



**LawFoundation**  
OF SASKATCHEWAN



1973-2023



**2023-2024  
ANNUAL  
REPORT**

# ABOUT THE FOUNDATION



The Law Foundation of Saskatchewan is a non-profit organization established under *The Legal Profession Act, 1990*. It receives and manages interest on client funds held exclusively in lawyers' mixed trust accounts, as well as unclaimed funds in these accounts. These funds are intended to benefit the people of Saskatchewan in the areas of legal education, legal research, legal aid, law libraries, and law reform. Pursuant to the legislation, the Foundation provides grants to non-profit organizations that deliver innovative initiatives, increased knowledge, and access to justice.

Mixed trust accounts contain client funds which are held by a lawyer for a short period of time to facilitate a legal matter, ex: real estate transactions. Individually, the interest earned is generally small and, therefore, it is not feasible to distribute. However, collectively the interest is significant.

The Saskatchewan financial institutions holding the mixed trust funds pay variable rate interest directly to the Law Foundation under special agreements negotiated between the Foundation and the institutions. The Foundation manages these funds pending distribution to the grantees. As a result of legislative changes in 2020, the Foundation is now able to invest funds in managed portfolios which include bond funds and equities. In late 2023, the Foundation invested in pooled funds under a revised investment policy administered by a third-party investment firm.

In 2023, the Foundation marked its 50th anniversary. Its inception in 1973 makes the Law Foundation of Saskatchewan one of the first of its kind in Canada. It has since distributed over \$100 million for its legislated purposes.

# MESSAGE FROM THE CHAIR



This year was marked by significant events leading to opportunities for change and renewal. While the end of historically low interest rates created hardships for many Saskatchewan people, the Foundation benefitted in record annual income from interest earned on lawyers' mixed trust accounts. Practically this means more resources are available to invest in programs and initiatives that advance access to justice in Saskatchewan. June of 2024 was the start of the Bank of Canada prime interest rate decreasing – a trend that the Foundation will watch carefully.

The Foundation proudly celebrated its 50th anniversary in Saskatoon in December, 2023. The gathering brought together past and current Board members, representatives of current and past grantees and stakeholders. We were honoured by everyone's attendance to recognize this milestone for the Foundation.

On behalf of the Board, I acknowledge the valuable contributions of two individuals who completed their final terms on the Board: Tom Schonhoffer, K.C. and Tim Bergsma, B. Comm, CPA. Tom had previously served as Board Chair and Tim, was Chair of the Audit and Investment Committee.

”  
The Legacy Grant Program that was created in the last fiscal year was completed with the Board meeting for a record three consecutive days to adjudicate all the applications.

There was a diverse group of applicants including past grantees, current grantees and organizations that were new to the Foundation. This Program will continue in a revised form in the upcoming fiscal year.”

We welcomed four new Board members: Max Bilson, K.C. and Danielle Margerison, CPA appointed by the Minister of Justice and Attorney General; and Lindsay Gates and Renée Gavigan appointed by the Law Society of Saskatchewan. The Foundation also had a leadership transition with Bob Watt retiring after more than 10 years as Executive Director. Bob's leadership was valued for his extensive experience, financial acumen and ability to develop strong relationships with the Foundation's grantees.

The new Executive Director, Colleen Schmidt, brings to the Foundation relevant experience in law and non-profit management. We are confident Colleen's experience and ability will serve the Foundation well. I appreciate Bob and Colleen's leadership, the strength of the Board and the dedication and operational excellence we see with our many grantees and stakeholders. Looking ahead, the Foundation is updating its strategic plan and looks forward to its adoption and implementation in the upcoming fiscal year.

On behalf of the Board of the Law Foundation of Saskatchewan, I respectfully submit this Annual Report to the Minister of Justice and Attorney General and the Law Society of Saskatchewan.

A blue ink signature of Lee Anne Schienbein, written in a cursive style.

