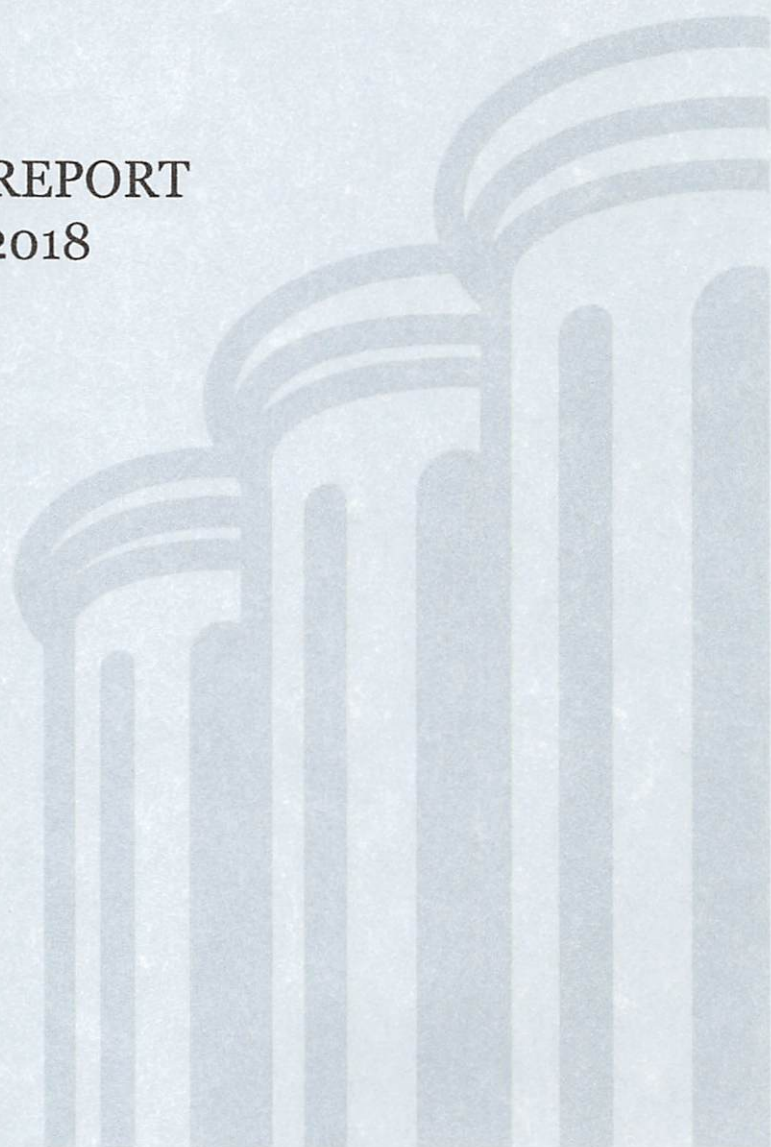




New Brunswick
Law Foundation

Fondation pour le droit
au Nouveau-Brunswick

ANNUAL REPORT
2017-2018



New Brunswick Law Foundation

As Chair of the New Brunswick Law Foundation, I am pleased to present the Annual Report for the fiscal year ended April 30, 2018.

The accounts of the Foundation have been examined by the accounting firm of Bringloe Feeney LLP. The audited financial statements for the fiscal year form part of this report.

The Foundation derives its revenues primarily from the interest earned on lawyer's mixed trust accounts maintained in financial institutions. During the past several years, interest rates – which are tied to the prime lending rate set by the Bank of Canada – have been at historical lows. However, with three increases in prime rates during the reporting period, improved interest on those trust accounts increased revenues from \$452,226 last year to \$754,705 this fiscal year, an increase of 66.9 %.

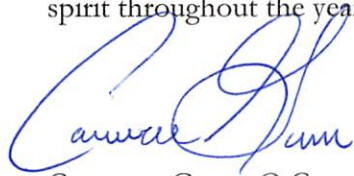
During the year, the Foundation reviewed fourteen (14) applications for funding and twelve (12) were approved for a total of \$452,921 in grants. Details of these programs and projects are included in this report. I encourage those who would have innovative programs or projects that are in keeping with the Foundation's mandate to contact the foundation office to obtain more information on project funding. Application forms and guidelines are available through the New Brunswick Law Foundation link on the Law Society of New Brunswick's website.

