



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

THE NOTARY FOUNDATION OF BRITISH COLUMBIA



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2019 ANNUAL REPORT

July 1, 2018, to June 30, 2019

Mandate

**The Notary Foundation helps
the people of British Columbia
by providing funding for legal aid,
legal research, and public legal education,
while supporting the professional development
of BC Notaries and Notarial candidates.**



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

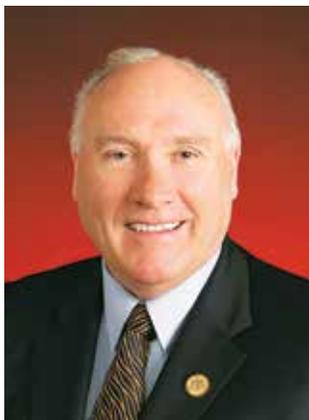
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BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Message from The Executive Officer Wayne Braid



This year I would like to start my report by acknowledging the work of our Governors.

Every one of them gives of his or her time and expertise to our

Notary Foundation. I appreciate their dedication to the areas of Legal Research, Access to Justice, BC Court House Law Libraries, Legal Services of BC, and so many other grantees that come to us for funding.

A focus for us this year was the funding of ACE (Access to Justice Centre for Excellence). The Access to Justice Centre for Excellence at the University of Victoria focuses on applied research that seeks practical resolutions to improve access to justice.



Jerry McHale, QC, founder of ACE and a leader in justice reform, has retired as Chair of the David and Dorothy Lam Chair in Law and Public Policy with the

Faculty of Law and the Faculty of Human and Social Development at UVic. The Notary Foundation as well as the Law Foundation of BC provided the funding to secure Jerry's replacement.



The new Lam Chair is Robert Lapper, QC, a senior public law lawyer with an extensive background in public policy, professional regulation and governance, aboriginal law, and negotiations with First Nations.

He is a graduate of the University of Victoria Faculty of Law (LLB, 1981), and has a Bachelor of Arts (Honours, Political Science, 1978), also from the University of Victoria.

After several years in private practice in Victoria, he joined the Government of the Province of British Columbia in 1994 as counsel to its then-new treaty negotiation process and was subsequently appointed Senior Counsel, Aboriginal Law. Robert was later appointed to senior executive positions in the BC Government, including Assistant Deputy Attorney General – Legal Services, Deputy Minister of Intergovernmental Relations, Deputy Cabinet Secretary, and Deputy Minister of Labour, Citizens' Services, and Open Government.

Because of our increased revenue this year, we have been able to fund several familiar groups as well as some new groups that are providing legal services for those in our society who have the greatest need and are unable to afford legal assistance.

I am excited that our Notary Foundation will be holding a Strategic Planning session with all our Governors in October 2019 as we analyse and review the mandate of our Foundation and determine how to best use the funds that are entrusted to us.



To close my report for this year, I would like to say farewell to Wayne Robertson, Executive Director at the Law Foundation of BC who retired at the end of August. He has been a mentor to me personally and a great supporter and advisor to our

Foundation. Wayne was always available to us and always willing to share the depth of knowledge he has acquired over the years as both a legal advocate and an advocate for change in the world of funding legal needs, in British Columbia and in Canada.



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

The Board of Governors of The Notary Foundation of BC is comprised of

- 8 members of the Board of Directors of The Society of Notaries Public of BC;
- 1 representative from the Attorney General's Office in Victoria*;
- 2 Directors-at-Large, appointed by the Attorney General**; and
- the Executive Officer.

The members from The Society are elected by the Directors of The Society from among their ranks, for a 3-year period.

The Foundation Governors

Tammy Morin Nakashima, Chair

Rhoda Witherly

Linda Manning

David Watts

Akash Sablok

Jessie Vaid

Kate Manvell

*** Lisa Nakamura**

**** Deborah Nelson**

**** Jas Rehal**

G. W. Wayne Braid,

Executive Officer of The Notary Foundation, is responsible for the administration of the office and staff and the diverse investment funds of The Foundation.

The Board of Governors meets quarterly to consider applications for funding from various organizations and to set policy, review The Foundation's financial status, and provide direction for the administration of The Foundation.

The Governors of The Foundation have the responsibility of guiding The Foundation in its mandate to disperse the funds generated by interest on BC Notaries' Trust Accounts.