Lee Anne Schienbein, Chair

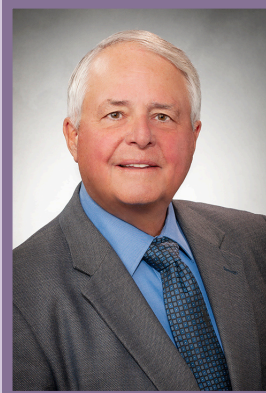
# The Board



**Lee Anne Schienbein**  
B.A. (Hons.), LL.B. Chair



**Irene Seiferling**  
B.A., ICD.D, FEA Vice-Chair



**Trevor Forrest**  
B.Comm.



**Paul S. Jaspar**  
SVM, FCPA, FCA.



**Max Bilson, K.C.**



**Sean Sinclair**  
LL.B.



**Danielle Margerison**  
CPA, CA.



**Lindsay Gates**  
B.A. (Hons), LL.B (Hons.)



**Renée Gavigan**



**Colleen Schmidt, B.A., LL.B.**  
Executive Director

# Paying Tribute



Bob Watt began his time with the Law Foundation in 2010, when he first joined the Board of Directors. In 2013, he took over the role of Executive Director, becoming only the second one in the 50 year history of the Foundation.

Bob made many contributions to the development of the Foundation during his tenure. He was especially innovative and forward thinking in the realm of financial management, introducing many important practices that advanced the capacities of the Foundation. He also ushered the Foundation into the technological era and embraced the efficiency that this offered. In addition to his work with the Foundation, Bob also served on the Banking Committee of the Association of Canadian Law Foundations.

Bob's natural leadership qualities and gentle good nature made him a great Executive Director. He skillfully shepherded the Foundation through challenging times when revenues were so low that it struggled to meet minimum grant commitments and through the unprecedented COVID era. His example of wisdom and kindness has permanently shaped the character of the Foundation.

Thank you, Bob, for your excellent service to the  
*Law Foundation of Saskatchewan.*



# Celebrating 50 years

The Law Foundation has grown a great deal since its first Board meeting in Regina on November 23, 1973.

The first meeting was Chaired by D.K. MacPherson, Q.C. The other Board members present were listed as:

- G.E. Noble, Q.C.
- David Wooff, LL.B.
- D.H. Wright
- Gord Wicijowski
- K. Lysysk

It was also at this meeting that Robert Arcscott was appointed Secretary, a position that later became the Executive Director.

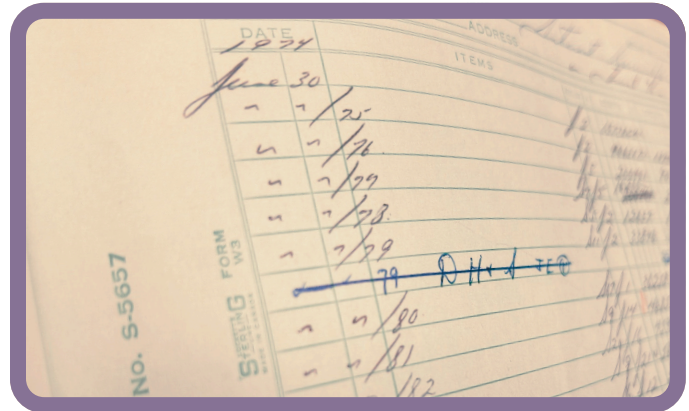
At that first meeting, the Board discussed other organizations they wanted to build relationships with and shared ideas for programs they wished to establish, many of which are ongoing to this day.

In December 2023, the Foundation commemorated its 50th anniversary with a gathering that reunited many of those who have served the Foundation over the years and those organizations who have benefited from the Foundation's grants. It was an opportunity to reminisce and reflect on the Foundation's history. To mark this 50 year milestone, the Board began the Legacy Grants Program, disbursing grants of \$1,695,000 over and above the year's regular grants. The total amount of grants issued in the 2023-2024 year was \$5,985,621.