In 2017, the Foundation said farewell to Executive Director Alban Martin, after nearly 18 years of dedicated service. His significant contributions to the financial strength and administration of the Foundation will long be remembered, particularly his work related to trust account compliance. We wish Alban the very best in his retirement.

At the same time, we welcomed our new Executive Director, Monique McLeod, who comes with extensive experience in financial services and grants & contributions management while with the Atlantic Canada Opportunities Agency (ACOA).

On behalf of the Board of Directors, I'd also like to express our thanks to two valuable members of the Foundation's Board who stepped down recently. First, Bruce Eddy, Q.C., who was Chair of the Board from 2014 to 2018. He also served as Chair from 2004 to 2007. Bruce brought a thoughtful intention to his stewardship, guiding and protecting the Foundation to ensure its longevity, sustainability and success. Ivan Robichaud, Q.C. (as he was when he joined us) served on the Board since 2015 and offered valuable and reasoned insights to its deliberations. Ivan was appointed a Judge of the Trial Division of the Court of Queen's Bench in Bathurst. Congratulations, Justice Robichaud.

Finally, I extend my thanks to the Foundation's Directors for their time, interest and collaborative spirit throughout the year.



Cameron Gunn, Q.C.
Chairperson

PURPOSE

The New Brunswick Law Foundation (Foundation) was established in 1975 by an amendment to the *Barristers' Society Act* (now the *Law Society Act, 1996*). By legislation, this amendment directed that the interest earned on lawyers' mixed trust accounts be paid to the Foundation.

The purposes for which the Foundation's funds can be used are stipulated by statute. These are:

- * Legal aid,
- * Legal research,
- * Legal education,
- * Law reform,
- * Law libraries,
- * Bursaries and scholarships for the study of law,
- * All other things that are, in the opinion of the Board, incidental or conducive to the attainment of the purposes referred to above.

REVENUES

The Foundation derives its revenues primarily from the interest on lawyer's mixed trust accounts maintained in financial institutions. The interest calculated by the financial institutions is based on interest rates and terms negotiated by the Foundation. In general, the interest rates that the Foundation currently receives are equal to the prime rate minus a range of between 2.25 % to 3.25%, with an agreed upon minimum rate. Basic service charges are waived by some institutions while others continue to deduct such charges. Monitoring and negotiation of the rates and charges continue both provincially and nationally. The national efforts are coordinated through the Association of Canadian Law Foundations of which the Foundation is a member.

ADMINISTRATION

The Foundation is administered by a Board of Directors consisting of seven members appointed by the Law Society of New Brunswick (Law Society) . Five directors, including the chairperson, are required to be members of the Law Society and two directors are appointed as public representatives. The Directors meet as required to review grant applications and to determine investment and general administrative policies. One part-time staff member, the Executive Director, administers day-to-day affairs.

BOARD OF DIRECTORS

At year-end April 30, 2018, the members of the Board of Directors were:

R. Bruce Eddy, Chair
Heather Black
W. Keir Clark
Patrick Ervin
Art Gallant
Sirpal Randhawa
Ivan Robichaud

Staff:

Alban Martin, Executive Director (retired December 31, 2017)
Monique McLeod, Executive Director (Hired October 12, 2017)

GRANTS POLICY

The Foundation is currently developing a more formal grants policy, however certain general guidelines and principles are normally observed. These are:

- * Priority is given to projects and programs that offer benefits directly or indirectly to the residents of New Brunswick.
- * Grants are normally made on a seed-money or one-time basis with long-term commitments being avoided.
- * Any formula for the allocation of funds on a percentage basis among the several statutory objects must be flexible enough to allow for unusual fluctuations in revenues realized from year to year.
- * Grants are normally given for a one-year period. Extensions may be considered by the Board upon request.

GRANT CONDITIONS

The Board attaches the following conditions to grants:

- * The term of a grant is one year. Any undisbursed funds at the end of the year lapse. If the project extends beyond a year, the approval of the Foundation must be obtained to continue the approved funding for the following year.
- * Funds are to be utilized in accordance with the budget submitted with the application. Any proposed significant digression from the budget must be approved in advance by the Foundation.

