

**Yukon Law Foundation**

**Financial Statements**

**October 31, 2008**

---

# Yukon Law Foundation

## Financial Statements

---

October 31, 2008

---

	<b>Page</b>
Management Responsibility Statement	3
Auditors' Report	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Balance Sheet	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 10

## Management Responsibility Statement

The accompanying financial statements are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and are considered by management to present fairly the financial position and results of operations.

Management is also responsible for implementing and maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that financial records are properly maintained to provide reliable information for the preparation of financial statements.

Management is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The financial statements have been reviewed and approved by management.

MacKay LLP, an independent firm of Chartered Accountants, has been engaged to examine the financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the financial statements, follows.

Dm Lemke  
Executive Director

April 17/09  
Date

[Signature]  
Director of the Board

[Signature]  
Date

## **Auditors' Report**

### **To the Directors of Yukon Law Foundation**

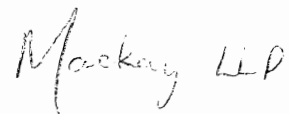
We have audited the balance sheet of Yukon Law Foundation as at October 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion 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, 2008 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 15, 2009**



**Chartered Accountants**

---

## Yukon Law Foundation

### Statement of Operations

---

For the year ended October 31,	2008	2007
<b>Revenues</b>		
Contributions	\$ 203,026	\$ 310,969
Interest	11,835	5,117
Brian Morris Donations	6,712	-
	<b>221,573</b>	<b>316,086</b>
<b>Expenditures</b>		
Advertising and promotion	2,284	1,800
Brian Morris Donation	7,700	-
Contract service	7,245	-
Grants	69,347	74,160
Meetings	909	169
Office	1,257	303
Professional fees	4,389	4,908
Scholarships	15,000	8,250
Telephone and utilities	808	34
Travel	4,580	924
Wages and benefits	-	2,793
	<b>113,519</b>	<b>93,341</b>
<b>Excess of revenues over expenditures</b>	<b>\$ 108,054</b>	<b>\$ 222,745</b>

---

## Yukon Law Foundation

### Statement of Changes in Net Assets

---

For the year ended October 31,

---

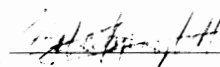
	Invested in Property & Equipment	Unrestricted	Total 2008	Total 2007
Balance, beginning of year	\$ 1,363	\$ 445,878	\$ 447,241	\$ 224,496
Excess of revenues over expenditures	-	108,054	108,054	222,745
<b>Balance, end of year</b>	<b>\$ 1,363</b>	<b>\$ 553,932</b>	<b>\$ 555,295</b>	<b>\$ 447,241</b>

# Yukon Law Foundation

## Balance Sheet

October 31,	2008	2007
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 46,889	\$ 135,569
Contributions receivable (note 2)	22,858	46,202
Short-term investments	498,365	286,942
	568,112	468,713
<b>Property and equipment (note 4)</b>	<b>1,363</b>	<b>1,363</b>
	<b>\$ 569,475</b>	<b>\$ 470,076</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 14,180	\$ 22,835
<b>Net Assets</b>		
Invested in Property & Equipment	1,363	1,363
Unrestricted	553,932	445,878
	555,295	447,241
	<b>\$ 569,475</b>	<b>\$ 470,076</b>

Approved by the directors:

 \_\_\_\_\_ Director  
\_\_\_\_\_ Director

---

## Yukon Law Foundation

### Statement of Cash Flows

---

For the year ended October 31,	2008	2007
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenues over expenditures of revenues over expenditures	\$ 108,054	\$ 222,745
Change in non-cash working capital items		
Contributions receivable	23,344	(16,553)
Accounts payable and accrued liabilities	(8,655)	10,235
Salaries payable	-	(1,600)
<b>Increase in cash</b>	<b>122,743</b>	<b>214,827</b>
<b>Cash, beginning of year</b>	<b>422,511</b>	<b>207,684</b>
<b>Cash, end of year</b>	<b>\$ 545,254</b>	<b>\$ 422,511</b>
<b>Cash consists of:</b>		
Cash	\$ 46,889	\$ 135,569
Short-term investments	498,365	286,942
	<b>\$ 545,254</b>	<b>\$ 422,511</b>
<b>Supplemental cash flow information</b>		
The Foundation had the following cash transactions:		
Interest received	\$ 11,835	\$ 5,117

---

# Yukon Law Foundation

## Notes to the Financial Statements

---

October 31, 2008

---

### 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 on the trust accounts 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.

---

## Yukon Law Foundation

### Notes to the Financial Statements

---

October 31, 2008

---

#### 3. Future changes to significant accounting policies

Effective November 1, 2008, the Foundation implemented the new CICA Handbook Section 1506 "accounting changes". Under these new recommendations, voluntary changes in accounting policy are permitted only when they result in the financial statements providing reliable and more relevant information. This section requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and requires enhanced disclosures about the effects of change in accounting policies, estimates and error on the financial statements.

These recommendations also require the disclosure of new primary sources of generally accepted accounting principles that have been issued that the company has not adopted because they are not yet in effect.

The impact the adoption of this Section will have on the Foundation's financial statements will depend on the nature of future accounting changes.

#### General standards for financial statement presentation

The CICA has amended Handbook Section 1400 "General standards of financial presentation" effective for periods beginning on or after January 1, 2008 to include requirements to assess and disclose the Foundation's ability to continue as a going concern. The adoption of this new section is not expected to have an impact on the Foundation's financial statements.

#### Financial instruments

In December 2006, the CICA issued Handbook Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation" to replace Section 3861, "Financial Instruments – Disclosure and Presentation". Originally required to be implemented for fiscal years beginning on or after October 1, 2007, the CICA has extended the implementation date for one year, to fiscal years beginning on or after October 1, 2008. Management now intends to implement these sections effective November 1, 2008.

Section 3862 establishes standards for disclosures about financial instruments and non-financial derivatives and identifies the information that should be disclosed about them. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. Transitional provisions are complex and vary based on the type of financial instruments under the consideration. The effect on the Foundation's financial statements is not expected to be material.

#### 4. Property and equipment

	2008	2007
Equipment	\$ 1,363	\$ 1,363