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**49th
Annual
Report**

Alberta **LAW**
FOUNDATION

FISCAL YEAR ENDED
MARCH 31, 2022

MESSAGE FROM THE CHAIR

As I write this message, I reflect on the past fiscal year which marked the second full year of the coronavirus pandemic, and I look to the future with hope that the pandemic-nature of the virus is behind us for good. During the past year, the Foundation continued to operate virtually, both at the Board and staff levels. We are looking forward to getting back to in-person operations in the coming months, and have started work towards that end already.

Despite the virtual nature of our work over the past year, we have made great strides forward in our strategic plan initiatives. In particular, the Foundation's commitment to principles of diversity in all of our work lead to our Diversity Equity and Inclusion workshop for board and staff held in-person in June 2022. Our journey in this commitment is on-going. There is much we can learn from the organizations we fund, from other organizations operating in the human services sector, and especially from the people they serve. By listening to one another and sharing our journeys, our successes and our challenges, together we can move closer to accessible justice for all Albertans.

We are grateful for the progress made by our Program Team in the review of our grant processes and procedures, with a focus on accessibility for diverse communities. This set the groundwork for our move to a new grant software which enables us to receive and manage grant applications online. Training is being provided to grantees and the portal launched in the Summer of 2022. We look forward to implementing technology into our grant process.

Our work supporting grantees continues. We focused in the past year on working with grantees in their data collection and program evaluation efforts.

Bridging the Gaps (BTG) sessions continued on a virtual basis, and we look forward to resuming in-person and hybrid sessions this coming year. The focus this past year was on technology and innovation in the justice sector. The BTG initiative has been going strong for four years, and we are pleased to have recently formed an advisory group of stakeholders to guide the future of this initiative.

The Foundation made progress on our strategic initiatives around communications, completing the communications plan, launching our monthly newsletter in March 2022, and starting work on our new website.

Our finance team continued work with both the Law Society of Alberta and financial institutions to ensure that lawyers' pooled trust accounts are properly set up to pay interest to the Foundation. We are pleased to report that this initiative has resulted in \$1.6 million of back-interest being paid to the Foundation.

Interest rates began to move up in March 2022 and we anticipate more rate hikes over the coming year. After two years of very low revenue and having to draw on reserves to sustain our grants, the Foundation is looking forward to greater capacity to support continuing programs and new innovative projects.

This past year saw the departure our board member appointed by the Law Society of Alberta, Bill Hendsbee, QC, as a result of his having been appointed as President-Elect of the Law Society. We welcomed his replacement, Moira Váně, in April 2022.

After two full years of constraint and restraint resulting from the pandemic, we approach the coming year with more optimism. While it is not completely behind us, our collective capacity to deal with the coronavirus and its related fallout has improved immensely.

It will be some time yet before Albertans can return to what we knew as "normal", as we continue the recovery from the pandemic and face new challenges including higher inflation and greater demand for legal services. But, there is hope in the resiliency evidenced in our sector over the last two years.

Stephanie L. Dobson



VISION, MISSION, OBJECTS, STRATEGIC PRIORITIES



Vision

Accessible Justice
for all Albertans

Mission

Advance access to
justice by supporting
collaboration and
innovation in the delivery
of legal services and
the administration of
justice in Alberta.

Objects

- Research and Law Reform
- Law Libraries
- Public Legal Education
- Indigenous People's Legal Programs, Student Legal Aid Programs, and programs of like nature
- Contributing to the costs of Legal Aid Alberta (legislated to be 25% of IOLTA received by the Foundation in the previous year)

Strategic Priorities

- 1** Invest in sustainable and effective initiatives that have a demonstrable impact on Albertans navigating the justice system in Alberta.
- 2** Build sector capacity by being a resource and community convener in the justice sector.
- 3** Demonstrate leadership through a culture of inclusivity, communication, and collaboration.

BOARD OF DIRECTORS

Stephanie L. Dobson

B.A., J.D.

Chair / Lloydminster

(appointed by the Board, designated Chair by the Minister of Justice & Solicitor General)

Paul Chiswell

BComm, LLB, BCL

Vice-Chair / Calgary

(appointed by the Law Society of Alberta)

Drew Thomson

MBA, FCPA, FCMA

Edmonton

(appointed by the Board)

Kevin Mark

LLB

Edmonton

(Minister's Designate, appointed by the Minister of Justice & Solicitor General)

Aleem Dhanani

BComm, MBA, ICD.D

Calgary

(appointed by the Minister of Justice & Solicitor General)

Seun Ogunsola

MBA

Calgary

(appointed by the Minister of Justice & Solicitor General)

Moira Váně

LLB

Edmonton

(appointed by the Law Society of Alberta, April 2022)

