coverage, and civil representation in the areas of human rights, employment law, and residential tenancies.

This year, in response to a growing demand for help on civil matters, LSB extended its civil coverage to provide assistance to applicants who sought civil remedies for alleged excessive use of force by police.

LSB also provides after hours services for individuals who are arrested outside of office hours, including representation at show cause hearings (bail hearings) that are sometimes scheduled outside of regular working hours. A toll free family law information line and a civil/poverty law information line are also supported by LSB for individuals seeking general legal information.

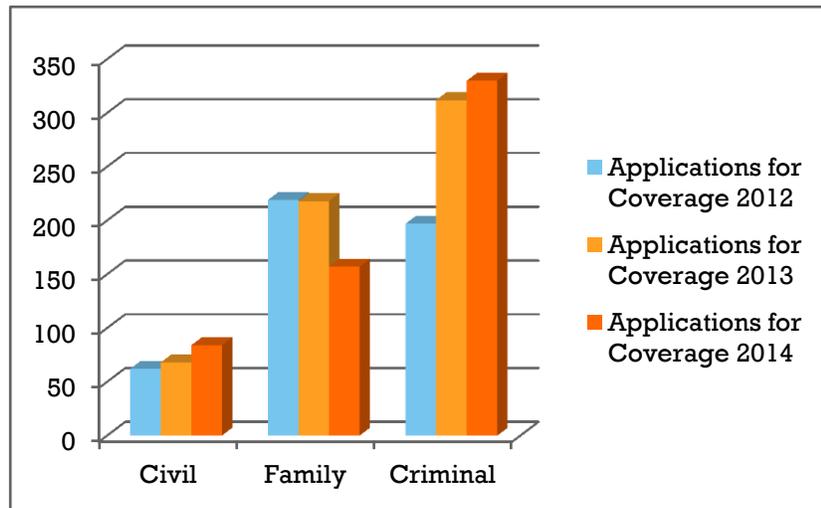


Figure 1 The Legal Services Board has seen steady and consistent demand for its services across all practice areas as figure 1 illustrates.

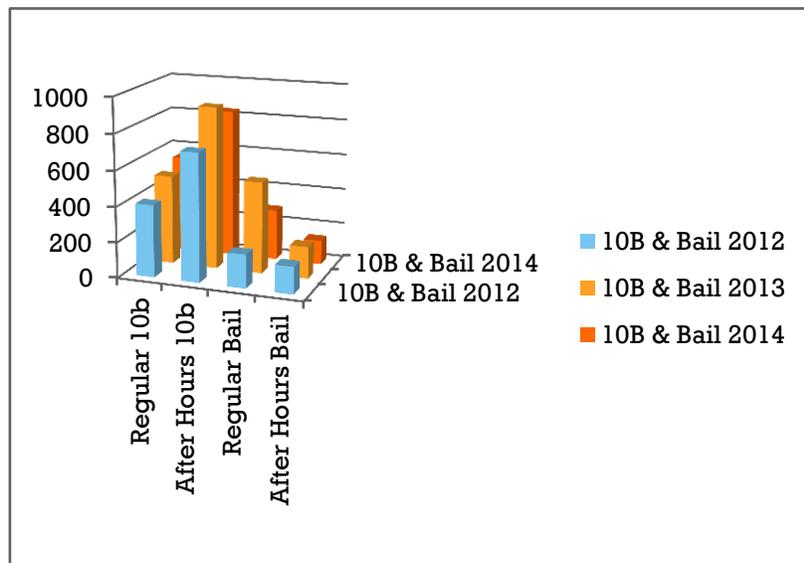


Figure 2 The Legal Services Board provides 24 hour coverage for 10b and bail hearings demonstrated the above.

In recent years, LSB has been called on to respond to a growing number of Court weeks, an increased number of legal aid applications, and a growing number of more complicated files. The GN Department of Justice has acknowledged this growth in its support of recent LSB business cases for additional funding to meet these needs. Thankfully, in 2013-14, these trends seemed to have levelled off somewhat, and LSB can focus on meeting the needs of clients without having to develop business cases for additional resources.