- * Any publicity or publication in connection with or arising from the project must the Foundation's participation.
- * Upon completion of the project, a final report and financial accounting must be provided. If the project is to extend beyond a year, then a progress report must be submitted on the expiration of the first year.
- * Approval of a grant is not to be regarded as representing a commitment of funding for any future requests to the Foundation.

MEETINGS

The Board of Directors met twice during fiscal year 2017-18 to consider grant applications and to review and formulate investment and administrative policies.

FINANCIAL HIGHLIGHTS

1. REVENUE

Source	2017-18	2016-17
Interest / Lawyers' mixed trust accounts	\$754,705	\$452,226
Interest / Bank Account	21,874	35,230
Investment Income	147,435	312,306
Interest / long-term note receivable	14,720	15,454
Unclaimed trust funds	<u>19,808</u>	<u>27,672</u>
Total	\$958,542	\$842,888
Expenses	<u>\$137,223</u>	<u>\$108,639</u>
Excess of revenues over expenses	\$821,319	\$734,249

2. GRANTS

Grants approved	\$452,921	\$744,202
Subsidy to Scholarship Fund	<u>35,300</u>	<u>36,500</u>
Total Grants and Subsidies	\$488,220	\$780,702

LOAN TO THE LAW SOCIETY OF NEW BRUNSWICK

In August 2016, the Foundation renewed a loan to the Law Society of New Brunswick which had originally been made to assist in the financing of the acquisition of the Law Society's office premises. The loan, which is at market rates, matures in August 2021.

RESERVE FUND

The Foundation has maintained a reserve fund to minimize fluctuations in the funds available for distribution. The investment of this fund is professionally managed. Its total at the beginning of this fiscal year was \$2,335,618. The investment income on the reserve fund was \$88,198 bringing the balance of the reserve fund to \$2,423,815 at April 30, 2018.

GRANTS

During the year, a total of \$452,921 was authorized in grants to further the Foundation's objectives within law-related projects. A description of these projects is provided at the end of this report. Although an equal number of grants were approved as in the previous year (12), the amounts requested were lower. With an increase in the trust account revenues over the reporting period, the Foundation will continue to encourage non-profit groups to submit proposals that seek to advance access to justice for the benefit of the people of the province.

LEGAL AID

Family legal aid in New Brunswick is funded by the Province of New Brunswick and through grants received from the Foundation. In 2017-2018, the Foundation approved a grant in the amount of \$175,000.

ENDOWMENT FUNDS

In 1992, an endowment fund was created at each faculty of law at the University of New Brunswick and the Université de Moncton. The initial contribution was \$300,000 with additional contributions made during the subsequent years. By 2006-07 the Foundation's objective of \$1,000,000 for each endowment fund was realized.

The endowment funds are managed by a Board of Trustees that includes a member of the Board of Directors of the Foundation.

SCHOLARSHIPS AND BURSARIES

In the reporting year, undergraduate scholarships and bursaries totaling \$300,600 were awarded to law students at the University of New Brunswick and the Université de Moncton.

The scholarship and bursary programs are funded by revenue generated by the Foundation's Scholarship Fund.

GRANTS APPROVED 2017-18

LAW SOCIETY OF NEW BRUNSWICK

Law Libraries

In support of law libraries' services. \$ 35,000

Translation of Discipline Committee decisions I \$ 20,000

Translation of Discipline Committee decisions II \$ 20,000

NEW BRUNSWICK LEGAL AID SERVICES COMMISSION (NBLASC)

Family Legal Aid Program

To assist in the provision of domestic legal aid services to NB residents. \$175,000

PUBLIC LEGAL EDUCATION AND INFORMATION SERVICE OF NEW BRUNSWICK (PLEIS-NB)

Support for operations \$ 90,000

UNIVERSITY OF NEW BRUNSWICK / FACULTY OF LAW

Pro Bono, Family Law & Wills Project

To assist in the provision of legal aid services to not-for-profit organizations and to those involved in family law disputes. \$ 16,584

