In 2008, the Law Foundation of British Columbia was fortunate to be able to make grants in a significant amount, although these were greatly reduced from 2007. During 2008, both interest rates and trust account balances declined, resulting in a significant reduction from the record high income of 2007.

The foundation’s mandate is to fund legal education, legal research, legal aid, law reform and law libraries. The foundation fulfills this mandate by funding 51 continuing programs and many one-time projects that promote the rule of law and a just society. These range from the Legal Services Society and the British Columbia Law Institute to the Community Legal Assistance Society and many community-based advocacy groups.

In 2008, the foundation undertook an intensive strategic planning process, which it will repeat every five years in the future. A revised mission, vision and strategic plan will be finalized in 2009.
Recommendations from the foundation’s Funding Strategies Review process were implemented in 2008. As a result of this review, the foundation’s application and reporting procedures have been refined. In particular, all continuing programs will be using an outcomes-based framework to guide the work of their foundation-funded programs.

In 2008, the foundation assessed 290 applications for funding. As a result, 51 continuing program grants, 48 project and 63 new initiative grants were made. These grants totalled over $28 million.

Of this amount, $14 million was allocated to the 51 continuing programs for their core operations. Grants of $14 million were paid for one-time projects, including the following:

- Legal Services Society/Law Foundation Research Fund: $1 million
- BC Branch, Canadian Bar Association, for the Rural Education and Access to Lawyers Initiative: $795,000
- People’s Law School, for public legal education on violence against minority women: $300,000
- BC Mediator Roster Society, for improving public access to family mediation: $600,000

Finally, 10 child welfare grants totalling $798,601 were approved. The Child Welfare Fund, created in 2004 with a grant from the Ministry of Children and Family Development, funds the use of alternate dispute resolution processes in the child protection area, with a focus on Aboriginal children. A subcommittee of the foundation’s board of governors administers the fund. The foundation thanks the ministry for its support.

In 2008, the foundation established the Legal Advocate Training Course, an exciting initiative that provides intensive training for poverty law advocates.

Also in 2008, three conferences were held involving the executive directors of all the foundation’s continuing programs, the supervising lawyers of foundation-funded poverty law advocacy groups and the Child Welfare Fund grantees. Finally, the foundation hosted a mentoring session for the executive directors of other Canadian law foundations.

Although interest rates decreased in 2008, competitive interest rate agreements negotiated with financial institutions provided continued income. Favourable new agreements were reached this year with HSBC Bank Canada, Royal Bank of Canada and ScotiaBank. We commend them, together with Vancity Savings Credit Union, Canadian Imperial Bank of Commerce, TD Canada Trust and Bank of Montreal. The foundation thanks members of the profession who choose these institutions providing the highest rates of return to the foundation.

The decline in interest rates will result in a significant reduction in the foundation’s income for 2009. Income will be well below expected expenditures, and the foundation will have to use a sizable portion of its grants stabilization reserve to maintain funding for continuing programs. Fortunately, as the result of a policy decision made by the foundation to build a budget stabilization reserve fund equal to at least the amount of expected grants and expenses for two years, the foundation now has funds available to maintain current funding through 2009 and beyond. If, however, interest rates and/or trust balances do not increase in the next year or two, then the foundation will be forced to re-examine its funding priorities.

The year 2008 saw five changes to the board of governors.

One new board member, Doug McCallum, was appointed by the Attorney General. Mr. McCallum served as the mayor of Surrey from 1996 to 2005. He has served on and chaired a number of boards, including the Greater Vancouver Transit Authority and the Greater Vancouver Regional District. Mr. McCallum has received a number of awards for his civic dedication, including the Queen Elizabeth II Golden Jubilee Medal in 2003 for Outstanding British Columbian.
Four other board members, Mr. Justice David Masuhara, Anna Fung, QC, Frank Scordo and Robert Groves were appointed to the Law Foundation board by the Law Society in late 2008.

The Honourable Mr. Justice Masuhara was appointed to the Supreme Court at Vancouver in 2002. Mr. Justice Masuhara earned his law degree from the University of British Columbia (UBC) in 1982 and was admitted to the bar in 1983. He practiced largely in the energy regulatory field and is the former chair of the corporate counsel section of the BC Branch, Canadian Bar Association. Mr. Justice Masuhara currently chairs the BC superior courts’ Joint Courts Technology Committee.

Anna Fung, QC, was called to the bar in 1986 and is senior counsel with Intrawest. Before that, she was senior counsel and chief privacy officer at Terasen Inc., where she practiced corporate/commercial and administrative law. Appointed Queen’s Counsel in 2000, Ms. Fung is a life bencher of the Law Society of BC and served as its president in 2007.

Frank Scordo earned his law degree from UBC in 1978 and was called to the bar in 1979. A partner with Fulton & Company LLP in Kamloops, with expertise in insurance law and personal injury matters, Mr. Scordo has a broad litigation practice that also includes local government law, commercial litigation and estate disputes.

Robert Groves earned an MA and his law degree from UBC and was called to the bar in 1980. He currently has his own practice in Kelowna with a focus on arbitration, mediation and civil litigation.

Madame Justice Pamela Kirkpatrick, Judge Dev Dley, Grant Gray and myself have all finished our terms on the board.

Governor Kirkpatrick served on the following committees during her six-year term: Bursary, Scholarship and Fellowship (Chair), Special Needs Fund (Chair) and Diversity. Governor Gray served on the Finance and Administration, New Grants and Special Needs Fund (Chair) committees.

Governor Dley was a foundation governor from 2002 and served as chair of the board from January 2008 until his appointment to the Provincial Court bench in June. He previously served on several committees: Policy and Planning (Chair), Finance and Administration, New Grants and Bursary, Scholarship and Fellowship.

I was called back into service as chair of the board from June until December 2008 and end my time with the Law Foundation, having served on several committees (Finance and Administration, New Grants and Funding Strategies).

At our November board meeting, Mary Mouat was elected as the new board chair. Ms. Mouat earned her law degree from the University of Victoria and was called to the bar in BC in 1988. A partner at the Quadra Legal Centre in Victoria, practicing in the areas of family mediation and collaborative law, she has been active in many community and bar organizations, including the Victoria Bar Association, the CBA (BC Branch) executive, the Legal Services Society Family Tariff Committee, the Law Courts Education Society of BC and the Victoria Women’s Sexual Assault Centre. Most recently she was a member of the Family Justice Reform Working Group created by the Justice Review Task Force. A foundation governor since 2006, she has served on the Child Welfare Fund, New Grants (Chair), and Bursary, Scholarship and Fellowship committees.

In closing, I applaud the work of my colleagues on the Law Foundation board. Governors volunteer many hours and their significant abilities to carry out the foundation’s work. I also thank foundation staff, who administer the day-to-day work of the foundation, handling applications and grants, and providing support to the board. The executive director of the foundation, Wayne Robertson, is very much an unsung hero for his dedication to furthering the cause of justice in our society. It is satisfying to see his dedication recognized with the awarding of a QC in early 2009. The profession and the public are well served by all their work.

