

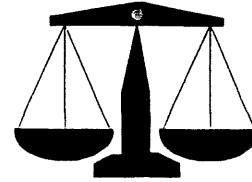


NORTHWEST TERRITORIES LAW FOUNDATION

Twenty-Third Annual Report for
Fiscal Year Ending June 30, 2005.



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

We are pleased to submit the Annual Report of the Northwest Territories Law Foundation for the year ending June 30th, 2005 pursuant to the *Legal Profession Act*.

The Law Foundation made five grants during the year totaling \$113,044.00, details of which are outlined in this report. In conjunction with the Bourassa Advocacy Prize the Law Foundation approved funding for 2 members of the Law Society of the Northwest Territories to attend advocacy workshops.

The Directors also authorized the transfer of \$47,000.00 from general funds to the Bursary Fund. This year the Northwest Territories Law Foundation/Graeme Garson Bursary Fund awarded \$5,000.00 scholarships to each of Amber LeMouel, Magnolia Unka and Menelik Tessema, all residents of the Northwest Territories attending Canadian law schools in 2005/06.

The Law Foundation met with members of the family of the late John U. Bayly and as a result, the John U. Bayly, Q.C. Memorial Fund was established from the funds received by the Law Foundation in Mr. Bayly's memory. The fund is to be used to encourage and facilitate the development of mediation skills. An award of \$1,000.00 will be given out annually to an applicant chosen by the Bayly family and the Board of Directors of the NWT Law Foundation.

The Foundation is grateful to Board members Gerard Phillips, Glenn Tait and Yvonne MacNeill as well as lay member Darrell Beaulieu for their contributions as Directors over the past year and also to Wendy Carter for her constant and valuable service as the Executive Manager.

Respectfully submitted this 4 day of October, 2005.

A handwritten signature in black ink, appearing to read 'Elaine Keenan Bengts', written over a horizontal line.

Elaine Keenan Bengts,
Chair.

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 2004 - 2005

CHAIR:	ELAINE KEENAN-BENGTSS
FIRST VICE-CHAIR:	GERARD K. PHILLIPS
DIRECTOR:	GLENN D. TAIT
DIRECTOR:	YVONNE M. MACNEILL
LAW MEMBER:	DARRELL BEAULIEU
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@theedge.ca

Scholarships for the 2005/2006 school year were awarded to Amber LeMouel, Magnolia Unka and Menelik Tessema in the amount of \$5,000.00 each.

GRANTS AWARDED 2004 - 2005

BOURASSA ADVOCACY PRIZE RECIPIENTS - \$813.65 each

- In conjunction with the Bourassa Prize, funds approved to attend Advocacy Training Workshops for 2 members of the Law Society of the Northwest Territories, Melanie Smith and Terri Nguyen.

CBA - NWT BRANCH - \$1,150.00

- To assist in the Spousal Support Guideline Training course.

2004/2005 BAR ADMIN COURSES \$6,031.00

- To assist in defraying the costs of registration fees for N.W.T. articling students enrolled in the Bar Admin courses for 2004/2005.

CBA - CANLII PROJECT - \$6,735.85

- To assist in the 5th phase of the CANLII project (Virtual Law Library)

NORTHWEST TERRITORIES LAW FOUNDATION/GRAEME GARSON BURSARY FUND - \$47,000.00

- Scholarship fund

NWT COURT LIBRARY - \$50,000.00

- To assist in the purchase of serial and electronic materials.

JOHN U. BAYLY MEMORIAL FUND - \$500.00

- To assist in encouraging and facilitating the development of mediation skills.