Summer Student Program

Hire two law students to work with NB Legal Aid \$ 14,400

UNIVERSITÉ DE MONCTON / FACULTÉ DE DROIT

Programme Pro Bono

To assist in the provision of pro bono legal aid services to deserving not-for-profit organizations. \$ 12,795

Programme Pro Bono / Droit de la famille

To assist in the provision of legal information to clients involved in family law disputes. \$ 6,182

Société d'aide juridique étudiante (SAJE)

To assist in the provision of legal information to clients involved in matters related to criminal law. \$ 21,959

CANADIAN SUPERIOR COURT JUDGES ASSOCIATION

"Try Judging" Program \$ 5,000

NEW BRUNSWICK REFUGEE CLINIC INC.

Legal Aid clinic for refugee claimants \$ 36,000

TOTAL GRANTS **\$452,921**

New Brunswick Law Foundation

Financial Statements

April 30, 2018

New Brunswick Law Foundation

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April 30, 2018

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Independent Auditor's Report

To: The Directors of New Brunswick Law Foundation

We have audited the accompanying financial statements of New Brunswick Law Foundation, which comprise the statement of financial position as at April 30, 2018, and the statements of operations, changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

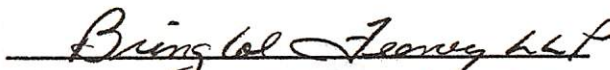
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of New Brunswick Law Foundation as at April 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Fredericton, New Brunswick
June 22, 2018


Chartered Professional Accountants

New Brunswick Law Foundation

Statement of Financial Position

As at April 30, 2018

	2018	2017	2016
ASSETS			
Current			
Cash (note 3)	\$ 1,776,842	\$ 1,607,363	\$ 3,252,215
Marketable securities (note 4)	1,638,741	1,579,504	-
Accounts receivable (note 5)	98,162	63,356	128,125
Current portion of note receivable	<u>16,416</u>	<u>15,852</u>	<u>13,660</u>
	3,530,161	3,266,075	3,394,000
Note receivable (note 6)	395,462	411,878	430,115
Capital assets (note 7)	1,478	-	-
Restricted investments - reserve fund (note 8)	<u>2,423,816</u>	<u>2,335,618</u>	<u>2,102,816</u>
	<u>\$ 6,350,917</u>	<u>\$ 6,013,571</u>	<u>\$ 5,926,931</u>
LIABILITIES			
Current			
Accounts payable and accrued liabilities (note 9)	\$ 3,186	\$ 3,415	\$ 1,771
Grants payable	<u>585,694</u>	<u>320,606</u>	<u>193,983</u>
	<u>588,880</u>	<u>324,021</u>	<u>195,754</u>
FUND BALANCES			
General fund	3,338,221	3,353,932	3,628,360
Reserve fund	<u>2,423,816</u>	<u>2,335,618</u>	<u>2,102,817</u>
	<u>5,762,037</u>	<u>5,689,550</u>	<u>5,731,177</u>
	<u>\$ 6,350,917</u>	<u>\$ 6,013,571</u>	<u>\$ 5,926,931</u>

Approved

Chairman

Treasurer



New Brunswick Law Foundation

Statement of Changes in fund balances
Year ended April 30, 2018

	<u>Reserve fund</u>	<u>General fund</u>	<u>Total</u> <u>2018</u>	<u>Total</u> <u>2017</u>	<u>Total</u> <u>2016</u>
Balance, opening	\$ 2,335,618	\$ 3,353,932	\$ 5,689,550	\$ 5,731,177	\$ 6,048,705
Excess (deficiency) of revenues over expenditures	<u>88,198</u>	<u>(15,711)</u>	<u>72,487</u>	<u>(41,627)</u>	<u>(317,528)</u>
Balance, closing	<u>\$ 2,423,816</u>	<u>\$ 3,338,221</u>	<u>\$ 5,762,037</u>	<u>\$ 5,689,550</u>	<u>\$ 5,731,177</u>