Warren Wilson, QC
Chair 2008
Mission Statement
To use our income for the benefit of the public of the province of British Columbia by supporting programs that advance and promote the rule of law and a just society. The Law Foundation recognizes the diversity of the people of British Columbia and endeavours to be responsive to the diverse public of British Columbia in its workforce, board and grant making.

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

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

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

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

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

The legislation directed the Law Foundation to distribute these funds in five areas:
- legal education,
- legal research,
- legal aid,
- law reform and
- law libraries.

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

From its inception through to 2008, the Law Foundation has approved grants totalling $403 million to support important law-related programs in British Columbia.

Administration
The Law Foundation is administered by a board of governors (the board), which is responsible for making all decisions concerning grants. It has 18 volunteer members:
- the Attorney General (or his/her appointee);
- 3 persons, not lawyers, appointed by the Attorney General;
- 12 members of the Law Society or the judiciary appointed by the benchers to represent geographical areas of the province; and
- 2 members of the Law Society appointed by the BC Branch, Canadian Bar Association.

The Law Foundation is independent of the government, the Law Society and the BC Branch, Canadian Bar Association, although its governors are appointed by these bodies. The board has five standing committees:
- Bursary, Scholarship and Fellowship
- Finance and Administration
- New Grants
- Policy and Planning
- Special Needs Fund

Two committees established in past years continued their work in 2008. The Child Welfare Fund Committee distributed funds contributed by the Ministry of Children and Family Development to child welfare initiatives throughout BC. The New Initiatives Committee allocated funds to a variety of time-limited projects.

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

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

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

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

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

Program Objectives

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

1. Legal Education

To promote legal education programs and services in British Columbia to make the law more accessible through:
   a. increasing public awareness of the law and the justice system;
   b. providing education to groups with particular legal needs; and
   c. assisting in the academic and professional development of those providing legal services to ensure those services are of the highest quality.

2. Legal Research

To advance the knowledge of:
   a. law,
   b. social policy and
   c. the administration of justice

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

3. Legal Aid

To assist in the provision of legal services, including:
   a. advice to and representation of economically disadvantaged persons; and
   b. support of community service and non-profit organizations that address issues that benefit groups of disadvantaged persons or the public.

To facilitate public access to the justice system.

4. Law Reform

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

5. Law Libraries

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

To encourage and support projects designed to improve the utility and accessibility to both the legal profession and the public of legal and law-related materials.
The Law Foundation provides support for the law-related programs and projects described in the Annual Report. Grants are divided into Continuing Programs and Projects. For reporting purposes, they are listed in the Annual Report under one of the Law Foundation’s five statutorily mandated objectives (see chart). However, many of the organizations’ activities fall under more than one of the mandated areas.

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

**Continuing Programs**

**Legal Education**

**Law Society of BC**

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

- $385,770

**University of British Columbia, Faculty of Law**

- Graduate fellowships: $120,000
- Undergraduate scholarships: $58,000
- Entrance bursaries for disadvantaged students: $27,000

**University of Victoria, Faculty of Law**

- Graduate scholarship program: $60,000
- Entrance and renewal scholarships: $58,000

**Law Foundation**

An education and training fund for the professional development of Law Foundation-funded advocates, including attendance at a provincial training conference

- $104,000

**Law Education**

- Grants Approved in 2008
  - Legal Education: $7,530,273
  - Legal Research: 2,362,422
  - Legal Aid: 15,128,997
  - Law Reform: 698,580
  - Law Libraries: 3,164,250
  - Total: $28,885,522

- Total continuing program grants: $14,416,341
- Total project grants: $13,670,580
- Total child welfare grants: $798,601

**University of Saskatchewan, Native Law Centre**

A pre-law program for Aboriginal students, and the centre’s library and publications

- $20,600

**People’s Law School Society**

Province-wide legal information and education programs

- $315,755
BC Branch, Canadian Bar Association
The Lawyer Referral Service, a service to help the public obtain low-cost legal information and assistance; Law Week 2008 public legal education activities; and Dial-A-Law, a province-wide telephone service providing free legal information to the public  $279,310

PovNet Society
A poverty law website (www.povnet.org), e-mail groups and databases for community legal advocates  $82,500

Law Courts Education Society of BC
A legal information program for First Nations youth in Prince George and the surrounding communities  $76,000

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

**LEGAL RESEARCH**

University of British Columbia, Faculty of Law
Block grants for research and other projects  $27,500

University of Victoria, Faculty of Law
Block grants for research and other projects  $27,500

**LEGAL AID**

Legal Services Society
Support for the BC legal aid plan and the provision of legal information to low-income people  $3,599,750

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

Greater Vancouver Law Students’ Legal Advice Program
A law students’ legal advice program operating free clinics in the Greater Vancouver area  $166,920

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

Kettle Friendship Society
A mental health lay advocacy program providing legal information and assistance on residential tenancy and child protection matters in the Lower Mainland  $143,866

Nelson Cares Society
A lay advocacy program providing legal information and assistance to low-income people in the West Kootenay region  $117,060

Island JADE Society
A lay advocacy program providing legal information and assistance to low-income people in the Campbell River area  $112,500

Together Against Poverty Society
A lay advocacy program providing legal information and assistance to low-income people in the Greater Victoria area  $168,000

West Coast Domestic Workers’ Association
A specialized advocacy service and legal education program for live-in foreign domestic workers  $167,250

University of British Columbia, Faculty of Law, First Nations Clinical Program
A clinical program for law students providing legal services to the Aboriginal community  $167,000

Dean Donna Greschner, University of Victoria Faculty of Law

Joan Braun, executive director, BC Centre for Elder Advocacy and Support
MPA — Motivation, Power and Achievement Society
A courtworkers’ program to assist people with mental illnesses in the criminal justice system $112,500

Abbotsford Community Services Society/Progressive Intercultural Community Services Society
A lay advocacy program providing legal information and assistance to seasonal farm workers in Surrey and the Fraser Valley $109,000

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

Community Connections Society of Southeast BC
A lay advocacy program providing legal information and assistance to low-income people in the East Kootenay region $89,210

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

Ki-Low-Na Friendship Society
A lay advocacy program providing legal information and assistance to low-income people in the Central Okanagan region $82,500

South Fraser Women’s Services Society
A lay advocacy program providing legal information and assistance on family law to women in the Surrey/White Rock area $75,000

Active Support Against Poverty Society
A lay advocacy program providing legal information and assistance to low-income people in the Prince George area $71,450

Port Alberni Friendship Center
A lay advocacy program providing legal information and assistance in the Port Alberni area $64,860

Battered Women’s Support Services
A lay advocacy program providing legal information and assistance to women in the Lower Mainland who have experienced abuse $62,600

Contact Women’s Group Society
A lay advocacy program providing legal information and assistance to low-income people in the Williams Lake area $50,000

Public Interest Law
Community Legal Assistance Society
Test case litigation and law reform on behalf of disadvantaged individuals and groups $734,950

LAW REFORM

BC Civil Liberties Association
Test case litigation, legal education and law reform to protect the civil liberties and human rights of British Columbians $313,600

West Coast LEAF Association
Legal education, law reform and test case litigation to advance equality for women $167,550

LAW LIBRARIES

BC Courthouse Library Society (Courthouse Libraries BC)
The society’s operating costs for the province’s 31 courthouse law libraries $2,737,750

Law Society of BC
Contribution to the operating costs of the CanLII Virtual Law Library, which includes providing current versions of BC legislation on a free website (www.bclaws.ca) $71,500
LawMatters

LawMatters, a project of Courthouse Libraries BC (the BC Courthouse Library Society), will provide everyone in BC with local access to basic legal information by working in co-operation with public libraries in the province.