STAFF

Deborah Duncan

Executive Director

Kate Henry

Director of Finance & Administration

Janet Kerrigan

Program Director

(on leave from December 2021)

Diana Porter

Administrative Assistant

Flora Stevenson

Research & Community Engagement Coordinator

Kristen Seipp

Grants Coordinator

Timberley Shorr

Grants Coordinator

Joshua Corpuz

Technical Program Administrator

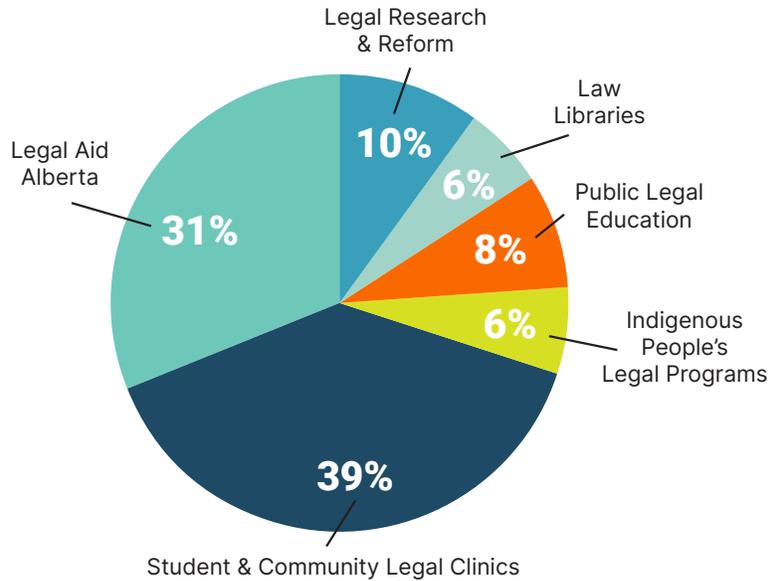
(started April 2022)



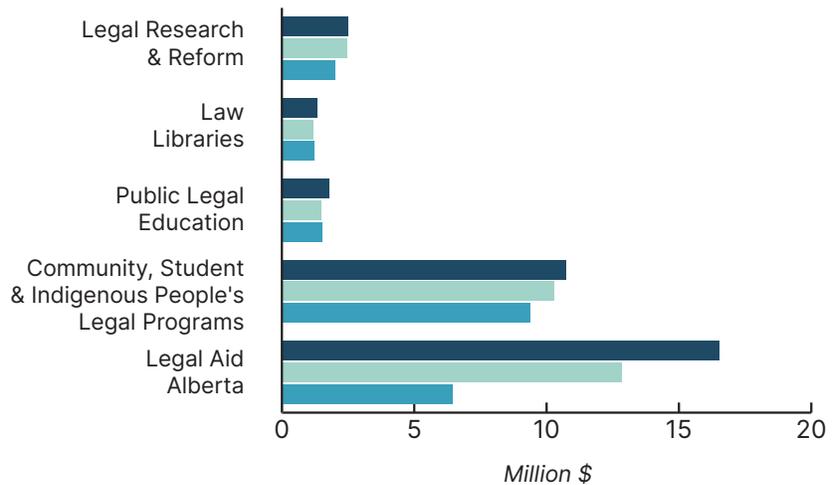
The Foundation's Source of Revenue

The Alberta Law Foundation was created under the Legal Profession Act in 1973. The Foundation is the recipient of the interest that financial institutions pay on clients' funds held in Alberta lawyers' pooled trust accounts. This does not include interest paid on specific trust investments held for individual clients. The interest on lawyers' pooled trust accounts (IOLTA) together with investment and other income of the Foundation is allocated by the Board to organizations engaged in activities which will advance the objects of the Foundation.

2021-22 Funding Allocations



Funding Allocations 2020-2022



Refer to page 13 for further details about funding allocations to Legal Aid Alberta.

OUR GRANTEES' WORK AND IMPACT

Grantee Service Outputs 2021-22

In addition to the service numbers noted below, numerous individuals benefitted from other programs funded by the Foundation including Legal Aid Alberta, legal research and reform programs, and public legal information accessed through online resources.

138,390 Total service contacts

Including:

38,190 Legal advice, representation or other direct legal services

138,390 Albertans contacted Alberta Law Foundation-funded organizations across the province seeking assistance with their legal issue or looking to learn more about legal services in Alberta.

Legal advice, representation and other direct legal services were provided to **38,190** Albertans enabling them to gain knowledge of the legal system, their rights, and responsibilities and what to do or not do to solve their legal problems.