New Brunswick Law Foundation

Statement of Operations
Year ended April 30, 2018

	2018	2017	2016
Revenues			
Interest - trust accounts	\$ 754,705	\$ 452,226	\$ 398,215
Interest - bank accounts	21,874	35,230	54,231
Unclaimed trust funds	19,808	27,672	14,188
Interest - note receivable	14,720	15,454	20,290
Investment income	59,237	79,505	-
	<u>870,344</u>	<u>610,087</u>	<u>486,924</u>
Expenditures			
Wages and benefits	84,320	66,503	64,468
Rent	16,544	16,447	16,256
Professional fees	13,446	15,642	14,781
Office	11,411	5,677	3,726
Travel	10,868	4,370	9,996
Amortization	634	-	678
	<u>137,223</u>	<u>108,639</u>	<u>109,905</u>
Excess of revenues over expenditures before grants, subsidies and contributions	<u>733,121</u>	<u>501,448</u>	<u>377,019</u>
Grants, subsidies and contributions			
Grants (note 12)	715,425	739,376	621,767
New Brunswick Law Foundation Scholarship Trust (note 10)	35,300	36,500	34,500
Grants returned unused	(1,893)	-	-
	<u>748,832</u>	<u>775,876</u>	<u>656,267</u>
Deficiency of revenues over expenditures before reserve fund	(15,711)	(274,428)	(279,248)
Reserve fund (Schedule 1)	<u>(88,198)</u>	<u>(232,801)</u>	<u>38,280</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 72,487</u>	<u>\$ (41,627)</u>	<u>\$ (317,528)</u>

New Brunswick Law Foundation

Statement of Cash Flows
Year ended April 30, 2018

	2018	2017	2016
Operating activities			
Cash received from trust accounts	\$ 740,966	\$ 480,836	\$ 424,522
Cash received from interest on cash held	20,616	99,062	3,876
Cash paid to suppliers and employees	(136,819)	(106,996)	(110,707)
Cash paid for grants, subsidies and contributions	<u>(483,744)</u>	<u>(649,253)</u>	<u>(666,703)</u>
	<u>141,019</u>	<u>(176,351)</u>	<u>(349,012)</u>
Investing activities			
Payments received on note receivable	30,572	31,499	33,350
Purchase of capital assets	(2,112)	-	-
Purchase of marketable securities	<u>-</u>	<u>(1,500,000)</u>	<u>-</u>
	<u>28,460</u>	<u>(1,468,501)</u>	<u>33,350</u>
Change in cash position	169,479	(1,644,852)	(315,662)
Cash, opening	<u>1,607,363</u>	<u>3,252,215</u>	<u>3,567,877</u>
Cash, closing	<u><u>\$ 1,776,842</u></u>	<u><u>\$ 1,607,363</u></u>	<u><u>\$ 3,252,215</u></u>

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

1. Nature of operations

New Brunswick Law Foundation ("the Foundation") has been established as a separate entity under section 97 of the Law Society Act of New Brunswick. The Foundation is a non-profit corporation and its principal purpose is to receive interest earned on lawyers' trust accounts which in turn is used to support legal aid, legal research, legal education, legal reform, and law libraries in New Brunswick. It is exempt from income tax under paragraph 149(1)(l) of the Income Tax Act of Canada.

The New Brunswick Law Foundation Scholarship Trust ("the Scholarship Trust") was created by the Foundation under a trust indenture with the trustees being all the directors of the Foundation. The Scholarship Trust was established by way of capital contributions totaling \$1,650,000 from the Foundation.

The Foundation also created two endowment trusts - the University of New Brunswick Law Faculty Endowment Trust and the Fonds de dotation de la faculté de droit de l'Université de Moncton (the "Endowment Trusts"). The Endowment Trusts were established by initial contributions of \$300,000 each from the Foundation. In following years an additional \$700,000 in contributions was made, bringing the total capital contributions for each trust by the Foundation to \$1,000,000.

The Foundation, the Scholarship Trust and the Endowment Trusts maintain separate books and records for which annual financial statements are prepared.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue recognition

Investment income includes dividends, interest income, foreign exchange, and realized and unrealized investment gains and losses. Investment income is recognized as revenue when earned.

Unclaimed trust funds are held by the Law Society of New Brunswick for 10 years. Any funds which not been claimed at the end of this period are transferred to the Foundation. Unclaimed trust funds are recognized as revenue once the 10 year hold period has expired.

