

# 2022 2023

## Annual Report



New Brunswick  
Law Foundation  
Fondation pour le droit  
au Nouveau-Brunswick





# Message from the Chair

As Chair of the **New Brunswick Law Foundation**, I am pleased to present the Annual Report for the fiscal year ended April 30, 2023.

The Foundation's central focus is to receive and distribute funding to support initiatives that will advance justice to benefit the people of New Brunswick. Revenues are primarily derived from interest earned on lawyers' mixed trust accounts maintained in financial institutions. The Board meets twice during the year to review grant requests and to determine investment and general administrative policies.

This year presented a unique combination of opportunities and challenges as the ripples of the pandemic continued to affect our income in unprecedented ways. The prime rate increased several times throughout the year and trust account balances remained steady from brisk business and real estate activity. As a result, the Foundation received a remarkable influx of over \$6 million in revenues during the fiscal year.

With income reaching historic highs, the Foundation recognized the need to renew our focus on planning to strengthen our support for the work our grantees do while preparing for the future. Through hard work, expertise and collaboration, our Board successfully reinvigorated our investment and grantmaking policies and made a plan to pursue opportunities to expand the impact of our work.

The Foundation reviewed sixteen grant applications during the 2022-23 fiscal year, of which fifteen were approved, for a total of \$974,611 in grants. Details of these programs and projects are included in this report. I encourage those who have innovative projects that are in keeping with the Foundation's mandate to contact the Foundation office to obtain more information about our grants program. Application forms and guidelines are available on the New Brunswick Law Foundation's website at [www.nblf-fdnb.ca](http://www.nblf-fdnb.ca).

Finally, I would like to thank the Foundation's Directors for their time, expertise, and collaborative spirit throughout a very busy year. I also acknowledge the ongoing support provided by the Law Society of New Brunswick and its staff. I am especially grateful for the essential and professional support provided by our Executive Director, Christa Greer.

Sincerely,



**Heather A. Black**  
*Chair*



# New Brunswick Law Foundation 2022-2023 Annual Report

We are pleased to share with you the inspiring journey of the New Brunswick Law Foundation as we turn the pages of another remarkable year championing those who are developing knowledge, delivering services, and effecting change to build a just New Brunswick. Our mission has never been more important, and we are excited to recount the significant strides we've made together.

## **A Noble Mission: The Foundation's Mandate**

The seeds of the New Brunswick Law Foundation were sown in 1975, guided by the vision of fostering a better legal landscape. Our core purpose, enshrined in section 98 of the Law Society Act, 1996, is to fund vital law-related initiatives. These include financial support for law reform, extending a helping hand through legal aid, and nurturing the next generation of legal minds through education, research, and scholarships.

## **Steering Towards a Brighter Tomorrow: A Board Committed to Excellence**

At the heart of our success lies a dedicated board of directors appointed by the Law Society of New Brunswick. Comprising seasoned professionals and legal community leaders, they bring their expertise to the table and steer us toward transformative changes. This year, we welcomed two outstanding Directors, Luc Marcoux, K.C., and Julie LeBlanc Hultberg, to our ranks, as we bid a fond farewell to Patrick Ervin and Gilles Bujold, who retired in 2022. These fresh perspectives continue to enrich and support our mission.

## **Board of Directors:**

- Heather Black (Chair)
- Luc Marcoux, K.C. (Treasurer)
- Honourable François M. Angers, K.C.
- Michel Carrier, K.C.
- Art Gallant\*
- Julie LeBlanc Hultberg
- Holly Young\*

*\* Public Representatives*

The Directors meet at least twice each year to review grant requests and to determine investment and general administrative policies. One part-time Executive Director, Christa Greer, administers the day-to-day operations.

## **A Financial Leap: Surging Towards New Heights**

Our financial stability has always been a key pillar of our success, and this year brought unprecedented growth. Fueled by rising interest rates and the strong business and real estate markets, the interest earned on lawyers' mixed trust accounts rose from an average of \$997,000 in the previous five years to a record \$6 million in 2022-23. These extraordinary revenues allow us to expand our support. Though the forecast indicates continued strength, we closely monitor the ever-changing financial landscape. Any surplus funds not required for current operations are allocated to an investment fund.

