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# LAW FOUNDATION OF NOVA SCOTIA ANNUAL REPORT

The Law Foundation of Nova Scotia was established in 1976 by amendment to the *Barristers and Solicitors Act* (now the *Legal Profession Act*, 2004, c. 28, s. 1.). Its central purpose is to receive and distribute interest earned on lawyers' pooled trust accounts in accordance with its mandate. It is the only foundation in Nova Scotia devoted solely to community law-related initiatives and legal education.

The objects of the Law Foundation are "to establish and maintain a fund to be used for the examination, research, revision and reform of and public access to the law, legal education, the administration of justice in the Province and other purposes incidental or conducive to or consequential upon the attainment of any such objects."

The Foundation is administered by a board of up to nine members. The Governor in Council appoints up to five members. The Nova Scotia Barristers' Society appoints four. The members of the board in 2017 – 2018 were:

## APPOINTED BY THE GOVERNOR IN COUNCIL:

Steve Graham

George W. Hudson, TREASURER

Valerie MacKenzie

Kent Noseworthy

M. Estelle Theriault, Q.C., VICE-CHAIR

## APPOINTED BY THE COUNCIL OF THE NOVA SCOTIA BARRISTERS' SOCIETY:

Robert G. MacKeigan, Q.C., CHAIR

Margaret M. MacKenzie, SECRETARY

Dwight Rudderham, Q.C.

Douglas R. Ruck, Q.C.

The Governor in Council appoints the chair from the members of the board, upon the joint recommendation of the Attorney General and the Nova Scotia Barristers' Society.

The board meets 3 – 4 times per year and reviews grant applications for the following fiscal year at its winter meeting.

## During 2017 – 2018, the Foundation employed two part-time staff members:

Mary D. Hamblin    Executive Director

Kathy Samson    Executive Assistant

Please visit [nslawfd.ca](http://nslawfd.ca) for more information on the Law Foundation of Nova Scotia.

## CHAIR'S MESSAGE

The Law Foundation of Nova Scotia acts as a conduit to help thousands of people across the Province of Nova Scotia achieve access to justice.

Pursuant to the *Legal Profession Act* financial institutions pay the Law Foundation interest accrued on lawyers' pooled trust accounts. These funds are in turn paid out as grants to support public access to the law, legal education, research and reform, and the administration of justice.

## GRANTS

For the fiscal year April 1, 2018 – March 31, 2019, the Law Foundation approved twenty-one grants totaling \$1,086,056. During the fiscal year April 1, 2017 – March 31, 2018, seventeen grants were approved totaling \$798,529. Increased grant capacity for the current fiscal year is due to higher prime interest rates.

Grants approved by the Law Foundation support valuable work in meeting the legal needs of individuals who face barriers to accessing justice and to fund projects targeted to address gaps identified by last year's ***Grants Review and Future Directions Report***. This report assessed the value of current grants and aided in identifying new projects worthy of support should revenues improve. It is my hope that we will continue to sustain and grow the Foundation's grants program for years to come.

## GRANTS REVIEW AND FUTURE DIRECTIONS

The 2017 *Grants Review and Future Directions Report* continues to fulfill its mandate to help the board evaluate the current distribution of funds and provide a roadmap for the future. It sets out specific barriers to access to justice and highlights certain populations' unmet needs to remedy legal vulnerabilities identified during the research. It provides a list of issues that includes:

- the prohibitive cost of legal services;
- rural inaccessibility;
- lack of cultural competency;
- the growing need for family law information;
- the plight of self-represented litigants, including their effect on the legal system; and,
- the need for pro bono and alternate dispute resolutions services.

In July, 2017, the legal justice community welcomed the report as released, publicizing it through various channels. The Foundation was invited to present its findings to bodies such as the Access to Justice Committee of the Courts, the role of which is to co-ordinate the various access to justice initiatives in Nova Scotia. Certain Foundation grantees stated the report shed light on the critical aspects of their work toward improved access to justice. They have leveraged the findings of the report at community and board meetings, as well as in their research programs to raise awareness. The general public has shown interest in learning more about access to justice as evidenced by the request of April 2018 for an interview on the radio talk show *Legally Speaking*, which was broadcast in Halifax and streamed on the world-wide web.

This interest confirms that there are increasing possibilities for improving access to justice in Nova Scotia. The Foundation will continue its work accordingly.

## REVENUE AND GRANTS

Interest revenue accrued on lawyer's pooled trust accounts is payable by the respective financial institutions to the Law Foundation of Nova Scotia. Interest is remitted in accordance with negotiated agreements between the Foundation and the financial institutions using formulas tied to the prime rate of interest. The prime rate of interest and balances in pooled trust accounts are crucial to the Foundation's yearly revenue. For the fiscal year ended March 31, 2018, the Foundation received \$1,306,790 in trust interest revenue, an increase from the \$703,059 attributed to the fiscal year ended March 31, 2017.

A reserve fund is maintained by the Foundation to ensure sustainability of its grants mandate. Declining interest rates in recent years forced the Foundation to call upon the reserve to fund grants. The Foundation hopes to replenish the reserve fund for future years as the prime interest rate increases.

## TRUST INTEREST REVENUE TRACKING

The Foundation works with financial institutions and lawyers in an effort to ensure that the financial institutions are reporting on all lawyers' pooled trust accounts. The Nova Scotia Barristers' Society provides the Foundation with a list of the accounts reported by lawyers and firms on Annual Trust Account Reports. This allows the Foundation to identify pooled trust accounts which have not been included in the remittance reports received from the financial institutions. Tracking of this nature began in earnest in 2014, resulting in recovery to date of \$219,492 in retroactive interest owing on trust accounts that had not been included on monthly remittance reports. This includes \$8,906 received in the past year.