Over the past two years, LawMatters, funded by the Law Foundation, has given public libraries financial assistance to purchase resources selected from bibliographies of recommended legal titles, and developed research guides on specific legal topics. LawMatters also provides public library staff with training on legal information resources. In 2008, 70 libraries representing 240 rural, urban and regional system branches received grants to enhance their legal information collections. LawMatters staff also provided training to 262 public librarians in 2008.

Public libraries will now have current legal information resources such as Every Canadian’s Guide to the Law, Separation Agreement Kit, Consumer Law and Credit/Debt Manual and Aboriginal People and the Law in BC. Courthouse Libraries BC will also act as a back-up resource to assist local libraries with additional information and reference support.

The LawMatters blog at www.bclawmatters.blogspot.com provides subscribers with information about new legal education publications and other resources on legal issues. For more information, see the LawMatters website at www.bc.lawmatters.ca.

Legal Advocacy Training Course

In 2008, the Law Foundation funded the legal advocacy training initiative to support legal advocates’ professional development so they are well-equipped to provide a full range of advocacy services to clients. This initiative developed in response to the need identified by the board for core training on advocacy skills and legal knowledge for poverty law advocates in BC.

In March 2008, the Law Foundation hired Lois Shelton as the legal advocate training manager to develop and implement a Legal Advocacy Training Course (LATC) in consultation with an advisory committee.

By the end of 2008, 20 advocates had completed the first two-week training course in Vancouver. They came from all regions of BC to learn about income assistance, housing, employment and family legal issues, among others, and to learn and practice important advocacy skills such as writing, interviewing and preparing for hearings. Each week of training included several assignments and a final evaluation. A wide variety of lawyers and advocates with expertise in poverty law or advocacy skills were instructors at the LATC.

The benefits of the LATC have already been significant. Course participants have applied new knowledge to their work in many ways. In years to come, more advocates will benefit from this training.
Projects

Professional Legal Education

University of Victoria
Renovating, updating and expanding the Diana Priestly Law Library at the University of Victoria (UVic) $1,000,000

BC Branch, Canadian Bar Association
Placement of law students in rural law firms for summer work experience and to facilitate the placement of articled students in rural areas $795,000

University of British Columbia
A matched contribution to the Honourable Beverley McLachlin Legal Access Endowment Fund to provide awards to recent law school graduates pursuing legal careers in rural or under-represented communities, or in public interest or social justice law $300,000

University of Victoria
Extension of funding for public interest work placements for law students $292,500

Law Foundation
Legal advocacy training to develop and provide a course of core skills and legal knowledge that legal advocates need so they can provide competent services $162,750

BC Law Institute
A two-year grant for public interest articling fellowships $120,000

Environmental Law Centre, University of Victoria
A two-year grant for public interest articling fellowships $120,000

University of British Columbia
A project to provide information about public interest law and encourage students to work with public interest law groups $75,000

University of Victoria
Participation by law students and lawyers in a summer program of Indigenous Legal Studies at UVic Law School $75,000

Pro Bono Law of BC Society
Support for the First National Pro Bono Week and the Second National Pro Bono Conference held in Vancouver $70,000

Kamloops Bar Association
Scholarship to address the shortage of qualified legal assistants in the area by supporting students taking legal assistant training at Thompson Rivers University $62,500

BC Civil Liberties Association
Public interest articling fellowship for one student to work in the areas of criminal, administrative, constitutional and civil law $60,000

Community Legal Assistance Society
Public interest articling fellowship $60,000

University of Victoria
Public interest articling fellowship $60,000

Upper Skeena Counselling and Legal Assistance Society
Public interest articling fellowship $60,000

Greater Vancouver Law Students’ Legal Advice Society
Public interest articling fellowship $56,900

University of British Columbia
Two visiting scholars, drawn from BC’s non-profit public interest/social justice organizations, to spend a semester each in residence at the UBC Faculty of Law $40,000

International Institute for Child Rights and Development
A project to develop the awareness of legal professionals and others about child participation in the family justice process $30,000

University of British Columbia
Developing an implementation plan for a family consensual dispute resolution program $20,000

Internet Corporation for Assigned Names and Numbers
The 7th International Forum on Online Dispute Resolution $15,000

