



LAW SOCIETY

OF THE NORTHWEST TERRITORIES

FORTY-SEVENTH

ANNUAL GENERAL MEETING

AGENDA & MATERIALS



LAW SOCIETY

OF THE NORTHWEST TERRITORIES

FORTY-SEVENTH ANNUAL GENERAL MEETING

Saturday, December 7, 2024

10:00 AM

In Person / Zoom

MOTIONS

To assist in the accurate recording of motions and to ensure that members are aware of the substance of those motions, motion sheets are available at the Law Society office, online at the Law Society website. Please follow the instructions for completion. Completed motions will be retained by the Law Society.

47th Annual Meeting of the Law Society of the Northwest Territories

Agenda

1. Call to Order
2. Approval of the Agenda **(D)**
3. Meeting Notice and Verification
[*Legal Profession Act*, Section 10(2)]
4. Approval of the Minutes **(D)**
46th Annual General Meeting
- December 2, 2023
5. Business Arising from the Minutes
6. Results of Executive Election **(D)**
7. President's Report **(D)**
[*Legal Profession Act*, Section 10(3)]
8. Treasurer's Report **(D)**
[*Legal Profession Act*, Section 12]
9. Acceptance of the
2023 Auditor's Report **(D)**
10. Appointment of Auditors for
2024 **(D)**
11. Executive Director's Report
12. Committee Reports **(D)**
Admissions
Continuing Professional Development
Discipline
Insurance
Legal Ethics and Practice
Social
Reconciliation and the Law Society
Rural Wills Project(Access to Justice)
Wellness
Rules- Presentation of Rule Changes **(D)**
13. External Reports
Report on the Federation of Law
Societies
Northwest Territories Law Foundation
Access to Justice Subcommittee
Legal Aid Commission
14. Other Business
16. Adjournment and Next Meeting
Saturday, December 6, 2025 10:00 a.m.

(D) indicates a decision item

Motion Number: _____

INSTRUCTIONS

- 1. Ensure that motions are legible, clear and concise.
- 2. Motion sheet must be signed by the Mover and the Seconder.
- 3. Amendments must be made on a separate Motion Sheet.
- 4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: _____
Seconded by: _____

To approve the Agenda for the 2024 Annual General Meeting of the Law Society of the Northwest Territories

Dated at _____ on _____, 20 _____

Signature of Mover

Signature of Seconder



NOTICE

ELECTION and ANNUAL GENERAL MEETING

TAKE NOTICE THAT an election of two members to the Executive of the Law Society of the Northwest Territories will be held on **Friday, December 6th, 2024** pursuant to the *Legal Profession Act* and the Rules of the Law Society of the Northwest Territories.

Linked here is a [Nomination Form](#), as well as an [Applicant Profile](#) which must be received before 12:00 Noon MDT, **Wednesday, November 13th, 2024**

* * * * *

AND FURTHER TAKE NOTICE THAT the Forty-Seventh Annual General Meeting of the Law Society of the Northwest Territories will be held on **Saturday, December 7th, 2024** commencing at **10:00 a.m.**, at the Law Society of the Northwest Territories' office, 5204 50th Avenue, (4th Floor, Diamond Plaza) Yellowknife, Northwest Territories. The Annual General Meeting can also be attended virtually by Zoom. Registration for the Annual General Meeting can be completed through the member portal.

The Annual General Meeting shall be followed by a meeting of the present and newly elected members of the Executive.

DATED at Yellowknife, Northwest Territories, this 7th day of October, 2024.

A handwritten signature in blue ink, appearing to read "JC", followed by a horizontal line.

Jessica Copple
Executive Director
(Deputy Secretary-Treasurer)



MINUTES
46th Annual General Meeting
Law Society of the Northwest Territories
December 02, 2023

ATTENDANCE:

Sandra MacKenzie
Christopher Buchanan
Keelen Simpson
Matthew Yap
Christina Duffy
Karin Taylor
Ian Rennie
Glen Rutland
Charlene Doolittle
Sukmahnpreet Dhindsa

Scott Parker
Toby Kruger
Simon Barry
Catherine Haid
Alex Godfrey
Candace Lee
Andrew Fox
Jeremy Walsh
Dana Webster
Natasha Sanders

Jessica Copple
Chris Cahoon

Via Zoom
Christina Duffy
Paul Andrew
Kelly McLaughlin
Austin Marshall
Jay Matheson

Call To Order:

President Christina Duffy called the meeting to order at 10:05 am, welcomed everyone to the meeting and delivered a land acknowledgement. She introduced the members of Executive Committee.

Approval of the Agenda:

MOVED BY: Glen RUTLAND
SECONDED BY: Keelen SIMPSON

THAT the Agenda be approved as presented.

CARRIED

Meeting Notice:

The Executive Director confirmed the Notice of the Meeting and Notice of Election had been distributed to the membership in accordance with the Rules of the Law Society of the NWT.

Approval of the Minutes:

MOVED BY: Christopher BUCHANAN
SECONDED BY: Alex GODFREY

THAT the Minutes of the 45th Annual General Meeting of December 3, 2022, be approved as presented.

CARRIED***Election of Executive:***

The results of the election for the new member of the Executive Committee were announced. Sandra MacKenzie was welcomed back to the Executive Committee after putting her name forward for the open position. The remaining positions will not change in the coming year.

Business Arising From the Minutes:

There was no business arising from the minutes.

President's Report:

The Report of the President was received by the meeting.

It was then:

MOVED BY: Christopher BUCHANAN
 SECONDED BY: Charlene DOOLITTLE

THAT the President's Report be adopted as presented.

CARRIED***Treasurer's Report:***

The Report of the Treasurer was received by the meeting. It was then:

MOVED BY: Christopher BUCHANAN
 SECONDED BY: Ian RENNIE

THAT the Treasurer's Report be adopted as presented.

CARRIED***Acceptance of the 2021 Auditor's Report***

The audited financial statements of the Law Society of the NWT for the year ending December 31, 2022 as prepared by Avery Cooper LLP were received by the meeting. It was then:

MOVED BY: Christopher BUCHANAN
 SECONDED BY: Ian RENNIE

THAT the Audited Financial Statement for the year ending December 31, 2022 be adopted as presented.

CARRIED***Appointment of Auditors***

It was then:

MOVED BY: Christopher BUCHANAN
 SECONDED BY: Ian RENNIE

THAT Avery Cooper and Company Ltd. be appointed as auditors for the Law Society of the Northwest Territories for the year ending December 31, 2023.

CARRIED

Executive Director's Report

The Report of the Executive Director was received as information.

Committee Reports

The following Committee Reports were received by the meeting:

- Admissions
- Continuing Professional Development
- Discipline
- Insurance
- Reconciliation and the Law Society Committee
- Social
- Rules

Having all of the Committee reports presented, it was then:

MOVED BY: Candace LEE
 SECONDED BY: Alex GODFREY

THAT all 2022 Committee reports be accepted as presented.

CARRIED

External Reports

- Report on the Federation of Law Societies of Canada
- Report on the Access to Justice Committee and Rural Wills Project

Other Business

Paul Andrew announced that he would not be renewing his term as lay member of the Executive Committee. He extended his thanks to the Committee.

There being no further business of the meeting, it was adjourned. 11:01 am.

MOVED BY- Charlene DOOLITTLE
 SECONDED BY- Paul ANDREW

THAT the meeting be adjourned.

CARRIED

Christina Duffy, President

Jessica Copple, Deputy Secretary

DRAFT ONLY

Motion Number: _____

INSTRUCTIONS

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- 2. Motion sheet must be signed by the Mover and the Secunder.
- 3. Amendments must be made on a separate Motion Sheet.
- 4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: _____
Seconded by: _____

To approve the Minutes from the 2023 Annual General Meeting of the Law Society of the Northwest Territories
held on December 2, 2023.

Dated at _____ on _____, 20 _____

Signature of Mover

Signature of Secunder

PRESIDENT'S REPORT

Christopher Buchanan, President

I was appointed as President of the Law Society of the Northwest Territories upon the resignation of Christina Duffy in September 2024. I would like to thank Christina for all of her hard work and dedication as President over the past year and a half. Without her strong leadership and guidance, the Law Society would not be in the excellent position it is in today.

The Executive Committee lost another member this year: Paul Andrew. Paul was our lay member, and he had to resign for personal reasons. I can confidently say that the entire Executive Committee appreciated Paul's thoughtful insight and invaluable perspective. He will be missed.

Ramona Pearson replaced Paul as the lay member of the Executive Committee. Ramona resides in Fort Simpson, so it is wonderful to have a member of the Executive Committee who does not live in Yellowknife. We look forward to working with Ramona in the years to come.

The Discipline Committee also saw some changes this year. Tracy Carroll stepped down as Chair, but she remains Vice Chair. Billi Wun was appointed Chair. Although Billi has moved to Alberta, he has confirmed his commitment to the Discipline Committee, so he will remain as Chair.

In other exciting Discipline Committee news, the Law Society has formed a new partnership with the Law Society of Manitoba through which all of our investigations will now be conducted by a staff member of the LSM. This takes a significant burden off the shoulders of the Discipline Committee volunteers, who were previously expected to conduct investigations of complaints on the side of their desks. We have already seen much quicker turnaround times for investigations, and the cost of the arrangement is minimal. I would like to thank the Discipline Committee volunteers, including Tracy and Billi, for their hard work this year.

This year, we received a visit from both the President and the Executive Director of the Federation of Law Societies of Canada. The visit included a tour of the Arctic Indigenous Wellness Foundation Healing Camp.

Members of the Executive Committee and our Executive Director, Jessica Copple, attended FLSC meetings in Banff and Halifax. The Northwest Territories representative

on the FLSC, Tracy Bock, also attended these meetings and reported back to the Executive Committee.

The Law Society contributes funding to CanLI. One of CanLII's big initiatives this year is to expand its online offering with AI enhancements, such as case summaries. With these additional features comes additional cost. We expect to receive a funding request from CanLII in the coming year.

As many of you know, the Bench and Bar Committee organized a learning event on November 1, 2024. The Law Society contributed to this event by lending the services of our staff. Although the Executive Committee felt this contribution was important, it did take away significant resources from the operation of the Law Society. We will be reviewing the arrangement for future events.

It was busy year with the Supreme Court of the Northwest Territories, where not one but two judges were appointed to the bench: the Hon. Justice Annie Piché and the Hon. Justice Karin Taylor. The Law Society organized the swearing-in ceremonies for our new judges.

One of the Law Society's key annual events is the Presidents Dinner. We are in discussions with the Canadian Bar Association – Northwest Territories Branch on what the future will look like for the Presidents Dinner. Expect to see some changes – we hope for the positive.

The Access to Justice Committee continued to deliver the Rural Wills Project. Through this program, free wills clinics were set up in Deline, Lutselk'e, Fort Providence, Fort Good Hope, N'Dilo and Dettah. This successful and important initiative is funded by the Justice Canada Partnership and Innovation Program.

Another initiative is the Public Legal Resources Inventory with Legal Aid, which has just completed Phase I. The inventory will be available on the website in the new year.

Looking ahead to 2025:

- The Supreme Court of Canada will visit Yellowknife on September 14 and 15, 2025 as part of its 150th anniversary celebration. The theme is "150 years of upholding the rule of law, building public trust, and serving our community".
- We will be looking at possibly changing the membership management software to a solution that is more stable, cheaper, and better suited to our needs.

Motion Number: _____

INSTRUCTIONS

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2. Motion sheet must be signed by the Mover and the Secunder.
3. Amendments must be made on a separate Motion Sheet.
4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: _____

Seconded by: _____

To approve the President's Report

Dated at _____ on _____, 20 _____

Signature of Mover

Signature of Secunder

- We will be looking at enhancing supports for members in private practice, including trust accounting, anti-money-laundering, and terrorist financing initiatives to align with FATF's evaluation of Canada in 2025.

I would be happy to answer any questions about this report at the AGM.

Sincerely,

Christopher D. Buchanan
President

TREASURER'S REPORT

Christopher Buchanan, Treasurer

WORK OF THE COMMITTEE

The members of the Finance Committee for 2024 were Geoffrey Wiest, Mike Reddy, Sheldon Toner, Ronald Halabi and I.

The following are the highlights of our activities from 2024:

- Reviewed the 2023 Audited Financial Statements;
- Reviewed the 2025 Budget for review and approval by the Executive;
- Provided ongoing oversight of our accounts and investments; and
- Ensured that both the Liability and Assurance reserve funds remained adequate.