Ensuring resilience in the face of fluctuating interest rates is no small task, and it's one we take very seriously. Our robust reserve fund stands at \$4.3 million as of April 30, 2023. This carefully monitored fund is invested in marketable securities to serve as a shield against periodic downturns, preserving our ability to continue our mission. The Foundation entrusts the management of its reserve fund to the expertise of professionals at National Bank Financial.

## Financial Highlights

REVENUE	Source	2022-23	2021-22
	Interest from Lawyers' mixed trust accounts	\$6,188,673	\$712,584
	Unclaimed trust funds	67,906	15,553
	Interest from bank accounts	149,518	20,254
	Interest from long-term note receivable	9,692	10,912
	Investment income (loss)	241,985	148,405
	<b>Total</b>	<b>\$6,657,774</b>	<b>\$907,708</b>
	<b>Expenses</b>	<b>\$156,825</b>	<b>\$133,315</b>
	<b>Excess of Revenues over Expenses</b>	<b>\$6,500,949</b>	<b>\$774,393</b>
<b>GRANTS</b>	Grants awarded	\$967,343	\$741,508
	Contributions to Scholarship Fund	1,024,700	26,000
	<b>Total Grants and Contributions</b>	<b>\$1,992,043</b>	<b>\$767,508</b>

## Empowering Dreams: Investing in the Future of Legal Minds

In 2021, the Foundation renewed a loan originally extended to the Law Society of New Brunswick in 2011 to support their acquisition of modern office premises. The loan is at market rates and matures in August 2026. We take great pride in supporting the Law Society to achieve their goals.

## **A Generous Hand: Granting Opportunities for Progress**

Empowering the legal community requires more than just financial stability; it requires an unwavering commitment to effecting change. The Foundation accepts grant applications in January and May of each year for consideration by its Board of Directors.

We approved a total of \$974,611 in grants during the fiscal year ending April 30, 2023, supporting a diverse range of law-related projects. This remarkable achievement is a testament to the passion and dedication of the community we serve, and we are exploring new avenues to foster the grants program to benefit deserving grantees. You can learn more about the impact of these grants in the following pages.

## **Nurturing Minds: Scholarships and Bursaries for a Bright Future**

Education is the cornerstone of progress, and we take great pride in our scholarship and bursary program. Through the New Brunswick Law Foundation Scholarship Trust, established in 1986, we provided \$210,500 in undergraduate scholarships and \$78,500 in bursaries this year to law students at the University of New Brunswick and the Université de Moncton. Additionally, we allocated \$4,000 to the Dean's Emergency Fund, reaffirming our commitment to supporting students during challenging times. Read more about the impact of this bursary program for students in the following pages.

## **Investing in the Future: Building Endowment Funds**

Our dedication to nurturing future legal talent led us to create endowment funds at both New Brunswick law schools. These funds have significantly supported the legal communities of the University of New Brunswick and the Université de Moncton. The total for each fund reached the target level of \$1,000,000 by 2007, thanks to the collective efforts of our board of trustees, including members of the Foundation's board of directors.

## **Joining Hands: A Proud Member of the Association of Canadian Law Foundations**

Collaboration fosters progress, and we are honoured to be an active member of the Association of Canadian Law Foundations (ACLF). Together with 12 other jurisdictions in Canada, we exchange insights, explore collaboration opportunities, and support each other's endeavours. Our Chair, Heather Black, and Executive Director, Christa Greer, recently attended the ACLF annual conference in Calgary, Alberta, and returned with deepened connections and new ideas to enrich the Foundation's work.

## **A Grateful Acknowledgment**

As we continued our support through this remarkable year, we extend our heartfelt gratitude to the Foundation's board members for their invaluable service and commitment to our cause. Special recognition goes to our Executive Director, Christa Greer, for her indispensable dedication and professionalism.

In closing, we celebrate the resilience and progress of the legal community in New Brunswick. It is through our collective efforts that we will continue to shape a brighter and more equitable future for all. We eagerly look forward to the year ahead, knowing that our shared commitment will lead us to even greater heights.

