

Neighbourhood Legal Services

Serving the Community Since 1973

ANNUAL REPORT 2022–2023

Presented to:
Annual General Meeting
November 23, 2023



**Neighbourhood
Legal Services**

101–163 Queen Street East, Toronto, Ontario M5A 1S1

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We recognize that we live, work and play on treaty land. Toronto is in the 'Dish With One Spoon Territory'. The Dish With One Spoon is a treaty between the Anishinaabeg and Haudenosaunee that bound them to share the territory and protect the land. Subsequent Indigenous Nations and peoples, Europeans and all newcomers have been invited into this treaty in the spirit of peace, friendship and respect. We recognize the role we must play as actors in the legal system to confront colonial harm to Indigenous peoples, and we continue to learn and work in order to play our part in honouring the Truth and Reconciliation Commissions' Calls to Action and the Calls to Justice from the Missing and Murdered Indigenous Women and Girls Inquiry.

Funded by Legal Aid Ontario: NLS Annual Report for 2022–2023

Introduction

Neighbourhood Legal Services is a non-profit corporation registered in Ontario and a registered charity (CRA BN/Registration#11888 7090 RR0001). In 2022–2023 we received funding from Legal Aid Ontario, the City of Toronto through the Investing in Neighbourhoods Program, the Canadian Red Cross (in kind), the University of Toronto's Faculty of Law (in kind), the Lincoln Alexander School of Law (in kind); Dalhousie University (in kind); Osgoode Hall Law School (in kind); Management Advisory Services (MAS) (in-kind); and the St. Michael's Hospital Academic Family Health Team (in kind).

Our Mission, Vision & Values

Our Mission

Neighbourhood Legal Services is a non-profit and independent community legal clinic that has been serving the downtown east community of Toronto since 1973. We provide free legal services and assistance to low-income individuals who live within our catchment area and qualify for our services.

Our Vision

We believe that the low-income residents of our community have a right to access to justice through effective legal representation, to be treated with dignity and respect, and to direct their own destinies. We work with the community to address the root causes of poverty and systemic legal problems facing low-income people.

Our Values

We are committed to confronting and combating racism, ableism, heterosexism, classism and other forms of oppression. We are committed to the promotion of the values contained in the [Ontario Human Rights Code](#).



This painting occupies pride of place at our front desk. The artist is Maryam Hassan, a longtime St. Jamestown resident; budding criminal lawyer; NLS board member, and past law student contributor to our work. This painting symbolizes NLS working alongside local residents in the St. Jamestown community.

Statement on Anti-Racism & Anti-Oppression

We recognize that Anti-Black and Anti-Indigenous racism lie at the foundation of our legal system. Harmful racial stereotypes and burdens of inequity impact our clients daily and impede their pursuit of justice. We acknowledge the role we play as actors in that system. In 2022–2023, we continued to work on our Anti-Racism & Anti-Oppression (ARAO) Action Plan. It has been integrated into our Strategic Plan and makes equity a leading focus for our organization.

To that end, NLS is building a culture where our staff have the right supports, training, and tools to deliver equitable outcomes for Black, Indigenous, and other structurally marginalized community members. In 2022–2023 this included:

- 1. Undertaking significant ARAO training, for both staff and board.** Monthly protected time for a staff discussion/study group around anti-Black racism. Ongoing learning around anti-Indigenous racism, including participating in National Aboriginal Peoples Day on June 21 and Truth and Reconciliation Day on September 30.
- 2. Building ARAO performance indicators into staff reviews.** To help us do this, we have amended our client satisfaction survey to include questions about the cultural competency of our service, and whether we identified and advanced arguments regarding discrimination.

Internally, we strive for a workplace with a high quality of work life for Black staff and others from traditionally marginalized communities. That means a culture that is free of racism and oppression, where all staff can thrive. In 2022–2023 this included:

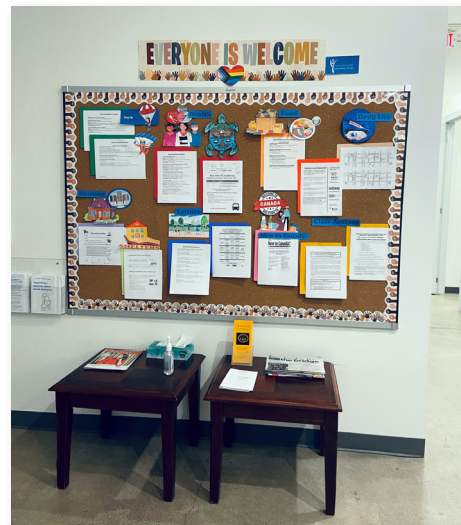
- 3. Making a successful application to the Federal Government's Resilient Communities funding stream,** which allows us in 2023–2024 to forefront staff wellness by funding:
 - 1) a therapist to help us debrief traumatic incidents together and to support each other;
 - 2) a staff retreat;
 - 3) some attention to our law student program to ensure it's run smoothly;
 - 4) a consultant to look at our processes & systems to recommend where we can reduce administration/capture efficiencies, and
 - 5) a project manager to oversee the project and implement any tech-related recommendations.

In terms of our ongoing commitment to understand the systemic legal issues faced in our community, we have started tracking demographic data and take steps to work with Black and Indigenous-led groups. In 2022–2023 this included:

- 4. Receiving training in order to ask clients for ethno-racial data.** We now collect this information where available so that we can better understand the legal needs of our community to target our interventions. We collected this data for over 10% of new clients this year; we are actively striving to increase this.

5. Development of a Quality Assurance Framework. Each AOL team developed tracking indicators, setting out the two or three key stories we want to capture per area of law. In time we will be able to overlay this information with ethno-racial data in order to allow us to set benchmarks.

6. Participation in numerous community networks, including the St. Jamestown Service Providers' Network; the St. Mike's Family Health Team's Social Determinants of Health Committee, the Ontario Project for Inter-Clinic Community Organizing (OPICCO), and the Regent Park Executive Directors' Network. We also participated in the St. Jamestown 9th Annual Spring Gathering, the Pride Street Fair, and the St. Jamestown Festival. We strive to have more community-based connections.



Left: NLS at the Toronto Pride Streetfair, July 2022. Right: Everyone is welcome here.

We also recognize our pressing responsibility to recruit, engage, and retain Indigenous, Black, and other structurally marginalized persons at all levels of the organization. In 2022–2023 this included:

7. Recruiting a diverse and representative board slate, elected at our AGM in February 2023. We continue to develop our outreach work in order to build our membership and create a board recruitment strategy.

8. A commitment to creating legal placements for Trans, non-binary, and Two Spirit students.

At NLS we have a lot of work to do, and we're looking forward to doing this work together with our team. As the Board of Directors and ED, we hold ourselves directly responsible for this work and to be accountable to BIPOC and other structurally marginalized staff, volunteers, and clients.

Walied Khogali Ali, Interim Board Chair

Jennifer Stone, Executive Director

Key Highlights from 2022–2023¹

The Numbers

Further to how clinic law is defined in Ontario’s Legal Aid Services Act and the strategic priorities set by our Board of Directors, NLS provided legal services in **1,211** matters in the areas of:

- housing law (584 cases),
- income security law (242 cases),
- immigration law (146 cases),
- employment law (57 cases), and
- affidavits/notarizing (81 cases), and
- other Health Justice Program-referred matters (101 cases)

Included in these matters, through our Health Justice Program partnership with the St. Michael’s Hospital’s Academic Family Health Team, we assisted **263** low-income patients navigate legal systems relating to these and a wide range of other legal issues.