Tammy Morin Nakashima



Rhoda Witherly



Linda Manning



David Watts



Akash Sablok



Jessie Vaid



Kate Manvell



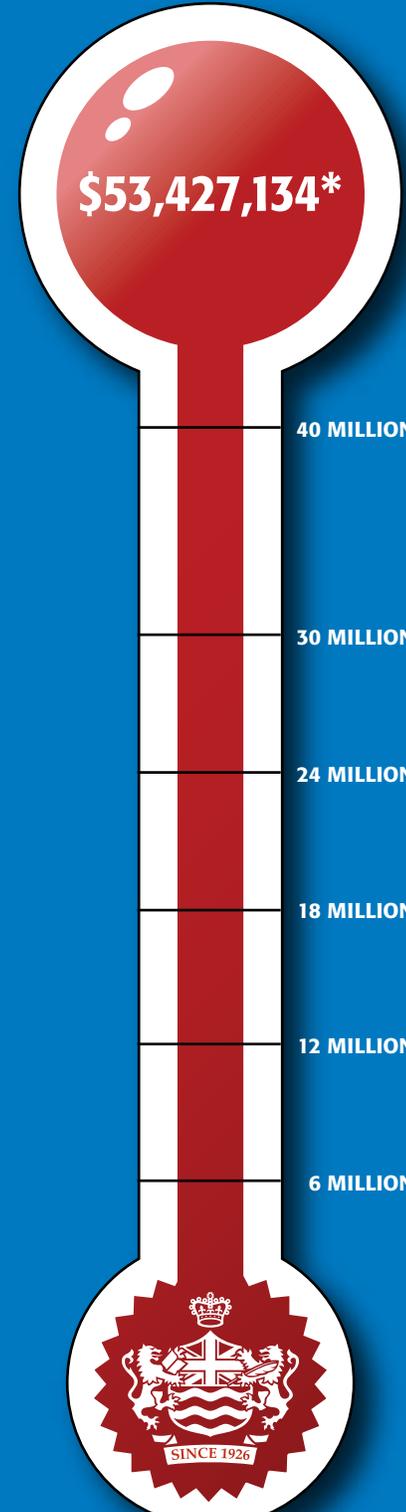
*Lisa Nakamura



**Deborah Nelson



**Jas Rehal



Funds earned to date from BC Notaries' Trust Accounts.

***Total revenue to May 31, 2019, since inception**

The Notary Foundation funds are used for the following purposes.

1. Legal education
2. Legal research
3. Legal aid
4. Education and Continuing Education for BC Notaries and applicants who have enrolled to become BC Notaries
5. Establishment, operation, and maintenance of law libraries in BC
6. Contributions to the Special Fund established under the *Notaries Act* of BC



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Message from The Chair Tammy Morin Nakashima



With my time as Chair of The Notary Foundation coming to an end, I can reflect on this experience as being very educational and most rewarding.

Good relationships are forged when people work together for a common goal and serving on The Notary Foundation Board of Governors has been no exception.

The purpose and goals of many excellent organizations in British Columbia are to provide necessary legal services to people who need help; advocacy for those whose voice needs to be heard; assistance for individuals who are experiencing misfortune; or guidance to help lift men and women who are marginalized out of their current circumstances.

The Notary Foundation Governors have the privilege of meeting four times a year to consider and extend grants to such applicant organizations. Thereafter, we have the pleasure of reading the impact reports on the resulting tangible benefits to those organizations and people.

From advancing scholarships and bursaries, to funding for advocacy for young single women

and children so they have a fighting chance of building a better life together, to joining the Law Society in funding innovative methods to distribute useful literature in the Access to Justice visions for indigenous people, we've had a very busy year.

- I am pleased to report our revenues hit \$3,858,170 this year.
- Our contribution to the Legal Services Society was over \$2,121,994, notwithstanding the slow-down in the real estate markets that are the key generating source of money in BC Notaries' Trust accounts.
- Grants to community-based organizations were \$259,434.

It's interesting to me that when we meet with the ACLF (Association of Canadian Law Foundations) to share information and experiences, all across Canada we find we are facing similar challenges.

- What challenges are communities experiencing in this day and age?
- What are the best avenues to avail people to Access to Justice?
- How broadly encompassing are the words "Access to Justice"?

Recently we had a request for a grant regarding gender equality. That request would not have been understood 25 years ago nor thought of as part of Access to Justice.

Today it is a very relevant concern. There are people struggling to have identification documents that correctly reflect their gender.



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Can you imagine how restricting it is for an individual who wants to travel but does not have the appropriate ID to do so? That is a basic need; through The Notary Foundation, we help people on that kind of grassroots level.

Happily, the fine work of The Notary Foundation will continue as the next Chair steps in for her term with the Board of Governors. The Strategic Planning Session will soon take place and I am excited about what the future will bring.

I extend my thanks to the Board of Governors for their dedication and caring service.

And I offer a shout-out to the members of The Society of Notaries Public for their great work. The interest earned in their Trust accounts generates the revenue for The Notary Foundation's fine efforts in our province.

And finally, thank you to all the Financial Institutions that work with us to provide the revenue from BC Notaries' Trust accounts.

Respectfully submitted,

Tammy Morin Nakashima, Chair
The Notary Foundation of BC

Notary Foundation Grants

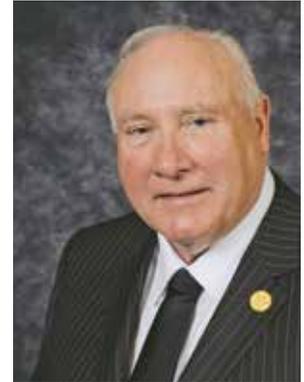
July 1, 2018, to June 30, 2019

British Columbia Courthouse Library Society	Technology tools project	\$30,000.00
The People's Law School	Resource booklets and web information	40,000.00
West Coast LEAF Association	Research and law student internship	30,000.00
THE SHED Society of Bella Cooola	Social, health, and economic development of peoples of Central Coast and Western Chilcotin, BC	64,434.00
Justice for Girls Outreach Society	Social justice, health, and well-being of teenage girls in poverty in BC	15,000.00
Justice Centre for Excellence	Continuing funding contribution to the Director position of ACE (Access to Justice Centre for Excellence)	60,000.00
PACE Society	Gender Self-Determination	20,000.00
		\$259,434.00



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Wayne Braid



From *The Scrivener Magazine*, Volume 27 Number 2, Summer 2018

About The Notary Foundation of British Columbia

Often I am asked how The Notary Foundation earns its income.

