

An abstract graphic consisting of several overlapping, curved bands in various shades of blue and black, creating a sense of motion and depth. The bands curve from the bottom left towards the top right, framing the central text.

Annual Report

2019 – 2020

LAW FOUNDATION
OF NOVA SCOTIA

ANNUAL REPORT

Table of Contents

CHAIR'S MESSAGE 4

REVENUE..... 6

RESERVE FUND MAINTAINS GRANT LEVELS 7

GRANTS..... 8

GRANTS TO BE DISBURSED IN 2020 – 2021 10

LAW FOUNDATION GRANTEE STORIES & TESTIMONIALS..... 12

FINANCIAL STATEMENTS 21

LAW FOUNDATION OF NOVA SCOTIA

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. There were no changes to members' appointments in 2019-2020, keeping the complement to nine members of the board.

Appointed by the Governor in Council:

Paulette Anderson
Meg Green
Kent Noseworthy
Tokunbo Omisade
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 G. Ruck, Q.C., TREASURER

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 2019 – 2020, the Foundation employed two part-time staff members:

Mary D. Hamblin, Executive Director
Kathy Samson, Executive Assistant

Please visit nslawfd.ca for more information on the Law Foundation of Nova Scotia.

CHAIR'S MESSAGE

The *Legal Profession Act* states that 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 any other purposes incidental or conducive to or consequential upon the attainment of any such objects.”

The fund maintained for this purpose arises from the payment by financial institutions of interest accrued on lawyers pooled trust accounts, which interest is based on the prime rate of the banks and other institutions. These monies are then paid as grants to organizations who further the objects of the Law Foundation.

GRANTS APPROVED

In January 2020 the Foundation approved thirty grants for the fiscal year April 1, 2020 – March 31, 2021, totaling \$1,976,237 - a 32% dollar increase over the previous year. Increased granting for 2020-2021 was based on a forecast of high prime interest rates which would have increased the Foundation's revenue. Grants support a wide range of work including direct services such as the provision of legal information, assistance with navigation of legal systems, and services and training for staff and intermediaries who help vulnerable individuals and marginalized populations.

The grants approved by the Foundation support valuable work in the community, work that strives to meet legal needs, particularly the legal needs of individuals who face barriers to accessing justice. The Foundation also funds projects targeted to address specific priority unmet needs identified in our research; research such as the ***Grants Review and Future Directions Report (2017)***. This report assessed the impact of current grants and identified gaps which the board continues to prioritize in hopes of attracting targeted projects worthy of support. It is my hope that we will continue to sustain and grow the Foundation's grants program well into the future.

In January 2020 the board of the Foundation resolved to make a \$2,000,000.00 contribution to the Law Foundation Scholarship Fund in order to permit the trustees of the Scholarship Fund to approve increased scholarships. The board recognized that tuition fees are to be increased significantly and the Foundation had not made a contribution to the Scholarship Fund since 2000.

CONSIDERATIONS IN APPROVING GRANTS

The *2017 Grants Review and Future Directions Report* continues to fulfill its mandate to help the board evaluate the current distribution of funds and to provide a roadmap for the future. It identifies specific barriers to access to justice and highlights certain populations' unmet needs, suggesting priority directions to address legal vulnerabilities identified during the research, vulnerabilities such as:

- 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 resolution services.

Foundation grantees state the report has shed light on the critical aspects of their work toward improved access to justice. They continue to leverage the findings of the report at community and board meetings as well as in their research programs to raise awareness. The legal community and the general public also have an interest in improving access to justice in Nova Scotia. The Foundation will continue to respond to these calls for action through its granting program.

REVENUE AND GRANTS

A reserve fund is maintained by the Foundation to ensure sustainability of its grants mandate. Declining interest rates in past years have forced the Foundation to call upon the fund to pay for grants. Over the last three years the reserve fund was replenished to ensure a hedge against the potential for future years' challenging economic times, including reductions in interest rates.

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. We are focused on ensuring accurate payments from all accounts. The Nova Scotia Barristers' Society provides the Foundation with a list of the pooled trust accounts reported by lawyers and firms on Annual Trust Account Reports. This allows the Foundation to identify accounts which may 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.

MARCH 2020 INTEREST RATE CHANGES AND COVID-19

The prime rate in Canada fell from 3.95% to 3.45% on March 6, 2020, following the Bank of Canada's decision to drop its overnight target by 0.5% to 1.25% the day before. In its statement, the bank said "the COVID-19 virus is a material negative shock to the Canadian and global outlooks." Similar decreases in the prime rate followed on March 17 (to 2.95%) and on March 30 further decreased the prime rate to 2.45%. In the meantime the Province declared a State of Emergency on March 22, 2020 in response to COVID-19. The board of the Foundation met on March 31, 2020 and recognized that the Law Foundation may suffer a significant deficit in 2020-2021 rather than the projected surplus. The board nevertheless determined that the grants paid in January 2020 should be paid during the 2020-2021 fiscal year so long as the grantees are able to carry out the intended programs. Any such deficit will be paid from the Foundation's reserve fund.

RECOGNITION OF THE BOARD, STAFF AND TRUSTEES

I would like to take this opportunity to thank the members of the board for volunteering their time and generously contributing to the work of the Foundation and access to justice in Nova Scotia.

Board members show great dedication and commitment, and their service to the community in this manner is greatly appreciated.

In the day-to-day administration I would like to recognize Mary Hamblin as executive director and Kathy Samson as executive assistant who have skillfully provided the core operations that are so important to the success of the work of the Law Foundation.