In addition, we provided **60 referrals** for community members to appropriate legal resources. This shows our commitment to a “no wrong door” approach to facilitating access to justice for our community members. Further information about our casework is detailed in the pages that follow.

A summary of key issues from the 2022–2023 year includes:

Case trends

- Housing and Income Security intakes continue to surge well above average, at 115% and 148% of expected volume, respectively.
- The move to virtual adjudication by Tribunals Ontario has significantly impacted the community’s need for legal help in these areas.
- We experienced a significant funding cut by the provincial government in 2019; the result is that we are having to serve many more people with very complex needs with much fewer resources.
- 22% of our intakes still come through the Health Justice Program; we are grateful for this team-based approach.

Accessibility

- In 2022–2023, **684 or 54%** of NLS clients **had never used our services before**. We see this as a positive indicator of reaching new people in our community.

¹ Note this Annual Report covers our fiscal year of April 1, 2022 – March 31, 2023.

- We continue to have multiple means of contact: clients can access our services by calling, doing an online intake, walking in during our open drop-in hours weekly, or if they are rostered at the St. Mike's Family Health Team, by getting a referral from their health care provider.

Public Legal Education

- We met all of our targets for public legal education and information (PLEI) workshops, both coming from NLS to the community generally, and in terms of our commitments to the Health Justice Program, by providing multiple workshops for healthcare providers.
- We also developed an easy-to-use evaluation tool for all of our educational activities in order to ensure maximum impact.
- We are proud to be a training ground for many law students, giving client-facing experience for budding lawyers.

NLS Staff, Volunteers & Board Members

We have a permanent staff of only 10 people, and we are grateful for significant volunteer support for our work. In 2022–2023, the NLS community was served by the following staff, students and volunteers:

Staff

Geraldine Thompson (Senior Legal Administrative Assistant), Kathleen Castillo (Legal Administrative Assistant), Marcello Ferrara (Legal Administrative Assistant – Health Justice Program), Halima Hussein (Cleaner), Daniel Bastien (Paralegal and Community Legal Worker – Income Security), Heath Soave (Paralegal and Community Legal Worker – Income Security), Brendan Jowett (Staff Lawyer – Housing), Victoria Peter (Staff Lawyer – Housing), Natasha Manning (Senior Staff Lawyer – Immigration, and Intake Team Manager), Nadia Nadeem (Contract Lawyer – Immigration), Judith Norris (Legal Administrative Assistant), Tristan Yeom (Operations consultant) and Jennifer Stone (Executive Director).

Our administrative team was supported by clerical support funded through the City of Toronto's Investing in Neighbourhoods Program, and we specifically acknowledge Pauline Bennett for her contributions to our work in 2022–2023.

Our work is also supported through TEEILS (Toronto East Employment and Immigration Legal Services), a partnership with four other east-end community legal clinics called led by Don Valley Community Legal Services. Through this partnership we benefited from the employment law services of Andrew Langille for a half-day a week.

Volunteers and Law & Paralegal Students

In 2022–2023, our work was generously supported by:

- Edgar Montigny of Montigny Law, who continued to work with our Health Justice Program this year, by training and supervising HJP students for our Wills and Power of Attorney clinic pro bono.
- The University of Toronto Faculty of Law's Health Law Program, and we acknowledge the dedication of:
 - » Dilan Brar, Adam Kouri and Marie Fiedler, who were our HJP Health Law Externs this year.
- The Lincoln Alexander School of Law at Toronto Metropolitan University, and we acknowledge their funding student Meagan MacArthur through Pascal Siakam's PS43 Foundation (summer 2022);
- Dalhousie University's Law Faculty, and we acknowledge their funding student Heather Lawson to work with our immigration team in summer 2022.
- Osgoode Hall Law School, and we acknowledge their funding student Christine Carthew to work with our Health Justice Program in summer 2022.
- University of Toronto's Faculty of Law, and we acknowledge their funding student Marie Fielder to work in our housing practice in summer 2022.
- Law student volunteers Dina Kavar (Immigration, summer 2022) and Joey Jang (housing, summer 2022),
- James Polak and Sophie Prevost (Paralegal placement students from George Brown College and Centennial College, summer 2022)
- We also oversaw several Integrated Practice Curriculum students from the Lincoln Alexander School of Law:
 - » Dixon Pushpagaravan (fall 2022, with our Health Justice Program);
 - » Carol MacLellan (fall 2022, with our Income Security practice);
 - » Ivy Lok (fall 2022, with our Housing practice);
 - » Gabriella Maatouk (fall 2022, with our Immigration practice);
 - » Kimberley Barbosa (winter 2023, with our Immigration practice);
 - » Louisa Bianchin (winter 2023, with our Income Security practice);
 - » Karlana Koot (winter 2023, with our Housing practice).
- Finally, in late fall/early winter 2022-23 we worked with Bryan Smith from Management Advisory Services (MAS) to develop our next three-year Strategic Plan.

We estimate NLS and the Health Justice Program benefited from at least 2000 hours of volunteer time.

NLS' Board of Directors

NLS was governed by the following community members and allies in 2022–2023:

Josh Vandezande (Chair), Debbie Hill-Corrigan (Vice-Chair, until Feb 2023), Maryam Hasan (Secretary), and Habib Abdullahi (Treasurer, until Feb 2023).

In February 2023, our membership elected the following board slate: Josh Vandezande (Chair), Walied Khogali Ali (Vice-Chair); Maryam Hassan (Secretary) and Kevin LaForest (Treasurer); Debbie Hill-Corrigan, Habib Adbullahi, Hayley MacPhail, Diana Mavunduse, Kumsa Baker, Ambaro Guled, Sean O'Connor and Hanae Davis. We thank this Board for their volunteer stewardship of NLS on behalf of the community we serve. We are deeply grateful for the expertise and perspective that each member brings to their role.

We estimate our board volunteered at least 400 hours of time to NLS this year.



Above left: Members of the NLS board meeting in person, July 2022. Above right: Summer students 2022. Middle left: Staff and Board retreat, January 2023. Middle right: LASL IPC students winter 2023: Karlena Koot, Kimberley Barbosa, Louisa Bianchi. Bottom left: LASL IPC students fall 2022: Ivy Lok, Dixson Pushpagaravan, Carol MacLellan, Gabriella Maatouk. Bottom right: Health Justice Program externs 2022–23: Adam Kouri, Marie Fiedler, Dilan Brar.



The Community Legal Clinic System

NLS is part of the Legal Aid Ontario (LAO) community legal clinic delivery system, a network of 70+ independent geographically based, racially focused and specialty-oriented community legal clinics. The former provide services mainly in landlord and tenant disputes, income security, employment law and immigration law while the latter provide legal services related to workers' health and safety and injury compensation, elder law, children's law, HIV/AIDS related law, housing and income maintenance, disability law, environmental law and public legal education, as well as a host of other civil law issues to low-income Ontarians.

The community legal aid clinic system complements other ways by which Legal Aid Ontario funds legal services for low-income Ontarians:

- Private bar lawyers working on legal aid certificates mostly in the areas of criminal, mental health, refugee and family law;
- LAO staff lawyers and staff offices providing services in criminal, family and refugee law; and
- Duty counsel offices in local court houses offering services mostly in criminal and family law.

