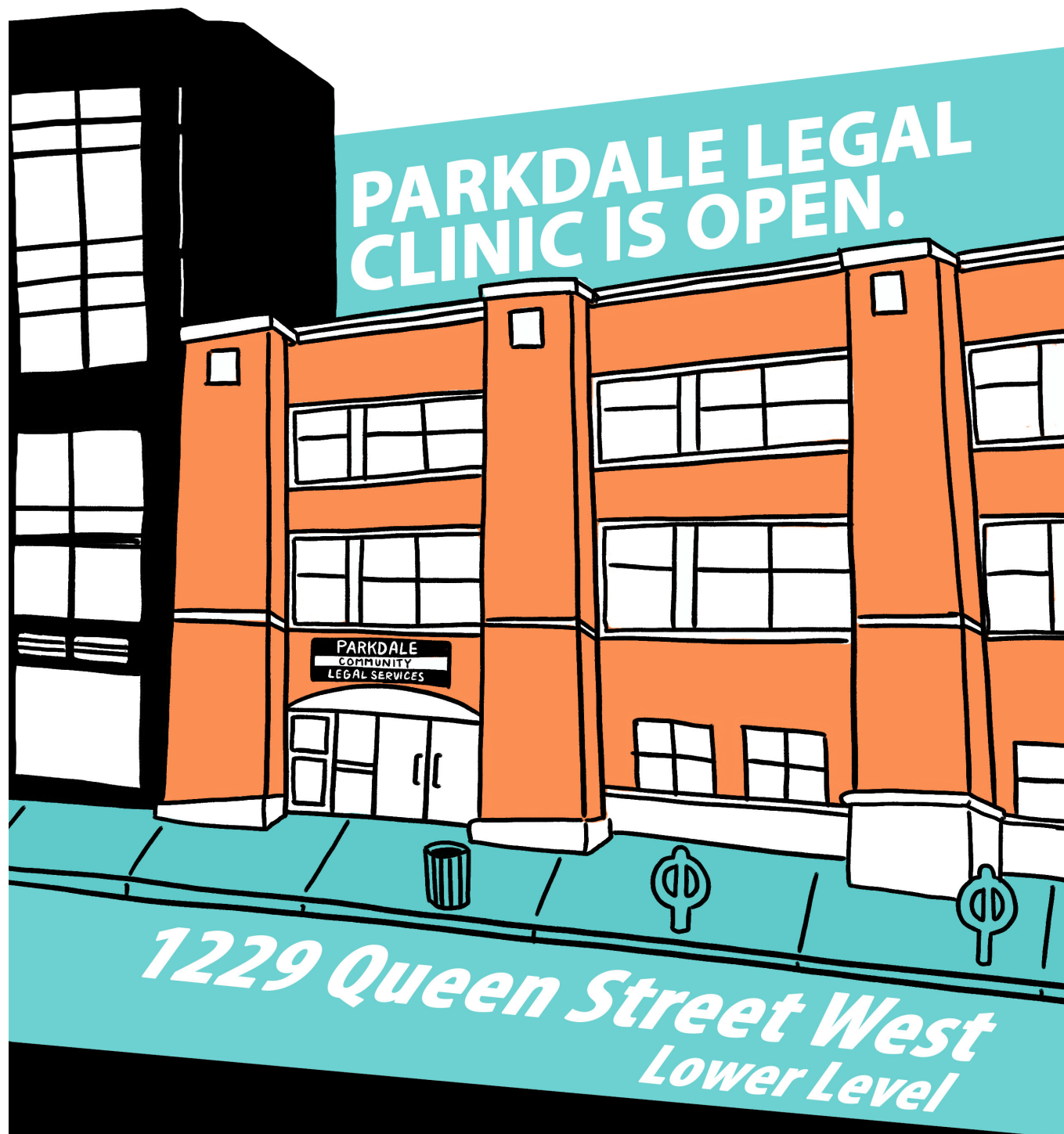


# 2021 - 2022

## ANNUAL REPORT

**PARKDALE**  
**COMMUNITY**  
LEGAL SERVICES





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# Message from the Board Co-Chairs



**PARMBIR GILL**

*Co-Chair, Board of Directors*



**JANET MOSHER**

*Co-Chair, Board of Directors*

On September 1, 2021, Parkdale Community Legal Services marked a significant milestone – 50 years since its opening on September 1, 1971. Over the course of those 50 years, PCLS staff and students have worked alongside members of the Parkdale community to change the systems and structures that reproduce oppression and to seek justice for community members whose rights have been violated. There have been many successful fights against injustice and some setbacks too. But a constant has been the remarkable dedication and commitment of staff, students, and board members. To all who have contributed to the struggle for justice over these 50 years, thank you!

To celebrate the Clinic's 50th anniversary, a wonderful community event was held in Sorauren Park on October 17, 2021. We also took time to reflect on Critical Campaigns and Cases, Community and Movement Lawyering, and Community Clinics and Racial Justice through three online panels. The panels yielded wonderfully rich conversations and we invite you to take a listen to the recordings if you were not able to join the sessions: <https://www.parkdalelegal.org/news/50th-anniversary-panel-series/>. And on July 16, 2022, alums of the Intensive Program in Poverty Law gathered to tour the new Clinic spaces (more about this below)





and reminisce with old friends about their time at the Clinic. It was also the occasion to share a 50th anniversary video, which you can watch here: [https://www.youtube.com/watch?v=KWFxP\\_A9mxE](https://www.youtube.com/watch?v=KWFxP_A9mxE). Thanks are owing to all of the video participants and especially to our videographer, Sidney Weiss.

The Clinic was thrilled to welcome Kara Gillies as the Clinic Director on April 11, 2022. Kara brings over twenty years' experience as a leader in the non-profit sector. Her vast experience in working alongside communities to advocate for social justice and in developing successful law reform campaigns informed by the lived experiences of community members, together with her deep commitment to equity, anti-racism, and anti-oppression position her as an outstanding leader for PCLS. Kara's connections with the Parkdale community go back many years, to when she first worked with PCLS staff to secure the rights of sex workers. Since that time, Kara has served in leadership roles in a variety of community-based, social justice, and interdisciplinary contexts, including Maggie's: Toronto Sex Workers Action Project, Hassle Free Clinic, Voices of Positive Women Support Services, Choice in Health Clinic, and most recently as the ED of Action Canada.