Most BC Notaries have Trust accounts for depositing clients' funds when handling real estate transactions for their clients. The funds consist of mortgage funds, down payments, and other funds a purchaser or a seller requires to purchase or sell a property.

Those funds are usually on deposit in the bank or credit union for only 1 or 2 days. During that time, those funds earn interest. Because the funds are in the accounts for such a short time, it is not practical for BC Notaries or the financial institutions to pass along those small amounts of interest to the clients. Thus that interest is transferred to The Notary Foundation on behalf of the members of The Society.

The interest for BC Notaries' property-related work in the province is pooled and can be used for public purposes. The Notary Foundation, through the *Notaries Act*, has a mandate set in legislation for the use of those funds.

Many people in British Columbia have difficult life circumstances such as physical disabilities, mental challenges, poverty, or living in an abusive relationship.

The purpose of The Foundation is to establish and maintain a fund to be used for the following purposes.

- a. Legal education
- b. Legal research
- c. Legal aid
- d. Education and continuing education for BC Notaries and applicants for enrollment as BC Notaries
- e. Establishing, operating, and maintaining law libraries in British Columbia

Many people in British Columbia have difficult life circumstances such as physical disabilities, mental challenges, poverty, or living in an abusive relationship. Many are immigrants who struggle with the language and the customs of Canada.

Their issues can include legal needs and hurdles. Sometimes those needs can be met by providing some legal education programs, representation, or offering financial assistance or legal aid. Our Notary Foundation Board of Governors is charged with the responsibility of determining which nonprofit organizations in our province can best meet the legal needs of those individuals and how those organizations can best assist via financial resources from The Foundation.



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Fifty-five percent of the interest-revenue generated each year by The Notary Foundation goes directly to Legal Services Society of BC (LSS BC). LSS provides legal education, legal tools, and sometimes representation for citizens who find themselves in an unfortunate and unaffordable situation.

Over the past few years, The Foundation has provided funds to many diverse groups. The following are some of those organizations that provide terrific services to our communities.

Access Pro Bono Society of BC
BC Centre for Elder Advocacy & Support
BC Law Institute (UBC)
Disability Alliance BC
Douglas College Foundation
Justice for Girls Outreach Society
Law Foundation of BC
Nzen'man' Child & Family Development Centre

Pacific Legal Education & Outreach Society
Rise Women's Legal Centre
Social Health & Economic Development (SHED)
TRAC Tenant Resource & Advisory Centre
The People's Law School
West Coast Domestic Workers' Association
West Coast LEAF

Building Better Communities, One Grant at a Time is the motto of The Notary Foundation. If your community group fulfills a legal need in your area, please contact us to see if we can assist you with your project. ▲

Wayne Braid is the Executive Officer of The Notary Foundation.

Telephone: 604 681-6877
gwb@notaryfoundationofbc.ca



Michelle Dobbs



From *The Scrivener Magazine*, Volume 27 Number 3, Fall 2018

Women’s Wrap-Around Family Law Clinic

In Fall 2017, the North Shore Women’s Centre was privileged to receive funding from The Notary Foundation of BC to pursue the development of a Women’s Wrap-Around Family Law Clinic.

Since 1999, our organization has been offering monthly family law appointments, provided pro bono by very dedicated volunteer women lawyers. The program was initiated to support women facing relationship breakdown and separation from an intimate partner when finances and other social barriers prevented them from being able to hire their own lawyer.

Through many years of hosting this program, we came to understand that what was needed was comprehensive, sustained, accessible, personalized, and diversified support offered in a safe, understanding, and nonjudgmental setting.

The depth of support was particularly necessary due to the complex ongoing nature of many family law cases; the high degree of emotion and stress related to relationship breakdown, parenting and re-building of families and individual lives; and the considerable

financial costs involved. Those factors are especially difficult for women, given their primary caregiving status and lower income potential overall. Additional challenges are present for immigrant women, women experiencing relationship violence, women with disabilities and mental health concerns, women struggling with substance addiction, and women living in other marginalized circumstances.

The goal of our project was to expand and increase the capacity of our organization’s Family Law Clinic to provide a holistic “wrap-around” service

addressing women’s intersecting legal and nonlegal needs primarily relating to the ending of a spousal, common law, or intimate-partner relationship. We hoped to better support women to understand, address, and cope with the complexities of their family law matters by providing comprehensive, efficient, diverse, and personalized legal information, education, and advice as well as practical and emotional assistance.

With financial assistance from The Notary Foundation, we were able to seek a law student from Pro Bono Students Canada to assist us with our work. We could provide more detailed program intakes and ensure our program participants received personalized support to prepare them for their appointments with a lawyer.

With financial assistance from The Notary Foundation, we were able to seek a law student from Pro Bono Students Canada to assist us with our work.



Every day, women accessing our Centre are making difficult decisions about whether to stay or leave their difficult, and sometimes abusive, intimate-partner relationships.

The in-takes included legal assessment and support, legal information and referrals, emotional support and peer counselling, and practical and financial information and support.

In recognition that some participants seeking support through separation were not yet ready to schedule a one-on-one appointment with a lawyer in our program or were looking for more comprehensive advice regarding separation, we then hosted a half-day separation workshop with a tripartite panel of a family lawyer, a holistic financial advisor, and a clinical counsellor. With a group of over 20 participants, the workshop addressed common questions of women in the midst of separation, as well as some very specific concerns.