It is of use to note that in its reporting requirements to the territorial and federal Departments of Justice, LSB is held to an approximate 98% representation formula. This essentially means that 98% of all matters going before the Nunavut Court of Justice, in the areas covered by LSB, are legally aided. In other words, about 98% of Nunavummiut appearing before the Nunavut Court of Justice on criminal, family and civil law matters that fall under LSB's coverage areas are being represented by legal aid lawyers.

LSB service delivery is summarized below:

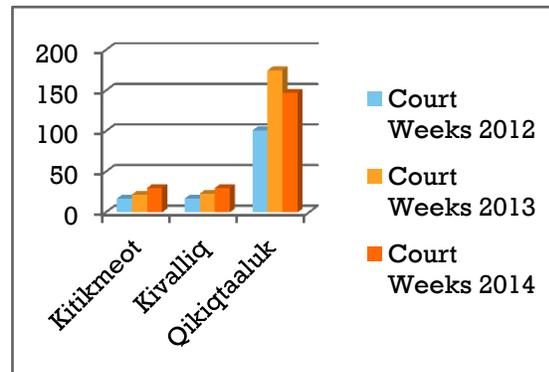
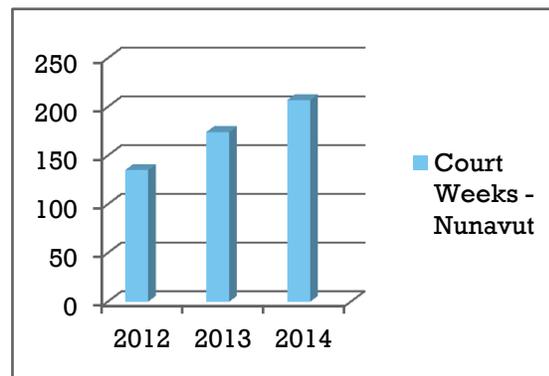


Figure 3 &4 The above charts illustrate a general rise in the number of scheduled court sittings (weeks) in Nunavut and broken down by region in figure 4.

Service	2012-13	2013-14
Charter 10(b) Calls; <i>summary advice calls for individuals immediately following their arrest</i>	502	546
Show Cause Hearings; <i>bail hearings that occur during regular business hours</i>	515	286
After Hours Charter 10(b) Calls	909	835
After Hours Show Cause Hearings	180	136
Court/Lawyer weeks; <i>number of weeks where a LSB lawyer is required for Court (including JP Court). If 1 week requires 2 lawyers then it is calculated as 2 weeks, etc.</i>	175	207
Active LSA Section 40 Cases; <i>most serious files where accused faces possibility of life imprisonment & is entitled to select a lawyer</i>	18	15
Approved Criminal Appeals	10	14
Applications for Full Criminal Law Coverage	312	330
Full Coverage Criminal Approvals; <i>applications that have been approved for full coverage</i>	252	254
Criminal Law Files Opened; <i>some applications have more than one charge or require more than one approval</i>	2934	2806

Criminal Law Files Closed; <i>important to remember that many files do not close in the same fiscal year that they open</i>	1650 (Kitikmeot statistics not available)	2268
Applications for Full Civil/Poverty Coverage	68	84
Full Coverage Civil/Poverty Approvals	34	65
Summary Advice Civil/Poverty; requests for information, referrals, etc in the civil/poverty area	276	287
Applications for Full Family Coverage; <i>examples include child support, custody/access matters, contested adoptions, etc</i>	148	122
Approvals for Full Family Coverage	98	179
Applications for Family – Child Protection Files	70	35
Approvals for Family – Child Protection Files	57	32

As indicated above, the previous growth in demands on legal aid of the last three years has begun to level out. There are many factors associated with the current leveling which include but are not limited to; several Court sittings adjourned to a future fiscal year; the cancellation of 7 jury trials; the continuation of serious criminal and family files across fiscal year deadlines; and a reported overall drop in crime rates. This static trend is encouraging, as it will likely mean that LSB is adequately funded and resourced for the next fiscal year.