# Grants Approved 2022-23

## Law Society Of New Brunswick

Review the Rules of Court \$200,000

## New Brunswick Legal Aid Services Commission

### Family Legal Aid Program

To assist in the provision of domestic legal aid services to NB residents \$200,000

### Public Legal Education and Information Service - NB (PLEIS - NB)

Core funding and Family Law Workshops \$90,000

## Université de Moncton - faculté de droit

### Programme Pro Bono de l'UdeM - Le réseau PBSC

To assist in the provision of pro bono legal aid services \$18,321

### Société d'aide juridique étudiante (SAJE)

To hire law students to assist in provision of legal information services \$18,816

## University of New Brunswick - Faculty of Law

### Pro Bono UNB Chapter (PBSC)

To assist in the provision of pro bono legal aid services \$21,779

### UNB Legal Clinic

To hire a coordinator to support a Legal Clinic program \$50,000

## Summer Employment - Legal Aid Services Commission

To hire law students to assist in provision of legal information services \$19,708

## New Brunswick Refugee Clinic

To provide legal aid services to refugees \$100,000

## Canadian Legal Information Institute (CANLII)

Extending Primary Law Coverage for NB to 70 Years \$36,767

## Assoc. des juristes d'expression française du N-B

Rules of the Court of NB - new edition 2024 \$56,500

Professional Development Training \$45,000

## Elizabeth Fry Society of NB

Volunteer Court Liaison Program \$86,720

## Black Law Students' Association of Canada

BLSA Canada national conference \$25,000

## East Coast Environmental Law

NB Coastal Law \$6,000

**TOTAL \$974,611**



**Michelle Thompson**  
Executive Director





## New Brunswick Law Foundation Grant Public Legal Education and Information Service of New Brunswick (PLEIS-NB)

# *Empowering Access to **Justice** in New Brunswick*

In the realm of access to justice, the **Public Legal Education and Information Service of New Brunswick (PLEIS-NB)** stands as a beacon of hope for individuals seeking legal information and support in New Brunswick. Michelle Thompson, the dedicated Executive Director of PLEIS-NB, shared her thoughts on the organization's vital role in empowering New Brunswickers and the impact of the grants provided by the New Brunswick Law Foundation (NBLF).

### **What is the Public Legal Education and Information Service of New Brunswick (PLEIS-NB) and what does it do?**

PLEIS-NB is an organization committed to providing free legal information to the public navigating the legal system without representation. Focusing on New Brunswick provincial laws, PLEIS-NB operates numerous programs and workshops, including the invaluable Public Inquiries Program. This program offers 2 programs to help support New Brunswickers through their legal inquiries.

Grateful for the support received, Michelle first highlighted the significance of the core funding from the NBLF. This essential financial support ensures PLEIS-NB's resilience against global shocks like COVID-19 and economic downturns, allowing the organization to survive.

### **What has been achieved because of these grants?**

The impact of the grants has been far-reaching, enabling PLEIS-NB to make a tangible difference in the lives of New Brunswickers. One of several remarkable achievements because of these grants was the delivery of approximately 40,000 publications to partners across the province, enhancing the dissemination of trustworthy and free legal knowledge far and wide.

They were also able to improve accessibility to legal resources by using the grant funding to update their comprehensive resource guide for individuals navigating divorce without legal representation. Having good information means that people face less stress and fewer delays in their court process, which also reduces pressure on our busy courts and saves taxpayers money.



## *The impact of the grants has been far-reaching, enabling PLEIS-NB to make a tangible difference in the lives of New Brunswickers*

Embracing the power of visual storytelling, PLEIS-NB also harnessed support from the NB Department of Justice and Public Safety and the grants to create two animated video explainers of their more extensive resources such as that mentioned above. These engaging visual aids make legal information more accessible and comprehensible for all.

The significance of a strong digital presence cannot be underestimated in today's world, and PLEIS-NB recognized this by also beginning the process of creating new, modern website. The updated online platform enhances the user experience, making it easier for individuals to find the legal information they need promptly.

### **How did the grants help improve the lives of New Brunswickers?**

The impact of PLEIS-NB extends well beyond the boundaries of one city or region. Thanks to the support from the NBLF, the organization can provide valuable services to the entire law infrastructure within the province, empowering citizens with the knowledge they need to navigate the legal system effectively.

