Access to Justice

Thank you to all the supervising lawyers who contribute their time
- to supervise 68 legal advocates
- who served 60,499 clients
- in 58 communities in BC in 2015
The mandate, mission statement, vision and values have been adopted by the board of governors as policy guidelines. In 2015, the board set strategic priorities for the next five years. These are the principles upon which funding decisions are based.

**Mandate**

Our legislative mandate is to fund legal education, legal research, legal aid, law reform and law libraries for the benefit of British Columbians.

**Our Mission**

To advance and promote a just society governed by the rule of law, through leadership, innovation and collaboration.

**Vision**

A society where access to justice is protected and advanced.

**Values**

- Integrity
- Diversity
- Respect
- Sustainability

**Strategic Priorities 2016 – 2020**

- Increase Law Foundation income and allocate resources prudently.
- Support effective and efficient programs that address both the current and emerging legal needs of British Columbians.
- Encourage, identify and support innovation in our grant-making, our grantees and the justice system.
- Continue the ongoing evaluation of Law Foundation programs and projects.

**What Does the Law Foundation Do?**

British Columbia led the way in 1969 when it established the first law foundation in North America. Since then, 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, 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 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 directs the Law Foundation to distribute these funds in five areas:

- legal education
- law reform
- legal research
- law libraries
- legal aid

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 2015, the Law Foundation has approved grants totalling just over $529 million to support important law-related programs in British Columbia.

**How Does the Law Foundation Work?**

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

- Class Actions
- Fellowships and Research
- Finance and Administration
- New Grants
- Public Legal Education and Information
- Policy and Planning
- Special Needs Fund

The board and the committees meet regularly during the year. A staff of 10 assists the board.

**How Are Grants Made?**

The Law Foundation’s funds are used for 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
1340 – 605 Robson Street
Vancouver, BC V6B 5J3
Tel: 604-688-2337
Fax: 604-688-4586
info@lawfoundationbc.org
www.lawfoundationbc.org

**What Are the Law Foundation’s 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.

   Legal aid includes the Legal Services Society, community-based advocacy, public interest law and other legal aid.

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.
It is an honour to report to you at the end of my first year as chair of the board of governors of the Law Foundation of BC.

2015 was a year of consolidating our financial position (including our first cy-pres awards) and embarking on new strategic initiatives and pilot projects.

Finances

Despite interest rates unexpectedly falling twice during the year, the Law Foundation did reasonably well financially compared with the projections at the beginning of the year. This was due to the record-high trust balances.

The foundation is grateful to those financial institutions that provide competitive rates of return on lawyers’ pooled trust accounts. We acknowledge the favourable interest rate agreements provided by HSBC Bank Canada, Canadian Imperial Bank of Commerce, Royal Bank of Canada, TD Canada Trust, Bank of Nova Scotia, Vancouver City Savings Credit Union, Coast Capital Savings Credit Union and First West Credit Union. We thank members of the profession who choose financial institutions accordingly, as this ensures that the foundation receives the highest possible rates of return.

The grant stabilization fund was drawn down slightly in 2015, with high trust balances contributing to better than expected results. The foundation is confident that its ongoing grants budget of $16–$17 million is sustainable, barring further rate cuts.

In the meantime, the foundation’s administration budget remains below 10% of the overall budget, a level consistent with that expected of grantees.

Grants

In 2015, the foundation assessed 206 applications for funding, and approved $16.3 million in funding for 73 continuing programs and 66 other grants (11 on-track, 17 project and 38 other grants). Recognizing the need for ongoing work in the community in our five statutorily mandated areas, the foundation allocated over $15.4 million of this amount to continuing and on-track programs.

The foundation worked with groups providing public legal education and information (PLEI) to hone the foundation’s PLEI vision, and to coordinate PLEI services in BC.

Highlights of 2015

This year, the Law Foundation adopted a 2016 – 2020 Strategic Plan. The four strategic priorities identified by the board are to:

- Increase Law Foundation income and allocate resources prudently.
- Support effective and efficient programs that address both the current and emerging legal needs of British Columbians.
- Encourage, identify and support innovation in our grant-making, our grantees and the justice system.
- Continue the ongoing evaluation of Law Foundation programs and projects.

Highlights of other Law Foundation work in 2015 included:

- The Supervising Lawyers’ Conference, held in October, provided lawyers with updates on poverty law issues and resources, and with discussions on professional and insurance issues; and
- The foundation worked with groups providing public legal education and information (PLEI) to hone the foundation’s PLEI vision, and to coordinate PLEI services in BC. Initial priority areas include family law, debt and consumer law.

Finally, and most importantly, hundreds of thousands of British Columbians were served by Law Foundation-funded programs (see statistics on pages 12 and 13).
Priorities in 2016

In 2016, some of the foundation's priorities include:
- continuing to look for other sources of revenue, including more class-action cy-pres awards;
- implementing our stewardship role in relation to public legal education in BC;
- holding a roundtable for executive directors of groups funded by the foundation;
- developing and evaluating options for delivering family law services; and
- developing a plan for implementing the 2016–2020 strategic priorities.

Governors

In 2015, we said farewell to valuable members of the foundation board: Jay Chalke, QC, James Bond, QC, Sandra Dick, Ron Toews, QC, and Tamara Hunter.

Jay Chalke, QC, was the attorney general’s representative on the Law Foundation board from August 2011 until May 2015 when he became ombudsperson for the province. Before joining the attorney general’s office, Mr. Chalke was BC’s public guardian and trustee. As a board member, Mr. Chalke provided an excellent perspective on the government’s justice priorities, which helped inform foundation decisions.

James Bond, QC, joined the board in 2013, and served on the Finance, New Grants, Special Needs Fund, Class Actions and Public Legal Education and Information (chair) committees. He provided inspired leadership on the PLEI committee during an important period.

Sandra Dick served on the board for five years before being appointed a Master of the Supreme Court. On the board, she worked on the Finance, Policy and Planning, Public Legal Education and Information, and New Grants committees. She also chaired the Family Law committee, and always brought good humour and a community-based perspective to the discussion.

Ron Toews, QC, joined the board in 2010. During his six years on the board, he served on the Finance, Policy and Planning and Special Needs Fund committees. He chaired the New Grants Committee in 2015. Mr. Toews asked the tough questions, and ensured that they were answered, before decisions were made.

Tamara Hunter preceded me as chair of the Law Foundation board, and I am grateful for her work as chair over the past two years. While on the board, Ms. Hunter served on six committees: Finance (chair), New Initiatives, New Grants, Policy and Planning, Class Actions (chair) and the PLEI Committee. Chair Hunter’s most noteworthy contribution was to lead the foundation, and our grantees, through an extremely difficult budget-cutting process. Her principled approach — combining patience, grace and fortitude — made this process, required due to many years of low interest rates, manageable.

This year, we welcome five new governors. Kerry Cook was appointed to the board by the attorney general in 2015. New to the board as of January 2016 are Don Kawano, QC, Jim Sullivan, Sean Rowell and Bill Younie, QC.