## RECOGNITION OF THE BOARD AND STAFF

I would like to take this opportunity to thank the board members and the staff for their assistance in the work of the Law Foundation. Mary Hamblin has just completed her first year as executive director and Kathy Samson has just completed 30 years of service with the Foundation as executive assistant.

I also wish to recognize and thank R. Camille Cameron, Dean, Schulich School of Law, Dalhousie University and Estelle Theriault, Vice-Chair of the Foundation for their work in acting with me as co-trustees of the Law Foundation Scholarship Fund.



Robert G. MacKeigan, Q.C. Chair

## REVENUE

The Foundation's main source of revenue is interest earned on lawyers' pooled and Service Nova Scotia trust accounts in the province. Trust account revenue fluctuates with the balances in the trust accounts and with the prime rate of interest. Financial institutions remit interest based upon "prime – X" formulas negotiated with each law foundation in Canada; changes in the prime rate can produce dramatic results. The Foundation experienced highs and lows between 2008 and 2010, seeing trust account revenue top the \$4 million mark and then drop to \$331,560. Trust account revenue remained steady at about \$1 million for the next 3 years but that changed in 2015 – 2016. After holding the target for the overnight rate at 1 per cent for several years, the Bank of Canada reduced it unexpectedly to  $\frac{3}{4}$  per cent in January 2015 and then again to  $\frac{1}{2}$  per cent in July.

Financial institutions followed by dropping their prime rates to 2.85 per cent and 2.7 per cent, resulting in a drop in the Foundation's trust account revenue to from \$1,054,754 in 2015 to \$766,388 for the year ending March 2016, then declining to \$703,059 for the year ending March 2017. In a turn-around, then, financial institutions followed the Bank of Canada's three successive increases in the overnight rate between July 2017 and January 2018 resulting in the prime rate jumping from 2.7 per cent to 2.95 per cent to 3.2 per cent, and, by March 31, 2018, to 3.45 per cent resulting in a spike in revenue for the Foundation, ending the year with \$1,306,790 in revenues from interest earned on pooled trust accounts in Nova Scotia. The average prime rate in the fiscal year 2017-2018 was 3.1 per cent, with the range being 2.7 per cent to 3.45 per cent, the latter, as established by the financial institutions in January 2018.

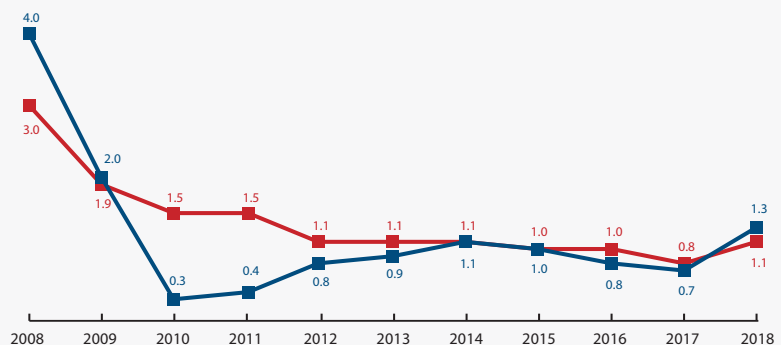
Historically, dramatic interest rate swings, coupled with different methods of calculating interest paid by financial institutions and higher or lower trust account balances, have produced interesting results. The prime rate peaked at 22.75 per cent in August 1981 but trust account revenue was under \$300,000. By 1993 – 1994, a different formula for calculating interest payments produced the same amount of trust account revenue with an average prime rate of 5.7 per cent. An average prime of 7.4 per cent in 2001 resulted in trust account revenue of \$1.9 million whereas an average rate of 6 per cent in 2008 yielded over \$4 million.

### TRUST ACCOUNT REVENUE & GRANTS

Fiscal Years Ending 2008 - 2018

Grants Awarded (\$M)

Revenue (\$M)

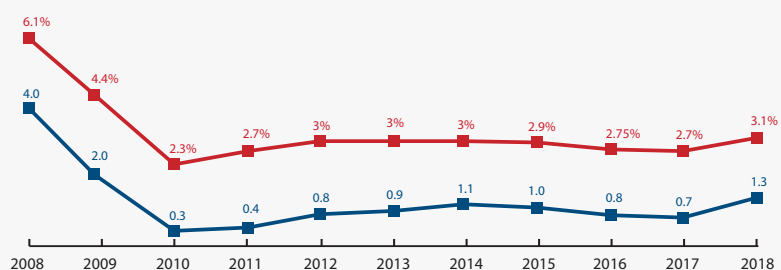


### TRUST ACCOUNT REVENUE & PRIME RATES

Fiscal Years Ending 2008 - 2018

Average Prime Rate (%)

Revenue (\$M)



## RESERVE FUND MAINTAINS GRANT LEVELS

It was recognized early in the Foundation's history that a severe decline in the prime rate could severely reduce trust interest revenue and force the board to reduce or eliminate grants. To help protect against this risk, the Foundation established a prudent reserve fund in 1986 to be used to maintain regular grants in periods when low interest rates result in insufficient income to fund them. The Foundation has, in recent years, been forced to resort to making withdrawals from the reserve fund to maintain operations and to provide a consistent level of funding for the grantees.