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

2. Significant accounting policies, continued

(b) Fund accounting

The Foundation follows the fund basis of accounting which provides for separate groups of accounts to ensure accountability for restricted assets. The funds established by the Foundation are as follows:

General Fund - reports general activities including grants, scholarships and other disbursements. The use of these funds is at the discretion of the Board of Directors which approves all activity on an annual basis.

Reserve Fund - report activities relating to establishing a reserve to support the granting formula in case of revenue shortfalls in future years. The use of these funds is at the discretion of the Board of Directors.

(c) Investments

Investments are reported at fair value using quoted market prices. Changes in the fair market value of investments are recognized as unrealized gains or losses.

(d) Capital assets

Capital assets are recorded at cost. The organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Equipment	20% straight-line
Computer equipment	30% straight-line

(e) Financial instruments

The Foundation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Foundation subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash, accounts receivable, and notes receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and grants payable.

Financial assets measured at fair value include investments.

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

2. Significant accounting policies, continued

(f) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. Cash

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Petty cash	\$ 100	\$ 100	\$ 100
General account	1,776,742	1,607,263	1,001,820
GIC	-	-	2,250,263
GIC - cash	-	-	32
	<u>\$ 1,776,842</u>	<u>\$ 1,607,363</u>	<u>\$ 3,252,215</u>

4. Marketable securities

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Cash	\$ 1,869	\$ 148,130	\$ -
Accrued income	1,744	1,862	-
Fixed income	441,810	406,910	-
Canadian equities	450,103	402,097	-
Foreign equities	447,013	364,463	-
Other investments	296,202	256,042	-
	<u>\$ 1,638,741</u>	<u>\$ 1,579,504</u>	<u>\$ -</u>

5. Accounts receivable

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Trust accounts interest receivable	\$ 92,276	\$ 38,342	\$ 55,406
General bank interest receivable	2,373	1,115	749
GIC interest receivable	-	-	64,197
Other accounts receivable	3,513	23,899	7,773
	<u>\$ 98,162</u>	<u>\$ 63,356</u>	<u>\$ 128,125</u>

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

6. Note receivable

	2018	2017	2016
3.5% promissory note receivable from the Law Society of New Brunswick; repayable at \$2,548 per month including interest; maturing August 1, 2021	\$ 411,878	\$ 427,730	\$ 443,775
Less current portion	16,416	15,852	13,660
	<u>\$ 395,462</u>	<u>\$ 411,878</u>	<u>\$ 430,115</u>
Estimated principal repayments are as follows:			
2019	\$ 16,416		
2020	17,000		
2021	17,605		
2022	360,857		

7. Capital assets

	2018			2017	
	Cost	Accumulated amortization	Net		Net
Equipment	\$ 3,389	\$ 3,389	\$ -	\$	-
Computer equipment	3,253	1,775	1,478		-
	<u>\$ 6,642</u>	<u>\$ 5,164</u>	<u>\$ 1,478</u>	<u>\$</u>	<u>-</u>

8. Restricted investments - reserve fund

	2018	2017	2016
Cash	\$ 2,764	\$ 219,041	\$ 46,092
Accrued income	2,579	2,754	6,492
Fixed income	653,468	601,700	606,413
Canadian equities	665,735	594,581	502,233
Foreign equities	661,165	538,933	851,370
Other investments	438,104	378,609	90,216
	<u>\$ 2,423,815</u>	<u>\$ 2,335,618</u>	<u>\$ 2,102,816</u>

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

9. Accounts payable and accrued liabilities

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Trade payables	\$ 1,044	\$ 1,527	\$ -
Government remittances payable	<u>2,142</u>	<u>1,888</u>	<u>1,771</u>
	<u>\$ 3,186</u>	<u>\$ 3,415</u>	<u>\$ 1,771</u>

10. Related party transactions

The Foundation is related to the Scholarship Trust by virtue of common control.