38,933 Public legal education attendees at **1,003** presentations

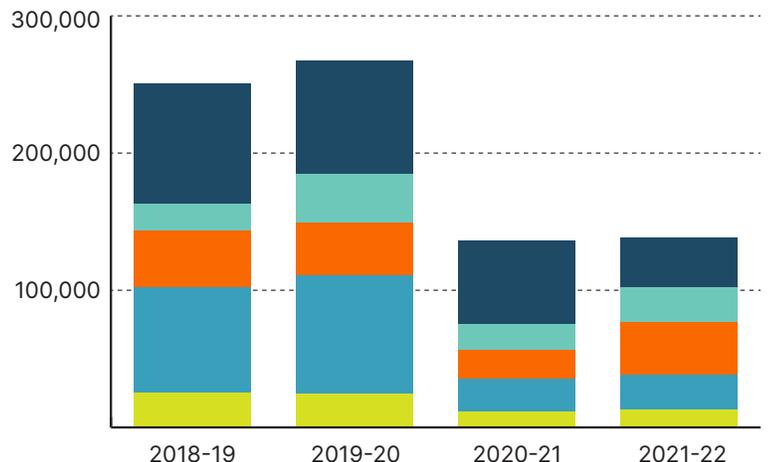
38,933 Albertans attended **1,003** Public Legal Education presentations to increase their legal knowledge.

61,267 Legal information & referral

61,267 Albertans accessed Legal Information and Referral services to understand more about community legal resources and steps they can take to feel more in control in dealing with their legal issues.

Individuals Served 2019-2022

- Information & Referral
- Legal Information/ System Navigation
- Public Legal Education
- Other Direct Legal Services
- Legal Advice and/or Representation



GRANTEE STORIES

Even in the face of COVID, where it was necessary to maintain our distance, communities and organizations across Alberta still found a way to connect on a human level. This connection is more than the statistics highlighted above – it is the impact on every person touched by the staff and volunteers of the organizations funded by the Foundation.



Calgary Youth Justice Society



Calgary Youth Justice Society – Is responsible for the implementation and support of the operations of 14 Youth Justice Committees in Calgary which help young people find their way through challenging life circumstances and sometimes poor choices that can get in the way of reaching their full potential.

The Calgary Police Service Youth Diversion project ensures that all youth facing minor charges, who are eligible to be diverted from the formal justice processes, have that opportunity. Pre-charge Extrajudicial Sanctions (Section 10 YCJA) referrals from CPS to Youth Justice Committees increased by 300% since 2020. This earlier intervention means that more young people will have access to this meaningful community-based response with a successful completion rate of over 95%.

Youth Justice Committee volunteers have a special connection with youth who are diverted from court into the hands of caring neighbours. The approach is always unique to the individual and focused on helping the young person to be accountable for their actions, without holding them back. The Youth Justice Committee Coordination Project builds capacity of Youth Justice Committee volunteers to successfully contribute to the administration of youth justice.

“The process of writing his apology made him reflect more deeply on the effects of his actions on others and reinforced the value of taking responsibility for his own actions, especially when such actions hurt others.”

– PARENT OF A YOUTH

Alberta Law Libraries



Alberta Law Libraries – Works to remove barriers for self/unrepresented litigants so Albertans who are seeking to better understand a legal situation or problem, those seeking to fill an information need, and those needing to better understand options and alternatives as they relate to legal matters have a place to find reliable, and accurate legal resources.

“With a purpose statement of ‘Alberta Law Libraries promote informed engagement with the law, encouraging broad access to justice’, [Alberta Law Libraries] staff bring a uniquely human element to the work assisting people in identifying and promoting quality legal resources, and in educating users on how to navigate these types of tools.”

Most of our visitors are facing situations that require serious decision making, problem solving, and the acquisition of legal knowledge. Our team is here to support these endeavours and with access to unmatched resources.”

– DALE BARRIE – DIRECTOR, ALBERTA LAW LIBRARIES

Workers’ Resource Centre



Workers’ Resource Centre – Provides information, assistance and individual representation to workers in Alberta who need help accessing their rights and entitlements under certain provincial and federal employment legislation.

“2021 has been full of many challenges, but I am constantly amazed at the resiliency of individuals and their dedication to assisting others even in times of difficulty. One of our clients was having issues with an AISH appeal. He had immigrated to Canada a few years prior and was confined to a wheelchair due to a childhood illness. He and his wife had a very young family he needed to support financially but he is unable to work due to illness. We contacted his medical team, past and present, assisting him in tracking down medical documents for proof of injury and were successful in his AISH appeal.”

– CAROLYN KRAHN – EXECUTIVE DIRECTOR

Portage College



Portage College – Partners with community agencies and representatives throughout the Northeast region of Alberta to ensure that public and community legal education and information needs are being addressed through the provision of information, resources, and education on a variety of legal topics.

