

ANNUAL REPORT 2007



Warren Wilson, QC, Chair

Report from the Chair

In 2007, the Law Foundation of British Columbia was fortunate to be able to give out a record amount of money in

grants. This was due to high trust account balances and favourable interest rates. It is our hope that the projects funded in 2007, continuing and otherwise, will have a lasting impact on access to justice in British Columbia.

The foundation's mandate is to fund legal education, legal research, legal aid, law reform and law libraries. The foundation fulfills this mandate by funding 51 continuing programs and many one-time projects that promote the rule of law and a just society. These range from the Legal Services Society and the Law Courts Education Society of BC to the BC Public Interest Advocacy Centre and a number of community-based advocacy groups.

THE  LAW
FOUNDATION
OF BRITISH COLUMBIA

REPORT FROM THE CHAIR

The foundation uses its limited resources to enable the public and the profession to have access to the best legal education, legal research, legal aid, law reform and law libraries that its resources can provide.

The foundation's Funding Strategies Review process was completed in 2006, and recommendations from the process were reviewed in 2007. The review process, which has been described in previous annual reports, involved an intensive examination of all foundation-funded continuing programs to ensure the continued alignment of the foundation's funding with its mission, and to optimize its grant making. In particular, we wanted to ensure that the work funded by the foundation resulted in measurable and significant outcomes for grantees' clients and the public.

As a result of the review, the foundation's application and reporting procedures have been refined. In particular, all continuing programs will be using an outcomes-based framework to guide the work of their foundation-funded programs. Ongoing evaluations will also continue to be an important part of the foundation's work. In 2007, following the Funding Strategies Review, the foundation was pleased to increase ongoing grants to all continuing programs.

The other significant news in 2007 was the foundation's unusually high income, for a second year in a row. Total income rose from \$47 to \$53 million during the year. This increase, while fuelled in part by a modest increase in the prime interest rate, was mostly generated by an increase in the amount of money being held in lawyers' pooled trusts accounts.

We expect that the foundation's income will decrease somewhat in 2008, but remain at a higher level than it was in 2005 and prior years.

There were 370 applications for funding assessed this year, which was a record number for the foundation. As a result, a record number of 51 continuing program grants, 47 project grants and 141 new initiative grants were made.

Grants totalling \$44 million were approved in 2007. Of this amount, \$14 million was allocated to the 51 continuing programs for their core operations and \$30 million was provided for one-time projects. Of that \$30 million, \$19 million went to continuing grantees for 44 different projects, including the following:

- \$6 million to the University of British Columbia, Faculty of Law, towards a new law school building, conditional on

the Faculty of Law raising matching funds from the public and providing free space in the new building for the International Centre for Criminal Law Reform and Criminal Justice Policy.

- \$3 million to the University of Victoria, Faculty of Law, to repurpose the law school library, upgrade a key classroom and provide an endowment for the diversity access study/pilot project.
- \$2 million to the Legal Services Society for family and civil justice access centres.
- \$1 million to the Law Society of BC for free public Internet access to statutes and regulations.
- \$1 million to the BC Coalition to Eliminate Abuse of Seniors to implement an Elder Law Clinic.

There were also 144 other projects approved, totalling over \$11 million, including:

- \$2.3 million for 55 grants for capital/infrastructure needs of continuing grantees.
- \$1.3 million for 32 grants for the development of a public legal education and information portal, a searchable network of public legal education resources.
- \$900,000 for 4 projects to work on the issue of violence against women, with a focus on South Asian and other minority women.
- \$1.4 million for 4 projects for the Legal Education in Schools initiative, to enhance students' understanding of the importance of the rule of law.

Finally, 16 child welfare grants totalling \$1,371,000 were approved. The Child Welfare Fund, created in 2004, was increased in 2006 by another \$2 million grant from the Ministry of Children and Family Development. The fund's purpose is to expand the use of alternate dispute resolution processes in the child protection area, with a focus on Aboriginal children. The fund is administered by a subcommittee of the foundation's board of governors. The foundation thanks the ministry for its support.

I have noticed an improved atmosphere of co-operation among many of the foundation's grantees, which I attribute partly to increased funding and partly to foundation staff's innovative approaches. This co-operation increases efficiency and enhances access to justice for the public in British Columbia. I believe the limited funds available to groups are having a much greater impact as a result of this co-operation.

There were 370 applications for funding assessed this year, which was a record number for the foundation. As a result, a record number of 51 continuing program grants, 47 project grants and 141 new initiative grants were made.

Although interest rates remained generally low in 2007, competitive interest rate agreements negotiated with financial institutions, along with increased trust balances, provided continued higher income. We commend Royal Bank of Canada, Vancity Savings Credit Union, Canadian Imperial Bank of Commerce, TD Canada Trust, Bank of Montreal, Bank of Nova Scotia and HSBC Bank Canada. The foundation thanks members of the profession who choose these institutions that provide the highest rates of return.

Interest rates increased marginally in the middle of 2007, and declined at the end of the year. Fortunately, pooled trust account balances remained high throughout the year and even increased slightly. Interest rates are expected to decline in 2008. A decline in interest rates will have a significant effect on the foundation's income. The foundation will continue to monitor interest rates and trust account balances carefully, and expects to modestly increase its reserves to protect future grants.

The year 2007 saw two changes to the board of governors. Christine Elliott of Vancouver finished her term, as did Barbara Cromarty of Trail.

Governor Elliott served on the following committees during her six-year term: New Grants (Chair), Policy and Planning, Child Welfare Fund, and Finance and Administration. Her wide range of interests and expertise will be missed.

Governor Cromarty served on the following committees: Child Welfare Fund (Chair), Policy and Planning, Bursary, Scholarship and Fellowship (Chair), and New Grants. She guided the Child Welfare Fund committee through its formative years and provided thoughtful leadership to the foundation throughout her tenure.

Two new board members have been appointed to the Law Foundation board by the Law Society:

- Kelly Maag from Kootenay County, who was called to the bar in 1985, has been a sole practitioner in Cranbrook since 1986, practicing commercial real estate and corporate law.

- His Honour Judge Dennis Schmidt, of Vancouver County, was called to the bar in 1974, and had a general litigation practice in Campbell River from 1975 to 1981, when he was appointed to the Provincial Court of British Columbia. He has served as a judge in Campbell River, Northern Vancouver Island, Vancouver, on the Northern BC Circuit and in Richmond, where he is currently the Administrative Judge. He was the Associate Chief Judge of the Provincial Court from 1995 to 2002 and from 2005 to 2007.

Finally, I finished my two-year term as chair of the foundation board, and in November, Dev Dley, QC, was elected as the new board chair.

Mr. Dley practices law in Kamloops. He has served on a number of foundation committees, including Finance and Administration, Bursary, Scholarship and Fellowship, and Policy and Planning, which he has chaired for the last few years.

Mr. Dley received his LLB from the University of Victoria in 1978, was called to the bar in 1979 and appointed Queen's Counsel in 2005. Mr. Dley has his own law firm in Kamloops, where he carries on a litigation practice. Previously, he was Commissioner and General Counsel for the Western Hockey League (1996 – 2000). Mr. Dley's community work includes serving on the boards of several charity fund-raising golf tournaments and the BCAA Traffic Safety Foundation. He has also served as a governor at Malaspina College in Nanaimo, as a trustee for the Lake Cowichan School Board and on the board of the Thompson Rivers University Foundation.

I have one year remaining in my term as a foundation governor and am pleased to have been asked to serve as chair emeritus of the foundation for that period.

In closing, I would like to acknowledge the work of my colleagues on the Law Foundation board. Governors volunteer many hours and their significant abilities to carry out the foundation's work. I also want to thank foundation staff who administer the day-to-day work of the foundation, handling applications and grants, and providing support to the board. The profession and the public are well served by the dedication of these people.