Clinics provide legal aid services to people throughout Ontario who qualify. They are amongst the poorest in Ontario. We receive our funding from LAO, which, while operating at arms-length from the government, is in turn funded by the Ministry of the Attorney General (MAG) and the Law Foundation of Ontario.

NLS is a proud member of the Association of Community Legal Clinics of Ontario (ACLCO). The ACLCO plays an important role in helping to build and maintain the clinic movement. The result is a much wider and a much better understanding in the community and in government of the work that clinics are engaged in on a daily basis.

The ACLCO continues to advocate for the clinic system for more funding for clinics, for improved recognition within LAO and MAG for the unique work clinics do for clients in improving their economic wellbeing, while also empowering our clients. Clinics help create social capital in a way that few other sectors do because they work on legal issues, legal rights and social engagement.

The ACLCO is also a leader in learning and training for the clinic system. Their resources have supported training conferences in all Ontario Regions including the GTA and carry out regular trainings for clinic staff, managers and boards.

Areas of Law Reports

Housing Work

Our housing law team in 2022–2023 consisted of staff lawyers Brendan Jowett and Victoria Peter. We also acknowledge the work and contributions of our housing placement law students Ivy Lok, Karlana Koot, Marie Fiedler, Meagan MacArthur, and Joey Jang as well as other students who assisted our housing team with various matters.

Together, our housing team provided legal advice, brief services, or full representation on **584 matters** over the year (amounting to **115%** of the volume we would normally serve). The scope of NLS' housing work is broad, with the majority of our work traditionally focusing on eviction prevention.

Highlights of our housing advocacy in 2022–2023 include:

DEFENDING THE DEFINITION OF AFFORDABLE HOUSING

Through the tireless work of many community organizations, the City of Toronto adopted a new definition of “affordable housing” for purposes such as inclusionary zoning and community benefits programs. The previous definition of “affordable housing” was based on 80% of market rents in the City of Toronto, which, in the context of a longstanding housing and affordability crisis, was not an accurate reflection of what was truly “affordable”. The new definition of “affordable housing” looks at average incomes of low-income households, and calculates affordable rents based on those incomes.

This definition was appealed to the Ontario Land Tribunal (‘OLT’) by a consortium of developers. NLS was retained by the Regent Park Neighbourhood Association (‘RPNA’) to seek Party Status to participate in, and defend, the definition of affordable housing that the City has adopted and the community fought for. RPNA was granted party status, allowing them to call witnesses, examine witnesses, and make arguments in the proceeding. RPNA's perspective will be invaluable to the OLT in understanding the real implications of this definition of affordable housing.

DEFENDING DOWNTOWN ROOMING HOUSES

We continue to organize with tenants and community groups to preserve affordable housing stock in our community on a large-scale, systemic level.

In July of 2019, we began working with a group of tenants at the Inglewood Arms, a rooming house on Jarvis Street which is home to over 90 tenant households. A developer was trying to purchase the building and knock it down to build a 36-storey condo complex. We formed a coalition with the Ontario Coalition Against Poverty and the Advocacy Centre for Tenants of Ontario to defend this important affordable housing stock.

The tenants do not oppose the development of the property. They want to have a right to return to the building once it is completed, at their previous rents, and they want to have an acceptable interim relocation plan. They also want to ensure that these affordable housing units are maintained as affordable housing.

There are a number of legal issues that arose in this case. The first is that the landlord claimed the tenants are not tenants at all, but more like hotel guests – meaning they don't have legal rights. We disagreed. Our main client has been living in his unit for 10 years, and many other tenants have been in their units for more than five years. The tenants do not have any other home; this is their primary residence. Many of their rents are paid directly by ODSP. To assert that the tenants are indeed tenants, we brought an application to the Landlord and Tenant Board (LTB) confirming that the *Residential Tenancies Act (RTA)* applies. This was adjourned due to Covid-19 shutdowns but was finally heard over three days in the summer of 2021 and a decision was issued October 7th: the LTB found the applicants to be tenants with full protection of the *Residential Tenancies Act, 2006*. The approximately 90 tenants of the Inglewood Arms are now secure in the knowledge that they enjoy the same protections as other tenants under the *RTA*, including rent control and protection from arbitrary eviction.

We continue to represent residents of the Inglewood Arms at the OLT in defending an Official Plan Amendment requiring developers to maintain rooming house units as affordable housing, and to allow original rooming house residents to return to the new development at their previous rent rate.

The organizing efforts of the tenants alongside NLS have pushed **two** multi-billion dollar developers out of the redevelopment project of this property.

SUCCESSFUL DIVISIONAL COURT APPEAL

In February 2023, we argued the case of *2008838 Ontario Ltd. v. King*, 2023 ONSC 910, in Divisional Court. This was the Landlord's appeal after the LTB issued an order requiring the Landlord to pay our client over \$14,000 in compensation for his unlawful eviction.



The central issue in the appeal was whether a corporate Landlord could claim an exemption from the protections of the *RTA* when a director of the corporation lives in the premises with the tenant. Ordinarily, accommodations where a tenant is required to share a kitchen and/or bathroom with the landlord are exempt from tenant protections. We argued that a corporation is incapable of using a kitchen or a bathroom, because it is not a human being. Our arguments were successful and the Court unanimously ruled in our favour. This case established the precedent that a corporation cannot claim this exemption under the *RTA*.

Brendan Jowett ready for his Superior Court hearing.

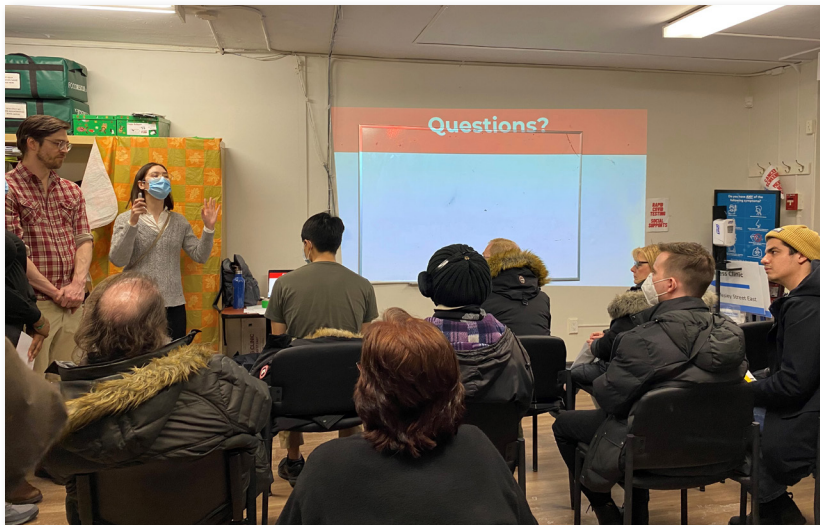
NOVEL ADVOCACY FOR TENANTS' RIGHTS

We continue to represent a group of approximately 200 tenants from 280 Wellesley Street East in a multi-tenant application against their landlord, seeking a rent reduction for loss of facilities and compensation for multi-day power, water and heat outages, as well as frequent elevator breakdowns and utility shutoffs. Unfortunately, the matter has largely been stalled at the LTB, in part because it appears that they don't know how to schedule and organize such a large application (something that was routinely done at the time the application was filed, when in-person hearings were the norm).