Kerry Cook, who is from Williams Lake where she was formerly the mayor, is a lay governor, appointed by the attorney general to fill the position formerly held by Doug McCallum of Surrey. For the past 30 years, she has been an instructor and coordinator (applied business technology) at Thompson Rivers University. Very active in her community, she volunteers with the Salvation Army, the Kiwanis Club, the Canadian Cancer Society and the British Columbia Winter Games. Ms. Cook is a recipient of the Queen’s Jubilee Award as well as the Paul Harris Fellowship Rotary Award.

Don Kawano, QC, was appointed to the board by the Canadian Bar Association (BC Branch). He is with Rella, Paolini & Rogers in Cranbrook as their senior civil litigator with over 35 years of legal experience. A collaborative family law lawyer and an accredited family law mediator, Mr. Kawano was appointed Queen’s Counsel in 2012. He is a member of the CBA Law Week Regional Committee, the CBA Court Services Committee, the Law Society Discipline Advisory Committee and the Cranbrook Rotary Club. A director of the Cranbrook Restorative Justice Society, he is also an editor of the JP Boyd Wikibook project.

Sean Rowell is the Law Society appointment for Prince Rupert County. Called to the Bar in 2006, he is a partner at Perry and Company in Smithers, with a focus on advising small and medium-sized enterprises. He is active in the BC Branch of the Canadian Bar Association: he was chair of the Advisory Committee of the Rural Education and Access for Lawyers program and the Young Lawyers’ Representative on the Executive Committee. Mr. Rowell is a volunteer firefighter and is chair of the Bulkley Valley Economic Development Association.
Jim Sullivan is a Law Society appointment for the County of Vancouver. Called to the Bar in 1988, he is with Blakes, where he focuses on corporate commercial work, class actions, contaminated sites, regulatory offences, and constitutional and product liability. Mr. Sullivan has worked as counsel in BC, Alberta and Ontario, and has appeared before the Federal Court and the Supreme Court of Canada. Benchmark Canada named him Canada’s Class Action Litigator of 2013.

Bill Younie, QC, is the Law Society appointment for the County of Nanaimo. Practising law since 1984, he received his Queen’s Counsel in 2012. Mr. Younie is a former president and member of the board of the Lawyer’s Assistance Program of British Columbia, and has served as president of the Cowichan Bar Association. Active in his community, he has served on the boards of the Duncan Kiwanis Club and the Cedars at Cobble Hill Society.

We are pleased to have all five of our new board members, and we welcome them!

The Future
While it is difficult to predict the future, particularly when dealing with interest rates, we do want to ensure that the bar and the community are aware of the following:

- Foundation governors and staff will continue to work hard to ensure that the foundation receives the income it should, at the best possible rate of return.
- The foundation is happy to be able to continue to support the important work that Law Foundation-funded organizations do to promote access to justice in British Columbia.
- The foundation will do its best to support collaboration amongst grantees.

Foundation governors and staff will continue to work hard to ensure that the foundation receives the income it should, at the best possible rate of return.

- Frontline services provided by our grantees will continue to receive priority.
- The foundation is hopeful that, as interest rates rise, it will increase its support for work promoting access to justice for British Columbians.

In closing, I would like to thank the governors and staff of the foundation for their ongoing work to enhance access to justice in BC. In particular, I would like to acknowledge Linda Mix, program director, who retired in 2015 after serving over nine years at the Law Foundation. During her time at the foundation, Linda was a valuable resource person on housing and seniors issues; she also worked on initiatives to train new advocates. We wish her the best. We welcome Heather Wojcik who succeeded Linda as program director in December 2015.

I would also like to acknowledge the invaluable contribution made every day by the volunteers and staff of Law Foundation-funded programs in ensuring that British Columbians have access to the best possible legal information and services. Members of the legal community also make a vital contribution to the success of our collective work through their pro bono work, their supervision of legal advocacy programs, and their participation on the boards of community agencies.

Thank you.

Warren Milman
Chair 2015
The Law Foundation provides support for the law-related programs and projects described in this Annual Report.

Grants are divided into Continuing Programs and Projects. For reporting purposes, they are listed in the Annual Report under one of the Law Foundation’s five statutorily mandated objectives (see chart). However, many of the organizations’ activities fall under more than one of the mandated areas.

Within each subsection, grants are listed from highest to lowest dollar amounts, rather than alphabetically by name.

Continuing Programs

**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 **$215,000**

**Law Foundation**

An education and training fund for the professional development and training of Law Foundation-funded advocates, the Executive Directors’ Roundtable and Supervising Lawyers’ Conference **$180,000**

**Community Legal Assistance Society**

David Mosspop, QC, Public Interest Articling Fellowship **$60,000**

**Law Foundation**

Graduate fellowships for graduate legal studies by members of the BC Bar and graduates of BC law schools **$60,000**

**Christopher Albiniti**:

Blockades by Aboriginal groups, and how they relate to the rule of law

**Brian Bird**:

Whether the legal test in Canada to determine the constitutionality of laws limiting religious freedom adequately protects that freedom

**Anna Fitzgerald**:

The law and the challenges of providing equality in education to children in BC with learning disabilities

**Helen Love**:

The evidence of older witnesses and the impact of age on trial outcomes

**Kathryn Thomson**:

The role of technologies in access to justice

**Alison Yule**:

Whether access to justice issues are adequately addressed in

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**Grants Approved in 2015**

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<td>Legal Research</td>
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<td>Legal Aid</td>
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<td>Law Reform</td>
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<td>Law Libraries</td>
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<tr>
<td><strong>Total</strong></td>
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</tr>
</tbody>
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**University of Victoria, Faculty of Law**

Public interest work placements **$38,000**

**Provincial Court of British Columbia**

Law students participating in Provincial Court judicial internships to attend circuit courts around BC **$20,000**

**University of Saskatchewan, Native Law Centre**

A program for Aboriginal students planning to enter law school, and the centre’s research and publishing on Aboriginal legal issues **$20,000**

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Gene Jamieson, QC, legal officer; Judge Denhoff; Chief Judge Crabtree; Judge Rideout; Ajeet Kang, QC, governor, Law Foundation
Public Legal Education
People’s Law School Society
Province-wide public legal education and information programs $330,000

BC Branch of the Canadian Bar Association (CBABC)
The Lawyer Referral Service providing low-cost legal information and assistance; Law Week 2015; and Dial-A-Law, a province-wide telephone service providing free legal information $230,000

Justice Education Society of BC
Programs to provide legal education and information about the justice system for the public $190,000

PovNet Society
An online poverty networking and training tool for anti-poverty advocates, community workers and the general public $90,000

Debate and Speech Association of BC
Participation of high school students in the province-wide Law Foundation Cup Debates on legal topics $20,000

LEGAL RESEARCH

Law Foundation
A legal research fund to advance the knowledge of law, social policy and the administration of justice by supporting legal research by BC law professors, members of the legal profession, and other faculty and non-profit organizations with expertise in carrying out legal research, distributed as follows in 2015:

Beverly Froese: An evaluation of BC’s mental health laws, policies and service standards $20,000
Kamaljit Lehal: An exploration of the effectiveness of current BC models of family mediation in cases involving violence against women $20,000
University of Victoria, Val Napoleon: Development of a toolkit for navigating issues of gender and sexuality in Indigenous law $20,000
University of British Columbia, Anthony Sheppard: Research into whether Small Claims Court should be given equitable jurisdiction $15,000
University of Victoria, Gerry Ferguson: Research into public sector integrity with respect to the awarding of government contracts and the financing of political parties $14,000
Thompson Rivers University, Katie Sykes: Research into teaching the future of law in Canadian law schools $7,000
Mathew Good: Research into how longer hearings and judgments, and increased delays in releasing reserved judgments affects the functioning of BC courts $3,500

The Foundation for Legal Research
Research on various legal issues, with an emphasis on research with practical applications $20,000

LEGAL AID

Legal Services Society
Support for the BC legal-aid plan and to provide legal information to low-income people $2,955,000

Community-Based Advocacy

Poverty Law Advocacy Services
The following advocacy programs provide legal assistance and information to low-income people in the cities and regions listed.

