In 2018, Courthouse Libraries BC answered 25,489 information requests from members of the legal profession and 27,312 requests from members of the general public.
Report from the Chair

As the chair of the Board of Governors of the Law Foundation of BC it is an honour to report to you. In 2018, the Law Foundation was able to do significant work in several areas.

Eileen Vanderburgh, Chair

Highlights of 2018

Some highlights of the Law Foundation’s work in 2018 were:

- The Board of Governors approved an overall 10% increase to the grants budget.
- Ten new poverty law advocacy programs were approved for communities across the province where no other poverty law program exists.
- Fifteen family law advocacy programs were approved following on the success of the pilot programs in Quesnel and Kelowna. The family law advocacy network addresses a pressing and widespread need for legal assistance to people who otherwise do not qualify for legal aid.
- The foundation received $358,000 from the provincial government to assist with funding advocacy programs and legal clinics.
- The board approved a $5 million contribution towards an Indigenous Legal Lodge planned for the University of Victoria.
- The foundation organized a Systemic Advocacy Workshop that gave public interest lawyers working in funded programs the chance to meet and discuss common issues.

The Board of Governors approved an overall 10% increase to the grants budget.

In November 2018, the BC government passed amendments to the Class Proceedings Act providing that one half of all undistributed proceeds from class actions in British Columbia are to go to the Law Foundation. This legislation will diversify the sources of revenue available to the foundation and help provide sustainable funding into the future for our programs.

Priorities in 2019

The foundation’s priorities for 2019 include:

- Considering the best use of increased revenue for the support of continuing programs, for projects, and for new initiatives.
- Receiving and reviewing grant applications to the Law Foundation’s new Major Projects Fund, which is available to support significant, impactful projects with grants of up to $1 million.

Finances

As a result of high trust balances and rising interest rates the foundation ended 2018 with a surplus. Income for the year totalled $52.7 million — a significant increase from previous years. At its planning session in November 2018, the board was able to put enough money back into the Grants Stabilization Fund to return it to the optimal level of grants and administration for two years. An additional $6 million will be available in 2019 for new spending, including one-time projects, a small number of new programs, and some further new initiatives.

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 the Royal Bank of Canada, Bank of Nova Scotia, HSBC Bank Canada, Canadian Imperial Bank of Commerce, Bank of Montreal, 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 that provide competitive rates, as this ensures that the foundation receives the highest possible rates of return.

Grants

In 2018, the foundation assessed 268 applications for funding, and approved $33.4 million in funding for 76 continuing programs, as well as 42 on-track programs, 27 projects and 73 other grants. Recognizing the need for ongoing work in the community in our five statutorily mandated areas, the foundation allocated over $25.4 million of this amount to continuing and on-track programs. This report includes details of these grants.
Continuing to implement the foundation’s response to the Truth and Reconciliation Commission’s Report and Calls to Action. We anticipate this will include support for both cultural competency training and First Nations Courts.

Conducting funding strategy reviews of the Law Libraries, Law Reform, and Other Legal Aid programs.

These priorities will, we hope, enhance the impact of the Law Foundation’s work on improving access to justice for the people of BC.

Finally, the Law Foundation of British Columbia, which was the first Law Foundation in North America, will celebrate its 50th anniversary in 2019. A celebration of the important work done by Law Foundation grantees over the years will take place in June.

Governors

In 2018, we said farewell to some valuable members of the foundation’s board: Kerry Cook, Fred Fatt, and Ajeet Kang, QC.

Kerry Cook was appointed to the board in 2015, and served for three years. During that time she was on the PLEI, Class Actions and New Grants Committees, acting as chair of the New Grants Committee in 2017. Ms. Cook was a very involved liaison governor for groups such as the Fort St. John Women’s Centre, Contact Women’s Group Society, the Multiple Sclerosis Society, and PovNet Society. As a former mayor of Williams Lake, Ms. Cook brought a valuable perspective to board discussions.

Fred Fatt is from Prince George, and was the Law Society’s appointee for the county of Cariboo. He was called to the Bar in 1981, and has a diversified criminal law practice. During his time on the board, Mr. Fatt served on the following committees: Fellowships and Research, New Grants, Policy and Planning, and Aboriginal Legal Issues, and was chair of the Special Needs Fund Committee. Having regularly been counsel on circuit courts outside of Prince George, he ensured that the needs of remote courts and communities were fully considered in board discussions.

Ajeet Kang, QC, was a Law Society appointment for the county of Westminster. She was called to the Bar in 1994, and currently practises with Kang and Co., with an emphasis on criminal, immigration and human rights law. As a board member, Ms. Kang was chair of the Fellowships and Research Committee for several years, and also served on the New Grants and Policy and Planning Committees. Her thoughtful input, especially about the diverse nature of our province, was always welcome.

We welcomed three new governors appointed by the Attorney General: Maureen Buchan, Felicia Ciolfitto, and John Greschner.

Ms. Buchan is an Anishinabe from Bearskin Lake First Nation in Northern Ontario. She has a Master of Arts in Indigenous Governance from the University of Victoria, an Advanced Bachelor of Arts in Political Science and Government from the University of Manitoba, and over 17 years of experience working for First Nations political organizations. Ms. Buchan currently works as a senior policy advisor at the BC Assembly of First Nations, where she advocates on behalf of the 203 First Nations in British Columbia.

Ms. Ciolfitto is director of Internal Audit at the British Columbia Automobile Association. She is a Chartered Professional Accountant with an MBA from Queen's University. Before joining BCAA, Ms. Ciolfitto was the director of Internal Audit at Vancouver Fraser Port Authority, and the manager of Trust Regulation at the Law Society of BC, where she helped develop the compliance audit program and oversaw a staff of auditors.

Mr. Greschner worked with the Representative for Children and Youth in BC from 2007 until 2016, when he retired. He was Deputy Representative for several years. Before working at the representative’s office, John was the deputy Health and Social Services minister for the Yukon, as well as an executive in several BC government ministries. He recently took on a temporary appointment as Deputy Ombudsperson for BC. John has an MA in Psychology as well as a Certificate in Health Services Management.

Entering 2019, we welcome Justice Thomas Crabtree and Robert Zeunert as new board members.

Justice Crabtree is a graduate of the University of Victoria Law School and was called to the British Columbia Bar in 1984. He practised in the Fraser Valley for the better part of 15 years, assisting clients in a broad range of legal matters. In 1999, Justice Crabtree was appointed to the Provincial Court of British Columbia, where he served for just over 19 years, the last eight as chief judge. He was appointed to the Supreme Court of BC in 2018. Justice Crabtree was appointed to the board by the Law Society for the County of Westminster.
Leanne Wood, called to the bar in 1996, practised for many years as a lawyer for the Law Society’s Lawyers Insurance Fund. Her legal background is in insurance and professional liability. Ms. Wood is passionate about social justice and the rule of law.

Sue Bradley brings a wealth of experience working in health care and corporate marketing. She has already contributed much to the foundation, working with two program directors and the Legal Advocate Training Manager during a very busy time, and is a valued member of our administrative team.

In 2019, there will be one further staff change, as long-time Executive Director Wayne Robertson, QC, retires.

The Future

As I finish my two-year term as chair of the Law Foundation, I would like to thank the legal profession for its ongoing support of the foundation. I would also like to acknowledge and thank Attorney General David Eby, QC, and the staff of the Ministry of Attorney General for their support and collaboration on a number of fronts over the past year.