Public Legal Education & Information

Our housing team regularly provides workshops for local healthcare and other social service providers to understand landlord & tenant law. In 2022–2023 this included:

- St. Jamestown Residents Council PLEI, June 2022, Victoria
- Tenants Rights Workshop in St. Jamestown in collaboration with ACORN, January 26, 2023, Victoria



Victoria Peter providing a public legal education workshop to tenants in cooperation with ACORN.

Income Security Work

Our income security law team in 2022–2023 consisted of Heath Soave and Daniel Bastien. They were supported by law students Carol MacLellan, Adam Kouri, Christine Carthew, James Polak, Louisa Bianchin, Marie Fiedler and Sophie Prevost.

Our income security team provided legal advice, brief services, or full representation on **242 matters** over the year (amounting to **148%** of the volume we would normally serve). As the pandemic wore on, and pandemic-related benefits ceased, many community members faced new and painful cuts to their income, which required legal advocacy to protect or reinstate.

Highlights of advocacy from our income security team in 2022–2023 included:

FIGHTING FOR LOW-INCOME SENIORS

By July 2022, our income security team had wrapped up files where seniors had returned to Ontario Disability Support Program (ODSP) after losing their Guaranteed Income Supplement/ Guaranteed Annual Income System (GIS/GAINS) because they collected the Canada Emergency Response Benefit (CERB) in 2020–2021.

Our team ensured clients were rapidly reinstated on GIS and that ODSP was stopped. Clients were grateful for the ODSP top-up and in the end came out on top financially – though many had debts to pay after losing half their income in August 2021.

- Unfortunately, one rapid reinstatement file unexpectedly resulted in a historical ODSP overpayment being re-opened. The client was entirely unaware of the overpayment and ODSP has never tried to collect it, until now. This summer ODSP partially wrote it off. As of writing, this client is still awaiting a hearing to challenge it.

This year our team focused on assisting clients over the age of 65 apply for Old Age Security (OAS). When clients receive OAS they come off ODSP, as OAS provides more money than ODSP. When ODSP ends, most seniors lose their ODSP health benefits and have to rely on patchwork government benefits, including the Senior Drug Plan, to have their medical benefits covered.

We assisted many clients over the age of 65 years old, who were required to apply for OAS but had refused, largely due to mental health symptoms. We ensured clients were assessed for ODSP Extended Health Benefits, or referred to local senior-serving agencies to ensure they were supported in connecting to appropriate government benefits.

All the were lengthy files due to age of client and mental health symptoms.

Case highlights in this area included:

- ODSP – resolved a three-month hold with retroactive payment. Assisted vulnerable client to apply for OAS.
- ODSP – resolved a 18-month hold with retroactive payment. Assisted vulnerable senior to apply for OAS.
- ODSP – Completed extensive work on a very complicated file that included threat of eviction, an ODSP hold, and denial of assistive device program (ADP) benefits. We resolved the hold, connected the client to community resources for support, resolved denial of ADP benefits, and assisted the vulnerable senior to apply for OAS.
- ODSP – Opened extremely complicated file where client refused our advice in 2022 and returned in 2023 with a substantial overpayment. Further to our advocacy, ODSP agreed to temporarily withdraw overpayment after we assisted client to apply for OAS.

CULTIVATING PARTNERSHIPS WITH ALLIED ORGANIZATIONS

This year, our income security team focused on developing a partnership with Developmental Services Ontario (DSO) in order to refer clients for assessments. Once eligible for DSO, clients are considered part of a “prescribed class” and automatically eligible for ODSP. For example:

- We referred a client who was already receiving ODSP but with a medical review date. She was found eligible for DSO and is now on ODSP for life. At the same time she was facing eviction. Our paralegal Heath used this new diagnosis to argue for retroactive shelter allowance for 1.5 years. This allowed the client to stabilize her housing. She is also on the waitlist for an Adult Protective Worker and now has access to PASSPORT funding.

We also continued to strengthen our partnerships with Woodgreen, including their Financial Empowerment Program and Crisis Outreach Seniors Services (COSS). For example:

- We referred vulnerable senior with dementia who thought his OAS benefits had been cut off, but we confirmed the benefit was deposited in the correct month. We connected him to COSS for wrap-around support.
- We also connected clients to Woodgreen for support around debt collection, senior’s pension applications, tax filing, and the Canada Child Benefit.

ADVOCATING AGAINST COLLECTION OF UNFAIR OVERPAYMENTS

Income security benefits come with numerous rules which lead to significant surveillance of recipients and often, punishing overpayments. During 2022–2023, we supported clients to successfully appeal eight overpayments, and three were partially successful before the Social Benefits Tribunal. Such advocacy included:

- One client had been entangled in an overpayment with Ontario Works for two years, with numerous adjournments. We assisted in the final months prior to her hearing by providing a full file review, ghost writing final hardship submissions and preparing her to self represent. She was partially successful in her appeal and said she was most grateful that someone finally explained what was happening and listened to her.
- We successfully appealed an Ontario Works overpayment based on treatment of honorarium. Overpayment was not valid as the money was honorarium and therefore exempt. *This decision was marked as a significant decision by the Clinic Resource Office.*
- We successfully settled a “spouse-in-the-house” case. The client and her family had been entangled in an appeal process for 1.5 years with numerous adjournments. NLS was able to remove her husband from the benefit unit and avoid overpayment that would have accrued due to his income.

- We were able to close a senior client's file with nearly \$20,000 overpayment, after we confirmed that ODSP was not able to collect once client was found eligible for Extended Health Benefits after turning 65.
- One ODSP client won the lottery. We assisted them to understand financial options and disclose new income to ODSP. They were very grateful to have someone they could trust to provide some direction at such a vulnerable time.

ADVOCATING FOR BENEFITS TO WHICH CLIENTS ARE ENTITLED

We have a well-developed system to help clients who have been denied ODSP benefits to get ready for their appeal. We help gather additional medical evidence and coach individuals to represent themselves. In rare instances we will represent particularly vulnerable individuals.

In the course of our work, we also advocate for other benefits, such as:

- Increase in monthly transportation funds
- Reviews of Special Diet forms
- One client received \$750 in Special Diet retroactive payments after ODSP made a mistake and cut her off despite Covid policies that said she should have been automatically renewed until January 2023. This took three months to resolve, including calls to senior management.
- In one case we successfully appealed a denial of incontinence supplies to TESS's Decision Review Committee.

Public Legal Education & Information

Our income security team regularly provides workshops for local healthcare and other social service providers to understand the complex intersecting rules around social assistance. In 2022–2023, this included:

- Info Session with Woodgreen (Heath, June 27, 2022)
- Landscape of free or cheap legal services in Ontario for Canadian Centre for Victims of Torture (Daniel, August 2022)
- Webinar for Maggie's members on Cryptocurrency (Carol, March 2023)
- Workshop for Maggie's on Accessing ODSP and OW (Heath, April 2023)

Heath co-chairs the Social Assistance Advisory Committee and participates in the Toronto Employment & Social Services Managers' Meetings. Daniel sits on the St. Jamestown Service Providers Network.