Prior to Kara's arrival in April, the Clinic benefited enormously from the exceptional leadership provided by John No as Interim Clinic Director. With his characteristic good humour, patience, generosity, humility, and clear thinking, John led the Clinic for over 13 months. Remarkably, he managed to do so while continuing as the supervising lawyer in the Workers' Rights Division, leading some of us to wonder whether there are in fact two John Nos! A debt of gratitude

is also owed to Tenzin Tekan and Wendy Atkinson, who worked alongside John, shouldering a mountain of additional responsibilities to see us through the period of searching for a new Clinic Director.

An important development in 2021-22 was the move of the entire Clinic back into the Parkdale community. Yes, there are some issues to be worked out as we settle into our new spaces at 366 Dufferin Street and 1229 Queen Street West (lower level), but it's fabulous to be back in the Parkdale community and to have clients dropping by the new Clinic space.



We have the honour of co-chairing a board of dedicated folks who care deeply about social justice and about the Parkdale community. From serving on the hiring committee, to planning the 50th anniversary celebrations, to drafting and redrafting policies, it's been a busy year and we are enormously grateful for all of the many contributions board members make (and have made over time) to ensuring the unique and gutsy entity that is Parkdale Community Legal Services continues.

# Message from the Interim Clinic Director

Perhaps it is symbolic that new beginnings, fresh renewals, and exciting additions occurred in our 50th year. Like the greater Parkdale community, we continue to be resilient and adaptable.

The funding cuts of 2019, eviction from our long time home that same year, the splitting of our staff and students (where half of us ended up working in a temporary space in the financial district), and the COVID-19 pandemic, caused much havoc and anxiety.



**JOHN NO**  
*Interim Clinic Director,  
PCLS*

We persevered, however, and we are happy to share the exciting changes that happened in our 50th year:

- We have a beautiful new home on Queen Street West – across from our old home – where we can welcome the community again.
- We have a bright, newly renovated second office space just around the corner from our main office to accommodate many of our law students and staff.
- All staff and students are reunited in the Parkdale community. Both our spaces are alive (and noisy!) with vigorous discussions, comradeship, and community engagement.
- Our Social Assistance, Violence and Heath (SAVAH) division is now representing our community in human rights matters in the area of goods, services and facilities while our Workers' Rights division and Housing Rights division continue to represent our community in human rights matters in the areas of employment and housing respectively.

- We expanded access to our clinic. Pre-pandemic, we only offered walk-in services. We now have multiple access points. You now can connect with us by telephone, webform, videoconferencing, or by dropping in to our office. We hope that the new access points – and our traditional walk-in services – reduce some of the barriers that people face in seeking assistance.
- We believe in providing our staff with good working conditions. We became one of the few community legal clinics that will be providing its staff with a defined pension plan.

And the above new “happenings” do not even cover the usual work that we do on a day-to-day basis, that is to say, community and movement building work, law reform campaigns, and legal case work. We are excited to let you know about those exciting updates in this Annual Report.

Finally, on a more personal note, I would like to thank those who have provided me with support during the 14 months that I was in the caretaker interim Clinic Director role. I am so grateful to all my colleagues for their kind encouragement and support. Special thanks go out to our Board Co-Chairs Janet Mosher and Parmbir Gill, Program and Operations Director Tenzin Tekan, and Finance Officer Wendy Atkinson for so generously taking on extra responsibilities. I am very excited that Kara Gillies joined us in April 2022 as the new Clinic Director. Parkdale Community Legal Services will benefit greatly from her incredible knowledge and experience.

Please stay connected and engaged with us. We look forward to sharing more exciting updates with you in our 51st year!

# Message from the Academic Director



**FAY FARADAY**

*Academic Director, PCLS*

As a former Osgoode student and PCLS Board co-chair, it was a real thrill for me to join PCLS wearing a new hat as the Academic Director in 2021-2022. It has been particularly exciting for me and the students to return to work in the Clinic's new space in the community.

The Intensive Program in Poverty Law at Parkdale is unique. While the law students work under the supervision of the Clinic's lawyers to deliver legal services to the Clinic's clients, they are, at the same time, engaged in rigorous academic study.

I work with the students throughout the term to develop a deeper understanding of how law operates as a system of power. How a law is designed can either create barriers or restrictions for people or, alternatively, provide supports that respond to their real needs. The academic program helps students to critically evaluate law's role and contribution in both creating legal challenges for members of the Parkdale-Swansea community and its potential as a tool to advance social justice. We examine how the legal challenges that arise in Parkdale Swansea – whether related to housing, immigration, workers' rights or social assistance and violence – are part of a larger pattern that can be addressed through collective action, community organizing, and law reform as well as litigation in individual cases.

The academic program also encourages reflection on questions of professional responsibility and ethics that arise in relation to the various roles that lawyers play in struggles for social justice and social change.





This year's students embraced that commitment to develop the critical thinking, ethical and practical skills of community-based lawyering. We look forward to them joining the community of legal allies who are strong advocates for social justice.

# Treasurer's Report



**ARTHUR KONG**  
*Treasurer, PCLS*

The Auditor's Report is presented to the membership of Parkdale Community Legal Services each year at the Annual General Meeting. The purpose of an annual audit is to provide the membership with a "reasonable assurance" that the Financial Statements do not contain any misstatements due to fraud or error.

Parkdale's audit was performed by the accounting firm Segal LLP. The auditors test the financial systems and assure you, the members, that the financial picture presented to you, is a fair description of Parkdale's financial position.

LAO continues to be the primary funder of PCLS Services, funding 92% of the Clinic's overall budget during the year. We would like to especially thank LAO for providing PCLS with support to successfully move our offices back to Parkdale, after a difficult couple of years. Generous donations made up 2% of our annual revenue. The annual Osgoode Hall Law School Grant, and project funding consisting of grants from the Community Housing Transformation Centre, came in around 5% and 1% respectively. Many thanks to all our generous supporters!