Warren Wilson, QC

Chair 2007

Mission Statement

To use our income for the benefit of the public of the province of British Columbia by supporting programs that advance and promote the rule of law and a just society. The Law Foundation recognizes the diversity of the people of British Columbia and endeavours to be responsive to the diverse public of British Columbia in its workforce, board and grant making.

The **Mission Statement** and **Program Objectives** have been adopted by the board of governors as policy guidelines. These are the principles upon which funding decisions will be based.

Purpose

British Columbia led the way in 1969 when it established the first law foundation in North America. Since then, almost every other jurisdiction in North America has followed BC's lead by establishing a law foundation.

The Law Foundation of BC is a non-profit foundation created by legislation to receive and distribute the interest on clients' funds held in lawyers' pooled trust accounts maintained in financial institutions. Pooled trust accounts are used to hold client funds for short periods of time, until it becomes feasible to distribute those monies to the client or others. Typically, some funds held in this way are purchase monies in real estate transactions, while others are retainers, settlement proceeds, estate funds, etc.

Because of the difficulty and cost of ascertaining how much interest in pooled trust accounts was attributable to each client's funds, and because the amount of interest related to each client was usually small, for many years financial institutions paid no interest on these accounts, although the total funds in the pooled account might be very substantial. As a result, the financial institutions profited from the use of the funds in the pooled trust accounts without charge.

British Columbia lawyers pioneered a change to this practice in 1969 when they persuaded the provincial government to enact legislation requiring financial institutions to pay interest on these pooled trust accounts to the Law Foundation,

which would then use the interest to benefit the public of British Columbia.

The legislation directed the Law Foundation to distribute these funds in five areas:

- legal education,
- legal research,
- legal aid,
- law reform and
- law libraries.

The foundation recognizes that, while its objects are legal in nature, the income is to be allocated to programs that will benefit the general public of British Columbia.

From its inception through to 2007, the Law Foundation has approved grants totalling more than \$374 million to support important law-related programs in British Columbia.

Administration

The Law Foundation is administered by a board of governors (the board), which is responsible for making all decisions concerning grants. It has 18 volunteer members:

- the Attorney General (or his/her appointee);
- 3 persons, not lawyers, appointed by the Attorney General;
- 12 members of the Law Society or the judiciary appointed by the benchers to represent geographical areas of the province; and
- 2 members of the Law Society appointed by the BC Branch, Canadian Bar Association.

The Law Foundation is independent of the government, the Law Society and the BC Branch, Canadian Bar Association, although its governors are appointed by these bodies. The board has five standing committees:

- Bursary, Scholarship and Fellowship
- Finance and Administration
- New Grants
- Policy and Planning
- Special Needs Fund

In 2007, the board also had two other committees: Child Welfare Fund and Funding Strategies.

The board and the committees meet regularly during the year. An administrative staff of 11 assists the board.



Law Foundation staff, left to right: Wayne Robertson, Veenu Saini, Jean Leggett, Amy Tam, Jo-Anne Kaulius, Linda Mix, Sandra Morgenstern, Maria Pupovac, karima budhwani, Daphne Morrison. Absent: Ewa Chang.

How Grants Are Made

The Law Foundation's funds are used for the purposes of legal education, legal research, legal aid, law reform and law libraries. A grant application must fall within one or more of these categories to be considered for funding support, and it must establish that it will result in a clear benefit to the people of British Columbia. Grants are normally restricted to non-profit organizations.

The foundation sets its grant budget and funding guidelines on an annual basis. Those seeking grant support are urged to discuss their proposals with foundation staff before committing time and resources to put together funding requests. If a project appears to fit within the mission statement, program objectives and funding guidelines for that year, a formal proposal with more detailed information will be requested.

Application deadline dates can be obtained by contacting the Law Foundation.

The Law Foundation
of British Columbia
Suite 1340 – 605 Robson Street
Vancouver, BC V6B 5J3

Tel: 604-688-2337

Fax: 604-688-4586

E-mail: lfbc@tlfbc.org

www.lawfoundationbc.org

Program Objectives

The Law Foundation seeks to ensure access to justice through its program objectives, which are:

1. Legal Education

To promote legal education programs and services in British Columbia to make the law more accessible through:

- a. increasing public awareness of the law and the justice system;
- b. providing education to groups with particular legal needs; and
- c. assisting in the academic and professional development of those providing legal services to ensure those services are of the highest quality.

2. Legal Research

To advance the knowledge of:

- a. law,
- b. social policy and
- c. the administration of justice

through the identification of areas and issues needing study and analysis and the encouragement and support of projects to address those needs.

3. Legal Aid

To assist in the provision of legal services, including:

- a. advice to and representation of economically disadvantaged persons; and
- b. support of community service and non-profit organizations that address issues that benefit groups of disadvantaged persons or the public.

To facilitate public access to the justice system.

4. Law Reform

To encourage and support projects promoting changes to the law and the administration of justice in accord with current knowledge, values and technology.

5. Law Libraries

To assist law libraries and resource centres to keep their materials current.

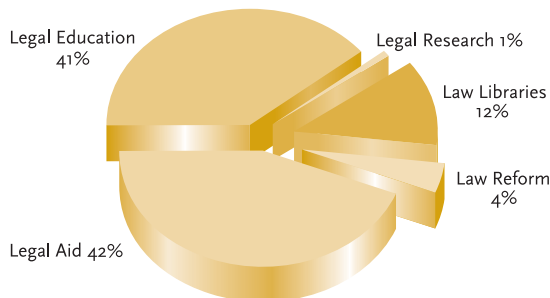
To encourage and support projects designed to improve the utility and accessibility to both the legal profession and the public of legal and law-related materials.

CONTINUING PROGRAMS FUNDED IN 2007

The Law Foundation provides support for the law-related programs and projects described in this section.

For reporting purposes, grants are listed in the Annual Report under one of the Law Foundation's five statutorily mandated objectives (see also chart). However, many of the organizations' activities fall under more than one of the mandated areas.

Grants are divided into 2007 Continuing Programs and 2007 Projects. Within each sub-section, grants are listed from highest to lowest dollar amounts, rather than alphabetically by name.



Grants Approved in 2007

| | |
|-----------------|---------------------|
| Legal Education | \$18,698,138 |
| Legal Research | 615,000 |
| Legal Aid | 19,069,511 |
| Law Reform | 1,870,574 |
| Law Libraries | \$5,580,372 |
| Total | \$45,833,595 |

Total continuing program grants: \$14,182,192

Total project grants: \$30,280,486

Total child welfare grants: \$1,370,917

LEGAL EDUCATION

Professional Legal Education

Law Society of BC

The Professional Legal Training Course, a skills-based training program for recent law school graduates, to develop competent lawyers to serve the public

\$257,180

Law Foundation Lay Advocacy Training

Educating and training Law Foundation-funded lay advocates and a poverty law conference

\$90,600

Law Foundation Graduate Fellowships

Graduate legal work by BC lawyers and graduate law students

\$72,950

Adam Perry: Law and philosophy — exploring the application of legal prescription versus case-by-case reasoning

Efrat A. Arbel: The intersection of human rights and refugee law in Canadian law — in particular, exploring the human rights of refugees and sovereignty rights of the state

Sean Robertson: Indigenous community food economies and property rights in the context of international development policy

Lorne Neudorf: Judicial independence and its practical significance to the relationship between the judiciary and the legislative and executive branches of government

Julie Owen: Human dignity and the universality of human rights — in particular, a consideration of children's rights in this context