First United Church Community Ministry Society
Vancouver’s Downtown Eastside $175,000

Abbotsford Community Services Society
Abbotsford, Mission, Chilliwack and Hope areas $150,000

Together Against Poverty Society
Greater Victoria area $150,000

Community Connections Society of Southeast BC
Travelling advocate in the East Kootenay region $85,000

Nelson Cares Society
West Kootenay region $80,000

Haida Gwaii Legal Project Society
Haida Gwaii region $78,000

The Legal Services Society is developing MyLawBC to help people identify their legal problems and point them to possible solutions.
Active Support Against Poverty Society
Prince George area $75,000

Contact Women’s Group Society
Williams Lake area $75,000

Dze L’Kant Friendship Centre Society
Smithers area $75,000

Fort St. John Women’s Resource Society
Fort St. John area $75,000

Kamloops and District Elizabeth Fry Society
Kamloops area $75,000

Ki-Low-Na Friendship Society
Central Okanagan region $75,000

Maple Ridge Pitt Meadows Community Services
Maple Ridge, Pitt Meadows areas $75,000

Nanaimo Citizen Advocacy Association
Nanaimo area $75,000

Nicola Valley Community Justice Services Society
Nicola Valley region $75,000

North Shore Community Resources Society
North Vancouver area $75,000

Penticton Area Access Centre Society
Penticton area $75,000

Port Alberni Friendship Center
Port Alberni area $75,000

Powell River Community Services Association
Powell River area $75,000

Quesnel Tillicum Society
Quesnel area $75,000

SHARE Family and Community Services
Coquitlam, Port Coquitlam, Port Moody, Anmore, Belcarra and adjacent areas $75,000

Sources Community Resources Society
Surrey/Delta/White Rock area $75,000

Terrace and District Community Services Society
Terrace area $75,000

Vancouver Island North Women’s Resource Society
Campbell River area $75,000

Sources Community Resources Society
Surrey/Delta/White Rock area $75,000

West Coast Domestic Workers’ Association
A specialized advocacy service and legal education program for live-in caregivers $125,000

Sources Community Resources Society
Surrey/Delta/White Rock area $75,000

Specialized Advocacy Services
The following advocacy programs provide services in specific areas of law or to particular populations.

Disability Alliance BC Society
A specialized advocacy, legal education and referral program for people with disabilities $250,000

TRAC Tenant Resource & Advisory Centre Society
A legal information and representation service for tenants and landlords on residential tenancy issues, with an information line available throughout BC $225,000

Kettle Friendship Society
A mental health advocacy program providing legal information and assistance on residential tenancy and child protection matters in the Lower Mainland $150,000

West Coast Domestic Workers’ Association
A specialized advocacy service and legal education program for live-in caregivers $125,000

MPA — Motivation, Power and Achievement Society
Courtworkers to assist people with mental illnesses in the criminal justice system $110,000

Abbotsford Community Services Society/Progressive Intercultural Community Services Society
Advocacy services and legal education for seasonal farm workers in the Fraser Valley and Lower Mainland $100,000

Atira Women’s Resource Society
Advocacy services for women in Vancouver’s Downtown Eastside on poverty, family and criminal law problems $75,000

BC Centre for Elder Advocacy and Support
A legal information and advocacy program for older adults in BC $75,000

Battered Women’s Support Services
Advocacy services, primarily in family law, for women in the Lower Mainland who have experienced abuse $75,000

Jane Dyson, executive director, Disability Alliance BC Society, received the Order of British Columbia in 2015

Darlene Fehr and Jody Morrison, advocates at Active Support Against Poverty Society

Julie Mahil, advocate, Terrace and District Community Services Society; Cheryl McCormick, legal information outreach worker; Legal Services Society; Joyce Percy, advocate, Powell River Community Services Association; Sundeep Bum, advocate, Sources Community Resources Society

Joyce Percey, advocate, Powell River Community Services Association; Sundeep Bum, advocate, Sources Community Resources Society

Sundeep Bum, advocate, Sources Community Resources Society

Sources Community Resources Society
Surrey/Delta/White Rock area $75,000

Jody Morrison, advocate, Active Support Against Poverty Society

Kettle Friendship Society
A mental health advocacy program providing legal information and assistance on residential tenancy and child protection matters in the Lower Mainland $150,000

Julie Mahil, advocate, Terrace and District Community Services Society; Cheryl McCormick, legal information outreach worker; Legal Services Society; Joyce Percy, advocate, Powell River Community Services Association; Sundeep Bum, advocate, Sources Community Resources Society

Sources Community Resources Society
Surrey/Delta/White Rock area $75,000

Sundeep Bum, advocate, Sources Community Resources Society

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Sundeep Bum, advocate, Sources Community Resources Society
CHIMO
Poverty law advocacy services provided by volunteers $75,000

Family Services of Greater Victoria Society (Formerly BC Families in Transition)
An advocacy program providing legal information and assistance on family law issues to south Vancouver Island $75,000

MOSAIC
A legal information and assistance advocacy program for low-income immigrants and refugees in the Lower Mainland $75,000

Sources Community Resources Society
Family law advocacy services for women in the Surrey and South Fraser area $75,000

Public Interest Law
Community Legal Assistance Society
Five lawyers who provide both direct client and systemic advocacy services, as well as a lawyer to work on the Community Advocate Support Line, a telephone service providing legal advice and support to advocates $870,000

BC Public Interest Advocacy Centre
Representation of the public interest in regulatory matters and systemic advocacy for disadvantaged people $450,000

West Coast Environmental Law Association
Law reform, legal research, legal education, legal aid and a library collection about the public interest in environmental legal matters $425,000

BC Civil Liberties Association
Test case litigation, legal education and law reform to protect the civil liberties and human rights of British Canadians $175,000

Ecojustice Canada Society
Test case litigation on public interest environmental law issues $175,000

West Coast LEAF Association
Law reform, test case litigation and legal education to advance equality for women $175,000

Other Legal Aid
Access Pro Bono Society of BC
Advice and some representation services provided to low-income people by volunteer lawyers $415,000

University of Victoria, Faculty of Law, Law Centre Clinical Program
A clinical program for law students providing legal services to low-income people in the Greater Victoria area $340,000

Greater Vancouver Law Students’ Legal Advice Program
A law students’ legal advice program operating free clinics in the Greater Vancouver area $275,000

University of British Columbia, Faculty of Law, Indigenous Community Legal Clinic
A clinical program for law students providing legal services to the Indigenous community $174,500

Mediate BC Society
Programs that support mediation and other dispute resolution services $160,000