The Legal Services Board Finances

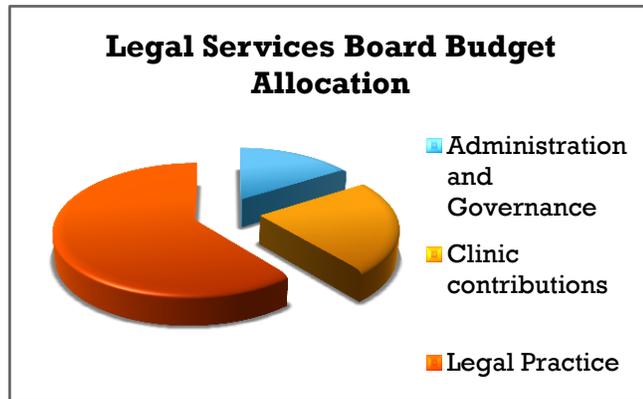
LSB is a publicly funded agency. Our revenue is provided through the GN Department of Justice through a contribution agreement that builds on the federal-territorial Access to Justice Agreement between Justice Canada and the GN Department of Justice.

At the end of 2013-14 LSB's budget came in at approximately \$10 million. At year end, following a number of uncontrollable cost drivers, LSB returned approximately \$225,000 to the Government of Nunavut. During the second fiscal quarter, LSB identified a number of trends that indicated a potential deficit. A business case was submitted by LSB and approved by the GN based on the known and reasonable projections at that time. Subsequently, the Nunavut Court of Justice postponed/cancelled a number of circuit weeks, a number of major cases were adjourned into the following year, and recruitment efforts failed to yield a full complement of staff. Consequently, the projected deficit was not realized and surplus funds were returned to the GN Department of Justice for reallocation.

Last year, LSB achieved legislative compliance with the completion of independently audited financial statements for 4 previous years. This year, LSB was pleased to receive another clean audit, attached here as Appendix A. The LSB audit remains a challenge to complete within the legislated timelines, largely because the 3 regional clinics are also required to be independently audited and work on LSB's audit cannot proceed until the regional clinics complete theirs first. Additionally, the LSB audit requires a reconciliation of the organization's internal accounts with the GN Freebalance accounts for LSB. The Freebalance adjustments by the GN sometimes continue quite late into the second fiscal quarter. Nonetheless, LSB acknowledges the support and assistance of our funders and partners as we continue to develop the organization's abilities to efficiently complete and report on these audits. LSB's independent financial audits are a significant achievement in the last 2 years, and one that is welcomed by the organization and our funding partners. This promotes LSB's transparency and accountability, and is a clear demonstration of the development of the organization's capacity to manage and report on the organization's services and finances.

With respect to LSB's financial allocations, the overall budget in 2013-14 was spent as follows:

- Administration and Governance: 16%;
- Clinic Contributions: 23%
- Legal Practices: 61%



Within the legal practice allocations, funds were assigned as such:

- Criminal Practice: 77%
- Family Practice: 16%
- Civil/Poverty Practice: 7%.



These expenditures illustrate that LSB is committed to ensuring that as many resources as possible are being allotted to front line service delivery, and in proportion to the demands of each practice area.

