CELA - TREASURER'S REPORT
NOVEMBER 6, 1980

This report covers the period from July 1, 1979 to June 30, 1980.

In general terms, CELA appears to be in good financial shape. However there are several factors which make it impossible to give the usual Treasurer's report at this time:

In past years we have had an audit prepared by Clarkson, Gordon. This year the only audit was an audit of the Legal Aid Clinic for the Ontario Legal Aid Plan. It was prepared by Coopers, Lybrand to correspond with the Legal Aid year (March 31, 1980). As a result there is no audit for the period March 31, 1980 to June 30, 1980. Further, the audit deals only with the Legal Aid Clinic, and also with non-clinic financial matters.

The impetus for this decision to rely on the Legal Aid audit came from Legal Aid's decision not to allow us any funding for our usual audit by Clarkson, Gordon. As the Legal Aid Clinic accounted for about 90-95% of CELA's revenue and expenses, it was decided that the cost of a separate audit for the remaining 5-10% would not be justified. The result is, however, that no accurate overall independent financial report on CELA's affairs is available.

As for the Legal Aid audit for the year ending March 31, 1980, it shows an excess of $6,744 of revenue over expenditure. For reasons which we do not yet understand, Legal Aid chose to include in income "Grants from other sources" the sum of $9,451.00 outside of the Legal Aid Clinic but did not include the expenses for activities outside the Clinic which totalled approximately $2,000.00. As a result the surplus as at March 31, 1980 was about $4,744 and not the higher sum shown above.

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Since the Legal Aid year end, 2 quarterly reports have been submitted. They show a small surplus of $2,080.01 for June 30, 1980 and $3,882.34 for September 30, 1980.

In conclusion, I have 2 recommendations:

i) that CELA consider changing its year end to correspond with Legal Aid's as it would facilitate our bookkeeping and our year end reporting; and

ii) that there be an audit of <u>all</u> CELA's financial affairs (clinic and non-clinic) and that CELA consider the feasibility of this further.

John G. Goodwin