2023 AUDITED FINANCIAL STATEMENTS

The audited Financial Statements for December 31, 2023, are attached. The Law Society's overall financial position is strong. The Law Society saw a surplus of \$39,510 from the projected surplus of \$11,510 and net assets of \$3,996,690.

2022 and 2023 saw an increase in expenditures due to the return of in-person meetings, travel, and social events following the pandemic. Additionally, the implementation of membership management software Thentia saw an increase in expenditures.

The 2023 Financial Statements include both revenue and expenditures associated with the Rural Wills Project, an initiative funded by Justice Canada's Partnership and Innovation Program.

2024 YEAR TO DATE

Attached is a year-to-date Income Statement to October 31, 2024. Expenses will continue to be incurred until the end of the year.

Membership fees were increased, beginning with the 2024-2025 renewal period. All other fee increases were implemented starting April 1, 2024. This has contributed to an increase in overall revenue and ensures the Society's ability to meet its operational needs.

The Executive Committee is currently exploring options to transition from the existing membership management platform, Thentia to a new platform that better meets the

needs of the Society. The current platform lacks the necessary functionality and operates inefficiently. To prepare for this potential change, a contingency amount has been incorporated into the proposed budget. This allocation ensures financial flexibility to accommodate costs associated with the evaluation, procurement, and implementation of new software. The initial cost of implementing a new platform represents an initial investment; however, it is expected to result in decreased spending in this area by year 3. This long-term financial benefit underscores the value of this strategic initiative for the Law Society.

The 2024 budget reflected an increase in the amount spent on legal fees, due to an increase in the number and complexity of complaints against members. In 2024, the Law Society engaged the services of an external investigator through the Law Society of Manitoba, to support its commitment to maintaining the highest standards of professional conduct and accountability. This decision was made to address the increasing demands of the Discipline Committee. This decision has enhanced the efficiency of investigations. Additionally, it has resulted in reduced spending for external legal counsel. The 2025 budget will maintain legal fees at the same level, ensuring stability in this area.

The Law Society retained new bookkeepers as part of its effort to enhance financial management and operational efficiency. This change resulted in decreased spending in this area and a streamlined approach to financial processes, ensuring better oversight of the Society's financial records.

2025 BUDGET

The Law Society budget for 2025 is attached for your information. The 2025 budget reflects a deficit, primarily due to the contingency amount allocated for the implementation of new membership management software.

The 2025 budget includes a dedicated item for the ongoing rules project. This project aims to support the development of the new rules to align with the implementation of the new *Legal Profession Act*.

Projected revenue for 2025 reflects the increase in membership fees. This adjustment, implemented in 2024 was made to ensure the Law Society has sufficient resources to meet its operational needs. The increase in membership fees underscores the Society's commitment to financial sustainability.

CONCLUSION

I would like to thank the office staff of the Law Society and our bookkeepers at Crowe Mackay for their hard work in assisting the Finance Committee over the course of the past year.

As Treasurer, I will be making three motions:

1. Moving the acceptance of this Treasurer's Report;
2. Moving the approval of the Audited Financial Statements for the year ending December 31, 2023; and
3. Moving that Avery Cooper be appointed auditors for the Law Society of the Northwest Territories for the year ending December 31, 2024.

I am happy to answer any questions that you might have.

Sincerely,

Christopher D. Buchanan
Treasurer

Law Society of the Northwest Territories
Income Statement 01/01/2024 to 31/10/2024

REVENUE

Membership Dues

Application and Admissions	46,205.00
Active	741,804.61
Inactive	22,480.00
Articling Students	520.00
Certificate of Standing	5,035.00
Change of Status	1,615.00
Reinstatement	2,655.00
Professional Corp/LLP	7,140.00
RAC New File	29,300.00
RAC Renewal	19,425.00
Liability Insurance Fund Levy	102,975.43
Total Membership Dues	979,155.04

Other Revenue

Event Registration	30,303.31
Recovery	1,673.55
Grants/ Sponsorships	3,500.00
Interest	73,434.47
Realized Gains (Losses) RBC	93,476.27
Unrealized gain (loss) on investmen	13,440.14
Total Other Revenue	215,827.74

TOTAL REVENUE **1,194,982.78**

EXPENSE

Employee Compensation

Salaries	317,129.84
VTA	2,358.00
Northern Living Allowance	5,750.00
RRSP - Employers Portion	7,913.78
WSCC	5,431.09
EI Employers Portion	5,008.97
CPP Employers Portion	13,033.51
Health and Disability Ins Premiums	13,651.58
Total Employee Compensation	370,276.77

General Expenses

Advertising	2,919.14
Bank Charges	1,728.92
Bank Charges-Rev. Credit Card Fees	<u>13,994.44</u>
Total Bank Charges	15,723.36
Bookkeeping	21,292.50
Contributions External Events	7,798.34
Email / Internet	307.28
Equipment Leases	3,187.14
Hospitality Expense	10,643.44
Interest	402.15
Insurance - Premiums	54,432.68
IT / Technical Support	9,667.86
Legal Fees	14,728.55
Legal Services	98,969.44
Catering	7,319.73
Rentals	2,330.00
Memberships / Dues	28,086.93
Members Health Benefits	446.88
Office Supplies	7,932.82
Office Software	25,827.90
Office Equipment Purchases	3,050.06
Postage	525.02
Printing and Publications	780.86
Professional Development (Training)	1,310.94
Professional Fees (Speakers)	500.00
Investment Management Fees	13,668.96
Rent	84,692.50
Telephone / Fax	2,877.84
Travel	39,577.10
Insurance Premium	<u>4,165.82</u>
Total General Expenses	<u>463,165.24</u>
 TOTAL EXPENSE	 <u>833,442.01</u>
 NET INCOME	 <u><u>361,540.77</u></u>

Generated On: 28/11/2024

Motion Number: _____

INSTRUCTIONS

1. Ensure that motions are legible, clear and concise.
2. Motion sheet must be signed by the Mover and the Secunder.
3. Amendments must be made on a separate Motion Sheet.
4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: _____

Seconded by: _____

To approve the Treasurer's Report

Dated at _____ on _____, 20 _____

Signature of Mover_____
Signature of Secunder

LAW SOCIETY OF THE NORTHWEST TERRITORIES
Yellowknife, NT

FINANCIAL STATEMENTS
For the year ended December 31, 2023

Draft - November 28, 2024

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MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The accompanying financial statements have been prepared by management, which is responsible for the reliability, integrity and objectivity of the information provided. They have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Where necessary, the statements include amounts based on informed judgements and estimates by management, giving appropriate consideration to reasonable limits of materiality.

In discharging its responsibility for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records are maintained. These controls include quality standards in hiring and training employees, written policies and procedures manuals, and accountability for performance within appropriate and well-defined areas of responsibility. The Board's management recognizes its responsibility for conducting the Board's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining appropriate standards of conduct.

Avery Cooper & Co. Ltd., Chartered Professional Accountants annually provides an independent, objective audit to express an opinion on the financial statements in accordance with Canadian generally accepted auditing standards.

Jessica Copple
Executive Director and Deputy Secretary Treasurer

October 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of
Law Society of the Northwest Territories

Opinion

We have audited the financial statements of Law Society of the Northwest Territories (the "Society"), which comprise the Statement of Financial Position as at December 31, 2023, and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT, continued

- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Avery Cooper & Co. Ltd.
Chartered Professional Accountants
Yellowknife, NT

October 31, 2024

LAW SOCIETY OF THE NORTHWEST TERRITORIES

STATEMENT OF FINANCIAL POSITION

December 31, 2023

ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT		
Cash	\$ 207,810	\$ 159,777
Accounts receivable	39,063	32,814
Prepaid expenses	<u>70,090</u>	<u>32,670</u>
	316,963	225,261
RESTRICTED CASH (note 3)	21,439	21,107
INVESTMENTS (note 4)	3,633,550	3,548,265
INVESTMENT IN LEXUM (note 5)	-	17,109
TANGIBLE CAPITAL ASSETS (note 6)	<u>1,476</u>	<u>2,079</u>
	<u><u>\$ 3,973,428</u></u>	<u><u>\$ 3,813,821</u></u>

LIABILITIES

CURRENT		
Trade payables and accruals	\$ 135,894	\$ 159,802
Wages and benefits payable	57,977	2,037
Government remittances payable	<u>51,957</u>	<u>33,428</u>
	245,828	195,267
UNCLAIMED TRUST MONEY FUND	<u>21,107</u>	<u>21,107</u>
	<u>266,935</u>	<u>216,374</u>
CONTINGENCIES (note 7)		

FUND BALANCES

GENERAL RESERVE per page 3	1,944,690	1,890,255
ASSURANCE RESERVE per page 3	<u>1,761,803</u>	<u>1,707,192</u>
	<u>3,706,493</u>	<u>3,597,447</u>
	<u><u>\$ 3,973,428</u></u>	<u><u>\$ 3,813,821</u></u>

Approved:

_____ President

_____ Treasurer

LAW SOCIETY OF THE NORTHWEST TERRITORIES

STATEMENT OF OPERATIONS

For the year ended December 31, 2023

	2023 Budget (Note 11)	2023 Actual	2022 Actual
REVENUES - Schedule 1	\$ 768,960	\$ 1,038,204	\$ 916,445
EXPENSES			
Advertising and promotion	1,500	1,993	1,816
Amortization	-	603	944
Audit	20,500	26,975	20,225
Bookkeeping	35,000	50,420	53,103
Canada Legal Information Institute	10,000	19,245	19,327
Committee meeting	-	-	836
Communications	5,000	3,484	4,585
Equipment lease	7,000	-	8,722
Fees and dues	15,000	8,017	12,203
Information technology	20,000	4,250	22,077
Insurance	20,000	19,385	10,406
Interest and bank charges	10,000	18,204	14,030
Investment management fees	17,500	16,146	16,572
Lawyer assistance program	1,000	594	2,938
Liability insurance	81,000	135,437	133,462
Office and miscellaneous	7,950	15,627	5,633
Office software	10,000	47,030	26,083
Professional development & recognition	39,000	36,581	54,533
Professional fees	35,000	47,187	21,086
Rent	99,000	109,584	99,038
Spot audit	15,000	22,757	21,200
Travel	27,500	28,959	31,672
Wages and benefits	280,500	386,208	329,435
	757,450	998,686	909,926
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	11,510	39,518	6,519
OTHER INCOME (EXPENSES)			
Gain (loss) on sale of investments	15,000	(3,826)	9,807
Unrealized gain (loss) on investments	-	73,354	(173,930)
	15,000	69,528	(164,123)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 26,510	\$ 109,046	\$ (157,604)

LAW SOCIETY OF THE NORTHWEST TERRITORIES

STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2023

	<u>2023</u>		
	<u>General Reserve</u>	<u>Assurance Reserve</u>	<u>Total</u>
BALANCE, opening	\$ 1,890,255	\$ 1,707,192	\$ 3,597,447
Excess of revenues over expenses	109,046	-	109,046
Transfer investment income (note 4)	(77,368)	77,368	-
Transfer of Spot audit fees	<u>22,757</u>	<u>(22,757)</u>	<u>-</u>
BALANCE, closing	<u>\$ 1,944,690</u>	<u>\$ 1,761,803</u>	<u>\$ 3,706,493</u>
	<u>2022</u>		
	<u>General Reserve</u>	<u>Assurance Reserve</u>	<u>Total</u>
BALANCE, opening	\$ 1,973,238	\$ 1,781,813	\$ 3,755,051
Deficiency of revenues over expenses	(157,604)	-	(157,604)
Transfer investment income (note 4)	55,046	(55,046)	-
Transfer of Spot audit fees	<u>19,575</u>	<u>(19,575)</u>	<u>-</u>
BALANCE, closing	<u>\$ 1,890,255</u>	<u>\$ 1,707,192</u>	<u>\$ 3,597,447</u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from members	\$ 860,626	\$ 798,481
Interest received	171,330	108,640
Cash paid to suppliers	(649,746)	(447,866)
Cash paid to employees	<u>(300,903)</u>	<u>(334,689)</u>
	<u>81,307</u>	<u>124,566</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Investment in related parties	17,109	-
Increase in unclaimed trust money fund	<u>-</u>	<u>1,942</u>
	<u>17,109</u>	<u>1,942</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(834,051)	(786,576)
Proceeds on sale of investments	<u>784,000</u>	<u>829,063</u>
	<u>(50,051)</u>	<u>42,487</u>
INCREASE IN CASH AND CASH EQUIVALENTS	48,365	168,995
CASH AND CASH EQUIVALENTS, opening	<u>180,884</u>	<u>11,889</u>
CASH AND CASH EQUIVALENTS, closing	<u><u>\$ 229,249</u></u>	<u><u>\$ 180,884</u></u>
REPRESENTED BY:		
Cash	\$ 207,810	\$ 159,777
Restricted cash - Long Term	<u>21,439</u>	<u>21,107</u>
	<u><u>\$ 229,249</u></u>	<u><u>\$ 180,884</u></u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. NATURE OF OPERATIONS

Law Society of the Northwest Territories (the "Society") is the governing body established in 1978 for the legal profession in the Northwest Territories. The Society was created by and operates under the *Legal Profession Act* of the Northwest Territories. The Society is a not-for-profit organization and accordingly is exempt from income taxes under paragraph 149(1)(l) of the *Income Tax Act* (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(b) Financial instruments

The Society initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash, accounts receivable, restricted cash, and investments. Financial liabilities measured at amortized cost include trade payables and accruals, wages and benefits payable, and unclaimed trust money funds.