I have been privileged to work with a committed board of governors and staff who are dedicated to improving access to legal services for disadvantaged and marginalized communities in all parts of BC. In particular, I want to acknowledge the work and vision of our Executive Director, Wayne Robertson, QC, who will be retiring this summer. Wayne has been at the centre of the Law Foundation’s work for the past 17 years and his leadership has allowed the foundation to be proactive in its work in order to best meet the legal needs of the diverse communities and areas of the province. The foundation and the access to justice community in BC will miss his knowledge and guidance.

I continue to be impressed with our grantee organizations whose staff and volunteers effectively and collaboratively transform our funding into programs and services that help people to resolve their legal problems. Thanks to everyone’s combined efforts, hundreds of thousands of British Columbians are getting the assistance they need, and we continue to work to expand the scope and reach of our funded services. In our 50TH year, we have much to celebrate and much work left to be done.

Thank you.

Eileen Vanderburgh
Chair 2018
What Does the Law Foundation Do?

British Columbia led the way in 1969 when it became the first jurisdiction in North America to establish a law foundation for the purpose of distributing funds that would benefit the public. 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 things such as retainers, settlement proceeds, and estate funds.

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 them in the public interest.

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

- legal education
- legal research
- legal aid
- law reform
- 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 2018, the Law Foundation has approved grants totalling just over $598 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 their 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 7 standing committees:

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

The board and the committees meet regularly during the year. A staff of 13 assists the board.

Law Foundation Strategic Plan

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.

Mission Statement

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 current and emerging needs.
- Encourage, identify, and support innovation in our grant-making, our grantees and our justice system.
- Continue the ongoing evaluation of Law Foundation programs and projects.

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.

How Are Grants 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
1340 – 605 Robson Street
Vancouver, BC V6B 5J3
info@lawfoundationbc.org

Tel: 604-688-2337
Fax: 604-688-4586
www.lawfoundationbc.org
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 organization’s 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 Foundation**
An education and training fund for the professional development of Law Foundation-funded advocates and others, including an annual advocates’ conference, a new advocates’ training program, an executive directors’ roundtable, a supervising lawyers’ conference, and other events **$290,000**

**Law Society of BC**
The Professional Legal Training Course at Thompson Rivers University in Kamloops, and bursaries for students who must relocate to attend any PLTC training **$240,000**

**Public Interest Articling Fellowships**
*Marked grants are for two years
  - BC Civil Liberties Association **$120,000***
  - Peter A. Allard School of Law, University of British Columbia, Indigenous Community Legal Clinic **$120,000***
  - University of Victoria, The Law Centre **$120,000***
  - West Coast LEAF Association **$120,000***

**Community Legal Assistance Society,**
David Mossop, QC, Public Interest Articling Fellowship **$60,000**

**University of British Columbia, Peter A. Allard School of Law**
Public interest work placements **$90,000**

**University of Victoria, Faculty of Law**
Public interest work placements **$90,000**

**Law Foundation Graduate Fellowships**
Graduate fellowships for graduate legal studies by BC lawyers and graduates of BC law schools **$84,000**

**Moira Aikenhead:** Continuation of work on how law reform could address the issue of internet-facilitated gender-based violence against women

**Jennifer Doreen Bergman:** Continuation of research into the unmet mental health service needs of children and how laws in Canada could stimulate increased use of services

**Allan Hanna:** Continuation of work to develop a model for the application and implementation of traditional Indigenous laws concerning access to, and use of, surface water to contemporary legal practices

**Brittany Goud:** Research into the design of systems to address the needs of the poor in the area of housing

**Sarah Jean Runyon:** Research into the disproportionately high number of Indigenous peoples charged with administration of justice offences, and how community dispositions might reduce rates of recidivism

**Shannon Russell:** A comparative analysis of the impact of laws in different jurisdictions that define rape around gender or use a gender-neutral framework

**Alison Yule:** An analysis of access to criminal justice for high-risk offenders including a cross-provincial comparison of needs, risk response, and the expansion of incarceration into the community

**Provincial Court of British Columbia**
A program that allows law students participating in Provincial Court judicial internships to attend circuit courts around BC **$25,000**

**University of Saskatchewan, Native Law Centre**
A program for Indigenous students planning to enter law school, and support for the centre’s research and publishing on Indigenous legal issues **$25,000**

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**Grants Approved in 2018**

- Continuing Program Grants Total: $17,901,000
- Project Grants Total: $15,165,800
- Retroactive increases to 2017 grants: $312,000
**Public Legal Education**

*Justice Education Society of BC*

Programs to provide legal education and information about the justice system to the public  $380,000

*People’s Law School Society*

Province-wide public legal education and information programs  $365,000

*Canadian Bar Association, BC Branch*

The Lawyer Referral Service to provide low-cost legal information; Law Week 2018; and Dial-A-Law, a province-wide legal information telephone service  $275,000

*PovNet Society*

An online poverty resource and networking tool for anti-poverty advocates, community workers, and the general public, which includes PovNetU online courses  $100,000

*Mediate BC Society*

A public legal education program focussed on building awareness of mediation and other dispute resolution services  $70,000

*Debate and Speech Association of BC*

Participation of high school students in the province-wide Law Foundation Cup Debates on legal topics  $25,000

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**LEGAL RESEARCH**

*Law Foundation Legal Research Fund*

A 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 2018:

- Peter A. Allard School of Law, University of British Columbia, Assistant Professor, Bethany Hastie: Assessing model legislation to provide access to justice for migrant workers in BC  $20,000
- Peter A. Allard School of Law, University of British Columbia, Assistant Professor, Jocelyn Stacey: Environmental justice through environmental assessment law  $18,000
- Thompson Rivers University, Dr. Ruby Dhanda: Creating a mental health court in Kamloops  $17,000
- Thompson Rivers University, Assistant Professor, Samuel Singer: Charting the regulatory landscape of non-profit and charity law  $17,000
- University of Victoria, Associate Professor, Deborah Curran: Reconciliation as Jurisdiction: an investigation into how state law is receiving Indigenous law and government-to-government agreements  $13,000
- Peter A. Allard School of Law, University of British Columbia, Tamara Levy, QC: Work on a planning year for a prison law clinic  $9,000
- Elizabeth Fry Society of Greater Vancouver, Anandita Ghosh: Statutory intervention against gun violence  $8,000
- Vista Law Group, Joan Braun: Research into building elder capacity through mediation  $5,000

*Canadian Foundation for Legal Research*

Research on various legal issues, with an emphasis on research with practical applications  $20,000

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**LEGAL AID**

*Legal Services Society*

Support for Indigenous services, Family LawLINE, community engagement and public legal education for low-income people  $3,250,000

**Community-Based Advocacy**

*Marked grants cover multiple years or include some retroactive increases.

