



YUKON LAW FOUNDATION

Fiscal Year Ending October 31, 2005

Suite 202 - 302 Steele Street
Whitehorse, Yukon
Y1A 2C5

INTRODUCTION

The Yukon Law Foundation was initially authorized in the Legal Profession Ordinance by amendments made in 1975, but was not actually established by the Government of Yukon until 1979. The Foundation now carries on its mandate under the *Legal Profession Act* proclaimed into force on April 1, 1985.

The Foundation receives all its revenue from interest on the trust accounts of the lawyers practicing law in the Yukon and from interest on the Foundation's investments. The money available to the Foundation to pursue its objectives will therefore vary from year to year depending on the amount of client money held in trust in a lawyer's trust account. For the year ending October 31, 2005 the interest paid to the Foundation was \$82,105. For the year ending October 31, 2004, the interest paid to the Foundation was \$34,947.

Individuals or organizations wishing to apply for a grant from the Yukon Law Foundation should communicate with:

Yukon Law Foundation
Suite 202 - 202 Steele Street
Whitehorse, Yukon
Y1A 2C5
Phone: (867) 668-4231
Fax: (867) 667-7556
E-mail: lsy@yknet.yk.ca
Web Site: www.lawsocietyyukon.com

The Board meets a minimum of twice a year for general grant applications (April and early/mid September) and once a year in mid August to review tuition scholarship applications.

OBJECTIVES

As noted in the introduction, the Yukon Law Foundation is the recipient of the interest, which banks must pay on the trust accounts of lawyers practicing law in the Yukon. The objectives of the Foundation are to use these funds, as the Board of Directors see fit, for:

- **conducting research into and recommending reform of law and the administration of justice;**
- **establishing, maintaining and operating law libraries for public use;**
- **contributing to the legal education and knowledge of members and the people of the Yukon and providing programs and facilities therefore;**
- **legal aid programs and programs of like nature for the benefit of persons unable to afford the legal services they require;**
- **contributing to the Assurance Fund;**
- **contributing to the cost incurred by the Law Society in relation to proceedings under Part 3 of the *Legal Profession Act*; and,**
- **doing all other things that are incidental or conducive to the attaining of the objects enumerated in the preceding paragraphs.**

ADMINISTRATION AND GRANTS

The affairs of the Yukon Law Foundation are conducted by a Board of Directors composed of six members, three being appointed by the Executive Council and three being appointed by The Law Society of Yukon. The Board members serve for a period of two years at a time.

The members of the Yukon Law Foundation Board during the 2004-2005 fiscal year were:

Appointed by The Law Society of Yukon

Chair: Brian L. Morris
Board Members: Malcolm E.J. Campbell
Lesley McCullough

Appointed by the Executive Council

Board Members: Janet Wood
E. Joie Quarton
Tom Ulyett, Assistant Deputy Minister of
Justice

The Board of Directors meets to consider applications and issues. Decisions of the Foundation are made in accordance with the wishes of the majority of the members present at a meeting. The Foundation maintains a record of its financial position at each meeting and grants are considered in light of the revenues of the Foundation and the merits of each application. Applicants who receive grants are required to acknowledge in their grant activities the funding involvement of the Foundation.

PROJECTS ACCEPTED

Grants accepted for the fiscal year ending October 31, 2005 are as follows:

Associations & Organizations

- Yukon Public Legal Education
- Splitting Up in the Yukon Publication \$ 6,500.00
- Lynn MacDiarmid
- 2003 Law Reports \$ 9,000.00
- The Canadian Bar Association
- Law Day Activities \$ 1,700.00
- Law Society of Yukon
- 2005 CanLII Fees \$ 1,000.00

Law Libraries

- Law Library Society of Yukon
- Textbooks \$ 1,668.00
- Law Library Society of Yukon
- Books & Subscriptions \$11,630.00

Scholarships Paid to Yukon Students Attending Law/Law Related Schools

- A total of 6 scholarships were granted to Yukon students totaling:
\$ 5,000.00

ACCOUNTING

The accounting firm of MacKay LLP was retained to provide an audited Financial Statement for the Yukon Law Foundation for the fiscal year ending October 31, 2005. Those statements are included in this report.