(c) Tangible capital assets

Tangible capital assets are recorded at cost. The Society provides for amortization using the declining balance method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal. The annual amortization rates are as follows:

Office equipment	20%
Computer equipment	45%

(d) Website development costs

Website development costs are expensed in the year incurred.

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Professional liability insurance levy

The levy and premium expense for insurance coverage for the policy year July 1, 2023 to June 30, 2024 is included in the 2023 fiscal year. The expenses are recognized in the current period to match the expenses to the revenues collected from members.

(f) Reserves

The General Reserve accounts for the Society's program delivery and administrative activities. This reserve reports unrestricted resources and restricted operating grants.

The Assurance Reserve reports only internally restricted funds to be used in conjunction with any defalcation claims which may be made against a member and expenses related to the assurance of compliance.

(g) Revenue recognition

Membership fees are the annual fees for membership in the Society. Fees paid by members cover the fiscal year. Limited Liability Partnership (LLP) registration and renewal fees are due by December 31 and include the next fiscal year. These revenues are recorded in the period they are paid.

Interest income is recognized as it is earned.

All other revenues such as levies, application and admission fees, restricted appearance fees, grants, miscellaneous income, and discipline cost recoveries are recognized when earned if the amount receivable can be reasonably estimated and its collection is reasonably assured.

(h) Contributed services

Volunteers contribute their time to assist in the Society's activities. While these services benefit the Society considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

(i) Measurement uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of estimates include: allowances for doubtful accounts, and the useful lives of tangible capital assets. Actual results may differ from management's best estimates as additional information becomes available in the future.

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

3. RESTRICTED CASH

Restricted cash comprises unclaimed trust money held by the Society. The legislation provides lawyers with the option to forward money held in trust that has not been claimed to the Society to be held in trust until the amount is claimed or settled by the legislative process, under the policy.

Draft - November 28, 2024

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. INVESTMENTS

The following table presents the fair value of the Society's restricted investments at December 31, 2023, along with the change in fair value from their cost base. The fair value of the Society's investments was determined by reference to published price quotations in an active market.

	<u>2023 Fair value</u>	<u>2023 Cost</u>	<u>2022 Fair value</u>	<u>2022 Cost</u>
Canadian Imperial Bank of commerce Bonds (General Reserve)				
Invested with				
2.55% Province of Manitoba, due June 2, 2023	\$ -	\$ -	\$ 39,660	\$ 41,452
4.20% Equitable Bank due July 12, 2023	-	-	100,000	100,000
3.150% Canada Housing Trust, due Sep 15, 2023	-	-	183,077	200,728
5.36% Hydro One Inc, due November 20, 2023	-	-	70,613	60,473
2.85% Bank of Montreal Que SR Bail-in Notes, Due March 6 2024	85,627	85,016	-	-
Canadian Imperial Bank of Commerce, due June 19, 2024	146,130	143,745	138,158	143,745
4.19% Cameco Corporation, due June 24, 2024	97,319	98,690	95,862	98,690
3.50%% City of Montreal, due September 1, 2024	39,628	42,584	39,437	42,584
.800% Province of Saskatchewan Unsecured due September 05, 2025	94,615	99,038	91,764	99,038
4.40% Province of Manitoba due September 5, 2025	66,200	74,262	66,477	74,262
3.369% Royal Bank of Canada, Due September 29 2025	86,019	83,916	-	-
8.450% Province of Newfoundland due February 5, 2026	55,430	68,459	57,437	68,459
2.58% Bank of Nova Scotia Fixed Rate, Due March 30, 2027	85,665	83,330	-	-
4.60% CDN Imperial BK of Commerce, Due May 23 2026	197,903	199,000	-	-
2.6% Province of Manitoba due June 2, 2027	70,435	75,041	69,234	75,041

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. INVESTMENTS, continued

	<u>2023 Fair value</u>	<u>2023 Cost</u>	<u>2022 Fair value</u>	<u>2022 Cost</u>
3.89% Bank of Nova Scotia Fixed Rate, due January 18, 2029	94,936	98,995	93,275	98,995
3.22% Toronto Dominion Bank, due July 25, 2029	95,623	98,042	93,397	98,042
2.880% Royal bank of Canada Subordinated DEB due December 23, 2029	116,886	125,600	113,786	125,600
1.670% Royal bank of Canada Subordinated NTS (NVCC) due January 28, 2033	<u>93,480</u>	<u>103,531</u>	<u>87,040</u>	<u>103,531</u>
	<u>1,425,896</u>	<u>1,479,249</u>	<u>1,339,217</u>	<u>1,430,640</u>
Canadian Imperial Bank of Commerce Mutual Funds/Segregated Funds (General Reserve)				
Invested with Renaissance High Interest Savings Account	<u>191,995</u>	<u>191,995</u>	<u>211,463</u>	<u>211,463</u>
Canadian Imperial Bank of Commerce Cash (General Reserve)				
Invested with Canadian Imperial Bank of commerce cash account	12,610	12,610	4,919	4,919
Canadian Imperial Bank of Commerce Savings Account	<u>222,133</u>	<u>222,133</u>	<u>258,328</u>	<u>258,328</u>
	<u>234,743</u>	<u>234,743</u>	<u>263,247</u>	<u>263,247</u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. INVESTMENTS, continued

	<u>2023 Fair value</u>	<u>2023 Cost</u>	<u>2022 Fair value</u>	<u>2022 Cost</u>
Royal Bank of Canada Bonds (Assurance Reserve)				
Invested with				
2.55% Province of Manitoba due June 2, 2023	-	-	44,706	45,184
1.32% Equitable Bank GIC - Annual due June 08, 2023	-	-	50,371	50,000
2.35% Canada Housing Trust due September 15, 2023	-	-	89,226	89,989
1.64% Home Trust Company GIC - Annual due June 10, 2024	50,458	50,000	50,461	50,000
0.80% Prov of British Columbia due June 18, 2024	107,855	110,114	103,894	110,114
1.31% Bank of Montreal GIC - Annual due June 24, 2024	50,339	50,000	50,341	50,000
4.60% CDN Western Bank GIC - Annual June 24, 2024	56,317	55,055	56,324	55,055
2.29% Bank of Nova Scotia due June 28, 2024	49,322	47,789	48,102	47,789
2.70% Bank of Montreal due September 11, 2024	39,673	39,735	38,871	39,735
1.80% Canada Housing Trust due September 15, 2024	48,743	48,500	47,862	49,319
1.60% Manulife Bank CDA GIC Annual due April 07, 2025	45,527	45,000	45,529	45,000
3.30% Canadian Imperial Bank of Commerce due May 26, 2025	44,327	43,627	43,706	44,680
2.35% Province of Alberta due June 1, 2025	53,654	53,769	52,943	53,769
2.45% Province of Manitoba due June 2, 2025	68,376	70,143	67,513	70,143
2.30% Province of Newfoundland due June 2, 2025	63,307	63,343	62,390	63,343
0.95% Canada Housing Trust 2nd Lien due June 15, 2025	90,743	93,861	88,298	93,861
1.95% Canada Housing Trust due December 15, 2025	93,432	96,687	91,794	96,687
4.344% Toronto-Dominion Bank, Due Jan 27 2026	45,655	44,702	-	-
2.20% Province of Alberta due June 1, 2026	77,099	79,063	75,733	79,063

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. INVESTMENTS, continued

	<u>2023 Fair value</u>	<u>2023 Cost</u>	<u>2022 Fair value</u>	<u>2022 Cost</u>
2.55% Province of Manitob due June 2, 2026	68,022	70,094	67,020	70,094
2.3% Province of British Columbia due June 18, 2026	65,619	67,385	64,530	67,385
1.90% Canada Housing Trust due September 15, 2026	43,167	44,898	42,296	44,898
4.75% Bank of Nova Scotia GIC - Annual September 16, 2026	40,541	40,068	40,546	40,073
4.75% Laurentian Bank GIC - Annual September 16, 2026	50,677	50,085	50,683	50,091
4.66% General Bank of CDA GIC - Annual December 21, 2026	40,051	40,051	40,056	40,056
2.60% Province of Manitoba due June 2, 2027	48,415	49,866	47,587	49,866
2.65% Province of Saskatchewan due June 2, 2027	63,063	64,460	62,014	64,460
2.65% Province of Saskatchewan due June 2, 2027	100,941	54,565	-	-
4.85% Royal Bank of Canada GIC Annual September 9, 2027	60,885	60,159	60,893	60,167
5.050% CDN Western Trust GIC Annual due December 8, 2027	50,145	50,145	50,152	50,152
4.690% Versabank GIC - Annual due December 20m 2027	54,069	54,069	54,076	54,076
4.642% Royal Bank of Canada, Due Jan 17 2028	46,295	43,468	-	-
1.10% Province of Nova Scotia Unsecured due June 01, 2028	<u>45,093</u>	<u>48,096</u>	<u>43,330</u>	<u>48,096</u>
	<u>1,761,810</u>	<u>1,728,797</u>	<u>1,731,247</u>	<u>1,773,145</u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. INVESTMENTS, continued

	<u>2023 Fair value</u>	<u>2023 Cost</u>	<u>2022 Fair value</u>	<u>2022 Cost</u>
Royal Bank of Canada Cash (Assurance Reserve)				
Invested with				
Royal Bank of Canada cash				
account	<u>19,107</u>	<u>3,089</u>	<u>3,089</u>	<u>3,089</u>
	<u>\$ 3,633,551</u>	<u>\$ 3,637,873</u>	<u>\$ 3,548,263</u>	<u>\$ 3,681,584</u>

	Within 1 year	1-5 years	<u>Over 5 years</u>	<u>2023</u>	<u>2022</u>
Canadian Imperial Bank of Commerce Bonds (General Reserve)					
Securities	\$ 368,704	\$ 656,267	\$ 400,925	\$ 1,425,896	\$ 1,339,217
Effective yields	(0.360)	(3.921)	(5.920)	(3.610)	(6.390)
Royal Bank of Canada Bonds (Assurance Reserve)					
Securities	\$ 402,707	\$ 1,314,010	\$ 45,093	\$ 1,761,810	\$ 1,731,248
Effective yields	0.360	2.697	(6.243)	1.910	(2.363)

The excess (deficiency) of revenues over expenses during the year for the Assurance Reserve is derived from internally restricted investments as follows:

	<u>2023</u>	<u>2022</u>
Interest income	\$ 68,916	\$ 34,126
Investment management fee	(16,146)	(8,746)
Realized gain/(loss) on investment	(3,826)	1,933
Unrealized gain/(loss) on investment	<u>73,354</u>	<u>(82,359)</u>
	<u>\$ 122,298</u>	<u>\$ (55,046)</u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

5. INVESTMENT IN LEXUM

In 2018, the Society agreed to take part with other Canadian law societies in a collective loan of \$2,000,000 to the Canadian Legal Information Institute (CanLII), a wholly-owned subsidiary of the Federation of Law Societies of Canada (FLSC). The loan is part of the financing for the purchase by CanLII of Lexum, a corporation providing support services to CanLII for implementing CanLII's legal information website.

The Society's participation during the year is \$nil (2022 - \$nil). The loan had a five-year term with an annual interest rate of 4.74% payable annually. A second-ranking hypothec secures the loan for \$4,750,000. During the year the loan was repaid in full.