*Family Law Advocacy Services*

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

- **Ki-Low-Na Friendship Society**
  - Central Okanagan region  $185,000*
- **Battered Women’s Support Services**
  - Advocacy for women in the Lower Mainland who have experienced abuse  $90,000
- **Quesnel Tillicum Society**
  - Quesnel area  $90,000
- **Sources Community Resources Society**
  - Surrey/Delta/White Rock area  $90,000

*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  $225,000

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*Makessa Fisher, administrative assistant, and Dylan Waisman, public legal educator, Justice Education Society of BC*

*Dr. Carmen Landsdowne, First United Church; Sean Rowell, governor, Law Foundation*
<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Region</th>
<th>Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbotsford Community Services Society</td>
<td>Abbotsford, Mission, Chilliwack and Hope areas</td>
<td>$190,000</td>
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<tr>
<td>Together Against Poverty Society</td>
<td>Greater Victoria area</td>
<td>$180,000</td>
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<td>Community Connections Society of Southeast BC</td>
<td>East Kootenay region</td>
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<td>Nelson Cares Society</td>
<td>West Kootenay region</td>
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<td>Haida Gwaii Legal Project Society</td>
<td>Haida Gwaii region</td>
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<td>Active Support Against Poverty Society</td>
<td>Prince George area</td>
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<td>Contact Women’s Group Society</td>
<td>Williams Lake area</td>
<td>$95,000*</td>
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<td>Fort St. John Women’s Resource Society</td>
<td>Fort St. John area</td>
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<td>Kamloops and District Elizabeth Fry Society</td>
<td>Kamloops area</td>
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<td>Ki-Low-Na Friendship Society</td>
<td>Central Okanagan region</td>
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<td>Nanaimo Citizen Advocacy Association</td>
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<td>Nicola Valley Community Justice Services Society</td>
<td>Nicola Valley region</td>
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<td>Penticton and Area Access Centre</td>
<td>Penticton area</td>
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<td>Port Alberni Friendship Center</td>
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<td>Powell River Community Services Association</td>
<td>Powell River area</td>
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<td>Dze L K’ant Friendship Centre Society</td>
<td>Smithers area</td>
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<td>Maple Ridge/Pitt Meadows Community Services</td>
<td>Maple Ridge, Pitt Meadows areas</td>
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<td>North Shore Community Resources Society</td>
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<td>Quesnel Tillicum Society</td>
<td>Quesnel area</td>
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<td>SHARE Family and Community Services</td>
<td>Coquitlam, Port Coquitlam, Port Moody, and adjacent areas</td>
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<td>Sources Community Resources Society</td>
<td>Surrey/Delta/White Rock area</td>
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<td>Terrace and District Community Services Society</td>
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<td>Wachiay Friendship Centre</td>
<td>Courtenay area</td>
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<td>South Peace Community Resources Society</td>
<td>Dawson Creek area</td>
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<td>Upper Skeena Counselling &amp; Legal Assistance Society</td>
<td>Hazelton area</td>
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<td>Prince Rupert Unemployed Centre Society</td>
<td>Prince Rupert area</td>
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<tr>
<td>Social Health and Economic Development Society</td>
<td>Bella Coola region</td>
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</table>
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  
$315,000

**TRAC Tenant Resource & Advisory Centre Society**
A legal information and advocacy service for tenants and landlords on residential tenancy issues, with an information line available throughout BC  
$265,000

**Kettle Friendship Society**
A mental health advocacy program providing legal information and assistance on residential tenancy and child protection matters in the Lower Mainland  
$190,000

**Migrant Workers Centre BC Society**
A specialized advocacy service and legal education program for live-in caregivers and other low-wage temporary foreign workers  
$145,000

**MPA (Motivation, Power and Achievement) Society**
Courtworkers to assist people with mental illnesses in the criminal justice system  
$140,000

**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  
$130,000

**Chimo Community Services**
A volunteer-based and legally supervised poverty law advocacy program  
$95,000

**MOSAIC**
A legal information and assistance advocacy program for low-income immigrants and refugees in the Lower Mainland  
$95,000

**Atira Women’s Resource Society**
Advocacy services for women in Vancouver’s Downtown Eastside on poverty, family, and criminal law problems  
$90,000

**Seniors First BC Society**
A legal information and advocacy program for older adults in BC  
$90,000

**Watari Research Association**
A system negotiator at Vancouver’s Downtown Community Court to support repeat offenders with mental disorders  
$90,000

**Public Interest Law**

**Community Legal Assistance Society**
Five lawyers providing a combination of direct and systemic advocacy services, and a lawyer to work on the Community Advocate Support Line, a telephone service providing legal advice and support to poverty law advocates  
$960,000

**West Coast Environmental Law Association**
Law reform, legal research, legal education, and legal aid supporting the public interest in environmental legal matters  
$470,000

**BC Civil Liberties Association**
Test case litigation, legal education, and law reform to protect the civil liberties and human rights of British Columbians  
$380,000
BC Public Interest Advocacy Centre
Representation of the public interest in regulatory matters and systemic advocacy for disadvantaged people $190,000

Ecojustice Canada Society
Test case litigation on public interest environmental law issues $190,000

West Coast LEAF Association
Law reform and test case litigation, and legal education to advance equality for women $190,000

Other Legal Aid
Access Pro Bono Society of BC
Advice and some representation services provided to low-income people by volunteer lawyers $450,000

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 $375,000

Greater Vancouver Law Students’ Legal Advice Society
A law students’ legal advice program at the Peter A. Allard School of Law that operates free clinics in the Greater Vancouver area $330,000

University of British Columbia, Peter A. Allard School of Law, Indigenous Community Legal Clinic
A clinical program for law students providing legal services to the Indigenous community $210,000

Multiple Sclerosis Society, BC & Yukon Division
The Volunteer Legal Advocacy Program to provide legal information, advocacy, and representation to people with multiple sclerosis $70,000

Pro Bono Students Canada, University of British Columbia, Peter A. Allard School of Law
Placement of volunteer law students with public interest organizations $35,000

Pro Bono Students Canada, University of Victoria, Faculty of Law
Placement of volunteer law students with public interest organizations $30,000

BC Law Institute
Law reform research leading to improvements in the law and the administration of justice $400,000

BC Freedom of Information and Privacy Association
A law reform and public legal education program about freedom of information and privacy rights $150,000

BC Courthouse Library Society
(Courthouse Libraries BC)
Legal information, training, and reference services for lawyers and the public throughout BC $2,470,000

Law Society of BC
Contribution to the operating costs of the CanLII Virtual Law Library $80,000

Veenu Saini, program director, Law Foundation, Amber Prince, board chair, West Coast LEAF; Zulie Sachedina, governor, Law Foundation; Kasari Govender, executive director, West Coast LEAF

Sara Neuret, executive director, Freedom of Information and Privacy Association
Courthouse Libraries BC (CLBC) has a dual mandate — to serve both legal professionals and the public. With decades of support from the Law Foundation of BC, CLBC has built a legacy of professional service for lawyers, and free access to quality legal information for both the profession and the public. CLBC is purposefully inclusive, understanding that legal information is essential to a just society.

CLBC balances its duties to the legal profession with its public-facing mission. The results include innovative programs, productive collaborations, and better conditions for a healthier justice sector overall.

Highlights of the work done by Courthouse Libraries BC are set out here.

LawMatters

- Since 2007, CLBC’s LawMatters program has partnered with public libraries to enhance public access to legal information in 71 library systems representing 240+ locations throughout BC.
- In addition to grant funding, CLBC shares expertise to help public library staff respond effectively to the legal information needs of their clients.
- In turn, CLBC collects data about the legal issues librarians encounter when helping people in their communities, which further informs the support they provide.
Clicklaw Wikibooks

- Clicklaw Wikibooks currently has 27 titles that cover a range of legal topics. Editorial teams of lawyers collectively volunteer hundreds of hours to create and maintain reliable resources.
- Over half a million users visited Clicklaw Wikibooks in 2018.

Library and research-related training

- 14 organizational partners and 39 subject-matter experts delivered 58 training sessions with CLBC in 2018 alone.
- Popular with lawyers in practice outside urban areas.