In addition to their publicized Family Law Info Line, PLEIS-NB has a general helpline, which fielded over 1,400 inquiries from individuals seeking legal assistance within the province. The organization also aids trusted intermediaries, such as friends and family, who offer support and guidance to citizens in need.

Underlining the urgency of PLEIS-NB's work, Michelle shares the sobering reality faced by many New Brunswickers. Less than 1 in 5 individuals will end up working with a lawyer, and many do not qualify for legal aid funding. Furthermore, approximately 53% of the population lacks the necessary literacy skills to comprehend complex legal documents, leaving them at a disadvantage in navigating the justice system.

PLEIS-NB continues to play a crucial role in bridging the gap to justice for the people of New Brunswick. Through the NBLF core funding and grants, the organization continues to empower individuals, families, and communities with free legal information, enabling them to face legal challenges with confidence and understanding. The impact of PLEIS-NB's work extends beyond just the individuals served directly; it strengthens the very foundation of the law infrastructure within the province, fostering a more equitable and just society for all. All of which wouldn't be possible without the support from the NBLF.







**Elizabeth Clark**  
Director of Education  
and Advocacy



**Judy Murphy**  
Executive Director



# NB Law Foundation Grant Enabling Change: Elizabeth Fry New Brunswick's Impact

In the pursuit of justice and support for vulnerable populations, **Elizabeth Fry New Brunswick (EFryNB)** has been a driving force for positive change within the province for the past 37 years. Speaking with Elizabeth Clark, the Director of Education and Advocacy, and Judy Murphy, the Executive Director of EFryNB, we delve into the organization's impactful work and the significance of the grants provided by the New Brunswick Law Foundation.

## Who is EFryNB?

EFryNB stands as a pillar of support for women and gender-diverse individuals who are impacted by criminalization. EFryNB offers a safe and inclusive environment for those with experiences of poverty, mental health issues, substance use concerns, homelessness, gender-based violence, and criminalization. Their commitment to fostering an inclusive and safe environment for those about to go through the legal process or already facing criminalization is commendable.

## How have the grants from the NB Law Foundation helped EFryNB?

Thanks to the grants from the New Brunswick Law Foundation, EFryNB has achieved significant milestones. Starting with a pilot project in Saint John, it has been able to expand its Volunteer Court Liaison program throughout the province, increasing the amount of support available to those accused of criminal charges.

Moreover, EFryNB's creation of a training program explaining the court system has helped train individuals to provide information and emotional support to those

navigating their legal journeys with confidence and understanding. They have also extended their support to immigrant communities and have begun translating essential support documents to reach an even broader audience in need, partnering with organizations like PRUDE in Saint John, the Multicultural Association of Fredericton, and the Saint John Newcomers Centre.

## How have these grants impacted New Brunswickers?

The impact of EFryNB's work extends beyond just providing practical assistance. They offer a holistic, trauma-informed approach to the court system, offering much-needed emotional support to those who may feel fearful, ashamed, or anxious. This vital role has been invaluable in helping individuals face the legal process with strength and resilience.

EFryNB provides community awareness regarding our legal system throughout New Brunswick, including presentations offered to universities and colleges.

The grants provided by the New Brunswick Law Foundation have been a catalyst for change and growth. EFryNB couldn't support the people of New Brunswick without funding from organizations like the Foundation.



# Scholarship and Bursary recipients Academic year 2022-23

## **Tanya – Year 1**

Tanya felt it was a great honour to receive this entrance scholarship from the NB Law Foundation. The award will help her financially and allow her to focus on studies in order to excel. Following the completion of her Baccalaureate in social sciences in May 2022, Tanya pursued Juris Doctor studies to develop her passion for law. After successfully completing her studies, she aspires to pursue a professional career as crown prosecutor in NB. She is proud to contribute to student life and her community while progressing through her university career. By investing in her future, this award will keep her motivated and involved. She is extremely grateful for the support of her studies.