University of British Columbia, Faculty of Law

Graduate fellowships **\$120,000**

Undergraduate scholarships **\$58,000**

Entrance bursaries for disadvantaged students **\$27,000**

University of Victoria, Faculty of Law

Graduate scholarship program **\$60,000**

Entrance and renewal scholarships **\$58,000**

University of Saskatchewan, Native Law Centre

A pre-law program for Aboriginal students and the centre's library and publications **\$20,600**

Public Legal Education

People's Law School Society

Province-wide legal information and education programs **\$288,640**



Caroline Nevin, executive director, BC Branch, Canadian Bar Association

BC Branch, Canadian Bar Association

The Lawyer Referral Service, a service to help the public obtain low-cost legal information and assistance; Law Week 2007 public legal education activities; and Dial-A-Law, a province-wide telephone service providing free legal information to the public **\$279,310**



Soraya VanBuskirk, advocate, Newton Advocacy Centre; Sherilyn Thompson, LawLINE paralegal, Legal Services Society; John Simpson, manager, Community Services, Legal Services Society; Gerry de la Garza, alternative dispute resolution practitioner, Canadian Human Rights Commission; Van Huynh, Vietnamese settlement worker, Options Services to Communities Society

PovNet Society

A poverty law website, e-mail groups and databases for community advocates **\$110,000**

Law Courts Education Society of BC

A legal information program for First Nations youth in Prince George and the surrounding communities **\$76,000**

Debate and Speech Association of BC

The participation of high school students in the province-wide Law Foundation Cup Debates on legal topics **\$15,730**

LEGAL RESEARCH

University of British Columbia, Faculty of Law

Block grant for research projects **\$27,500**

University of Victoria, Faculty of Law

Block grant for research projects **\$27,500**

LEGAL AID

Legal Services Society

Support for the management of the BC legal aid plan and the provision of legal information to low-income people **\$3,599,750**

Public Service Ads

Placement of public service ads in yellow page directories, informing the public about legal aid services, free legal information and how to find a lawyer **\$99,540**

Community-Based Advocacy

University of Victoria, Faculty of Law, Law Centre Clinical Program
A clinical program providing legal services to low-income people in the Greater Victoria area **\$333,000**

TRAC Tenant Resource & Advisory Centre Society

A legal information service on tenancy matters **\$283,250**

University of British Columbia, Faculty of Law, First Nations Clinical Program

A clinical program for law students providing legal services to First Nations people in the Lower Mainland **\$228,500**

Downtown Eastside Residents' Association

A lay advocacy program providing legal information and assistance to residents of Vancouver's Downtown Eastside **\$196,366**

West Coast Domestic Workers' Association

A specialized advocacy service and legal education program for domestic workers **\$167,250**

Greater Vancouver Law Students' Legal Advice Program

A law students' legal advice program operating free clinics in the Greater Vancouver area **\$166,920**

BC Coalition of People with Disabilities
Lay advocacy, legal information and referral services for people with disabilities **\$153,590**

Together Against Poverty Society

A lay advocacy program providing legal information and assistance to low-income people in the Greater Victoria area **\$149,000**

Nelson Cares Society

A lay advocacy program providing legal information and assistance to low-income people in the West Kootenay region **\$146,366**

BC Coalition to Eliminate Abuse of Seniors

A lay advocacy program providing legal information and assistance to older adults throughout BC **\$112,500**

Abbotsford Community Services Society/Progressive Intercultural Community Services Society

A lay advocacy program providing legal information and assistance to seasonal farm workers in Surrey and the Fraser Valley **\$109,000**

Island JADE Society

A lay advocacy program providing legal information and assistance to low-income people in the Campbell River area **\$119,060**

BC Families in Transition

A lay advocacy program assisting unrepresented people in Family Court in Greater Victoria and providing family law information to low-income people **\$91,200**

Community Connections Society of Southeast BC

A lay advocacy program providing legal information and assistance to low-income people in the East Kootenay region **\$89,210**

MOSAIC

A lay advocacy program providing legal information and assistance to low-income immigrants and refugees in the Lower Mainland **\$87,670**

Kettle Friendship Society

A mental health lay advocacy program providing legal information and assistance on residential tenancy and child protection matters in the Lower Mainland **\$87,500**

Ki-Low-Na Friendship Society

A lay advocacy program providing legal information and assistance to urban Aboriginal people in the Central Okanagan **\$82,500**

Active Support Against Poverty Society

A lay advocacy program providing legal information and assistance to low-income people in the Prince George area **\$71,450**

Port Alberni Friendship Center

A lay advocacy program providing legal information and assistance to people with disabilities and mental health issues in the Port Alberni region **\$64,860**

MPA — Motivation, Power and Achievement Society

A courtworkers' program to assist people with mental illnesses in the criminal justice system **\$56,250**

Battered Women's Support Services

A lay advocacy program providing legal information and assistance to battered women in the Lower Mainland **\$55,530**

Contact Women's Group Society

A lay advocacy program providing legal information and assistance to low-income people in the Williams Lake area **\$50,000**

South Fraser Women's Services Society

A lay advocacy program providing legal information and assistance on family law to women in the Surrey/White Rock area **\$50,000**

Public Interest Law

West Coast Environmental Law Association

Law reform, legal research, legal education, legal aid and a library collection to represent the public interest in environmental legal matters **\$776,490**

Community Legal Assistance Society

Programs to provide legal assistance to disadvantaged individuals and the groups who represent them and to develop law that will benefit disadvantaged groups as a whole **\$734,950**

BC Public Interest Advocacy Centre

Representation of the public interest in regulatory matters and test cases on behalf of disadvantaged people appearing before courts and administrative tribunals **\$535,480**



Jim Quail, executive director, BC Public Interest Advocacy Centre

BC Civil Liberties Association

Test case litigation, legal education and law reform to protect the civil liberties and human rights of British Columbians **\$268,600**

West Coast Women's Legal Education and Action Fund (West Coast LEAF)

Legal education, law reform and test case litigation to advance equality for women **\$167,500**

LAW REFORM

BC Law Institute

Law reform activities leading to improvements in the law and the administration of justice \$280,600



Jim Emmerton, executive director,
BC Law Institute

BC Freedom of Information and Privacy Association

A program focusing on freedom of information and privacy legislation \$70,000

LAW LIBRARIES

BC Courthouse Library Society

The society's operating costs for the province's 31 courthouse law libraries \$2,737,750

Law Society of BC

Contribution to the operating costs of the CanLII Virtual Law Library \$71,500

MISCELLANEOUS GRANTS

Support for organizations to address emergent needs as recognized throughout the year, including grants to:

BC Branch, Canadian Bar Association for Dial-A-Lawyer Day at Law Week 2007

Provincial Court of British Columbia for the Judicial Externship Program in partnership with the University of British Columbia, Faculty of Law — third-year law students spend a term assisting judges in the Provincial Court of BC

Penticton and District Multicultural Society for employment rights training for seasonal farm workers and immigrant farm owners

Northern Society for Domestic Peace to support the Domestic Violence Treatment Court

BC Coalition of People with Disabilities for legal research and law reform on the Family Compensation Act

Association des juristes d'expression française de la Colombie Britannique to translate immigration and family law terms on the Vancouver Community College online glossary of legal terms into French

BC Law Institute to support the National Elder Law Conference

Vancouver Community College to update the *Law for Court Interpreters* manual

Social Planning and Research Council of BC to support consultation related to the review of the Family Relations Act