Multiple Sclerosis Society, BC & Yukon Division
The Volunteer Legal Advocacy Program to provide legal information, advocacy and representation to people with multiple sclerosis $55,000

Pro Bono Students Canada, University of British Columbia
Placement of volunteer law students with public interest organizations in need of legal assistance $35,000

Pro Bono Students Canada, University of Victoria
Placement of volunteer law students with public interest organizations in need of legal assistance $30,000

LAW REFORM
BC Law Institute
Law reform research leading to improvements in the law and the administration of justice $360,000

BC Freedom of Information and Privacy Association
A law reform and public legal education program about freedom of information and privacy legislation $80,000

LAW LIBRARIES
BC Courthouse Library Society (Courthouse Libraries BC)
Services that give lawyers and the public in BC access to legal information, as well as training and support in finding and using legal information $2,245,000

Law Society of BC
Contribution to the operation of the CanLII Virtual Law Library, which includes providing current versions of BC legislation online (www.canlii.org) for free $70,000

Dean Catherine Dauphinae, Peter A. Allard School of Law, University of British Columbia

Rana Hazarat, student coordinator, Pro Bono Students Canada, UBC; Wayne Robertson, QC, executive director, Law Foundation; Yusra Khan, student coordinator, Pro Bono Students Canada, UBC; and Nikki Gershman, national director, Pro Bono Students Canada
This year, the Law Foundation’s Child Welfare Fund will receive $158,000 from the Law Foundation’s first cy-pres award to support initiatives on children’s legal issues. This award is a very welcome contribution to work in a key area at a time when other Law Foundation income is limited.

For the past few years, the Law Foundation has positioned itself as a potential recipient of cy-pres awards (funds left after the class members have been paid from a class-action settlement that must be used for the same purpose as that of the class-action litigation). Since one of the fundamental purposes of class actions is access to justice (as articulated in an early case from the Supreme Court of Canada), and since virtually every grant made by the Law Foundation contributes to access to justice in some way, we see it as a natural fit.

The Law Foundation has established an Access to Justice Fund (Fund) to receive and distribute cy-pres settlement funds, and that may create sub-funds for specific awards and purposes. A recent cy-pres award intended for the benefit of one our grantees, Access Pro Bono, will be administered through the Fund. The Law Foundation is pleased to assist in administering those funds and acknowledges Les Mackoff, counsel in the case, for directing the funds towards access to justice.

The Law Foundation looks forward to developing further connections with class-action work and welcomes inquiries from counsel involved in class actions who are considering the appropriate disposition of the cy-pres in their case.

Jim Emmerton was the Executive Director of the British Columbia Law Institute from 2007 until he retired this year. Mr. Emmerton had a significant impact on law reform in BC. He chaired the CCEL Project Committee that developed the report on Assisted Living, BC, published in October 2013. He serves on the board of both the Ombudsman for Banking Services and Investments and the Family Councils of Ontario. He is a member of the National Seniors Council.

Kathleen Cunningham assumed the position of executive director in 2015. She has worked with the office of the Public Guardian and Trustee of British Columbia where she helped implement personal planning and guardianship legislation and projects addressing the financial abuse of vulnerable adults. Well known to the BC Law Institute, she served as a director from 2007–2009 and as a committee member on two projects — Modernization of the Trustee Act and Undue Influence. Ms. Cunningham is a member of the Society of Trust and Estate Practitioners (STEP) Worldwide Council and the BC Branch of the Canadian Bar Association, Elder Law executive.
Lawyers in BC contribute to access to justice in many ways. They work on legal aid cases to provide low-income people in BC with legal representation on criminal, child protection, family and immigration matters. Others take on pro bono and low bono cases, contributing considerable time and experience to clients who cannot afford a lawyer. In addition to pro bono work through Law Foundation-funded programs, each year many more lawyers do other forms of pro bono work in many different BC communities. Many lawyers, such as those on our front cover, supervise and mentor others working on access to justice issues, sharing their knowledge and expertise. A number of lawyers work at the public interest groups listed in this report, providing assistance to clients on seniors, disability, employment, environmental or poverty law issues. Lawyers also contribute as board members or volunteers with various community and advocacy organizations.

In this Law Foundation Annual Report, we would like to thank all members of the profession who contribute to access to justice in BC through their work.
Legal Aid Funding

68% of the total grants made by the foundation

Legal Aid

Legal aid is the largest mandate area of the Law Foundation. This includes funding the Legal Services Society, community-based advocacy, public interest law, pro bono and other legal-aid activities.

In 2015, legal-aid grants were 68% of the total grants made by the Law Foundation.

- Over $11 million in grants were given to legal-aid programs and projects
- 60 organizations received legal-aid funding
- Over 103,645 clients were helped by programs funded by Law Foundation legal-aid grants
- Law students at university clinical programs funded by the Law Foundation helped 5,392 clients

Other Grants

Professional Legal Education

- 225 law students participated in Law Foundation-funded clinical programs
- 150 students volunteered with Pro Bono Students Canada
- 30 undergraduate and graduate student awards

Law Libraries

- 30 law libraries answered 19,845 information requests from the legal community, and 20,655 from the public

Law Reform

- 57 law-reform projects worked on

Legal Research

- 30 legal research projects carried out

Public Legal Education

- 558 publications produced
- 1,316,030 print copies of publications distributed
- 1,295 workshops
- 44,937 people attended workshops
Projects

**LEGAL EDUCATION**

**Professional Legal Education**

**Canadian Bar Association (BC Branch)**
Rural Education and Access to Lawyers initiative  **$75,000**

**University of British Columbia**
Innocence Project at UBC Law, a clinical legal education program assisting individuals convicted of a serious offence who assert their factual innocence  **$50,000**

**Thompson Rivers University**
A clinical legal education program for law students providing legal services to low-income people  **$50,000**

**Law Foundation**
Public interest awards to fund second- and third-year students who demonstrate commitment to the public interest combined with academic achievement

- **University of British Columbia**  **$40,000**
- **University of Victoria**  **$30,000**
- **Thompson Rivers University**  **$20,000**

**Public Legal Education**

**Justice Education Society**
Participation in BC curriculum review process  **$45,000**

**Justice Education Society**
Legal help for youth  **$40,000**

**TRAC Tenant Resource & Advisory Centre Society**
An online course on residential tenancy law  **$40,000**

**Disability Alliance BC Society**
*Disclosing Your Disability: A Guide for People with Disabilities*  **$35,000**

**Justice Education Society**
Triage and legal assistance services through the Court Information Program for Immigrants  **$35,000**