Appreciation for the knowledge and confidence gained through the workshop was palpable. As one participant shared, “It gave me the courage to go and file for a protection order and to request life insurance on my ex.” Another benefit of the group experience for the participants was knowing they were not alone in their experiences and that community resources were out there.

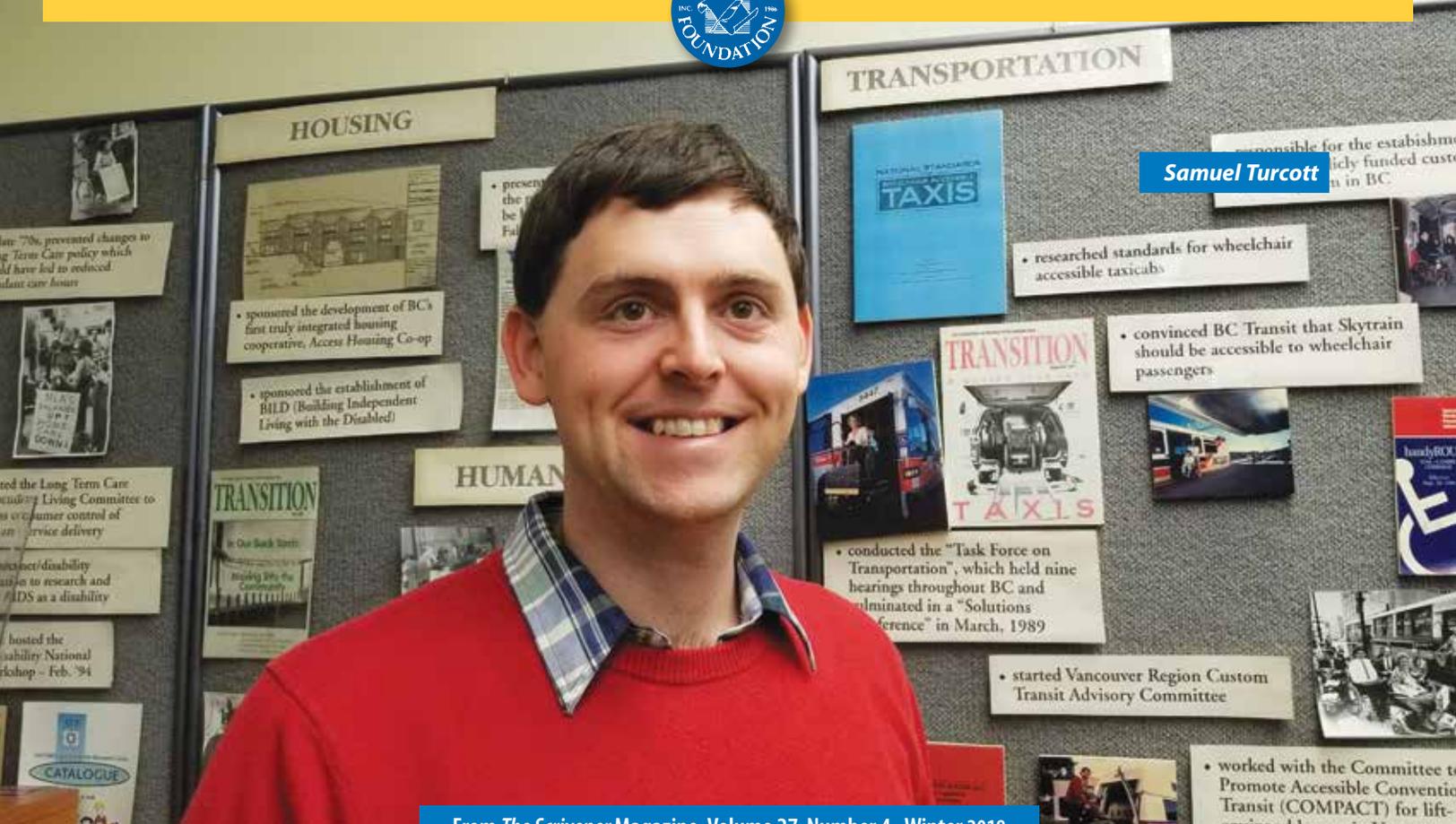
As follow-up to the workshop, The Foundation grant further assisted us to access additional funding to launch a more in-depth 8-week separation-

support group where participants benefitted from presentations; the value of shared understandings and support was highlighted. One woman said, “Hearing other women’s stories made me feel less alone and is giving me help to stay strong with my decisions. There are more resources out there than I knew.”

Every day, women accessing our Centre are making difficult decisions about whether to stay or leave their difficult and sometimes abusive intimate-partner relationships. They often feel daunted by a family law system that can be confusing, impersonal, and costly.

With our developing Women’s Wrap-Around Family Law Clinic, we hope to provide a supportive space where they can receive relevant legal information and advice in concert with the emotional, financial, and practical supports that reflect the realities of their lives and will make a substantive difference in outcome for themselves and their children. We thank The Notary Foundation of BC for giving us the opportunity to further assist and empower women in our community in this way. ▲

Michelle Dodds is Executive Director of the North Shore Women’s Centre and chairs the North Shore Committee to End Violence Against Women in Relationships.



Samuel Turcott

From *The Scrivener Magazine*, Volume 27 Number 4, Winter 2018

Let's Talk about How the Access to Justice Crisis Impacts People with Disabilities

Disability Alliance BC is a provincial cross-disability organization that works to promote the dignity, independence, and well-being of people with disabilities in BC.