Staffing the clinic and maintaining our offices comprise the largest portion of expenditures for PCLS. This is a normal spending pattern in a community organization similar to ours. Our work is only possible through efforts of our dedicated staff, students and volunteers.

The PCLS Board of Directors is pleased that once again, the organization has received a clean audit with one exception. The only qualification in our audit is a standard one for most not-for-profit organizations. Auditors have no way of independently verifying the money that donors may send to a charity.

On behalf of the Board of Directors, I would like to thank the auditors, Segal LLP, for their work in producing the audited Financial Statements.



# Awards and Honours

## Dorothy Leatch Award

### AYAN KAILIE



Ayan Kailie is a community leader and strong equity advocate. Ayan is an Executive Board member of Swansea Town Hall and a Swansea Mews Pod leader. She has a deep connection to Swansea Mews and has volunteered for many events within the larger Swansea community. She is a parent of three young children and has served on the Parent Council at the local elementary school for the last 5 years. Ayan is the first Black council chair in Swansea school history.

As a member of the Swansea Mews community, Ayan Kailie organized a tenant food bank and was involved in a variety of other community initiatives. During the recent crisis in Swansea Mews, Ayan was a vocal advocate for her community. Ayan has since moved to Parkdale where she plans to continue her community work.

## Frederick H. Zemans Prize in Poverty Law

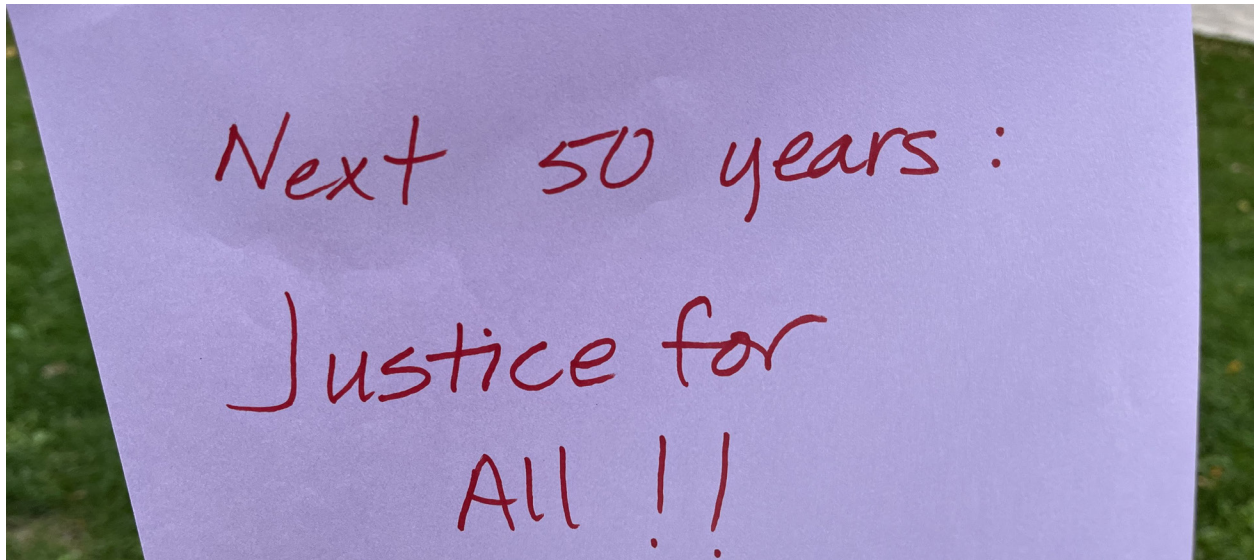
### ALISON IMRIE



Alison Imrie is the 2021-2022 recipient of the Frederick H. Zemans Prize in Poverty Law. Named in honour of PCLS' founding Clinic Director, the Frederick Zemans prize is awarded annually to an outstanding student in the Intensive Program in Poverty Law. Ali Imrie served as a student caseworker in the SAVAH Division in both the fall and winter terms. She is a quick learner, took great initiative to identify the issues her clients were facing, and always came prepared with ideas and solutions for moving a case forward. She consistently went above and beyond to gather evidence and information in support of clients' hearings before the Social Benefits Tribunal. Ali also did outstanding work in the weekly academic seminar where her insights connected critical reflection about the legal system with practical application of the law. She also made a significant contribution to the legal literature. She conducted important original qualitative research that centered the voices and experiences of women with disabilities navigating the ODSP system. Ali Imrie has been an outstanding advocate for social justice and it has been a tremendous pleasure having her as part of the PCLS community.

# Year in Review

PCLS' work is organized around four areas: Housing Rights, Social Assistance, Violence and Health (SAVAH), Immigration and Migrant Rights, and Workers' Rights. We share highlights from the past year about each area below.



## HOUSING RIGHTS

The Housing Division continued to engage with hundreds of tenants in Parkdale and across the GTA through outreach and organizing programs. We focus our work on developing the capacity of tenants to resist displacement by organizing against evictions, rent increases, and to improve the conditions of their housing. We were pleased to receive support from the Community Housing Transformation Centre to expand our work in the area of eviction prevention for tenants living in rooming houses. On the casework front, we successfully met a very strong demand by Parkdale tenants (over 600 cases) for legal advice, services and representation.

**Recent examples of the Housing Division's work include:**

- After a fire at a Parkdale rooming house, we worked with tenants to ensure the City of Toronto provided for their need for temporary accommodations and that the landlord repaired the building so that their tenancies could be preserved at their long-time home.
- We supported a tenant committee at one Parkdale low-rise building which successfully organized to beat their landlord's attempt to renovict them after their building was sold to real estate investors.
- We litigated the case of a large group of tenants facing renoviction for the second time in three years at the Landlord and Tenant Board and now await the Board's decision which will have precedent-setting implications for tenants across Ontario.
- Recognizing that changes in building ownership exacerbate displacement pressures on tenants, we collaborated with RenovictionsTO to reach out directly to tenants living in buildings listed for sale or recently sold to organize in advance of possible efforts to displace them.
- Immediately responded to and supported the tenants of Swansea Mews who were facing forcible "relocation" by Toronto Community Housing due to major disrepair of the residential complex. The Housing Division staff and students established a consistent presence in Swansea Mews, held meetings with tenants, and supported to tenants to form a tenant organization to share information and make decisions collectively.