I also wish to recognize and thank R. Camille Cameron, Q.C., Dean, Schulich School of Law, Dalhousie University, and Estelle Theriault, Q.C., 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

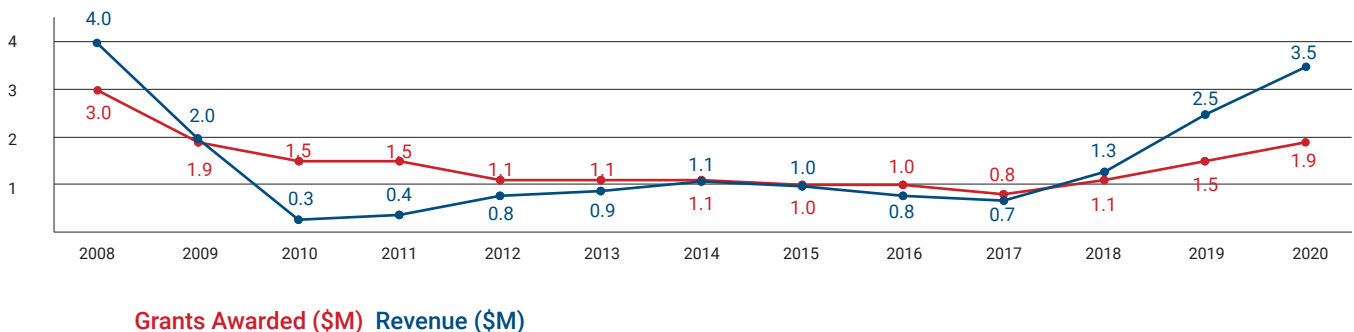
The Foundation’s main source of revenue is interest earned on lawyers’ pooled and Service Nova Scotia trust accounts in the province. Trust account revenue fluctuates with the balances in the trust accounts and with the prime rate of interest. Financial institutions remit interest based upon “prime – 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 ¾ per cent in January 2015 and then again to ½ 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 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. Since then, revenues continued to improve. In July of 2018, the prime rate increased to 3.7 per cent, followed by another increase in October 2018 to 3.95 per cent. The average prime rate in the fiscal year 2018-2019 was 3.7 per cent, with the pattern of growth continuing into 2019-2020 when the prime rate remained steady at 3.95%. Unfortunately, the prime rate plummeted with three rate drops in March 2020. On March 1st the prime rate was 3.95% , but by March 30th it was 2.45% , impacting the new fiscal year to begin on April 1st.

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. For instance, 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. More recently, in 2019-2020 the prime rate of 3.95% until March 2020 resulted in trust account revenue of \$3,501,146.

TRUST ACCOUNT REVENUE & GRANTS | Fiscal Years Ending 2008 - 2020



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 reserve fund in 1986 to be used to maintain grants in periods when low interest rates result in insufficient income to fund them. The Foundation has, in 2019-2020, been able to increase the reserve which, now, will be a saving grace for the coming year when annual revenues are projected to decline to less than \$400,000 from \$3,501,146 in 2019-2020. In the coming year, the Foundation will be forced to resort to making withdrawals from the reserve fund to maintain operations and to provide a consistent level of funding for the grantees.

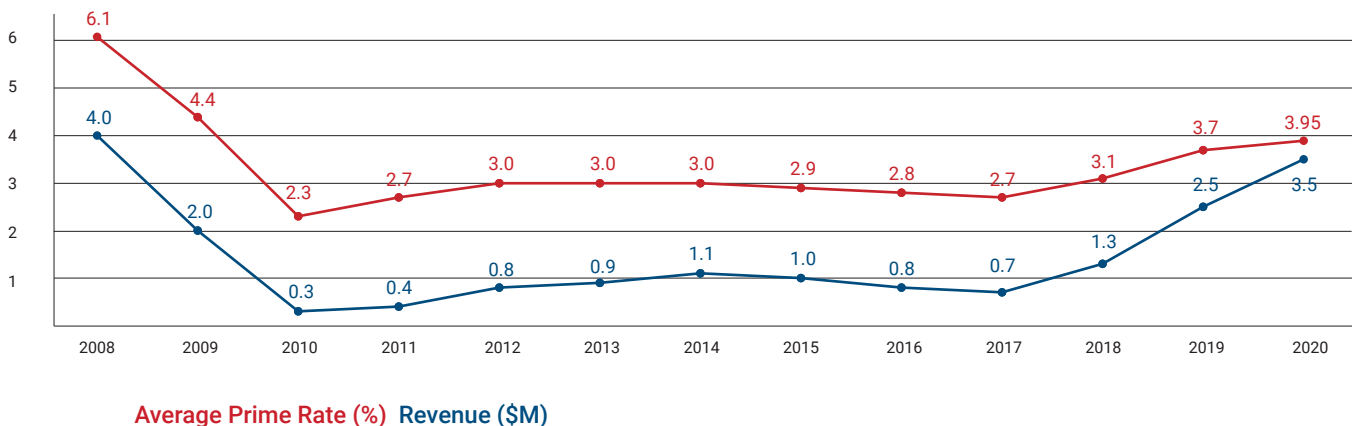
It is not new that the Foundation has had to rely upon its reserve fund. For example, although trust interest revenue dropped dramatically in 2010 due to the reduction in the prime rate of interest, the decision to maintain grant allocations at \$1.5 million, higher than the revenue stream, forced the Foundation to, then, rely upon the reserve fund. In subsequent years, although 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.

As the years progressed and revenues continued to remain low, the Foundation 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 fund. There were concerns that this may be unsustainable if revenues continued to falter.

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 percent); 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. Prime rate increases in 2018-2019 (to 3.7 percent in July and 3.95% in October) further allowed the Foundation to increase grant levels to \$1,493,359 in 2019-2020, and to increase grants again in 2020-2021 to \$1,976,237. However, the prime rate plummeted to 2.45% in March 2020, so the Foundation now anticipates a \$1.8 million deficit which will have to come from the reserve fund in 2020-2021.