In Spring 2018, with generous support from The Notary Foundation of BC, Disability Alliance BC published "Barriers and Bridges" a special edition of *Transition* magazine about access to justice.

It explores some of the impediments people with disabilities encounter in the justice system as well as programs, resources, and initiatives that can help overcome those impediments.

We were proud to feature an editorial from The Honourable Robert Bauman, Chief Justice of British Columbia Court of Appeals, along with content from other experts who are working to make the justice system more accessible.

The magazine also featured a special insert with educational information about access to justice resources.



There is broad consensus within the legal community that there is an access to justice crisis in BC.

Why was “Barriers and Bridges” a necessary and important initiative? The short answer is that people with disabilities routinely face seemingly insurmountable barriers to participating in the justice system.

Here’s a longer answer.

“Access” and “Accessibility” are not topics exclusively within the purview of the disability community. Those concepts have unique resonance for people with disabilities, however. People with disabilities and disability advocates spend a disproportionate amount of time thinking about building accessibility, access to transit, access to community spaces, and access to health care . . . to name a few examples.

The unique challenges and barriers that people with disabilities experience often have the effect of magnifying the kinds of routine (and not so routine) problems that people encounter in the course of their daily lives. There are many spheres of public and private life where British Columbians, with and without disabilities, face major accessibility barriers. One area of particular note is the justice system.

There is broad consensus within the legal community that there is an access to justice crisis in BC. Many British Columbians cannot afford conventional legal services. Further, the complexity of the legal system as a whole can make it feel all but impenetrable for the average person.

Because of the size and scope of the “Access to Justice” crisis in BC, the unique barriers that people with disabilities experience within the justice system often go unaddressed. If nothing else, “Barriers and Bridges” sought to shed light on the unique experience of people with disabilities within the justice system.

At Disability Alliance BC, we believe it is important to have a robust public discourse about the way people with disabilities interact with the justice system. We are proud to be participants in that discourse. We also recognize it is extremely important that professionals in the justice system, concerned about the unique barriers people with disabilities experience, work as allies and advocates with members of the disability community to promote a more accessible justice system for people with disabilities.

While “Barriers and Bridges” has helped frame and animate the conversation about people with disabilities and the justice system, we know it is just a part of a larger conversation. There is still much that needs to be done. We are so grateful to The Notary Foundation of BC for its vision and support of this important project. ▲

Samuel Turcott is Executive Director, Policy and Programs at Disability Alliance BC.

www.disabilityalliancebc.org

Programs and Initiatives Currently Offered by Disability Alliance BC

Advocacy Access

Provides one-on-one supports to people with disabilities to access provincial and federal support programs.

The Right Fit

Works to develop better ways to pair wheelchair users with wheelchair-accessible housing in Vancouver and the Fraser Valley.

CARMA Program

Supports residents at George Pearson Centre in Vancouver.

Access RDSP

Supports people in BC to access the Registered Disability Savings Plan.

Tax AID DABC

Supports recipients of provincial disability assistance to access income tax benefits.

Disability Help Sheet Series

Provides reader-friendly resources that explain different supports available to people with disabilities.

Emergency Preparedness

Raises awareness about emergency planning for people with disabilities.

For more information about DABC programs or to enquire about getting involved, please call 604 875-0188.



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Kevin Zakreski



From *The Scrivener Magazine*, Volume 28 Number 1, Spring 2019

TWO NEW REPORTS ON STRATA PROPERTY LAW FROM BC LAW INSTITUTE Governance Issues and Insurance Issues

The “Report on Governance Issues for Stratas” is the third report published in BCLI’s ongoing Strata Property Law Project – Phase Two, funded in part by The Notary Foundation of BC.

The report represents over 2 years of work by the British Columbia Law Institute’s Strata Property Law Project – Phase Two Committee at 23 committee meetings and consideration of 290 responses to the Consultation Paper on Governance Issues for Stratas.

With its Report on Governance Issues for Stratas, the British Columbia Law Institute’s Strata Property Law Project Committee is calling for reforms to the *Strata Property Act*, the *Strata Property Regulation*, and the Schedule of Standard Bylaws to enhance the governance of strata corporations.

The report contains a comprehensive examination of the legal framework that applies to decision-making in a strata corporation and recommends a series of improvements to five topics relating to strata-corporation governance.

1. Bylaws and rules
2. Statutory definitions
3. General meetings and strata-council meetings
4. Finances
5. Notices and communications

Implementing the report’s reforms will help strata owners in carrying out the job of governing their stratas by clarifying meeting procedures, modernizing provisions, enhancing accountability, and creating greater certainty.

Insurance is a top-of-mind issue for most homeowners.

The report contains 81 recommendations for reform. Among the recommendations are proposals regarding the following.

- Relocate 12 standard bylaws (or parts of standard bylaws) to the body of the *Strata Property Act*.
- Create statutory definitions for the often-contested terms *rent* and *continuing contravention*.
- Establish a mandatory form of proxy appointment.
- Set in place criteria that must be met by those who want to serve on a strata council.
- Create a special limitation period of 4 years for claims that may be the subject of a strata corporation’s lien.
- Update a host of fines and fees in light of current circumstances.

The report also features a draft bill that illustrates how the Legislative Assembly of British Columbia may implement the recommendations.



Report on Insurance Issues for Stratas

Insurance is a top-of-mind issue for most homeowners. That point is true, whether the owner's home is a single-family house or a unit in a strata property. But strata owners face some complex legal issues when it comes to their insurance arrangements. Managing those issues has led to the enactment of dedicated legislation on stratas and insurance in the *Strata Property Act*.