6. TANGIBLE CAPITAL ASSETS

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Office equipment	\$ 32,165	\$ 31,100	\$ 1,065	\$ 1,331
Computer equipment	<u>20,258</u>	<u>19,847</u>	<u>411</u>	<u>748</u>
	<u>\$ 52,423</u>	<u>\$ 50,947</u>	<u>\$ 1,476</u>	<u>\$ 2,079</u>

7. CONTINGENCIES

The Society has arranged a joint bonding with two other corporations. Under the terms of the contract the Society and the other corporations are jointly and severally liable for any claims made against the bonding company.

The Canadian Lawyers Insurance Association is a reciprocal insurance exchange established to provide professional liability insurance for the legal profession. The Society's share of these retro-assessments is included in the financial statements when known.

8. MISCELLANEOUS REVENUES

	<u>2023</u>	<u>2022</u>
Certificates of standing	\$ 4,015	\$ 3,212
Change in status fees	1,640	1,125
Department of Justice	48,736	-
Professional corporation/LLP registration and renewal fees	14,105	6,945
Professional development & support services	1,449	20,410
Reinstatement fees	<u>3,015</u>	<u>1,020</u>
	<u>\$ 72,960</u>	<u>\$ 32,712</u>

LAW SOCIETY OF THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

9. COMMITMENTS

The Society's total commitments under various agreements for rent, office equipment, exclusive of occupancy costs, are as follows:

2024	\$ 97,871
2025	<u>55,341</u>
	<u>\$ 153,212</u>

10. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk

The Society has credit risk in accounts receivable and the investment in Lexum. Credit risk is the risk that one party to a transaction cannot discharge an obligation and cause the other party to incur a financial loss.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Society's investments in publicly traded securities expose the Society to market risk since these equity investments are subject to price fluctuations in the open market. The Society is exposed to market risk for investments of \$3,633,550 (2022 - \$3,548,265).

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society's interest-bearing financial instruments include fixed-rate bonds within investments. The fair values of fixed-rate financial instruments vary as market rates of interest change.

The risk has not changed significantly since the prior year.

11. BUDGET AMOUNTS

The 2023 budget amounts on the Statement of Operations and the Schedules to the Financial Statements, are presented for information purposes only, are unaudited and not covered by the audit report of Avery Cooper & Co. Ltd., Chartered Professional Accountants, dated October 31, 2024.

LAW SOCIETY OF THE NORTHWEST TERRITORIES

SCHEDULES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

SCHEDULE OF REVENUES

Schedule 1

	2023 Budget (Note 11)	2023 Actual	2022 Actual
Membership fees	\$ 572,260	\$ 662,239	\$ 604,250
Levies	80,000	133,396	110,929
Interest income	30,000	81,809	75,928
Miscellaneous (note 8)	28,500	72,960	32,712
Application and admission fees	25,000	42,190	42,163
Restricted appearance fees	29,200	45,610	42,115
Discipline cost recovery	4,000	-	8,348
	<u>\$ 768,960</u>	<u>\$ 1,038,204</u>	<u>\$ 916,445</u>

Draft - November 28, 2024

LAW SOCIETY OF THE NORTHWEST TERRITORIES

SCHEDULES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

SCHEDULE OF RURAL WILLS PROJECT

Schedule 2

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
REVENUE			
Department of Justice	\$ 54,062	\$ 48,737	\$ -
	<u>54,062</u>	<u>48,737</u>	<u>-</u>
EXPENSES			
Professional Fees	35,000	41,729	-
Travel	15,062	7,008	-
Program Delivery	<u>4,000</u>	<u>-</u>	<u>-</u>
	<u>54,062</u>	<u>48,737</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Draft - November 28, 2024


SUPPLEMENTARY FORM 1.0
NOTICE OF MOTION

(Rule 18.1)

Motion Number: _____

INSTRUCTIONS

1. Ensure that motions are legible, clear and concise.
2. Motion sheet must be signed by the Mover and the Seconder.
3. Amendments must be made on a separate Motion Sheet.
4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: _____

Seconded by: _____

To approve the Auditor's Report and Financial Statements for the Law Society of the Northwest Territories
for the year ending December 31, 2023

Dated at _____ on _____, 20____

Signature of Mover

Signature of Seconder

EXECUTIVE DIRECTOR'S REPORT

Jessica Copple

Welcome to the 2024 Annual General Meeting. This past year has, the Law Society continued to experience more changes. Notably, we marked the departure of President Christina Duffy. Christina concluded her second term as President in September, marking a historic milestone as the first President to serve (almost) two consecutive terms, a testament to her exceptional dedication and leadership. Her time as President has been instrumental in advancing the priorities of the Law Society. Christina remains involved, even from afar, providing invaluable guidance and continuity to the Executive Committee.

As we reflect on the milestones achieved and challenges faced, this report highlights progress we have made in the evolving landscape of legal regulation. Law Societies across Canada are confronting significant challenges. In British Columbia, the Law Society is navigating its role to maintain independence following the enactment of Bill 21- the Legal Professions Act, which received assent in May. Law Societies continue to adapt to the rapid rise of Artificial Intelligence, increasing threats of cyber-crimes and other technological advancements that are reshaping legal practice. Key issues at the forefront of legal regulation include diversifying the delivery of legal services such as limited licensing of non-lawyers, addressing barriers to legal services for underserved populations and maintaining public trust amidst heightened scrutiny of regulatory processes.

The past few years have brought many changes to the Law Society, one being the implementation of the membership portal that brought membership management online. This remains relevant to our operations and will be discussed further in the Treasurer's report. Overall, bringing membership management online has been well received by the membership.

Work to develop the new Rules required to implement the *Legal Profession Act* in still ongoing and will remain a priority in 2025.

Internal changes to operations in 2024 included the addition of two new staff members to the team. This has meant a step to enhance capacity and deliver on our objectives to meet the evolving needs of the organization.

FINANCIAL POSITION

In 2024, the Law Society implemented a fee increase to address the need to outsource the work of investigations and to manage rising operational costs. The fee increases generated additional revenue in 2024, ensuring the sustainability of its regulatory responsibilities. The Law Society continues to be in a healthy financial position. We have maintained adequate reserves.

The LSNT responded to a request to join a newly established Bench and Bar Committee, led by the Supreme Court of the Northwest Territories. The committee held a one-day learning event on November 1, 2024. The learning event welcomed speakers from across Canada, focusing on practice-related topics such as mental health, strategic legal writing and breakout sessions for criminal and family law matters. The LSNT will be working to consider its role in the committee moving forward.

FEDERATION OF LAW SOCIETIES OF CANADA

Tracy Bock continues to serve as the Federation Council representative for the Northwest Territories. In 2024, the Federation of Law Societies of Canada has continued to address the implications of emerging technologies on the legal profession while overseeing significant updates to CanLII's capabilities. As the national coordinating body of legal regulators, the Federation challenged recent amendments to the Income Tax Act, emphasizing the importance of upholding constitutional protections. They will play a pivotal role in the upcoming Financial Action Task Force audit in 2025 as a leader in anti-money laundering efforts. Additionally, the Federation continues their work to address the mental health and wellness of legal professionals. The Omnibus report for Phase II of the *National Study on the Psychological Health Determinants of Legal Professionals in Canada* was released by the Federation. The second phase of this study highlights issues contributing to poor mental health and emphasizes that creating a sustainable practice environment requires both cultural shifts and policy changes at all levels. In 2025, the Federation will continue work on changes to the National Committee on Accreditation program as well as amendments to the Model Code of Professional Conduct in response to the Truth and Reconciliation Commission's Call to Action 27. Federation of Law Societies of Canada CEO Jonathan Herman and then-President Erin Kleisinger, K.C. visited Yellowknife in April 2024, meeting with members to discuss our role in national initiatives. The visit included a session at the Arctic Indigenous Wellness Foundation's Healing Camp.

DISCIPLINE COMMITTEE

A new Chairperson, Billi Wun was appointed to the Discipline Committee in 2024. Law Societies across Canada continue to experience increases in the number and complexity of complaints against lawyers. In 2023, the LSNT identified a strain on volunteer investigators, as well as the Chairs of the Discipline Committee and committed to outsourcing the work of investigations. In July 2024, the LSNT entered into a Memorandum of Understanding with the Law Society of Manitoba, retaining services of Chris Donaldson, Director of Complaints Resolution, to work as an investigator. This has contributed to shorter turnaround times for investigations and closing open complaints. Overall, this has increased efficiency, working to restore public confidence and meeting national standards for discipline. The national Discipline Administrator's Conference will be held in 2025.

COMMITTEE WORK

The work of committee members is essential to the LSNT as they contribute to decisions and initiatives in the legal profession. A new Wellness Committee, chaired by Ian Rennie, worked to prepare a report on lawyer wellness programs in other jurisdictions.

While the Access to Justice Committee is currently without a chairperson, work from the subcommittee overseeing the Remote and Rural Wills and Estates outreach program saw considerable success in 2024. With funding from Justice Canada's Partnership and Innovation Program, free legal clinics were held in Deline, Lutselk'e, N'Dilo, Fort Good Hope and Fort Providence. The program will continue to be funded through the end of March 2025. The success of this program is largely attributed to the hard work and expertise of the coordinator, Pamela Naylor, as well as the lawyers who have delivered these services. Additionally, the LSNT and Legal Aid summer students completed a project updating the current legal services inventory that was established in 2017. Information from this work will be integrated into the Law Society's website in early 2025 and available to the public.

A new chairperson, Karen Wilford, was appointed to the Reconciliation and the Law Society Committee. The committee consulted on draft amendments to the Model Code of Professional Conduct addressing Call to Action #27 alongside the Legal Ethics and Practice Committee, chaired by Jeremy Walsh. They also hosted a book club for Marie Wilson's *North of Nowhere: Song of a Truth and Reconciliation Commissioner*.

Additional committee work involved contributions from Rules Committee, also chaired by Ian Rennie. The committee worked with the Executive to amend two Rules in 2024. The Legal Ethics and Practice Committee was called upon for amendments to the Model Code of Professional Conduct, as well as incidents of unauthorized practice. The Insurance Committee, chaired by Alex Godfrey, consulted on current organizational coverage.

Finally, the Executive Committee continues to play an important role, providing leadership and direction for the organization. In 2024, the committee welcomed a new lay member, Ramona Pearson. In addition to Christina Duffy's departure, the Executive Committee is also saying goodbye to Member-at-Large, Matthew Yap. Stepping into the interim role as Law Society President was Christopher Buchanan, who also serves as the Treasurer. Christopher has stepped into this role during a time that requires a considerable amount of attention and decision-making. Occupying this role is no small feat, a reflection of his dedication to the work of the Law Society. Sandra MacKenzie, Vice-President and Keelen Simpson, Secretary continued their roles in 2024, overseeing initiatives, guiding decisions and providing valuable insight into the work of the organization. I would like to express my sincere gratitude for the work of the Executive Committee members.

THANKS

Law Society staff play an important role in supporting the organization by assisting the public, engaging with members and managing the operations of the organization. They are often on the front lines, handling numerous calls and emails to the office, ensuring that the public has access to information, answering questions and providing lawyer referrals. Liz Jackson, Membership Coordinator, is instrumental in supporting members, overseeing licensing processes, applications, renewals and many other essential tasks that keep the organization afloat. We welcomed Chelsey Zurkan to the team in 2024. Chelsey has taken on the role of Office Manager, ensuring the smooth operation of the LSNT by overseeing administrative functions, finance and supporting staff and leadership. We also welcomed Samantha Zonneveld in the summer of 2024. Samantha's position as the LSNT summer student was extended into the fall while she continued providing support remotely. Samantha has joined us back in the office part time for the remainder of 2024.

Finally, I would like to thank our membership for your support and engagement. Your commitment to the legal profession strengthens our ability to achieve our goals. Through your participation in our initiatives, feedback on important issues and continuing to show up, your contributions are appreciated.

ADMISSIONS COMMITTEE REPORT

Austin Marshall

This is the Report of the Admissions Committee to the Annual General Meeting. The Admissions Committee is mandated under the Rules of the Law Society. The responsibilities of the Committee are to examine applications for admission and to make recommendations on other matters relating to admissions that come within the Executive's jurisdiction.

This year there were 40 members on the Committee.

COMMITTEE ACTIVITY

The Committee has had another busy year reviewing applications. The Committee experienced a need to respond to the Executive on a quick turnaround. We managed the task well.

Added to that, the Committee had a busy time grading examinations and working with persons who had questions about the process.