The reserve fund as at March 31, 2020 is \$3,564,344. It serves as a reserve, once again, as it has in past years, for the challenging economic times forecast for 2020-2021.

TRUST ACCOUNT REVENUE & PRIME RATES | Fiscal Years Ending 2008 - 2020



GRANTS

LAW FOUNDATION SCHOLARSHIP FUND

Separate from its annual project grants, 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 \$4.28 million in scholarships to support 394 students during the past 39 years.

The 2019-2020 scholarships included four entrance and a total of four second and third-year scholarships. One graduate fellowship valued at \$20,000, was also awarded. Scholarship payments for the year totalled \$148,000.

2019-2020 Law Foundation Scholarship recipients were:

Entering 1st Year:	Elizabeth Dreise, Deanna Kerry, Mallory MacGregor, and Kelsey Warr
Entering 2nd Year:	Laura Burlock, Madysen Gillespie, Natalie MacDougall
Entering 3rd Year:	Sarah Dobson, Marc Lewis
Graduate Fellowships:	Ogbu Okanga

PROJECT GRANTS TO BE DISBURSED IN 2020-2021

Since its creation in 1976, the Foundation has received approximately \$49.3 million in revenue from interest on lawyers' trust accounts and has awarded over \$44 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 2019 – 2020 fiscal year, the Foundation awarded grants totaling \$1,976,237 to be disbursed during 2020-2021. 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.

FUNDING GUIDELINES AND APPLICATION PROCEDURES

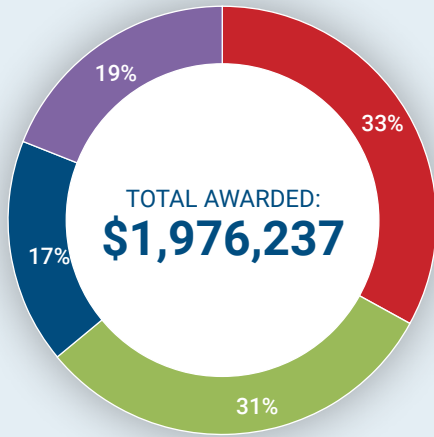
The board strives to be accountable in the distribution of funds received by the Foundation. The board also endeavours to be transparent and consistent in its evaluation of applications. It takes into consideration where programs will operate and who will benefit from them, as well as whether they fit 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, and, or by visiting the Foundation's website at nslawfd.ca

LEGAL INFORMATION SOCIETY OF NOVA SCOTIA (LISNS)

"The support provided by the Law Foundation of Nova Scotia to the Legal Information Society of Nova Scotia ensures that Nova Scotians receive high quality legal information when they need it, and, also timely legal help and justice in the form that may best address their needs."

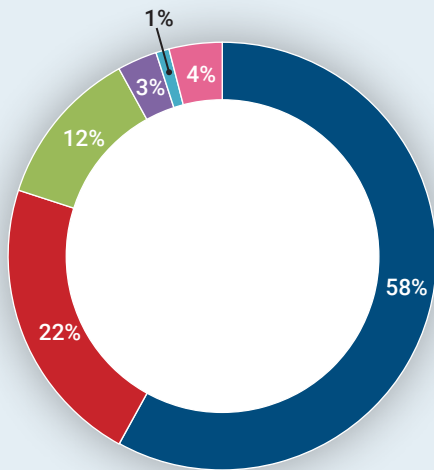
Heather de Berdt Romilly, B.Comm., LL.B., LL.M.

Executive Director, Legal Information Society of Nova Scotia (LISNS)



GRANTS AWARDED BY MANDATE

Public Access to Law:	\$659,737	33%
Legal Education:	\$605,887	31%
Research and Reform:	\$332,021	17%
Administration of Justice:	\$378,591	19%



GRANTS BY GEOGRAPHIC AREA

Province Wide	\$1,143,969	58%
HRM	\$437,139	22%
Cape Breton	\$235,504	12%
Antigonish/Pictou/Guysborough	\$51,395	3%
King's County	\$20,000	1%
Lunenburg/Queen's	\$88,31	4%

GRANTS TO BE DISBURSED IN 2020 – 2021:

Access to Justice and Law Reform Institute of Nova Scotia\$150,000 Access to justice research and reform, review of provincial laws & recommendations for improvement, modernization and reform	EPIC Society \$50,000 After school programs for youth in conflict with the law & support for parents; reduces recidivism amongst at-risk youth; outreach to marginalized youth in rural areas of Cape Breton
Antigonish Women’s Resource Centre \$51,395 Justice Matters for Women – Rural Outreach in Antigonish and Guysborough Counties - a rural outreach program providing law-related information and support for women and adolescent girls in rural counties and the Strait area	Halifax Refugee Clinic \$145,000 A pro bono legal clinic to assist financially eligible refugee claimants before the Immigration & Refugee Board & in related matters
Avalon Sexual Assault Centre \$45,660 Prevention, Intervention, and Awareness (PIA) Program - legal information and education, professional training workshops, support services and policy development aimed at improving the criminal justice process for victims of sexual violence	Indigenous Blacks and Mi’kmaq (IB&M) Initiative \$140,000 A legal education initiative to increase the representation of Indigenous Blacks & Mi’kmaq persons in the legal profession
Concilio Prison Ministry \$45,000 St. Luke’s Renewal Centre – for inmates at Springhill Institution and their families an innovative approach to re-integration of long-term offenders into the community as productive citizens, addressing issues of barriers to justice	King’s County Seniors’ Safety Program \$20,000 A program to provide legal, safety & security information on an individual and group basis to seniors in King’s County
Coverdale Courtwork Services \$60,000 Information and support for women in the criminal court process; counseling and support at parole hearings & pre-release planning; life skills programs to prevent recidivism	Leave Out Violence (LOVE) \$15,000 Youth who have experienced violence are trained to be peer educators to deter and reduce violent behavior
Dalhousie Legal Aid \$111,098 Pro bono legal services for marginalized populations; community development and law reform; an educational experience for 3rd year law students	Legal Information Society of Nova Scotia (LISNS) \$172,000 Programs providing Nova Scotians with pro bono access to legal information & resources to increase access to justice
East Coast Environmental Law Association \$65,000 Collaboration among students, academics & practitioners responding to environmental law issues such as environmental racism, discrimination; environmental legislation and policy review; environmental law education	Mainline Needle Exchange \$36,575 A legal education program to reduce recidivism; help for drug users and service providers in court & correctional institutions
Elizabeth Fry Cape Breton \$102,888 Support for women in prison; programs & services for women charged with offences or at risk in the community; law reform & community education	Pro Bono Students Association \$13,500 Law students volunteer their time to provide legal services to public interest community organizations
Elizabeth Fry Mainland \$72,000 Support Services for Vulnerable, Criminalized Women and Girls help women charged with offences or at risk in the community; law reform & community education	reachAbility \$26,164 Access to legal services & plain language information for persons with disabilities across Nova Scotia
	Stepping Stone \$48,000 Court support & assistance for current or former sex trade workers; workshops for sex trade workers and the legal community; community education