These are just some of the many ways CLBC contributes to the interests of justice in BC.
In 2016, the Law Foundation of British Columbia’s Board of Governors reviewed the final report of the Truth and Reconciliation Commission of Canada and approved an Implementation Plan of the Calls to Action. In recognition that true reconciliation requires an ongoing commitment, the Law Foundation reports on its progress:

1. The Law Foundation should include projects that advance the process of reconciliation with Canada’s Indigenous people as an area of interest in its Project Funding Notice. **COMPLETED**

2. The Law Foundation’s commitment to supporting programs and projects that advance the process of reconciliation should be included as part of the discussion at site visits with Law Foundation funded programs. **ONGOING**

3. Cultural competency training should be a required element for every Law Foundation funded advocate. **ADOPTED**

4. The Law Foundation should encourage cultural competency training for law students and lawyers. **IN PROGRESS**

5. Cultural competency training within law schools should be assessed and encouraged. **IN PROGRESS**

6. The BC Children’s Lawyer Initiative (Children and Youth Legal Centre) should include consideration of:
   - the effects of intergenerational trauma in the residential school system on clients likely to be served by the Children’s Lawyer,
   - the importance of maintaining statistics of the number of Indigenous children served, and
   - the importance of evaluating the Children’s Lawyer’s effectiveness in implementing a culturally appropriate approach to its representation of children. **IN PROGRESS**

7. Over time, consider support for the education of social workers, lawyers, and judges about the history of residential schools, their impact on children and their caregivers, and the potential for Indigenous communities and families to provide more appropriate solutions to family healing. **PLANNED**

8. The Law Foundation and its grantees should investigate the unique needs of Indigenous people living on reserve. **IN PROGRESS**

9. The Law Foundation should consult with the courts, the Legal Services Society, Indigenous communities, and other stakeholders to identify ways in which the Law Foundation can contribute to the implementation of First Nations Courts in British Columbia. **IN PROGRESS**

10. The Law Foundation Fellowships and Research Committee should consider research priorities that support the Truth and Reconciliation Report and its Calls to Action. **ONGOING**

11. The Law Foundation, should consider the possibility of funding:
   - a network of Indigenous legal advocates,
   - “train the trainer” activities for advocates to develop skills in delivering legal education to Indigenous people,
   - initiatives that promote Gladue principles and support the preparation of Gladue reports, and
   - initiatives that respond to the overrepresentation of Indigenous people in custody.

12. The Law Foundation should consider funding the following projects if approached to do so:
   - public legal education initiatives that advance Indigenous peoples’ understanding of the justice system,
   - legal research projects about law school curricula that meet the requirements set out in the Calls to Action,
   - legal research/law reform projects that explore and advance Aboriginal justice systems in a manner consistent with the treaty and Aboriginal rights of Aboriginal people, the Constitution Act, 1982, and the United Nations Declaration on the Rights of Indigenous Peoples, endorsed by Canada in November 2012,
   - projects reporting on Indigenous children in care,
   - law reform or legal research projects about child-welfare legislation that establishes national standards for Indigenous child apprehension and custody cases,
   - legal research projects assessing progress towards the elimination of overrepresentation of Indigenous people in custody over the next decade, and
   - law reform/legal research projects aimed towards developing new Aboriginal education legislation.

**Other News**

In addition to the initiatives outlined above, the foundation supports Indigenous law students. It recently approved a grant of $5,000,000 towards an Indigenous Law Lodge at the University of Victoria. It also helps fund the eight-week summer law program at the Wiyasiwewin Mikiwahp Native Law Centre at the University of Saskatchewan. The Indigenous Communities Legal Clinic at UBC receives ongoing funding, and clients served by a network of over 70 advocates around the province include thousands of Indigenous people.

The Law Foundation also funded the Nlaka’pamux Nation Tribal Council to prepare and conduct workshops on *Wrapping Our Ways Around Them: Aboriginal Families and the Child, Family and Community Services Act (CFCSA) Guidebook.*
## Projects

Note: This list includes on-track programs that are in the process of being considered for continuing program status.

### LEGAL EDUCATION

**Professional Legal Education**

**University of Victoria**
Contribution to the building fund for the Indigenous Legal Lodge  $5,000,000

**Thompson Rivers University, Faculty of Law**
Enterance Scholarships Fund  $150,000

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

**Law Foundation Public Interest Awards**
Awards to fund second- and third-year students who demonstrate commitment to the public interest, combined with academic achievement
- University of British Columbia, Peter A. Allard School of Law  $65,000
- University of Victoria, Faculty of Law  $45,000
- Thompson Rivers University, Faculty of Law  $40,000
- Thompson Rivers University, Faculty of Law
  - Public Interest Work Placement Program  $50,000

**University of British Columbia, Peter A. Allard School of Law**
Truth and Reconciliation course  $50,000

**University of Victoria**
Access to Justice Centre for Excellence (ACE)  $50,000

**Access Pro Bono Society of BC**
National Pro Bono Conference and Accessible Practice 2018  $20,000

**University of British Columbia, Peter A. Allard School of Law**
Brian Higgins Scholarship Fund  $15,000

### Public Legal Education

**People’s Law School Society**
- Dial-a-Law modernization and transfer  $127,000
- Consulting support to the PLEI sector  $74,000
- Plan for Later Life: Personal Planning Resources for British Columbians  $60,000
- Indigenous public legal education and information materials  $50,000
- Working in BC: Everyday Legal Problems  $50,000
- Project to raise public awareness of unbundled family legal services in BC  $50,000

**Pivot Legal Society**
Legal education for advocates, law enforcement, and people experiencing poverty about using public spaces in BC  $40,000

**West Coast Prison Justice Society**
Legal education resources for prisoners  $32,000

**BC Courthouse Library Society (Courthouse Libraries BC)**
Research for LawMatters  $20,000

**DOXA Documentary Film Festival**
Vancouver Podcast Festival, for the program “True Crime, True Justice”  $20,000

**People’s Law School Society**
Implementation of public legal education and information best practices  $20,000

**Elizabeth Fry Society of Greater Vancouver**
Strengthening protections for children of parents in conflict with the law  $14,000

**Vancouver Summer Mentorship Society**
Support for the summer mentorship program  $10,000

**Youth Parliament of British Columbia Alumni Society**
Support for the British Columbia youth parliament  $10,000

**Cerebral Palsy Association of BC**
Human rights and the duty to accommodate youth with disabilities in the workplace  $6,000

**Kelowna Community Resources Society**
Development and publication of Canadian Law and Your Rights  $6,000

**Justice Education Society**
Collaborative work on public legal education  $5,000

**People’s Law School Society**
Collaborative work on public legal education  $5,000

**Kamloops Bar Association**
A history of the Kamloops Bar  $3,000
**LEGAL RESEARCH**

**Union of BC Indian Chiefs**
Integrating Indigenous laws into the claims process  $50,000

**West Coast Environmental Law Association**
Learning sessions on revitalizing Indigenous law for land, air, and water (RELAW)  $50,000

**Vancouver Legal Hacker**
2018 Hackathon: Justice Hack BC  $20,000

**LEGAL AID**

*Marked grants include funding for multiple years or start-up costs

**Community-Based Advocacy**

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

**Sources Community Resources Society**
Surrey, Delta and White Rock areas  $315,000*

**Abbotsford Community Services Society**
Abbotsford, Mission, Chilliwack, and Hope areas  $309,000*

**North Shore Community Resources Society**
North Vancouver area  $301,000*

**Prince George Native Friendship Centre**
Prince George area  $299,000*

**Terrace and District Community Services Society**
Terrace area  $294,000*

**MOSAIC**
Burnaby area  $288,000*

**Wachiay Friendship Centre**
Courtenay area  $287,500*

**Nelson Cares Society**
West Kootenay region  $285,000*

**Fort St. John Women's Resource Society**
Fort St. John area  $272,500*

**Maple Ridge/Pitt Meadows Community Services**
Maple Ridge, Pitt Meadows areas  $254,500*

**SHARE Family and Community Services**
Coquitlam, Port Coquitlam, Port Moody, Anmore, Belcarra, and adjacent areas  $254,500*