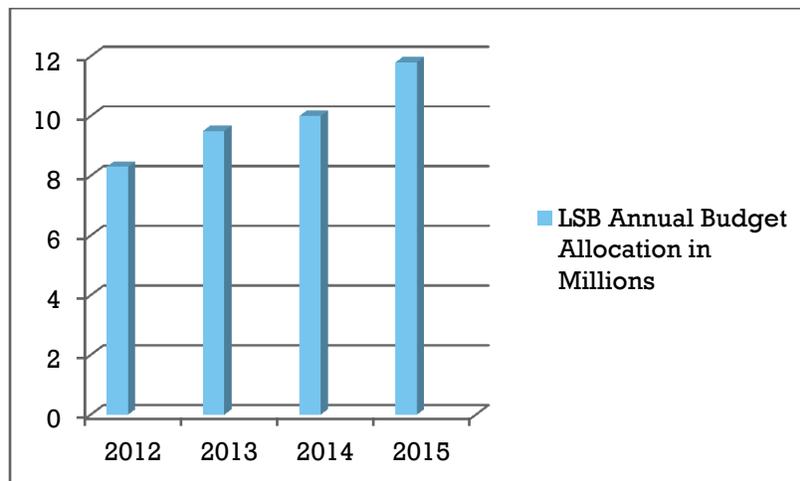


Figure 7- Our Government of Nunavut colleagues are remarkable partners in ensuring eligible Nunavummiut receive legal services consistent with their needs evidenced by the additional budget allocations over the course of the last fiscal periods.

Legal Services Board Court Worker program

A fundamental component to LSB's successful service delivery is in part due to the Inuit Courtworker Program. While courtworkers are actually employed by the regional clinics (either full-time or part-time as needed), it is LSB that funds the clinics to support these positions. This year, LSB can report that there were 21 courtworkers working in all 25 communities around the territory.

Courtworker positions are based in clinics and in hamlets throughout the regions. The Kitikmeot Law Centre employed 5 courtworkers throughout their 5 communities, Kivalliq Legal Services employed 2 courtworkers for their 7 communities, and Maliiganik Tukisiiniakvik employed 17 courtworkers for their 13 communities.

Courtworkers provide essential services in supporting and realizing access to justice. Not only do courtworkers provide vital support to circuit lawyers such as interpretation, client and witness support, they also provide much needed administrative assistance in coordinating community legal aid applications, maintaining contact to clients without phones or computers, and serving documents. Courtworkers provide clients with a critical link to the justice system, and provide lawyers with an important cultural connection to the communities and clients they represent and serve.

Legal Services Board Public Legal Education & Information

Public legal education and information (PLEI) is a mandated responsibility of LSB. This is a challenging task in a jurisdiction with isolated communities with significant language and cultural differences. Nonetheless, LSB staff continue to work towards identifying and delivering PLEI in the communities with local partners.

This year, LSB continued to offer the toll free family law and civil/poverty law information lines. Staff lawyers participated in sessions at high schools and Nunavut Arctic College campuses around the territory. Partnerships were established with local Inuit organizations and resulted in community sessions on residential tenancies and wills and estates in the Kivalliq region. Maliiganik Tukisiiniakvik staff offered sessions at the Iqaluit Women's Shelter, the Baffin Correctional Centre and volunteered with the mock trial project with the local high school. The Kitikmeot Law Centre built on key partnerships with the Cambridge Bay Wellness Centre and their local high school to deliver PLEI materials and information sessions. Each of LSB's lawyers has committed to performing at least one PLEI initiative each year, and the result has been some creative and meaningful interaction with Nunavut communities.

Legal Services Board Strategic Organizational Review

This project has been on-going since 2010, when LSB first acted on its need to improve on the organizational structures with a view to promoting and obtaining greater operational efficiency and effectiveness. Prairie Research Associates were hired to conduct the multi-phase review. This began with comprehensive interviews within LSB and of key LSB partners such as the Judiciary, the GN, Justice Canada, regional clinic staff and Boards, and clients. A draft report was prepared and the territorial Board of Directors reviewed and assessed the findings and recommendations. Following a strategic retreat in September 2013, the Board now awaits the receipt of the draft final report. It is intended that the report will be shared with LSB stakeholders, and also form the basis for any future operational changes to be undertaken by LSB. The draft final report is expected to be completed in the spring of 2014.

As this initiative draws closer to completion, LSB is excited to explore the implementation of approved recommendations to enhance LSB's overall efficiency and delivery of legal aid services.