Université de Montréal, Faculty of Law, Canadian Institute for the Administration of Justice
A conference considering the decision-making processes of public institutions regarding religious and Aboriginal minority matters $10,000
<table>
<thead>
<tr>
<th>Organization</th>
<th>Project Description</th>
<th>Funding</th>
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<tbody>
<tr>
<td><strong>Public Legal Education</strong></td>
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<tr>
<td>Law Courts Education Society of BC</td>
<td>A program to deliver legal education to children and youth whose parents are experiencing separation or divorce</td>
<td>$300,000</td>
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<tr>
<td>People's Law School</td>
<td>A three-year public law education and information project on violence against women in minority communities using radio, television broadcasts and training workshops for settlement workers</td>
<td>$300,000</td>
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<td>BC Mediator Roster Society</td>
<td>Phase 2 of a pilot project to provide information technology-assisted family mediation in remote areas of BC</td>
<td>$300,000</td>
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<td>BC Courthouse Library Society (Courthouse Libraries BC)</td>
<td>Development and maintenance of a database of legal services in BC that will be part of the HelpMap in Clicklaw, the provincial computer portal for public legal education and information</td>
<td>$148,500</td>
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<tr>
<td>Canadian Red Cross Society, Lower Mainland Region</td>
<td>A two-year project to provide refugees and refugee claimants entering Canada with information about legal aid and appropriate refugee agencies</td>
<td>$130,000</td>
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<td>Law Courts Education Society of BC</td>
<td>Developing an interactive online program to help self-represented litigants fill out Small Claims Court forms</td>
<td>$115,000</td>
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<td>BC Law Institute</td>
<td>A two-year project to make the Institute’s law reform material and some library resources available online</td>
<td>$75,000</td>
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<td><strong>BC Teachers’ Federation</strong></td>
<td>A project to develop resources to teach high school students about legal issues arising out of the 1907 anti-Asian riots in Vancouver</td>
<td>$75,000</td>
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<tr>
<td><strong>Downtown Eastside Women’s Centre</strong></td>
<td>A project to identify the legal needs of women in Vancouver’s Downtown Eastside and to provide them with legal information</td>
<td>$75,000</td>
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<tr>
<td><strong>Law Courts Education Society of BC</strong></td>
<td>Educational resources about the Vancouver Community Court for the community and the general public</td>
<td>$75,000</td>
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<td><strong>Nidus Personal Planning Resource Centre Association (formerly Representation Agreement Resource Centre)</strong></td>
<td>A two-year project to educate people throughout BC about new provincial legislation regarding personal planning on guardianship issues</td>
<td>$75,000</td>
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<td><strong>Watari Research Association</strong></td>
<td>Legal education and promotion of alternative measures for the most difficult offenders within the Downtown Community Court in Vancouver</td>
<td>$75,000</td>
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<td><strong>Law Courts Education Society of BC</strong></td>
<td>A project to develop self-help resources about administrative law and administrative tribunals for a website about administrative law (<a href="http://www.adminlawbc.ca">www.adminlawbc.ca</a>)</td>
<td>$74,000</td>
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<tr>
<td><strong>BC Branch, Canadian Bar Association</strong></td>
<td>A project to use technology to help lawyers participate in section meetings and other education events</td>
<td>$73,875</td>
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<tr>
<td><strong>BC Association for Community Living</strong></td>
<td>An update of the Right to Health Care Manual in print and online, and workshops throughout BC about new legislation on guardianship</td>
<td>$66,000</td>
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<td><strong>Union of BC Indian Chiefs</strong></td>
<td>Development of a free online research course for BC First Nations members advancing land claims</td>
<td>$50,000</td>
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<tr>
<td><strong>University College of the Fraser Valley</strong></td>
<td>A DVD documentary called The Meaning of Life about the lives of prisoners at the Kwikwexwelhp Healing Community in the Mission area</td>
<td>$50,000</td>
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<tr>
<td>Organisation</td>
<td>Project Description</td>
<td>Funding</td>
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<td>TRAC Tenant Resource &amp; Advisory Centre Society</td>
<td>Chinese and Spanish translations of the <em>Tenant Survival Guide</em></td>
<td>$36,000</td>
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<tr>
<td>Law Society of BC</td>
<td>A project to educate the public about the importance of the rule of law and an independent legal system in celebration of the Law Society’s 125th anniversary</td>
<td>$25,000</td>
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<tr>
<td>Centre for Global Studies, University of Victoria</td>
<td><em>Constitute!</em> — A film project about constitutional change in the context of women’s activism and how wording in the Charter of Rights and Freedoms was changed to promote women’s equality</td>
<td>$20,000</td>
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<td>Abbotsford Community Services Society</td>
<td>Four workshops on family law and how to navigate the justice system for parents (particularly fathers) in Abbotsford</td>
<td>$15,000</td>
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<td>BCAA Traffic Safety Foundation</td>
<td>Legal education resources about dementia and driving</td>
<td>$15,000</td>
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<td>BC Coalition of People with Disabilities</td>
<td>A special edition of <em>Transition</em> magazine about recommended changes to the Motor Vehicle Act that affect people injured in automobile accidents</td>
<td>$15,000</td>
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<td>BC Branch, Canadian Bar Association</td>
<td>Converting Dial-A-Law materials to digital audio for use online</td>
<td>$15,000</td>
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<td>Dogwood Initiative</td>
<td>Research on and community education about the regulatory process for a liquid natural gas facility proposed for Texada Island</td>
<td>$15,000</td>
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<td>Downtown Eastside Women’s Centre</td>
<td>Legal information for hard-to-house women to help them establish and maintain housing</td>
<td>$15,000</td>
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<td>Greater Vancouver Alliance for Arts and Culture</td>
<td>Legal information and workshops about legal issues connected with the Olympics that affect artists</td>
<td>$15,000</td>
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<td>MPA — Motivation, Power &amp; Achievement Society</td>
<td>A brochure available in several languages about the legal and mental health assistance available in Vancouver and Surrey Provincial Courts</td>
<td>$15,000</td>
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<td>Multiple Sclerosis Society, BC Division</td>
<td>Legal education materials about human rights, CPP disability benefits, disability insurance and legal resources</td>
<td>$15,000</td>
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<tr>
<td>Nidus Personal Planning Resource Centre Association (formerly Representation Agreement Resource Centre)</td>
<td>Legal education materials about new provincial legislation affecting personal planning around guardianship</td>
<td>$15,000</td>
</tr>
<tr>
<td>North Shore Community Resources</td>
<td>Immigration and family law pro bono clinics, family law workshops and a compilation of family law resources in English and other languages</td>
<td>$15,000</td>
</tr>
<tr>
<td>Penticton and District Multicultural Society</td>
<td>Education materials for seasonal farm workers and farm operators on employment, safety and human rights issues</td>
<td>$15,000</td>
</tr>
<tr>
<td>West Coast Genesis Society</td>
<td>Legal education and advocacy manual for staff working with chronically homeless men and federal or provincial offenders on conditional release</td>
<td>$15,000</td>
</tr>
<tr>
<td>YWCA of Vancouver</td>
<td>Translations of the YWCA booklet <em>Leaving an Abusive Relationship: Information on Custody and Access for Women with Children</em> into several languages</td>
<td>$15,000</td>
</tr>
<tr>
<td>Association des juristes d’expression française de la Colombie-Britannique</td>
<td>Participation in 2008 Law Week, including a one-day French language conference for the French-speaking legal community</td>
<td>$14,040</td>
</tr>
<tr>
<td>Sunshine Coast Community Resource Centre</td>
<td>A series of workshops on family and civil law issues for people in the Sunshine Coast region</td>
<td>$13,500</td>
</tr>
<tr>
<td>Western Institute for the Deaf and Hard of Hearing</td>
<td>A series of legal workshops for the deaf community in the Okanagan Valley</td>
<td>$13,330</td>
</tr>
</tbody>
</table>
North Shore Women’s Centre
A project to determine how to effectively expand pro bono family law services at the centre $12,000

Quesnel Tillicum Society
Work with Aboriginal youth to develop legal education workshops on family law, elder abuse and youth justice, and a play on youth justice $8,315

Comox Valley Transition Society
A project to make legal information on family and poverty law accessible to women who are fleeing abuse and train volunteers to assist women in the Comox Valley region $7,950

Lower Similkameen Community Services Society
A series of family law workshops with a special focus on legal issues arising in kinship care situations $7,758

West Coast Prison Justice Society
A project to make copies of the UBC Law Students’ Legal Advice Program Manual available in BC prisons $6,800

Prince Rupert Unemployed Centre Society
Outreach to four isolated First Nations communities to determine legal education needs in these communities $3,120

BC Association of Specialized Victim Assistance and Counselling Programs
A three-year project to analyze legal and policy gaps that compromise the safety of refugee, immigrant and non-status women who experience violence, and to promote changes in law and policy in this area $310,000

Ecojustice Canada Society
A conference to develop a legal strategy to identify key needs and gaps in public interest environmental law $120,000

BC Law Institute
Research and law reform activities in the areas of elder and guardianship mediation, creating legal education materials about mediation, and developing best practice recommendations $75,000

Canadian Human Rights Reporter
A project to develop a strategy for test case litigation to promote the rights of low-income women in BC $75,000

Canadian Mental Health Association — BC Division
Two best practice guides about diversion of youth and Aboriginal people with mental disorders out of the criminal justice system to more appropriate community services $75,000

Ecojustice Canada Society
Research into approaches to advocate for the right to a healthy environment $75,000

EnvironmentaL Law Centre, University of Victoria
Legal research to identify law and policy reform options for the environmental assessment process in BC $75,000