Readers will recall that a CPD on the topic of good character has been on the Committee's radar for a while now. The coming year will be the time for the Committee to make it happen. We will look for a marquis speaker to lead it for us.

Andrew Fox and Austin Marshall have been the Co-chairs of the Committee for several years now. We have both found it to be a rewarding experience. We encourage new faces to come forward and volunteer their time to take on a leadership role. The Committee should have a Chair and 2 Co-Chairs.

MEMBERSHIP STATISTICS

The membership statistics for 2024 and comparative statistics for 2023 are:

MEMBERSHIP ACTIVITY	2024	2023
Full Applications Reviewed	67	56
Student-at-law Applications Reviewed	5	3
Examinations Reviewed	4	3
Restricted Appearance Certificates Reviewed	80	68
Status Changed (Active to Inactive)	31	30
Status Changed (Inactive to Active)	10	22
Administrative Suspensions	17	12
Reinstatements	8	1

Judicial Appointments	6	3
Resignations	34	32
Deaths	0	1
TOTAL MEMBERSHIP		
Active Residents (insured)	57	69
Active Residents (uninsured)	100	95
Total Active Resident	157	164
Active Non-Resident	361	326
Total Active	518	490
Inactive Resident	13	14
Inactive Non-Resident	82	80
Open Restricted Appearance Certificates	129	114
Suspended	30	25

I would like to thank the Committee members and Law Society staff for their work over the past year. The Bar and the public are well served by the commitment of the Committee members and Law Society staff to the fulfillment of the Committee's mandate in a careful and timely way. The work of everyone involved is greatly appreciated.

I would also like to thank Andrew Fox for his work as Co-Chair. Questions about admissions policies came up through the year. Andrew responded to them in his customary thoughtful and thorough way.

CONTINUING PROFESSIONAL DEVELOPMENT COMMITTEE REPORT

Rohan Brown, Chair

The Continuing Professional Development Committee fulfilled its mandate in 2024 to provide or make available at no cost at least twelve hours of continuing professional development. A total of nineteen hours of CPD programs were provided or made available at no cost as set out below:

23-01-2024	Property Registries (Land Titles) Registrar's Training Session	1.5
25-01-2024 / 01-02-2024	A Day in the Life of a Social Worker	1.5
23-02-2024	CanLII 101	1.5
18-04-2024	Principles of Military Leadership for Law Firms	1.5
27-04-2024	Arctic Indigenous Wellness Foundation Healing Camp (Reconciliation and the Legal Profession)	2
29-05-2024	What lawyers absolutely need to know about generative AI	1.5
03-06-2024	Indigenous Diacritics and Unicode: A Trip Down a Rabbit Hole	1
16-06-2024	CPD - Health and Wellness in the Legal Profession - Replay from the Law Society of Yukon	1.5
08-10-2024	Legal AI in Canada: What is it, why it is important and why do you need to know?	1.5
02-10-2024	Understanding Your Insurance Coverage	1.5
24-10-2024	Peace of Mind CLIA Virtual Conference	4

Anyone who may be interested in presenting a CPD program or who has an idea for a topic is encouraged to contact the CPD Committee or Jessica in 2025.

DISCIPLINE COMMITTEE REPORT

Billi Wun

Dear Members of the Law Society of the Northwest Territories,

I am pleased to submit the Annual Report of the Discipline Committee 2024 for your consideration at the Annual General Meeting. This report includes a brief overview of the mandate of the committee together with a summary of the main activities of the committee over the course of the past year. I have also included some additional information on future events that may impact the work of the committee in the short term.

Thank you for the opportunity to be of service to the membership and the profession. The Law Society and the administration of justice continue to benefit from the generous contributions of members and I am grateful to all those who have volunteered their time towards the work of the Discipline Committee.

Mandate

In accordance with the *Legal Profession Act*, the Rules and the policies of the Law Society, the Discipline Committee is appointed by the Executive to administer the disciplinary regime of the legal profession. The Discipline Committee (“the Committee”) receives complaints, conducts investigations, provides advice and direction to members and adjudicates allegations of unprofessional conduct. If found guilty, a member may be disciplined in accordance with the legislation.

The Committee is led by its Chairperson who is assisted by one or more vice-chairpersons. To ensure the independence of the Committee from the Executive and other branches of the Law Society, the Discipline Committee operates at arm’s length from the Executive and typically communicates through the Executive Director who is our staff liaison. Under the Rules, the Committee may engage independent legal counsel. For accountability, the Discipline Committee provides regular reports to the Executive through its Chairperson.

If a complaint is referred to adjudication, the Chairperson may appoint a Sole Inquirer or Committee of Inquiry to hear and decide the complaint. Any matter that is referred to adjudication is public unless the panel hearing the matter orders otherwise. Prior to the referral to adjudication, the discipline process is typically confidential subject to limited

exceptions.

The Chairperson may delegate any power or duty to a vice-chairperson.

Discipline Files in 2024

In 2024, the Law Society received 13 new complaints and carried forward 13 complaints from prior years. In the same time period, the Committee resolved and closed 16 files. These closed complaints were either dismissed after investigation or dismissed without investigation because the alleged conduct, if proven, would not amount to unprofessional conduct.

Out of the active files, one has been referred to a Committee of Inquiry. The other active matters are either under investigation or engaging in a mediation process.

Trends and Changes to the Discipline Process

2024 has seen some significant changes to the Discipline Committee. The most impactful change is the appointment of a staff investigator to investigate complaints that are not dismissed by the Chairperson. Prior to the appointment of the staff investigator, complaints were investigated by volunteer members of the Discipline Committee. This often caused issues such as lack of available investigators, capacity to do the work and inconsistency in the quality and process of investigations. With the appointment of a staff investigator, the process is now much more efficient and streamlined. I should add that utilizing a staff investigator is consistent with the practices of other law societies across Canada.

To allow for a wider pool of talent from which to draw members of the Committee, the Executive has approved a Rule change to remove the requirement that members of the Discipline Committee must have been a member of the Law Society for a certain number of years prior to appointment. This change allows me to select members based on expertise and qualifications rather than years at the NWT bar. This amendment to the Rules is being presented at the AGM for ratification.

The Committee has been very efficient this year – closing more files than complaints received. This helps us maintain a steady file flow and reduce delays in the discipline process. Consistent with previous years, many complaints arise from communication and interpersonal issues between lawyers and their clients. These issues sometimes manifest into bigger concerns such as allegations of a failure to follow instructions, providing incompetent service or failure to communicate.

Future Changes and Recommendations

In October 2023, significant amendments to the *Legal Profession Act* received Royal Assent. These amendments include essentially a rewriting of the Law Society's discipline process. Under the new amendments, the discipline regime is more flexible and has tools to resolve complaints informally such as through early intervention and alternative dispute resolution. The amendments also provide for more timely measures to protect the public interest including interim orders pending an investigation and the ability to handle lesser misconduct without resorting to a formal tribunal process. The new amendments replace the Discipline Committee with two separate bodies to handle different parts of the discipline process.

The "Complaints Investigation Committee" assumes the investigative role of the Discipline Committee and the adjudicative function of the Sole Inquirer. The "Adjudication Committee" takes on the role of the former Committee of Inquiry.

These new changes to the *Legal Profession Act* do not come into force until the Law Society establishes new Rules to implement the amendments. For now, we continue to operate under the old *Legal Profession Act* while awaiting the transition to the new regime.

The amendments to the legislation are important and provide for a much more responsive disciplinary process that is consistent with the practices and procedures of the provincial and territorial law societies in the rest of Canada. I look forward to working with the Executive to implement the new regime.

Acknowledgement

The Discipline Committee is a volunteer group of lawyers and lay members who dedicate their time and effort to the governance of the profession. The public and the legal profession are well served by the generous contributions of these volunteers. I am grateful for their service and could not discharge my mandate under the legislation and Rules without their constant advice, diligence and professionalism.

INSURANCE COMMITTEE REPORT

Alex Godfrey, Chair

The Insurance Committee is a standing committee appointed by the Executive under Rule 31(d). The Committee's purpose is to "supervise and investigate all aspects of insurance for the Society, and to report and make recommendations to the Executive on matters of insurance".

The Committee was called on to provide advice to the Executive regarding a few discrete matters (Outside Directorship Liability Insurance) and legal education to the membership of the Law Society of the Northwest Territories.

The Law Society of the Northwest Territories and its members are insured through the Canadian Lawyers' Insurance Association. CLIA is a reciprocal insurance association, where the subscribing member law societies pool their risks and claims together to allow the member societies to effectively self-fund their insurance.

CLIA has a board of directors overseeing the management of the association, and the subscribers of CLIA meet annually regarding the terms of the reciprocal agreement.

CLIA, in addition to providing mandatory insurance, also provides Voluntary Excess Insurance, offering limits of \$1 million to \$9 million in excess of the mandatory insurance coverage. This coverage, which is provided at extremely competitive rates, is underutilized by firms in the NWT. Premiums paid on CLIA voluntary excess insurance go towards subsidizing the cost of all CLIA product, including mandatory insurance.

CLIA also provides cyber insurance coverage. This is included as part of the mandatory insurance provided to all insured members.

In recent years, changes were made to the CLIA policy, to allow for members who were not otherwise insured to be insured for pro bono projects, provided that they are projects which are approved by the Law Society.

The insurance committee continues to have the Executive Director attend the CLIA AGM in order to remain informed of any changes that should be referred to the committee or the Executive.

I am also pleased to report that there has never been a claim under the voluntary excess insurance, cyber insurance, and directors' liability insurance.

Finally, I would like to thank the Executive Director Jessica Copple, Kathleen Ryan and Donald Large for their guidance and work on this committee in 2024.

LEGAL ETHICS AND PRACTICE COMMITTEE

Jeremy Walsh

The Committee continues to meet on an as-needed basis. The Committee was not overly busy in 2024 as the Executive did not direct many issues to the Legal Ethics and Practice Committee (LEAP).

As Chair, I participated in an ad hoc working group to look at proposed amendments to the Model Code of Conduct relating to Truth and Reconciliation Commission Call to Action 27 regarding the legal profession. Other members of the group were the Chair of the Reconciliation Committee and other members of the law society representing different practice areas. We provided comments to the Executive on the Call to Action. We had some concerns around clarity, but comments were generally favorable. This was in addition to the general consultation with members which took place. Comments were due to the Federation of Law Societies in November, and next steps will probably depend on how many comments were received.

As Chair, I've also been consulted about some incidents of unauthorized practice which were referred by members. These are in the mandate of LEAP per the Rules of the Law Society of the Northwest Territories but had previously been referred to Discipline. In many cases, these seem to be lawyers from other jurisdictions who are confused about the mobility rules, and these individuals usually rectify their status quickly when they are notified.

While the Committee's work is typically not onerous, the issues that the Committee considers can have significant impacts on all members. We have lost a couple of members, and the Committee welcomes any members who have an interest in this area.

SOCIAL COMMITTEE REPORT

Sukham Dhindsa

The Social Committee of the Law Society of the Northwest Territories is dedicated to fostering a vibrant community within our legal profession, bringing together members of the bar and bench.

Throughout 2024, we hosted a variety of events designed to celebrate our collegial spirit, recognize volunteer contributions, and provide opportunities for social connection and reflection.

From festive gatherings to casual summer BBQs, these occasions showcased the sense of camaraderie that defines our small but lively community.

Highlights of Events

1. Holiday Party - December 2023

Our holiday celebration was held at a new location: Copperhouse restaurant. It was a delight to see everyone dressed up in festive attire to mark the season, and the change in venue brought a fresh and exciting atmosphere to this beloved tradition.

2. Volunteer Appreciation Social – March 2024

This year's appreciation event took place at the Top Knight, where we recognized the invaluable contributions of our volunteers. The highlight was a fun but slightly dated recruit video that brought a wave of nostalgia, as members recognized familiar faces from years past and enjoyed reminiscing together.

3. Bench & Bar-B-Que – June 2024

The Bench & Bar-B-Que held at Fred Henne Park was a memorable occasion with judges, including visiting justices from the Court of Appeal joining in. A relaxed, low-key gathering with burgers and camaraderie, it underscored the warm collegiality between bench and bar, reinforcing our strong sense of community.

The social events this year provided an opportunity for members of the bar and the judiciary to connect in both formal and informal settings, fostering the camaraderie that characterizes our law society.

We look forward to seeing everyone at this year's holiday party!