Barristers' Society Bar Admission Program Project \$61,000	Project – African Nova Scotian Social Worker Pilot for Nova Scotia Legal Aid \$86,700
Financial assistance for graduated articling students needing help to access the bar admission program	Information, navigation, and bridge between the African Nova Scotian community and the legal system, innovative program designed to have sustainable aspects increasing organizational cultural competency
Black Law Students Canada project \$19,000	Project – Social Justice Support Assistant (SJSA) Pilot for Nova Scotia Legal Aid \$63,500
Financial assistance for Nova Scotia black law students to attend February 2021 annual Black Law Students' Conference	Support geared towards helping legal aid lawyers and other quasi-legal or front-line workers to assist low income and vulnerable client populations; self-represented individuals; rural populations primarily in Cape Breton
Coverdale Project – Family Court Support \$43,450	Lunenburg County Seniors' Safety Legal Navigator Project .. \$28,231
Court support & assistance for marginalized women in the Halifax Regional Municipality	Legal navigator provides legal, safety & security information on an individual and group basis to seniors in Lunenburg County
East Coast Prison Justice Society Project \$48,614	Stepping Stone Housing Project \$20,000
Access to prison system including interviews with persons held there and collection of data for prison reform	Housing support & assistance for current or former sex trade workers; educating the legal community
Family Service Western Nova Scotia Wellness Court Project \$60,000	UNB Law School Scholarship Nova Scotia students \$100,000
Court support & assistance for marginalized persons attending Wellness Court in South Shore rural Nova Scotia	Financial scholarship monies for Nova Scotia law students attending UNB Law School
Elizabeth Fry Prison Law Advocacy Project \$76,462	
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; trains pro bono lawyers	
<hr/>	
TOTAL GRANTS: \$1,976,237	

ANTIGONISH WOMEN'S RESOURCE CENTRE & SEXUAL ASSAULT SERVICES ASSOCIATION

"We are grateful for the positive impact of the Justice Matters for Women program, made possible through the support from the Law Foundation. We appreciate their continued support for this important work".

*Marcia Connolly, Outreach Worker, Justice Matters for Women
Antigonish Women's Resource Centre & Sexual Assault Services Association*

LAW FOUNDATION GRANTEE STORIES & TESTIMONIALS

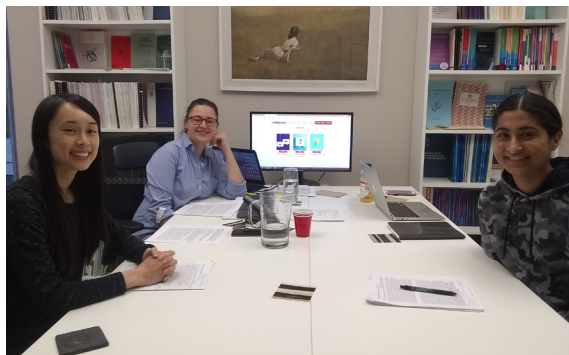
ACCESS TO JUSTICE AND LAW REFORM INSTITUTE OF NOVA SCOTIA

This year we published our Discussion Paper on the *Intestate Succession Act* and consulted with over 150 persons across the province on changes they would like to see to the Act. We were also able to meet with 62 service providers across Nova Scotia to discuss the access to justice challenges faced by their clients & provided research support on such diverse issues as trusted intermediaries, community land trusts, parental alienation, participation of the child in family law proceedings and online dispute resolution.

“Without support from the Law Foundation we would not have been able to expand our work program to undertake not only our law reform program, but our access to justice program, as well. Allowing us to transition our work program has helped to ensure that our research and reports remain responsive to the needs of Nova Scotians.”

*Ilana Dodi Luther, Executive Director
Access to Justice & Law Reform Institute of Nova Scotia,
Schulich School of Law at Dalhousie University*

For more information go to lawreform.ns.ca



Left to right: Tiffany Leung, Ilana Luther and Simran Hothi working on new immigrant stories from the #TalkJustice Project



Left to right: Nicole Tomasic, Amelia Harris, Sarah Burton and Monica Dairo working on Intimate Partner Violence first voice stories from the #TalkJustice Project

ANTIGONISH WOMEN'S RESOURCE CENTRE & SEXUAL ASSAULT SERVICES ASSOCIATION

We are grateful for the positive impact of the Justice Matters for Women program, made possible through the support from the Law Foundation. We appreciate their continued support for this important work.