Ecojustice Canada Society
A project to develop model endangered species legislation for BC, review federal legislation and lobby for comprehensive protection of endangered species $60,000

Law Foundation
Legal research fund to support the studies of BC law professors and members of the legal profession

Assistant Professor Benjamin L. Berger: Religious Diversity and the Rule of Law in Canada $20,000

Professor Susan B. Boyd and Assistant Professor Fiona Kelly: Autonomous Motherhood, Changing Family Norms and Law Reform $20,000

Professor Michael Jackson, Qc: The Erosion of Human Rights in Canadian Prisons $20,000

Professor June McCue: Research and Documentation of the Maiyoo Keyoh Society $20,000

Jennifer Metcalf and Mark Redgwell: Provincial Prison Disciplinary Hearing Challenge Project $20,000

Professor Gerry Ferguson: Canadian Criminal Jury Instructions $15,000

Professor Judy Mosoff: Law Reform and Problem Solving Courts $11,000

Simon Fraser University,
Centre for Applied Research in Mental Health and Addiction
Research into how the corrections system succeeds or fails in meeting the needs of homeless people with mental illnesses $75,000

YWCA Vancouver
Research into the challenges faced by immigrant mothers without permanent legal status in Canada with children who cannot be removed from this jurisdiction due to family court orders $75,000

Legal Services Society/Law Foundation
Creation of the joint Legal Services Society/Law Foundation Research Fund to promote research on and evaluation of legal aid and other access to justice programs in order to enhance the quality of and access to justice for British Columbians $1,000,000
**Public Interest Law**

**West Coast Prison Justice Society**
A three-year project for the Prisoner’s Legal Services office to address significant and systemic human rights issues faced by prisoners in BC  
$478,790

**Other Legal Aid Projects**

**Western Canada Society to Access Justice**
Pro bono transition and integration project  
$75,000

**Canadian Centre for Court Technology**
Development of a sustainable business model for the Canadian Centre for Court Technology  
$50,000

**Vernon Women’s Transition House Society**
Vernon Legal Assistance Pro Bono Clinic  
$15,000

**Law Reform**

**Simon Fraser University, Centre for Applied Research in Mental Health and Addiction**
A project to improve the effectiveness of innovative court programs for substance-abusing women  
$75,000

**West Coast Environmental Law Association**
A legal research project to examine the regulatory regime for independent power projects in BC and develop a law reform model  
$75,000

**BC Civil Liberties Association**
A legal research and law reform project about police accountability when a civilian dies or is seriously injured in police custody or while being pursued by police  
$70,000

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**Associate Professor Rebecca Johnson:**
Accounting for Facts in Corporate Law  
$10,022

**Professor Joseph Weiler:**
A Canada-United States Comparative Analysis of the Legal Issues Involved in Workplace Wellness Program Implementation and Compliance  
$10,000

**P’egp’ig7iha Council**
Analysis of the new constitution of the P’egp’ig7iha Council and education of community members about how it affects them on issues such as individual and family rights, responsibility, justice and fairness  
$15,000

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**Legal Services Society**
Development of a new office in New Westminster that integrates civil law services with the provision of criminal and family law legal aid  
$1,135,000

**Legal Services Society**
Project to improve LSS telephone-based service delivery  
$736,564

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**Community-Based Advocacy**

**BC Mediator Roster Society**
A three-year family mediation project to educate the public, improve public access and enhance the skills of family mediators  
$600,000

**Community Legal Assistance Society**
Funding for two junior lawyers to work on poverty law issues  
$541,000

**BC Public Interest Advocacy Centre**
Funding for an additional lawyer to work on poverty law issues  
$356,689

**Maple Ridge/Pitt Meadows Community Services**
Poverty law advocacy services for low-income people in the Maple Ridge/Pitt Meadows area  
$150,000

**SHARE Family and Community Services**
Poverty law advocacy services for low-income people in the Tri-Cities area  
$150,000

**Northern Rockies Aboriginal Women Society**
Two-year grant for advocacy, education and support to the community while increasing public awareness of the law and access to justice  
$80,000

**Social Health and Economic Development Society of Bella Coola**
Legal education, information and advocacy for people in Bella Coola, Anahim Lake, Nimpo Lake and Bella Bella  
$80,000

**Okanagan Advocacy and Resource Society**
Funding for an advocate to assist people with tenancy issues and provide legal education on tenant rights and housing law  
$66,677

**South Peace Community Resource Society**
Two-year funding for a lay advocacy program providing legal information and assistance to low-income people in the Dawson Creek area  
$55,000

**Lillooet Friendship Centre**
Two-year funding for a lay advocacy program providing legal information and assistance to low-income people in the Lillooet area  
$50,000

**St. Paul’s Anglican Church**
A self-help project to provide legal information and assistance to clients and a computer for the public to access web-based legal resources  
$15,000
<table>
<thead>
<tr>
<th>Organization</th>
<th>Project Description</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC Law Institute</td>
<td>A review of and recommendations for reform of the real property system in BC</td>
<td>$50,000</td>
</tr>
<tr>
<td>Sage Foundation</td>
<td>A research project on a legal and regulatory framework for a new charitable model</td>
<td>$40,000</td>
</tr>
<tr>
<td>Canadian Legal Information Institute (CanLII)</td>
<td>A project to add historical decisions from the Supreme Court of Canada that originated in BC, together with their corresponding lower court decisions, to the free virtual law library on the CanLII website</td>
<td>$355,000</td>
</tr>
<tr>
<td>Haida Child and Family Services Society</td>
<td>Second year of a project to develop and implement a traditional Haida Gwaii model for family group conferencing in child protection matters</td>
<td>$100,000</td>
</tr>
<tr>
<td>Nuu-cha-nulth Tribal Council</td>
<td>Second year of a project to develop and implement a Nuu-Cha-Nulth alternate dispute resolution process for child protection matters based on Vancouver Island</td>
<td>$100,000</td>
</tr>
<tr>
<td>Kla-how-eya Aboriginal Centre of Surrey Aboriginal Cultural Society</td>
<td>Second year of a project providing child protection mediation training for Aboriginal community members</td>
<td>$99,604</td>
</tr>
<tr>
<td>Vancouver Aboriginal Child and Family Services Society</td>
<td>Second year of funding to facilitate a family based planning process, as an alternative to court in child protection situations</td>
<td>$98,497</td>
</tr>
<tr>
<td>Squamish Nation</td>
<td>Second year of a project to develop and implement a Squamish Nation alternative dispute resolution model for child protection situations</td>
<td>$96,000</td>
</tr>
<tr>
<td>Prostitutes Empowerment Education and Resources Society</td>
<td>A legal education project to assist sex-trade workers involved with the child protection system</td>
<td>$83,400</td>
</tr>
<tr>
<td>Stó:lo Nation</td>
<td>A project to help families resolve child protection situations using a Stó:lo Nation model of dispute resolution</td>
<td>$80,000</td>
</tr>
<tr>
<td>Interior Métis Child and Family Services Society</td>
<td>A project to implement an alternative dispute resolution process for Métis clients involved in the child protection system</td>
<td>$75,000</td>
</tr>
<tr>
<td>Northwest Inter-nation Family and Community Services Society</td>
<td>Second year of a project to provide alternate dispute resolution services for child protection matters in Terrace and Prince Rupert</td>
<td>$38,900</td>
</tr>
<tr>
<td>BC Dispute Resolution Practicum Society</td>
<td>Funding for students enrolled in the Child Protection Practicum to take additional mentored mediations to complete their training</td>
<td>$27,200</td>
</tr>
<tr>
<td>Support for organizations to address emergent needs as recognized throughout the year, including a $350,000 transfer to the Child Welfare Fund and grants to: BC Freedom of Information and Privacy Association</td>
<td>A conference held by the association to consider legal issues connected with privacy and identity theft</td>
<td></td>
</tr>
<tr>
<td>BC Law Institute</td>
<td>The 2008 Canadian Elder Law Conference held in Vancouver</td>
<td></td>
</tr>
<tr>
<td>BC Law Institute</td>
<td>Federation of Law Reform Agencies of Canada symposium to consider ways to collaborate on law reform across Canada</td>
<td></td>
</tr>
<tr>
<td>BC Branch, Canadian Bar Association</td>
<td>Research about public confidence in the justice system</td>
<td></td>
</tr>
</tbody>
</table>
Civil Legal Needs in BC

