

YUKON LAW FOUNDATION

Fiscal Year Ending October 31, 2006

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, 2006 the interest paid to the Foundation was \$191,152. For the year ending October 31, 2005, the interest paid to the Foundation was \$80,693.

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 to review 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 2005 - 2006 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
Michael Reynolds
Tom Ullyett, 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, 2006 are as follows:

Associations & Organizations

- Second Opinion Society
 - Yukon Psychiatric Patients' Rights \$ 3,400.00

- Canadian Bar Association Yukon Branch
 - Trial Advocacy Essentials CLE \$ 3,000.00

- Canadian Bar Association Yukon Branch
 - Law Day Newspaper Supplement \$ 1,700.00

- Yukon Human Rights Commission
 - Publications on various human rights issues \$ 4,690.00

- Law Society of Yukon
 - CanLII Levy \$ 2,457.00

- Lynn MacDiarmid
 - 2004 Yukon Reports & Headnotes \$ 9,000.00
 - 2005 Yukon Reports and Headnotes \$ 9,000.00

Law Libraries

- Law Library Society of Yukon
 - Textbooks \$ 1,982.00


- Law Library Society of Yukon
 - Subscriptions \$22,500.00

SCHOLARSHIPS

- A total of 8 scholarships were granted to Yukon students totaling: \$ 9,250.00

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, 2006. Those statements are included in this report.


Brian L. Morris
Chair
Yukon Law Foundation

Yukon Law Foundation

Financial Statements

October 31, 2006

Yukon Law Foundation

Financial Statements

October 31, 2006

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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, 2006 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, 2006 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, 2007



Chartered Accountants

Yukon Law Foundation

Statement of Operations

For the year ended October 31,	2006	2005
Revenues		
Contributions (note 2)	\$ 191,152	\$ 80,693
Interest income	2,200	1,412
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	193,352	82,105
Expenditures		
Advertising and promotion	1,501	1,306
Grants	57,729	31,498
Meetings	258	307
Office	71	61
Professional fees	3,745	4,187
Scholarships	9,250	5,000
Travel	2,973	1,537
Wages and benefits	4,000	4,000
	<hr/>	<hr/>
	79,527	47,896
Excess of revenues over expenditures	<hr/>	<hr/>
	\$ 113,825	\$ 34,209

Yukon Law Foundation

Statement of Changes in Net Assets

For the year ended October 31,

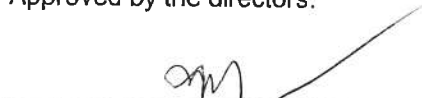
	Invested in Property & Equipment	Unrestricted	Total 2006	Total 2005
Balance, beginning of year	\$ 1,363	\$ 109,308	\$ 110,671	\$ 76,462
Excess of revenues over expenditures	-	113,825	113,825	34,209
Balance, end of year	\$ 1,363	\$ 223,133	\$ 224,496	\$ 110,671

Yukon Law Foundation

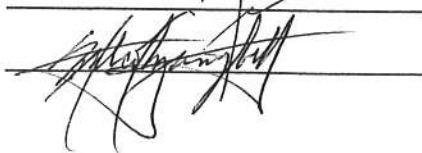
Balance Sheet

October 31,	2006	2005
Assets		
Current		
Cash	\$ 123,651	\$ 21,846
Contributions receivable (note 2)	29,649	18,551
Short-term investments	84,033	81,846
	237,333	122,243
Property and equipment (note 3)	1,363	1,363
	\$ 238,696	\$ 123,606
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 12,600	\$ 11,335
Wages payable	1,600	1,600
	14,200	12,935
Net Assets		
Invested in Property & Equipment	1,363	1,363
Unrestricted	223,133	109,308
	224,496	110,671
	\$ 238,696	\$ 123,606

Approved by the directors:



Director



Director

Yukon Law Foundation

Statement of Cash Flows

For the year ended October 31,	2006	2005
Cash provided by (used for)		
Operating activities		
Excess of revenues over expenditures	\$ 113,825	\$ 34,209
Change in non-cash working capital items		
Increase in contributions receivable	(11,098)	(13,824)
Increase (decrease) in accounts payable and accrued liabilities	1,265	(18,465)
Increase in cash	103,992	1,920
Cash, beginning of year	103,692	101,772
Cash, end of year	\$ 207,684	\$ 103,692
Cash consists of:		
Cash	\$ 123,651	\$ 21,846
Short-term investments	84,033	81,846
	\$ 207,684	\$ 103,692

Yukon Law Foundation

Notes to the Financial Statements

October 31, 2006

1. **Nature of operations**

Yukon Law Foundation is administered by, and pursuant to, the provision 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) **Short-term investments**

Short-term investments are carried at the lower of cost and market value.

(b) **Property and equipment**

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

(c) **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 other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

(d) **Contribution revenue**

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

(e) **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**

	2006	2005
Equipment	\$ 1,363	\$ 1,363