*After successfully completing my studies, I aspire to pursue my professional career as crown prosecutor in New Brunswick. I am infinitely grateful for your support of my studies.*

## **Julia – Year 1**

Julia, a dedicated and compassionate first-year mature student, is a proud recipient of an entrance scholarship from the New Brunswick Law Foundation. As a devoted mother of four small children, Julia has faced significant financial burdens while pursuing her education. In the face of these challenges, she remains resolute in her pursuit of knowledge, driven by the hope of learning more and becoming a force for change in addressing access to justice issues. With the support of the New Brunswick Law Foundation, Julia's aspirations to affect positive change in society and Canada are empowered, making her a true inspiration for future legal advocates.

*I'm extremely hopeful that having pursued this degree and with the funding that has been provided, I will be able to affect positive change in our society.*





### Josh – Year 3

Josh is a dedicated and driven third-year mature student. As a mature student with a growing family, Josh and his wife have faced unique challenges, balancing both of their academic pursuits with the responsibilities of parenthood. Josh remains unwavering in his goal of being of service to humanity and this award has helped him focus on studies instead of finances. His passion for international law stems from a profound desire to contribute to solving the world's pressing issues. With the support of the New Brunswick Law Foundation, Josh's aspirations to make a positive impact on a global scale are emboldened, showcasing his commitment to becoming a valuable agent of change.

*I came to law school with the goal to be of service to humanity.*

### Destiny – Year 3

Destiny is a determined and accomplished third-year student. As an independent first-generation university student, Destiny has bravely embarked on her educational journey, striving to overcome financial obstacles along the way. With the generous support of the New Brunswick Law Foundation, Destiny's financial burden has been alleviated, allowing her to wholeheartedly focus on her studies and pursue her passion for the law. After seven years of unwavering dedication to her education, Destiny is eager and enthusiastic to commence her legal career, poised to make a meaningful impact in the legal profession and beyond.

*This funding has significantly helped in decreasing the financial burden that I face as an independent first generation university student.*



# NB Law Foundation

## **2022-23 Financial Statements**



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# New Brunswick Law Foundation

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April 30, 2023

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## Independent Auditor's Report

To: The Directors of New Brunswick Law Foundation

### *Opinion*

We have audited the financial statements of New Brunswick Law Foundation, which comprise the statement of financial position as at April 30, 2023, and the statements of operations, changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at April 30, 2023, and its results of operations and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Opinion*

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

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

## Independent Auditor's Report, continued

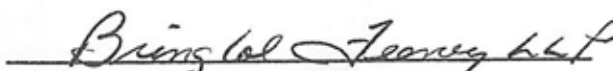
### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

Fredericton, New Brunswick  
June 23, 2023

  
Chartered Professional Accountants

# New Brunswick Law Foundation

Statement of Financial Position

As at April 30, 2023

	2023	2022	2021
<b>ASSETS</b>			
Current			
Cash	\$ 2,001,690	\$ 1,890,629	\$ 1,970,002
Marketable securities (note 3)	6,056,923	2,993,310	2,979,437
Accounts receivable (note 4)	789,105	137,393	74,910
Prepaid grants	-	-	50,000
Current portion of note receivable	<u>20,237</u>	<u>19,657</u>	<u>18,231</u>
	8,867,955	5,040,989	5,092,580
Note receivable (note 5)	302,118	322,355	342,625
Capital assets (note 6)	2,251	-	-
Restricted investments - reserve fund (note 7)	<u>4,328,219</u>	<u>3,399,847</u>	<u>3,265,315</u>
	<u>\$ 13,500,543</u>	<u>\$ 8,763,191</u>	<u>\$ 8,700,520</u>
<b>LIABILITIES</b>			
Current			
Accounts payable and accrued liabilities (note 8)	\$ 3,269	\$ 4,419	\$ 3,373
Grants payable (note 12)	<u>524,087</u>	<u>294,491</u>	<u>239,751</u>
	<u>527,356</u>	<u>298,910</u>	<u>243,124</u>
<b>FUND BALANCES</b>			
Reserve fund	4,328,219	3,399,847	3,265,315
General fund	<u>8,644,968</u>	<u>5,064,434</u>	<u>5,192,081</u>
	<u>12,973,187</u>	<u>8,464,281</u>	<u>8,457,396</u>
	<u>\$ 13,500,543</u>	<u>\$ 8,763,191</u>	<u>\$ 8,700,520</u>

Approved

Chairman

Treasurer



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**New Brunswick Law Foundation**Statement of Changes in fund balances  
Year ended April 30, 2023