For example, although trust interest revenue dropped dramatically in 2010 due to the reduction in the prime rate of interest, the decision to maintain grant allocations at \$1.5 million, higher than the revenue stream, forced the Foundation to rely upon the reserve. Then, as revenues climbed slightly, the Foundation continued to provide grants equal to, or incrementally higher than, revenues, which meant that it often had to use reserve funds for administrative operations. The Foundation, then, decided to slightly reduce grants, hovering at the \$1.1 - \$1 million mark for several years. In 2015 the prime rate dropped further, which, ultimately, resulted in a reduction of most grants by 15% for 2017 – 2018, and an increasing draw upon the reserve. There were concerns that this may be unsustainable if revenues continued to flag.

The downward trend reversed when the prime rate increased in fiscal year 2017-2018 starting in July (from 2.7 to 2.95 per cent); then, September (to 3.2 per cent); and, finally, in January when it climbed to 3.45 per cent, allowing the Foundation to increase grants for the 2018-2019 fiscal year to \$1,086,056, higher than the previous year's \$798,529 grants budget.

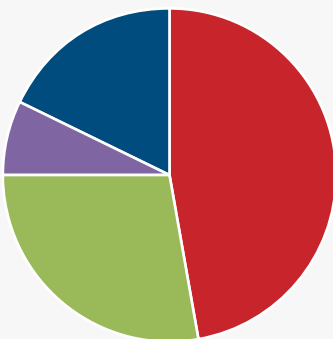
During the fiscal year ending March 31, 2018, the Foundation began the year relying upon transfers from the reserve, but ended the year with enough surplus to replenish at least that year's amount withdrawn. As of March 31, 2018, the market value of investments held in the reserve fund was \$3,887,101.

## GRANTS

Since its creation in 1976, the Foundation has received approximately \$43.3 million in revenue from interest on lawyers' trust accounts, and has awarded over \$40.6 million in grants. These grants have made it possible for community organizations to help Nova Scotians understand the law and to use it to improve their lives while also promoting improvements in the law and excellence within the profession. During the 2017 – 2018 fiscal year, the Foundation awarded grants totaling \$1,086,056 to be disbursed during 2018 – 2019.

### GRANTS TO BE DISBURSED IN 2018 – 2019

Grants are categorized according to the Foundation's four mandated objectives. Activities of many of the funded organizations fall under more than one of the objectives.



### GRANTS AWARDED BY MANDATE

Public Access to Law:	\$427,851	39%
Legal Education:	\$298,676	28%
Research and Reform:	\$193,671	18%
Administration of Justice:	\$165,858	15%
<b>TOTAL:</b>	<b>\$1,086,056</b>	<b>100%</b>

## LAW FOUNDATION SCHOLARSHIP FUND

The Law Foundation established a trust fund in 1981 to provide scholarships to students attending the Schulich School of Law at Dalhousie University. The fund supports scholarships valued at \$16,000 for students entering first year, renewable in second and third years provided the recipient maintains a B+ average. Fellowships at the graduate level are also available. The Law Foundation Scholarship Fund has provided \$3.98 million in scholarships to support 379 students during the past 37 years.

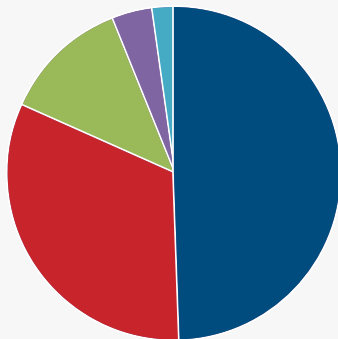
The 2017 – 2018 scholarships included three entrance and a total of seven second and third-year scholarships. One graduate fellowship valued at \$20,000 was also awarded. Scholarship payments for the year totalled \$180,000.

### Scholarship recipients this year were:

<b>Entering 1st Year:</b>	Tyler Chaisson, Sarah Dobson, Marc Lewis
<b>Entering 2nd Year:</b>	Raylee Hunter, Jack MacDonald, Cameron Phipps-Burton
<b>Entering 3rd Year:</b>	Dakota Vassberg, Adam Karakolis, Mitchell Brown, Katrina Labrun
<b>Graduate Fellowship:</b>	Nenyo Kwasitsu

## FUNDING GUIDELINES AND APPLICATION PROCEDURES

The board strives to be accountable in the distribution of funds received by the Foundation. The board also endeavours to be transparent and consistent in its evaluation of applications. It takes into consideration where programs will operate and who will benefit from them, as well as whether they fit within the Foundation's mandate. Accountability extends to the careful assessment and consistent monitoring of programs that receive funding. Funding guidelines and grant application procedures may be obtained by contacting the executive director, or by visiting the Foundation's website at [nslawfd.ca](http://nslawfd.ca).



## GRANTS BY GEOGRAPHIC AREA

<b>Province Wide</b>	<b>49%</b>
<b>HRM</b>	<b>33%</b>
<b>Cape Breton</b>	<b>12%</b>
<b>Antigonish Pictou Guysborough</b>	<b>4%</b>
<b>King's County</b>	<b>2%</b>