Conclusion

LSB has been pleased to be able to develop its internal procedures and processes in the last 5 years to ensure that the work the organization is doing is accurately reflected. These processes not only underline LSB's accountability, but its ability to manage the organization and its resources responsibly. Producing independent financial audits, capturing accurate statistical information, identifying organizational needs and legal practice trends has all contributed to more productive and efficient legal aid plan. Ultimately, that has resulted in an organization that is able to be responsive to its clients, its staff and its funders. With the exceptional efforts made by the Board of Directors, the senior management team, the legal staff, regional clinics and Boards, and with the support of our funders and justice colleagues, all have played a role in improving access to justice for Nunavummiut.

Appendix “A” – Audited financial statements



LEGAL SERVICES BOARD OF NUNAVUT
FINANCIAL STATEMENTS
MARCH 31, 2014

LEGAL SERVICES BOARD OF NUNAVUT
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MARCH 31, 2014

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Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Legal Services Board of Nunavut as at March 31, 2014 and its financial performance and its cash flows for the year ended March 31, 2014 in accordance with Canadian Public Sector Accounting Standards.

Report on Other Legal and Regulatory Requirements

As required by the *Financial Administration Act* of Nunavut we report that, in our opinion, Canadian Public Sector Accounting Standards have been applied on a basis consistent with that of the preceding year.

In our opinion, in accordance with the *Financial Administration Act* of Nunavut and the *Legal Services Act* of Nunavut, proper books of account have been kept by the Legal Services Board of Nunavut, the financial statements are in agreement therewith and the transactions that have come under our notice have, in all significant respects, been within the statutory powers of the Legal Services Board of Nunavut.

Under section 100(1) of the *Financial Administration Act* of Nunavut, the Legal Services Board of Nunavut is required to submit its annual report to the appropriate Minister no later than 90 days after the end of its financial year, or an additional period, not exceeding 60 days that the Minister of Finance may allow. The Legal Services Board of Nunavut did not meet its statutory deadline for submitting its annual report.

Iqaluit, Nunavut
September 16, 2014



CHARTERED ACCOUNTANTS

LEGAL SERVICES BOARD OF NUNAVUT
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
Revenues		
Government of Nunavut Contributions		
Contribution agreement	\$ 10,064,000	\$ 8,307,000
Supplemental funding	0	1,273,000
Additional funding	0	220,604
Transfer to Department of Justice	(225,000)	0
Repayment	<u>(55,448)</u>	<u>(366,404)</u>
	9,783,552	9,434,200
Client contributions	6,635	1,943
Recovery of prior year expenses	<u>0</u>	<u>7,146</u>
	<u>9,790,187</u>	<u>9,443,289</u>
Expenses		
Administrative (Schedule 1)	1,265,296	1,426,461
Board governance (Schedule 2)	274,430	313,810
Criminal law (Schedule 3)	4,567,632	3,749,285
Family law (Schedule 4)	955,884	1,157,345
Civil and poverty law (Schedule 5)	430,442	271,124
Legal clinics (Note 6)	<u>2,296,503</u>	<u>2,276,596</u>
	<u>9,790,187</u>	<u>9,194,621</u>
Net Surplus	0	248,668
Accumulated Surplus (Deficit), beginning of year	<u>0</u>	<u>(248,668)</u>
Accumulated Surplus, end of year	<u>\$ 0</u>	<u>\$ 0</u>

LEGAL SERVICES BOARD OF NUNAVUT
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBTS)
FOR THE YEAR ENDED MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
Net Surplus	\$ 0	\$ 248,668
Net Financial Assets (Debt), beginning of year	<u>0</u>	<u>(248,668)</u>
Net Financial Assets, end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

LEGAL SERVICES BOARD OF NUNAVUT
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
Financial Assets		
Accounts receivable (Note 3)	\$ 714,758	\$ 664,851
Due from Government of Nunavut (Note 5)	1,134,374	756,767
Prepaid expenses	<u>5,189</u>	<u>8,009</u>
	<u>1,854,321</u>	<u>1,429,627</u>
Liabilities		
Accounts payable and accrued liabilities (Note 4)	<u>1,854,321</u>	<u>1,429,627</u>
Net Financial Assets	<u>0</u>	<u>0</u>
Accumulated Surplus (Deficit)	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Approved by the Board