“I enjoyed this a lot and hope there will be other courses I can attend. Thanks for putting it on. I am already recommending it to other people. Keep up the good work and I hope it does have the effect of enlightening people to why things need to change.”

– WORKSHOP PARTICIPANT

Alberta 7th Step Society



Alberta 7th Step Society – Four decades of providing programming that deglamorizes the criminal lifestyle from ex-offenders who speak of their own personal choices and experiences while providing legal and community resources to youth in Alberta.

“This program is very valuable. As teachers we can help facilitate the conversation about consequences of their [students’] choices but the real life testimony from someone who has lived it has more impact.” – TEACHER

“This is absolutely a valuable program as it brings a living, breathing, human face to the stories they are often detached from. To hear this story live and meet you [Mitch] gives true insight into their choices and the reality of things.” – TEACHER

Crowsnest Pass Women’s Resource & Crisis Centre



Crowsnest Pass Women’s Resource & Crisis Centre

– Aims to be there for the people that have sought out or require legal guidance, or legal assistance to provide them support and assistance so that they can take the knowledge that has been acquired and use it to navigate the system, with less uncertainty and more likelihood of dealing with their issues than avoiding them thereby leading to more complicated issues.

“We have the luxury of living in a smaller community, people have the tendency to become part of your extended family, and when people are your family, you will do anything for them. Part of the effectiveness of our legal program is because of the welcoming nature of the Centre. Clients come and go but most become our people. People that we protect and help to grow. People that know there is someplace that cares about them, about what happens to them.”

– MARGARET BYRNE – LEGAL RESOURCE ADVISOR



Bridging the Gaps

The *Bridging the Gaps* initiative was established in January 2018 to help ascertain unmet legal needs in Alberta to guide the Foundation's grant-making. Since then, the Foundation has led community-based research projects and hosted workshops and learning sessions for *Bridging the Gaps* participants in person and virtually.

Over the last four years, *Bridging the Gaps* has become a community where justice stakeholders in Alberta can connect, share knowledge, and collaborate. There are currently 42 organizations in the group. We welcomed new members in 2021-22 and expanded connections and collaboration with organizations in other jurisdictions in Canada and United States.

All steps taken in the *Bridging the Gaps* initiative have been informed by feedback from the community.

WHAT WE DID IN 2021-22

2021

March/April

Workshop series about remote legal services, followed by workshop evaluation survey

July

Completed the Remote Legal Service Delivery project report, followed by distribution and evaluation survey

September

Logic model was developed for *Bridging the Gaps*

2022

February

Information session with the Law Society of Alberta about their Innovation Sandbox

March

Survey and interviews about next steps for *Bridging the Gaps*

The *Bridging the Gaps* Advisory Committee was formed

The first newsletter from the Foundation. Legal service updates and access to justice resources are now being shared monthly with the *Bridging the Gaps* group and other subscribers

April

Advisory Committee met to discuss the next steps for *Bridging the Gaps*

June

Session with Brea Lowenberger and Heather Heavin (University of Saskatchewan) about their recent work developing and implementing an access to justice evaluation framework

What is coming next

Develop a searchable online resource library on the Foundation's new website to help with knowledge gathering and sharing in the community

Develop a platform to host the *Matrix of Legal Services in Alberta* (data collection about 8 types of legal services provided in 13 areas of law by 23 organizations in the *Bridging the Gaps* initiative) on the Foundation's new website to help with referrals and coordination of services in the community

Conduct a new legal needs assessment to update the findings from the 2018 needs assessment

2021-22 GRANTS AWARDED BY OBJECT

Legal Research and Law Reform

Alberta Civil Liberties Research Centre - \$643,132

Provides legal research, publications and education on civil liberties and human rights.

Alberta Law Reform Institute - \$751,500

Research into law and the administration of justice and proposing law reform.

Canadian Bar Association - Alberta - \$15,000

Legislative Review Officer assists the Legislative Review Committee to review all bills prior to first reading and summarize bills passing through the Legislature.

Canadian Institute of Resources Law - \$208,100

Legal research, education and publication activities.

Centre for Constitutional Studies - \$395,400

Legal research, education and publication activities.

Law Libraries

Alberta Law Libraries - \$1,226,732

Maintenance of the Alberta Law Libraries collections.

Public Legal Education

Alberta Seventh Step Society - \$146,996

Education in the schools about the criminal justice system from the viewpoint of the ex-offender.

Alberta Workers' Health Centre - \$168,000

Work Plays Program - Dramatic presentations to school audiences about employment and workplace safety law.