In addition to co-Chairing the Social Assistance Advisory Committee, NLS' Heath Soave coordinated all trainings for a Toronto Study group of income security advocates as well as one provincial training this year, on:

- Municipal politics and processes
- Judicial notice and utilizing affidavits in hearings
- Train the Trainer workshop with CLEO on social assistance
- ODSP and Prescribed Classes
- Accessing and understanding government benefits

Daniel helped organize a clinic-wide webinar in December 2022 to support various climate change-related systemic advocacy efforts, including CELA's campaign to implement maximum heat by-laws in rental housing and efforts to reform our immigration system to accept climate refugees.

Immigration Work

Our immigration law team in 2022–2023 consisted of Natasha Manning & Nadia Nadeem. Natasha Manning is our Senior Staff Lawyer for Immigration and also Intake Team Manager. Nadia Nadeem was our Articling Student in 2021–2022, and we were pleased to keep her on as a contract Lawyer (becoming a permanent staff member in April 2023). She has hit the ground running with a busy practice and interest in litigation. We acknowledge the help provided by law students Gabriella Maatouk, Heather Lawson, Kimberly Barbosa, and Dilan Brar in this practice area.

In 2022–2023, the Covid-19 pandemic continued to have a major impact on our immigration practice. Closures of visa offices worldwide at the beginning of the pandemic caused a major backlog in immigration processing. The backlog affected the length of time Immigration files were open and increased the amount of correspondence required for each file. Nonetheless, our Immigration team provided summary advice, brief legal services, or full representation on **146 cases**, representing **91% of usual volume**.

In 2022–2023, our immigration practice continued to focus on our three priority areas of family reunification, regularization or maintenance of legal status, and overcoming barriers to citizenship. We provided a range of services as needed, such as representation regarding permanent residence (PR) and temporary residence applications; submissions relating to inadmissibility; judicial reviews, and motions to stay deportations. Our immigration law team provides these services to clients from over 40 countries of origin.

Immigration, Refugees and Citizenship Canada (IRCC) this year introduced more online applications as the mandatory form of submission. The ability to submit applications electronically is helpful, however not always efficient for NLS' clients who do not often have knowledge of or access to technology. We are working to find new ways to support our clients in adapting to online applications. This includes reaching out to community partners, and having students and volunteers assist with form filling.

Advocacy in our immigration practice this year included:

PERMANENT STATUS & FAMILY REUNIFICATION, ESPECIALLY FOR DEPENDENTS OF REFUGEES

- We have assisted many clients with H&C applications, and refugees with obtaining permanent residence, many of whom have included their family members overseas on those applications.
- In December 2022, Natasha assisted a client with obtaining a visitor visa in order to visit a parent in palliative care. The client had attempted to obtain a visa on their own, but was denied twice. Thankfully, after the successful application they were able to visit their parent at this very difficult time.
- We promoted and shared the Migrant Rights Network's *Regularize Now, Status for All* Campaign.
- Nadia and Natasha jointly represented a long-time resident of Canada, and father of Canadian children. He challenged his refusal for permanent residence on humanitarian and compassionate grounds, with Nadia arguing her first case before the Federal Court.



Above: Nadia after her first Federal Court review, in which she overturned a refusal of a Haitian father of Canadian children. Top & bottom right: NLS attendance at the *Status for All* march and rally, September 2022.

IMPACT LITIGATION WORK

- Nadia was selected to join the four-member litigation counsel team for the Family Separation Litigation Challenge, an initiative supported by CARL and the Canadian Council for Refugees (CCR). The team is working on beginning its test case litigation. The goal is to reduce processing times for Dependents of Refugee (DR2) applications where children are separated from their parents/guardians.
- Our Executive Director Jennie Stone, who was NLS' Staff Lawyer for Immigration for many years, works with our immigration team on files from time to time. She also serves as the Co-Chair of the Canadian Council for Refugees' Legal Affairs Committee. The CCR regularly initiates or intervenes in impact litigation to pursue and protect migrants' rights and through this role, we are able to bring forward the perspective front-line serving community legal aid clinics to impact litigation.

Public Legal Education

Our immigration team has regularly participated in speaking engagements in the community over the last year:

- Throughout the year, our immigration team shared expert immigration law knowledge with colleagues, as Nadia and Natasha co-chair the Inter-Clinic Immigration Working Group (ICIWG).
- In summer 2022, Natasha gave a presentation to clients of the Canadian Centre for Victims of Torture on immigration pathways, including sponsorships and H&Cs.
- In early 2023, Nadia and Natasha jointly presented on H&C applications to the annual Canadian Association of Refugee Lawyers (CARL) conference.



Natasha and Nadia presenting at the Canadian Association of Refugee Lawyers' conference, spring 2023.

Employment Work

NLS continues to be a partner clinic to the *Toronto East Employment and Immigration Law Services Program*. Although we do not make use of the immigration resources of TEEILS, through TEEILS NLS community members receive the services approximately one half-day per week of employment lawyer Andrew Langille.

Andrew provides legal advice and representation to clients of the TEEILS clinic partners (Willowdale Community Legal Services, Don Valley Community Legal Services, West Scarborough Community Legal Services, and Scarborough Community Legal Services). Andrew also consults regularly with clients of the Health Justice Program and supports us to be able to help clients navigate remedies related to rights at work. In 2022–2023, Andrew provided employment law summary advice, brief legal services or full representation to **57 clients**, representing **81%** of our usual volume in this area of law.

TEELS work at Neighbourhood Legal Services in 2021–2022 has continued to cover all areas of workplace law (employment insurance, labour law, human rights, employment law, taxation law, etc.) and has included appearances or representation on behalf of NLS clients at the Labour Program, Service Canada and the Employment Insurance Commission, Canadian Industrial Relations Tribunal, the Ontario Labour Relations Board, Canada Revenue Agency, the Social Security Tribunal, the Ontario Court of Justice, and the Human Rights Tribunal of Ontario. Andrew's work resulted in awards or settlements and employment insurance benefits secured for clients through formal and informal interventions with Service Canada.

The Health Justice Program

The Health Justice Program (HJP) is an embedded legal referral service in the St. Michael's Hospital Academic Family Health Team (SMHAFHT).² This unique health justice partnership in a large urban Family Health Team, launched in late 2014, is the first in Canada to adopt a poverty law and social justice lens.

This partnership is comprised of St. Michael's Hospital's Academic Family Health Team, Unity Health Toronto, Neighbourhood Legal Services (taking the administrative lead) and three collaborating legal clinics: Aboriginal Legal Services, ARCH Disability Law Centre, and the HIV and AIDS Legal Clinic of Ontario (HALCO). Each organization involved in the program has complementary expertise working with vulnerable populations. We continue to develop and deliver legal support to address the legal issues of vulnerable individuals around their social determinants of health, stabilize clients' situations, and where possible, prevent cascading problems.

2 Patient population approximately 55,000 (~30% of whom live under the Low-Income Measure) over five health clinic sites across the downtown east side of Toronto, with approximately 180 clinicians including physicians and allied health care providers.

HEALTH JUSTICE PROGRAM



St. Michael's
Inspired Care.
Inspiring Science.