Schedule of Project Expenditures For The Years Ended 30th June 1977-76-75-74					DRAFT ONLY
	1977	1976	1975	1974	Schedule "2"
Law Reform Commission					
Matrimonial Property	\$ -0-	\$ 7,024	\$ -0-	\$ -0-	
Family Law	-0-	22,812	-0-	-0-	
Secured Personal Property Law	-0-	2,025	975	-0-	
Provincial Offences	-0-	10,265	-0-	-0-	
Sask. Personal Property Security Act	-0-	1,143	-0-	-0-	
Collection & Analysis of Provincial Offences	6,600	-0-	-0-	-0-	
Reform of Consumer Credit Law	950	-0-	-0-	-0-	
Occupiers' Liability Law	1,575	-0-	-0-	-0-	
Director of Continuing Legal Education	65,000	54,507	18,596	-0-	
Annotated Rules of Court	5,500	2,500	5,000	-0-	
Legal Aid Handbook	-0-	1,000	-0-	-0-	
Court House Libraries & Survey	127,179	11,987	5,273	7,364	
Western Legal Publications	-0-	1,871	-0-	-0-	
Audio Visual Equipment	-0-	4,978	-0-	-0-	
Law Society - Video Tape Equipment	17,104	-0-	-0-	-0-	
Law Society - T.V. Monitors	2,125	-0-	-0-	-0-	
Canadian Bar Review	8,283	2,035	5,000	-0-	
Bankruptcy Legislation	-0-	6,614	-0-	-0-	
Law of Canadian Co-ops	4,000	6,000	-0-	-0-	
Teaching Law in the School System	-0-	453	-0-	-0-	
Women and the Law - booklet	2,480	-0-	-0-	-0-	
Women and the Law in Sask. - Workshops	5,000	-0-	-0-	-0-	
College of Law Renovations	250,000	-0-	-0-	-0-	
Paralegal Education in Sask.	8,000	30,100	-0-	-0-	
Endowment Fund College of Law	-0-	-0-	75,000	-0-	
Modernization of Land Data Systems	-0-	-0-	727	-0-	
Native Law Centre	-0-	-0-	50,000	-0-	
National Association of Women and the Law	1,300	-0-	-0-	-0-	
Provincial Judges Educational Seminar	2,500	-0-	-0-	-0-	
Association of Metis & Non Status Indians	19,000	-0-	-0-	-0-	
Community Law Conference	2,716	-0-	-0-	-0-	
Northern People and the Law	10,000	-0-	-0-	-0-	
A History of the Law Society of Sask.	6,450	-0-	-0-	-0-	
Regina Bar Association - T.V. Program	478	-0-	-0-	-0-	
	\$546,240	\$165,314	\$160,571	\$7,364	

Above: A statement of Project Expenses from the Foundation's first 4 years.

# Our Year in Review



Handwritten Foundation Ledger 1974-1984

## Financial Outcomes

This year was also notable for financial reasons.

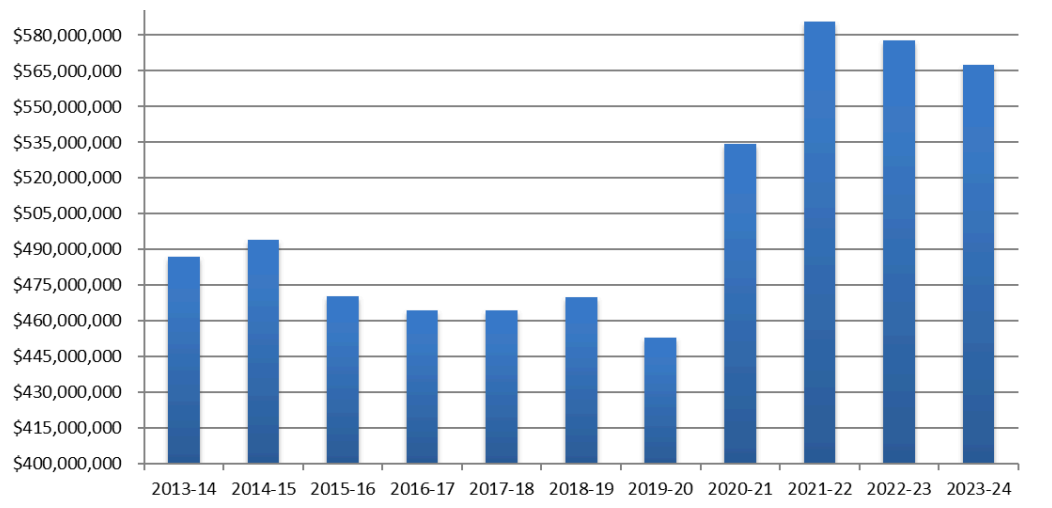
The Bank of Canada prime interest rate average for the fiscal year remained relatively high at 7.2%. The interest on lawyers' mixed trust accounts paid to the Foundation is a function of the Prime Rate, making the Foundation very rate sensitive. The other element in the revenue equation are the balances in lawyers' mixed trust accounts. Those remained relatively high this year also, with a monthly average of approximately \$567,000,000 over the year. Despite trust balances being down by approximately \$11 million from the previous year, Foundation revenues remained robust because it is less sensitive to changes in the balances in the trust accounts. The phenomena of uniquely high revenues this year has been experienced by Law Foundations across Canada.