The generous funding provided through the Law Foundation allowed the Justice Matters for Women Outreach Support Worker to provide accompaniment, advocacy and support to a woman following her marital separation. The emotional and financial toll this took resulted in this woman filing for bankruptcy, foreclosure on her marital home, and her eventual need to apply for income assistance to supplement the loss of her partner's income. The Outreach Worker supported this woman as she met with legal aid, attended family court, and made difficult decisions about how she and her child could move forward. With the support of the Outreach Worker this woman moved out of her rural community, was approved for the rent supplement program, and is now living in a two-bedroom apartment for eight-five dollars a month. An important additional outcome is that she was also able to reconnect with her passion of being a foster parent.

Wyanne Sandler, Executive Director

Antigonish Women's Resource Centre & Sexual Assault Services Association

For more information go to awrcsasa.ca



CONCILIO PRISON MINISTRY

"Many positive stories result from the St. Luke's Renewal Centre helping prisoners practice personal and life skills to improve their lives and to provide a positive vision for their lives. This program is only possible through the support of the Law Foundation of Nova Scotia."

*Clarence DeSchiffart, Board Chair
Concilio Prison Ministry*



AVALON SEXUAL ASSAULT CENTRE

During the last year, Avalon’s Legal Education, Training, and Sexualized Violence Prevention efforts reached thousands of people directly in workshops and collaborations across Nova Scotia, and many more around the world through educational and awareness building communications and campaigns. This graph illustrates all of the places in the Halifax Regional Municipality where Avalon has facilitated legal education and training over the last year.

“We greatly appreciate the support of the Law Foundation of Nova Scotia. Thank you for investing in our programs for survivors! What a positive impact for them and for the wider community.”

*Dee Dooley, MA
Coordinator of Prevention, Intervention, and Awareness
Avalon Sexual Assault Centre*

For more information go to avaloncentre.ca

COVERDALE COURTWORK SERVICES

The core work of Coverdale continues to be the support of women and girls involved, or at risk of being involved in the criminal justice system. The coming year will be a period of growth, as we work alongside our community partners, stakeholders and service users, to provide the best support and the best services that can be offered, and to collectively imagine new and creative ways to support those in our community who are criminalized and experiencing marginalization-- and who turn to Coverdale for help. We offer programming, prison visits, court accompaniment and resource navigation. Coverdale is able to do this thanks to the Law Foundation for their commitment to furthering access to justice by supporting our mission.

*Ashley Avery, Executive Director
Coverdale Courtwork Society*

For more information go to coverdale.ca

EAST COAST ENVIRONMENTAL LAW

Public legal education is a core pillar of our work, and we know that providing mentorship, training, and employment opportunities to law students plays a critical role in building more capacity for community legal support in our region. The Law Foundation of Nova Scotia assists greatly in helping law students and new legal graduates help the community in the area of environmental law.

For more information go to ecelaw.ca

ELIZABETH FRY MAINLAND & CAPE BRETON

"Funding from the Law Foundation has provided the Elizabeth Fry Societies of Mainland and of Cape Breton the financial stability to assist a particularly marginalized population in the pursuit of access to justice for criminalized women province wide."

Some news from the Prison Legal Advocate project

Thanks to the generous funding of the Law Foundation, we were able to move into Stage 2 of the project in 2019-2020. This provided a staff lawyer position to provide essential legal services for incarcerated and other criminalized women in Nova Scotia. Our team helped dozens of women who would not otherwise have access to justice in the areas of family law, prison law, human rights and access to disability supports. We advocated for systemic improvements such as legislative changes and improved conditions of confinement for some of our most vulnerable members of society.

Emma Halpern, Executive Director

The Elizabeth Fry Society Mainland Nova Scotia

For more information go to efrymns.ca

Darlene MacEachern, Executive Director and

Julie Kendall, Associate Executive Director

The Elizabeth Fry Society of Cape Breton

For more information go to efrycb.com



The EPIC Youth Peer art mentoring program in Cape Breton

EDUCATIONAL PROGRAMS INNOVATIONS CHARITY (EPIC) SOCIETY

The EPIC Youth Peer art mentoring program is one way for at-risk-youth to get the help they need.

In the fall, JM was put in Alternative Education because her fear of bullying and extreme anxiety kept her from attending a regular classroom. For several Youth Peer sessions she was too terrified to join in with the group - only 1-to-1 in a quiet place with her tutor-mentor. She recently said, "this is a safe place for me and I don't have to pretend to be someone I'm not." She never misses and she participates fully every week.

*Barry Waldman, volunteer Executive Director
Educational Programs Innovations (EPIC)*

For more information go to epiccharity.com

THE HALIFAX REFUGEE CLINIC

"The Halifax Refugee programs and services are largely made possible through generous project funding from the Law Foundation of Nova Scotia. Thank you!"

For more information go to halifaxrefugeeclinic.org

INDIGENOUS BLACKS AND MI'KMAQ INITIATIVE (IB&M)

"For the past 30 years, the Law Foundation has supported the Indigenous Blacks & Mi'kmaq (IB&M) Initiative, an initiative to increase the representation of Indigenous Blacks & Mi'kmaq people in the legal profession. The continued support from the Law Foundation is an important partnership that has provided opportunities for Indigenous Black and Mi'kmaq students to access a legal education resulting in greater representation in the legal community. Thank you for continuing to support the IB&M Initiative as we move forward into the next 30 years!"

We hosted a wonderful event this year - the IB&M's 30th Anniversary student and alumni celebration held in November 2019.