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	<u>Reserve fund</u>	<u>General fund</u>	<u>Total</u> <u>2023</u>	<u>Total</u> <u>2022</u>	<u>Total</u> <u>2021</u>
Balance, opening	\$ 3,399,847	\$ 5,064,434	\$ 8,464,281	\$ 8,457,396	\$ 7,726,714
Excess of revenues over expenditures	178,372	4,330,534	4,508,906	6,885	730,682
Transfer to the reserve fund	<u>750,000</u>	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, closing	<u>\$ 4,328,219</u>	<u>\$ 8,644,968</u>	<u>\$ 12,973,187</u>	<u>\$ 8,464,281</u>	<u>\$ 8,457,396</u>

# New Brunswick Law Foundation

Statement of Operations  
Year ended April 30, 2023

	2023	2022	2021
<b>Revenues</b>			
Interest - trust accounts	\$ 6,188,673	\$ 712,584	\$ 493,218
Interest - bank accounts	149,518	20,254	22,039
Unclaimed trust funds	67,906	15,553	48,165
Investment income (loss)	63,613	13,873	315,086
Interest - note receivable	9,692	10,912	12,968
	<u>6,479,402</u>	<u>773,176</u>	<u>891,476</u>
<b>Expenditures</b>			
Wages and benefits	96,073	92,175	90,542
Rent	16,544	16,544	16,544
Professional fees	18,688	15,295	18,734
Office	9,971	8,082	13,465
Website	1,161	1,219	1,018
Travel	13,991	-	505
Amortization	397	-	247
	<u>156,825</u>	<u>133,315</u>	<u>141,055</u>
Excess of revenues over expenditures before grants, subsidies and contributions	<u>6,322,577</u>	<u>639,861</u>	<u>750,421</u>
<b>Grants, subsidies and contributions</b>			
Grants (note 12)	967,343	741,508	655,424
New Brunswick Law Foundation Scholarship Trust (note 10)	<u>1,024,700</u>	<u>26,000</u>	<u>33,300</u>
	<u>1,992,043</u>	<u>767,508</u>	<u>688,724</u>
Excess (deficiency) of revenues over expenditures before reserve fund	4,330,534	(127,647)	61,697
Reserve fund (Schedule 1)	<u>(178,372)</u>	<u>(134,532)</u>	<u>(668,985)</u>
Excess of revenues over expenditures (note 9)	<u>\$ 4,508,906</u>	<u>\$ 6,885</u>	<u>\$ 730,682</u>

## New Brunswick Law Foundation

Statement of Cash Flows  
Year ended April 30, 2023

	2023	2022	2021
Operating activities			
Cash received from trust accounts	\$ 5,626,974	\$ 665,842	\$ 529,964
Cash received from interest on cash held	127,411	20,066	23,189
Cash paid to suppliers and employees	(157,578)	(132,269)	(142,155)
Cash paid for grants, subsidies and contributions	(1,762,447)	(662,768)	(783,458)
	<u>3,834,360</u>	<u>(109,129)</u>	<u>(372,460)</u>
Investing activities			
Payments received on note receivable	29,349	29,756	30,573
Transfer to reserve fund	(750,000)	-	-
Transfer to investments	(3,000,000)	-	-
Purchase of capital assets	(2,648)	-	-
Purchase of GIC included in marketable securities	-	-	(1,000,000)
	<u>(3,723,299)</u>	<u>29,756</u>	<u>(969,427)</u>
Change in cash position	111,061	(79,373)	(1,341,887)
Cash, opening	<u>1,890,629</u>	<u>1,970,002</u>	<u>3,311,889</u>
Cash, closing	<u>\$ 2,001,690</u>	<u>\$ 1,890,629</u>	<u>\$ 1,970,002</u>

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## New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

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### 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 contributed an additional \$1,000,000 in 2023 for a total capital contribution of \$2,650,000.

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 accounting policies are detailed as follows:

#### (a) Cash and cash equivalents

Cash and cash equivalents consist of balances held in bank accounts, marketable securities and investment cash accounts with financial institutions.