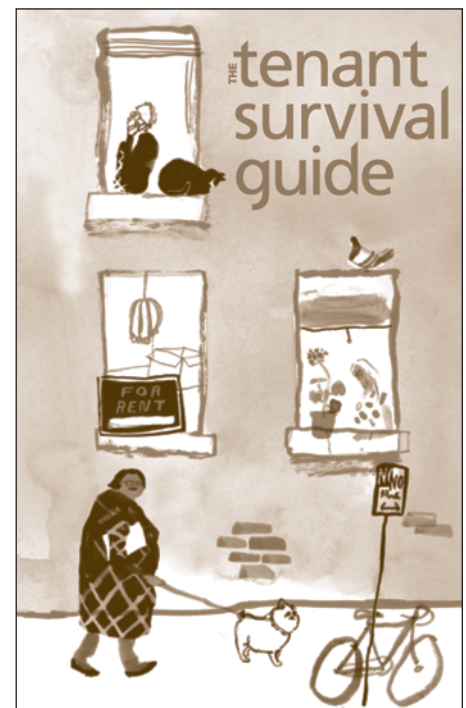
Legal Services Society for the Community Court training initiative

Women's Court of Canada for the 2008 Symposium and launch of the Women's Court of Canada, which provides model equality rights decisions for use in professional legal education and future Charter challenges

Black Law Students' Association of Canada: University of Victoria Chapter for the Black Law Students' Association of Canada 2008 Conference

The Indigenous Bar Association for the Indigenous Laws: Practice, Conflict and Harmonization Conference

TRAC Tenant Resource & Advisory Centre Society to reprint the *Tenant Survival Guide*



John Howard Society of the Lower Mainland to reprint *A Family's Guide to Federal Corrections and Planning for Parole* \$300,000

South Fraser Women's Services Society

South Fraser Women's Services Society (SFWS) has a 29-year history of providing information, resources, support and counselling to women in the Surrey area.

The Law Foundation provides ongoing operating funds to SFWS, which offers its community a legal information and advocacy program and a free family law clinic (in collaboration with the Western Canada Society to Access Justice). The legal advocacy program and legal clinic aim to make the law more accessible by providing legal education and making legal assistance and information available to economically disadvantaged women who do not qualify for legal aid. A large number of the women accessing these services are immigrants.

Responding to urgent community needs by building partnerships and finding practical solutions makes SFWS a very valuable service to the Surrey community. Recently, SFWS launched an innovative legal education project to provide the South Asian community with legal education related to violence against women and children.



Ram Sidhu, Mandy Sidhu, Rupri Sahota, advocates, South Fraser Women's Services Society



Laura Watts, staff lawyer, BC Law Institute

Laura Watts, staff lawyer, BC Law Institute, and national director, Canadian Centre for Elder Law Studies

Laura Watts is at the forefront of a challenge faced by communities across BC — addressing the needs of our aging population — and is active in ensuring that effective legal frameworks and services are available to serve those members of our community.

Ms. Watts works in a number of capacities on these issues. She is a staff lawyer at the BC Law Institute, an organization that receives ongoing operating funds from the Law Foundation. She is also the national director of the Canadian Centre for Elder Law Studies, the national organization focused on issues of law and aging. Annually, she organizes the Canadian Conference on Elder Law, which is an international conference advancing issues of elder law to both legal and interdisciplinary audiences.

Ms. Watts is also assisting with the development of a free elder law clinic, a pilot project of the BC Coalition to Eliminate Abuse of Seniors. Finally, Ms. Watts is a legislative drafter involved in creating a provincial strategy for adults with capability challenges and modernizing adult abuse and guardianship legislation in Canada.

PROJECTS FUNDED IN 2007

LEGAL EDUCATION

Public Legal Education

Organizations whose websites will be key links on the public legal education and information (PLEI) portal website:

- BC Civil Liberties Association
- BC Coalition of People with Disabilities
- BC Coalition to Eliminate Abuse of Seniors
- BC Freedom of Information and Privacy Association
- BC Law Institute
- BC Public Interest Advocacy Centre
- BC Branch, Canadian Bar Association
- Community Legal Assistance Society
- Greater Vancouver Law Students' Legal Advice Program
- Law Courts Education Society of BC
- MOSAIC: MultiLingoLegal.ca

- People's Law School
- PovNet
- Pro Bono Law BC
- TRAC Tenant Resource & Advisory Centre
- University of Victoria Law Centre
- West Coast Environmental Law Association
- West Coast LEAF
- Technical support and website content development **\$837,147**
- BC Courthouse Library Society (on behalf of the Public Legal Education and Information Working Group)
- Creation and maintenance of a PLEI portal website providing links to the most relevant legal education and information resources in BC **\$433,350**

Centre for Education, Law and Society, Simon Fraser University
An education project to increase understanding of the Canadian legal justice system among Grade 7 – 10 students and to provide teacher training **\$337,718**

Battered Women Support Services
Legal education, research and reform project focused on engaging immigrant women in the legal system **\$300,000**

BC Social Studies Teachers' Association
Development of a web-based cross-curriculum learning program to engage BC high school students in learning about law, social justice, civics and human rights **\$300,000**

MOSAIC
A three-year project providing television and radio programming on law and prevention of violence against women in the South Asian community **\$300,000**



Seated: *Wanda Cassidy*, associate professor and director, Centre for Education, Law and Society, Simon Fraser University; *Özlem Sensoy*, assistant professor, Simon Fraser University. Standing: *Dolores van der Wey*, assistant professor, Simon Fraser University; *Karen Brown*, coordinator, and *Morn Wu*, research assistant, Centre for Education Law and Society, Simon Fraser University

| | | |
|--|--|--|
| South Fraser Women's Services Society A three-year project to provide legal education to the local South Asian community about violence against women and children | Elizabeth Fry Society of Greater Vancouver Developing recommendations and protocols regarding children's rights, including visits to a parent who is in prison | Pro Bono Law of BC in association with the Centre for Sustainability Seminars on non-profit law for non-profit community organizations |
| \$300,000 | \$57,000 | \$16,800 |
| Law Courts Education Society of BC Assessment of the Grade 7 – 12 social studies curriculum focusing on BC law and citizenship | Providing legal information for care-givers of children about entitlement to government benefit programs | Alzheimer Society of BC Regional advocacy training workshops |
| \$283,389 | \$15,000 | \$15,000 |
| Law Courts Education Society of BC Development of a website for the public about upcoming Small Claims Court pilot programs | Law Courts Education Society of BC/ Law Society of BC Development and implementation of a teaching module for high school students about the importance of an independent judiciary and legal profession | Asian Society for the Intervention of AIDS Multilingual legal information material to raise awareness about legal rights among Asian indoor female sex workers |
| \$94,400 | \$54,933 | \$15,000 |
| Law Courts Education Society of BC A documentary film to mark the 100th anniversary of the BC Court of Appeal | Society for Affordable Housing Education, Awareness and Development (AHEAD) Revisions to legal course materials used in housing workshops | BC Civil Liberties Association Reprinting and translating the <i>Citizenship Handbook</i> |
| \$75,000 | \$50,500 | \$15,000 |
| Parent Support Services of BC A one-year legal research project to develop practical legal education materials for grandparents raising grandchildren | Legal Services Society (on behalf of the Public Legal Education and Information Working Group of BC) Initial development of the public legal education and information portal website | Namgis First Nation Workshop series on accessing the law in Alert Bay |
| \$75,000 | \$50,000 | \$15,000 |
| Law Courts Education Society of BC Professional development workshops for high school teachers on teaching legal concepts at senior grade levels | MOSAIC Translating legal information for the MultiLingoLegal website | Tansi Friendship Centre Society Legal information workshops in the Chetwynd area. |
| \$72,820 | \$40,893 | \$15,000 |
| BC Freedom of Information and Privacy Association A project to research privacy issues in collaboration with PLEA Community Services Society, BC Persons with AIDS Society and the United Community Services Co-op | North Shore Multicultural Society Family law workshops and a family law publication for the Persian community in North and West Vancouver | Voice of the Cerebral Palsied of Greater Vancouver Reprinting <i>How to Create a Trust</i> , a resource guide on how to set up a disability trust for those receiving provincial disability benefits |
| \$71,500 | \$29,793 | \$15,000 |
| Vancouver Holocaust Education Centre/ Friends of the Simon Wiesenthal Center and Law Society of BC A project to increase understanding of the abuse of law during the Holocaust through a public exhibit, presentations and school program | EcoTrust Canada Completing the update of the "Crown Land Referrals Toolkit" web resource | North Shore Crisis Services Society A legal information package for women fleeing domestic abuse |
| \$18,500 | \$14,196 | \$14,680 |
| White Buffalo Aboriginal Health Society and Resource Centre Drop-in sessions and legal information workshops for the Kamloops area | | \$11,250 |