**Chimo Community Services**
A volunteer-based and legally supervised family law advocacy program  $247,500*

**Kamloops and District Elizabeth Fry Society**
Kamloops area  $243,750*

**Family Services of Greater Vancouver**
Lower Mainland (subsequently returned to revenue)  $221,750*

**University of Victoria, The Law Centre**
Greater Victoria area  $212,500*

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

**Sacred Wolf Friendship Centre Society**
Port Hardy area  $315,000*

**Sunshine Coast Resource Centre Society**
Sunshine Coast  $315,000*

**Langley Community Services Society**
Langley City and township  $311,000*

**Cowichan Women Against Violence Society**
Cowichan region  $299,000*

**Burnaby Community Services Society**
Burnaby and area  $267,250*

---

Some of the family law advocates funded by the Foundation: Karla Reimer-Keil, Wachiay Friendship Centre; Hilary Nyte, SHARE Family and Community Services; Terri Campbell, Quesnel Tlicicum Society; Mayra Albuquerque, Battered Women’s Support Services; Gurjit Puar, Sources Community Resource Society; Pam Sidhu, Chimo Community Services; Simona Panovska, Maple Ridge/Pitt Meadows Community Services
Shuswap Family Resource and Referral Society
Shuswap area $222,800*

Opportunities Career Services Society
Campbell River area $90,000

Okanagan Advocacy and Resource Society
Vernon and area $90,000

Specialized Advocacy Services

Seniors First BC Society
An elder law clinic that provides legal representation and information services $220,000

West Coast Prison Justice Society
A program about prisoner human rights, health care, and Charter rights $100,000

Atira Women’s Resource Society
A legal incubation project that supports women lawyers to provide access to justice for women $35,000

Other Legal Aid

Together Against Poverty Society
Greater Victoria area $570,000*

Rise Women’s Legal Centre
Family Advocate Support Line to provide legal advice to family law advocates $360,000*

Thompson Rivers University, Faculty of Law
A community legal clinic program staffed by students $250,000

Rise Women’s Legal Centre
A virtual legal clinic to help with family law problems remotely $60,000

Peter A. Allard School of Law, University of British Columbia, Innocence Project
A clinical program to assist individuals convicted of a serious offence who assert their factual innocence $55,000

Action Committee on Access to Justice in Civil and Family Matters
Work to strengthen the committee’s national coordination of access to justice $50,000

Rise Women’s Legal Centre
A family law intake and triage coordinator to support students at the clinic $50,000

Sources Community Resources Society
A modified legal representation program that integrates pro bono support from lawyers with advocacy services $50,000

Pro Bono Students Canada, Thompson Rivers University, Faculty of Law
Placement of volunteer law students with public interest organizations $30,000

Nicola Valley Community Justice Services Society
Indigenous court coordinator $25,000

Prince George Urban Aboriginal Justice Society
Indigenous court coordinator $25,000

Tk’emlups te Secwepemc
Indigenous court coordinator $25,000

Peter A. Allard School of Law, University of British Columbia, and Greater Vancouver Law Students’ Legal Advice Society
Pilot project to consider expanding the Greater Vancouver Law Students’ Legal Advice Program into a credit program $15,000

Public Interest Law

Environmental Law Centre Society, University of Victoria, Faculty of Law
An associates program providing pro bono representation services on public interest environmental issues $190,000

Pivot Legal Society
Homelessness and police accountability programs $190,000

BC Civil Liberties Association
Indigenous restorative justice complaints against the RCMP $50,000

Kate Feeney, incubator project lawyer, and Amber Prince, lawyer, Atira Women’s Resource Society

Taruna Agarwal, Family Advocate Support Line (FASL) lawyer, Kim Hawkins, executive director, Vicky Law, Virtual Legal Clinic lawyer, and, Vandana Sood, supervising lawyer, RISe Legal Clinic

Sources Community Resources Society
A modified legal representation program that integrates pro bono support from lawyers with advocacy services $50,000

Pro Bono Students Canada, Thompson Rivers University, Faculty of Law
Placement of volunteer law students with public interest organizations $30,000

Nicola Valley Community Justice Services Society
Indigenous court coordinator $25,000

Prince George Urban Aboriginal Justice Society
Indigenous court coordinator $25,000

Tk’emlups te Secwepemc
Indigenous court coordinator $25,000

Peter A. Allard School of Law, University of British Columbia, and Greater Vancouver Law Students’ Legal Advice Society
Pilot project to consider expanding the Greater Vancouver Law Students’ Legal Advice Program into a credit program $15,000
<table>
<thead>
<tr>
<th>Organization</th>
<th>Project Description</th>
<th>Funding</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise Women’s Legal Centre</td>
<td>Start-up costs for the Family Advocate Support Line</td>
<td>$10,000</td>
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<tr>
<td>Greater Vancouver Law Students’ Legal Advice Society</td>
<td>Assist with section 684 applications</td>
<td>$7,000</td>
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<tr>
<td>BC Law Institute</td>
<td>Modernizing the Child, Family and Community Services Act</td>
<td>$50,000</td>
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<tr>
<td>Cowichan Tribes Lalum’utul’ Smun’eem</td>
<td>Indigenous Child Wellness Justice Project</td>
<td>$50,000</td>
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<tr>
<td>Native Courtworker and Counselling Association of BC</td>
<td>Significant Steps Forward project on child protection issues</td>
<td>$50,000</td>
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<td>Simon Fraser University: Canadian Drug Policy Coalition</td>
<td>Building a regulatory framework for currently illegal drugs in Canada</td>
<td>$50,000</td>
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<tr>
<td>West Coast LEAF</td>
<td>Research into reforming child protection law in BC</td>
<td>$50,000</td>
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<tr>
<td>Canadian Mental Health Association: BC Division</td>
<td>Human rights and social determinants of mental health</td>
<td>$46,000</td>
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<tr>
<td>Justice Institute of BC</td>
<td>Examining legislation in the context of mental health and public safety personnel</td>
<td>$46,000</td>
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<tr>
<td>Thompson Rivers University</td>
<td>Access to Justice Week</td>
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<tr>
<td>BC Public Interest Advocacy Centre</td>
<td>Board development and training</td>
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<tr>
<td>National Self-Represented Litigants Project</td>
<td>Continue the Dialogue Conference</td>
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<tr>
<td>Upper Skeena Counselling &amp; Legal Assistance Society</td>
<td>Water damage repairs</td>
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<tr>
<td>Upper Skeena Counselling &amp; Legal Assistance Society</td>
<td>Meeting of Indigenous Court community partners</td>
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<tr>
<td>Vancouver and Lower Mainland</td>
<td>Multicultural Family Support Services Society</td>
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<td></td>
<td>Accessibility and office improvements</td>
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<tr>
<td>First United Church Community</td>
<td>Ministry Society</td>
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<td></td>
<td>Ottawa Access to Justice meeting</td>
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<tr>
<td>Watari Research Association</td>
<td>Strategic planning session</td>
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<tr>
<td>Disability Alliance BC Society</td>
<td>Video project</td>
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<tr>
<td>West Coast LEAF Association</td>
<td>Website updates</td>
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<tr>
<td>Canadian Bar Association, BC branch</td>
<td>Diversity on the Bench event</td>
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<tr>
<td>Quesnel Tillicum Society</td>
<td>Computer upgrade costs</td>
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<tr>
<td>University of the Fraser Valley</td>
<td>Follow-up research funding for “Pursuing an Apology”</td>
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<tr>
<td>Criminal Defence Advocacy Society</td>
<td>Follow-up research funds for “The Effect of Innocence Claims on Parole Eligibility” report</td>
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<tr>
<td>Rise Women's Legal Centre</td>
<td>Attendance at National Self-Represented Litigants “Continuing the Dialogue” event</td>
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<tr>
<td>Total Miscellaneous Grants</td>
<td></td>
<td>$149,250</td>
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</tbody>
</table>