The interest earned on lawyers' mixed trust accounts, which is the Foundation's main source of revenue for grant funding, reached a record high of \$24,679,570. It is a remarkably different scenario from just three years ago, when the Foundation was required to access funds reserved in the Grant Stabilization Fund to ensure core grantees' funding would not have to be cut. The Foundation has no control or influence on the factors that determine its primary revenue, and as such, it has always been careful about maintaining a sustainable granting program.

**\$5,985,621**

The total amount granted by the Law Foundation of Saskatchewan in 2024.

# Annual Average Lawyers Mixed Trust Account Balances

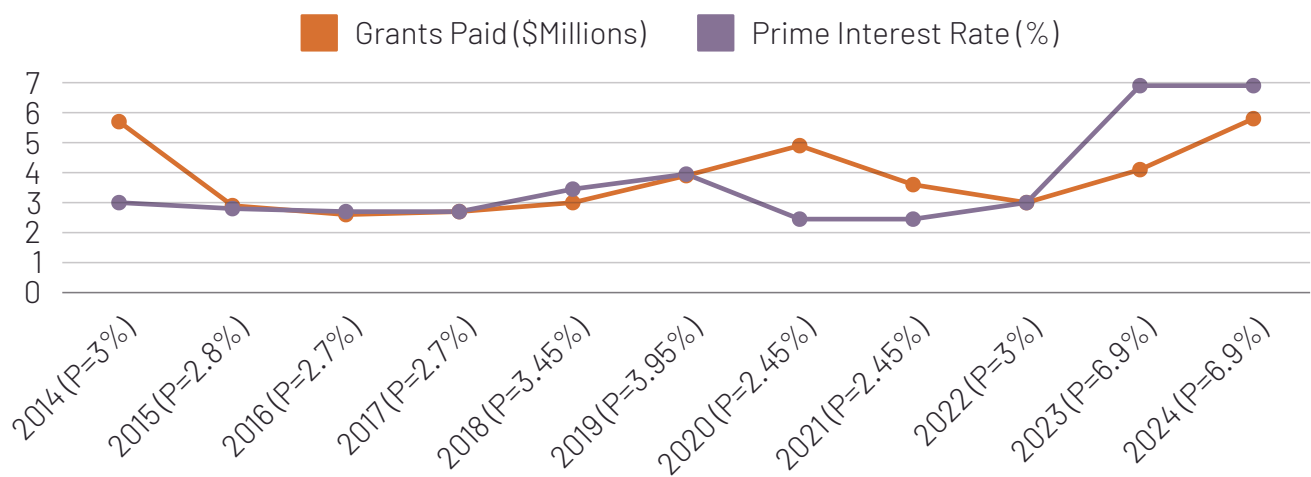


## Grant Stabilization Fund

Due to changing economic factors, the Foundation’s revenue is always uncertain. There have been years where revenues have dropped to less than the Foundation’s ongoing core grant commitments. This was the case in the 2021 and 2022 fiscal years where the revenue short falls were \$1,442,630 and \$158,620 respectively. In 2023 and 2024 this changed markedly, with large surpluses in both years. With funds from the 2023 surplus, the previous draws on the Stabilization Fund were replaced. This year, the Foundation was able to increase the total amount it holds in the Grant Stabilization fund again by \$2,725,000. The total of this fund is now \$13,300,000, which is approximately 3 years of core grant commitments at our current funding rates.

This fund provides stability to organizations that rely on the Foundation for a large portion of their annual budgets. Regardless of the changing circumstances of the Foundation, the grant recipients can focus on their work with greater certainty. As indicated in the chart below, the grants paid out over the years have remained very stable despite significant revenue fluctuations.