This legislation requires a strata corporation to have property insurance and liability insurance. It also permits a strata corporation to have other types of insurance and strata owners to have their own insurance.

The legislation's main goal is to coordinate all these players in the insurance area for a strata in such a way as to guard against overcoverage and gaps in coverage. The legislation also aims to translate insurance concepts, such as deductibles and insurable interest, into the distinctive strata-property model of owning and managing property interests.

The British Columbia Law Institute's Strata Property Law Project – Phase Two Committee has studied this legislation on strata properties and insurance. In their Report on Insurance Issues for Stratas, the Committee reviewed the current legal framework and made 11 recommendations for its reform.

The Committee's recommendations are aimed at fine-tuning and enhancing the existing law. Among the report's highlights are recommendations to

- require strata corporations to have Directors-and-officers insurance;
- create a new and more certain approach to dealing with liability to pay a strata corporation's deductible in cases where an owner is responsible for a claim;
- enhance reporting and information-sharing; and
- give more study to adopting a legislatively defined standard unit, as a means to map the limits of a strata corporation's required insurance vis-à-vis a strata-lot owner's insurance.

The Report on Insurance Issues for Stratas, the fourth report in BCLI's Strata Property Law Project – Phase Two, is the product of an extensive series of meetings involving a broadly based and expert project committee.

Early in this series, the Committee had the benefit of meeting with a range of insurance professionals who offered their insights into the current law and options for reform. The report was preceded by a consultation paper and 3-month public consultation that received 90 responses. The report contains draft legislation, showing how its recommendations may be implemented to make the law better serve strata-lot owners, strata corporations, and their insurers.

Kevin Zakreski is Staff Lawyer
at British Columbia Law Institute.

www.bcli.org

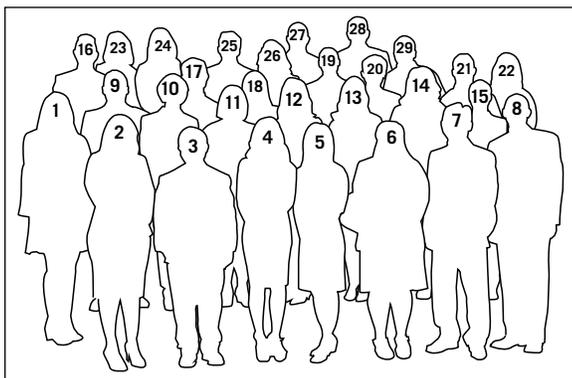


BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

Congratulations, BC Notary Class of 2019



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- | | |
|--|----------------------------|
| 1. Isher Kaur Deol | 14. Franca Muraca |
| 2. Tanya Gupta | 15. Deidre Josephine Farah |
| 3. Benjamin Kay Yip Kaan | 16. Jaspreet Singh Mandair |
| 4. Elizaveta Efimovna Sirota | 17. Robert Donghyun Shin |
| 5. Choi Yuk Judy Yip Armitage | 18. Samantha Bo Yee Quan |
| 6. Jessica Rena Sharma | 19. Sukhmander Gill |
| 7. Kwa Kwan | 20. Ivan Yun-Chuan Wang |
| 8. John Mayr, Executive Director, The Society of Notaries Public of BC | 21. Ernest Jackson Kliever |
| 9. Robert Singh Pooni | 22. Virginia Lee Ashley |
| 10. Julia Margaret Maika | 23. Janette Ryan |
| 11. Brenda Marie Redman | 24. Elizaveta Afanassieva |
| 12. Wing Yan Tsui | 25. Ravinder Singh Bains |
| 13. Maria Jose Gandolfo | 26. Leslie Deborah Madore |
| | 27. Paul Anthony Williams |
| | 28. Ashok Bhatti |
| | 29. Dallas Everett Eisert |

**Notary Foundation of British Columbia
Financial Statements
For the year ended June 30, 2019**

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Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditors' Report

To the Govenors of the
Notary Foundation of British Columbia

Opinion

We have audited the financial statements of Notary Foundation of British Columbia which comprise of the Statement of Financial Position as at June 30, 2019 and the Statements of Operations and Changes in Net Assets and Cash Flows for the year ended June 30, 2019 and notes, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Notary Foundation of British Columbia as at June 30, 2019 and the results of its operations and 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 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 opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Responsibility

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.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
September 16, 2019

Notary Foundation of British Columbia
Statement of Financial Position

June 30	General Fund	Education and Administrative Fund	Grants Fund	2019	2018
Current Assets					
Cash (Note 2)	\$ 2,728,771	\$ -	\$ -	\$ 2,728,771	\$ 2,072,583
Interest receivable	341,473	-	-	341,473	284,565
Investments (Note 3)	2,271,855	-	-	2,271,855	2,119,769
	5,342,099	-	-	5,342,099	4,476,917
Interfund balances	(3,220,105)	2,469,549	750,558	2	-
	\$ 2,121,994	\$ 2,469,549	\$ 750,558	\$ 5,342,101	\$ 4,476,917
Current Liabilities					
Accounts payable and accrued liabilities (Note 4)	\$ 2,121,994	\$ 1,349,730	\$ 11,702	\$ 3,483,426	\$ 2,764,625
	2,121,994	1,349,730	11,702	3,483,426	2,764,625
Net assets	-	1,119,819	738,856	1,858,675	1,712,292
	\$ 2,121,994	\$ 2,469,549	\$ 750,558	\$ 5,342,101	\$ 4,476,917

Approved by The Board of Governors:

_____ Governor

_____ Governor

The accompanying notes form an integral part of these financial statements.