The continued goals of the HJP are threefold:

1. To improve social determinants of health where a legal remedy exists for low-income patients of St. Michael's Hospital's Family Health Team, and in turn improve the access to justice ("legal health") of this population through preventative, stabilizing interventions before they become crises. The **direct service** offered is the cornerstone of the program, and helps to inform education and systemic advocacy initiatives.
2. To support and cultivate clinicians' abilities to recognize and smartly refer legal issues that impact their patients' health. As such, our **education** program continues to strengthen the capacity of Family Health Team & related primary healthcare community to provide services with a knowledge of their patients' rights within the healthcare system and how to navigate appropriate legal resources in the community. In turn, the HJP aims to improve legal partners' ability to deliver service within a trusted primary care setting.
3. To identify and take action on collaborative **systemic law reform** issues that impact low-income patients' social determinants of health, and to bring together the legal aid and medical partners in advocating for positive change for the betterment of the populations we jointly serve.

General Overview & Highlights

This report details a statistical and narrative summary of milestones and key activities from April 1, 2022 to March 31, 2023.

The HJP's functional "home base" is Neighbourhood Legal Services (NLS), with an accessible office also located at the St. Mike's FHT site at 80 Bond Street. During this past year, the HJP was served by **Marcello Ferrara** (HJP's full-time Legal Administrative Assistant), **Jennie Stone** (HJP Manager and Executive Director of NLS), the following NLS-HJP caseworkers: **Heath Soave** (Income Security Paralegal); **Victoria Peter** and **Brendan Jowett** (Housing lawyers); and **Natasha Manning** (Immigration lawyer).

This past year was the third year of the Covid-19 pandemic, and we continued to adapt to changing circumstances and public health requirements. Our "home base" office at NLS resumed daily hours for walk-in services in April 2022. The HJP continued to receive referrals through our well-established Electronic Medical Record form; by phone; and through walk-in services. Starting January 2023 we initiated drop-ins at four of the five FHT sites. This is for the purpose of re-engaging with healthcare providers in person; offering low-barrier means of accessing services; and seeking to re-invigorate the HJP after two-plus years of largely remote service provision. We plan to evaluate this strategy mid-way through this year to determine its value. We hope that with consistency and targeted communications, that this will become a well-utilized intake pathway. The schedule for these drops-ins continues and is as follows:

FHT SITE	DROP-IN DAYS/TIMES
61 Queen Street East, 3rd Floor	First Friday of each month from 1–5pm
The Health Centre, 80 Bond Street	Second Friday of each month from 1–5pm
Wellesley-St. Jamestown Health Centre 95 Homewood Avenue	Third Friday of each month from 1–5pm
Sumac Creek Health Centre 73 Regent Park Blvd, 3rd Floor	Fourth Friday of each month from 1–5pm

A new permanent Memorandum of Understanding between NLS and the St. Michael's Hospital Academic Family Health Team was finalized this year!

Status of Outcomes re: Expanding & Increasing Client Services

1. **DIRECT SERVICE.** *Our goal is to continue and expand the provision of enhanced services to clients via St. Michael's Hospital Academic Family Health Team. We aim to serve 350 people a year.*

The trajectory of **direct service** intakes **continues to demonstrate expanded areas of law**, and the number of patients we assisted this year was fairly consistent compared to the year prior. Since the launch of the community legal clinics' new Client Information Management System database (CIMS) which took place in late Q1 of 2017, intakes have averaged about 24 per month. Last year (2021–2022) we saw 273 intakes, about 23 per month. **This reporting year (2022–2022) we saw 263 intakes, about 22 per month.** Factors impacting our direct service this year included:

- The fiscal year of 2022–2023 saw the Program's third full year as a hybrid work structure due to continued precautions around Covid-19. We occasionally provided in-person consultations for clients without means of remote communication or to sign important documents, such as wills and powers of attorney.
- 22% of NLS' cases came through the Health Justice Program this year. This echoed our numbers during the first and second year of the pandemic, when we saw approximately a third of NLS' legal matters coming in by way of the HJP. This speaks to the great importance of this access point for low-income community members. Throughout the pandemic, this partnership proved to be an effective means of accessing legal services so long as people remained connected to their primary healthcare providers at St. Mike's.

CASES REFERRED THROUGH THE HJP 2022–2023	# OF CASES
01.00 Housing	86
99.00 Other: Legal (Wills & Powers of Attorney)	48
09.00 Employment	38
03.00 Social Assistance – Disability (SA-D)	23
16.00 Family	20
17.00 Violence (Victim of Violence/Crime)	13
02.00 Social Assistance – General (SA-G)	7
08.00 Immigration/Refugee/Citizenship	6
07.00 General Administrative	6
05.00 Other Income Maintenance	5
06.00 Workers Compensation	4
13.00 Human Rights	4
15.00 Criminal	2
11.00 Health Care/Substitute Decisions	1
GRAND TOTAL	263

- Our services continue to cover all the “I-HELP”³ Factors (income, housing, employment, immigration, and personal safety/stability such as family law and violence), but also include expanded areas of law (highlighted in yellow). For the areas of law that fall outside of our legal clinic expertise, we make connections across various legal services such as for wills/estates law, criminal law and others.

Case highlights from 2022–2023 include the following:

- We were contacted by a very isolated client who had not eaten in several days. She lives with multiple disabling conditions including complex trauma. Thanks to our HJP partnership we were able to get her connected to a family doctor; set up food deliveries; and plug her into many supportive services to stabilize her income and reduce her isolation.
- Our team, together with the patient’s family doctor, advocated for, and researched and accessed suitable temporary housing for a single mother and her children, who had to relocate while essential repairs to their unit were undertaken.
- We celebrated, *finally*, the citizenship oath ceremony for a patient of the FHT who lives with schizophrenia. His family doctor and community health worker, together with our team and the client’s criminal lawyer, coordinated our work to achieve this result after 10 years of delay.
- Thanks to medical evidence of a significant mental health disability obtained from the family doctor, our team was able to successfully re-open the application to process the family of a refugee in Canada which had been closed for three years. The files had been closed after nine years of delay at the Canadian Embassy in Nairobi.

2. EDUCATION. *Our goal of education, to ensure clinicians are well-armed to identify legal issues, ideally “upstream”, and make smart referrals, as well as ensuring lawyers are better informed about how to deliver legal services within a health care setting, underlines our work at many points and in the reporting year took multiple forms.*

Education highlights:

- As reported previously, since 2020 we have been working with many experts in the medical and legal fields to develop a 13-chapter Health & Justice textbook for University of Toronto Press. We plan to deliver this manuscript by summer 2023. Our law students Dilan, Adam, Marie, Christine and Dixon were instrumental in helping our author teams complete this work.

3 [National Center for Biotechnology Information](#)

- In March 2023, we delivered a draft chapter to the editors of the 5th Edition of Public Health Law and Policy in Canada to be published by LexisNexis. Our chapter focuses on SDOH and Covid-19. The objectives of this chapter are to:
 - » Highlight how some public health law authorized restrictions and policies mitigated some potential negative impacts of the COVID-19 pandemic on the social determinants of health.
 - » Critically reflect on how some public health law authorized restrictions and policies also exacerbated pre-existing inequities in the social determinants of health and how these highlighted opportunities to structurally address them through policy interventions moving forward.
 - » Highlight one model of care (Medical Legal Partnerships) to support patients/clients negatively affected by public health law authorized restrictions and policies and to generate lessons for more equitable approaches to future pandemics and for a more equitable society.

3. SYSTEMIC LAW REFORM. *Our goal of pursuing systemic law reform as it relates to Health Justice continues. To date, this work has been reactive and broad-based, to reflect the many areas of law the HJP encounters.*

OP-ED MAY 2022 PRIOR TO THE ELECTION

Dr. Gary Bloch and Jennie Stone published an opinion piece for the Toronto Star in the lead-up to the June election, titled “Legislate Health, Not Poverty”. We urged the provincial government to raise the social assistance rates and put poverty reduction strategies at the forefront. You can see this piece [here](#).