## GRANTS TO BE DISBURSED IN 2018 – 2019

<b>Antigonish Women's Resource Centre</b>	<b>\$48,791</b>	<b>Law Reform Commission of Nova Scotia</b>	<b>\$84,914</b>
A rural outreach program providing law-related information and individual support for women and adolescent girls in Antigonish and Guysborough Counties and the Strait area		Review of provincial laws & recommendations for improvement, modernization and reform	
<b>Avalon Sexual Assault Centre</b>	<b>\$45,660</b>	<b>Leave Out Violence (LOVE)</b>	<b>\$7,953</b>
Sexual assault legal information and education, professional training workshops, support services and policy development aimed at improving the criminal justice process for victims of sexual violence		Youth who have experienced violence are trained to become educators about the root causes, effects & alternatives to violent behavior	
<b>Coverdale Courtwork Services</b>	<b>\$50,625</b>	<b>Legal Information Society of Nova Scotia (LISNS)</b>	<b>\$121,496</b>
Information and support for women in the criminal court process; counseling and support at parole hearings & pre-release planning		Programs providing Nova Scotians with access to legal information & resources to enable them to answer their questions about the law and begin to address their legal issues	
<b>Dalhousie Legal Aid</b>	<b>\$99,988</b>	<b>Mainline Needle Exchange</b>	<b>\$30,504</b>
Legal services; community development and law reform; an educational experience for 3rd year law students		A legal education program for drug users & service providers; legal assistance for drug users in court & correctional institutions	
<b>East Coast Environmental Association</b>	<b>\$43,031</b>	<b>Pro Bono Students Association</b>	<b>\$13,500</b>
Collaboration among students, academics & practitioners; responds to environmental law inquiries from individuals, community groups and non-profit organizations; reviews existing and proposed environmental legislation and policies; delivers environmental law education		Law students volunteer their time to provide legal services to public interest community organizations	
<b>Elizabeth Fry Cape Breton</b>	<b>\$75,843</b>	<b>reachAbility</b>	<b>\$22,832</b>
Support for women in prison; programs & services for women charged with offences or at risk in the community; law reform & community education		Access to legal services & plain language information for persons with disabilities across Nova Scotia	
<b>Elizabeth Fry Mainland</b>	<b>\$56,521</b>	<b>Stepping Stone</b>	<b>\$35,037</b>
Support for women in prison; programs & services for women charged with offences or at risk in the community; law reform & community education		Court support & assistance for current or former sex trade workers; workshops for sex trade workers and the legal community; community education	
<b>EPIC Society</b>	<b>\$44,280</b>	<b>Project – Halifax Refugee Clinic</b>	<b>\$42,900</b>
After school programs for youth in conflict with the law & support for parents; reduces recidivism amongst at-risk youth		<b>Legal Training and Capacity</b>	
<b>Halifax Refugee Clinic</b>	<b>\$94,205</b>	Workshops by legal experts, geared towards lawyers and other quasi-legal or front line workers with immigrant client populations; film/ video of key training concepts to last after the one year project ends; Other legacy materials such as volunteer counsel manual for refugee legal matters; multi-lingual	
A legal clinic to assist financially eligible refugee claimants before the Immigration & Refugee Board & in related matters		<b>Project – Prison Law Advocacy</b>	<b>\$56,000</b>
<b>I B &amp; M Initiative</b>	<b>\$52,650</b>	Legal navigator for women and girls in the criminal justice system, province wide; provides alternatives to incarceration, programs in correctional institutions and in the community, presentations, consultations; new research contributes to the field	
An initiative to increase the representation of Indigenous Blacks & Mi'kmaq people in the legal profession		<b>Project – Empowering People Who Use Drugs</b>	<b>\$41,776</b>
<b>King's County Seniors' Safety Program</b>	<b>\$17,550</b>	Establish a network of peer-based legal navigators to provide peer support, information, and bridge to resources to reduce criminality and improve health practices; innovative program designed to have sustainable aspects	
A program to provide legal, safety & security information on an individual and group basis to seniors in King's County			

**TOTAL GRANTS: \$1,086,056**

## SOME LAW FOUNDATION GRANTEE STORIES



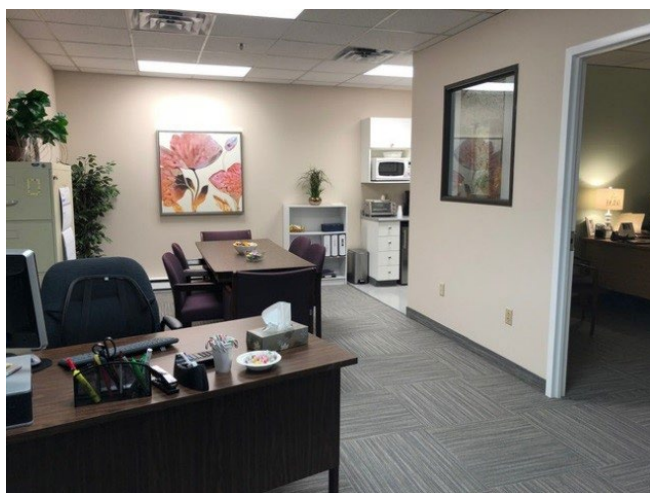
### ANTIGONISH WOMEN'S RESOURCE CENTRE

*Justice Matters for Women* extends the services of the Antigonish Women's Resource Center and Sexual Assault Services Association (AWRCSASA) to adolescent girls and women living in rural communities of Antigonish and Guysborough County. We provide law-related information and resources to and support women and adolescent girls in making informed decisions. *The Justice Matters for Women* program is of particular importance to women of Guysborough County as only two lawyers practice law within this large geographical area. Some women have no choice but to seek legal services outside the county; this can be difficult as there is no public transportation service. One example is this story.

The *Justice Matters for Women* outreach support worker responded to a request for support from a woman living in a rural community of Guysborough county who had experienced a violent crime.

In the immediate aftermath of this violent crime she experienced extreme stress in her attempts to report the crime to both local and regional RCMP officials. Throughout the investigation process the women was re-traumatized by what she characterized as negative and accusatory statements. This negative experience significantly impacted the woman's ability to navigate the justice system and access services in her community. The outreach worker started by "believing" and from that stance provided emotional and financial support, referred her to trauma therapy, provided court accompaniment and accessed resources that met her needs. *The Justice Matters for Women* program provided a service that generated resilience, hope and support for this woman.