# IMMIGRATION AND MIGRANT RIGHTS

Canada's refugee system arbitrarily and unfairly excludes many applicants who are not able to get asylum. As Canada has moved towards a greater number of temporary permits without a corresponding increase in permanent resident status, many are not able to renew their permits. Many people are the victims of unscrupulous immigration lawyers, consultants and agencies that misrepresent immigration options and mislead people, forcing them to eventually become undocumented. Others simply are not able to navigate the complex immigration system without support, and support is difficult and expensive to get. As a result, 1.7 million people now have temporary and precarious immigration status.



PCLS has worked with the Migrant Workers Alliance for Change (MWAC) since 2012 and works with the cross-country Migrant Rights Network formed in 2018. We launched a campaign for Status for All in 2020. Throughout the year we have continued to push for regularization of undocumented people in Canada and

PR on landing for those coming to Canada to work. The December 2021 mandate letter of the Minister of Immigration calls for a new regularization program for undocumented people. We are pressing the government to ensure the program provides the greatest access to all undocumented people.



We've been equally busy on the casework front. From January to December 2021 we opened 126 new cases and closed 89 cases. In early 2021 we were retained by a young woman sponsored by her aunt under the "lonely Canadian" category who was issued a removal order on arrival in Canada for failing to disclose her child on her application. We challenged the existing Federal Court jurisprudence that limited a right of appeal in these circumstances, developing a novel statutory interpretation argument that the limitation is arbitrary and unreasonable particularly in the context of the COVID pandemic. Rather than fight it out at the



Immigration Appeal Division, the Minister instead rescinded the removal order, landing our client without even the need for a hearing.

We successfully defeated an allegation that one of our very vulnerable elderly clients was inadmissible on medical grounds. IRCC had alleged, based on a misunderstanding of her living circumstances, that the cost of her care exceeded the allowable cost threshold and as such she was inadmissible due to excessive demand on public health and social services. We were provided very limited disclosure of the evidence IRCC was relying on but eventually discovered that they were alleging that she needed a level of care only provided privately in Ontario, therefore falling outside the excessive demand calculation. We provided extensive submissions and IRCC withdrew the allegation. This is an example of the incredible miscarriages of justice that can be perpetrated by IRCC.



We also had a number of significant successes in the Federal Court; two cases settling after Leave was granted and a third settling after a session of Court provided mediation under the Federal Court immigration pilot project. Our clients were a Ugandan woman who had endured over a decade of domestic violence; an HIV+ pastor from Nigeria; and, the adopted child of a Protected Person in Canada who has been separated from her adoptive mother for over 6 years, respectively.

COVID has significantly affected our services delivery model as we try to adhere to public health directives. We have not resumed our drop in services but remain open for telephone access as well as in person meetings (by appointment only). Our clients for whom English is often not their first language have really struggled with this. Our plan to resume drop-in services has been further delayed due to the continued surges in infections caused by Covid-19 variants.

We continue to work with caregivers who are in Canada under a complicated mix of old and new programs. There continues to be significant misinformation and misunderstanding as to the rules that apply depending on when the person entered the country as a caregiver. We continued to work with the caregiver community to assist with PR work permit applications including open work permits for vulnerable workers.



## WORKERS' RIGHTS



Wave after wave of the COVID pandemic has exposed ongoing, systemic inequalities in our society. As the economy ground to a halt, millions of frontline workers were forced into essential work. Those on the frontlines, keeping society fed, cared for, clean, and connected were largely working in low-wage, dangerous work without paid sick days or health benefits. COVID disproportionality hit low-wage and racialized workers. PCLS joined [Justice for Workers](#) (previously Fight for \$15 and Fairness campaign) in launching the [campaign](#) on May 1, 2021 to demand changes to address precarious work, tackle inequality, and improve wages and working conditions.



In November 2021, the Justice for Workers campaign was successful in pressing the provincial government to restore the \$15 minimum wage that was cancelled back in 2018. This demonstrates that even under the most recalcitrant of governments, gains can be made.

Also in November, we worked with the Migrant Workers' Alliance for Change and Workers' Action Centre to win improvements for temporary agency workers and migrant workers. A long standing demand of migrants and temp agency workers has been to require recruiters and agencies to be licenced to operate in Ontario. In November, 2021 a new licencing regime for temp agencies and recruiters was passed.

The pandemic shone the light on the need for paid sick days. Along with Justice for Workers and the Decent Work and Health Network, we were able to force the Ford government to introduce three temporary paid sick days. We were then able to win 10 paid sick days for federally regulated workers in December 2021.





The pandemic exposed the gaps in the EI program which leaves all too many with inadequate and inaccessible EI benefits when jobs are lost. The federal government responded to this by launching a review of the EI program. PCLS and the Inter-provincial EI Working Group has been pressing the government to improve access and adequacy of EI, especially for workers in low wage and precarious work. Phase I of the review was completed in February 2022 and Phase II is now underway.

The Workers' Rights division had another eventful year. First, the numbers for (a) full representation cases opened, (b) number of clients/workers assisted, and (c) full representation cases completed were the highest since the funding cuts of 2019.



<b>Workers' Rights Division File Openings, Summary Advices, &amp; Closings</b>				
<b>Year</b>	<b>Files Opened</b>	<b>Summary Advice</b> (excludes briefs that became files)	<b>Total</b> (Files Opened + Summary Advice/Briefs)	<b>Files Completed</b>
2019 - 2020	60	188	248	80
2020 - 2021	64	111	175	59
2021 - 2022	72	233	305	90

The Workers' Rights division also recovered \$770,831.81 in unpaid wages, wrongful dismissal damages, and other employment entitlements in 2021-22. This is the second highest amount recovered since we started keeping track in 2011 (in total, we recovered \$6.3 million for our clients/workers since 2011).