Notary Foundation of British Columbia
Statement of Operations and Changes in Net Assets

For the year ended June 30	General Fund	Education and Administrative Fund	Grants Fund	2019	2018
Revenue					
Interest earned on Notaries' trust accounts	\$ 2,050,821	\$ 1,305,069	\$ 372,877	\$ 3,728,767	\$ 2,914,332
Investment income	71,171	45,291	12,940	129,402	54,972
	<u>2,121,992</u>	<u>1,350,360</u>	<u>385,817</u>	<u>3,858,169</u>	<u>2,969,304</u>
Expenses					
Education and administrative fund grant (Note 5)	-	1,350,360	-	1,350,360	1,058,354
Grants Distribution	-	-	239,434	239,434	286,469
Legal Services Society of British Columbia (Note 5)	2,121,992	-	-	2,121,992	1,663,128
	<u>2,121,992</u>	<u>1,350,360</u>	<u>239,434</u>	<u>3,711,786</u>	<u>3,007,951</u>
Excess (deficiency) of revenue over expenses	-	-	146,383	146,383	(38,647)
Net assets, beginning of the year	-	1,119,819	592,473	1,712,292	1,750,939
Net assets, end of year	<u>\$ -</u>	<u>\$ 1,119,819</u>	<u>\$ 738,856</u>	<u>\$ 1,858,675</u>	<u>\$ 1,712,292</u>

The accompanying notes form an integral part of these financial statements.

**Notary Foundation of British Columbia
Statement of Cash Flows**

For the year ended June 30 **2019** **2018**

Cash provided by (used in)

Operating activities

Excess (deficiency) of revenue over expenses	\$	146,383	\$	(38,647)
Items not involving cash				
Unrealized (gain)/loss on investments		(65,984)		54,565
Realized (gain)/loss on investments		<u>(10,949)</u>		<u>(56,130)</u>
		69,450		(40,212)
Changes in non-cash working capital balances				
Interest receivable		(56,908)		(97,814)
Accounts payable and accrued liabilities		<u>718,801</u>		<u>1,335,629</u>
		731,343		1,197,603

Investing activity

Proceeds on disposal of investments, net		<u>(75,155)</u>		<u>(75,950)</u>
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Increase in cash during the year

656,188 **1,121,653**

Cash, beginning of year

2,072,583 **950,930**

Cash, end of year

\$ 2,728,771 **\$ 2,072,583**

The accompanying notes are an integral part of these financial statements

Notary Foundation of British Columbia Notes to the Financial Statements

June 30, 2019

1. Significant Accounting Policies

a) Purpose

The Notary Foundation of British Columbia (the "Foundation") was established in 1986 under Section 50 of the Notaries Act. The Foundation is a not-for-profit organization, which receives funding from interest earned on the pooled trust funds of members of the Society of Notaries Public of British Columbia (the "Society"). The Foundation is a tax exempt body under Section 149 of the Income Tax Act.

The Foundation is to establish and maintain funds to be used for the purpose of:

- legal education, legal research and legal aid,
- salary, administration, education and continuing education for notaries and applicants for enrolment as notaries,
- establishing, operating and maintaining law libraries in the Province of British Columbia

b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

c) Fund Accounting

These financial statements have been prepared on the restricted fund method of accounting for not-for-profit entities. Revenue is recognized in the following funds using the restricted fund method:

General Fund - used for legal aid and paid to the Legal Services Society of British Columbia.

Education and Administration Fund - used for salary, administrative, education and continuing education of notaries and notarial applicants.

Grants Fund - used for legal education, legal research, and establishing, operating and maintaining of law libraries in the Province of British Columbia.

d) Financial Instruments

Financial Instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market as well as bonds are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if any. Financial assets carried at cost or amortized cost are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items subsequently measured at fair value and included in the original cost of the financial instrument for those subsequently measured at amortized cost.

Notary Foundation of British Columbia
Notes to the Financial Statements

June 30, 2019

1. Significant Accounting Policies - Continued

e) Revenue Recognition

The interest earned on Society members' trust accounts is calculated net of bank charges and remitted to the Foundation based upon agreements made with individual financial institutions. The trust accounts are not the property of nor are they administered by the Foundation and therefore are not included or presented on the Foundation's statement of financial position. The interest earned on members' trust accounts held in financial institutions is recognized by the Foundation on an accrual basis when the amount can be reasonably estimated and collection is reasonably assured (Note 1 (f)).