CHARLES JEFFERY

Chartered Accountant

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Phone: 867.920.4722 | Fax: 867.873.5502
info@cjeffery.com

Auditor's Report

To the Board of Directors of Northwest Territories Law Foundation

I have audited the balance sheet of the Northwest Territories Law Foundation as at June 30, 2005 and the statements of operations and net assets 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 Canadian 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 Northwest Territories Law Foundation as at June 30, 2005 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Yellowknife, Northwest Territories
August 19, 2005

Charles Jeffrey
Charles Jeffrey
Chartered Accountant

Northwest Territories Law Foundation

Balance Sheet

As at June 30, 2005

	June 30 2005	June 30 2004
	\$	\$
Assets		
Current		
Cash	8,961	31,813
Interest receivable from bank	10,927	4,560
Reimbursement of student scholarship	2,000	-
Investments (Notes 1 and 3)	893,236	830,384
	915,124	866,757
Liabilities		
Current		
Accounts payable and accrued liabilities	1,500	1,500
R Bourassa award payable	-	1,000
Grants payable (Note 1)	30,777	33,000
Donations collected - the Late Mr. Justice de Weerd	-	1,400
Donations collected - the Late J.U. Bayly	-	6,350
	32,277	43,250
Net Assets		
Unrestricted Net Assets	583,777	583,417
Bourassa Advocacy Training	-	1,000
Bursary Fund	287,770	239,090
John U Bayly Memorial Fund	11,300	-
	882,847	823,507
	915,124	866,757

 _____, Director

 _____, Director

Northwest Territories Law Foundation

Statement of Operations

For the year ended June 30, 2005

	June 30 2005	June 30 2004
	\$	\$
Revenue		
Interest - Trust accounts	88,631	89,388
Interest - Investment income (Note 1)	39,541	41,935
Recovery of unaccessed grants - 2001	-	6,250
Recovery of unaccessed grants - 2002	1,500	-
Donation	300	-
	129,972	137,573
Expenditures		
Administration fees	13,625	13,625
Grants	113,044	120,754
Office and miscellaneous	1,474	841
Printing	181	308
Professional fees	1,288	1,401
	129,612	136,929
Excess revenue (expenditures)	360	644

Northwest Territories Law Foundation

Statement of Net Assets

For the year ended June 30, 2005

	June 30 2005	June 30 2004
	\$	\$
Unrestricted Net Assets		
Balance, beginning of year	583,417	582,773
Excess revenue (expenditures)	360	644
Balance, end of year	583,777	583,417
Bourassa Advocacy Training Fund		
Balance, beginning of year	1,000	1,000
Grant	1,000	1,000
	2,000	2,000
Bourassa Advocacy Prize	(2,000)	(1,000)
Balance, end of year	-	1,000
Northwest Territories Law Foundation/Graeme Garson Bursary Fund (Note 1)		
Balance, beginning of year	239,090	191,647
Transfer from operations	47,000	54,000
Interest income	13,180	13,978
Reimbursement of student scholarship	4,000	-
	303,270	259,625
Administration fees	(500)	(535)
Student scholarship	(15,000)	(20,000)
Balance, end of year	287,770	239,090
John U Bayly Memorial Fund (Note 1)		
Balance, beginning of year	-	-
Transfer from operations - donations collected in prior year	6,350	-
Donations collected - current year	4,950	-
	11,300	-

Northwest Territories Law Foundation

Notes to the Financial Statements

For the year ended June 30, 2005

	June 30 2005	June 30 2004
	\$	\$

The Northwest Territories Law Foundation is incorporated under the statutes of the Northwest Territories. The organization's activities include conducting research, establishing law libraries and contributing to the legal education and knowledge of members and the people of the Northwest Territories.

1 Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The preparation of financial statements necessarily involves the use of estimates, which have been made using careful judgment. Actual results could differ from these estimates and any differences will be reflected in the financial statements in the period in which they are known. The financial statements have, in the opinion of management, been properly prepared within the reasonable limits of materiality and the framework of the significant accounting policies summarized below.

(a) Fund accounting

Unrestricted Net Assets

Revenues and expenditures related to program delivery and administrative activities are reported in unrestricted net assets.

Northwest Territories Law Foundation/Graeme Garson Bursary Fund

A bursary fund was established to provide interest income which finances a scholarship program for law studies. Interest on the investment is calculated annually at year end. The bursary fund and interest income is recorded on the balance sheet in the investment account.

Bourassa Advocacy Training Fund

The Bourassa Advocacy Training fund was established to provide a grant for local lawyers to take advocacy training courses.