During 2008, the Law Foundation contracted with consultant Carol McEown to conduct a civil legal needs assessment and draft the Civil Legal Needs Research Report. The Law Foundation of BC commissioned this report because it needs a clear picture of the legal needs of British Columbians in order to make the best use of its funding and plan for the coming years. This report summarizes the key research completed in BC and other jurisdictions, considers what that research shows about gaps in BC legal services, and draws conclusions that suggest next steps. The study is posted on the Law Foundation website at www.lawfoundationbc.org (click on “Publications — Civil Legal Needs Research Report”).
2008 Auditor’s Report

December 31, 2008

To the Governors
The Law Foundation of British Columbia

We have audited the statement of financial position of The Law Foundation of British Columbia as at December 31, 2008 and 2007 and the statements of changes in net assets, income and expenses, and cash flows for the years then ended. These financial statements are the responsibility of the foundation’s governors. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the foundation as at December 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Vancouver, Canada
February 3, 2009

Tompkins, Wozny, Miller & Co.
Chartered Accountants
## Statement of Financial Position

The Law Foundation of British Columbia

*As at December 31*

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>416,647</td>
<td>245,569</td>
</tr>
<tr>
<td>Prepaid expenses and other</td>
<td>35,085</td>
<td>27,282</td>
</tr>
<tr>
<td>Property and equipment [note 5]</td>
<td>116,954</td>
<td>171,352</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>100,050,020</td>
<td>101,465,424</td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET ASSETS

#### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>182,648</td>
<td>235,877</td>
</tr>
<tr>
<td>Legal Services Society/Law Foundation Research Fund [note 7]</td>
<td>2,000,000</td>
<td>—</td>
</tr>
<tr>
<td>Grants payable [note 8]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— within one year</td>
<td>38,598,856</td>
<td>30,874,867</td>
</tr>
<tr>
<td>— long term</td>
<td>17,430,785</td>
<td>25,869,022</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>58,435,169</td>
<td>57,537,931</td>
</tr>
</tbody>
</table>

#### Net assets

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity in property and equipment</td>
<td>116,954</td>
<td>171,352</td>
</tr>
<tr>
<td>Grant stabilization reserve [note 9]</td>
<td>41,497,897</td>
<td>43,756,141</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>41,614,851</td>
<td>43,927,493</td>
</tr>
</tbody>
</table>

### Commitments [note 13]

### Subsequent event [note 14]

*See accompanying notes*

Approved by:

Warren Wilson, QC  
Governor

John Dustan  
Governor

---

## Statement of Changes in Net Assets

*Years ended December 31*

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQUITY IN PROPERTY AND EQUIPMENT</td>
<td>$171,352</td>
<td>$43,756,141</td>
</tr>
<tr>
<td>GRANT STABILIZATION RESERVE</td>
<td>($59,293)</td>
<td>($2,253,349)</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>$116,954</td>
<td>$41,497,897</td>
</tr>
</tbody>
</table>

### 2008

- Balance, beginning of year
- Decrease in net assets for the year
- Acquisition of property and equipment

### 2007

- Balance, beginning of year
- Increase (decrease) in net assets for the year
- Acquisition of property and equipment

*See accompanying notes*
### Statement of Income and Expenses

**Years ended December 31**

<table>
<thead>
<tr>
<th></th>
<th>2008 $</th>
<th>2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received on lawyers’ trust accounts</td>
<td>31,920,811</td>
<td>50,876,297</td>
</tr>
<tr>
<td>Investment income (loss) (net) [note 10]</td>
<td>(4,943,524)</td>
<td>2,620,006</td>
</tr>
<tr>
<td>Unclaimed trust funds and other income [note 11]</td>
<td>207,338</td>
<td>209,426</td>
</tr>
<tr>
<td></td>
<td>27,184,625</td>
<td>53,705,729</td>
</tr>
<tr>
<td></td>
<td>27,993,910</td>
<td>55,208,212</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit and annual report</td>
<td>59,172</td>
<td>42,959</td>
</tr>
<tr>
<td>Consulting and legal</td>
<td>130,161</td>
<td>92,667</td>
</tr>
<tr>
<td>Meetings and travel</td>
<td>193,448</td>
<td>136,822</td>
</tr>
<tr>
<td>Office</td>
<td>110,106</td>
<td>166,658</td>
</tr>
<tr>
<td>Rent and occupancy costs</td>
<td>141,233</td>
<td>139,816</td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>947,768</td>
<td>876,007</td>
</tr>
<tr>
<td>Amortization of property and equipment</td>
<td>59,293</td>
<td>37,497</td>
</tr>
<tr>
<td>Total expenses</td>
<td>1,641,181</td>
<td>1,492,426</td>
</tr>
<tr>
<td></td>
<td>2,450,466</td>
<td>2,994,909</td>
</tr>
<tr>
<td><strong>Net income before grants approved</strong></td>
<td>25,543,444</td>
<td>52,213,303</td>
</tr>
<tr>
<td>Program and project grants approved [note 12]</td>
<td>28,086,921</td>
<td>44,462,678</td>
</tr>
<tr>
<td>Less program and project grants refunded or unused</td>
<td>230,835</td>
<td>55,469</td>
</tr>
<tr>
<td></td>
<td>27,856,086</td>
<td>44,407,209</td>
</tr>
<tr>
<td><strong>Increase (decrease) in net assets for the year</strong></td>
<td>(2,312,642)</td>
<td>7,806,094</td>
</tr>
</tbody>
</table>