#### Some of the more noteworthy cases/results include:

- **Back in 2017, we began representing 11 migrant farm workers from Guatemala who were not properly paid their wages. We managed to secure Orders to Pay from the Ministry of Labour, but we subsequently spent the next few years trying to enforce the Orders to Pay. Early in 2022, after years of struggle, we managed to collect all the money owing to the workers. Thankfully, we were able to track down all 11 workers again and deliver the funds to them.**
- **We filed Employment Protection for Foreign National Act (EPFNA) claims on behalf six foreign migrant care workers who each paid**

approximately \$10,000 in illegal fees to a recruiter. The recruiter had taken great length to avoid a paper trail, e.g., requiring payment in cash. • The Ministry of Labour declined to issue orders to pay on five of the six claims as it accepted the recruiter's argument that she was not a recruiter but a helpful neighbour/community member who happened to connect employers to workers. We filed Applications to Review to the Ontario Labour Relations Board, arguing that the Ministry of Labour's investigation and logic was flawed. The case attracted media attention and ultimately resulted in money recovered for the workers.

- We represented a truck driver who was sued by his former employer for defamation when the truck driver engaged in public protest against the former employer for unpaid wages. We worked with a law firm in both securing the unpaid wages for the truck driver and having the defamation lawsuit dismissed on an anti-SLAPP motion.

- We represented a migrant live-in care worker who asked her employer about not receiving public holiday pay. The employer berated the worker angrily and provided her with a disciplinary letter for a litany of supposed performance issues, including for "incorrectly demanded... public holiday pay." Faced with aggressive behaviour, the worker resigned. The Workers' Rights division filed a complaint with the Ministry of Labour arguing that the employer violated the anti-reprisal provision of the Employment Standards Act. The Ministry of Labour agreed and awarded the worker \$10,269.00 as loss-of-wages until she secured alternative employment, \$1,141.00 as loss of inherent value of having a job, and \$250.00 for emotional pain and suffering.

- **The pandemic caused many workers to be laid-off. We represented numerous low-income individuals who would normally not be able to access their common law wrongful dismissal damages. For example, four “shipping & receiving” co-workers were never recalled from a temporary lay-off. We negotiated with their employer and successfully obtained common law pay in lieu of notice for all four workers.**

There are a lot of ongoing exciting projects that have yet to conclude, including a Charter challenge, so please keep following us on various social media to receive updates on what we are doing!



## SOCIAL ASSISTANCE, ANTI-VIOLENCE AND HEALTH (SAVAH)



It's a restart, a reboot, a new beginning with the Social Assistance, Anti-Violence and Health (SAVAH) team. We have a new lawyer, Lindsay Blair Holder, and a new community legal worker, Butterfly Sabrina GoPaul.

Since the spring, we've been busy working on (re)engaging residents and residents' groups, grassroots movements, convening initiatives tables focusing on specific issues, local agencies and organizations to re-establish relationships and connectivity. We continue to re-envision community-based campaigns that are by residents and for residents that will be responsive to community needs and address systemic and structural barriers for change while providing support to mobilize, organize and fight back against these interconnected forms of oppression that residents/resident groups identify.

Moving into the uncertainty of whatever ‘post pandemic’ will look like, it’s more evident of the glaring disparities of inequities in the socio-economic marginalization of Black, Indigenous, racialized peoples and the working poor communities in the City of Toronto. SAVAH has a commitment to ensure we are relevant to the community residents of Parkdale, centering the community in the work we do and the collaborations ahead and grounding the work in community development principles.

We provide a wide range of services in the form of summary advice, informal advocacy, and representation. In the area of social assistance, PCLS continued to advocate on hundreds of disputes regarding our clients’ eligibility and access to Ontario Works (“OW”) and Ontario Disability Support Program (“ODSP”) benefits on issues such as:

- **Eligibility for health and employment-related benefits**
- **Overpayments stemming from a variety of sources**
- **Treatment of income and assets**
- **Spousal status**
- **Calculations of benefits**
- **Immigration sponsorship debt**
- **Residency in Ontario**
- **CERB amnesty and repayment issues**
- **Membership in the benefit unit**



The SAVAH team also spent time offering legal information, advice and advocacy to folks on other social benefit programs like Canada Pension Plan disability benefits, Old Age Security and the Guaranteed Income Supplement.

We have continued to support and guide community members and clients experiencing gender-based violence, systemic violence and issues relating to mental health. With the sudden closure of the CICB, PCLS has continued to provide assistance and advocacy service for community members who are facing barriers to accessing their awarded compensation.

SAVAH is excited to share that we are expanding into the area of Human Rights law by assisting community members with applications and representation at the Human Rights Tribunal of Ontario on issues of discrimination in the area of provincially regulated services. For example discriminatory incidents relating to retail stores, security guards, municipal/provincial services, schools, and policing

Our work continues with a focus on individuals who are historically marginalized by race, class, gender, ability, age and status. In addition, we are a resource for community organizations and student learners.

We are excited for a new start in SAVAH and look forward to bringing in fresh perspectives as we carry on the 50 years of fighting for justice alongside members of the Parkdale community!

# Thank you to our funders



LEGAL AID ONTARIO

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AIDE JURIDIQUE ONTARIO

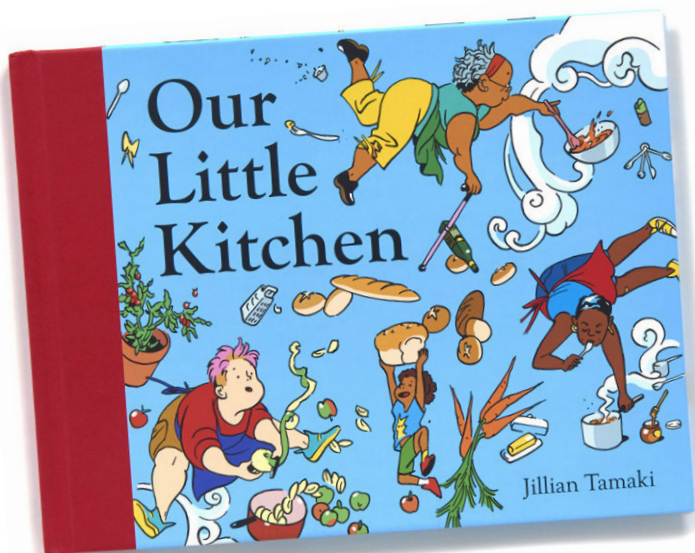


OSGOODE HALL LAW SCHOOL  
YORK UNIVERSITY



Community Housing  
Transformation Centre  
Centre de transformation  
du logement communautaire

# Donor Spotlight



Congratulations to [Jillian Tamaki](#), author, illustrator and Parkdale resident, for winning the 2021 Marilyn Baillie Picture Book Award for *Our Little Kitchen*. Jillian generously donated the prize money of \$20,000 to PCLS. Thank you, Jillian!