**Atira Women's Resource Society**
Workshops for Aboriginal women about their rights on reserve  **$30,000**

**Wachiay Friendship Centre**
Creation of a doctor’s guide to completing disability application forms in BC  **$30,000**

**Justice Education Society**
Assessment of schools program  **$27,500**

**Canadian Bar Association (BC Branch)**
Dial-a-Law script updating  **$25,000**

**People’s Law School Society**
Organizational review  **$25,000**

**PEN Canada**
Toolkits about freedom of speech  **$15,000**

**Vancouver Summer Mentorship Society**
Summer mentorship program  **$11,500**

**Kinbrace Community Society**
Updating and revising *Refugee Hearing Preparation* guide  **$9,000**

**YWCA Metro Vancouver**
Updating and revising *Mothers Without Legal Status in Canada*  **$9,000**

**Kelowna Community Resources Society**
Legal information workshops for immigrants and employers  **$6,000**

**Justice Education Society**
Collaboration funding  **$5,000**

**People’s Law School Society**
Collaboration funding  **$5,000**

**LEGA RESEARCH**

**West Coast LEAF Association**
Research into establishing a right to child care  **$40,000**

**LEGAL AID**

**Community-Based Advocacy**

**BC Centre for Elder Advocacy and Support**
An Elder Law Clinic to provide assistance and representation on elder law issues  **$200,000**

**Vernon Women’s Transition House Society**
Legal advocacy for low-income people in the North Okanagan region  **$75,000**
<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Institute for the Administration of Justice</td>
<td>Contribution to the 2015 Annual Conference</td>
<td>$30,000</td>
</tr>
<tr>
<td>Upper Skeena Counselling and Legal Assistance Society</td>
<td>Strategic Planning Retreat</td>
<td>$25,000</td>
</tr>
<tr>
<td>TRAC Tenant Resource &amp; Advisory Centre Society</td>
<td>Assistance in the implementation of a legal advocacy program</td>
<td>$15,000</td>
</tr>
<tr>
<td>Contact Women’s Group Society</td>
<td>Transition costs</td>
<td>$12,000</td>
</tr>
<tr>
<td>Quesnel Tillicum Society</td>
<td>Support for the family law advocacy project</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

**Public Interest Law**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watari Research Association</td>
<td>A systems negotiator at Vancouver’s Downtown Community Court to support repeat offenders with mental disorders</td>
<td>$75,000</td>
</tr>
<tr>
<td>Wachiay Friendship Centre</td>
<td>Legal advocacy for low-income people in the Courtenay area</td>
<td>$65,000</td>
</tr>
<tr>
<td>Opportunities Career Services Society</td>
<td>Legal advocacy for low-income people in the Campbell River area</td>
<td>$62,500</td>
</tr>
<tr>
<td>Opportunities Career Services Society</td>
<td>Relocating advocacy services</td>
<td>$12,000</td>
</tr>
</tbody>
</table>

**Other Legal Aid**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mediate BC Society</td>
<td>Unbundled family legal services</td>
<td>$60,000</td>
</tr>
<tr>
<td>South Peace Community Resources Society</td>
<td>A family mediation project to help families manage separation and divorce</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

**LAW REFORM**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC Access to Justice Committee</td>
<td>A forum where government, the Bench, the Bar and other stakeholders collaborate to enhance access to justice</td>
<td>$40,000</td>
</tr>
<tr>
<td>West Coast Prison Justice Society</td>
<td>Research and law reform work relating to solitary confinement</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

**LEGAL SERVICES SOCIETY/LAW FOUNDATION RESEARCH FUND**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pivot Legal Society</td>
<td>Understanding the health, safety and constitutional implications of Canada’s new prostitution laws</td>
<td>$30,000</td>
</tr>
<tr>
<td>BC Law Institute</td>
<td>Research into financing litigation</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

**Ending Violence Association of BC**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>An evaluation of BC’s domestic violence Interagency Case Assessment Teams</td>
<td>$89,000</td>
</tr>
</tbody>
</table>

**Canadian Bar Association (National)**

| Legal Aid Benchmarks: National experts roundtable | $25,000 |

**University of Victoria, Faculty of Law**

| Access to Justice Research Colloquium | $25,000 |

**Tim Roberts and Associates Consulting**

| Evaluation of Family Law Pilot Programs | $25,000 |

**Canadian Forum on Civil Justice**

| Access to Justice Research Network | $10,000 |

**MISCELLANEOUS GRANTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support for organizations to address the following emergent needs recognized throughout the year:</td>
<td></td>
</tr>
<tr>
<td>Kettle Friendship Society</td>
<td>Transition grant</td>
</tr>
<tr>
<td>University of Saskatchewan</td>
<td>Biography of the Honourable Ted Hughes, OC, QC</td>
</tr>
<tr>
<td>BC Centre for Elder Advocacy and Support</td>
<td>Assistance for moving offices</td>
</tr>
<tr>
<td>Battered Women’s Support Services</td>
<td>Startup costs for the legal advocacy program</td>
</tr>
<tr>
<td>Battered Women’s Support Services</td>
<td>Expansion of the legal advocacy program</td>
</tr>
</tbody>
</table>

**Canadian Institute for the Administration of Justice**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution to the 2015 Annual Conference</td>
<td>$30,000</td>
</tr>
<tr>
<td>Upper Skeena Counselling and Legal Assistance Society</td>
<td>Strategic Planning Retreat</td>
</tr>
<tr>
<td>TRAC Tenant Resource &amp; Advisory Centre Society</td>
<td>Assistance in the implementation of a legal advocacy program</td>
</tr>
<tr>
<td>Contact Women’s Group Society</td>
<td>Transition costs</td>
</tr>
<tr>
<td>Quesnel Tillicum Society</td>
<td>Support for the family law advocacy project</td>
</tr>
</tbody>
</table>

**Total Miscellaneous Grants** | $47,080 |
Farewells

Jim Sayre

Jim Sayre worked as a staff lawyer with Community Legal Assistance Society (CLAS) for over 25 years. He passed away in the summer of 2015 and will be sadly missed by many. From the time he started his practice in 1977 until he retired from CLAS in 2013, Jim advocated for workers’ rights in areas such as workers’ compensation, human rights and employment insurance. Jim appeared before various administrative tribunals and courts, including the Supreme Court of Canada. He was active in law reform on issues affecting workers, supporting several changes that helped workers in BC. He was a key member of the UI Working Group and contributed to the boards of both PovNet and the Vancouver Community Network for many years. He was also a mentor to many advocates and lawyers on employment issues.

Penny Goldsmith

Penny Goldsmith has worked in the anti-poverty community for over 35 years as an advocate, and a writer and editor of public legal education materials in plain language. For the past 18 years, she has been PovNet’s executive coordinator, building the organization into an accessible online community for those working on poverty law issues. She left PovNet in June of 2015 to return to her work as a plain-language writer and to continue her strong commitment to online accessibility for everyone, no matter what their income or technological ability. Penny is currently working with artist Kara Sievewright on a graphic story, Storming the Digital Divide: the PovNet Story, which will be available in the summer of 2016. Nicky Dunlop, who worked with Penny for over eight years as PovNetU’s training coordinator, started as the executive coordinator in June 2015.

Janet Freeman

Janet Freeman worked at Courthouse Libraries BC as the program coordinator for the LawMatters program for nine years. LawMatters helps BC public libraries add to their legal collections through a funding program, and it also trains public librarians in legal research skills. Janet was also a co-editor for the website Clicklaw. Before joining Courthouse Libraries BC, Janet worked as a community advocate, a public librarian, and, at the Legal Services Society, as a resource person on LawLine, a fieldworker and as the first legal information outreach worker.

