

DOWNTOWN LEGAL SERVICES
(A STUDENT LEGAL AID SERVICES SOCIETY)
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2013

INDEX

1. Independent Auditors' Report
2. Statement of Financial Position
3. Statement of Changes in Net Assets
4. Statement of Operations
5. Statement of Cash Flows
- 6-7. Notes to Financial Statements

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INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Downtown Legal Services , which comprise the statement of financial position as at March 31, 2013, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

Auditor's Responsibility

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

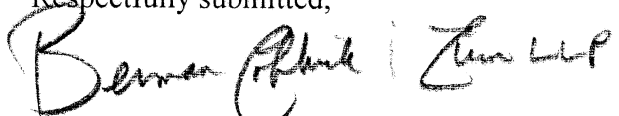
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Downtown Legal Services as at March 31, 2013, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario.
July 18, 2013.

Respectfully submitted,

CHARTERED ACCOUNTANTS.
Licensed Public Accountants.

DOWNTOWN LEGAL SERVICES
(A STUDENT LEGAL AID SERVICES SOCIETY)

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2013

	2013	2012 (Unaudited Note 5)
ASSETS		
Current		
Cash	\$ 262,283	\$ 268,559
Temporary investment - G.I.C.	31,392	31,970
Accounts receivable	29,189	28,594
Prepaid expenses and sundry assets	<u>42,425</u>	<u>61,059</u>
	365,289	390,182
Capital - at cost less accumulated amortization (note 3)	5,181	7,341
Cash held in trust for clients	2,720	1,147
Less - balance owing to clients	<u>(2,720)</u>	<u>(1,147)</u>
	<u>-</u>	<u>-</u>
	<u>\$ 370,470</u>	<u>\$ 397,523</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 60,204	\$ 54,474
Capital contribution from funders	<u>3,458</u>	<u>5,646</u>
	<u>63,662</u>	<u>60,120</u>
NET ASSETS		
Net assets invested in capital	5,181	7,341
Net assets internally restricted for general purposes	301,051	330,051
Unrestricted net assets	<u>576</u>	<u>11</u>
	<u>306,808</u>	<u>337,403</u>
	<u>\$ 370,470</u>	<u>\$ 397,523</u>

Approved on behalf of the Board:

_____ Director

_____ Director

The accompanying notes form an integral
part of these financial statements.

DOWNTOWN LEGAL SERVICES
(A STUDENT LEGAL AID SERVICES SOCIETY)
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2013

	Invested in capital assets	Restricted for general purposes	Unrestricted	2013 Total	2012 Total (Unaudited Note 5)
BALANCE - Beginning of year	\$ 7,341	\$ 330,051	\$ 11	\$ 337,403	\$ 340,112
- Deficiency of revenues over expenses	(2,188)		(28,407)	(30,595)	(2,709)
- Investment in capital assets	28		(28)		
- Internally imposed restrictions	_____	(29,000)	29,000	_____	_____
BALANCE - End of year	\$ <u>5,181</u>	\$ <u>301,051</u>	\$ <u>576</u>	\$ <u>306,808</u>	\$ <u>337,403</u>

The accompanying notes form an integral part of these financial statements.

DOWNTOWN LEGAL SERVICES
(A STUDENT LEGAL AID SERVICES SOCIETY)

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2013

	2013	2012 (Unaudited Note 5)
REVENUES		
Legal Aid Ontario	\$ 527,597	\$ 540,214
Students' Administrative Council	125,013	122,738
Faculty of Law, University of Toronto	120,000	120,000
Graduate Students' Union	41,958	40,716
Law Foundation of Ontario	36,696	-
Scarborough Campus Students' Union	11,458	11,090
Administrative Recovery	1,348	1,508
Fees Income/Affidavits etc.	1,155	2,825
Interest	589	592
Hororaria	500	-
Donations	55	-
Client Disbursements Recovery	<u>45</u>	<u>3,951</u>
	<u>866,414</u>	<u>843,634</u>
EXPENSES		
Personnel	778,877	714,907
Other professional services	38,167	29,822
Transport/communications	34,460	22,410
Supplies	31,393	29,200
Legal disbursements	10,187	16,128
Accommodation/equipment	<u>3,925</u>	<u>33,876</u>
	<u>897,009</u>	<u>846,343</u>
DEFICIENCY OF REVENUES OVER EXPENSES	\$ <u>(30,595)</u>	\$ <u>(2,709)</u>

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part of these financial statements.

DOWNTOWN LEGAL SERVICES
(A STUDENT LEGAL AID SERVICES SOCIETY)
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2013

	2013	2012 (Unaudited Note 5)
Cash and cash equivalents provided by (used in):		
Operating activities:		
Deficiency of revenues over expenses	\$ <u>(30,595)</u>	\$ <u>(2,709)</u>
Adjustments for:		
Amortization	<u>(28)</u>	<u>651</u>
Changes in non-cash working capital:		
Increase in accounts receivable	(595)	(2,100)
(Increase) decrease in temporary investments	578	(582)
(Increase) decrease in prepaid expenses and sundry assets	18,634	(20,423)
Increase (decrease) in accounts payable and accrued liabilities	<u>5,730</u>	<u>(1,004)</u>
	<u>24,347</u>	<u>(24,109)</u>
Cash flow from operating activities:	<u>(6,276)</u>	<u>(26,167)</u>
Net decrease in cash and cash equivalents	(6,276)	(26,167)
CASH AND CASH EQUIVALENTS - Beginning of year	<u>268,559</u>	<u>294,726</u>
CASH AND CASH EQUIVALENTS - End of year	<u>\$ 262,283</u>	<u>\$ 268,559</u>

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