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## New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

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### 2. Significant accounting policies, continued

#### (b) Revenue recognition

Investment income includes dividends, interest income, foreign exchange, and realized and unrealized investment gains and losses. Interest, dividend income and foreign exchange are recognized when the right to receive payment is established. Income from realized gains and losses is recognized in the period in which the sale of an investment has occurred. Unrealized investment gains and losses reflect the change in the fair market value of the investments at year-end.

Unclaimed trust funds are held by the Law Society of New Brunswick for ten 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 ten year hold period has expired.

#### (c) 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.

#### (d) Investments

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

#### (e) 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

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## New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

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### 2. Significant accounting policies, continued

#### (f) 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 marketable securities and restricted investments.

#### (g) 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. Marketable securities

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 6,508	\$ 7,241	\$ 2,633
Accrued income	25,628	19,186	15,008
Fixed income	3,524,811	1,231,800	1,517,797
Canadian equities	293,679	295,211	208,261
Foreign equities	999,809	691,040	609,404
Other investments	<u>1,206,488</u>	<u>748,832</u>	<u>626,334</u>
	<u>\$ 6,056,923</u>	<u>\$ 2,993,310</u>	<u>\$ 2,979,437</u>

# New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

## 4. Accounts receivable

	2023	2022	2021
Trust account interest	\$ 720,712	\$ 129,063	\$ 50,878
General bank interest	23,996	1,889	1,701
Other accounts receivable	44,397	6,441	22,331
	<u>\$ 789,105</u>	<u>\$ 137,393</u>	<u>\$ 74,910</u>

## 5. Note receivable

	2023	2022	2021
2.91% promissory note receivable from the Law Society of New Brunswick; repayable at \$2,446 per month including interest; maturing August 1, 2026	\$ 322,355	\$ 342,012	\$ 360,856
Less current portion	<u>20,237</u>	<u>19,657</u>	<u>18,231</u>
	<u>\$ 302,118</u>	<u>\$ 322,355</u>	<u>\$ 342,625</u>

## 6. Capital assets

	2023		2022	
	Cost	Accumulated amortization	Net	Net
Equipment	\$ 3,389	\$ 3,389	\$ -	\$ -
Computer equipment	<u>6,932</u>	<u>4,681</u>	<u>2,251</u>	<u>-</u>
	<u>\$ 10,321</u>	<u>\$ 8,070</u>	<u>\$ 2,251</u>	<u>\$ -</u>

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## New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

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7. Restricted investments - reserve fund

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 3,270	\$ 66,726	\$ 22,878
Accrued income	5,172	4,048	3,620
Fixed income	1,613,557	591,018	585,514
Canadian equities	999,424	1,155,763	997,490
Foreign equities	1,133,285	1,108,977	1,182,415
Other investments	<u>573,511</u>	<u>473,315</u>	<u>473,398</u>
	<u>\$ 4,328,219</u>	<u>\$ 3,399,847</u>	<u>\$ 3,265,315</u>

8. Accounts payable and accrued liabilities

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Trade payables	\$ 366	\$ 431	\$ 183
Government remittances payable	<u>2,903</u>	<u>3,988</u>	<u>3,190</u>
	<u>\$ 3,269</u>	<u>\$ 4,419</u>	<u>\$ 3,373</u>

9. Excess of revenues over expenditures

Given the level of investments held, changes in the market can have a significant impact on the excess or deficiency of revenues over expenditures.

Revenue from trust account interest is also impacted by interest rates set federally and average daily account balances held in trust accounts. There have been significant fluctuations in both interest rates and average account balances held over the past three years largely due to the global pandemic.



# New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

## 10. Related party transactions

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

Transactions between related parties include:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Expenses			
Subsidy to Scholarship Trust	\$ 24,700	\$ 26,000	\$ 33,300
Capital contribution			
Scholarship Trust	\$ 1,000,000	\$ -	\$ -

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.