## LFS Grants Paid and Prime Interest Rate



# Our Grantees

**BUILDING FUTURES,  
TOGETHER**

 **CIAJ 50 YEARS**  
Canadian Institute  
for the Administration  
of Justice  
**\$25,000**

  
**Elizabeth Fry**  
Society of Saskatchewan  
**\$570,000**

  
**LegalAid**  
EST. 1974 SASKATCHEWAN  
**\$286,000**

  
**College of Law**  
University of Saskatchewan  
**\$702,000**

**PLEA**  
  
**Public Legal Education  
Association**  
**\$1,050,000**

  
**Law Society of  
Saskatchewan**  
**\$700,000**

 **National  
Self-  
Represented  
Litigants**  
**\$44,000**

  
**Pro Bono Law  
Saskatchewan**  
**\$685,000**

**PB  
SC** **Pro Bono  
Students Canada**  
**\$3,000**

  
**SLED Society** **\$12,000**

  
**CanLII**  
**\$236,621**


  
**uOttawa**  
**\$50,000**

  
**Law Reform Commission of  
Saskatchewan**  
**\$130,000**

  
**CLASSIC**  
**\$900,000**

  
**University of  
Saskatchewan**  
**Dept. of Psychology**  
**\$110,000**  
**&**  
**Social Innovation  
Lab Trans Rights**  
**\$75,000**

  
**SASKATCHEWAN  
LANDLORDS  
ASSOCIATION**  
NETWORKING, NEWS AND EDUCATION  
**\$70,000**

  
**level**  
**\$50,000**

  
**SASS**  
SEXUAL ASSAULT SERVICES OF SASKATCHEWAN  
**\$287,000**



## FINANCIAL STATEMENTS

### LAW FOUNDATION OF SASKATCHEWAN

#### Management's Responsibility for Financial Statements

The accompanying financial statements of the Law Foundation of Saskatchewan have been prepared by the Foundation's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgment and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Foundation's Board has delegated certain responsibilities to the Audit & Investment Committee, including the responsibility for reviewing the annual financial statements and meeting with management and external auditors on matters relating to the financial reporting process and the Foundation's system of controls.

The Foundation's Board has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, KMPG LLP, and their report is presented separately.

Chair of the Audit & Investment Committee

Executive Director

September 24, 2024



**KPMG LLP**  
Hill Centre Tower II  
1881 Scarth Street, 20th Floor  
Regina, SK S4P 4K9  
Canada  
Telephone 306-791-1200  
Fax 306-757-4703

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Law Foundation of Saskatchewan

### ***Opinion***

We have audited the financial statements of The Law Foundation of Saskatchewan (the Foundation), which comprise:

- the statement of financial position as at June 30, 2024
- the statement of changes in net assets for the year then ended
- the statement of operations for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2024, 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 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 auditor's 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 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.

# FINANCIAL STATEMENTS



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## ***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 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 the 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.

# FINANCIAL STATEMENTS



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- 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Regina, Canada  
September 24, 2024

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Statement of Financial Position As at June 30, 2024 (with comparative figures for June 30, 2023)

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current assets:		
Cash (Note "5")	\$ 11,664,243	\$ 1,302,414
Accounts receivable	-	64,000
Interest receivable from lawyers' mixed trust accounts	2,677,314	2,028,535
Accrued investment interest receivable	39,000	78,000
Investments (Note "3")	<u>1,000,000</u>	<u>5,805,030</u>
	15,380,557	9,277,979
Investments (Note "3")	<u>37,189,856</u>	<u>22,784,046</u>
	<u>\$ 52,570,413</u>	<u>\$ 32,062,025</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 84,307	\$ 44,016
Grants payable	<u>2,675,280</u>	<u>2,766,400</u>
	2,759,587	2,810,416
Grants payable	<u>540,836</u>	<u>231,392</u>
	<u>3,300,423</u>	<u>3,041,808</u>
<b>Net Assets</b>		
Grant stabilization reserve	13,300,000	10,575,000
Strategic initiatives reserve	35,882,296	18,377,296
Unallocated surplus	<u>87,694</u>	<u>67,921</u>
	49,269,990	29,020,217
	<u>\$ 52,570,413</u>	<u>\$ 32,062,025</u>

See accompanying notes to the financial statements

On behalf of the Board:



Chair



Chair of the Audit & Investment Committee

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Statement of Changes in Net Assets For the year ended June 30, 2024 (with comparative figures for the year ended June 30, 2023)