*See accompanying notes*

### Statement of Cash Flows

**Years ended December 31**

<table>
<thead>
<tr>
<th></th>
<th>2008 $</th>
<th>2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received on lawyers’ trust accounts</td>
<td>31,920,811</td>
<td>50,876,297</td>
</tr>
<tr>
<td>Interest received on investments (net)</td>
<td>5,189,897</td>
<td>3,616,996</td>
</tr>
<tr>
<td>Unclaimed trust funds and other income received</td>
<td>207,338</td>
<td>209,426</td>
</tr>
<tr>
<td>Expenses paid</td>
<td>(1,642,923)</td>
<td>(1,427,693)</td>
</tr>
<tr>
<td>Program and project grants paid, net of refunds and returns</td>
<td>(26,715,993)</td>
<td>(19,483,083)</td>
</tr>
<tr>
<td><strong>Cash provided by operating activities</strong></td>
<td>8,959,130</td>
<td>33,791,943</td>
</tr>
<tr>
<td>Legal Services Society/Law Foundation Research Fund</td>
<td>1,000,000</td>
<td>—</td>
</tr>
<tr>
<td>Child Welfare Fund payments, net of grants received</td>
<td>(1,189,626)</td>
<td>(788,541)</td>
</tr>
<tr>
<td></td>
<td>8,769,504</td>
<td>33,003,402</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment purchased</td>
<td>(4,895)</td>
<td>(21,182)</td>
</tr>
<tr>
<td>Purchase of investments (net)</td>
<td>(8,593,531)</td>
<td>(32,779,297)</td>
</tr>
<tr>
<td><strong>Cash used in investing activities</strong></td>
<td>(8,598,426)</td>
<td>(32,800,479)</td>
</tr>
<tr>
<td><strong>Increase in cash for the year</strong></td>
<td>171,078</td>
<td>202,923</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>245,569</td>
<td>42,646</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>416,647</td>
<td>245,569</td>
</tr>
</tbody>
</table>

*See accompanying notes*
The Law Foundation of British Columbia

December 31, 2008

1. NATURE OF ACTIVITIES

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

2. SIGNIFICANT ACCOUNTING POLICIES

Cash Basis — Interest on Lawyers’ Pooled Trust Accounts

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

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

Property and Equipment

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

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

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

Investment Income and Operating Expenses

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

Program and Project Grants Approved

The foundation expenses grants in the current year that provide annual operating funding to organizations covering 12-month periods beginning in the current and subsequent calendar years, plus grants for special projects, which may be payable over several years. Those grants that are not yet paid are reflected as grants payable.

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

Expenditures on programs that are operated by the foundation are included in program and project grants approved as they are disbursed. The unexpended portion of funding approved for these programs is reflected as a commitment and is not included in grants approved or grants payable.

Investments

Investments are recorded at market value. Gains and losses arising from changes in the market value of investments are recorded as they occur. Transactions are reported based on their settlement date.

Restricted and Administered Funds

a) Child Welfare Fund

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

b) Legal Services Society/Law Foundation Research Fund

The foundation’s 50% contribution to the research fund has been treated as an approved grant. This grant has been added to the funding provided by the Legal Services Society of BC and the combined amount has been reported as the research fund liability. As the foundation administers, but does not exclusively control the expenditures from the research fund, future expenditures from the fund will be treated as a reduction of the research fund liability.

Use of Estimates

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

Statement of Cash Flows

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

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

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

4. INVESTMENTS

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
<th>Cost $</th>
<th>Market Value $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Equity fund</td>
<td>22,717,264</td>
<td>14,267,578</td>
</tr>
<tr>
<td></td>
<td>Fixed income fund</td>
<td>91,066,847</td>
<td>85,213,756</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>113,784,111</td>
<td>99,481,334</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
<th>Cost $</th>
<th>Amortization $</th>
<th>Net Book Value $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Leasehold improvements</td>
<td>161,429</td>
<td>84,071</td>
<td>77,358</td>
</tr>
<tr>
<td></td>
<td>Furniture and equipment</td>
<td>98,594</td>
<td>69,722</td>
<td>28,872</td>
</tr>
<tr>
<td></td>
<td>Computers and accessories</td>
<td>34,749</td>
<td>24,025</td>
<td>10,724</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>294,772</td>
<td>177,818</td>
<td>116,954</td>
</tr>
</tbody>
</table>

2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
<th>Cost $</th>
<th>Amortization $</th>
<th>Net Book Value $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold improvements</td>
<td>161,429</td>
<td>51,088</td>
<td>110,341</td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>101,304</td>
<td>55,563</td>
<td>45,741</td>
<td></td>
</tr>
<tr>
<td>Computers and accessories</td>
<td>33,759</td>
<td>18,489</td>
<td>15,270</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>296,492</td>
<td>125,140</td>
<td>171,352</td>
<td></td>
</tr>
</tbody>
</table>

5. PROPERTY AND EQUIPMENT

<table>
<thead>
<tr>
<th>Year</th>
<th>Property and Equipment</th>
<th>Cost $</th>
<th>Accumulated Amortization $</th>
<th>Net Book Value $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Leasehold improvements</td>
<td>161,429</td>
<td>84,071</td>
<td>77,358</td>
</tr>
<tr>
<td></td>
<td>Furniture and equipment</td>
<td>98,594</td>
<td>69,722</td>
<td>28,872</td>
</tr>
<tr>
<td></td>
<td>Computers and accessories</td>
<td>34,749</td>
<td>24,025</td>
<td>10,724</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>294,772</td>
<td>177,818</td>
<td>116,954</td>
</tr>
</tbody>
</table>

6. CHILD WELFARE FUND

The BC Ministry of Children and Family Development granted the foundation $1 million in 2004, an additional $2 million in 2006 and $124,000 in 2008 to develop innovative proposals consistent with the guiding principles of the Child, Family and Community Service Act, to expand the use of alternative dispute resolution in child welfare — particularly for Aboriginal children and families. In 2008, the foundation granted $350,000 to the fund.

The fund comprises:

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Child Welfare Fund, beginning of year</td>
<td>558,165</td>
</tr>
<tr>
<td></td>
<td>Grants received</td>
<td>124,000</td>
</tr>
<tr>
<td></td>
<td>Law Foundation grant</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1,032,165</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>Child Welfare Fund, beginning of year</td>
<td>2,060,648</td>
</tr>
<tr>
<td></td>
<td>Grants received</td>
<td>124,000</td>
</tr>
<tr>
<td></td>
<td>Law Foundation grant</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2,060,648</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Direct development expenses paid</td>
<td>(130,684)</td>
</tr>
<tr>
<td></td>
<td>Grants — paid</td>
<td>(131,225)</td>
</tr>
<tr>
<td></td>
<td>— payable</td>
<td>(547,376)</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>(809,285)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>Direct development expenses paid</td>
<td>(131,566)</td>
</tr>
<tr>
<td></td>
<td>Grants — paid</td>
<td>(319,200)</td>
</tr>
<tr>
<td></td>
<td>— payable</td>
<td>(1,051,717)</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>(1,502,483)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Child Welfare Fund, end of year</td>
<td>222,880</td>
</tr>
<tr>
<td></td>
<td>Grants — payable</td>
<td>558,165</td>
</tr>
</tbody>
</table>
7. LEGAL SERVICES SOCIETY/LAW FOUNDATION RESEARCH FUND (RESEARCH FUND)
The Legal Services Society of BC and the foundation established the research fund with a grant of $1,000,000 each pursuant to a deed of trust dated March 31, 2008. The purpose of the research fund is to support research on and evaluation of legal aid and other access to justice programs to enhance the quality of and access to justice for British Columbians. The research fund is to be administered by the foundation, and distribution of the funds is to be approved by an advisory committee consisting of one nominee from the Legal Services Society, the foundation and the Notary Foundation. Investment income earned on unexpended funds is to be added to the research fund.