Calgary Youth Justice Society

Calgary Police Service Youth Diversion Project - \$88,500

Provides education to Calgary Police Service members to increase knowledge, understanding and utilization of Section 18 of the Youth Criminal Justice Act. It also provides Calgary Police Service support in adapting related policies, practices and procedures to support youth diversion from formal justice processes to ensure that all eligible youth have an opportunity to be diverted from court for offences less serious in nature.

Youth Justice Committee Coordination Project - \$85,472

Provides legal education to community volunteers involved with their local Youth Justice Committee, to parents of youth involved in the criminal justice system, and to the general public and community partners to increase understanding of the youth justice system and what is required to be involved in and support youth criminal justice processes.

Diversecities Community Service Association - \$78,950

Law and Advocacy Program - Provides legal information and referrals, legal clinics, follow-up legal services, Commissioner for Oaths, assistance with wills and estates, document drafting, Enduring Powers of Attorney, legal resources and publications.

Kinbrace Community Society - \$25,000

Project grant towards the development of a new national Refugee Hearing Preparation Guide website that will provide region-specific, accurate and up-to-date information about refugee laws and procedures, as well as community resources and services, available to claimants.

Legal Resource Centre of Alberta - \$606,000

Print and web-based public legal education and information resources; legal referrals and presentations to the public.

Portage College, Lac La Biche - \$62,160

Provision of public legal education workshops in northeast Alberta.

Workers' Resource Centre

Public Legal Education Program - \$92,856

Provides plain-language educational workshops for marginalized Alberta workers on employment-

related rights, obligations and benefits.

Case Work Program - \$179,544

Provides information, assistance and representation to help vulnerable workers in Alberta access their legislated benefits and entitlements.

Indigenous People's Legal Programs

Native Counselling Services of Alberta

BearPaw Media and Education Program - \$533,720

Develops and delivers Indigenous-focused legal education and information.

Calgary Urban Indigenous Peacemaker Program - \$148,020

Offers supported resolution alternatives through culturally appropriate peacemaker circles in the Indigenous restorative justice tradition.

Lethbridge Urban Indigenous Peacemaker Program - \$148,464

Offers supported resolution alternatives through culturally appropriate peacemaker circles in the Indigenous restorative justice tradition.

O'Chiese First Nation - \$119,628

Project grant to develop and deliver legal education and information on the O'Chiese Nation.

The University of Alberta, Faculty of Law, Indigenous Law Students Association - \$8,000

Organization and presentation of the annual 5-day Speakers Series on Indigenous justice issues.

The University of Alberta, Wahkohtowin Law and Governance Lodge - \$350,968

The Wahkohtowin Law and Governance Lodge is a dedicated Indigenous law research unit based out of the University of Alberta with the objective of upholding Indigenous laws through community-directed research and learning. The goals are to:

- Support Indigenous communities' goals to identify, articulate, and implement their own laws and governance,
- Develop, gather, amplify, and transfer wise practices, promising methods and research tools, and
- Produce useful and accessible public legal education resources.

Community and Student Legal Assistance

Alexandra Community Health Centre - \$81,000

Provision of legal information and referrals to adult and youth clients by a justice navigator.

Calgary Legal Guidance - \$2,850,000

Volunteer lawyer clinical services; follow-up legal advice and representation; public legal education, information and referral; Homeless Outreach Program, Domestic Violence Family Law Program; Sahwoo Mohkaak Tsi Ma Taas; Elder Law Program; Social Benefits Advocacy Program.

Calgary Women's Emergency Shelter Association - \$165,192

Provision of legal information, assistance and referral to vulnerable women.

Central Alberta Legal Clinic Foundation

Volunteer lawyer clinic services - \$799,048
Volunteer legal advice clinic, outreach and local follow-up advice and representation; public legal education, information and referral; coordination of legal clinics in Medicine Hat, Fort McMurray and Lloydminster; related administration costs.

Immigration Law Project - \$84,808

Provides follow-up services to those needing legal advice relating to immigration issues throughout Central Alberta, Medicine Hat, Lloydminster and Fort McMurray.

Alberta Rural Legal Assistance Initiative Project - \$157,656

An extension to CALCF's Follow-Up Program, providing service to the rural and remote sites in Central Alberta, Medicine Hat, Fort McMurray, Lloydminster and surrounding areas.

Crowsnest Pass Women's Resource and Crisis Centre - \$35,420

Provides free legal information, support and referral services to residents of southwestern rural Alberta.

Edmonton Community Legal Centre

Volunteer lawyer clinic services - \$2,204,532

Volunteer legal advice clinic, follow-up legal advice and representation; public legal education, information and referral; related administration costs.

Grande Prairie Legal Guidance - \$76,180

Volunteer legal advice clinic; information and referral; public legal education.