	2024			
	Grant stabilization reserve	Strategic initiatives reserve	Unallocated surplus	Total
Balance - beginning of year	\$ 10,575,000	\$ 18,377,296	\$ 67,921	\$ 29,020,217
Increase in grant stabilization reserve	2,725,000	-	(2,725,000)	-
Increase in strategic initiatives reserve	-	19,200,000	(19,200,000)	-
Excess of revenue over expenses and grants for the year	-	(1,695,000)	21,944,773	20,249,773
Balance - end of year	\$ 13,300,000	\$ 35,882,296	\$ 87,694	\$ 49,269,990

	2023			
	Grant stabilization reserve	Strategic initiatives reserve	Unallocated surplus	Total
Balance - beginning of year	\$ 8,725,000	\$ 4,718,640	\$ 14,567	\$ 13,458,207
Increase in grant stabilization reserve	1,850,000	-	(1,850,000)	-
Increase in strategic initiatives reserve	-	13,600,000	(13,600,000)	-
Excess of revenue over expenses and grants for the year	-	58,656	15,503,354	15,562,010
Balance - end of year	\$ 10,575,000	\$ 18,377,296	\$ 67,921	\$ 29,020,217

*See accompanying notes to the financial statements*

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Statement of Operations For the year ended June 30, 2024 (with comparative figures for the year ended June 30, 2023)

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
Interest from lawyers' mixed trust accounts	\$ 24,679,570	\$ 19,390,810
Investment revenue	1,817,341	504,343
Unrealized gain (loss) on investments carried at fair value	541,523	(18,250)
Realized (loss) on disposition of investments	(132,807)	-
Unclaimed lawyers' mixed trust accounts	20,467	35,067
	<u>26,926,094</u>	<u>19,911,970</u>
<b>Expenses</b>		
Accounting and administration support	140,463	103,425
General administration	43,122	15,203
Management services and expenses	179,445	133,582
Investment management fees	93,907	10,667
Board meetings	188,771	81,854
Professional fees	46,042	48,335
	<u>691,750</u>	<u>393,066</u>
<b>Excess of revenue over expenses before grants authorized</b>	<u>26,234,344</u>	<u>19,518,904</u>
<b>Grants authorized (Schedule "1")</b>	<u>(5,985,621)</u>	<u>(4,176,600)</u>
<b>Excess of revenue over expenses before grants recovered</b>	<u>20,248,723</u>	<u>15,342,304</u>
<b>Grants recovered (Schedule "2")</b>	<u>1,050</u>	<u>219,706</u>
<b>Excess of revenue over expenses and grants for the year</b>	<u>\$ 20,249,773</u>	<u>\$ 15,562,010</u>

*See accompanying notes to the financial statements*

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Statement of Cash Flows For the year ended June 30, 2024 (with comparative figures for the year ended June 30, 2023)

	<u>2024</u>	<u>2023</u>
<b>Cash provided by (used in) operating activities:</b>		
Excess of revenue over expenses and grants for the year	\$ 20,249,773	\$ 15,562,010
Items not involving cash:		
(Gain) loss on market value of investments carried at fair value	(541,523)	18,250
Change in non-cash working capital items:		
Accounts receivable	64,000	6,000
Interest receivable from lawyers' mixed trust accounts	(648,779)	(1,316,670)
Accrued investment interest receivable	39,000	35,000
Accounts payable	40,291	23,674
Grants payable	218,324	464,478
	<u>19,421,086</u>	<u>14,792,742</u>
<b>Cash provided by (used in) investing activities:</b>		
Purchases of investments	(24,382,696)	(29,728,165)
Proceeds on disposal and maturity of investments	<u>15,323,439</u>	<u>15,350,672</u>
	<u>(9,059,257)</u>	<u>(14,377,493)</u>
<b>Increase in cash</b>	<b>10,361,829</b>	<b>415,249</b>
<b>Cash position - beginning of year</b>	<u><b>1,302,414</b></u>	<u><b>887,165</b></u>
<b>Cash position - end of year</b>	<u><b>\$ 11,664,243</b></u>	<u><b>\$ 1,302,414</b></u>

*See accompanying notes to the financial statements*

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Notes to the Financial Statements For the year ended June 30, 2024

#### 1. Nature of the Foundation

The Law Foundation of Saskatchewan (the "Foundation") is established under *The Legal Profession Act, 1990* of Saskatchewan. The purpose of the Foundation is to establish and maintain a fund to be used for the purposes of legal education, legal research, legal aid, law libraries and law reform. The Foundation is exempt from income taxes.

#### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

##### 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates.

##### Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Interest revenue from lawyers' mixed trust accounts and investment revenue is recorded in the period in which it is received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Unclaimed lawyers' mixed trust funds and miscellaneous revenues are recorded in the period received.

##### Grants

Grants are expensed at the time they are authorized by the Foundation. Where grants are expected to be disbursed beyond a one year time frame a portion of the grant is classified as a long term payable. When sufficient evidence is obtained indicating that a portion of a grant will be returned to the Foundation the amount of the recovery is recorded in the period in which the recovery is reasonably estimated and collection is reasonably assured.

##### Grant stabilization reserve

The Foundation has a goal of insulating continuing programs of our grantees from fluctuation in the Foundation's revenue that result from changes in the prime rate and the balances in lawyers' mixed trust accounts that generate revenue to the Foundation. To accomplish this goal the Foundation maintains a reserve that functions as a stabilization fund.

##### Strategic initiatives reserve

The Foundation periodically makes one-time grants for significant access to justice projects carried out by our grantees. This reserve has been established by the Board to enhance its capacity to meet its mandate when such projects arise.

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Notes to the Financial Statements For the year ended June 30, 2024

#### 2. Significant accounting policies - continued

##### Financial instruments - recognition and measurement

Financial assets and financial liabilities are recorded on the statement of financial position when the Foundation becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions.

Subsequently investments in corporate bonds and guaranteed investment certificates are measured at amortized cost adjusted by premiums and discounts, which are amortized over the expected life of the instrument.

Measurement of pooled bond and equity pooled funds is at fair value in subsequent periods. The fair value of pooled bond and equity funds is based on the net asset value per unit determined by the investment manager, with reference to the underlying investment's year end prices. Unrealized changes in fair values of pooled funds are recognized in excess (deficiency) of revenues over expenses.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be subsequently reversed if the value improves.

#### 3. Investments

	2024	2023
<u>Investments carried at cost:</u>		
Corporate bonds	\$ -	\$ 3,477,612
Guaranteed investment certificates	1,000,000	4,963,726
	<u>1,000,000</u>	<u>8,441,338</u>
<u>Investments carried at market value:</u>		
Pooled funds:		
Bond fund	30,018,853	17,066,747
Canadian equity fund	2,218,363	1,047,997
Global equity fund	2,306,302	1,023,653
Infrastructure equity fund	1,739,018	-
Money market fund	-	1,009,341
Real estate equity fund	907,320	-
	<u>37,189,856</u>	<u>20,147,738</u>
	<u>\$ 38,189,856</u>	<u>\$ 28,589,076</u>
Investments are classified as:		
Current	\$ 1,000,000	\$ 5,805,030
Long term	37,189,856	22,784,046
	<u>\$ 38,189,856</u>	<u>\$ 28,589,076</u>

The Foundation's guaranteed investment certificates mature in August 2024 (2023 - July 2023 to January 2027) and have an interest rate of 4.5% (2023 - 0.85% to 5.04%). Investments carried at market value have a cost base of \$36,668,598 (2023 - \$20,165,838).

# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

### Notes to the Financial Statements For the year ended June 30, 2024

#### 4. Financial risk management

The Foundation has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Foundation is exposed are:

##### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk on accounts receivable and amounts received from financial institutions which forward interest earned from mixed trust accounts of the lawyers of Saskatchewan to the Foundation. The Foundation does not have a significant exposure to any individual customer or financial institution and has adopted policies and procedures to ensure completeness of revenues forwarded to the Foundation. There was no significant change in risk exposure during the year.

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk on its investments and the interest it earns from mixed trust accounts of the lawyers in Saskatchewan. The Foundation holds investments of varying maturities to manage the interest rate risk associated with investments. There was no significant change in risk exposure during the year.

##### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation believes it has adequate resources to meet its obligations. There was no significant change in risk exposure during the year.

##### Price risk

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation is exposed to price risk through its investment in pooled funds. The Foundation does not use derivatives to mitigate this risk. There was a change in risk exposure during the year due to purchases of pooled funds.

#### 5. Subsequent event

Subsequent to year end \$12,000,000 was invested into pooled funds.

