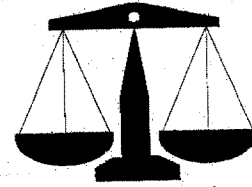


NORTHWEST TERRITORIES LAW FOUNDATION

**Eighteenth Annual Report for
Fiscal Year Ending June 30, 2000**

NORTHWEST TERRITORIES LAW FOUNDATION



CHAIRMAN'S REPORT

TO: The Legislative Assembly of the Northwest Territories; and
TO: The Executive, Law Society of the Northwest Territories

Pursuant to the *Legal Profession Act*, the 2000 Annual Report of the Northwest Territories Law Foundation is hereby submitted.

Grants in the amount of \$187,277 were awarded in the past fiscal year. Recipients and the amounts awarded are listed on the adjoining pages of this report.

The Northwest Territories Law Foundation/Graeme Garson Bursary Fund awarded \$15,500 in student scholarships to NWT residents attending Canadian law schools. The Board of Directors increased the capital amount in the fund by the amount of \$123,402 bringing the total capital up to \$200,000. Applications for scholarships have increased over the past few years and with escalating tuition costs it was felt that the fund needed this capital infusion in order for the Board to meet those increases.

In January 2000 I made plans to leave private practice and to take a position as Principal Secretary to the Premier of the Northwest Territories. I felt strongly that I should not remain on the Board of the Foundation due to potential conflicts or apprehension of bias. Consequently, I stepped down as Chairman in early March and Reg Tolton took over as Chairman until the end of June 2000 when his appointment expired. Reg has served on the Board since July 1994 and his input and hard work are greatly appreciated and will be sorely missed.

As I have previously reported, Wendy Carter our Executive Manager has been a pleasure to work with. On behalf of the entire Board I want to thank her for her continuing competent management assistance.

Respectfully submitted this 25th day of October, 2000.

A handwritten signature in black ink, appearing to read "J. Bayly" with a long horizontal stroke extending to the right.

John U. Bayly,
Chairman.

PURPOSE

The Northwest Territories Law Foundation was established pursuant to Part VII of the *Legal Profession Act* for the purpose of receiving the interest which banks must pay on clients' funds held by lawyers in mixed trust accounts. It is similar in form to Law Foundations established in most provinces.

OBJECTIVES

The objectives of the Law Foundation are to use the funds collected in this manner to provide funding in the following areas:

- ◆ conducting research into and recommending reform of the law and the administration of justice,
- ◆ establishing, maintaining and operating law libraries,
- ◆ contributing to the legal education and knowledge of members and the people of the Territories and providing programs and facilities for that purpose,
- ◆ providing assistance to legal aid programs and programs of a similar nature, and
- ◆ contributing to the Assurance fund; and
- ◆ to do all other things which, in the opinion of the Directors, are incidental or conducive to the attainment of these objects.

ADMINISTRATION

The affairs of the Foundation are conducted by a Board of Directors composed of five members, four being members of the Law Society and appointed by the Executive of the Law Society and one who is not a member of the Law Society and is appointed by the Commissioner. The Directors serve for a term of two years.

The Directors meet as required to decide on policy matters and to deal with the general administration of the Foundation including policy as to the collection and investment of funds. A "grant meeting" is held once a year to consider all requests for funding for that fiscal year.

Administration and management services are provided through an Executive Manager who is engaged on a contract basis.

BOARD OF DIRECTORS 1999-2000

CHAIR:	JOHN U. BAYLY, Q.C.
FIRST VICE-CHAIR:	REG TOLTON
DIRECTOR:	GERARD K. PHILLIPS
DIRECTOR:	ELAINE KEENAN-BENGTS
LAW MEMBER:	GAIL CYR
EXECUTIVE MANAGER:	WENDY CARTER

SCHOLARSHIPS

The Northwest Territories Law Foundation/Graeme Garson Bursary Fund has monies available to assist law students in pursuing their legal studies at either the graduate or undergraduate level.

For information about the Northwest Territories Law Foundation and to request financial assistance forms, write or telephone:

Wendy Carter
Executive Manager
The Northwest Territories Law Foundation
P.O. Box 2594
YELLOWKNIFE, NT X1A 2P9
Telephone: (867) 873-8275
Facsimile: (867) 873-6383
e-mail: action@ssimicro.com

Scholarships for the 2000/2001 school year were awarded to Moira Vane, Doris Aubin, Jennifer Duncan, Karen Lajoie and Jason Forbes in the amount of \$2,500.00 each.