Lethbridge Legal Guidance - \$414,040

Volunteer lawyer clinical services; follow-up legal advice and representation; public legal education, information and referral; related administration costs.

Pro Bono Law Alberta - \$220,836

Pro bono legal services delivery.

Student Legal Assistance, University of Calgary - \$441,000

Provision of legal information and assistance to the community by law students.

Student Legal Services of Edmonton - \$448,664

Provision of legal information and assistance to the community by law students.

The University of Calgary, Faculty of Law, Pro Bono Students Canada - \$30,360

Coordinates law student volunteers who deliver pro bono legal services under the supervision of volunteer lawyers to communities, organizations and individuals in need.

Women's Centre of Calgary - \$47,484

Legal advice clinics provide free, half-hour advice sessions to women on matters such as family issues, civil cases, immigration and other types of matters, not including criminal law.

Youth Restorative Action Project - \$21,720

Youth Justice Committee Project – Support for programming to administer the restorative justice processes of the youth justice committee, including Extrajudicial Sanctions panels and Section 19 conferences, in Edmonton and surrounding rural areas.

2021-22 FINANCIAL RESULTS

Revenue

Revenue from interest on lawyers' trust accounts (IOLTA) in 2021-22 (\$10.9 million) was 58% greater than the prior year. Although interest rates remained low for almost the entire year, the average balance in lawyers' pooled trust accounts through 2021-22 was 50% higher than the average balance in the prior year, accounting for most of the increased IOLTA revenue.

The Foundation has been working with financial institutions and the Law Society of Alberta over the last four years to verify that interest is being paid correctly on all pooled trust accounts in Alberta. A significant number of accounts have been identified as non-compliant and we are working with lawyers and financial institutions to correctly record these accounts as pooled trust accounts and recover unpaid interest. The IOLTA for 2021-22 includes \$1.6 million of back interest received from two financial institutions and we anticipate receiving additional back interest from other financial institutions in the coming year.

Investment revenue in 2021-22 (\$4.3 million) was 27% lower than the previous year, due in part to the depletion of the Foundation's reserves over the year to meet current obligations to grantees and Legal Aid Alberta, thereby reducing the amount invested. Taking into account other income including undisburseable trust monies from the Law Society of Alberta and other revenue from COVID-related subsidies, total revenue for 2021-22 was \$15.9 million, up 17% from 2020-21.

2021-22 Funding Allocations

The Foundation Board approved 36 of 37 grant applications reviewed in 2021-22, compared to 36 of 44 applications reviewed in 2020-21. In addition, 2 grants conditionally approved in the prior year were allocated in 2021-22. The total amount allocated in 2021-22 for programs and projects conducted by non-profit grantees was \$14.2 million, a decrease of approximately \$1.3 million from the prior year. The reduction in grant allocations was achieved partly by applicants exercising restraint in their funding requests brought forward in 2021-22, and partly by the Board having decided in the prior year not to invite certain programs to reapply for funding.

Legal Aid Allocation

In 2021-22, the Foundation allocated to Legal Aid Alberta \$2.7 million, equal to the statutory requirement of 25% of IOLTA revenue, which will be paid in the Foundation's 2022-23 fiscal year. In addition, in 2021-22 the Foundation paid a special contribution to Legal Aid Alberta of \$3.7 million, for a total of \$6.4 million.

Net Financial Result

The Foundation's net financial result at the end of March 2022 was a deficit of \$9.4 million (similar to the deficit in the prior year) including the change in unrealized losses in the investment portfolio of \$4.1 million.

Total reserves of the Foundation decreased by \$9.4 million in 2021-22, as the Foundation drew on reserves to meet current commitments to grantees and to Legal Aid Alberta. Current reserves of \$66.8 million include \$45 million in the Grant Stabilization Fund to sustain continuing operating grants, and \$19 million in the Strategic Reserve Fund to meet new strategic funding opportunities or to top up the Grant Stabilization Fund as program budgets are expected to increase over the coming years. The amount of \$1.2 million is reserved to fund future year grants conditionally approved in 2021-22. The remaining reserve that had been set aside for special contributions to Legal Aid Alberta in future years was returned to the Foundation's strategic reserve fund at the end of 2021-22, as the special commitment for Legal Aid Alberta had an end date of March 31, 2022, and the funds committed were not required.

Total reserves of the Foundation decreased by \$9.4 million in 2021-22, as the Foundation drew on reserves to meet current commitments to grantees and to Legal Aid Alberta.