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# FINANCIAL STATEMENTS

## LAW FOUNDATION OF SASKATCHEWAN

Grants Authorized  
For the year ended June 30, 2024  
(with comparative figures for the year ended June 30, 2023)

### SCHEDULE "1"

	<u>2024</u>	<u>2023</u>
Public Legal Education Association of Saskatchewan	\$ 775,000	\$ 750,000
Law Society of Saskatchewan - Legal Resources	700,000	700,000
Community Legal Assistance Services For Saskatoon Inner City Inc.	675,000	600,000
Pro Bono Law Saskatchewan	605,000	575,000
Elizabeth Fry Society Saskatchewan	570,000	500,000
Sexual Assault Services Saskatchewan	287,000	-
CanLII - Leveraging AI project	236,621	239,000
Law Reform Commission of Saskatchewan	130,000	110,000
College of Law at the University of Saskatchewan:		
Graduate Students	122,000	100,000
Exchanges	50,000	-
Fellowship	50,000	-
Level Inc.	50,000	-
Canadian Institute for the Administration of Justice	25,000	-
SHED Society	12,000	-
Pro Bono Students Canada	3,000	3,000
John Howard Society of Saskatchewan	-	357,000
FASD Network	-	58,100
Legal Aid Saskatchewan:		
History book project	-	50,000
Trauma informed workshops	-	43,400
Public Legal Education Association of Saskatchewan - Technology upgrades	-	40,000
Ministry of Justice - French translation project	-	22,000
Pro Bono Law Saskatchewan - Intake project	-	15,000
CanLII	-	7,600
Saskatchewan Elocution and Debate	-	6,500
	<u>4,290,621</u>	<u>4,176,600</u>
<b>Legacy Grants:</b>		
College of Law at the University of Saskatchewan:		
Competency Based Education *	280,000	-
Indigenous Child Practicum *	200,000	-
Public Legal Education Association of Saskatchewan - Resource Review *	275,000	-
Legal Aid Saskatchewan:		
Therapeutic court worker *	270,000	-
History book publishing *	16,000	-
University of Saskatchewan Department of Psychology *	110,000	-
Community Legal Assistance Services For Saskatoon Inner City Inc. (CLASSIC)		
CLASSIC - Measuring Impacts *	100,000	-
CLASSIC - Technology Upgrades *	65,000	-
CLASSIC - Training Materials *	60,000	-
Pro Bono Law Saskatchewan - Intake project *	80,000	-
Social Innovation Lab - Trans Rights *	75,000	-
Saskatchewan Landlord Association - Legal Education Project *	70,000	-
University of Ottawa - Supreme Court 150 Project *	50,000	-
National Self Represented Litigants *	44,000	-
	<u>1,695,000</u>	<u>-</u>
	<u>\$ 5,985,621</u>	<u>\$ 4,176,600</u>

\* Strategic initiative grant

# FINANCIAL STATEMENTS

LAW FOUNDATION OF SASKATCHEWAN

Grants Recovered  
For the year ended June 30, 2024  
(with comparative figures for the year ended June 30, 2023)

SCHEDULE "2"

	<u>2024</u>	<u>2023</u>
Legal Aid - Trauma Informed Workshop	\$ 1,050	\$ -
University of Regina Lifelong Learning	-	72,050
Elizabeth Fry Society Saskatchewan	-	64,000
Ministry of Justice - E-Justice project *	-	58,140
Pro Bono Law Saskatchewan - National Conference	-	15,000
Canadian Institute for Access to Justice	-	10,000
College of Law at the University of Saskatchewan		
Access to Justice Coordinator - CREATE *	-	516
	<u>\$ 1,050</u>	<u>\$ 219,706</u>

\* Strategic initiative grant

# Acknowledgements

We wish to thank everyone for their support of the Foundation during this year.

Special thanks to Virtus Group; specifically, to Tennille Wild, CPA, CA, Tina Komarychka, and Tonia Myhra. They have supported the Law Foundation of Saskatchewan with outstanding financial controllership, accounting, business advisory services and office support services for many years.

The Foundation also appreciates the support of Canada's major banks and Saskatchewan's Credit Unions that see the value of the work that we and our grantees do in our communities to advance the public interest through greater legal knowledge and access to justice.

The cover photo, *Regina City Traffic* is by Keith Hershmiller Photography.



## Contact

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*Elk Ridge, Saskatchewan*