_____ Director

_____ Director

**LEGAL SERVICES BOARD OF NUNAVUT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

1. NATURE OF THE ORGANIZATION

The Legal Services Board of Nunavut (LSB) was incorporated in July 2000, pursuant to section 391 of the *Legal Services Act R.S.N.W.T. 1988, C-14* of Nunavut. As the territory's legal aid plan, the LSB is responsible for providing legal services to financially eligible Nunavummiut in the areas of criminal, family and civil law. In addition to providing legal counsel, the LSB is also mandated to deliver public legal education and information in the territory and to develop and support the Inuit court workers program at the local level. The LSB programs also include an After Hours Law Line for citizens seeking legal advice on arrest outside of business hours, a Family Law Line offering general family law information, and a Civil/Poverty Law Line offering general civil law information.

The LSB does not have a bank account and therefore is dependent on the Government of Nunavut to pay all expenses on their behalf. All expenses are paid by the Government of Nunavut through the Consolidated Revenue Fund and reimbursed from the LSB Revolving Fund up to the agreed upon annual contribution. As such, all the books and records are controlled by the Government of Nunavut and recorded in the Free Balance accounting system.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Board are in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

(a) Use of Estimates

The preparation of the financial statements of the Board requires management to make estimates and assumptions based on information available as of the date of the financial statements. Therefore, actual results could differ from those estimates.

(b) Revenue Recognition and Government Transfers

Contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions with stipulations that meet the definition of a liability per Section PS 3200 are recorded as deferred revenue. When stipulations are met, deferred revenue is recognized as revenue in the year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

(c) Accrual Basis

The financial statements have been prepared using the accrual basis of accounting.

**LEGAL SERVICES BOARD OF NUNAVUT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Expenses

Direct expenditures which are wholly attributable to a specific program are charged directly to the appropriate program. In circumstances where expenditures are not wholly attributable to a specific program these expenditures are allocated amongst the programs based on management's estimates of the time, effort and resources required to support these activities.

(e) Financial Instruments

The Board's financial instruments consist of accounts receivable, accounts payable and accrued liabilities, and due to Government of Nunavut which are reported at their fair values on the statement of financial position. The fair values are the same as the carrying values due to their short-term nature. It is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments unless otherwise noted.

3. ACCOUNTS RECEIVABLE

	<u>2014</u>	<u>2013</u>
Kitikmeot Legal Services	\$ 152,325	\$ 152,325
Kivalliq Legal Services	164,320	147,157
Maliiganik Tukisiiniakvik	<u>200,306</u>	<u>200,306</u>
	516,951	499,788
GST rebate	197,807	164,663
Other	<u>0</u>	<u>400</u>
	<u>\$ 714,758</u>	<u>\$ 664,851</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2014</u>	<u>2013</u>
Legal Clinics - GN funding repayable	\$ 516,951	\$ 499,788
Other accrued liabilities	992,707	632,174
Accrued payroll	328,894	297,665
Employee future benefits	<u>15,769</u>	<u>0</u>
	<u>\$ 1,854,321</u>	<u>\$ 1,429,627</u>

**LEGAL SERVICES BOARD OF NUNAVUT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

5. GOVERNMENT OF NUNAVUT FUND BALANCE

	<u>2014</u>	<u>2013</u>
Opening balance	\$ (756,767)	\$ (389,255)
Revenues	(9,790,187)	(9,443,289)
Expenses incurred on behalf of LSB	9,790,187	9,194,621
Changes in:		
Accounts receivable and prepaids	47,087	245,476
Accounts payable and accrued liabilities	<u>(424,694)</u>	<u>(364,320)</u>
Closing balance	<u>\$ (1,134,374)</u>	<u>\$ (756,767)</u>

Amounts due (from) to the Government of Nunavut are non-interest bearing, unsecured and have no specific terms of repayment.