FISCAL OUTLOOK & RESPONSE FOR THE FUTURE

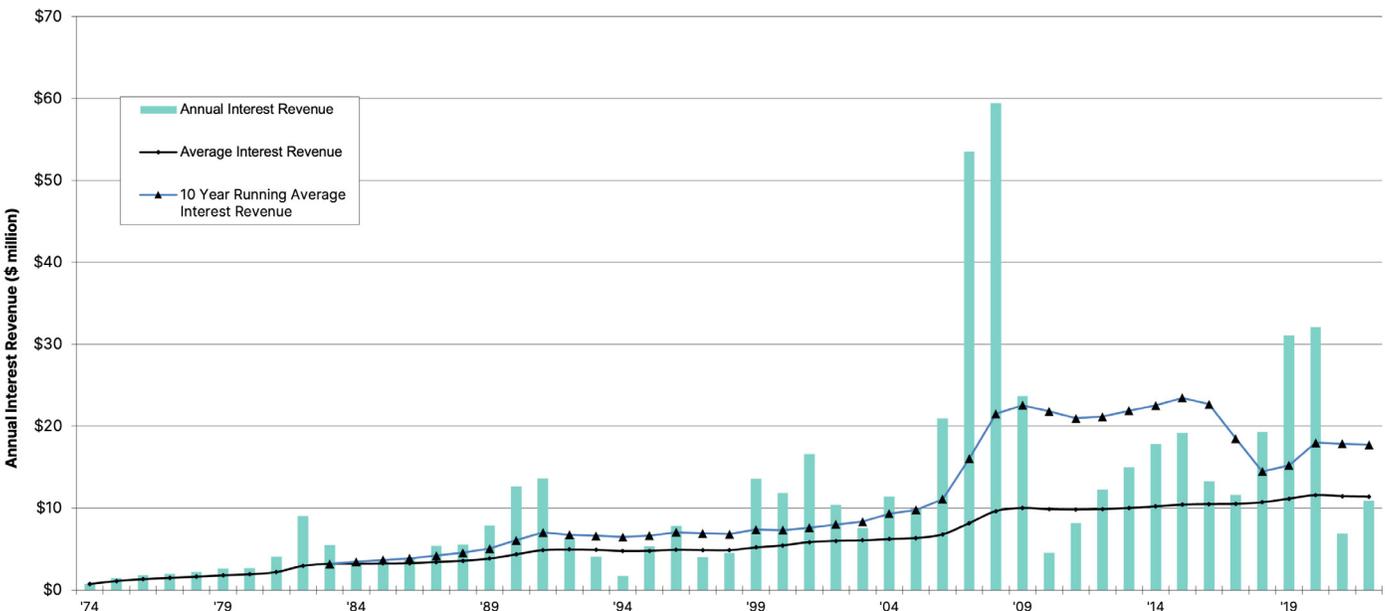
The Foundation regularly forecasts revenue and expenses for three or four years into the future so that we can effectively manage annual revenue and reserves to sustain current funded programs and meet new needs identified in the justice sector. The forecast is updated quarterly as new information is obtained. The Bank of Canada has already announced significant increases to the overnight interest rate and is expected to continue increasing rates until inflation is brought under control. Further, as rates increase, the residential housing sector and the economy, in general, are expected to moderate which will most likely reduce the balances held in lawyers' pooled trust accounts.

The overall impact of these factors is that the Foundation's IOLTA revenue over the next few years is expected to increase. Until we see how far rates will rise, and the effect that higher interest rates will have

on economic growth, it is difficult to predict at what point in time the Foundation will recover the ground that was lost over the last two years and regain the financial capacity it had in 2019. However, we anticipate that the increase in interest rates and expected higher IOLTA revenue will enable the Foundation to increase grants to a level that will support current grantees as they emerge from the effects of the pandemic, and support new programs and projects that respond to existing and emerging needs in the justice sector.

As is evident in the graph below, the Foundation's revenue from lawyers' pooled trust accounts is highly volatile and also unpredictable. This funding source is also highly cyclical, usually following the typical 4 or 5-year business cycle. The last two years and the next two years represent a period of particular volatility brought about by the pandemic, world events and the economic fallout as world economies emerge from the pandemic. In prosperous times, the Foundation has been able to accumulate reserves that have been used to sustain grants during economic downturns such as the last two years. As we move into a more positive financial cycle, the Foundation will maintain this careful approach to stewarding the funds it receives to ensure that it remains a sustainable funding source for programs and projects that make the greatest difference in achieving accessible justice for vulnerable Albertans.