## 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>2023</u>	<u>2022</u>	<u>2021</u>
Total assets	\$ 4,181,602	\$ 3,332,751	\$ 3,561,386
Total liabilities	<u>(4,001)</u>	<u>(4,001)</u>	<u>(4,001)</u>
	<u>\$ 4,177,601</u>	<u>\$ 3,328,750</u>	<u>\$ 3,557,385</u>

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenue - capital fund	\$ 164,810	\$ 80,793	\$ 674,900
Expenditures - income fund	(293,000)	(283,400)	(281,400)
Expenditures - capital fund	<u>(22,959)</u>	<u>(26,028)</u>	<u>(25,718)</u>
	<u>\$ (151,149)</u>	<u>\$ (228,635)</u>	<u>\$ 367,782</u>

**New Brunswick Law Foundation**  
Notes to Non-consolidated Financial Statements  
April 30, 2023

12. Summary of grants

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

	Outstanding grants, May 1, 2022	Grants approved	Grants paid (Returned)	Grants lapsed	Outstanding grants, April 30, 2023
Law Society of New Brunswick					
Truth and Reconciliation Educational Videos	50,000	-	-	-	50,000
Review the Rules of Court	-	200,000	-	-	200,000
Public Legal Education and Information Service of New Brunswick (PLEIS-NB)					
Core Funding	-	90,000	90,000	-	-
University of New Brunswick					
Pro Bono Students Canada UNB Chapter	21,356	21,779	20,514	842	21,779
Summer Employment	-	19,708	19,708	-	-
UNB Legal Aid Clinic	-	50,000	40,000	-	10,000
Université de Moncton					
Pro Bono Students Canada	18,237	18,321	15,820	2,417	18,321
Société d'aide juridique étudiante (SAJE)	-	18,816	18,816	-	-
AJEFNB					
Cours de formation	-	45,000	15,000	-	30,000
Nouvelle édition 2024 - Règles de procédure du N-B	-	56,500	-	-	56,500
Black Law Students Association					
National Conference	-	25,000	-	-	25,000
Subtotal	89,593	545,124	219,858	3,259	411,600

**New Brunswick Law Foundation**  
Notes to Non-consolidated Financial Statements  
April 30, 2023

12. Summary of grants, continued

	Outstanding grants, May 1, 2022	Grants approved	Grants paid (Returned)	Grants lapsed	Outstanding grants, April 30, 2023
Balance carried forward	89,593	545,124	219,858	3,259	411,600
Elizabeth Fry Society of NB Volunteer Court Liaison Program	46,500	86,720	68,524	3,976	60,720
East Coast Environmental Law NB Coastal Law	-	6,000	6,000	-	-
NB Legal Aid Services Commission (NBLASC) Family Legal Aid Program	-	200,000	200,000	-	-
NB Refugee Clinic (NBRC) Legal Aid and Resource Delivery	-	100,000	100,000	-	-
Canadian Institute for the Administration of Justice (CIAJ) Roundtable on Jury Representation	8,000	-	8,000	-	-
Phase 2 Roundtable on Jury and Criminal Delays	15,000	-	-	-	15,000
Sexual Violence NB Toward Trauma-Informed Lawyering in NB	56,500	-	56,500	-	-
CANLII Extending Primary Law Coverage to 100 Years	63,898	-	63,865	33	-
Publishing New Brunswick Statutes 1903-1927	-	36,767	-	-	36,767
Canadian National Institute for the Blind (CNIB) - Know your rights	15,000	-	15,000	-	-
	294,491	974,611	737,747	7,268	524,087

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## New Brunswick Law Foundation

Notes to Financial Statements

April 30, 2023

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### 13. Financial instruments

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

(a) 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.

(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 marketable securities and restricted investments as well as the interest earned on trust accounts.

(c) 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 held in the US dollar account.

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



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## New Brunswick Law Foundation

Schedule to Financial Statements  
Year ended April 30, 2023

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### Schedule of reserve fund operations

### Schedule 1

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenue			
Realized gain on sale of investments	\$ 117,693	\$ 155,746	\$ 3,281
Dividends	71,494	107,754	76,024
Interest	9,746	8,808	8,996
Foreign exchange	(3,312)	4,516	80
Unrealized gain (loss) on investments	<u>(251)</u>	<u>(125,301)</u>	<u>596,071</u>
	195,370	151,523	684,452
Expenditures			
Investment management fees	<u>16,998</u>	<u>16,991</u>	<u>15,467</u>
Excess of revenues over expenditures	<u>\$ 178,372</u>	<u>\$ 134,532</u>	<u>\$ 668,985</u>