Brian L. Morris

Chair

Yukon Law Foundation

Yukon Law Foundation

Financial Statements

October 31, 2005

Yukon Law Foundation

Financial Statements

October 31, 2005

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Auditors' Report

To the Directors of Yukon Law Foundation

We have audited the balance sheet of Yukon Law Foundation as at October 31, 2005 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at October 31, 2005, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Whitehorse, Canada

January 3, 2006


Chartered Accountants

Yukon Law Foundation

Statement of Operations

For the year ended October 31,	2005	2004
Revenue		
Contributions (note 2c)	\$ 80,693	\$ 32,984
Interest income	1,412	1,963
Recoveries - Grants and scholarships	-	13,089
	82,105	48,036
Expenditures		
Advertising and promotion	1,306	1,795
Gifts and socials	-	597
Grants	31,498	36,630
Office	61	641
Professional fees	4,187	3,611
Travel	1,537	-
Wages and benefits	4,000	4,000
Meetings	307	-
Scholarships	5,000	8,500
	47,896	55,774
Excess (deficiency) of revenue over expenditures	\$ 34,209	\$ (7,738)

Yukon Law Foundation

Statement of Changes in Net Assets

For the year ended October 31,

	Invested in Property & Equipment	Unrestricted	Total 2005	Total 2004
Balance, beginning of year	\$ 1,363	\$ 75,099	\$ 76,462	\$ 84,200
Excess (deficiency) of revenue over expenditures	-	34,209	34,209	(7,738)
Balance, end of year	\$ 1,363	\$ 109,308	\$ 110,671	\$ 76,462

Yukon Law Foundation

Balance Sheet

October 31, 2005 2004

Assets

Current

Cash	\$ 21,846	\$ 20,268
Contributions receivable(note 2c)	18,551	4,727
Short-term investments	81,846	81,504

122,243 106,499

Property and equipment (note 3)

1,363 1,363

\$ 123,606 \$ 107,862

Liabilities

Current

Accounts payable and accrued liabilities	\$ 11,335	\$ 29,800
Wages payable	1,600	1,600

12,935 31,400

Net Assets

Invested in Property & Equipment

1,363 1,363

Unrestricted

109,308 75,099

110,671 76,462

\$ 123,606 \$ 107,862

Approved by the directors:



Directors



Directors

Yukon Law Foundation

Statement of Cash Flows

For the year ended October 31,	2005	2004
Cash provided by (used for)		
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 34,209	\$ (7,738)
Changes in non-cash working capital items		
Contributions receivable	(13,824)	2,301
Accounts payable and accrued liabilities	(18,465)	(1,184)
Increase (decrease) in cash	1,920	(6,621)
Cash, beginning of year	101,772	108,393
Cash, end of year	\$ 103,692	\$ 101,772
Cash consists of:		
Cash	\$ 21,846	\$ 20,268
Short-term investments	81,846	81,504
	\$ 103,692	\$ 101,772

Yukon Law Foundation

Notes to the Financial Statements

October 31, 2005

1. Nature of operations

Yukon Law Foundation is administered by, and pursuant to, the provisions of the Legal Profession Act of the Yukon Territory, and is organized to receive and manage property and money which is to be used for legal education, programs, and libraries.

2. Significant accounting policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

(a) Property and equipment

Property and equipment are recorded at cost with a corresponding increase in net assets invested in property and equipment.

(b) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the Foundation are either recognized or disclosed in the financial statements together with available information for a reasonable assessment of future cash flows, interest rate risk and credit risk.

(c) Contribution Revenue

The Foundation receives contributions of the interest earned in the trust accounts of Yukon solicitors directly from the financial institutions involved. The Foundation records these amounts when they can be specifically identified.

(d) Grants

Grants are treated as expenditures at the time the grants are approved by the Foundation. All unpaid, but approved grants, are included as grants payable. Approved grants which are not claimed within the required time frame are reversed and reduce the grants expenditures in the year they are reversed.

3. Property and equipment

	2005	2004
Equipment	\$ 1,363	\$ 1,363

4. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.