*Aleta C. Cromwell, Q.C.
Acting Director, Indigenous Blacks & Mi'kmaq Initiative
Schulich School of Law, Dalhousie University*

For more information go to dal.ca › *Schulich School of Law*



Professor Michelle Williams, Professor Bisi Akinkugbe and Professor Maria Dugas.



L-R IB&M Acting Executive Director Aleta Cromwell, Q.C., Deputy Minister of Justice Karen Hudson, Q.C. and Alicia Arana-Stirling.



L-R Judge Corrine Sparks, the Honourable J. Michael MacDonald, and Professor Michelle Williams

KINGS COUNTY SENIORS SAFETY SOCIETY

“The Law Foundation funding allows us to provide much needed services to seniors. Our services help seniors better understand the law and legal issues as they affect them. Being informed ensures that Kings County seniors may more effectively avoid victimization and thrive within the community in an increasingly secure and comfortable environment.”

*Daisy J. Dwyer, Board President
Kings County Seniors’ Safety Society(KCSSS)*

For more information go to kingsseiorssafety.com

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.

“Support from the Law Foundation of Nova Scotia has been highly valuable to LOVE Nova Scotia’s programs with 24/7 on-call support. We are thankful for the Foundation’s ongoing belief in our work.”

*Jaime Forsyth, Fund Development Manager and Youth Worker
Leave Out Violence (LOVE)*

For more information go to novascotia.leaveoutviolence.org



KCSSS AGM June 2019 promoting Senior Abuse Awareness Day. The picture includes KCSSS Board Members, KCSSS Program Coordinator, policing services and community funding representatives.



Left to Right: Cst. Cauldwell, KCSSS Michelle Parker and Cst. Black The T-Shirt Campaign - 100 t-shirts were worn to promote Senior Abuse awareness by seniors, folks who work with seniors, KCSSS Board members, police, elected officials and others. As well, KCSSS hosted a BBQ to raise awareness, provide resources and show support with 110 people in attendance.

LEGAL INFORMATION SOCIETY OF NOVA SCOTIA (LISNS)

Due to the funding support of the Law Foundation of Nova Scotia, LISNS has been able to increase delivery of core services to Nova Scotians through further resourcing of the legal information line service, livechat and e-mail. Feedback is very positive – people are pleased with the high quality information being provided through each of the services. LISNS launched a redesigned website which has also received high praise from users who like the clean presentation and report being able to easily find the information. The redesign strategically invested in updating content across a range of topics that are in frequent demand.

Thanks to the Law Foundation’s support, LISNS is on the cutting edge of digital innovation and collaboration with professionals from a range of disciplines to deliver Nova Scotians greater access to justice. LISNS launched a free personal directive app in the Fall 2019 working in partnership with Professor Jocelyn Downie, a respected elderlaw scholar, and a Trudeau Fellow at the Schulich School of Law. A personal directive is a critical planning tool that allows a person to outline their wishes for healthcare. A personal directive facilitates the efficient delivery of healthcare and minimizes the stress associated with often difficult and time sensitive situations. The personal directive app produces a finished document which can be immediately used. This addresses a significant gap area (as the majority of Nova Scotians do not have a personal directive) and LISNS is working with both the IWK Hospital and healthcare facilities towards a full rollout across Nova Scotia. This initiative directly supports LISNS’ Medical Legal Health Partnership with the IWK where LISNS now has a designated space and hosts legal information sessions

for staff and families of sick children the second week of every month. These sessions are well attended and receive positive feedback. LISNS also has a successful Estate Planning Legal Health Program with the Nova Scotia Health Authority providing palliative care patients with estate planning documents.

To further promote proactive estate planning, in January 2020 LISNS launched a Seniors’ Navigator Project to train seniors to assist other seniors in their communities with making personal directives using the app (in addition to wills and powers of attorney). LISNS is also relaunching the free wills app by end of March such that it will produce a finished will capable of execution. This is the first of its kind in Canada and is being adapted by the Government of the Northwest Territories and explored as a model by the Law Foundation of British Columbia. In April 2020 LISNS is launching the first of its kind in Canada power of attorney app that will also produce a finished document. LISNS has created a video series to accompany the launch of the apps. These videos will be shown on screens at Service Nova Scotia Access Offices across the Province in addition to other strategic locations. LISNS is serving land title claimants in Guysborough County to support their estate planning needs. LISNS had a lawyer and team of paralegals travelling to Guysborough in March month to complete wills, power of attorney and health care directives using the free apps. LISNS continues to provide seniors and disadvantaged families in the Preston Communities with free estate planning documents through legal clinics and the apps are increasingly important tools to help gather information to assist the supporting lawyers.



In July 2019 the Minister of Justice and Attorney General of Canada, David Lametti, made the funding announcement that LISNS has been awarded a 5 year Sexual Harassment in the Workplace Project worth \$2.13 million over 5 years

LISNS continues its work to assist self-represented individuals attending small claims court assisted by support for this initiative by the Small Claims Court. LISNS was honoured to have its representing yourself videos developed for the free Small Claims Court App (the first in Canada) embedded in the recently launched by the Courts of Nova Scotia, online Small Claims Court Forms along with the app. This is a significant recognition of the value of LISNS' work. There continues to be significant positive feedback on the usefulness of the representing yourself videos.

LISNS has also worked closely with front line community service workers across the Province this past year delivering family law information sessions to all regions of the Province, with rave reviews. The Nova Scotia Association of Family Resource Centres has been an important partner in this work and there continues to be demand for these sessions as front line community service workers find themselves increasingly being asked to provide information to clients on family law matters.