Alberta Law Foundation Interest on Lawyers' Pooled Trust Accounts



2021- 2022 Financials

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FISCAL YEAR ENDED
MARCH 31, 2022

STATEMENT OF FINANCIAL POSITION

March 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash	\$ 3,065,159	\$ 2,664,471
Accrued interest - bank accounts	1,685	1,003
Interest receivable:		
Lawyers' pooled trust accounts	1,401,423	705,847
Prepaid expenses	12,327	11,843
Receivable for investments sold	1,500,000	-
	5,980,594	3,383,164
Investments	76,380,015	88,288,788
	\$82,360,609	\$91,671,952
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 70,380	\$ 75,752
Grants payable	12,798,173	13,729,340
Payable to Legal Aid Alberta ("LAA")	2,728,761	1,732,199
	15,597,314	15,537,291
Net Assets:		
Grant stabilization fund	45,000,000	45,000,000
Strategic reserve fund	19,600,000	12,100,000
Designated for future year grants	1,161,348	2,280,712
Special contribution to LAA for future years	-	14,800,000
Unrestricted	1,001,947	1,953,949
	66,763,295	76,134,661
	\$ 82,360,609	\$ 91,671,952

A complete copy of the audited financial statements, including the notes and the auditor's report, is available on the ALF web site: www.albertalawfoundation.org.

STATEMENT OF OPERATIONS

March 31, 2022, with comparative information for 2021

	2022	2021
Revenues:		
Interest earned on lawyers' pooled trust accounts	\$ 10,915,044	\$ 6,928,793
Investment income	4,346,643	5,938,975
Undisbursable trust balances from Law Society of Alberta	391,070	485,215
Other revenue	218,000	216,437
	15,870,757	13,569,420
Expenses:		
Salaries	692,051	679,633
Investment advisory fees	210,474	235,212
Rent and parking	62,892	80,585
Computing and web services	37,918	41,255
Professional fees	22,072	22,900
Contract fees	17,246	31,826
General administration	12,005	14,333
Insurance	11,092	10,885
	1,065,750	1,116,629
Allocation to Legal Aid Alberta ("LAA")	2,728,761	1,732,199
Excess of revenues over expenses before grant allocations	12,076,246	10,720,592
Deduct:		
Program grant allocations	12,675,654	13,558,076
Project grant allocations	1,484,428	1,893,706
Total grant allocations	14,160,082	15,451,782
Add:		
Grant refunds	532,105	353,981
Allocations withdrawn	16,658	62,485
	548,763	416,466
Net grant allocations	13,611,319	15,035,316
Deficiency of revenues over expenses before undermentioned items	(1,535,073)	(4,314,724)
Change in unrealized (loss) gain on investments	(4,136,293)	5,514,930
LAA special contribution current year	(3,700,000)	(11,100,000)
Deficiency of revenues over expenses	\$ (9,371,366)	\$ (9,899,794)

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www.albertalawfoundation.org.

STATEMENT OF CHANGES IN NET ASSETS

March 31, 2022, with comparative information for 2021

	Unrestricted	Designated for Future Year Grants	Special contribution to LAA for future years	Grant Stabilization Fund	Strategic Reserve Fund	2022 Total	2021 Total
Balance, beginning of year	\$1,953,949	\$2,280,712	\$14,800,000	\$45,000,000	\$12,100,000	\$76,134,661	\$86,034,455
Deficiency of revenues over expenses	(9,371,366)	-	-	-	-	(9,371,366)	(9,899,794)
Internally designated transfer to unrestricted	2,280,712	(2,280,712)	-	-	-	-	-
Internally designated transfer from unrestricted	(1,161,348)	1,161,348	-	-	-	-	-
Internally designated transfer	3,700,000	-	(3,700,000)	-	-	-	-
Internally designated transfer	-	-	(11,100,000)	-	11,100,000	-	-
Internally designated transfer	3,600,000	-	-	-	(3,600,000)	-	-
Balance, end of year	\$1,001,947	\$ 1,161,348	-	\$45,000,000	\$19,600,000	\$66,763,295	\$76,134,661

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STATEMENT OF CASH FLOWS

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operations:		
Deficiency of revenues over expenses	\$(9,371,366)	\$(9,899,794)
Items not involving cash:		
Change in unrealized loss (gain) on investments	4,136,293	(5,514,930)
Net realized loss (gain) on sale of investments	245,567	(800,024)
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(5,372)	(10,551)
Grants payable	(931,167)	(770,405)
Payable to Legal Aid Alberta	996,562	(6,290,254)
Interest receivable - lawyers' pooled trust accounts	(695,576)	1,342,183
Accrued interest - bank accounts	(682)	6,984
Prepaid expenses	(484)	(207)
	(5,626,225)	(21,936,998)
Investments:		
Purchase of investments	(35,038,982)	(12,290,371)
Proceeds from disposal of investments	41,065,895	31,668,648
	6,026,913	19,378,277
Increase (decrease) in cash	400,688	(2,558,721)
Cash, beginning of year	2,664,471	5,223,192
Cash, end of year	\$ 3,065,159	\$ 2,664,471

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