



Civil Resolution Tribunal

Date Issued: February 19, 2025

File: SC-2023-012565

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Strathcona Community Gardeners Society v. Stanborough*,
2025 BCCRT 232

B E T W E E N :

STRATHCONA COMMUNITY GARDENERS SOCIETY

APPLICANT

A N D :

MARIA STANBOROUGH

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

David Jiang

INTRODUCTION

1. This dispute is about society funds. The applicant, Strathcona Community Gardeners Society (Strathcona), says that the respondent, Maria Stanborough, is its former president. Strathcona says Ms. Stanborough is wrongfully withholding Strathcona's grant money. Strathcona claims \$2,287.42 for the return of the funds.

2. Ms. Stanborough denies liability. She says she is entitled to keep the funds as compensation for work done. She further justifies keeping the money because of bullying and aggressive actions from other Strathcona directors. As she filed no counterclaim, I find she claims for a setoff.
3. A director represents Strathcona. Ms. Stanborough represents herself.
4. For the reasons that follow, I find Strathcona has proven its claims.

JURISDICTION AND PROCEDURE

5. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
6. Section 39 of the CRTA says the CRT has discretion to decide the hearing's format, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
7. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in court.
8. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

ISSUES

9. The issue in this dispute is whether Ms. Stanborough must return to Strathcona \$2,287.42 in grant funds.

BACKGROUND, EVIDENCE AND ANALYSIS

10. In a civil proceeding like this one, Strathcona as the applicant must prove its claims on a balance of probabilities. I have read all the parties' submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision.
11. I begin with the undisputed background. Strathcona's purposes include maintaining 2 gardens. From September 2022 to July 2023, Ms. Stanborough served as the president of Strathcona's board of directors.
12. On January 12, 2023, Strathcona applied to a third party for the \$8,000 grant. Ms. Stanborough filled out the various online forms on Strathcona's behalf. The electronic documents, including a project budget, said that the grant money would fund garden restoration of Strathcona's Cottonwood Community Garden.
13. Ms. Stanborough did 2 things that I find lessen her credibility. First, around this time, Ms. Stanborough prepared a second project budget to show the board. Crucially, it said that the grant was only \$5,000 instead of \$8,000. I find this makes her an unreliable historian in this dispute.
14. Second, she did not include in the above-mentioned second budget the consulting work she claims a setoff for in this dispute. Presumably, the work would be a line item if the parties intended the grant money to pay for it.
15. In May 2023, the third party sent Strathcona the \$8,000 grant. Bank transaction documents show that 1) Ms. Stanborough deposited the funds into her personal bank account, then 2) transferred \$5,000 into Strathcona's bank account, holding back the balance of \$3,000.

16. The July and August 2023 emails and bank statements show the following. In early July 2023 Strathcona began asking about, among other things, the current status of its various grants. On July 22, 2023, Ms. Stanborough resigned as president. She withdrew \$5,000 from Strathcona's bank account 2 days later. In August 2023, the third party confirmed with the board that the full grant amount was actually \$8,000, that "it was deposited to Maria's account", and that it had "no record of any of the funds being returned to us".
17. Several September 2023 emails show Strathcona asked Ms. Stanborough to return the missing grant money, which at the time it initially thought was \$6,087.42. Ms. Stanborough admitted that she initially held back \$3,000 of the grant money. As for the rest, she wrote, "I might have accounted for the money incorrectly".
18. Transaction documents show Ms. Stanborough returned \$1,912.58 on July 27, 2023. It is also undisputed that she returned \$3,800 on September 25, 2023. This left \$2,287.42 of the \$8,000 unreturned, which equals the claim amount.
19. Ms. Stanborough issued a \$2,200 invoice dated September 24, 2023 for consulting and other services provided to Strathcona. She emailed the invoice to Strathcona on September 25, 2023. Strathcona's emails, including its internal emails, indicate Strathcona did not approve of or expect this invoice.

Must Ms. Stanborough return to Strathcona \$2,287.42 in grant funds?

20. I turn to the relevant law. Section 52 of the *Societies Act* (SA) says that a society's directors must manage or supervise the management of the activities and internal affairs of the society.
21. The documentary evidence shows the third party provided the \$8,000 grant to Strathcona. The only reason Ms. Stanborough ever possessed it was because she acted as Strathcona's director and president. She never owned the grant in her personal capacity.

22. I find that the tort of conversion applies. Conversion is when a person wrongfully handles, disposes of, or destroys another person's personal property in a way that is not consistent with the owner's rights. See *Li v. Li*, 2017 BCSC 1312 at paragraphs 213 and 214.
23. Ms. Stanborough initially deposited the grant funds into her personal bank account and only returned some of it after Strathcona's inquiries and subsequent demands. Her actions were at best highly improper. They were entirely inconsistent with Strathcona's rights to the funds in any event. So, I conclude without difficulty that Ms. Stanborough committed the tort of conversion.
24. Ms. Stanborough says she is entitled to keep the funds. While Strathcona bears the burden to prove its claim, I find Ms. Stanborough bears the burden to prove her justification to keep the remaining \$2,287.42 in grant funds as a setoff. She provided an invoice for consulting fees totaling \$2,200, inclusive of GST. So, I find she alleges an agreement between Strathcona and herself for the consulting work.
25. For a contract to exist, there must be an offer and an acceptance of the offer. See, for example, *Babich v. Babich*, 2015 BCPC 175 at paragraph 16. By itself, one party's belief that there is a contract is not sufficient.
26. Ms. Stanborough's own submissions lack any indication that she ever offered Strathcona her services for a fee or that Strathcona ever accepted. Likewise, there is no documentary evidence that shows offer and acceptance for the invoiced work. Even if the parties had reached such an agreement, which I find they did not, there is no indication Strathcona said that Ms. Stanborough could use the grant money to pay herself.
27. There is also no work product in evidence that might be expected from consulting work. For example, there is no consulting report or emails about such work. The September 2023 invoice lacks any details including when Ms. Stanborough did the work or who authorized it.

28. I also agree with Strathcona's submissions that Ms. Stanborough seemingly kept the funds at issue because of alleged "bullying" and "harassment" by other directors. This is explicitly stated in her Dispute Response, where she states she "sought compensation for her time given how bullying the Board members had been". I find her own statements support the lack of any binding agreement. I have also found her to be less credible than Strathcona for reasons already outlined above.
29. I note that there is no recognized tort of harassment in BC. See *Anderson v. Double M Construction Ltd.*, 2021 BCSC 1473 at paragraph 61. So, I would decline to provide any setoff for this in any event.
30. For all these reasons, I order Ms. Stanborough to return Strathcona \$2,287.42 in grant funds.
31. The *Court Order Interest Act* applies to the CRT. Strathcona is entitled to pre-judgment interest on the sum of \$2,287.42, from September 25, 2023, the date Ms. Stanborough deposited the grant money, to the date of this decision. This equals \$157.60.
32. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. I find Strathcona is entitled to reimbursement of \$125 in CRT fees. The parties did not claim any specific dispute-related expenses. So, I order none.

ORDERS

33. Within 30 days of the date of this decision, I order Ms. Stanborough to pay Strathcona a total of \$2,570.02, broken down as follows:
- a. \$2,287.42 in grant funds,
 - b. \$157.60 in pre-judgment interest under the *Court Order Interest Act*, and

c. \$125 in CRT fees.

34. Strathcona is entitled to post-judgment interest, as applicable.

35. This is a validated decision and order. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

David Jiang, Tribunal Member