Transactions between related parties include:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses			
Subsidy to Scholarship Trust	\$ 35,300	\$ 36,500	\$ 34,500

Subsidies to the Scholarship Trust are used to cover audit, custodial, and investment management fees. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

11. The New Brunswick Law Foundation Scholarship Trust

The assets, liabilities and results of operations of the Scholarship Trust have not been consolidated in the financial statements of the Law Foundation. Financial summaries of this unconsolidated entity are as follows:

	<u>Financial position</u>	
	<u>2018</u>	<u>2017</u>
Total assets	\$ 3,565,499	\$ 3,731,945
Total liabilities	<u>(4,002)</u>	<u>(4,001)</u>
Fund balance - capital fund	<u>\$ 3,561,497</u>	<u>\$ 3,727,944</u>
	<u>Results of operations</u>	
	<u>2018</u>	<u>2017</u>
Revenue - capital fund	\$ 169,176	\$ 490,451
Expenditures - income fund	(300,600)	(200,000)
Expenditures - income fund	<u>(35,023)</u>	<u>(35,686)</u>
	<u>\$ (166,447)</u>	<u>\$ 254,765</u>

New Brunswick Law Foundation
Notes to Non-consolidated Financial Statements
April 30, 2018

12. Summary of grants

The following list summarizes the grant activity of the Foundation for the fiscal year.

	Outstanding grants, May 1, 2017	Grants approved	Grants paid (Returned)	Grants lapsed	Outstanding grants, April 30, 2018
Law Society of New Brunswick					
Law Libraries	-	35,000	35,000	-	-
Educational Videos	37,500	-	-	-	37,500
Bar Admissions Course	30,000	-	-	30,000	-
Translation of Discipline Decisions	-	40,000	20,000	-	20,000
Rules of Court Review	50,000	-	-	-	50,000
Improvements to Bar	-	100,000	-	-	100,000
Public Legal Education and Information Service	-	90,000	90,000	-	-
University of New Brunswick					
Pro Bono - Family Law & Wills project	16,584	16,584	15,468	1,116	16,584
Summer employment/access to Justice Initiative	-	14,400	-	-	14,400
Legal Aid Summer Students	-	21,200	-	-	21,200
Université de Moncton					
Pro Bono programme de placement	11,512	12,795	11,425	87	12,795
Pro Bono Droit de la famille	5,508	26,949	5,375	133	26,949
Projet Micheline Gleixner	10,404	-	-	-	10,404
Société d'aide juridique étudiante	-	40,654	19,739	2,220	18,695
AJEFNP					
Cours de formation	20,260	43,815	13,507	-	50,568
Rules of Court of NB - Annotated 2018	40,000	-	15,000	-	25,000
NB Pro Bono Inc.					
Moncton Legal Advice Clinic	20,200	-	(8,327)	-	28,527
NBLASC					
Operating budget	-	175,000	175,000	-	-
NB Refugee Clinic					
Operating budget	22,150	36,000	58,150	-	-
Legal aid clinic for refugee claimants	-	75,000	-	-	75,000
Fredericton Legal Advice Clinic	56,488	-	-	-	56,488
Canadian Superior Courts Judges - Try Judging	-	5,000	-	-	5,000
Pro Bono Students Canada (PBSC)	-	16,584	-	-	16,584
	320,606	748,981	450,337	33,556	585,694

New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2018

13. Financial instruments

The Foundation is exposed to the following risks in respect of certain of the financial instruments held:

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to currency risk with respect to its investments.

(b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. The Foundation is exposed to market risk with respect to its investments.

(c) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Foundation is exposed to credit risk with respect to its notes receivable.

It is management's opinion that the Foundation is not subject to significant amounts of risk with respect to its financial instruments.

New Brunswick Law Foundation

Schedule to Financial Statements

Year ended April 30, 2018

Schedule of reserve fund operations

Schedule 1

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenue			
Dividends	\$ 54,534	\$ 51,638	\$ 28,667
Realized gain on sale of investments	10,888	45,582	52,695
Foreign exchange gain (loss)	(11,582)	33,923	18,900
Interest	6,957	12,203	15,717
Unrealized gain (loss) on investments	<u>46,200</u>	<u>104,152</u>	<u>(136,983)</u>
	106,997	247,498	(21,004)
Expenditures			
Investment management fees	<u>18,799</u>	<u>14,697</u>	<u>17,276</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 88,198</u>	<u>\$ 232,801</u>	<u>\$ (38,280)</u>