MARCH 2023 OHIP FOR ALL CAMPAIGN – #HEALTHACCESS4ALL

The Ontario government suddenly cut access to the temporary OHIP billing codes for providers and hospitals with only one week’s notice, effective March 31, 2023. The medical community organized very quickly and effectively, supported by providers at the St. Michael’s FHT. The HJP’s Advocacy Subcommittee) have supported this advocacy by:

- Writing and posting an statement against the cuts, posted on NLS’ website and to HJP’s Twitter account
- Participating in advocacy calls and coordinating input from Nell Toussaint’s legal team to consider possible legal options
- Attending a rally at Queen’s Park
- Utilizing the HJP’s and NLS’s social media accounts to amplify the organizing efforts for the #healthaccess4all team
- Fundraising over \$10,000 for a legal challenge, in cooperation with Migrant Workers Alliance for Change and #OHIP4All



CONTINUING TO FOLLOW THE *TOUSSAINT V CANADA* LITIGATION

In January 2023, Justice Perrell dismissed the government's motion to dismiss Nell Toussaint's claim to enforce the decision of the UN Human Rights Committee, which found that Canada violated her rights to life and equality by denying her access to life-saving essential health care. That same month Nell Toussaint died. We hope to honour her fearless advocacy fighting for healthcare for migrants and we continue to watch this litigation with an eye to possibly intervening as it moves up the courts. At the time of writing, Nell's mother is applying to the court to continue the litigation as executor of her estate.



Rest in peace, Nell Toussaint



Julia Hotz
@hotzthoughts

AND, at St. Michael's @UnityHealthTO, doctors like @Gary_Bloch, lawyers like @Stonejenge, & lived experience advisers like Janet and Sureya are making sure inequity, poverty, ableism, violence, & discrimination don't get in the way of health (&inspiring @nbcnewamsterdam! (5/13)



10:26 AM · Nov 7, 2022

Looking forward, we are excited to work with the FHT's Patient Engagement Manager and their team to advance systemic advocacy grounded in community work.

NEIGHBOURHOOD LEGAL SERVICES

FINANCIAL STATEMENTS

March 31, 2023

HILBORN_{LLP}

Independent Auditor's Report

To the Board of Directors of Neighbourhood Legal Services

Opinion

We have audited the financial statements of Neighbourhood Legal Services (the "Organization"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and funds balance and 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 the Organization as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 the Organization 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 Canadian accounting standards for not-for-profit organizations, 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 the ability of the Organization to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Organization.

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 the financial statements.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 the internal control of the Organization.
- 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 the ability of the Organization 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 the Organization 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario
September 21, 2023

Chartered Professional Accountants
Licensed Public Accountants

NEIGHBOURHOOD LEGAL SERVICES

Statement of Financial Position

March 31, 2023

	General Fund \$	Legal Disbursements Fund \$	Capital Fund \$	Non-LAO Fund \$	Total \$
ASSETS					
Current Assets					
Cash	-	6,159	-	2,137	8,296
Accounts receivable	48,374	-	-	9,775	58,149
HST recoverable	11,293	26	-	197	11,516
Prepaid expenses	33,779	-	-	-	33,779
	93,446	6,185	-	12,109	111,740
Capital assets (note 3)	-	-	130,650	-	130,650
Total assets	93,446	6,185	130,650	12,109	242,390
LIABILITIES					
Current Liabilities					
Bank indebtedness	5,509	-	-	-	5,509
Accounts payable (note 4)	33,371	-	-	-	33,371
Inter-fund payable (receivable)	13,433	(7,805)	-	(5,628)	-
	52,313	(7,805)	-	(5,628)	38,880
FUNDS BALANCE	41,133	13,990	130,650	17,737	203,510
Total liabilities and funds balance	93,446	6,185	130,650	12,109	242,390

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

Director
Neighbourhood Legal Services

NEIGHBOURHOOD LEGAL SERVICES

Statement of Financial Position

March 31, 2022

	General Fund \$	Legal Disbursements Fund \$	Capital Fund \$	Non-LAO Fund \$	Total \$
ASSETS					
Current Assets					
Cash	-	2,043	-	19,301	21,344
Accounts receivable	9,509	-	-	8,108	17,617
HST recoverable	12,951	96	-	-	13,047
Prepaid expenses	71,573	-	-	-	71,573
	94,033	2,139	-	27,409	123,581
Capital assets (note 3)	-	-	139,556	-	139,556
Total assets	94,033	2,139	139,556	27,409	263,137
LIABILITIES					
Current Liabilities					
Bank indebtedness	47,004	-	-	-	47,004
Accounts payable (note 4)	10,159	-	-	-	10,159
Inter-fund payable (receivable)	(783)	(6,922)	-	7,705	-
	56,380	(6,922)	-	7,705	57,163
FUNDS BALANCE	37,653	9,061	139,556	19,704	205,974
Total liabilities and funds balance	94,033	2,139	139,556	27,409	263,137

The accompanying notes are an integral part of these financial statements

NEIGHBOURHOOD LEGAL SERVICES

Statement of Operations and Funds Balance

Year ended March 31, 2023

	General Fund \$	Legal Disbursements Fund \$	Capital Fund \$	Non-LAO Fund \$	Total \$
Revenues					
-direct receipts	1,162,651	7,700	-	-	1,170,351
-indirect receipts (note 5)	72,555	-	25,895	-	98,450
City of Toronto	-	-	-	21,993	21,993
Donations	-	-	-	366	366
	1,235,206	7,700	25,895	22,359	1,291,160
Expenses					
Salaries	792,170	-	-	20,165	812,335
Benefits	140,705	-	-	1,828	142,533
Professional dues	18,273	-	-	-	18,273
Professional services	18,735	-	-	-	18,735
Travel	2,014	-	-	2,260	4,274
Communications	16,956	-	-	-	16,956
Accommodation	144,933	-	-	-	144,933
Equipment	2,132	-	-	-	2,132
Library	1,165	-	-	-	1,165
Supplies and services	16,195	-	-	73	16,268
Audit fees	5,893	-	-	-	5,893
Indirect payments (note 5)	72,555	-	-	-	72,555
Legal disbursements	-	2,771	-	-	2,771
Amortization	-	-	34,801	-	34,801
	1,231,726	2,771	34,801	24,326	1,293,624
Excess of revenues over expenses (expenses over revenues)	3,480	4,929	(8,906)	(1,967)	(2,464)
Funds balance, beginning of year	37,653	9,061	139,556	19,704	205,974
Funds balance, end of year	41,133	13,990	130,650	17,737	203,510