RECONCILIATION AND THE LAW SOCIETY COMMITTEE REPORT

Karen Wilford

The Reconciliation and the Law Society Committee was comprised in 2024 of: Karen Wilford, Chair, Sarah Arngna'naaq, Jessi Casebeer, Charlene Doolittle, Nick Sowsun and Magnolia Unka-Wool. The Committee met on 4 occasions.

The Committee completed two projects this year. A pop-up book club to read and discuss Marie Wilson's memoir *North of Nowhere: Song of a Truth and Reconciliation Commissioner* was held November 20, 2024. Ms. Wilson attended this event to read from her book and sign copies. Eleven members of the Bar attended this event.

This Committee also participated in a dedicated subcommittee to review proposed amendments to the Model Code of Professional Conduct addressing Call to Action #27. These amendments were contained in a consultation report from the Federation of Law Societies of Canada's Standing Committee on the Model Code. Members of this subcommittee were Tracy Bock, Sukham Dhindsa, Toby Kruger, Jeremy Walsh (LEAP) and Karen Wilford (Reconciliation). A report was delivered to the Executive of the Law Society outlining areas of note.

The Committee continues to discuss its mandate and potential actions it might undertake in support thereof. Ongoing challenges include the capacity of very busy practitioners, limited Law Society staff resources and engagement of membership.

RULES COMMITTEE REPORT

Ian Rennie

Introduction

The Rules Committee for 2023-2024 was composed of Ian Rennie (chair), Erik Holmstrom, Michael Kirk, Adam Vivian, Mandy Sammurtok, Paul Parker, Ed Gullberg, John Inglis, Dana Webster, Chris Bernier, Erinma Abara (vice chair) and Tyler Vibert.

The Committee carried out its work mostly by email.

Mandate

The 2021 Mandate of the Rules Committee is attached to this report.¹

Rule Amendments

There were two amendments to the Rules in the 2024 calendar year:

1. R-001-2024 – amendment correcting a reference to a paragraph in paragraph 68(2)(a) and repealing Schedule A (Fees) and substituting that Schedule with a new set of fees. Those fees were adjusted at the AGM by the Executive in a manner that was not compliant with the *Legal Profession Act* (non-compliance with subsection 8(6) of the Act – i.e. no motion). The Rules Committee worked with the Executive to draft an amendment in accordance with the Act and the Rules and the amendment took effect after being approved by the Executive at its meeting of January 11, 2024. The amendment was registered on January 15, 2024. For the purposes of section 8 of the Act, the Rules Committee has introduced a motion for confirmation by the Society of the amendment to the Rules. Instrument R-001-2024 is attached to the motion.
2. R-023-2024 - Proposed amendment to subrule 72(1) – an amendment to subrule 72(1). Paragraph (c) was repealed. It was:
 - (c) be a member engaged in the practice of law in the Northwest Territories for a minimum of three years, where the member is a resident, or for a minimum of five years, where the member is a non-resident.

This eased a restriction on who could serve on the Discipline Committee to allow the Executive to contract Sole Inquirers from outside of the jurisdiction. The Rules Committee worked with the Executive to draft an amendment in accordance with the Act and the Rules and the amendment took effect after being approved by the Executive at its meeting of April 30, 2024. The amendment was registered on May 28, 2024 as R-023-2024. For the purposes of section 8 of the Act, the Rules Committee has introduced a motion for confirmation by the Society of the amendment to the Rules. Instrument R-023-2024 is attached to motion.

New Rules – Advent of the new *Legal Profession Act*

The *Legal Profession Act*, SNWT 2023, c.28 was assented to on 2023-10-06.² The new Act will repeal and replace the old Act. A significant number of members have been assembled to work as a team on this project. No instructions have come forward to date other than that the Committee should not start work on this project.

On 2024-10-07, the Chair of the Rules Committee asked for a clarification from the Executive Director and Executive Liaison. The Executive Director indicated that the Executive had decided on 2024-09-03 to outsource work on the new rules of the Law Society:

On September 3, 2024, the Executive Committee voted to issue a Request for Proposals to seek suitable candidates to conduct a review of identified rules in selected jurisdictions. The objective of this project is to identify best practices, compare specific rules across multiple jurisdictions and to provide recommendations based on the new Act.

Once the RFP is approved, it will invite qualified applicants to submit proposals. I do not have a timeline at this point, however, I am hopeful that this can be completed in the coming months.

Motions

Rules Committee advances two motions respecting the two amendments made in 2024:

1. Motion 1 – That R-001-2024 amendment be confirmed by the Society;
2. Motion 2 – That R-023-2024 amendment be confirmed by the Society.

Conclusion

The Rules Committee remains ready to commence drafting of the new Law Society Rules.

² https://www.justice.gov.nt.ca/en/files/bills/19/2023.2/Bill_82.pdf

RULES COMMITTEE (MANDATE 2021)

Responsibilities:

- To monitor the implementation and effect of the Rules of the LSNT and to make recommendations for adjustments to the Rules;
- To evaluate proposed amendments to the Rules referred to the Committee by the Executive or the Executive Director to ensure the policy goals and intent of the proposed amendments are clear and are within the authority of the LSNT as provided by the *Legal Profession Act*;
- To draft proposed amendments for presentation to the Executive and the membership; and
- To provide an explanation of proposed Rules for presentation to the Executive and the Annual General Meeting.

The Committee should have a minimum of four members.

The Chair of the Committee is selected from among Committee members.

Staff support to the Committee is provided by the Executive Director.

Membership Qualifications:

- An understanding of the legislative framework of the LSNT, or a willingness to learn; and
- The ability to meet at the call of the Chair or the request of the Executive Director.

Reporting Requirements:

The Committee will provide periodic reports of its activities to the Executive and will prepare an annual report for inclusion in the materials circulated in advance of the Annual General Meeting of the LSNT. The Chair of the Committee or a designate will present any proposed amendments to the Rules to the membership at the Annual General Meeting.

LEGAL PROFESSION ACT

RULES OF THE LAW SOCIETY OF THE NORTHWEST TERRITORIES, amendment

The Executive of the Law Society of the Northwest Territories, under section 8 of the *Legal Profession Act* and every enabling power, at the Executive Committee Meeting **of November 28, 2023**, that the *Rules of the Law Society of the Northwest Territories* established by regulation numbered R-005-2014, be amended as follows, effective **January 1, 2024**:

1. Schedule A is repealed and the schedule set out in the Appendix to these regulations is substituted.

Christina Duffy
President

APPENDIX

SCHEDULE A

		FEES		
Item	Description	Reference	Amount (\$)	
1	Member			
(a)	Application (where member not struck from Roll)	40(1)(f)		205
(b)	Application (where member struck from Roll)	40(1)(f)		510
(c)	Admission	40(1)(f)		230
(d)	Annual (active member)	40(1)(f)		1,400
(e)	Annual (inactive member)	40(1)(f)		250
(f)	Change of status - inactive to active member	57(2)(d)(v)		250
(g)	Late fee for reporting continuing professional development	71(1)(d)		255
(h)	Reinstatement of suspended member (for each year or part of a year member suspended)	82(1)		300
2	Students-at-Law			
(a)	Application	41(1)(e)		25
(b)	Admission	41(1)(e)		105
(c)	Application as member	49(f)		75
(d)	Admission as member	49(f)		230
(e)	Annual as member (active)	49(f)		1,400
(f)	Assignment of articles	44(2)		15
(g)	Reinstatement of articles	83(2)		0
3	Restricted Appearance			
(a)	Application	51(2)(f)		250
(b)	Admission	51(2)(f)		450
(c)	Renewal	51(5)(b)		450
4	Canadian Legal Advisor			
(a)	Application	52(2)(f)		250
(b)	Admission	52(2)(f)		450
(c)	Annual (active)	52(2)(f)		1,400
(d)	Annual (inactive member)	52(2)(f)		250
(e)	Change of status - inactive to active	52(2)(f)		250
(f)	Reinstatement of suspended member (for each year or part of a year member suspended)	52(2)(f)		300
5	Law Student			
(a)	Application	53(1)(e)		25
(b)	Enrolment	53(1)(e)		50

6	Limited Liability Partnerships (LLP)		
	(a) Change notice registration	143(3)	25
	(b) Registration (Territorial LLP) (per partner)	144(a)(ii)	105
	(c) Registration (Extra-territorial LLP) (per partner)	145(a)(ii)	105
	(d) Annual renewal of certification (per partner)	149(2)(c)	50
7	Law Professional Corporation (Law PC)		
	(a) Change notice registration	151(2)	25
	(b) Registration (territorial) (per permit renewal)	152(2)(d)	305
	(c) Registration (extra-territorial) (per permit renewal)	153(2)(e)	305
	(d) Law PC change of name registration	155(3)(c)	155
	(e) Annual permit	156(1)(f)	155
	(f) Annual renewal (per permit renewal)	157(2)(f)	155
	(g) Copies of corporate register (per page)	162(2)	1
	(h) Certificate of standing	162(2)	75
8	Assurance Fund		
	(a) Levy	87	0
9	Miscellaneous		
	(a) Special examination fee (per examination)		25
	(b) Copies (per page)		1

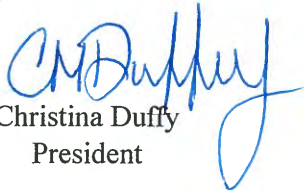
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LEGAL PROFESSION ACT

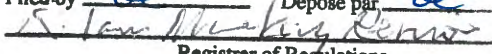
RULES OF THE LAW SOCIETY OF THE NORTHWEST TERRITORIES, amendment

The Executive of the Law Society of the Northwest Territories, under section 8 of the *Legal Profession Act* and every enabling power, at the Executive Committee Meeting of January 11, 2024, that the *Rules of the Law Society of the Northwest Territories* established by regulation numbered R-005-2014, be amended as follows, coming into force January 11, 2024:

1. Paragraph 68(2)(a) is amended by striking out “paragraph 40(1)(g)” and substituting “paragraph 40(1)(f)”.
2. Schedule A is repealed and the schedule set out in the Appendix to these regulations is substituted.


Christina Duffy
President

REGULATIONS REGISTER REGISTRE DES RÈGLEMENTS

Registered in the Regulations Register	Inscris au registre des règlements
<u>Jan 15</u> , 20 <u>24</u>	le <u>15 janvier</u> 20 <u>24</u>
under registration number R- <u>001-2024</u>	n° d'enregistrement R- <u>001-2024</u>
Filed by <u>ae</u>	Déposé par <u>ae</u>
	
Registrar of Regulations registraire des règlements	

APPENDIX
SCHEDULE A

		FEES		
Item	Description	Reference	Amount (\$)	
1	Member			
(a)	Application (where member not struck from Roll)	40(1)(f)	205	
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(e)	Annual (inactive member)	40(1)(f)	250	
(f)	Change of status - inactive to active member	57(2)(d)(v)	250	
(g)	Late fee for reporting continuing professional development	71(1)(d)	255	
(h)	Reinstatement of suspended member (for each year or part of a year member suspended)	82(1)	300	
2	Students-at-Law			
(a)	Application	41(1)(e)	25	
(b)	Admission	41(1)(e)	105	
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(e)	Annual as member (active)	49(f)	1,400	
(f)	Assignment of articles	44(2)	15	
(g)	Reinstatement of articles	83(2)	0	
3	Restricted Appearance			
(a)	Application	51(2)(f)	250	
(b)	Admission	51(2)(f)	450	
(c)	Renewal	51(5)(b)	450	
4	Canadian Legal Advisor			
(a)	Application	52(2)(f)	250	
(b)	Admission	52(2)(f)	450	
(c)	Annual (active)	52(2)(f)	1,400	
(d)	Annual (inactive member)	52(2)(f)	250	
(e)	Change of status - inactive to active	52(2)(f)	250	
(f)	Reinstatement of suspended member (for each year or part of a year member suspended)	52(2)(f)	300	
5	Law Student			
(a)	Application	53(1)(e)	25	
(b)	Enrolment	53(1)(e)	50	
6	Limited Liability Partnerships (LLP)			
(a)	Change notice registration	143(3)	25	

	(b)	Registration (Territorial LLP) (per partner)	144(a)(ii)	105
	(c)	Registration (Extra-territorial LLP) (per partner)	145(a)(ii)	105
	(d)	Annual renewal of certification (per partner)	149(2)(c)	50
7		Law Professional Corporation (Law PC)		
	(a)	Change notice registration	151(2)	25
	(b)	Registration (territorial) (per permit renewal)	152(2)(d)	305
	(c)	Registration (extra-territorial) (per permit renewal)	153(2)(e)	305
	(d)	Law PC change of name registration	155(3)(c)	155
	(e)	Annual permit	156(1)(t)	155
	(t)	Annual renewal (per permit renewal)	157(2)(t)	155
	(g)	Copies of corporate register (per page)	162(2)	1
	(h)	Certificate of standing	162(2)	75
8		Assurance Fund		
	(a)	Levy	87	0
9		Miscellaneous		
	(a)	Special examination fee (per examination)		25
	(b)	Copies (per page)		1

**SUPPLEMENTARY FORM 1.0****NOTICE OF MOTION**
(Rule 18.1)Motion Number: 1**INSTRUCTIONS**

1. Ensure that motions are legible, clear and concise.
2. Motion sheet must be signed by the Mover and the Seconder.
3. Amendments must be made on a separate Motion Sheet.
4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: Ian Rennie
 Seconded by: Sue McKinney

Be it resolved that the amendment registered as R-001-2024 on January 15, 2024 be confirmed and adopted under
 section 8 of the Legal Profession Act, RSNWT 1988,c.L-2, as attached to this Notice of Motion.