# Board, Staff, Student & Volunteers

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*Report design by Tenzin Tekan and Tseten Tekan*

**PARKDALE**  
**COMMUNITY**  
LEGAL SERVICES

Charitable Registration No. 1078 14972 RR0001

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**AMENDED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Directors of Parkdale Community Legal Services Inc.

### Qualified Opinion

We have audited the accompanying amended financial statements of Parkdale Community Legal Services Inc. (the "Clinic") which comprise the amended statement of financial position as at March 31, 2022, and the amended statement of operations and funds balance and the amended statement of cash flows for the year then ended, and notes to the amended financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the amended financial statements present fairly, in all material respects, the financial position of the Clinic as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Clinic derives a portion of its revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded by the Clinic. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, and assets and funds balance for the years ended March 31, 2022 and 2021.

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 on our report. We are independent of the Clinic in accordance with the ethical requirements that are relevant to our audit of the amended 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 qualified audit opinion.

### Emphasis of Matter

Without modifying our opinion, we draw attention to note 10 to the financial statements, which explains that the financial statements for the year ended March 31, 2022 have been amended from those on which we originally reported on August 31, 2022.



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

Management is responsible for the preparation and fair presentation of these amended 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 amended financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the amended financial statements, management is responsible for assessing the Clinic's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Clinic or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Clinic's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Amended Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the amended 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 Clinic's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report  
Page 3

- 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 Clinic's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the amended 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 Clinic to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the amended financial statements, including the disclosures, and whether the amended 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.

*Segal GCSE LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario  
August 31, 2022, except for note 10, which is as of September 21, 2022.

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**AMENDED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2022**

	Directors' Fund	LAO General Fund	LAO Legal Disbursements Fund	LAO Capital Fund	2022 Total	2021 Total
<b>ASSETS</b>						
<b>Current assets</b>						
Cash	\$ 612,629	\$ 25,100	\$ 5,842	\$ -	\$ 643,571	\$ 1,023,895
Accounts receivable	-	-	-	-	-	1,168
Harmonized sales taxes receivable	-	55,543	-	-	55,543	12,986
Prepaid expenses	-	22,040	-	-	22,040	23,972
	612,629	102,683	5,842	-	721,154	1,062,021
<b>Property and equipment, note 3</b>	24,000	-	-	662,180	686,180	98,805
	<u>\$ 636,629</u>	<u>\$ 102,683</u>	<u>\$ 5,842</u>	<u>\$ 662,180</u>	<u>\$ 1,407,334</u>	<u>\$ 1,160,826</u>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable and accrued liabilities	\$ -	\$ 206,111	\$ -	\$ -	\$ 206,111	\$ 195,275
Deferred revenue, note 5	3,643	-	-	-	3,643	250,000
Interfund payable (receivable)	29,659	(23,874)	16,326	(22,111)	-	-
	33,302	182,237	16,326	(22,111)	209,754	445,275
<b>Deferred capital contributions, note 6</b>	-	-	-	237,500	237,500	-
	33,302	182,237	16,326	215,389	447,254	445,275
<b>Commitments, note 7</b>	-	-	-	-	-	-
<b>FUNDS BALANCE (DEFICIT)</b>	603,327	(79,554)	(10,484)	446,791	960,080	715,551
	<u>\$ 636,629</u>	<u>\$ 102,683</u>	<u>\$ 5,842</u>	<u>\$ 662,180</u>	<u>\$ 1,407,334</u>	<u>\$ 1,160,826</u>

Approved on behalf of the Board:

Samuel V. Parker, Director  
Parmbir Gill, Director

See accompanying notes to the financial statements

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**AMENDED STATEMENT OF OPERATIONS AND FUNDS BALANCE  
FOR THE YEAR ENDED MARCH 31, 2022**

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	<b>Directors' Fund</b>	<b>LAO General Fund</b>	<b>LAO Legal Disbursements Fund</b>	<b>LAO Capital Fund</b>	<b>2022 Total</b>	<b>2021 Total</b>
<hr/>						
<b>Revenues</b>						
Legal Aid Ontario, note 9						
- direct receipts	\$ -	\$ 2,060,763	\$ 6,600	\$ -	\$ 2,067,363	\$ 1,900,768
- indirect receipts, note 4	-	326,710	-	-	326,710	465,232
Projects	30,357	-	-	-	30,357	68,942
Osgoode Hall Law School Grant - annual	130,832	-	-	-	130,832	129,923
Donations	44,572	-	-	-	44,572	57,133
Amortization of deferred capital contributions, note 6	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
	<u>205,761</u>	<u>2,387,473</u>	<u>6,600</u>	<u>12,500</u>	<u>2,612,334</u>	<u>2,621,998</u>

See accompanying notes to the financial statements

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**AMENDED STATEMENT OF OPERATIONS AND FUNDS BALANCE (Continued...)  
FOR THE YEAR ENDED MARCH 31, 2022**