Shannon has worked as a librarian at Courthouse Libraries BC since September 2014, helping the legal community and the public in both the Vancouver and New Westminster libraries. She has also worked in public libraries, and brings great skill, experience and enthusiasm to her new role.
To the Governors of
The Law Foundation of British Columbia

We have audited the accompanying financial statements of The Law Foundation of British Columbia, which comprise the statement of financial position as at December 31, 2015, and the statements of changes in net assets, operations, 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 judgment, 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 foundation’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 foundation’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 The Law Foundation of British Columbia as at December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants
Vancouver, Canada   March 5, 2016
Statement of Financial Position

The Law Foundation of British Columbia
As at December 31

<table>
<thead>
<tr>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>1,589,794</td>
</tr>
<tr>
<td>Investments [note 4]</td>
<td>46,489,348</td>
</tr>
<tr>
<td>Prepaid expenses and other</td>
<td>42,131</td>
</tr>
<tr>
<td>Property and equipment [note 5]</td>
<td>11,093</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities [note 6]</td>
<td>160,029</td>
</tr>
<tr>
<td>Child Welfare Fund [note 7]</td>
<td>182,547</td>
</tr>
<tr>
<td>Legal Services Society/Law Foundation Research Fund [note 8]</td>
<td>2,282,457</td>
</tr>
<tr>
<td>Access to Justice Fund [note 9]</td>
<td>550,000</td>
</tr>
<tr>
<td>Grants payable [note 10]</td>
<td></td>
</tr>
<tr>
<td>— within one year</td>
<td>12,617,275</td>
</tr>
<tr>
<td>— long term</td>
<td>1,525,750</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>17,318,058</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
</tr>
<tr>
<td>Equity in property and equipment</td>
<td>11,093</td>
</tr>
<tr>
<td>Grant stabilization fund [note 11]</td>
<td>30,803,215</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>30,814,308</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>48,132,366</td>
</tr>
</tbody>
</table>

Statement of Changes in Net Assets

Year ended December 31

<table>
<thead>
<tr>
<th>2015</th>
<th>EQUITY IN PROPERTY AND EQUIPMENT $</th>
<th>GRANT STABILIZATION FUND $</th>
<th>NET ASSETS $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>17,075</td>
<td>30,808,287</td>
<td>30,825,362</td>
</tr>
<tr>
<td>Decrease in net assets for the year</td>
<td>(7,208)</td>
<td>(3,846)</td>
<td>(11,054)</td>
</tr>
<tr>
<td>Acquisition of property and equipment</td>
<td>1,226</td>
<td>(1,226)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Year ended December 31</strong></td>
<td>11,093</td>
<td>30,803,215</td>
<td>30,814,308</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2014</th>
<th>EQUITY IN PROPERTY AND EQUIPMENT $</th>
<th>GRANT STABILIZATION FUND $</th>
<th>NET ASSETS $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>12,141</td>
<td>27,753,167</td>
<td>27,765,308</td>
</tr>
<tr>
<td>Increase (decrease) in net assets for the year</td>
<td>(9,464)</td>
<td>3,069,518</td>
<td>3,060,054</td>
</tr>
<tr>
<td>Acquisition of property and equipment</td>
<td>14,398</td>
<td>(14,398)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Year ended December 31</strong></td>
<td>17,075</td>
<td>30,808,287</td>
<td>30,825,362</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements

Commitment [note 15]
See accompanying notes to the financial statements

Governor
Governor
### Statement of Operations

**Year ended December 31**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received on lawyers’ trust accounts</td>
<td>15,685,007</td>
<td>16,576,955</td>
</tr>
<tr>
<td>Investment income (net) [note 12]</td>
<td>1,329,451</td>
<td>3,803,173</td>
</tr>
<tr>
<td>Unclaimed trust funds and other income [note 13]</td>
<td>753,128</td>
<td>635,352</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>17,767,586</td>
<td>21,015,480</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit and annual report</td>
<td>49,385</td>
<td>47,704</td>
</tr>
<tr>
<td>Consulting and legal</td>
<td>105,171</td>
<td>66,241</td>
</tr>
<tr>
<td>Meetings and travel</td>
<td>156,616</td>
<td>131,249</td>
</tr>
<tr>
<td>Office and other</td>
<td>98,126</td>
<td>123,696</td>
</tr>
<tr>
<td>Rent and occupancy costs</td>
<td>223,274</td>
<td>221,761</td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>989,469</td>
<td>987,157</td>
</tr>
<tr>
<td>Amortization of property and equipment</td>
<td>7,208</td>
<td>9,464</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,629,249</td>
<td>1,587,272</td>
</tr>
<tr>
<td><strong>Net income before grants approved</strong></td>
<td>16,138,337</td>
<td>19,428,208</td>
</tr>
<tr>
<td><strong>Program and project grants approved [note 14]</strong></td>
<td>16,342,778</td>
<td>16,492,180</td>
</tr>
<tr>
<td>Less program and project grants refunded or unused</td>
<td>193,387</td>
<td>124,026</td>
</tr>
<tr>
<td><strong>Increase (decrease) in net assets for the year</strong></td>
<td>16,149,391</td>
<td>16,368,154</td>
</tr>
<tr>
<td><strong>Net income before grants approved</strong></td>
<td>16,138,337</td>
<td>19,428,208</td>
</tr>
<tr>
<td><strong>Program and project grants approved [note 14]</strong></td>
<td>16,342,778</td>
<td>16,492,180</td>
</tr>
<tr>
<td>Less program and project grants refunded or unused</td>
<td>193,387</td>
<td>124,026</td>
</tr>
<tr>
<td><strong>Increase (decrease) in net assets for the year</strong></td>
<td>16,149,391</td>
<td>16,368,154</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements

### Statement of Cash Flows

**Year ended December 31**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received on lawyers’ trust accounts</td>
<td>15,685,007</td>
<td>16,576,955</td>
</tr>
<tr>
<td>Investment income realized (net)</td>
<td>1,383,045</td>
<td>1,128,069</td>
</tr>
<tr>
<td>Unclaimed trust funds and other income received</td>
<td>753,128</td>
<td>635,352</td>
</tr>
<tr>
<td>Expenses paid</td>
<td>(1,614,475)</td>
<td>(1,546,070)</td>
</tr>
<tr>
<td>Child Welfare Fund (net)</td>
<td>158,138</td>
<td>(10,000)</td>
</tr>
<tr>
<td>Access to Justice Fund (net)</td>
<td>550,000</td>
<td>—</td>
</tr>
<tr>
<td>Program and project grants paid (net)</td>
<td>(16,175,139)</td>
<td>(17,850,197)</td>
</tr>
<tr>
<td><strong>Cash provided by (used in) operating activities</strong></td>
<td>739,704</td>
<td>(1,065,891)</td>
</tr>
<tr>
<td>Legal Services Society/ Law Foundation Research Fund activities (net)</td>
<td>(13,054)</td>
<td>70,431</td>
</tr>
<tr>
<td>Funds administered for others (net)</td>
<td>20,588</td>
<td>2,433</td>
</tr>
<tr>
<td><strong>Total Cash provided by (used in) operating activities</strong></td>
<td>747,238</td>
<td>(993,027)</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment purchased</td>
<td>(1,226)</td>
<td>(14,398)</td>
</tr>
<tr>
<td>Sale (purchase) of investments (net)</td>
<td>(1,566,908)</td>
<td>2,476,558</td>
</tr>
<tr>
<td><strong>Cash provided by (used in) investing activities</strong></td>
<td>(1,568,134)</td>
<td>2,462,160</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash for the year</strong></td>
<td>(820,896)</td>
<td>1,469,133</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>2,410,690</td>
<td>941,557</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>1,589,794</td>
<td>2,410,690</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements
Notes to Financial Statements

The Law Foundation of British Columbia

December 31, 2015

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, and related investment and other income, to provide legal aid, legal research, law reform, legal education and law libraries for the benefit of the general public of British Columbia. The foundation also periodically administers other funds and programs.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following 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.