6. LEGAL CLINICS CONTRIBUTIONS

	<u>2014</u>	<u>2013</u>
<u>Kitikmeot Legal Services</u>		
Contributions as per Main Estimates	\$ 492,000	\$ 442,000
Reassigned/Supplemental contributions	(90,000)	(40,000)
Unused contributions/adjustments	<u>(10,000)</u>	<u>(51,628)</u>
Total used contributions	<u>392,000</u>	<u>350,372</u>
<u>Kivalliq Legal Services</u>		
Contributions as per Main Estimates	589,000	539,000
Reassigned/Supplemental contributions	0	(40,000)
Unused contributions	<u>(65,330)</u>	<u>(9,381)</u>
Total used contributions	<u>523,670</u>	<u>489,619</u>
<u>Maliiganik Tukisiiniakvik</u>		
Contributions as per Main Estimates	1,335,000	892,000
Supplemental contributions	0	476,000
Reassigned contributions	90,000	80,000
Unused contributions	<u>(44,167)</u>	<u>(11,395)</u>
Total used contributions	<u>1,380,833</u>	<u>1,436,605</u>
	<u>\$ 2,296,503</u>	<u>\$ 2,276,596</u>

7. COMPARATIVE AMOUNTS

Certain 2013 financial statement amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

LEGAL SERVICES BOARD OF NUNAVUT

SCHEDULE 1 - SCHEDULE OF ADMINISTRATIVE EXPENSES

For the year ended March 31	2014	2013
Expenses		
Executive office operations	\$ 903,999	\$ 868,769
Administrative operations	275,409	358,428
Courtworker cost*	56,294	71,203
Client file management	15,437	25,678
Programs and projects	14,157	99,050
Bad debt provision	-	3,333
	\$ 1,265,296	\$ 1,426,461

* Majority of expenses are done through the clinic contributions and operations.

SCHEDULE 2 - SCHEDULE OF BOARD GOVERNANCE

For the year ended March 31	2014	2013
Expenses		
Administrative support	\$ 2,175	\$ 961
Honoraria	116,944	122,615
Professional fees	52,040	76,914
Translation and interpreting	27,629	67,417
Travel	75,642	45,903
	\$ 274,430	\$ 313,810

LEGAL SERVICES BOARD OF NUNAVUT

SCHEDULE 3 - SCHEDULE OF EXPENSES - CRIMINAL LAW PRACTICE

For the year ended March 31	2014	2013
Expenses		
Salaries and benefits	\$ 2,175,936	\$ 1,865,112
Travel and accommodations - staff	296,494	263,382
Private counsel	872,736	730,539
Travel and accommodations- private counsel	810,886	517,155
Relocation fees	200,794	205,102
Professional development	65,771	53,175
Disbursements - court, trial and appeals	67,566	40,905
Law line	77,449	73,915
	\$ 4,567,632	\$ 3,749,285

SCHEDULE 4 - SCHEDULE OF EXPENSES - FAMILY LAW PRACTICE

For the year ended March 31	2014	2013
Expenses		
Salaries and benefits	\$ 859,905	\$ 1,011,811
Travel and accommodations - staff	20,101	37,034
Private counsel	27,427	376
Travel and accommodations - private counsel	4,876	-
Relocation fees	27,224	80,692
Professional development	15,017	23,009
Disbursements - civil court and child welfare	1,334	4,423
	\$ 955,884	\$ 1,157,345

SCHEDULE 5 - SCHEDULE OF EXPENSES - CIVIL AND POVERTY LAW

For the year ended March 31	2014	2013
Expenses		
Salaries and benefits	\$ 388,379	\$ 204,558
Travel and accommodations - civil and poverty law	9,287	11,857
Relocation fees	24,432	50,565
Professional development	8,344	4,144
	\$ 430,442	\$ 271,124