LISNS has been awarded a number of prestigious projects which is directly due to its stability for core service delivery only made possible through the Law Foundation's generous support. Projects include the Sexual Harassment in the Workplace Employee Prevention Project funded by the Federal Government (\$2.1 million over 5 years – picture and tweet at this link) <https://www.canada.ca/en/department-justice/news/2019/07/government-of-canada-supports-initiatives-to-address-workplace-sexual-harassment-and-improve-access-to-justice-in-nova-scotia.html>, Investor Protection Project funded by the Law Foundation of Ontario (\$100K for one year), and the Seniors' Navigator Project funded by both the Provincial Department of Seniors (\$25K) and Federal Government New Horizons for Seniors (\$25K).

We are most appreciative of the Law Foundation's support of our work and belief in the importance of Nova Scotians having meaningful access to justice.

For more information go to legalinfo.org



Justice Canada @JusticeCanadaEN · Jul 26

We are proud to support the @LegalInfoNS and the Canadian Association of Statutory Human Rights Agencies in their effort to improve #AccessToJustice for individuals who experience sexual harassment in their workplace. ow.ly/aYK050vdazC



MAINLINE NEEDLE EXCHANGE

"I've been at Mainline since day one, May 2, 1992 and never could we have been able to employ staff and provide services to those who are in dire need without support from the Law Foundation. I truly believe we experience much success from our projects due to the critical funding we get from the Law Foundation of Nova Scotia. Many of our staff have criminal records and couldn't get employment elsewhere, although it's that exact experience and skill set that makes Mainline the excellent program it is. With sincere gratitude we thank you Law Foundation of Nova Scotia. "

*Diane Bailey, Program Director
Community Based Legal Support and Education Project
Mainline Needle Exchange*

For more information go to mainlineneedleexchange.ca

REACHABILITY

There are many barriers to accessing legal support and resources, especially for traditionally marginalized populations," says Amanda Grinter, the ODE Coordinator for reachAbility. "Embracing inclusion and taking action toward equitable legal services ensures that all our citizens have the opportunity to congruent and just treatment." ODE, or, Opening Doors for Everyone represents Nova Scotia's commitment to become a more inclusive province by 2030.

"reachAbility is an organization dedicated to equalizing the playing field for people facing barriers. We thank the Law Foundation of Nova Scotia for their support which helps us to equalize the playing field for Nova Scotians in the legal system."

*Patrick Vincent, Legal Support Services
and Tova Sherman, Executive Director
reachAbility Association*

For more information go to reachability.org



Mainline Staff Christmas 2019
Front row: Diane Bailey, Corey Brian, Lydia Cameron, Jamie Williams, Heather Chaisson, Greg Power; Back row: Matt Watson, Matt Bonn, Kary Hannan, Ashton Manktelow, John Arenburg;
Note: Cathy Shanks and Patrick Maubert couldn't attend.

STEPPING STONE

"Stepping Stone's Tipping the Scales program headed by Linda Grandy provides current and former sex workers who have come into contact with the Criminal Justice System with direct support and assistance in navigating the legal system and related justice environment. The Law Foundation grant is the main support for this critical service – thank you!"

Alex MacDonnell, Executive Director

STEPPING STONE – TIPPING THE SCALES CLIENT TESTIMONIAL

"It's because of this program at Stepping Stone and people like Linda that I have a second chance."

*Anonymous client
Stepping Stone – Tipping the Scales*

For more information go to steppingstonens.ca

Financial Statements

Law Foundation of Nova Scotia

March 31, 2020

Contents

	Page
Independent auditor's report	1-2
Statement of operations and changes in general fund	3
Statement of operations and changes in reserve fund	4
Statement of financial position	5
Statement of cash flows	6
Notes to the financial statements	7-10

Independent auditor's report

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

Grant Thornton LLP
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Qualified Opinion

We have audited the financial statements of Law Foundation of Nova Scotia (the "Foundation"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations for the general and reserve fund, statement of changes in net assets for the general and reserve fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Law Foundation of Nova Scotia as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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, 2020 and 2019, assets as at March 31, 2020 and 2019 and net assets as at April 1, 2019 and 2018 and March 31, 2020 and 2019. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

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 Foundation 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 qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada
June 5, 2020

Chartered Professional Accountants

Law Foundation of Nova Scotia

Statement of operations and changes in general fund

Year ended March 31	2020	2019
Revenue		
Interest on trust accounts	\$ 3,501,146	\$ 2,523,686
Interest on operating account	7,316	5,410
Miscellaneous income	<u>69</u>	<u>115</u>
	3,508,531	2,529,211
Grants disbursed	<u>1,899,221</u>	<u>1,493,359</u>
	1,609,310	1,035,852
Expenditures		
Accounting and audit	12,650	9,315
Amortization	382	296
Bank charges	188	159
Consulting	3,526	2,870
Director's insurance	1,908	1,908
Miscellaneous	4,522	3,264
Office	7,840	9,610
Rent and common area	18,095	20,101
Salaries and benefits	144,248	140,141
Telephone	1,910	1,822
Travel and meetings - board	6,229	3,275
Travel - staff and chair	<u>2,641</u>	<u>241</u>
	204,139	193,002
Excess of revenue over expenditures	\$ <u>1,405,171</u>	\$ <u>842,850</u>
General fund, beginning of year	\$ -	\$ -
Excess of revenue over expenditures	1,405,171	842,850
Transfer to reserve fund	<u>(1,405,171)</u>	<u>(842,850)</u>
General fund, end of year	\$ <u>-</u>	\$ <u>-</u>