For more information go to [awrcsasa.ca](http://awrcsasa.ca)



Coverdale provides a welcoming space at the Quinpool Centre for their clients to access support and services

### COVERDALE COURTWORK SERVICES

In 2017 Coverdale experienced major and impactful changes that address our commitment to fiscal responsibility and focus on the strength and viability of our organization. We are now located at 6169 Quinpool Road, Suite 203, Halifax, a central location that houses a number of not-for-profit organizations. Centrally located, and easily accessible, it is a great new location to best serve our clients.

At Coverdale change is part of everything we do. Our programs and services exist to help women and girls address the challenges that place them at risk and help them move towards brighter futures. This same commitment to positive transition is also at the core of how we operate as an organization; evolving existing programs to better support our clients and creating new and innovative programs where there are unmet needs. We sincerely thank the Law Foundation for their on-going support and recognition of the work that we do....it is truly appreciated!

For more information go to [coverdale.ca](http://coverdale.ca)



Elizabeth Fry Society staff and clients at Holly House, their supportive transitional home for women in Dartmouth

## ELIZABETH FRY MAINLAND

Our exciting news for this year is a realignment of our priorities and staffing. It is with great excitement that we announced the realignment of the organizational structure at the Elizabeth Fry Society of Mainland Nova Scotia this year. In order to better serve the needs of our clients and the mandate of our organization we have developed three core priorities:

- 1) housing,
- 2) programming, and
- 3) prison law advocacy, navigation and triage.

In the coming year we will partner with Elizabeth Fry Cape Breton in a special project to reach out with a Prison Law Project.

For more information go to [efrymns.ca](http://efrymns.ca)



EPIC Youth Peer youth-volunteer guitar instruction mentoring



EPIC Youth Peer participants in Cape Breton University (CBU) Community Action Project "Giving In Winter – It Warms the Heart" featured in the Cape Breton Post Feb 16 2018.

## EDUCATIONAL PROGRAMS INNOVATIONS CHARITY (EPIC) SOCIETY

EPIC, on behalf of United Way Cape Breton Youth Committee and supported by NS Culture Communities & Heritage, is overseeing delivery of 200 Youth Employability Workshops for marginalized youth ages 13-18 across Cape Breton Regional Municipality (CBRM). Social skill-building sessions, conducted in partnership with Eskasoni School Board, YMCA, and United Way, dovetail with EPIC's Youth Peer and Tutor-Mentor Outreach programs serving high-risk youth in Sydney, Glace Bay, Sydney Mines, and New Waterford.

For more information go to [epiccharity.com](http://epiccharity.com)



IB&M Director, Prof. Michelle Williams, Assistant, Valerie Armstrong, students and alumni with the portrait of the late Dr. Burnley "Rocky" Jones

## INDIGENOUS BLACKS AND MI'KMAQ INITIATIVE (I B & M)

An initiative to increase the representation of Indigenous Blacks & Mi'kmaq people in the legal profession, the IB&M Initiative recently celebrated the permanent installation of the late Dr. Burnley "Rocky" Jones portrait at the Schulich School of Law. Mr. Jones was a founder of the IB&M Initiative, one of its first graduates and valedictorian of his class. A cherished leader in the African Nova Scotian community and beyond, his portrait serves as an inspiration to the law school community.

Also see the Dalhousie news story:

[www.dal.ca/faculty/law/news-events/news/2018/03/28/portrait\\_of\\_burnley\\_rocky\\_jones\\_ibb\\_92\\_unveiled\\_in\\_weldon\\_s\\_atrium.html](http://www.dal.ca/faculty/law/news-events/news/2018/03/28/portrait_of_burnley_rocky_jones_ibb_92_unveiled_in_weldon_s_atrium.html)

For more information go to [dal.ca](http://dal.ca) › **Schulich School of Law**



A group of LOVE youth and staff at the annual holiday party in December 2017

## LEAVE OUT VIOLENCE (LOVE)

At LOVE, youth who have experienced violence are trained to become educators about the root causes, effects & alternatives to violent behavior. Below are a couple of quotes from our mid-year evaluations, by youth involved in our entry-level Media Arts Program:

*"I look forward to coming to LOVE because I feel like it promotes honest and positivity in my life, which allows me to be happy, more mentally healthy, and honestly less stressed."*

*"I come because I can express my opinion and it's like an escape from reality where nobody judges you, you can be yourself, and everyone is so caring/loving. It means a lot as I try to cope with my feelings and emotional pain. I look forward to coming and it is a commitment that I can keep."*

*"I come for friendship, and help with issues I can't deal with on my own."*

For more information go to [novascotia.leaveoutviolence.org](http://novascotia.leaveoutviolence.org)



## LEGAL INFORMATION SOCIETY OF NOVA SCOTIA (LISNS)



LISNS Information Technology (IT) Team from SMU who developed an innovative Wills app with the Executive Director Heather De Berdt Romilly

**WILLS APP** LISNS formally launched the Wills App – the first of its kind in Canada – to help people prepare for making a will. LISNS has been making presentations to various groups including at locations in Shelburne, Bridgewater, Truro, Bedford where sessions have been filled with waiting lists. The Wills App ([wills.legalinfo.org](http://wills.legalinfo.org)) was developed by a dynamite IT team from Saint Mary's University who volunteered 2 years of their time – not only for development but also for its pilot implementation, evaluation and full-scale implementation. This is a sophisticated app which is a considerable accomplishment. This work was profiled by the **Halifax Chamber of Commerce, Business Voice (May 2017 edition)** ([halifaxchamber.com/pub\\_categories/business-voice](http://halifaxchamber.com/pub_categories/business-voice)) and is the subject of **CBC radio interviews**. ([www.legalinfo.org/legal-information-topics/our-new-wills-app-is-live](http://www.legalinfo.org/legal-information-topics/our-new-wills-app-is-live))

**Wills Clinics for Seniors in the Preston Communities** as of March 2018, clinics have resumed and are supported by volunteer students at the Law School Wills Project using LISNS wills app and working under the supervision of the Project's volunteer lawyers.