Stephen Toope, president and vice chancellor, University of British Columbia; Warren Wilson, QC, chair, Law Foundation of BC; Mary Anne Bobinski, dean, Faculty of Law, University of British Columbia

Canadian Council of Administrative Tribunals

Contribution to an international conference for administrative adjudicators held in Vancouver **\$10,000**

Vernon Women’s Transition House Society

Increasing the hours of a pro bono clinic provided at the Vernon Women’s Transition House **\$9,500**

Professional Legal Education

University of British Columbia, Faculty of Law

Grant to the Law School Building Fund, conditional on the Faculty of Law raising matching funds and providing space in the new building for the International Centre for Criminal Law Reform and Criminal Justice Policy **\$6,000,000**

University of Victoria, Faculty of Law

Repurposing the law school library, upgrading a key classroom and providing an endowment for the diversity access study/pilot project **\$3,000,000**

Continuing Legal Education Society

A three-year project to enhance the legal profession’s access to continuing legal education through innovation and technology **\$1,500,000**

BC Dispute Resolution Practicum Society

Three-year funding to develop practicum training programs for mediators **\$872,000**

University of British Columbia, Faculty of Law

Extension of funding for public interest work placements for law students **\$325,000**

Vancouver Community College Foundation

Projects related to the online Multilingual Legal Glossary of legal and court-related terms:

- Selection and translation of immigration and family law terms to be added to the online glossary **\$150,000**
- Translation of all legal and court-related terms in the online glossary into one additional language **\$75,000**

University of Victoria, Faculty of Law

Extension of funding for public interest work placements for law students **\$162,500**

University of Victoria, Faculty of Law

Entrance scholarships: interest on an endowment fund **\$112,500**

BC Branch, Canadian Bar Association

Entrance scholarships for Aboriginal students pursuing their legal education in BC **\$75,000**

Continuing Legal Education Society

Online publication of the *Land Title Practice Manual* **\$75,000**

BC Dispute Resolution Practicum Society

Bursaries for mediators-in-training to increase access to the Family Mediation Practicum Project by diverse communities **\$66,464**

Community Legal Assistance Society

Public interest articling fellowship **\$60,000**

University of Victoria: The Law Centre

Public interest articling fellowship **\$60,000**

International Institute for Child Rights and Development

Extension and evaluation of an education pilot project to increase child participation in BC family legal processes **\$50,000**

University of British Columbia, Faculty of Law

Entrance scholarship endowment to the University of British Columbia, Faculty of Law for UBC-Okanagan graduates **\$50,000**

University of British Columbia, Faculty of Law

Public access launch of the Centre for Global Environmental and Natural Resources Law **\$40,000**



Ros Salvador, staff lawyer, BC Public Interest Advocacy Centre; Jess Hadley, staff lawyer, Community Legal Assistance Society; Alison Ward, staff lawyer, Community Advocate Support Line, Legal Services Society

Douglas College Foundation

Contribution to an endowment fund providing financial support to students entering the new Legal Studies Diploma Program **\$30,000**

University of British Columbia, Faculty of Law

Aboriginal justice conference on Aboriginal rights and title practice **\$20,000**

Capilano College:

Institute of Paralegal Studies

An administrative law and advocacy course offered as part of the Paralegal/Legal Assistant Certificate Program **\$15,000**

Nicola Valley Institute of Technology

Curriculum development for child protection law courses provided to Aboriginal social work students **\$15,000**

BC Council of Administrative Tribunals

A manual for administrative tribunal decision makers **\$10,000**

LEGAL RESEARCH

Canadian Foundation for Legal Research

Three-year funding for legal research initiatives across Canada **\$90,000**

BC Coalition to Eliminate Abuse of Seniors

Funding to conduct a needs assessment for an elder law clinic and review of possible funding sources for such a clinic **\$75,000**

BC Law Institute

Research regarding the legal frameworks that govern family care leave (e.g., employment leave and other entitlements) **\$75,000**

Union of BC Indian Chiefs

Research/skills training workshops for First Nations community members regarding specific land claims **\$75,000**

West Coast LEAF

A project to examine the Family Relations Act and jurisprudence and to lead dialogue regarding women's access to justice in family law **\$75,000**

Law Courts Education Society of BC (on behalf of the BC Supreme Court Self-Help Information Centre Advisory Committee)

Assessment of the need for self-help services for unrepresented litigants in rural and remote areas of BC and options for meeting identified needs **\$60,000**

West Coast LEAF

A project to identify and monitor jurisprudence and legal trends affecting women's equality rights **\$55,000**

BC Mediation Roster Society

A research project to explore the feasibility of providing information technology-assisted family mediation in remote areas of BC **\$40,000**

Dogwood Initiative

Research regarding regulatory processes related to pipeline development in BC **\$15,000**

LEGAL AID

Legal Services Society

Development of justice access centres in Nanaimo and Vancouver to provide legal referrals, limited legal advice and self-help services to self-represented litigants with civil disputes **\$1,659,157**

Legal Services Society

Expansion of the family justice access centres **\$500,000**

Legal Services Society

A holistic legal aid initiative to provide resources/services for civil and criminal legal matters and related underlying issues (e.g., addiction, mental health, housing needs) that are often associated with the legal issues **\$350,000**

Legal Advocacy

BC Coalition to Eliminate Abuse of Seniors

A three-and-a-half-year project to establish and implement an elder law clinic **\$1,000,000**

Native Courtworker and Counselling Association of BC

A three-year pilot project providing Aboriginal family and youth advocacy services in four locations across BC **\$943,148**

Vernon and District Women's Centre Society

Two-year funding for poverty law advocacy, information and public legal education **\$206,250**

Abbotsford Community Services Society

Two-and-a-half-year funding for poverty law advocacy in the areas of income assistance, housing and disability issues **\$177,500**

Greater Vancouver Law Students' Legal Advice Society

Additional funding for law students' summer legal advice clinic **\$159,001**

Nanaimo Citizen Advocacy Association

Two-year funding extension for poverty law advocacy in the mid-island and Nanaimo region **\$150,000**

Penticton and Area Women's Centre

Two-year funding extension to provide full-time poverty law advocacy **\$150,000**

BC Coalition for People with Disabilities

Funding over a three-year period to enhance the capacity of the disability benefits and income assistance advocacy program **\$131,100**

Upper Skeena Counselling and Legal Assistance Society

Two-year funding extension to provide family/poverty law advocacy services in the Hazelton area **\$110,000**

Okanagan Advocacy and Resource Society

A project to provide poverty law advocacy services and training to other advocates in the south and central Okanagan **\$68,551**

YWCA of Vancouver

Poverty and family law legal education and advocacy services for women **\$68,350**



Brian Dennehy Photography

Allan Parker, executive director, Western Canada Society to Access Justice; Jamie MacLaren, executive director, Pro Bono Law of BC; John Pavey, central coordinator, Salvation Army BC Pro Bono Program

Terrace Anti-Poverty Group Society

Two-year funding to provide residential tenancy advocacy in Terrace and area **\$60,000**

North Cariboo Métis Association

A Métis/Aboriginal youth justice advocate to provide direct client assistance and workshops **\$37,800**