John U Bayly Memorial Fund

The John U Bayly Memorial Fund was established to encourage and facilitate the development of mediation skills. Interest earned annually on the fund will be used as a grant.

(b) Investments

Investments are recorded at market value.

(c) Revenue recognition

The organization records interest revenue on member trust accounts as it is received from members of the Law Society of the Northwest Territories.

(d) Grants payable

The organization records grants which have been approved, but not yet paid, as grants payable on the financial statements.

2 Statement of Cash Flows

A statement of cash flows has not been prepared as the information is readily apparent from the financial statements.

Northwest Territories Law Foundation

Notes to the Financial Statements

For the year ended June 30, 2005

			June 30 2005	June 30 2004
			\$	\$
3 Investments				
Fixed income				
	Term	Interest		
Government of Canada	September 1, 2006	5.750%	46,557	-
Government of Canada	June 1, 2007	7.250%	11,898	-
GE Capital Canada Funding Note	July 24, 2007	5.300%	7,316	-
Province of Quebec	October 1, 2007	6.500%	25,813	-
Alberta Energy Company Ltd.	October 1, 2007	5.950%	13,792	-
Greater Toronto Airports Authority	December 3, 2007	5.950%	12,768	-
Government of Canada	June 1, 2008	6.000%	9,756	-
Province of British Columbia	June 9, 2008	6.000%	7,583	-
CIBC Full Service GTD	January 26, 2009	3.610%	10,200	-
Loblaw Companies Limited	January 22, 2009	5.750%	12,947	-
Province of Ontario	May 19, 2009	4.000%	9,262	-
Government of Canada	June 1, 2009	5.500%	16,305	-
Province of Ontario	November 19, 2009	6.200%	12,297	-
Government of Canada	June 1, 2010	5.500%	29,696	-
Hydro One Inc.	June 3, 2010	7.150%	4,644	-
Province of British Columbia	August 23, 2010	6.375%	29,630	-
Aliant Telecom Inc.	May 11, 2011	6.800%	9,177	-
Thomson Corporation	June 1, 2011	6.850%	11,590	-
Government of Canada	June 1, 2011	6.000%	7,952	-
RBC Capital Trust II	June 30, 2011	7.183%	18,765	-
Province of British Columbia	January 9, 2012	5.750%	11,238	-
Province of Quebec	October 1, 2012	6.000%	26,105	-
Province of Ontario	December 2, 2012	5.375%	13,226	-
Government of Canada	June 1, 2013	5.250%	12,186	-
Toronto Dominion Bank	September 5, 2013	4.540%	18,698	-
Province of New Brunswick	December 27, 2013	6.000%	15,270	-
Sun Life Financial Services of Canada Inc.	June 30, 2022	6.150%	8,995	-
Government of Canada	June 1, 2023	8.000%	14,844	-
Province of Ontario	March 8, 2029	6.500%	55,439	-
Government of Canada	June 1, 2029	5.750%	63,773	-
407 International Inc.	July 27, 2029	6.470%	11,755	-
Hydro One Inc.	June 1, 2032	6.930%	10,235	-
RBC Capital Trust III	December 31, 2051	5.812%	11,001	-
Ontario Hydro Bond	April 17, 2012	10.000%	-	263,363
Ontario Hydro Bond	February 6, 2016		-	265,459
			580,713	528,822
Guaranteed investment fund (Mutual funds/segregated funds)				
Manulife Fidelity Growth			79,094	81,868
Manulife Fidelity Intl Portfolio			87,782	88,927
Manulife BPI Global Equity			63,690	68,355
Manulife Mix U.S. Large Cap Growth			56,571	-
Manulife AGF Amer Growth			-	62,396
			287,137	301,546

Continued on following page

Northwest Territories Law Foundation

Notes to the Financial Statements

For the year ended June 30, 2005

	June 30 2005	June 30 2004
	\$	\$
3 Investments (continued)		
Cash account	25,386	16
	893,236	830,384

The guaranteed investment fund account protects the original principal or capital amount contributed to the investment account. The guaranteed investment fund matures in October, 2010. Upon maturity, the organization is guaranteed to receive the greater of the original value of the investment of \$461,920 and the market value of the investments.