	<b>Directors' Fund</b>	<b>LAO General Fund</b>	<b>LAO Legal Disbursements Fund</b>	<b>LAO Capital Fund</b>	<b>2022 Total</b>	<b>2021 Total</b>
<b>Expenditures</b>						
Salaries	28,440	1,353,278	-	-	1,381,718	1,439,299
Indirect payment, note 4	-	326,710	-	-	326,710	465,232
Benefits	3,883	220,809	-	-	224,692	215,245
Occupancy	70,000	127,581	-	-	197,581	97,494
Professional services	15,000	36,270	-	-	51,270	71,340
Supplies and services	5,817	18,984	-	-	24,801	14,688
Communications	7,000	11,025	-	-	18,025	17,359
Staff development	4,460	13,103	-	-	17,563	27,815
Professional dues	-	14,900	-	-	14,900	10,907
Client services	8,149	5,200	-	-	13,349	2,132
Equipment rental and maintenance	5,000	6,667	-	-	11,667	10,778
Moving expenses	-	10,586	-	-	10,586	12,195
Legal disbursements	-	-	10,207	-	10,207	6,781
Board	-	1,130	-	-	1,130	3,764
Amortization	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>59,106</u>	<u>63,606</u>	<u>22,991</u>
	<u>152,249</u>	<u>2,146,243</u>	<u>10,207</u>	<u>59,106</u>	<u>2,367,805</u>	<u>2,418,020</u>
Excess of revenues over expenditures/ (expenditures over revenues)	53,512	241,230	(3,607)	(46,606)	244,529	203,978
Interfund transfer	(15,000)	(385,982)	-	400,982	-	-
Funds balance (deficit), beginning of year	<u>564,815</u>	<u>65,198</u>	<u>(6,877)</u>	<u>92,415</u>	<u>715,551</u>	<u>511,573</u>
Funds balance (deficit), end of year	<u>\$ 603,327</u>	<u>\$ (79,554)</u>	<u>\$ (10,484)</u>	<u>\$ 446,791</u>	<u>\$ 960,080</u>	<u>\$ 715,551</u>

See accompanying notes to the financial statements

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**AMENDED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures	\$ 244,529	\$ 203,978
Adjustments for:		
Amortization of property and equipment	63,606	22,991
Amortization of deferred capital contribution	<u>(12,500)</u>	<u>-</u>
	295,635	226,969
Changes in non-cash working capital balances		
Decrease in accounts receivable	1,168	15,216
Decrease (increase) in harmonized sales taxes receivable	(42,557)	28,009
Decrease in prepaid expenses	1,932	18,268
Increase in accounts payable and accrued liabilities	10,836	86,632
Increase in deferred revenue	<u>(246,357)</u>	<u>238,296</u>
Cash flows provided from operating activities	<u>20,657</u>	<u>613,390</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	<u>(650,981)</u>	<u>(94,550)</u>
<b>Cash flows from financing activities</b>		
Increase in deferred capital contributions	<u>250,000</u>	<u>-</u>
Net increase (decrease) in cash	(380,324)	518,840
Cash, beginning of year	<u>1,023,895</u>	<u>505,055</u>
<b>Cash, end of year</b>	<u><u>\$ 643,571</u></u>	<u><u>\$ 1,023,895</u></u>

See accompanying notes to the financial statements



# PARKDALE COMMUNITY LEGAL SERVICES INC.

## NOTES TO THE AMENDED FINANCIAL STATEMENTS MARCH 31, 2022

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### 1. PURPOSE OF THE ORGANIZATION

Parkdale Community Legal Services Inc. (the "Clinic") is incorporated under the Laws of Ontario as a not-for-profit corporation without share capital and is a registered Canadian charitable organization. The Clinic provides legal services to low income individuals.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (CAS NPO) based on the following significant policies adopted by management:

#### Fund accounting

The Clinic has the following funds:

#### a) Directors' Fund

Comprised of the following:

		2022	2021
Osgoode Fund (net of repayments)	(i)	\$ 218,474	\$ 191,865
Internally Restricted Fund	(ii)	<u>384,853</u>	<u>372,950</u>
		<u>\$ 603,327</u>	<u>\$ 564,815</u>

i) **Osgoode Fund:** These funds are provided by York University (the "University") to enhance the academic program in poverty law, which is a joint project of Osgoode Hall Law School and the Clinic. In addition to the itemized budget for the Osgoode Fund, the University provides a full-time academic director position and some services in kind.

ii) **Internally Restricted Fund:** This fund includes monies received from individuals and corporations, which are used for project activities of the Clinic as directed by the management team or board of directors. This fund also includes monies received to fund specific projects, which no longer have any external restrictions as to use, but are internally restricted projects as directed by the management team or board of directors.

#### b) LAO General Fund

These funds, provided by Legal Aid Ontario ("LAO"), are used to provide a range of legal and paralegal services, including information, advice and representation, to low-income individuals and families.

# **PARKDALE COMMUNITY LEGAL SERVICES INC.**

## **NOTES TO THE AMENDED FINANCIAL STATEMENTS MARCH 31, 2022**

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### **2. SIGNIFICANT ACCOUNTING POLICIES (Continued...)**

#### **Fund accounting (Continued...)**

##### **c) LAO Legal Disbursements Fund**

These funds are used to provide for certain direct expenses incurred in representing Clinic clients in legal proceedings.

##### **d) LAO Capital Fund**

This fund holds the property and equipment of the Clinic that has been funded by Legal Aid Ontario.

#### **Revenue recognition**

The Clinic uses the deferral method to account for contributions.

Externally restricted contributions are recognized as revenue in the fund to which they pertain (see description of funds above). Contributions that relate to future periods are recorded as deferred revenue.

Unrestricted contributions are recognized as revenue of the Directors' Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Property and equipment**

The property and equipment are amortized on a straight-line basis as follows:

Computer equipment	- 3 years
Office equipment	- 5 years
Telephone equipment	- 8 years
Leasehold improvements	- straight line basis over the term of the lease

#### **Impairment of long-lived assets**

Long-lived assets including property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. When a long-lived asset no longer has any long-term service potential to the Clinic, it is considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the asset exceeds its fair value.

#### **Deferred capital contributions**

Deferred capital contributions represent restricted contributions for leasehold improvements and other property and equipment. Revenue is recorded on these amounts at the same rates used for the associated assets being amortized.

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**NOTES TO THE AMENDED FINANCIAL STATEMENTS  
MARCH 31, 2022**

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued...)**

**Income taxes**

The Clinic is a registered charitable organization and accordingly is exempt from income taxes under Section 149 of the Income Tax Act.

**Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include: the useful lives of property and equipment and provision for uncollectable accounts receivable. Actual results could differ from those estimates.

**Donations in kind and volunteered services**

The Clinic received donations in kind in the form of contributed goods and services, which are recorded as revenue with an offsetting expense (note 4). In addition, other volunteers provide contributed services for the Clinic which are not recognized in these financial statements, due to the difficulty in determining the fair value of these contributed services.