**YOUTH AND THE LAW** On May 2, 2018, LISNS held our first law day at Citadel high where drama students performed skits written by LISNS for a capacity crowd of over 300 students at the Spatz Theatre. It was very successful and we hope to partner with Dept of Education to roll it out to all high schools in the Province. We are combining youth financial and legal literacy and looking at helping youth get ready for the decisions they will be making shortly. We have released our youth app for financial preparation just today and have a youth guide under development and we are seeking feedback from the students in attendance.

**WEBSITE AND LEGAL REFERRAL** LISNS received project funding (2017-19) from the Law Foundation of Ontario for modernization of our website and legal information referral services. Through this project LISNS has successfully launched 1) a new mobile friendly website to respond to the increasing number of visitors accessing our site using mobile devices, 2) LiveChat available through the website, and 3) greater capacity serving clients via e-mail inquiries.

**SMALL CLAIMS COURT APP** LISNS successfully launched the first in Canada, **Small Claims Court App**, developed entirely with volunteer assistance including IT student expertise (SMU), paralegals, lawyers, and political science students. Our work was the subject of a television interview on Global News Morning Halifax (November 7, 2017), talking about the Small Claims app and pilot project; and profiled in the Lawyer's Daily, "New app helps self-represented NS litigants navigate Small Claims Court" November 29 2017 - both available at [www.legalinfo.org/legal-information-topics/new-small-claims-court-app](http://www.legalinfo.org/legal-information-topics/new-small-claims-court-app).

The app provides clarity and easy-to-understand legal information for self-represented individuals during often stressful and in sometimes complex situations. LISNS Executive Director Heather de Berdt Romilly explains, "Research shows that when clearly explained legal information is accessible at an early stage it helps address potential litigation problem areas in a significant majority of cases."

The app, available on the LISNS website ([smallclaims.legalinfo.org](http://smallclaims.legalinfo.org)), is the result of many individuals and organizations collaborating in the spirit of access to justice. The Small Claims Court Adjudicators, LISNS, Saint Mary's University and Dalhousie University have all played significant roles in bringing this LISNS initiative to launch. Gavin Giles, Q.C., the Chief Adjudicator of the Small Claims Court, recognized a need to better assist the many self-represented individuals and reached out to LISNS for its expertise and assistance. With contributions from Adjudicators Eric Slone and W. Augustus Richardson, LISNS turned to Saint Mary's University Computer Science Graduate Kislav Trivedi to develop the app.

**IWK FAMILY LEGAL HEALTH PROGRAM** Since October 2017 medical social workers receive legal information on behalf of patients/families on-site at the IWK Health Centre twice a month (first and third Tuesday 1-3 pm), for the **IWK Family Legal Health Program** (one of a very few medical legal partnerships east of Montreal).

For more information go to [legalinfo.org](http://legalinfo.org)

## MAINLINE NEEDLE EXCHANGE

Mainline provides a legal education program for drug users & service providers, as well as legal assistance for drug users in court and correctional institutions.



Mainline Executive Director Diane Bailey and Cindy MacIsaac of Direction 180



Staff, peers, volunteers, and friends celebrating Mainline's 26th Anniversary May 2018

With funding received from the Law Foundation of Nova Scotia for the "Community Based Legal Support & Education Project", project staff supported and helped a client receive a conditional sentence due to his involvement in Mainline's peer navigator project. This client has spent multiple years incarcerated, and has a long outstanding involvement with police, justice and the courts. Mainline staff has lived experience and the organization has incorporated "Nothing About Us Without Us" principles into our daily programming and services.

Mainline plays a critical and essential role in reducing risks and improving the health of people who use drugs (PWUD) in Nova Scotia. Extensive evidence from the past 25 years has demonstrated the successes and benefits of a harm reduction approach in terms of reducing transmission of disease. Despite common perceptions, harm reduction does a great deal more than just meet immediate needs to help people use drugs more safely. The formal and informal connections that are facilitated by a safe, non-judgmental approach also help individuals to access addictions treatment, as well as necessary health and social services. Furthermore, efforts of harm reduction organizations are critical in chipping away at the stigma of drug use and poverty, providing safe spaces to seek help and support, as well as increasing connections between this very marginalized population and the broader community.

For more information go to [mainlineneedleexchange.ca](http://mainlineneedleexchange.ca)



The reachAbility staff including Nathan Kaulback, reachAbility legal coordinator, in the Pride Parade this year



John Merrick, volunteer lawyer for reachAbility, providing a session for clients.