South Peace Community Resources Society

Poverty law outreach and advocacy services in the Dawson Creek area **\$32,500**

Lillooet Friendship Centre

Poverty law advocacy services to the Aboriginal and non-Aboriginal community in Lillooet **\$25,000**

Quesnel Tillicum Society

Funding to increase the hours of a poverty law information worker and related legal supervision costs **\$15,500**

Kootenai Community Centre Society

A poverty law advocacy project providing poverty law information and assistance to the Creston area **\$15,000**

Greater Vancouver Law Students' Legal Advice Society

Funding to revise the administrative filing system **\$5,000**

Public Interest Law

West Coast Environmental Law Association

One-time additional funding for the Environmental Dispute Resolution Fund **\$150,000**

West Coast Prison Justice Society

Legal representation for prisoners on human rights issues **\$75,000**
Disbursements costs for human rights and test cases involving prisoners with mental disabilities **\$15,000**

Community Legal Assistance Society

Management/administrative support **\$18,849**

Other Legal Aid Projects

University of Victoria: The Law Centre

A three-year project to develop and implement holistic legal services by integrating legal services with social work services and conducting Aboriginal outreach **\$343,900**

Pro Bono Law of BC

Funding to support pro bono legal service delivery in BC **\$75,000**

Pro Bono Law of BC/Western Canada Society to Access Justice in association with the Salvation Army BC Pro Bono Program

Enhanced coordination, integration and cross-referrals between BC's three main pro bono providers: Pro Bono Law of BC, Western Canada Society to Access Justice and the Salvation Army BC Pro Bono Program **\$75,000**

LAW REFORM

International Centre for Criminal Law Reform and Criminal Justice Policy

Legal research, legal education and law reform with respect to local and global criminal justice issues such as human trafficking and terrorism **\$500,000**

Planned Lifetime Advocacy Network

Project funding to optimize the impact of the Registered Disability Savings Plan for people with disabilities and their families **\$480,000**

Law Courts Education Society of BC

A project to promote community participation in the ongoing review of the Family Relations Act **\$97,200**

Canadian Mental Health Association BC Division

A project to clarify best practices in the use of diversion for people with mental illnesses involved in or at risk of being involved in the criminal justice system **\$75,000**

Pacific Association of First Nations Women

A project to analyze the Section 84 process outlined in the Correction and Condition Release Act related to reintegrating Aboriginal people on parole into Aboriginal communities in the Vancouver area **\$73,586**

Ducks Unlimited Canada

A law reform project to help develop green infrastructure bylaws to protect sensitive ecosystem areas **\$50,000**

Smart Growth BC

A grant to develop an affordable housing policy reform strategy **\$50,000**

LAW LIBRARIES

Law Society of BC

One-time project funding to make current BC statutes and regulations available to the public on the Internet for free **\$1,055,000**

BC Courthouse Library Society

Phase two of a project to ensure all BC residents can access current and reliable legal information resources at local libraries **\$786,122**

BC Courthouse Library Society

Funds to support the BC Courthouse Library's facility upgrades and technology enhancements **\$630,000**

BC Courthouse Library Society

Support for the redesign of the BC Courthouse Library Society website **\$300,000**



Andrea Clarke, senior policy analyst, Dispute Resolution Office, Ministry of Attorney General (MAG); Kim Kelso, provincial coordinator, Child Protection Mediation Program, Dispute Resolution Office, Justice Services Branch, MAG; Mona Herring, manager, Child Welfare Policy Team, Ministry of Children and Family Development

CHILD WELFARE GRANTS

Scw'exmx Child and Family Services Society

Child protection mediation training for Aboriginal community members in the BC Interior **\$142,500**

Island Métis Family and Community Services

Implementation and evaluation of an alternative dispute resolution model for Métis and urban Aboriginal families based out of Victoria **\$120,000**

Gitxsan Child and Family Services Society

The second year of a project providing family group conferencing and advocacy in child protection situations in Northern BC **\$100,000**

Haida Child and Family Services Society

Development and implementation of a traditional Haida Gwaii model for family group conferencing in child protection matters **\$100,000**

Kla-How-Eya Aboriginal Centre (Surrey Aboriginal Cultural Society)

Child protection mediation training for Aboriginal community members **\$100,000**

Northwest Inter-Nations Family and Community Services Society

Alternate dispute resolution services for child protection matters in Terrace and Prince Rupert **\$100,000**

Nuu-Cha-Nulth Tribal Council

Development of a Nuu-Cha-Nulth alternate dispute resolution process based on Vancouver Island **\$100,000**

Vancouver Aboriginal Child and Family Services Society

Funding to facilitate a family-based planning process, as an alternative to court in child protection situations **\$98,497**

Squamish Nation

Development of a Squamish Nation alternative dispute resolution model for child protection situations **\$96,000**

BC Dispute Resolution Practicum Society

A two-year project to develop and deliver mediation training for Aboriginal communities in the child protection context **\$88,440**

Sto:lo Nation

Second year of a project providing culturally sensitive dispute resolution services for First Nations people in child protection situations in the Fort Langley to Hope region **\$76,000**

Carrier Sekani Family Services

Second year of a project providing ongoing mediation training in child protection situations **\$70,000**

Okanagan Nation Alliance

Third year of a project providing mobile family group conferencing services in child protection situations for the Aboriginal bands of the Okanagan **\$70,000**

Island Métis Family and Community Services Society

Developing an alternative dispute resolution model for Métis and urban Aboriginal families **\$35,000**

Hulitan Social Services Society

Dispute resolution training to support the development of Aboriginal mediators, based in Victoria **\$34,000**

Namgis First Nation K'wak'walat'si Child and Family Services

Training to develop family group conferencing facilitators to provide dispute resolution services to the Namgis First Nation on Vancouver Island **\$20,480**

Family Services of Greater Vancouver

Developing a consensual dispute resolution model in child protection situations and providing family support **\$20,000**

CAPITAL/INFRASTRUCTURE GRANTS

Fifty-five (one-time) grants for capital/infrastructure needs of continuing grantees and other grantees, for needs including technical assistance, human resources support, staff training, computers, leasehold improvements, renovations and relocation expenses **\$2,280,139**

2007 Auditor's Report

December 31, 2007



To the Governors
The Law Foundation of British Columbia

We have audited the statement of financial position of **The Law Foundation of British Columbia** as at December 31, 2007 and 2006 and the statements of changes in net assets, income and expenses, and cash flows for the years then ended. These financial statements are the responsibility of the foundation's governors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the foundation as at December 31, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Joyline Wozny, Miller & Co.

Chartered Accountants

Vancouver, Canada

February 4, 2008

TOMPKINS, WOZNY, MILLER & CO.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

The Law Foundation of British Columbia

As at December 31

| | 2007 \$ | 2006 \$ |
|--------------------------------------|--------------------|-------------------|
| ASSETS | | |
| Cash | 245,569 | 42,646 |
| Investments [note 4] | 101,021,221 | 69,238,914 |
| Prepaid expenses and other | 27,282 | 17,059 |
| Property and equipment [note 5] | 171,352 | 187,667 |
| | 101,465,424 | 69,486,286 |
| LIABILITIES AND NET ASSETS | | |
| <i>Liabilities</i> | | |
| Accounts payable | 235,877 | 198,418 |
| Child Welfare Fund [note 6] | 558,165 | 2,060,648 |
| Grants payable [note 7] | | |
| — within one year | 30,874,867 | 16,598,744 |
| — long term | 25,869,022 | 14,507,077 |
| Total liabilities | 57,537,931 | 33,364,887 |
| <i>Net assets</i> | | |
| Equity in property and equipment | 171,352 | 187,667 |
| Grant stabilization reserve [note 8] | 43,756,141 | 35,933,732 |
| Total net assets | 43,927,493 | 36,121,399 |
| | 101,465,424 | 69,486,286 |