Investments
Investments consist of money market, bond and equity funds [note 4] comprised of stocks and bonds that are traded on stock exchanges by the fund managers.

Investments are recorded at fair market value. Realized gains (losses) are reported based on their settlement date. Unrealized gains (losses) are reflected as a write-up (write-down) within net investment income. Interest and dividends earned, but not received, are recorded on an accrual basis by the fund managers.

Program and Project Grants Approved
The foundation expenses grants in the current year that provide annual operating funding to organizations covering 12-month periods beginning in the current and subsequent calendar years, plus grants for special projects that may be payable over several years. Grants are reflected as an expense that reduces the grant stabilization fund as they are approved by the foundation’s board of governors. Grants that are not yet paid are reflected as grants payable.

All approved grants contain restrictions on the use of the funds that may result in a portion of the grants payable being withheld, or grants that have been disbursed may be refunded. Grants payable are reversed when the foundation becomes aware that the funds are no longer required or when grant conditions have not been met. Grants refunded to the foundation are reported on a cash basis.

Grants made that are conditional on the receipt of matching funds by the grantee are included in program and project grants approved and grants payable. Unmatched grants may be reversed, transferred to other programs or projects, or the matching condition may be waived, as subsequently approved by the foundation.

Expenditures on programs that are operated by the foundation are included in program and project grants approved as they are disbursed.

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

- Furniture and equipment 5 years
- Computers and accessories 3 years

One-half the normal amortization is recorded in the year the asset is acquired.

Restricted and Administered Funds
a) Child Welfare Fund
The Child Welfare Fund is an externally restricted fund that is reported as both income and expense as qualifying expenses are incurred or grants are awarded, in accordance with the deferral method of accounting. Grants not yet paid are grouped with the foundation’s grants payable.

b) Legal Services Society/Law Foundation Research Fund (research fund)
As the foundation administers, but does not exclusively control, the expenditures from the research fund, direct expenditures and grants approved are treated as a reduction of the fund. Grants not yet paid are grouped with the foundation’s grants payable. Interest is added annually to the fund.

c) Access to Justice Fund
The purpose of the foundation’s Access to Justice Fund (the fund) is to receive and distribute cy-pres settlement funds arising from class actions, or other funds received by the foundation for access to justice purposes. Direct expenditures and grants approved are reported as both income and expense as qualifying expenses are incurred or grants are awarded, in accordance with the deferral method of accounting. Grants not yet paid are grouped with the foundation’s grants payable.
**Use of 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 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. Significant areas requiring the use of management estimates relate to the determination of the useful lives of capital assets, the determination of certain accrued liabilities, and the dollar value of grants to be paid out within one year. Actual results could differ from the estimates.

**Cash**
Cash is defined as cash on hand and cash on deposit net of cheques issued and outstanding at the year-end.

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’s financial instruments consist of cash, investments, accounts payable and accrued liabilities and grants payable.

**Measurement of Financial Instruments**
The foundation initially measures its financial assets and financial liabilities at fair value.

The foundation subsequently measures all of its financial assets and liabilities at amortized cost, except for the investments that are quoted in an active market, which are measured at fair value.

Financial instruments measured at amortized cost consist of cash, accounts payable and accrued liabilities and grants payable.

**Risk of Financial Instruments**
The foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the foundation’s risk exposure at the balance sheet date.

**Credit risk**
Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The foundation’s main credit risk relates to bond fund investments and bank deposits.

**Liquidity risk**
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The foundation is exposed to this risk mainly in respect of its accounts payable and grants payable. As the majority of the foundation’s investments consist of pooled funds, it is the opinion of management that the foundation is not exposed to liquidity or cash flow risk with respect to its investments, nor is it subject to significant concentrations of credit risk. The foundation also sets investment policies and monitors its investments to minimize liquidity risk.

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

**Currency risk**
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The foundation’s exposure to currency risk is indicated by its ownership of international bonds and debentures, as described in note 4. The foundation does not engage in hedge transactions.

**Interest rate risk**
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The foundation is exposed to interest rate risk on its investments in bond funds where bond interest rates versus market interest rates will affect the price of the bonds and, therefore, the bond fund investment price. The foundation’s interest income received on lawyers’ trust accounts is also subject to interest rate risk.

**Other price risk**
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The foundation is exposed to other price risk through its investment in equity-based fund investments.

**4. INVESTMENTS**

<table>
<thead>
<tr>
<th>MARKET VALUE</th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>CC&amp;L Group Money Market Fund A — Nil units [2014 – 136,814 units]</td>
<td>—</td>
<td>1,368,138</td>
</tr>
<tr>
<td>CC&amp;L Equity Income &amp; Growth I Fund — 345,734 units [2014 – 631,814 units]</td>
<td>3,650,879</td>
<td>7,027,038</td>
</tr>
<tr>
<td>CC&amp;L Q Global Equity Fund — 296,986 units [2014 – Nil units]</td>
<td>6,433,051</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>46,489,348</td>
<td>44,976,034</td>
</tr>
</tbody>
</table>
The CC&L Group Money Market Fund A consists of short-term Canadian bonds that make up approximately 100.0%. The CC&L High Yield Bond Fund I consists of Canadian bonds and debentures that make up approximately 46.4% [December 31, 2014 – 25.9%] of its portfolio and international bonds, debentures and other foreign content that make up approximately 53.6% [December 31, 2014 – 74.1%] of its portfolio. The CC&L Equity Income & Growth I Fund consists of Canadian equities that make up approximately 90.7% [December 31, 2014 – 92.1%] of its portfolio and foreign equities that make up approximately 9.3% [December 31, 2014 – 7.9%] of its portfolio. The CC&L Bond Fund A consists of Canadian government and corporate bonds and debentures that make up approximately 100.0% [December 31, 2014 – 98.3%] of its portfolio and international bonds, debentures and other foreign content that make up approximately 0% [December 31, 2014 – 1.7%] of its portfolio.

At December 31, 2015, the average yield on all the investments was 3.40% [December 31, 2014 – 9.70%].

The foundation’s investment policy allows for Canadian equities, global equities and high-yield bonds of up to 40% of the market value of its portfolio and short-term bonds of up to 20% of the market value of its portfolio, with universe bonds and short-term investments making up the remainder.