The accompanying notes are an integral part of these financial statements

NEIGHBOURHOOD LEGAL SERVICES

Statement of Operations and Funds Balance

Year ended March 31, 2022

	General Fund \$	Legal Disbursements Fund \$	Capital Fund \$	Non-LAO Fund \$	Total \$
Revenues					
-direct receipts	1,149,921	7,000	-	-	1,156,921
-indirect receipts (note 5)	68,450	-	-	-	68,450
City of Toronto	-	-	-	24,530	24,530
Donations	-	-	-	4,056	4,056
	<u>1,218,371</u>	<u>7,000</u>	<u>-</u>	<u>28,586</u>	<u>1,253,957</u>
Expenses					
Salaries	772,318	-	-	22,650	794,968
Benefits	126,958	-	-	1,657	128,615
Professional dues	13,766	-	-	-	13,766
Professional services	23,880	-	-	-	23,880
Travel	1,297	-	-	-	1,297
Communications	16,889	-	-	-	16,889
Accommodation	168,516	-	-	-	168,516
Equipment	5,580	-	-	-	5,580
Library	1,884	-	-	-	1,884
Supplies and services	13,483	-	-	-	13,483
Audit fees	5,374	-	-	-	5,374
Indirect payments (note 5)	68,450	-	-	-	68,450
Legal disbursements	-	5,306	-	-	5,306
Amortization	-	-	26,643	-	26,643
	<u>1,218,395</u>	<u>5,306</u>	<u>26,643</u>	<u>24,307</u>	<u>1,274,651</u>
Excess of revenues over expenses (expenses over revenues)	(24)	1,694	(26,643)	4,279	(20,694)
Return of funding to Legal Aid Ontario	(31,318)	-	-	-	(31,318)
Funds balance, beginning of year	68,995	7,367	166,199	15,425	257,986
Funds balance, end of year	<u>37,653</u>	<u>9,061</u>	<u>139,556</u>	<u>19,704</u>	<u>205,974</u>

The accompanying notes are an integral part of these financial statements

NEIGHBOURHOOD LEGAL SERVICES

Statement of Cash Flows

Year ended March 31	2023 \$	2022 \$
Cash flows from operating activities		
Excess of expenses over revenues for year	(2,464)	(20,694)
Return of funding to Legal Aid Ontario	-	(31,318)
Item not affecting cash		
Amortization	34,801	26,643
	32,337	(25,369)
Changes in non-cash working capital		
Increase in accounts receivable	(40,532)	(8,108)
Decrease in HST recoverable	1,531	3,115
Decrease (increase) in prepaid expenses	37,794	(33,896)
Increase in accounts payable	23,212	8,478
Increase (decrease) in bank indebtedness	(41,495)	47,004
	12,847	(8,776)
Cash flows from investing activities		
Purchase of capital assets	(25,895)	-
Net change in cash	(13,048)	(8,776)
Cash, beginning of year	21,344	30,120
Cash, end of year	8,296	21,344

The accompanying notes are an integral part of these financial statements

NEIGHBOURHOOD LEGAL SERVICES

Notes to Financial Statements

March 31, 2023

Neighbourhood Legal Services (the "Organization"), is incorporated without share capital under the laws of the Province of Ontario and is a registered charitable organization. The Organization was formed to provide equal access to quality legal services for the low-income citizens of the Don Valley East area and is primarily funded by Legal Aid Ontario.

The Organization qualifies as a not-for-profit organization under the Income Tax Act and is exempt from corporate income tax.

1. Significant accounting policies

a) Fund accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. The Organization follows the restricted fund method of accounting for contributions whereby all contributions are recognized as revenue of the applicable fund when received or receivable. All the funds described below, except as noted, are restricted as to use by various agreements between the Organization and Legal Aid Ontario ("LAO") and title to the Organization assets vests with the funder. Inter-fund payables (receivables) do not have specific repayment terms.

i) General Fund

These funds are used to provide a range of legal and paralegal services, including information, advice and representation, to low-income individuals and families.

ii) Legal Disbursements Fund

These funds are used to provide for certain direct expenses incurred in representing organization clients in legal proceedings. Disbursements recovered from clients are recorded in revenue when received.

iii) Capital Fund

This fund holds the capital assets of the Organization that have been funded by LAO.

iv) Non-LAO Fund

These funds are received from non-LAO sources and are used to fund expenditures as approved by the Board of Directors and as per project funding agreements.

NEIGHBOURHOOD LEGAL SERVICES

Notes to Financial Statements (continued)

March 31, 2023

1. Significant accounting policies (continued)

b) Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as capital assets, otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are presented at cost less accumulated amortization and accumulated impairment losses.

Capital assets are tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, then the amount of the impairment is quantified by comparing the carrying value of the capital assets to its fair value. Any impairment of capital assets is charged to operations in the period in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital assets subsequently increases.

The Organization provides for amortization using methods at rates designed to amortize the cost of the capital asset over their estimated useful lives. Amortization is provided on a straight-line basis, over the following periods:

Computer equipment	- 3 years
Telephone equipment	- 8 years
Leasehold improvements	- over the term of the lease

c) Financial instruments

i) Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include bank indebtedness and accounts payable.

NEIGHBOURHOOD LEGAL SERVICES

Notes to Financial Statements (continued)

March 31, 2023

1. Significant accounting policies (continued)

c) Financial instruments (continued)

ii) Impairment

Financial assets measured at amortized cost are tested for impairment annually for indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations and funds balance. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in the statement of operations and funds balance up to the amount of the previously recognized impairment.

2. Financial instrument risk management

The Organization may be exposed to various risks through its financial instruments including credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk).

Credit risk

Credit risk is the risk that the counterpart to a financial instrument will fail to discharge an obligation that is entered into with the Organization. The Organization is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due. The Organization is not exposed to significant liquidity risk.

Market risk

Market risk is the risk that the fair value of or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of interest rate risk, currency risk, and other price risk.

- i) Interest rate risk arises from the possibility that changes in interest rates will affect the fair value of financial instruments.
- ii) Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currencies.

NEIGHBOURHOOD LEGAL SERVICES

Notes to Financial Statements (continued)

March 31, 2023

2. Financial instrument risk management (continued)

Market risk (continued)

- iii) Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market.

The Organization is not exposed to significant market risk

Changes in risk

There have been no changes in the Organization's risk exposures from the prior year.

3. Capital assets

	2023		
	Cost	Accumulated Amortization	Net
	\$	\$	\$
Computer equipment	46,610	29,347	17,263
Telephone equipment	5,833	5,833	-
Leasehold improvements	226,774	113,387	113,387
	<u>279,217</u>	<u>148,567</u>	<u>130,650</u>

	2022		
	Cost	Accumulated Amortization	Net
	\$	\$	\$
Computer equipment	20,715	17,223	3,492
Telephone equipment	5,833	5,833	-
Leasehold improvements	226,774	90,710	136,064
	<u>253,322</u>	<u>113,766</u>	<u>139,556</u>

4. Accounts payable

Included in accounts payable are government remittances in the amount of \$27,645 (2022 - \$nil)

NEIGHBOURHOOD LEGAL SERVICES

Notes to Financial Statements (continued)

March 31, 2023

5. Indirect payments

Legal Aid Ontario administers and makes payments on behalf of the Organization for the following expenditures:

General Fund	2023	2022
	\$	\$
Pension and group insurance	123	100
Supplies and services	70,786	68,021
Library expenses	1,646	329
	<u>72,555</u>	<u>68,450</u>
Capital Fund	2023	2022
	\$	\$
Computer equipment	<u>25,895</u>	<u>-</u>

6. Lease commitments

The Organization is committed to lease its premises until June 30, 2028. Minimum lease payments including operating costs and realty taxes are as follows:

2024	\$	151,444
2025		153,361
2026		155,278
2027		157,196
2028		159,113
Thereafter		<u>39,898</u>
	\$	<u>816,290</u>

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