Investment income includes gains and losses on sale of investments carried at amortized cost, interest and dividend income and gains or losses resulting from changes in the fair value of investments. Investment Income is recognized when earned and is allocated on a predetermined basis amongst the funds as described in Note 1 (f).

f) Allocation and disbursements of revenue

All revenue (including investment income) earned by the Foundation must be disbursed in accordance with the Notaries Act of British Columbia as follows:

- a) 55% to be paid to the Legal Services Society of British Columbia.
- b) 10% of the total revenue to be used for legal education, legal research and the establishing, operating and maintaining of law libraries in the Province of British Columbia (the "Grants Fund"). Grant Funds are recognized as payable once approved by the Board of Governors.
- c) 35% of the total revenue to be used for salaries and administration of the Foundation as well as education and continuing education of notaries and notarial applicants (the "Education and Administrative Fund"). The Foundation allocates this amount to the Society of Notaries Public of British Columbia (the "Society") to fund administrative costs, as well as Education and Continuing Education initiatives which are carried out by the Society on behalf of the Foundation in order for the Foundation to meet its obligation pursuant to its articles of incorporation under the Notaries Act.

g) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Notary Foundation of British Columbia Notes to the Financial Statements

June 30, 2019

1. Significant Accounting Policies - Continued

h) Foreign Currency Translations

The Foundation's functional and reporting currency is the Canadian dollar. Foreign currency transactions are translated at the rates of exchange prevailing at the time of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the reporting date. Gains and losses on translation of monetary assets and liabilities are included in the statement of operations and changes in net assets.

2. Cash

The Foundation's cash is held in various Canadian chartered banks. The accounts earn interest at prevailing market rates.

3. Short-term Investments

Investments are comprised of:

	<u>2019</u>	<u>2018</u>
	<u>Market Value</u>	<u>Market Value</u>
Foreign equities	\$ 186,195	\$ 195,751
Canadian equities	443,780	437,210
Corporate bonds	\$ 515,420	\$ 445,861
Government bonds	1,126,460	1,040,947
	<u>\$ 2,271,855</u>	<u>\$ 2,119,769</u>

The Foundation's investments are held through one Canadian investment management company.

Equities are classified as short-term investments as they are in highly liquid regularly traded listed entities. The foreign equities are translated to Canadian from USD at exchange rate in effect at the reporting date.

The corporate bonds bear interest at rates ranging from 2.33% to 4.93% (2018 - 2.33% to 6.22%) per annum and mature between April 9, 2020 and March 6, 2030. The government bonds bear interest at rates ranging from 2.40% to 6.40% (2018 - 2.55% to 6.40%) per annum and mature between July 15, 2020 and December 1, 2064.

Notary Foundation of British Columbia
Notes to Financial Statements

June 30, 2019

4. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities pertain to the allocation of revenue from the General Fund as described in Note 1(f), less payments made, and are comprised of the following:

	2019	2018
General fund		
Balance, beginning of period	\$ 1,663,128	\$ 867,445
Revenue allocated to the Legal Services Society of British Columbia	2,121,994	1,663,128
Payments to Legal Services Society of British Columbia	(1,663,128)	(867,445)
General fund payables	2,121,994	1,663,128
Education and administrative fund	1,349,730	1,058,354
Grant fund	11,701	43,143
Balance, end of the year	\$ 3,483,425	\$ 2,764,625

The amount payable by the education and administrative fund of \$1,349,730 (2018 - \$1,058,354) is due to the Society of Notaries Public of British Columbia (Note 5).

Notary Foundation of British Columbia Notes to Financial Statements

June 30, 2019

5. Related Party Transactions

During the year, the Foundation provided grants in accordance with the Notaries Act in the aggregate amount of \$1,349,730 (2018 - \$1,058,354) to the Society to be used by the Society to fund salaries and administrative costs of the Foundation, as well as Education and Continuing Education initiatives as described in Note 1 (c), education and continuing education of notaries and notarial applicants in accordance with the Governance Agreement and the Notaries Act of British Columbia.

6. Financial Instruments Risks

The Foundation, through its financial assets and liabilities, is exposed to various risks. The Foundation has in place an investment policy for the purpose of reducing these risks through prudent management of the portfolio. The following analysis provides a measurement of those risks at June 30, 2019. There have been no significant changes to these risks from the prior year.

(a) Credit and Market Risk

Credit risk is the risk that the Foundation will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Foundation to significant credit risk consist primarily of cash, short-term investments, investments and accrued interest receivable. Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market. The Foundation limits its exposure to credit risk by placing its cash, short-term investments and long-term investments with high credit quality governments, financial institutions, corporations and Canadian and foreign equities in accordance with investment policies adopted by the Foundation. Risk and volatility of investment returns are mitigated through the diversification of investments in different geographic regions and different investment vehicles.

(b) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation has limited exposure to foreign exchange risk as 96% (2018 - 97%) of all financial instruments are denominated in Canadian dollars. As at June 30, 2019, investments included \$186,196 of US Stocks (denominated in Canadian dollars) (2018 - \$195,751) and US cash of \$7,080 (denominated in Canadian dollars) (2018 - \$6,976).

Notary Foundation of British Columbia
Notes to Financial Statements

June 30, 2019

7. Financial Instruments Risks - Continued

(c) Interest Rate Risk

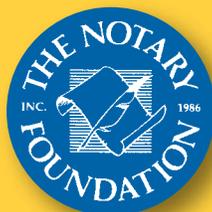
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The fixed rate bonds (note 4) expose the Foundation to fair value risk. The interest rates and terms of cash, and investments are as disclosed in Notes 2 and 3.

(d) Liquidity Risk

Liquidity risk is the risk that The Foundation will not be able to meet its obligations as they fall due. The Foundation maintains adequate levels of working capital to ensure all its obligations can be met when they fall due. Investments are held in securities that have an active market.

7. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.



BUILDING BETTER COMMUNITIES, ONE GRANT AT A TIME

The Notary Foundation of British Columbia

**700 – 625 Howe Street, Box 44
Vancouver, BC V6C 2T6**

Voice: 604 681-6877

Fax: 604 681-7258

gwb@notaryfoundationofbc.ca

www.notaries.bc.ca