**LAW REFORM**

**MISCELLANEOUS GRANTS**

Support for organizations to address emergent needs recognized throughout the year:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Project Description</th>
<th>Funding</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nanaimo Citizen Advocacy Association</td>
<td>Merger costs</td>
<td></td>
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<tr>
<td>Institute of Public Administration of Canada</td>
<td>Ombudsperson Symposium</td>
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<tr>
<td>Atira Women’s Resource Society</td>
<td>Assistance with Sixties Scoop applications</td>
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</tbody>
</table>

Jay Chalke, BC Ombudsperson and Jennifer Charlesworth, Representative for Children and Youth, spoke to the Law Foundation’s board at their November meeting.
Farewells

In 2018 the Law Foundation said goodbye to people who are no longer with us and those who left the field after many years working to improve access to justice in BC.

Detailed biographies are in the online version of the Annual Report. www.lawfoundationbc.org

Janice Gus passed away in May 2018 after many years as a respected advocate and mentor at the Port Alberni Friendship Centre and as a PovNet board member. She will be dearly missed.

Daphne Morrison passed away in October 2018. She will be remembered for her commitment to social justice and a career dedicated to improving the public’s understanding of the law and promoting access to justice.

Without the commitment of people such as these, British Columbians would have much less access to justice.

Thank you, all.

Louise Richards retired from the Kamloops and District Elizabeth Fry Society after 15 years as its executive director, but will continue as the supervising lawyer for the poverty law advocacy program.

Eyob Naizghi was appointed to the executive director position at MOSAIC in December 2000 and led the organization until July 2018. His refugee experience was an inspirational and motivational factor in his work.

Vince Gogolek retired from the BC Freedom of Information and Privacy Association after serving as its executive director from 2011 to 2018 and many years contributing to the field.

Katrina Pacey retired as the executive director of Pivot Legal Society after 17 years with the organization. Katrina led the society’s work on four main social justice issues and was a key to its evolution.

Jane Dyson worked in the not-for-profit sector for 20 years, retiring as executive director of Disability Alliance BC.

Daphne Morrison passed away in October 2018. She will be remembered for her commitment to social justice and a career dedicated to improving the public’s understanding of the law and promoting access to justice.

Janice Gus passed away in May 2018 after many years as a respected advocate and mentor at the Port Alberni Friendship Centre and as a PovNet board member. She will be dearly missed.

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Louise Richards retired from the Kamloops and District Elizabeth Fry Society after 15 years as its executive director, but will continue as the supervising lawyer for the poverty law advocacy program.
Financial Statements 2018

Independent Auditor’s Report

December 31, 2018

To the Governors of
The Law Foundation of British Columbia

Opinion
We have audited the financial statements of The Law Foundation of British Columbia (the Foundation), which comprise the statement of financial position as at December 31, 2018 and 2017, and the statements of operations, changes in net assets and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information
Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor’s report thereon, in the Foundation’s 2018 Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Foundation’s 2018 Annual Report prior to the date of this auditor’s report. If based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Foundation’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Vancouver, Canada   March 9, 2019
Statement of Financial Position

The Law Foundation of British Columbia
As at December 31

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
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<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2,814,376</td>
<td>1,799,904</td>
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<tr>
<td>Short-term investments [note 4]</td>
<td>84,899,526</td>
<td>57,334,984</td>
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<tr>
<td>Prepaid expenses and other</td>
<td>62,194</td>
<td>45,055</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td>87,776,096</td>
<td>59,179,943</td>
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<tr>
<td>Long-term investments [note 4]</td>
<td>3,173,115</td>
<td>—</td>
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<tr>
<td>Capital assets [note 5]</td>
<td>60,505</td>
<td>18,754</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>91,009,716</td>
<td>59,198,697</td>
</tr>
</tbody>
</table>

|          |        |        |
| **LIABILITIES** |        |        |
| Current liabilities |        |        |
| Accounts payable and accrued liabilities [note 6] | 260,759 | 166,239 |
| Legal Services Society/Law Foundation Research Fund [note 7] | 2,068,637 | 2,067,261 |
| Legal Services Society/Law Foundation Cultural Competence Fund [note 7] | 400,000 | — |
| Access to Justice Fund [note 8] | 547,218 | — |
| Grants payable [note 9] | 19,237,963 | 14,235,929 |
| **Total Current Liabilities** | 22,514,577 | 16,469,429 |
| Long-term grants payable [note 9] | 9,771,150 | 1,723,470 |
| **Total Liabilities** | 32,285,727 | 18,192,899 |

|          |        |        |
| **NET ASSETS** |        |        |
| Invested in capital assets | 60,505 | 18,754 |
| Grant Stabilization Fund [note 10] | 58,663,484 | 40,987,044 |
| **Total Net Assets** | 58,723,989 | 41,005,798 |

|          |        |        |
| Commitment [note 14] |        |        |

See accompanying notes to the financial statements

Approved by:

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Statement of Changes in Net Assets

Year ended December 31

<table>
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<tr>
<th></th>
<th>INVESTED IN CAPITAL ASSETS $</th>
<th>GRANT STABILIZATION FUND $</th>
<th>NET ASSETS $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>18,754</td>
<td>40,987,044</td>
<td>41,005,798</td>
</tr>
<tr>
<td>Excess of revenue (expenses) for the year</td>
<td>(13,060)</td>
<td>17,731,251</td>
<td>17,718,191</td>
</tr>
<tr>
<td>Acquisition of capital assets</td>
<td>54,811</td>
<td>(54,811)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>60,505</td>
<td>58,663,484</td>
<td>58,723,989</td>
</tr>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>16,514</td>
<td>31,719,206</td>
<td>31,735,720</td>
</tr>
<tr>
<td>Excess of revenue (expenses) for the year</td>
<td>(6,980)</td>
<td>9,277,058</td>
<td>9,270,078</td>
</tr>
<tr>
<td>Acquisition of capital assets</td>
<td>9,220</td>
<td>(9,220)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>18,754</td>
<td>40,987,044</td>
<td>41,005,798</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements

Approved by:

Governor
Governor
### Statement of Operations

**Year ended December 31**

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received on lawyers' trust accounts</td>
<td>52,043,055</td>
<td>26,014,209</td>
</tr>
<tr>
<td>Investment income [note 11]</td>
<td>89,079</td>
<td>2,221,577</td>
</tr>
<tr>
<td>Unclaimed trust funds and other income [note 12]</td>
<td>568,162</td>
<td>518,682</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>52,700,296</td>
<td>28,754,468</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENSES</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization of capital assets</td>
<td>13,060</td>
<td>6,980</td>
</tr>
<tr>
<td>Audit and annual report</td>
<td>52,795</td>
<td>50,496</td>
</tr>
<tr>
<td>Consulting and legal</td>
<td>86,129</td>
<td>75,253</td>
</tr>
<tr>
<td>Meetings and travel</td>
<td>176,776</td>
<td>155,362</td>
</tr>
<tr>
<td>Office and other</td>
<td>164,506</td>
<td>111,815</td>
</tr>
<tr>
<td>Rent and occupancy costs</td>
<td>245,188</td>
<td>227,031</td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>1,300,203</td>
<td>1,048,178</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>2,038,657</td>
<td>1,675,115</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Excess of revenue before grants approved</strong></td>
<td>50,661,639</td>
<td>27,079,353</td>
</tr>
<tr>
<td>Net grants approved [note 13]</td>
<td>32,943,448</td>
<td>17,809,275</td>
</tr>
<tr>
<td><strong>Excess of revenue for the year</strong></td>
<td>17,718,191</td>
<td>9,270,078</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>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess of revenue for the year</td>
<td>17,718,191</td>
<td>9,270,078</td>
</tr>
<tr>
<td>Item not affecting cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>13,060</td>
<td>6,980</td>
</tr>
<tr>
<td>Changes in non-cash working capital items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses and other</td>
<td>(17,139)</td>
<td>(33,806)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>94,520</td>
<td>(7,914)</td>
</tr>
<tr>
<td>Legal Services Society/ Law Foundation Research Fund</td>
<td>1,376</td>
<td>(210,434)</td>
</tr>
<tr>
<td>Legal Services Society/ Law Foundation Cultural Competence Fund</td>
<td>400,000</td>
<td>—</td>
</tr>
<tr>
<td>Access to Justice Fund</td>
<td>547,218</td>
<td>—</td>
</tr>
<tr>
<td>Grants payable</td>
<td>13,049,714</td>
<td>433,525</td>
</tr>
<tr>
<td><strong>Cash provided by operating activities</strong></td>
<td>31,806,940</td>
<td>9,458,429</td>
</tr>
</tbody>
</table>

| **INVESTING ACTIVITIES** |              |              |
| Acquisition of capital assets | (54,811)    | (9,220)      |
| Purchase of investments (net) | (30,737,657) | (9,932,080) |
| **Cash used in investing activities** | (30,792,468) | (9,941,300) |

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase (decrease) in cash for the year</td>
<td>1,014,472</td>
<td>(482,871)</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>1,799,904</td>
<td>2,282,775</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>2,814,376</td>
<td>1,799,904</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements
Notes to Financial Statements

The Law Foundation of British Columbia

December 31, 2018

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:

Revenue Recognition
The Foundation follows the deferral method of accounting for contributions.

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 [note 4] consist of money market, bond and equity funds comprised of stocks and bonds that are traded on stock exchanges by the fund managers, and long-term real estate and infrastructure investments which are reviewed periodically to assess market values.

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.

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

Capital Assets
Capital assets are capitalized and amortized on a straight-line basis as follows:

- Furniture and equipment 5 years
- Computers and software 3 and 10 years

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

Restricted and Administered Funds

a) Legal Services Society/Law Foundation Research Fund (Research Fund) and the Legal Services Society/Law Foundation Cultural Competence Fund (Cultural Competence Fund)

As the Foundation administers, but does not exclusively control, the expenditures from the Research Fund and the Cultural Competence 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 Research Fund.

b) 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.

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 with its ownership of international bonds and debentures within its investment funds. 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 and real estate/infrastructure securities. 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 and real estate/infrastructure investments.

3. FINANCIAL INSTRUMENTS
The Foundation’s financial instruments consist of cash, short and long-term 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 or have market value data available, which are measured at fair market 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 to the timing of its grants payable and long-term investment maturities. Most of the Foundation’s investments consist of pooled funds, and 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.

4. INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>COST $</th>
<th>FAIR MARKET VALUE $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Short-term</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CC&amp;L High Yield Bond Fund I [1,903,758 units]</td>
<td>18,042,361</td>
<td>17,414,625</td>
</tr>
<tr>
<td>CC&amp;L Equity Income &amp; Growth I Fund [399,886 units]</td>
<td>4,705,266</td>
<td>4,262,910</td>
</tr>
<tr>
<td>CC&amp;L Q Group Global Equity Fund [1,472,308 units]</td>
<td>16,015,467</td>
<td>13,693,945</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>88,289,841</td>
<td>84,899,526</td>
</tr>
<tr>
<td><strong>Long-term</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crestpoint Real Estate Investments Ltd. [151,506 units]</td>
<td>2,391,037</td>
<td>2,391,037</td>
</tr>
<tr>
<td>CC&amp;L Infrastructure Fund [50,975 units]</td>
<td>782,078</td>
<td>782,078</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,173,115</td>
<td>3,173,115</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>91,462,956</td>
<td>88,072,641</td>
</tr>
</tbody>
</table>

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

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.

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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.

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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 with its ownership of international bonds and debentures within its investment funds. 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 and real estate/infrastructure securities. 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 and real estate/infrastructure investments.

4. INVESTMENTS

<table>
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<tr>
<th></th>
<th>COST $</th>
<th>FAIR MARKET VALUE $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Short-term</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CC&amp;L High Yield Bond Fund I [1,903,758 units]</td>
<td>18,042,361</td>
<td>17,414,625</td>
</tr>
<tr>
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<td>4,262,910</td>
</tr>
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<td>16,015,467</td>
<td>13,693,945</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>88,289,841</td>
<td>84,899,526</td>
</tr>
<tr>
<td><strong>Long-term</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crestpoint Real Estate Investments Ltd. [151,506 units]</td>
<td>2,391,037</td>
<td>2,391,037</td>
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<tr>
<td>CC&amp;L Infrastructure Fund [50,975 units]</td>
<td>782,078</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,173,115</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>91,462,956</td>
<td>88,072,641</td>
</tr>
</tbody>
</table>

Cash
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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.
### 2017

**Short-term**

- CC&L High Yield Bond Fund I [417,205 units] 4,210,519 3,943,961
- CC&L Equity Income & Growth I Fund [469,699 units] 5,564,111 5,693,313
- CC&L Q Group Global Equity Fund [789,683 units] 8,729,355 8,419,679

**TOTAL**

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>59,055,860</td>
<td>57,334,984</td>
</tr>
</tbody>
</table>

For the year-ended December 31, 2018, the average yield on all the investments was 0.50%. [December 31, 2017 – 5.00%].

The Foundation’s current investment policy has allocated up to 30% of the portfolio in illiquid real estate and infrastructure funds (long-term investments), and the balance to CC&L Investment Management for its balanced mandate of universal bonds, Canadian and Global equities.

### 5. CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COST $</td>
<td>AMORTIZATION $</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>30,513</td>
<td>18,177</td>
</tr>
<tr>
<td>Computers and software</td>
<td>57,671</td>
<td>9,502</td>
</tr>
<tr>
<td></td>
<td>88,184</td>
<td>27,679</td>
</tr>
</tbody>
</table>

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>166,132</td>
<td>94,555</td>
</tr>
<tr>
<td>Funds administered for others</td>
<td>62,022</td>
<td>46,075</td>
</tr>
<tr>
<td>Government remittances — payroll taxes</td>
<td>30,894</td>
<td>23,988</td>
</tr>
<tr>
<td>— WorkSafeBC</td>
<td>1,711</td>
<td>1,621</td>
</tr>
<tr>
<td></td>
<td>260,759</td>
<td>166,239</td>
</tr>
</tbody>
</table>

### 7. LEGAL SERVICES SOCIETY/LAW FOUNDATION RESEARCH FUNDS

#### a) Legal Services Society/Law Foundation Research Fund (Research Fund)

The Legal Services Society 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 an advisory committee consisting of one nominee from the Legal Services Society, the Foundation, and the Notary Foundation approves distribution of the funds. Investment income earned on unexpended funds is added to the Research Fund.