## REACHABILITY

reachAbility provides access to legal services & plain language information for persons with disabilities across Nova Scotia. reachAbility writes:

*"With the ongoing support of the Law Foundation of Nova Scotia, reachAbility is able to provide one on one and group legal sessions for people with disabilities. We are removing the stigma, one legal issue at a time!"*

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Financial Statements

Law Foundation of Nova Scotia

March 31, 2018

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## Independent auditor's report

To the Members of the Board of the  
**Law Foundation of Nova Scotia**

**Grant Thornton LLP**  
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We have audited the accompanying financial statements of the Law Foundation of Nova Scotia, which comprise the statement of financial position as at March 31, 2018, and the statements of operations for the general and reserve fund, statements of changes in net assets for the general and reserve fund and statement of cash flows for the year ended March 31, 2018, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian accounting standards for not-for-profit organizations. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for qualified opinion**

The Law Foundation of Nova Scotia derives substantially all of its revenue from interest credited by financial institutions of Nova Scotia Barristers' Society members' mixed trust funds which is not susceptible to complete audit verification. Accordingly, our verification of revenue from this source was limited to accounting for the amounts received from financial institutions and recorded in the records of the Law Foundation of Nova Scotia. Therefore we were unable to determine whether any adjustments might be necessary for revenue, excess of revenue over expenses, and cash flow from operations for the years ended March 31, 2018 and 2017, assets as at March 31, 2018 and 2017 and net assets as at April 1, 2017 and 2016 and March 31, 2018 and 2017. Our audit opinion on the financial statements for the year ended March 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

### **Qualified opinion**

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Law Foundation of Nova Scotia as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian standards for not-for-profit organizations.

*Grant Thornton LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Halifax, Canada  
June 8, 2018

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**Law Foundation of Nova Scotia****Statement of operations and changes in general fund**

Year ended March 31

2018

2017

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## Revenue

Interest on trust accounts	\$ 1,306,790	\$ 703,059
Interest recovery from prior years	8,906	151,454
Miscellaneous income	3,508	2,904
Return of endowment funds	-	100,000
	<u>1,319,204</u>	<u>957,417</u>

## Grants disbursed

<u>1,086,056</u>	<u>798,529</u>
<u>233,148</u>	<u>158,888</u>

## Expenditures

Accounting and audit	8,855	8,625
Amortization	369	463
Bank charges	288	431
Consulting	3,881	2,248
Director's insurance	1,908	1,908
Miscellaneous	2,405	4,695
Office	7,600	8,516
Rent and common area	19,710	19,025
Salaries and benefits	137,020	157,598
Telephone	1,753	1,710
Travel and meetings - board	2,851	4,659
Travel - staff and chair	5,609	1,007
	<u>192,249</u>	<u>210,885</u>

Excess (deficiency) of revenue over expenditures	\$ <u>40,899</u>	\$ <u>(51,997)</u>
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General fund, beginning of year	\$ -	\$ -
Excess (deficiency) of revenue over expenditures	40,899	(51,997)
Transfer (to) from reserve fund	<u>(40,899)</u>	<u>51,997</u>

General fund, end of year	\$ <u>-</u>	\$ <u>-</u>
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**Law Foundation of Nova Scotia****Statement of operations and changes in reserve fund**

Year ended March 31

**2018****2017**

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## Revenue

Interest on investments	\$ 31,891	\$ 37,049
Dividend income	102,397	83,811
Change in market value of investments	<u>(132,284)</u>	<u>287,499</u>
	<u>2,004</u>	<u>408,359</u>

## Expenditures

Brokers' and investment management fees	<u>31,015</u>	<u>30,874</u>
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(Deficiency) excess of revenue over expenditures	\$ <u>(29,011)</u>	\$ <u>377,485</u>
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Reserve fund, beginning of year	\$ 3,154,391	\$ 2,828,903
(Deficiency) excess of revenue over expenditures	(29,011)	377,485
Transfer from (to) general fund	<u>40,899</u>	<u>(51,997)</u>
Reserve fund, end of year	\$ <u>3,166,279</u>	\$ <u>3,154,391</u>

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# Law Foundation of Nova Scotia

## Statement of financial position

March 31

2018

2017

### Assets

#### Current

Cash	\$ 367,505	\$ 305,137
Prepays	<u>2,602</u>	<u>2,472</u>
	370,107	307,609

Investments (note 3)

3,887,101

3,671,394

Equipment (note 4)

1,479

1,848

\$ 4,258,687

\$ 3,980,851

### Liabilities

#### Current

Payables and accruals (note 5)	\$ 6,248	\$ 8,246
Designated grants payable (note 6)	<u>1,086,160</u>	<u>818,214</u>
	1,092,408	826,460

### Fund balances

#### Reserve fund

3,166,279


3,154,391

\$ 4,258,687

\$ 3,980,851

Commitment (note 7)

On behalf of the Board

 Director

 Director

# Law Foundation of Nova Scotia

## Statement of cash flows

Year ended March 31	2018	2017
Increase (decrease) in cash		
<b>Operating</b>		
Excess of revenue over expenditures	\$ 11,888	\$ 325,488
Items in earnings not involving cash		
Amortization	369	463
Change in market value of investments	132,284	(287,499)
Reinvested dividends	<u>(797)</u>	<u>(5)</u>
	143,744	(38,447)
Change in non-cash working capital balances		
Prepays	(130)	(179)
Payables and accruals	(1,998)	1,341
Designated grants payable	<u>267,946</u>	<u>(177,169)</u>
	<u>409,562</u>	<u>(137,560)</u>
<b>Investing</b>		
Purchase of investments	(1,602,820)	(517,344)
Proceeds on disposal of investments	<u>1,255,626</u>	<u>684,830</u>
	<u>(347,194)</u>	<u>167,486</u>
Net increase in cash	62,368	29,926
Cash		
Beginning of year	<u>305,137</u>	<u>275,211</u>
End of year	\$ <u>367,505</u>	\$ <u>305,137</u>

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# Law Foundation of Nova Scotia

## Notes to the financial statements

March 31, 2018

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### 1. Nature of operations

The Law Foundation of Nova Scotia (the "Foundation") was established in 1976 by a Nova Scotia statute as a not-for-profit organization and is exempt from income tax. Its purpose is to grant funds to groups for projects connected with the law.