GRANTS AWARDED 1999-2000

Canadian Bar Association - \$5,000.00

- For a Tort Liability Project (national project)

2000/2001 Bar Admin Courses - \$6,375.00

- To subsidize the cost of the Bar Admission courses for N.W.T. articling students

J. Promislow - \$2,500.00

- To assist in conducting research into the historical interaction between the legal cultures of European colonists and those of aboriginal peoples of Canada

NWT Court Library - \$50,000.00

- Funds to be used for indexing current civil and criminal decisions and for the purchase of serial and electronic materials

NWT Law Foundation/Graeme Garson Bursary Fund - \$123,402.00

- To increase the bursary fund to \$200,000.00. The bursary fund provides financial assistance to NWT Students attending Law School.

Auditor's Report

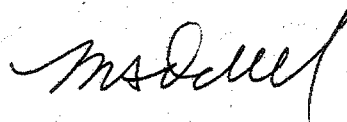
**To the Board of Directors of
Northwest Territories Law Foundation**

I have audited the statement of financial position of the Northwest Territories Law Foundation as at June 30, 2000 and the statements of operations and members' equity for the year then ended. These financial statements are the responsibility of the management of the foundation. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 in significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the foundation as at June 30, 2000 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Yellowknife, Northwest Territories
July 31, 2000


Chartered Accountant

Northwest Territories Law Foundation

Statement of Operations

For the year ended June 30,	2000	1999
	\$	\$
Revenue		
Interest - Trust accounts	178,020	166,566
Interest - Investment income (note 1)	36,021	27,704
Other income	-	4,735
	214,041	199,005
Expenditure		
Administration fees	12,328	12,358
Executive	1,262	194
Grants	187,277	56,990
Office and miscellaneous	650	482
Printing	182	347
Professional fees	1,651	2,248
	203,350	72,619
Excess revenue (expenditure)	10,691	126,386

Northwest Territories Law Foundation

Statement of Members' Equity

<u>For the year ended June 30,</u>	<u>2000</u>	<u>1999</u>
	\$	\$
Surplus		
Balance, Opening	586,882	595,415
Excess revenue (expenditure)	10,691	126,376
20% of the surplus at March 31, 1999 to be paid out to Nunavut Law Foundation	-	(134,909)
Balance, Closing	597,573	586,882

Northwest Territories Law Foundation/Graeme Garson Bursary Fund (note 2)

Balance, Opening	88,412	119,798
Less: Administration fees	(535)	(535)
Student scholarship	(15,500)	(14,000)
Add: Interest income	4,221	5,120
Grant from General Fund	123,402	-
20% of the Bursary Fund at March 31, 1999 to be paid out to Nunavut Law Foundation	-	(21,971)
Balance, Closing	200,000	88,412

Northwest Territories Law Foundation

Balance Sheet

As at June 30,	2000	1999
	\$	\$
Assets		
Current		
Cash	32,631	165,132
Trust interest receivable	-	-
Investment (note 1)	1,015,757	735,873
	<u>1,048,388</u>	<u>901,005</u>

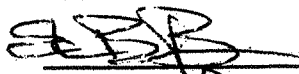
Liabilities


Current		
Accounts payable and accrued liabilities	1,597	2,150
Bursary payable	2,000	1,000
Due to Nunavut Law Foundation	161,652	156,880
Grants payable (note 1)	85,566	65,681
	<u>250,815</u>	<u>225,711</u>

Members' Equity

Surplus	597,573	586,882
Bursary Fund	200,000	88,412
	<u>1,048,388</u>	<u>901,005</u>

Approved:


_____, Director


_____, Director

Northwest Territories Law Foundation

Notes to Financial Statements

Year ended June 30, 2000

1. Significant Accounting Policies

The foundation is incorporated under the statutes of the Northwest Territories, and carries on the activity of conducting research, establishing law libraries and contributing to the legal education and knowledge of members and the people of the Northwest Territories.

- (a) The foundation records revenue from interest on members trust accounts as received and deposited from members of the Law Society of the Northwest Territories.
- (b) The foundation records all unpaid approved grants as payables.
- (c) The cost method is used in accounting for the portfolio investments. In the case of fixed term securities, the foundation is amortizing the discount over the period to maturity. The carrying value of the investment is adjusted systematically, during the period it is held, towards the amount expected to be realized at maturity or an earlier call date.

2. Bursary Fund

A bursary fund of \$100,000 was established to generate interest income to finance a scholarship program for law studies.

The funds have been combined into the investment account and the interest portion relating to the bursary fund is calculated at year-end.

During the year a grant \$123,402 was given by Law Foundation.

3. Committed Funds

The foundation has committed an amount of \$12,500 for Scholarships to assist law students in pursuing legal studies, the amount that is actually payable is not determinable at this time.

4. Statement of Changes in Financial Position

A statement of changes in Financial Position has not been prepared as it would not provided any additional meaningful information.

5. Due to Nunavut Law Foundation

From information supplied by management for the period ending March 31, 1999 an amount of 20% of the recorded surplus and Bursary Fund was calculated and set up as an amount due to the new Law Foundation in Nunavut.