Dated at Yellowknife, NT on December 7, 2025

R. Ian Mackay Rennie
 Signature of Mover

Sue McKinney
 Signature of Seconder

REGULATIONS REGISTER

REGISTRE DES RÈGLEMENTS

Registered in the Regulations
Register on May 28, 2024Inscrit au registre des règlements
le 28 mai 2024under registration number
R-023-2024n° d'enregistrement
R-023-2024

Filed by OC

Déposé par OC

Registrar of Regulations
Registraire des règlements

Draft AL-2 2024-05-02

LEGAL PROFESSION ACT

RULES OF THE LAW SOCIETY OF THE NORTHWEST TERRITORIES, amendment

The Executive of the Law Society of the Northwest Territories, under section 8 of the *Legal Profession Act* and every enabling power, at the Executive Committee Meeting of April 30, 2024, that the *Rules of the Law Society of the Northwest Territories* established by regulation numbered R-005-2014, be amended as follows, coming into force April 30, 2024:

1. Subrule 72(1) is amended by
 - a. striking out the semicolon at the end of paragraph (a) and substituting “; and”;
 - b. striking out “; and” at the end of paragraph (b) and substituting a period; and
 - c. repealing paragraph (c).

Christina Duffy
President

LEGAL PROFESSION ACT

RULES OF THE LAW SOCIETY OF THE NORTHWEST TERRITORIES, amendment

The Executive of the Law Society of the Northwest Territories, under section 8 of the *Legal Profession Act* and every enabling power, at the Executive Committee Meeting of April 30, 2024, that the *Rules of the Law Society of the Northwest Territories* established by regulation numbered R-005-2014, be amended as follows, coming into force April 30, 2024:

- 1. Subrule 72(1) is amended by**
 - a. striking out the semicolon at the end of paragraph (a) and substituting “; and”;**
 - b. striking out “; and” at the end of paragraph (b) and substituting a period; and**
 - c. repealing paragraph (c).**

Christina Duffy
President

**SUPPLEMENTARY FORM 1.0****NOTICE OF MOTION**

(Rule 18.1)

Motion Number: 2**INSTRUCTIONS**

1. Ensure that motions are legible, clear and concise.
2. Motion sheet must be signed by the Mover and the Seconder.
3. Amendments must be made on a separate Motion Sheet.
4. Motion Sheets must be returned to the Executive Director once voting is complete.

Moved by: Ian RennieSeconded by: Sue McKinney

Be it resolved that the amendment registered as R-023-2024 on May 28, 2024 be confirmed and adopted under
 section 8 of the Legal Profession Act, RSNWT 1988,c.L-2, as attached to this Notice of Motion.

Dated at Yellowknife, NT on December?, 20 24

R. Ian Mackay Rennie
 Signature of Mover

Sue McKinney
 Signature of Seconder

REMOTE AND RURAL WILLS AND ESTATES OUTREACH PROJECT REPORT

Pamela Naylor, Project Coordinator

The Committee for this project currently consists of:

Thomas Wallwork

Laura Faryna

Jessica Copple

Pamela Naylor

In 2023, our contract lawyers prepared wills and incapacity planning documents for people in Fort Smith and Fort Simpson during that initial year of the project. In 2024, our contract lawyers had successful visits with the wills project going to N'dilo, Deline, Lutselk'e, Fort Providence and Fort Good Hope. In total in 2024, we provided wills, powers of attorney and personal directives to approximately 82 people in these communities.

We are happy to announce that we have been approved to receive funding from CIRNAC (Crown Indigenous Relations – Northern Affairs Canada) through its Estates Management Program beginning early in 2025. This funding will allow us to not only continue our wills and incapacity planning program in the small communities of the NWT, but to create a virtual estate administration presentation and provide remote legal assistance to people in the communities needing direction and help completing the estate administration process.

One thing the committee is considering as we move ahead with the wills portion of our project is storage of wills in the NWT, and the various issues that arise with this challenge. We have initiated a conversation with the GNWT, Department of Justice, about the possibility and effectiveness of re-instating the wills registry with the Supreme Court. Time will tell where our efforts take us on this matter.

WELLNESS COMMITTEE REPORT

Ian Rennie

Introduction

On March 31, 2023, the Wellness Committee was established as an *ad hoc* committee by the Executive Committee of the Law Society of the Northwest Territories. It was established at the request of one of the members who had noticed that over time a number of members had encountered mental wellness issues that resulted in disciplinary action or a negative impact on their professional standing and personal lives. With the advent of a new *Legal Profession Act*, an opportunity for off-ramping for these persons presented itself through diversion rather than immediate disciplinary action.

Five senior members of the Bar participated in the work of this Committee: Ian Rennie (Chair), Kelly McLaughlin (Vice Chair), Laura Jeffrey, Paul Falvo and Sue McKinney.

Mandate

The main task of the Committee was to prepare a report on lawyer wellness in chosen jurisdictions with an aim to identify approaches that might be appropriate for the Northwest Territories, particularly with respect to lawyer wellness programs and off-ramping.

Activity

The Committee also carried-out research about lawyer assistance programs and off-ramping programs in northern jurisdictions, continuous western jurisdictions and Ontario and Québec. The report of the Committee was submitted to the Executive for consideration.

The Committee organized with the Law Society a replay of a presentation by Brook Greenberg of Fasken Martineau DuMoulin LLP (Vancouver) to the Law Society of Yukon on his report to the Law Society of British Columbia on July 16, 2024. Mr. Greenberg is the chair of the Law Society of British Columbia Mental Health Task Force and the presentation was originally made in October 2022 in respect of the Federation of Law Societies Phase 1 Research Report – National Study on the Health and Wellness Determinants of Legal Professionals in Canada (2022).

Conclusion

Ian Rennie and Paul Falvo will be standing down from the Committee following this meeting. Lawyer wellness and the role it plays with off ramping and conduct and competence are important aspects of the new *Legal Profession Act*. The Committee encourages members to consider joining the Committee and helping to foster a positive environment for other members to flourish and overcome some of the challenges that can affect their practice.

FEDERATION OF LAW SOCIETIES OF CANADA (FLSC)

Tracy Bock, Council Member

As the NWT Council member for the Law Society of the Northwest Territories on the Federation of Law Societies (“FLSC”), I am pleased to provide my Report.

By way of background, FLSC is the national association of the 14 law societies mandated by the provinces and territories to regulate Canada’s legal profession in the public interest. The FLSC facilitates the sharing of information on important trends and issues, coordinates the development of national standards and the harmonization of law society rules and procedures, as well as undertakes national initiatives on behalf of law societies. It is also the law societies’ national and international voice on important issues related to the regulation and core values of the legal profession.

The three core strategic priorities of the FLSC are:

- To serve as an information-sharing centre for law societies,
- To be a hub for collaboration on regulatory issues; and,
- To remain the respected national voice of law societies.

The significant initiatives in which the Federation is involved are all undertaken with a view to excellence in the profession and ultimately, the protection of the public interest. Our right to regulate our own profession and its connection with the Rule of Law is taken very seriously and underpins all the work of the Federation.

A variety of resources are available to help better understand the Federation’s work. This includes documents related to the FLSC’s advocacy activities.

You are invited to browse the FLSC’s website: <https://portal.flsc.ca/en>.

Part of my role as Council member for the Law Society of the NWT is to be on various Committees, including the *National Steering Committee on Access to Justice in Civil and Family Matters* (“NAC”). With respect to the NAC, I am the Chair of a Working Group organizing a cross-Canada tour by Supreme Court Justice Andromache Karakatsanis seeking engagement on local and regional Access to Justice initiatives.

While we are a small jurisdiction, the Northwest Territories has an equal voice at the FLSC table due to its governance structure and commitment to consensus-based decision-making.

It is an honour to be the Council Member nominated by the Law Society of the Northwest Territories. Please contact me directly if you have any questions or need more information on the important work of the FLSC.

NORTHWEST TERRITORIES LAW FOUNDATION
41st ANNUAL REPORT
FOR THE PERIOD ENDING JUNE 30, 2023



NORTHWEST TERRITORIES
LAW FOUNDATION

NORTHWEST TERRITORIES LAW FOUNDATION

May 15, 2024

CHAIRPERSON'S REPORT

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

On behalf of the board of Directors of the Law Foundation of the Northwest Territories, I am pleased to submit our 41st annual report, for the year ending June 30, 2023 as per the *Legal Profession Act*.

The Law Foundation is one of the key features of the Northwest Territories legal profession's self-governing structure. It demonstrates the legal profession's commitment to help fund programs and services that contribute to the legal knowledge of people in the Northwest Territories.

The Foundation receives its chief source of revenue from the interest earned on lawyers' trust accounts. The trust accounts are accounts held by lawyers for their clients. The interest on those accounts is deposited to the Law Foundation. The Foundation has a reserve fund that also generates interest revenue which is used to supplement the Foundation's income when interest rates on trust accounts are low.

This year the Foundation made grants to CanLII to support its continuing operation in providing legislation, cases, and commentary to practitioners and the public.

The Foundation provided scholarships to eight law students with ties to the Northwest Territories and bursaries to four graduates starting their practice here.

Respectfully submitted this 15th day of May, 2024



Morgan Fane
Chairperson

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 client funds held by lawyers in mixed trust accounts. It operates in a similar manner to law foundations established in other provinces and territories

OBJECTIVES

The objectives of the Law Foundation are to use the funds collected 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 Northwest Territories and providing programs and facilities for that purpose;
- providing assistance to legal aid programs and programs of a similar nature;
- contributing to the Assurance Fund; and
- to do all other things that are, in the opinion of the board, incidental or conducive to the attainment of these objects.

ADMINISTRATION

The affairs of the Foundation are conducted by a Board of Directors comprised 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 of the Northwest Territories. The Directors serve for a term of two years.

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

BOARD AND MANAGEMENT 2022 - 2023

CHAIRPERSON:	MORGAN FANE
DIRECTOR:	LARRY INNES
DIRECTOR:	NICOLA LANGILLE
DIRECTOR:	MATTHEW YAP
LAY MEMBER:	LYLE FABIAN

SCHOLARSHIPS

The Northwest Territories Law Foundation Graeme Garson Bursary Fund is available to assist law students in pursuing their legal studies and to encourage Northwest Territories graduates of law school to return to work in the territory after their law studies. Qualified applicants are eligible for a non-repayable award of \$2,000 for three years while attending law school. When the student secures an articling position in the Northwest Territories, and if they continue to work in the area of law in the Northwest Territories for an additional year after articles, the Fund will assist them for two years at \$7,000 per year, for an overall commitment of up to \$20,000 per student.

Scholarships for the 2022-2023 school year were awarded to:

Allanis McKee
 Brittany Scott
 Cassidy Menard
 Catherine Lafferty
 Danielle Patzer
 James Thomas
 Megan Vu
 Paulina Ross

Grants for graduates starting practice in the Northwest Territories were awarded to:

Adrienne Schmalz
 Ariel Holmwood-Bramwell
 Kathleen O'Brien
 Kristy Hobbs

GRANTS

CANLII ANNUAL LEVY

CanLii makes case law and statutes available to all Canadians over the internet, at www.canlii.org. The Canlii program is entirely funded by assessments on lawyers, and the Foundation paid a portion of that assessment so that the access to legal resources can continue to be maintained.