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### 2. Summary of significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant policies used in the preparation of these statements are detailed as follows:

#### Fund accounting

The Board has internally restricted funds to finance future operations of the Foundation. The net investment income earned on these assets is recorded in the reserve fund.

The general fund accounts for the Foundation's day-to-day activities which include the interest income on the lawyers' trust accounts, the interest income on the investments, less grants approved and paid, and the administrative expenses for running the Foundation.

#### Cash

Cash includes cash balances on hand and held in investment accounts.

#### Investments

The investments of the Foundation consist of money market funds, fixed income securities, and equities. They are measured at fair value with changes in fair value recognized in the statement of operations and changes in reserve fund in the period in which they arise.

#### Equipment

The cost of equipment is amortized over its useful life using the following annual rates and methods:

	<u>Rate</u>	<u>Method</u>
Office equipment	20%	Declining balance
Furniture and fixtures	20%	Declining balance

When equipment no longer has any long-term service potential to the Foundation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any write-downs recognized are not reversed.

#### Financial instruments

##### *Initial measurement*

The Foundation's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

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# Law Foundation of Nova Scotia

## Notes to the financial statements

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March 31, 2018

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

##### *Subsequent measurement*

At each reporting date, the Foundation measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. The Foundation has also irrevocably elected to measure its investments in fixed income securities at fair value. All changes in fair value of the Foundation's investments in equities quoted in an active market and in fixed income securities are recorded in the statement of operations. The financial instruments measured at amortized cost are accrued interest receivable and payables and accruals.

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure as at the date of the financial statements.

i) Credit risk

The Foundation is exposed to credit risk in the event of non-performance by counterparties to financial instruments. The Foundation is not exposed to any significant credit risk.

ii) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to pay financial liabilities as they come due. The majority of assets held by the Foundation are invested in securities that are traded in an active market and can be readily disposed of as liquidity needs arise.

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For purposes of this disclosure, the Foundation segregates market risk into three categories: interest rate risk, currency risk and other price risk.

##### *Interest rate risk*

The Foundation holds cash, money market funds and fixed income investments of \$1,311,312 at year end (2017 - \$1,476,326). A 1% absolute change in interest rates would increase or decrease interest income by \$13,113 (2017 - \$ 14,763).

##### *Currency risk*

The Foundation's functional currency is the Canadian dollar. Foreign currency risk arises from the Foundations investments that are denominated in a foreign currency. Fluctuations in the relative value of foreign currencies against the Canadian dollar can result in positive or negative effect on the fair value of the investments. The Foundation holds \$1,342,560 (2017 - \$1,160,032) in cash and investments denominated in United States Dollars. A 5% absolute change in the foreign exchange rate would result in a gain or loss of \$67,128 (2017 - \$58,002).

##### *Other price risk*

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those occurring from interest rate risk or currency risk. Securities held for trading are carried at fair value and, as such, impact earnings as changes occur. Investments held by the Foundation are managed by professional investment managers and are monitored by management.



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# Law Foundation of Nova Scotia

## Notes to the financial statements

March 31, 2018

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### 2. Summary of significant accounting policies (continued)

#### Revenue recognition

Interest on trust accounts is recorded in the General Fund on an accrual basis.

Interest income and dividend income are recorded on an accrual basis, in the General or Reserve Fund.

Realized gains or losses on sale of investments are the difference between the proceeds received and the cost of investments sold.

Unrealized gains or losses on investments represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognized unrealized gains and losses in respect of disposals during the year.

#### Use of estimates

The preparation of the financial statements in conformity with ASNPO requires the Foundation's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the year. Certain of these estimates require subjective judgments by management that may be uncertain. These items could include fair value of investments and useful lives of capital assets. Actual results could differ from those reported.

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### 3. Investments

	<u>Cost</u>	<u>2018 Market Value</u>	<u>Cost</u>	<u>2017 Market Value</u>
Equities and mutual funds	\$ 2,746,761	\$ 2,943,474	\$ 2,169,442	\$ 2,500,205
Fixed income	729,532	741,651	949,382	969,345
Money market fund	<u>200,000</u>	<u>201,976</u>	<u>200,000</u>	<u>201,844</u>
	<u>\$ 3,676,293</u>	<u>\$ 3,887,101</u>	<u>\$ 3,318,824</u>	<u>\$ 3,671,394</u>

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### 4. Equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2018 Net Book Value</u>	<u>2017 Net Book Value</u>
Office equipment	\$ 30,718	\$ 29,525	\$ 1,193	\$ 1,491
Furniture and fixtures	<u>8,769</u>	<u>8,483</u>	<u>286</u>	<u>357</u>
	<u>\$ 39,487</u>	<u>\$ 38,008</u>	<u>\$ 1,479</u>	<u>\$ 1,848</u>

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# Law Foundation of Nova Scotia

## Notes to the financial statements

March 31, 2018

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### 5. Payables and accruals

Included in payables and accruals are government remittances payable of \$3,660 (2017 - \$5,658).

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### 6. Designated grants payable

	<u>2018</u>	<u>2017</u>
Grants approved in the current year	\$ 1,086,160	\$ 798,529
Unpaid grants approved in 2017	<u>-</u>	<u>19,685</u>
Grants payable	<u>\$ 1,086,160</u>	<u>\$ 818,214</u>

Grants that have been approved but remain unpaid at year end are reported as current liabilities.

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### 7. Commitment

The Foundation rents its premises under a long-term lease which expires June 30, 2019. Estimated annual costs are \$20,000, including annual base rental and common area costs.

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# **LAW FOUNDATION OF NOVA SCOTIA**

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