Law Foundation of Nova Scotia

Statement of operations and changes in reserve fund

Year ended March 31 2020 2019

Revenue		
Interest on investments	\$ 56,030	\$ 29,583
Dividend income	150,788	114,290
Change in market value of investments	<u>(434,630)</u>	<u>300,593</u>
	<u>(227,812)</u>	<u>444,466</u>
Expenditures		
Brokers' and investment management fees	50,494	34,844
Contribution to Law Foundation of Nova Scotia Scholarship Fund (note 7)	<u>2,002,502</u>	<u>-</u>
(Deficiency) excess of revenue over expenditures	\$ <u>(2,280,808)</u>	\$ <u>409,622</u>
<hr/>		
Reserve fund, beginning of year	\$ 4,418,751	\$ 3,166,279
(Deficiency) excess of revenue over expenditures	(2,280,808)	409,622
Transfer from general fund	<u>1,405,171</u>	<u>842,850</u>
Reserve fund, end of year	\$ <u>3,543,114</u>	\$ <u>4,418,751</u>

Law Foundation of Nova Scotia

Statement of financial position

March 31 2020 2019

Assets

Current

Cash	\$ 757,578	\$ 624,521
Prepays	<u>276</u>	<u>2,602</u>
	757,854	627,123

Investments (note 3)	4,769,469	5,291,543
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Equipment (note 4)	<u>1,675</u>	<u>1,183</u>
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	\$ 5,528,998	\$ 5,919,849
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Liabilities

Current

Payables and accruals (note 5)	\$ 9,647	\$ 7,739
Designated grants payable (note 6)	<u>1,976,237</u>	<u>1,493,359</u>
	1,985,884	1,501,098


Fund balances

Reserve fund	<u>3,543,114</u>	<u>4,418,751</u>
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	\$ 5,528,998	\$ 5,919,849
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Commitment (note 8)

On behalf of the Board



Director



Director

Law Foundation of Nova Scotia

Statement of cash flows

Year ended March 31	2020	2019
Increase (decrease) in cash		
Operating		
(Deficiency) excess of revenue over expenditures	\$ (875,637)	\$ 1,252,472
Items in earnings not involving cash		
Amortization	382	296
Change in market value of investments	434,630	(300,593)
Contribution of securities to Law Foundation of Nova Scotia Scholarship Fund	2,002,502	-
Reinvested dividends	(7,182)	(3,370)
	<u>1,554,695</u>	<u>948,805</u>
Change in non-cash working capital balances		
Prepays	2,326	-
Payables and accruals	1,908	1,387
Designated grants payable	482,878	407,303
	<u>2,041,807</u>	<u>1,357,495</u>
Investing		
Purchase of investments	(5,095,751)	(3,060,070)
Proceeds on disposal of investments	3,187,875	1,959,591
Purchase of equipment	(874)	-
	<u>(1,908,750)</u>	<u>(1,100,479)</u>
Net increase in cash	133,057	257,016
Cash		
Beginning of year	<u>624,521</u>	<u>367,505</u>
End of year	\$ <u>757,578</u>	\$ <u>624,521</u>

Law Foundation of Nova Scotia

Notes to the financial statements

March 31, 2020

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.

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>
Computer Hardware	3 years	Straight line
Furniture and fixtures	20%	Declining balance
Office equipment	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.

Law Foundation of Nova Scotia

Notes to the financial statements

March 31, 2020

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 \$2,478,426 at year end (2019 - \$2,687,428). A 1% absolute change in interest rates would increase or decrease interest income by \$17,208 (2019 - \$20,629).

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 \$1,297,451 (2019 - \$1,692,352) 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 \$64,873 (2019 - \$84,618).

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.

Law Foundation of Nova Scotia

Notes to the financial statements

March 31, 2020

2. Summary of significant accounting policies (continued)

Revenue recognition

The Foundation uses the deferral method of accounting for the net investment income.

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.

3. Investments

	2020		2019	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Equities and mutual funds	\$ 3,040,919	\$ 3,048,621	\$ 2,770,244	\$ 3,228,636
Fixed income	1,101,799	1,024,605	1,318,263	1,337,604
Money market fund	<u>687,771</u>	<u>696,243</u>	<u>718,475</u>	<u>725,303</u>
	<u>\$ 4,830,489</u>	<u>\$ 4,769,469</u>	<u>\$ 4,806,982</u>	<u>\$ 5,291,543</u>

4. Equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2020 Net Book Value</u>	<u>2019 Net Book Value</u>
Computer equipment	\$ 874	\$ 146	\$ 728	\$ -
Furniture and fixtures	8,769	8,586	183	229
Office equipment	<u>30,718</u>	<u>29,954</u>	<u>764</u>	<u>954</u>
	<u>\$ 40,361</u>	<u>\$ 38,686</u>	<u>\$ 1,675</u>	<u>\$ 1,183</u>

Law Foundation of Nova Scotia

Notes to the financial statements

March 31, 2020

5. Payables and accruals

Included in payables and accruals are government remittances payable of \$3,985 (2019 - \$3,815).

6. Designated grants payable	<u>2020</u>	<u>2019</u>
Grants payable	<u>\$ 1,976,237</u>	<u>\$ 1,493,463</u>

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

7. Related party transactions

Payments of \$2,002,502 (2019 - \$nil) were made to the Law Foundation of Nova Scotia Scholarship Fund ("Scholarship Fund"). The Foundation is related to the Law Foundation of Nova Scotia Scholarship Fund through a common management team and the Foundation's ability to exercise significant influence over the Scholarship Fund. This transaction was recorded at the fair market value of the securities transferred.

8. Commitment

The Foundation rents its premises under a long term lease which expires June 30, 2024. Estimated annual costs are \$20,000, including annual base rental and common area costs.

9. Impacts of COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time.

Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Foundation has begun to feel the implications of the Bank of Canada's decision to lower its benchmark interest rate combined with fewer transactions in lawyers' trust accounts, reducing interest on trust accounts. Further, as at the date of these financial statements were completed, the fair value of the Fund's investments had declined significantly.

LAW FOUNDATION OF NOVA SCOTIA

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