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Fund, beginning of year</td>
<td>2,067,261</td>
<td>2,277,695</td>
</tr>
<tr>
<td>Grants – approved</td>
<td>—</td>
<td>(304,000)</td>
</tr>
<tr>
<td>Grants – returned to fund</td>
<td>740</td>
<td>390</td>
</tr>
<tr>
<td>Investment income allocated [note 11]</td>
<td>636</td>
<td>93,176</td>
</tr>
<tr>
<td>Research Fund, end of year</td>
<td>2,068,637</td>
<td>2,067,261</td>
</tr>
</tbody>
</table>

#### b) Legal Services Society/Law Foundation Cultural Competence Fund (Cultural Competence Fund)

The Foundation received a grant of $400,000 from the Law Society of BC in 2018, which was the only activity in the fund during the year.

### 8. 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. In 2016, the $550,000 was granted to Access Pro Bono Society of BC.

In 2018, the balance of the class action award of $189,218 was received. As well, the Foundation received a grant of $358,000 from the Province of British Columbia for access to justice initiatives by way of clinics.

There were no grants or payments made out of the Access to Justice Fund during the year, leaving the balance at $547,218.

### 9. GRANTS PAYABLE

The Foundation has approved grants with multi-year payment schedules that are estimated to be payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening grants payable</td>
<td>15,959,399</td>
<td>15,525,874</td>
</tr>
<tr>
<td>Grants approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Law Foundation of BC [note 13]</td>
<td>33,378,800</td>
<td>17,930,440</td>
</tr>
<tr>
<td>– LSS/LF Research Fund</td>
<td>—</td>
<td>304,000</td>
</tr>
<tr>
<td>– Grant administered for others</td>
<td>—</td>
<td>150,000</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Law Foundation of BC</td>
<td>(19,827,234)</td>
<td>(17,676,001)</td>
</tr>
<tr>
<td>– LSS/LF Research Fund</td>
<td>(65,760)</td>
<td>(103,539)</td>
</tr>
<tr>
<td>– Grant administered for others</td>
<td>(50,000)</td>
<td></td>
</tr>
<tr>
<td>Grants refunded</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Law Foundation of BC</td>
<td>(435,352)</td>
<td>(121,165)</td>
</tr>
<tr>
<td>– LSS/LF Research Fund</td>
<td>(740)</td>
<td>(390)</td>
</tr>
<tr>
<td>Ending grants payable</td>
<td>29,009,113</td>
<td>15,959,399</td>
</tr>
<tr>
<td>Current</td>
<td>19,237,963</td>
<td>14,235,929</td>
</tr>
<tr>
<td>Long term</td>
<td>9,771,150</td>
<td>1,723,470</td>
</tr>
<tr>
<td></td>
<td>29,009,113</td>
<td>15,959,399</td>
</tr>
</tbody>
</table>
10. 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.

11. INVESTMENT INCOME (NET)

Investment income (net) comprises:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends earned</td>
<td>2,627,113</td>
<td>1,625,341</td>
</tr>
<tr>
<td>Write-down of investments to market value</td>
<td>(3,172,402)</td>
<td>(433,942)</td>
</tr>
<tr>
<td>Gain on sale of investments</td>
<td>850,921</td>
<td>1,259,931</td>
</tr>
<tr>
<td>Investment advisory fees</td>
<td>(215,917)</td>
<td>(136,577)</td>
</tr>
<tr>
<td></td>
<td>89,715</td>
<td>2,314,753</td>
</tr>
<tr>
<td></td>
<td>(636)</td>
<td>(93,176)</td>
</tr>
<tr>
<td></td>
<td>89,079</td>
<td>2,221,577</td>
</tr>
</tbody>
</table>

12. 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 2018 was $245,842 [2017 – $227,062].

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, which was allocated to the Rise Women’s Legal Centre, and the balance to pro bono initiatives. The total other income received for 2018 was $322,320 [2017 – $291,620]. Of the $322,320, $291,600 was from the Law Society, $30,000 was the Notary Foundation of BC for a grant towards the BC Children’s Lawyer’s Office, and a $700 donation.

13. NET GRANTS APPROVED

<table>
<thead>
<tr>
<th>Description</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major continuing program and project grants in excess of $1,000,000 were made to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Services Society</td>
<td>3,250,000</td>
<td>2,955,000</td>
</tr>
<tr>
<td>BC Courthouse Library Society</td>
<td>2,470,000</td>
<td>2,280,000</td>
</tr>
<tr>
<td>University of Victoria</td>
<td>5,000,000</td>
<td>—</td>
</tr>
<tr>
<td>Other continuing program grants</td>
<td>11,510,000</td>
<td>10,153,000</td>
</tr>
<tr>
<td>Other project grants</td>
<td>11,148,800</td>
<td>2,542,440</td>
</tr>
<tr>
<td></td>
<td>33,378,800</td>
<td>17,930,440</td>
</tr>
<tr>
<td>Less: Program and project grants refunded</td>
<td>(435,352)</td>
<td>(121,165)</td>
</tr>
<tr>
<td></td>
<td>32,943,448</td>
<td>17,809,275</td>
</tr>
</tbody>
</table>

14. COMMITMENT

Premises Lease

The Foundation is committed to annual lease payments of $136,992, which is exclusive of shared operating costs and GST, until April 30, 2023, for its office premises for a total commitment of $593,632.
Board of Governors
As of January 2018

From left to right (front row):
Kerry Cook
(term ended in 2018)
Eileen Vanderburgh
Chair of the Board of Governors
Ex-officio member of all committees
Geoff White
Finance and Administration Committee (chair)
Policy and Planning Committee
Jan Lindsay, QC
Policy and Planning Committee (chair)
Public Legal Education and Information Committee

From left to right (back two rows):
Ajeet Kang, QC
Fellowships and Research Committee (chair)
Class Actions Committee
Kathleen Kendall
Fellowships and Research Committee
New Grants Committee

Sean Rowell
Finance and Administration Committee
Policy and Planning Committee
Bill Younie, QC
Finance and Administration Committee
Public Legal Education and Information Committee (chair)
Judge Patricia Bond
Finance and Administration Committee
Public Legal Education and Information Committee
Jim Sullivan, QC
Class Actions Committee (chair)
New Grants Committee
Deanna Ludowicz, QC
Policy and Planning Committee
Special Needs Fund Committee
Frederick F. Fatt
Special Needs Fund Committee (chair)
New Grants Committee
W. Laurence Scott, QC
New Grants Committee
Policy and Planning Committee

Kurt Sandstrom, QC
Zulie Sachedina
Class Actions Committee
New Grants Committee
Lindsay LeBlanc
Finance and Administration Committee
Policy and Planning Committee
Absent
Felicia Ciofiitto (joined in 2018)
Finance and Administration Committee
New Grants Committee
Maureen Buchan (joined in 2018)
Fellowships and Research Committee
New Grants Committee
John Greschner (joined in 2018)
Policy and Planning Committee
Special Needs Fund Committee

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Fax: 604-688-4586
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www.lawfoundationbc.org