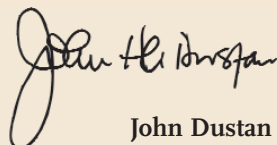
Lease commitment [note 12]

See accompanying notes

Approved by:



Warren Wilson, QC
Governor



John Dustan
Governor

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

| | EQUITY IN PROPERTY AND EQUIPMENT \$ | GRANT STABILIZATION RESERVE \$ | NET ASSETS \$ |
|--|--|---|---------------------|
| 2007 | | | |
| Balance, beginning of year | 187,667 | 35,933,732 | 36,121,399 |
| Increase (decrease) in net assets for the year | (37,497) | 7,843,591 | 7,806,094 |
| Acquisition of property and equipment | 21,182 | (21,182) | — |
| | 171,352 | 43,756,141 | 43,927,493 |
| 2006 | | | |
| Balance, beginning of year | 86,567 | 21,981,864 | 22,068,431 |
| Increase (decrease) in net assets for the year | (30,452) | 14,083,420 | 14,052,968 |
| Acquisition of property and equipment | 131,552 | (131,552) | — |
| | 187,667 | 35,933,732 | 36,121,399 |

See accompanying notes

STATEMENT OF INCOME AND EXPENSES

Year ended December 31

| | 2007 \$ | 2006 \$ |
|--|-------------------|-------------------|
| INCOME | | |
| Interest received on lawyers' trust accounts | 50,876,297 | 39,984,949 |
| Investment income (net) [note 9] | 2,620,006 | 6,744,505 |
| Unclaimed trust funds and other income [note 10] | 209,426 | 120,016 |
| | 53,705,729 | 46,849,470 |
| Child welfare fund [note 6] | 1,502,483 | 393,611 |
| | 55,208,212 | 47,243,081 |
| EXPENSES | | |
| Audit and annual report | 42,959 | 38,189 |
| Consulting and legal | 92,667 | 74,456 |
| Meetings and travel | 136,822 | 128,309 |
| Office | 166,658 | 83,374 |
| Rent and occupancy costs | 139,816 | 78,978 |
| Salaries and employee benefits | 876,007 | 748,013 |
| Amortization of property and equipment | 37,497 | 30,452 |
| Total expenses | 1,492,426 | 1,181,771 |
| Child Welfare Fund [note 6] | 1,502,483 | 393,611 |
| | 2,994,909 | 1,575,382 |
| Net income before grants approved | 52,213,303 | 45,667,699 |
| Program and project grants approved [note 11] | 44,462,678 | 31,785,512 |
| Less program and project grants refunded or unused | 55,469 | 170,781 |
| | 44,407,209 | 31,614,731 |
| Increase in net assets for the year | 7,806,094 | 14,052,968 |

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended December 31

| | 2007 \$ | 2006 \$ |
|---|---------------------|---------------------|
| OPERATING ACTIVITIES | | |
| Interest received on lawyers' trust accounts | 50,876,297 | 39,984,949 |
| Interest received on investments (net) | 3,616,996 | 1,140,092 |
| Unclaimed trust funds and other income received | 209,426 | 120,017 |
| Expenses paid | (1,427,693) | (1,048,149) |
| Program and project grants paid, net of refunds and returns | (18,769,141) | (14,771,888) |
| | 34,505,885 | 25,425,021 |
| Child Welfare Fund (payments) receipts (net) | (1,502,483) | 1,606,389 |
| Cash provided by operating activities | 33,003,402 | 27,031,410 |
| INVESTING ACTIVITIES | | |
| Property and equipment purchased | (21,182) | (131,552) |
| Increase in investments (net) | (32,779,297) | (29,502,995) |
| Cash used in investing activities | (32,800,479) | (29,634,547) |
| Increase (decrease) in cash for the year | 202,923 | (2,603,137) |
| Cash beginning of year | 42,646 | 2,645,783 |
| Cash, end of year | 245,569 | 42,646 |

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

The Law Foundation of British Columbia

December 31, 2007

1. NATURE OF ACTIVITIES

The Law Foundation of British Columbia (the foundation) was established in 1969 under the Legal Profession Act of British Columbia as a tax exempt not-for-profit organization to receive and distribute interest on clients' trust funds held in lawyers' pooled trust accounts. The foundation is administered by a board of governors who are responsible for distributing these funds to provide legal aid, legal research, law reform, legal education and law libraries for the benefit of the general public of British Columbia.

2. SIGNIFICANT ACCOUNTING POLICIES

Cash Basis — Interest on Lawyers' Pooled Trust Accounts

The foundation uses the cash basis of reporting interest earned on lawyers' pooled trust accounts.

The foundation assumes that solicitors who hold funds in trust for or on account of clients comply strictly with Section 62 of the Legal Profession Act and Part 3 Division 7 of the Rules of The Law Society of British Columbia. These rules require that interest earned on funds held in lawyers' pooled trust accounts be remitted to the foundation.

Property and Equipment

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

- Leasehold improvements term of lease
- Furniture and equipment 5 years
- Computers and accessories 3 years

For property and equipment, except leasehold improvements, one-half the normal amortization is recorded in the year the asset is acquired.

Investment Income and Operating Expenses

Investment income and operating expenses are accounted for on an accrual basis.

Program and Project Grants Approved

The foundation expenses grants in the current year that provide annual operating funding to organizations covering twelve month periods beginning in the current and subsequent calendar years, plus grants for special projects which may be payable over several years. Those grants that are not yet paid are reflected as grants payable.

Change in Accounting Policy Related to Investments

Investments are recorded at market value. In 2006, investments were recorded at the lower of cost and market value. This change in accounting policy has had no impact on reported earnings for the year. Gains and losses arising from changes in the market value of investments are recorded as they occur.

Child Welfare Fund

The Child Welfare Fund is an externally restricted contribution that is being reported as income as qualifying expenses are incurred or grants are awarded.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. Actual results could differ from the estimates.

Statement of Cash Flows

The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are presented using the direct method.

3. FINANCIAL INSTRUMENTS

The foundation has adopted the recommendations of Section 3855 of the *Canadian Institute of Chartered Accountants Handbook* dealing with financial instruments. The foundation's financial instruments consist of cash, investments, accounts payable and grants payable. The foundation has elected to value its financial instruments at fair value on a held for trading basis, which requires that any change in fair value be brought in to income or expense as it occurs. The foundation's investments are the only financial instrument with a significant difference between cost and fair value.

The foundation is subject to market, credit and interest rate risk on its financial instruments. In the opinion of management, the foundation is not otherwise exposed to any other significant risk with respect to its financial instruments.

NOTES TO FINANCIAL STATEMENTS *(continued)*

4. INVESTMENTS

| | COST \$ | MARKET VALUE \$ |
|-------------------|--------------------|-----------------------|
| 2007 | | |
| Equity fund | 21,350,514 | 20,114,990 |
| Fixed income fund | 83,970,107 | 80,906,231 |
| | 105,320,621 | 101,021,221 |
| 2006 | | |
| Equity fund | 5,140,744 | 4,818,188 |
| Fixed income fund | 66,393,100 | 64,420,726 |
| | 71,533,844 | 69,238,914 |

The foundation's investment policy allows for equities of up to 25% of the market value of its portfolio, with pooled fixed income funds making up the remainder.