8. LONG-TERM GRANTS PAYABLE
The foundation has approved grants with multi-year payment schedules that are estimated to be payable in the following years:

<table>
<thead>
<tr>
<th>Year</th>
<th>2008 $</th>
<th>2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>—</td>
<td>30,874,867</td>
</tr>
<tr>
<td>2009</td>
<td>38,598,856</td>
<td>13,222,592</td>
</tr>
<tr>
<td>2010</td>
<td>11,036,282</td>
<td>8,699,475</td>
</tr>
<tr>
<td>2011</td>
<td>5,733,923</td>
<td>2,126,393</td>
</tr>
<tr>
<td>2012</td>
<td>365,783</td>
<td>1,525,765</td>
</tr>
<tr>
<td>2013 – 2015</td>
<td>294,797</td>
<td>56,029,641</td>
</tr>
<tr>
<td></td>
<td>56,743,889</td>
<td>56,743,889</td>
</tr>
</tbody>
</table>

Less portion payable within one year

<table>
<thead>
<tr>
<th>Year</th>
<th>2008 $</th>
<th>2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(38,598,856)</td>
<td>(30,874,867)</td>
</tr>
<tr>
<td></td>
<td>17,430,785</td>
<td>25,869,022</td>
</tr>
</tbody>
</table>

9. GRANT STABILIZATION RESERVE
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 reserve that functions as a stabilization fund that declines in years in which the foundation’s net income is less than the grants approved, and increases when net income is greater than the grants approved.

10. INVESTMENT INCOME (LOSS)
Investment income (loss) comprises:

<table>
<thead>
<tr>
<th>Description</th>
<th>2008 $</th>
<th>2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends earned</td>
<td>5,436,944</td>
<td>3,840,965</td>
</tr>
<tr>
<td>Write-down of investment value to market</td>
<td>(10,001,310)</td>
<td>(2,004,471)</td>
</tr>
<tr>
<td>Gain (loss) on sale of investments</td>
<td>(132,111)</td>
<td>1,007,481</td>
</tr>
<tr>
<td>Investment advisory fees</td>
<td>(247,047)</td>
<td>(223,969)</td>
</tr>
<tr>
<td></td>
<td>(4,943,524)</td>
<td>2,620,006</td>
</tr>
</tbody>
</table>

11. 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 2008 was $92,273 (2007 — $112,082).

Other Income
In 2007, the Law Society of BC Pro Bono Funding Task Force recommended that the society allocate a portion of annual lawyers’ practice fees to fund pro bono services. The Task Force noted that the foundation was uniquely well suited to determining recipients of pro bono grant funds. At their March meeting, the society benchers decided to transfer one percent of the general fund portion of annual lawyers’ practice fees to the foundation to be used for funding pro bono programs. The total received for 2008 was $115,065 (2007 — $97,344).
12. PROGRAM AND PROJECT GRANTS APPROVED

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major continuing program and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>project grants were made to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Services Society of BC</td>
<td>5,471,314</td>
<td>6,898,357</td>
</tr>
<tr>
<td>BC Courthouse Library Society</td>
<td>2,886,250</td>
<td>4,887,222</td>
</tr>
<tr>
<td>University of Victoria, Faculty</td>
<td>1,958,522</td>
<td>4,281,000</td>
</tr>
<tr>
<td>of Law</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University of BC, Faculty of Law</td>
<td>895,500</td>
<td>6,922,200</td>
</tr>
<tr>
<td>Other continuing program grants</td>
<td>7,193,341</td>
<td>6,849,686</td>
</tr>
<tr>
<td>Other project grants</td>
<td>9,681,994</td>
<td>14,624,213</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>28,086,921</td>
<td>44,462,678</td>
</tr>
</tbody>
</table>

2008 project grants include grants of $300,000 (2007 — $6,250,000) that were originally conditional upon the receipt of matching funds by the grantees. At December 31, 2008, aggregate grants totalling $4,189,589 (December 31, 2007 — $6,572,276) were conditional upon the receipt of matching funds.

13. COMMITMENTS

a) Premises Lease

In addition to shared building operating costs, property taxes and GST, the foundation is committed to annual rent payments until April 30, 2013 for its office premises. The required payments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>ANNUAL RENT PAYMENTS $</th>
<th>TOTAL RENT COMMITMENT $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 – 2012</td>
<td>77,088</td>
<td>308,352</td>
</tr>
<tr>
<td>2013 (4 months)</td>
<td>31,988</td>
<td>31,988</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>340,340</strong></td>
</tr>
</tbody>
</table>

b) Legal Advocacy Training Course

During the year, the foundation agreed to provide funding totalling $484,500 to set up and manage a legal advocacy training course and to operate the program for a three-year period. In 2008, the foundation expended $162,750 on expenses related to the development and operation of this program, and this amount is included in program and project grants approved. At December 31, 2008, the foundation was committed to spending a further $321,750 on this program.

14. SUBSEQUENT EVENT

On January 31, 2009, the market value of the foundation’s equity and fixed income investments was $1,158,000 less than the market value at December 31, 2008. These values fluctuate on a daily basis, and have subsequently both exceeded and fallen below the carrying value shown on these financial statements.
Board of Governors
As of December 31, 2008

Back row, left to right:
Judge Dennis Schmidt
Bursary, Scholarship and Fellowship Committee
New Initiatives Committee
Kelle Maag
Finance and Administration Committee
Special Needs Fund Committee
Bruce Strachan
Child Welfare Fund Committee (Chair)
New Initiatives Committee
Samantha Hulme
Child Welfare Fund Committee
Policy and Planning Committee
Jerry McHale, QC
Child Welfare Fund Committee
Nancy Merrill
New Initiatives Committee
Policy and Planning Committee
Mary Mouat
Child Welfare Fund Committee
New Grants Committee (Chair)
Patricia Schmit, QC
Finance and Administration Committee
New Grants Committee
Doug McCallum
Finance and Administration Committee
New Grants Committee

Front row, left to right:
John Waddell, QC
New Initiatives Committee (Chair)
Policy and Planning Committee
Grant Gray
Finance and Administration Committee
New Grants Committee
Margaret Sasges
Finance and Administration Committee
Policy and Planning Committee
Additional Board of Governors committee members (not in photo):
Christine Elliott
New Grants Committee
Heather Raven
Child Welfare Fund Committee

John Dustan
Bursary, Scholarship and Fellowship Committee
Special Needs Fund Committee
Warren Wilson, QC
Chair of the Board of Governors (June 14 – December 31, 2008)
Ex-officio member of all committees
Linda Parsons
New Initiatives Committee
Policy and Planning Committee (Chair)

Photographs:
Destrube Photography; Lois Shelton; Sandra VanderSchaaf
Photography
Coordination and editing:
Winnifred Assmann and Ben D’Andrea, All About Writing
Design and production:
Linda Coe Design Limited

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