5. PROPERTY AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COST $</td>
<td>ACCUMULATED AMORTIZATION $</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>15,193</td>
<td>6,427</td>
</tr>
<tr>
<td>Computers and accessories</td>
<td>13,475</td>
<td>11,148</td>
</tr>
<tr>
<td></td>
<td>28,668</td>
<td>17,575</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>26,249</td>
<td>15,793</td>
</tr>
<tr>
<td>Computers and accessories</td>
<td>29,618</td>
<td>22,999</td>
</tr>
<tr>
<td></td>
<td>55,867</td>
<td>38,792</td>
</tr>
</tbody>
</table>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>89,561</td>
<td>82,081</td>
</tr>
<tr>
<td>Funds administered for others</td>
<td>58,504</td>
<td>37,916</td>
</tr>
<tr>
<td>Government remittances — payroll taxes</td>
<td>10,286</td>
<td>9,778</td>
</tr>
<tr>
<td>— WorkSafeBC</td>
<td>1,678</td>
<td>2,010</td>
</tr>
<tr>
<td></td>
<td>160,029</td>
<td>131,785</td>
</tr>
</tbody>
</table>

7. CHILD WELFARE FUND

The BC Ministry of Children and Family Development granted the foundation $1 million in 2004, an additional $2 million in 2006 and $124,000 in 2008 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. Those grants have now been spent.

In 2009, a $50,000 grant was received from the BC Representative for Children and Youth for the purpose of child welfare evaluation and research, of which $20,000 was unspent at the end of 2012. In 2014, an additional grant of $20,000 was received and $21,000 was spent, leaving a balance of $19,000.

In 2015, the foundation received $158,138, in trust, from a class-action award for use as part of the foundation's Child Welfare Fund. Including an unused grant amount of $5,409 returned to the fund, the balance at December 31, 2015, totals $182,547.

8. LEGAL SERVICES SOCIETY/LAW FOUNDATION RESEARCH FUND (RESEARCH FUND)

The Legal Services Society of BC and the foundation established the research fund with a grant of $1,000,000 each pursuant to a deed of trust dated March 31, 2008. The purpose of the research fund is to support research on and evaluation of legal aid and other access to justice programs to enhance the quality of and access to justice for British Columbians. The foundation administers the research fund, and distribution of the funds is approved by an advisory committee consisting of one nominee from the Legal Services Society, the foundation and the Notary Foundation. Investment income earned on unexpended funds is added to the research fund.

<table>
<thead>
<tr>
<th></th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research fund, beginning of year</td>
<td>2,345,540</td>
<td>2,255,515</td>
</tr>
<tr>
<td>Direct expenses</td>
<td>—</td>
<td>(10,157)</td>
</tr>
<tr>
<td>Grants — approved</td>
<td>(164,000)</td>
<td>(102,500)</td>
</tr>
<tr>
<td>— returned to fund</td>
<td>30,782</td>
<td>7,255</td>
</tr>
<tr>
<td>Investment income allocated [note 12]</td>
<td>70,135</td>
<td>195,427</td>
</tr>
<tr>
<td></td>
<td>2,282,457</td>
<td>2,345,540</td>
</tr>
</tbody>
</table>

9. ACCESS TO JUSTICE FUND

In 2015, the foundation received $550,000 from a class-action award, which funds are to be paid out to Access Pro Bono Society of BC.
10. GRANTS PAYABLE
The foundation has approved grants with multi-year payment schedules that are estimated to be payable in the following years:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening grants payable</td>
<td>14,124,153</td>
<td>15,635,790</td>
</tr>
<tr>
<td>Grants approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Child Welfare Fund</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>— LSS/LF Research Fund</td>
<td>164,000</td>
<td>102,500</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Law Foundation of BC</td>
<td>(16,175,139)</td>
<td>(17,850,197)</td>
</tr>
<tr>
<td>— Child Welfare Fund</td>
<td>—</td>
<td>(10,000)</td>
</tr>
<tr>
<td>— LSS/LF Research Fund</td>
<td>(83,189)</td>
<td>(114,839)</td>
</tr>
<tr>
<td>Grants refunded or unused</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Law Foundation of BC</td>
<td>(193,387)</td>
<td>(124,026)</td>
</tr>
<tr>
<td>— Child Welfare Fund</td>
<td>(5,409)</td>
<td>—</td>
</tr>
<tr>
<td>— LSS/LF Research Fund</td>
<td>(30,782)</td>
<td>(7,255)</td>
</tr>
<tr>
<td>Ending grants payable</td>
<td>14,143,025</td>
<td>14,124,153</td>
</tr>
<tr>
<td>Less portion payable within one year</td>
<td>(12,617,275)</td>
<td>(12,474,653)</td>
</tr>
</tbody>
</table>

11. GRANT STABILIZATION FUND
The foundation has a goal of insulating continuing programs from 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. To accomplish this goal, the foundation has built up a stabilization fund that declines in years in which the foundation’s net income before grants approved is less than the grants approved, and increases when net income before grants approved is greater than the grants approved.

12. INVESTMENT INCOME (NET)
Investment income (net) comprises:

<table>
<thead>
<tr>
<th></th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends earned</td>
<td>1,579,971</td>
<td>1,440,711</td>
</tr>
<tr>
<td>Write-up (write-down) of investments to market value</td>
<td>(2,137,358)</td>
<td>1,202,262</td>
</tr>
<tr>
<td>Gain on sale of investments</td>
<td>2,083,764</td>
<td>1,472,842</td>
</tr>
<tr>
<td>Investment advisory fees</td>
<td>(126,791)</td>
<td>(117,215)</td>
</tr>
<tr>
<td></td>
<td>1,399,586</td>
<td>3,998,600</td>
</tr>
<tr>
<td>Less investment income allocated to the research fund [note 8]</td>
<td>(70,135)</td>
<td>(195,427)</td>
</tr>
<tr>
<td></td>
<td>1,329,451</td>
<td>3,803,173</td>
</tr>
</tbody>
</table>

13. 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 received for 2015 was $462,394 [2014 – $342,074].

Other Income
In 2007, the Law Society of British Columbia Pro Bono Funding Task Force (the 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, and the 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. This amount was increased to $340,000 in 2014, of which $48,380 is to be paid towards the rent and applicable taxes for Access Pro Bono Society of BC, $60,000 to access to justice initiatives and the balance to pro bono initiatives. The total other income received for 2015 was $290,734 [2014 – $293,026].

14. PROGRAM AND PROJECT GRANTS APPROVED

<table>
<thead>
<tr>
<th></th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
</table>
| Major continuing program and project grants in excess of $1,000,000 were made to:
| Legal Services Society of BC   | 2,955,000 | 2,955,000 |
| BC Courthouse Library Society  | 2,245,000 | 2,245,000 |
| Other continuing program grants| 9,600,000 | 9,680,000 |
| Other project grants           | 1,542,778 | 1,612,180 |
|                                | 16,342,778| 16,492,180|

15. COMMITMENT

Premises Lease
In addition to shared building operating costs and property taxes, the foundation is committed to the following annual rent payments, which are exclusive of GST, until April 30, 2023, for its office premises. The required payments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016–2017 (2 Years)</th>
<th>2018 (1 Year)</th>
<th>2019–2022 (4 Years)</th>
<th>2023 (4 Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Rent Payments $</td>
<td>114,160</td>
<td>129,381</td>
<td>136,992</td>
<td>—</td>
</tr>
<tr>
<td>Total Rent Commitment $</td>
<td>228,320</td>
<td>129,381</td>
<td>547,968</td>
<td>45,664</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes to Financial Statements  23</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>