5. PROPERTY AND EQUIPMENT

| | COST \$ | ACCUMULATED AMORTIZATION \$ | NET BOOK VALUE \$ |
|---------------------------|----------------|-----------------------------------|-------------------------|
| 2007 | | | |
| Leasehold improvements | 161,429 | 51,088 | 110,341 |
| Furniture and equipment | 101,304 | 55,563 | 45,741 |
| Computers and accessories | 33,759 | 18,489 | 15,270 |
| | 296,492 | 125,140 | 171,352 |
| 2006 | | | |
| Leasehold improvements | 159,969 | 41,613 | 118,356 |
| Furniture and equipment | 91,129 | 37,207 | 53,922 |
| Computers and accessories | 29,143 | 13,754 | 15,389 |
| | 280,241 | 92,574 | 187,667 |

6. CHILD WELFARE FUND

The BC Ministry of Children and Family Development granted the foundation \$1 million in 2004 and an additional \$2 million in 2006 to develop innovative proposals consistent with the guiding principles of the Child, Family and Community Service Act, to expand the use of alternative dispute resolution in child welfare — particularly for Aboriginal children and families.

The fund comprises:

| | 2007 \$ | 2006 \$ |
|---------------------------------------|--------------------|------------------|
| Child Welfare Fund, beginning of year | 2,060,648 | 454,259 |
| Grant received | — | 2,000,000 |
| | 2,060,648 | 2,454,259 |
| Direct development expenses paid | (131,566) | (55,836) |
| Grants — paid | (319,200) | — |
| — payable | (1,051,717) | (337,775) |
| | (1,502,483) | (393,611) |
| Child Welfare Fund, end of year | 558,165 | 2,060,648 |

7. LONG-TERM GRANTS PAYABLE

The foundation has approved grants with multi-year payment schedules that are estimated to be payable in the following years:

| | 2007 \$ | 2006 \$ |
|--------------------------------------|-------------------|-------------------|
| 2007 | — | 16,598,744 |
| 2008 | 30,874,867 | 6,419,652 |
| 2009 | 13,222,592 | 5,133,703 |
| 2010 | 8,699,475 | 1,553,722 |
| 2011 | 2,126,393 | 1,395,000 |
| 2012 | 1,525,765 | 5,000 |
| 2013 – 2015 | 294,797 | — |
| | 56,743,889 | 31,105,821 |
| Less portion payable within one year | (30,874,867) | (16,598,744) |
| | 25,869,022 | 14,507,077 |

NOTES TO FINANCIAL STATEMENTS *(continued)*

8. GRANT STABILIZATION RESERVE

The foundation has established an annual grants budget with the goal of insulating continuing programs from volatile fluctuations in the foundation's income that result from changes in the prime rate and the balances in lawyers' pooled trust accounts that generate income to the foundation. The reserve functions as a stabilization fund which declines in years in which the foundation's net income is less than the grants approved, and increases when net income is greater than the grants approved.

9. INVESTMENT INCOME

Investment income comprises:

| | 2007 \$ | 2006 \$ |
|-------------------------------|------------------|------------------|
| Interest and dividends earned | 3,840,965 | 3,264,885 |
| Less write-down to market | (2,004,471) | (2,294,929) |
| Gain on sale of investments | 1,007,481 | 5,907,733 |
| Less investment advisory fees | (223,969) | (133,184) |
| | 2,620,006 | 6,744,505 |

10. UNCLAIMED TRUST FUNDS AND OTHER INCOME

Unclaimed Trust Funds

Under the Law Society of British Columbia's (the society) unclaimed trust fund procedures, lawyers submit unclaimed trust funds to the society. The society holds the funds for five years before remitting the money to the foundation. The total for 2007 was \$112,082 (2006 — \$120,016).

Other Income

In 2007, the Law Society of BC Pro Bono Funding Task Force recommended that the society allocate a portion of annual lawyers' practice fees to fund pro bono services. The Task Force noted that the foundation was uniquely well suited to determining recipients of pro bono grant funds. At their March meeting, the society benchers decided to transfer one percent of the general fund portion of annual lawyers' practice fees to the foundation to be used for funding pro bono programs. The total for 2007 was \$97,344 (2006 — Nil).

11. PROGRAM AND PROJECT GRANTS APPROVED

| | 2007 \$ | 2006 \$ |
|---|-------------------|-------------------|
| Continuing programs and project grants: | | |
| Legal Services Society of BC | 6,898,357 | 4,084,100 |
| BC Courthouse Library Society | 4,887,222 | 3,333,200 |
| University of BC, Faculty of Law | 6,922,200 | 6,618,000 |
| University of Victoria, Faculty of Law | 4,281,000 | 3,512,400 |
| Other continuing program grants | 6,849,686 | 5,567,822 |
| Other project grants | 14,120,186 | 8,669,990 |
| | 44,462,678 | 31,785,512 |

2007 project grants include grants of \$6,250,000 (2006 — \$8,750,000) that were originally conditional upon the receipt of matching funds by the grantees. At December 31, 2007, aggregate grants totalling \$6,572,276 were conditional upon the receipt of matching funds.

12. LEASE COMMITMENT

In addition to shared building operating costs, property taxes and GST, the foundation is committed to annual rent payments until April 30, 2013 for its office premises. Additional space was leased in January 2007 and the required payments are now as follows:

| | ANNUAL RENT PAYMENTS \$ | TOTAL RENT COMMITMENT \$ |
|-----------------|-------------------------------|--------------------------------|
| 2008 – 2012 | 77,088 | 385,440 |
| 2013 (4 months) | 31,988 | 31,988 |
| | | 417,428 |



Law Foundation Board of Governors

Staff Members

As of December 31, 2007

karima budhwani
Program Director

Ewa Chang
Administrative Assistant

Rob Cherniack
Program Director
(until November 2007)

Jo-Anne Kaulius
Finance Director

Jean Leggett
Administrative Assistant

Linda Mix
Program Director

Sandra Morgenstern
Administrative Assistant

Daphne Morrison
Program Director

Maria Pupovac
Administrative Assistant

Wayne Robertson
Executive Director

Veenu Saini
Program Director

Amy Tam
Administrative Assistant

The Law Foundation of British Columbia

Suite 1340
605 Robson Street
Vancouver, BC V6B 5J3
Tel: 604-688-2337
Fax: 604-688-4586
E-mail: lfbc@tlfbc.org
www.lawfoundationbc.org

Board of Governors

As of December 31, 2007

Left to right:

Samantha Hulme
Child Welfare Fund Committee
Finance and Administration Committee

Linda Parsons
Funding Strategies Committee
Policy and Planning Committee

Patricia Schmit, QC
New Grants Committee
Finance and Administration Committee

Margaret Sasges
Finance and Administration Committee
Funding Strategies Committee

Warren Wilson, QC
Chair of the Board of Governors
Ex-officio member of all committees

Nancy Merrill
Funding Strategies Committee
New Grants Committee

Madam Justice Pamela Kirkpatrick
Bursary, Scholarship and Fellowship Committee (Chair)
Special Needs Fund Committee

Jerry McHale, QC
Child Welfare Fund Committee

Barbara Cromarty
Child Welfare Fund Committee (Chair)
Policy and Planning Committee

Grant Gray
Finance and Administration Committee
New Grants Committee
Special Needs Fund Committee (Chair)

Bruce Strachan
Child Welfare Fund Committee
Policy and Planning Committee

Suzette Narbonne
New Grants Committee
Funding Strategies Committee

Dev Dley, QC
Finance and Administration Committee
Policy and Planning Committee (Chair)

Christine Elliott
New Grants Committee (Chair)
Policy and Planning Committee

Mary Mouat
Bursary, Scholarship and Fellowship Committee
New Grants Committee

John Waddell, QC
Funding Strategies Committee (Chair)
Policy and Planning Committee

John Dustan
Bursary, Scholarship and Fellowship Committee
Finance and Administration Committee (Chair)

Additional Board of Governors committee members (not in photo):

Heather Raven
Child Welfare Fund Committee

Donald Silversides, QC
Funding Strategies Committee