**3. PROPERTY AND EQUIPMENT**

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
<b>LAO Capital Fund</b>				
Computer equipment	\$ 409,641	\$ 389,225	\$ 20,416	\$ 20,477
Office equipment	414,822	348,792	66,030	31,056
Telephone equipment	41,654	32,966	8,688	-
Leasehold improvements	<u>598,976</u>	<u>31,930</u>	<u>567,046</u>	<u>33,772</u>
	<u>1,465,093</u>	<u>802,913</u>	<u>662,180</u>	<u>85,305</u>
<b>Directors' Fund</b>				
Office equipment	<u>30,000</u>	<u>6,000</u>	<u>24,000</u>	<u>13,500</u>
<b>Total</b>	<u><u>\$ 1,495,093</u></u>	<u><u>\$ 808,913</u></u>	<u><u>\$ 686,180</u></u>	<u><u>\$ 98,805</u></u>

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**NOTES TO THE AMENDED FINANCIAL STATEMENTS  
MARCH 31, 2022**

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**4. INDIRECT PAYMENT**

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

	2022	2021
<b>LAO General Fund</b>		
Accommodation and equipment	\$ 130,862	\$ 236,177
Translation cost	111,424	166,333
Information technology support	70,218	50,304
Supplies and services	11,408	9,058
Library	2,630	2,429
Pension, benefits and group insurance	<u>168</u>	<u>931</u>
	<u><u>\$ 326,710</u></u>	<u><u>\$ 465,232</u></u>



**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**NOTES TO THE AMENDED FINANCIAL STATEMENTS  
MARCH 31, 2022**

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**5. DEFERRED REVENUE**

	Deferred Revenue as at March 31, 2021	Deferred Revenue	Recognized as Revenue	Deferred Revenue as at March 31, 2022
<b>LAO General Fund</b>				
LAO	<u>\$ 250,000</u>	<u>\$ (250,000)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Directors' Fund</b>				
Rooming House	<u>\$ -</u>	<u>\$ 3,643</u>	<u>\$ -</u>	<u>\$ 3,643</u>

	Deferred Revenue as at March 31, 2020	Deferred Revenue	Recognized as Revenue	Deferred Revenue as at March 31, 2021
<b>LAO General Fund</b>				
LAO	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 250,000</u>
<b>Directors' Fund</b>				
Maytree	<u>\$ 11,704</u>	<u>\$ -</u>	<u>\$ 11,704</u>	<u>\$ -</u>

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**NOTES TO THE AMENDED FINANCIAL STATEMENTS  
MARCH 31, 2022**

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**6. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions represent restricted contributions for leasehold improvements and other property and equipment. The changes in the deferred capital contributions are as follows:

	2022 LAO Capital Fund	2021 LAO Capital Fund
Contributions received		
Balance, beginning of year	\$ -	\$ -
Received during the year	<u>250,000</u>	<u>-</u>
Balance, end of year	<u>250,000</u>	<u>-</u>
Contributions amortized through revenue		
Balance, Beginning of year	-	-
Amortized during the year	<u>12,500</u>	<u>-</u>
Balance, end of year	<u>12,500</u>	<u>-</u>
Net balance, end of year	<u>\$ 237,500</u>	<u>\$ -</u>

## PARKDALE COMMUNITY LEGAL SERVICES INC.

### NOTES TO THE AMENDED FINANCIAL STATEMENTS MARCH 31, 2022

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#### 7. COMMITMENTS

The Clinic has entered into operating lease agreements for equipment and premises. The Clinic is committed to the lease on its equipment until October 2026. The current premises leases expire March 31, 2028 and May 31, 2033. Minimum lease payments plus operating costs are as follows:

	Premises	Equipment	Total
2023	\$ 123,085	\$ 880	\$ 123,965
2024	132,477	880	133,357
2025	135,404	880	136,284
2026	138,332	880	139,212
2027	149,260	514	149,774
Thereafter	<u>363,188</u>	<u>-</u>	<u>363,188</u>
	<u>\$ 1,041,746</u>	<u>\$ 4,034</u>	<u>\$ 1,045,780</u>

#### 8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Clinic's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. All financial instruments noted are initially recognized at fair value and subsequently measured at amortized cost with the exception of cash which is carried at fair value. Transaction costs and financial fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument or shorter, dependent upon the expected period of cash flow.

When there is an indication of impairment and such an impairment is determined to have occurred, the carrying amount of financial assets, measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be subsequently reversed if the value subsequently improves.

Transacting in financial instruments exposes the Clinic to certain financial risks and uncertainties. These risks include:

##### **Liquidity risk**

Liquidity risk is the risk that the Clinic will encounter difficulty in raising funds to meet commitments associated with financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to fair value. As 46% (2021 - 88%) of the financial assets consist of cash, the Clinic is not subject to significant liquidity risk.

**PARKDALE COMMUNITY LEGAL SERVICES INC.**

**NOTES TO THE AMENDED FINANCIAL STATEMENTS  
MARCH 31, 2022**

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**8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued...)**

**Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Clinic is exposed to credit risk with respect to its accounts receivable balances. As at March 31, 2022, the Clinic was not exposed to significant concentration of credit risk. The Clinic manages its credit risk by monitoring the outstanding balances.

**9. ECONOMIC DEPENDENCE**

The Clinic is economically dependent on the support of Legal Aid Ontario which provides 92% (2021 - 90%) of the Clinic's funding.

**10. AMENDMENT TO THE FINANCIAL STATEMENTS**

Subsequent to the issuance of the previous financial statements for the year ended March 31, 2022, Management determined that a reallocation was required for deferred capital contribution from the General Fund to the Capital Fund. These amendments had an impact on the following accounts which were reclassified on September 21, 2022:

Account	As originally stated	Subsequent to reclass on September 21, 2022
LAO General Fund (deficit)	\$ (329,554)	\$ (79,554)
LAO Capital Fund balance	696,791	446,791
LAO General Fund interfund payable (receivable)	226,126	(23,874)
LAO Capital Fund interfund (receivable)	(272,111)	(22,111)
LAO General Fund interfund transfer	(635,982)	(385,982)
LAO Capital Fund interfund transfer	650,982	400,982