THE NORTHWEST TERRITORIES LAW FOUNDATION
Financial Statements
Year Ended June 30, 2023

THE NORTHWEST TERRITORIES LAW FOUNDATION

Index to Financial Statements

Year Ended June 30, 2023

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Management's Responsibility for Financial Reporting

The financial statements of The Northwest Territories Law Foundation have been prepared in accordance with Accounting Standards for Not-For-Profits. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of The Northwest Territories Law Foundation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board approves the financial statements. The Board also considers, for review by the Law Society of the NWT and the Legislative Assembly of the NWT, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the NWT Law Foundation by Ashton Professional Chartered Accountants, in accordance with Canadian auditing standards.


Morgan Fane, Chair

Yellowknife, N.W.T.
March 28, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of The Northwest Territories Law Foundation

Opinion

We have audited the financial statements of The Northwest Territories Law Foundation (the foundation), which comprise the statement of financial position as at June 30, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the foundation as at June 30, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the foundation in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(continues)

Independent Auditor's Report to the Members of The Northwest Territories Law Foundation (*continued*)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Hay River, Northwest Territories
March 24, 2024

Ashton Chartered Professional Accountants

THE NORTHWEST TERRITORIES LAW FOUNDATION
Statement of Revenues and Expenditures
Year Ended June 30, 2023

	2023	2022
Revenues		
Unrestricted Fund (<i>Schedule 1</i>)	\$ 553,257	\$ 127,250
Graeme Garson Bursary Fund (<i>Schedule 2</i>)	33,736	17,669
John U. Bayly Memorial Fund (<i>Schedule 3</i>)	2,851	1,298
	589,844	146,217
Expenses		
Unrestricted Fund (<i>Schedule 1</i>)	40,857	34,905
Graeme Garson Bursary Fund (<i>Schedule 2</i>)	47,055	26,000
John U. Bayly Memorial Fund (<i>Schedule 3</i>)	258	-
	88,170	60,905
Excess (deficiency) of revenue over expenses before that undernoted (<i>85%; 2022 - 58%</i>)	501,674	85,312
Other income (expense)		
Unrestricted Fund (<i>Schedule 1</i>)	(27,433)	(164,263)
Graeme Garson Bursary Fund (<i>Schedule 2</i>)	(4,703)	(32,526)
John U. Bayly Memorial Fund (<i>Schedule 3</i>)	(397)	(2,390)
	(32,533)	(199,179)
Excess (deficiency) of revenues over expenses for the year	\$ 469,141	\$ (113,867)

See notes to financial statements

THE NORTHWEST TERRITORIES LAW FOUNDATION
Statement of Changes in Net Assets
Year Ended June 30, 2023

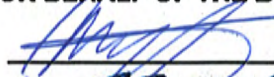
	2022 Balance	Excess of revenues over expenses	Contributions	Withdrawals	2023 Balance
Unrestricted Fund	\$ 202,341	\$ 484,967	\$ -	\$ -	\$ 687,308
Graeme Garson Bursary Fund	171,826	(18,022)	-	-	153,804
John U. Bayly Memorial Fund	14,521	2,196	-	-	16,717
Grant Stabilization Reserve Fund	800,000	-	-	-	800,000
	\$ 1,188,688	\$ 469,141	\$ -	\$ -	\$ 1,657,829

	2021 Balance	Excess of revenues over expenses	Contributions	Withdrawals	2022 Balance
Unrestricted Fund	\$ 274,259	\$ (71,918)	\$ -	\$ -	\$ 202,341
Graeme Garson Bursary Fund	212,683	(40,857)	-	-	171,826
John U. Bayly Memorial Fund	15,613	(1,092)	-	-	14,521
Grant Stabilization Reserve Fund	800,000	-	-	-	800,000
	\$ 1,302,555	\$ (113,867)	\$ -	\$ -	\$ 1,188,688

THE NORTHWEST TERRITORIES LAW FOUNDATION
Statement of Financial Position
June 30, 2023

	2023	2022
ASSETS		
Current		
Cash	\$ 303,093	\$ 79,729
Accounts receivable (Note 4)	49,983	13,639
	353,076	93,368
Long term investments (Note 5)	1,326,968	1,103,502
	\$ 1,680,044	\$ 1,196,870
LIABILITIES		
Current		
Accounts payable	\$ 22,215	\$ 8,182
NET ASSETS	1,657,829	1,188,688
	\$ 1,680,044	\$ 1,196,870

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

THE NORTHWEST TERRITORIES LAW FOUNDATION
Statement of Cash Flows
Year Ended June 30, 2023

	2023	2022
Operating activities		
Excess (deficiency) of revenues over expenses for the year	\$ 469,141	\$ (113,867)
Item not affecting cash:		
Unrealized gain (loss) on investments	32,533	199,179
	501,674	85,312
Changes in non-cash working capital:		
Accounts receivable	(36,344)	(11,671)
Accounts payable	14,034	(1,801)
	(22,310)	(13,472)
Cash flow from operating activities	479,364	71,840
Investing activity		
Proceeds on sale (Purchase) of long term investments, net	(256,000)	(65,666)
Increase in cash flow	223,364	6,174
Cash - beginning of year	79,729	73,555
Cash - end of year	\$ 303,093	\$ 79,729

See notes to financial statements

THE NORTHWEST TERRITORIES LAW FOUNDATION

Notes to Financial Statements

Year Ended June 30, 2023

1. Purpose of the foundation

The Northwest Territories Law Foundation (the "organization") is a not-for-profit organization of the Northwest Territories and is incorporated under the Legal Profession Act of the Northwest Territories. The Foundation is exempt from the payment of income tax under Subsection 149(1)(l) of the Income Tax Act.

The Foundation'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.

2. Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

3. Summary of significant accounting policies

Fund accounting

The Northwest Territories Law Foundation follows the restricted fund method of accounting. A fund is a set of accounts established to classify resources according to specific activities. The following funds are maintained:

The Unrestricted Fund accounts for the foundation's program delivery and administrative activities. Unrestricted revenues from interest and investment income are included in revenues when received or receivable. Externally restricted income for which no corresponding restricted fund is presented, is included in this fund in accordance with the deferral method. Interest revenues on members' trust accounts with chartered banks is recorded when earned.

The Restricted Funds record resources with stipulations imposed on their use. Restrictions may be imposed externally by the contributor of the resources who requests that the funds be held in trust, or internally by decisions of the Foundation. Revenues from interest and investment income are included in revenues of the attributable restricted fund when received or receivable. The Foundation currently has three funds internally restricted by the Board including the Graeme Garson Bursary Fund, the John U. Bayly Memorial Fund and the Grant Stabilization Reserve Fund.

- The Graeme Garson Bursary Fund was established to provide interest income which finances a scholarship program for law studies.
- The John U. Bayly Memorial Fund was established to encourage and facilitate the development of mediation skills.
- The Grant Stabilization Reserve Fund was established to stabilize money available for grants by ensuring a continuing yield of investment income.

Grants and scholarships are recorded as expenses in the year that the payment was approved.

(continues)

THE NORTHWEST TERRITORIES LAW FOUNDATION**Notes to Financial Statements****Year Ended June 30, 2023**

3. Summary of significant accounting policies (*continued*)Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

The Foundation has elected not to recognize contributed materials and services in these financial statements.

Financial Instruments

The Foundation classifies cash, consisting of cash with banks and investment managers, as held-for-trading. Accounts receivable are classified as loans and receivables and recorded at amortized cost. Trade and accrued payables and grants and scholarships payable are classified as other liabilities and recorded at amortized cost.

Cash equivalents

The Foundation considers cash on hand, balances with banks, and cash held with investment managers to be cash and cash equivalents of the Unrestricted Fund.

Investments

Investments, consisting of mutual funds, fixed income bonds, and Canadian equities, are designated as held-for-trading and recorded at fair value. Fair value is determined in full by direct reference to published price quotations in an active market. Changes in the fair value of investments during the year are included in revenue of the appropriate fund as unrealized investment income or losses for the period in which it arises. All purchases and sales of investments are recorded using settlement-date accounting, and all transaction costs are expensed when paid. Investment income or loss is allocated to each of the Unrestricted, Bursary and Memorial Funds based on the opening fund balance for the year.

Capital assets

The Foundation expenses its capital assets when acquired.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

THE NORTHWEST TERRITORIES LAW FOUNDATION
Notes to Financial Statements
Year Ended June 30, 2023
4. Accounts receivable

	2023	2022
Student scholarships reimbursable	\$ -	\$ 7,800
Interest receivable from members' trust accounts	49,983	13,639
Subtotal	49,983	21,439
Allowance for doubtful accounts	-	(7,800)
	\$ 49,983	\$ 13,639

5. Long term investments

Investments are classified as long term. The Stabilization fund balance has to be maintained at the internally restricted amount and the Bursary and Memorial funds have internal restrictions to limit spending within the next year.

Investments are recorded at fair value and consist of the following:

	2023	2022
Fixed Income (Cost \$187,188)	\$ 186,565	\$ -
Equities (Cost \$666,322)	802,933	1,027,327
Mutual Funds (Cost \$274,929)	337,470	76,175
	\$ 1,326,968	\$ 1,103,502

As at June 30, 2023, the Foundation's Unrestricted Fund has interfund balances owing to the Bursary Fund, Memorial Fund and Stabilization Fund of \$153,804 (2022 - \$171,827), \$16,717 (2022 - \$14,521) and \$800,000 (2022 - \$800,000), respectively. These interfund balances are non-interest bearing and due on demand, with no set terms of repayment. Amounts on the Statement of Financial Position represent the total for all funds and as such, interfund balances have been eliminated.

THE NORTHWEST TERRITORIES LAW FOUNDATION

Notes to Financial Statements

Year Ended June 30, 2023

6. Related party transactions

The Foundation is directly controlled by the Law Society of the Northwest Territories through its rights to select the majority of the members that sit on the Foundation's Board of Directors.

The following is a summary of the foundation's related party transactions:

	2023	2022
Law Society of the Northwest Territories (controlling body)		
Unclaimed trust monies	\$ -	\$ 1,794
Grant provided, net of recoveries	-	12,233
Administrative support service	6,000	6,313
Mail box rental	-	265
	\$ 6,000	\$ 20,605

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. Financial instruments

The foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the foundation's risk exposure and concentration as of June 30, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The foundation is exposed to credit risk from customers. In order to reduce its credit risk, the foundation reviews in detail all scholarship awards to ensure that they meet all the necessary standards. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, collectibility, historical trends and other information.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The foundation is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The foundation is mainly exposed to interest rate risk and currency risk.

Currency risk

Currency risk is the risk to the foundation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The foundation is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars. The foundation does not use derivative instruments to reduce its exposure to foreign currency risk.

(continues)

THE NORTHWEST TERRITORIES LAW FOUNDATION**Notes to Financial Statements****Year Ended June 30, 2023**

7. Financial instruments (*continued*)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the foundation manages exposure through its normal operating and financing activities. The foundation is exposed to interest rate risk primarily through the floating interest rate bank income earned, long term investments and credit facilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The foundation is exposed to other price risk through its investment in quoted shares.

The foundation does not have any secured financial liabilities that result in an increase in risk.

Unless otherwise noted, it is management's opinion that the foundation is not exposed to significant other price risks arising from these financial instruments.

THE NORTHWEST TERRITORIES LAW FOUNDATION

Unrestricted Fund

(Schedule 1)

Year Ended June 30, 2023

	2023	2022
Revenues		
Interest income from members' trust accounts	\$ 356,462	\$ 31,226
Interest and dividends on investments	23,932	24,965
Realized gain (loss) on investments	172,863	64,265
Unclaimed trust monies	-	1,794
Grants rescinded and repaid	-	5,000
	553,257	127,250
Expenses		
Grants approved	-	17,233
Management fees	32,824	9,896
Professional fees	8,033	7,350
Office	-	426
	40,857	34,905
Excess (deficiency) of revenues over expenses before the undernoted	512,400	92,345
Other income (expenses)		
Unrealized gain (loss) on investments	(27,433)	(164,263)
Excess (deficiency) of revenues over expenses	\$ 484,967	\$ (71,918)

THE NORTHWEST TERRITORIES LAW FOUNDATION

Graeme Garson Bursary Fund

(Schedule 2)

Year Ended June 30, 2023

	2023	2022
Revenues		
Interest and dividends on investments	\$ 4,103	\$ 4,944
Realized gain (loss) on investments	29,633	12,725
	33,736	17,669
Expenses		
Scholarship approved	37,000	26,000
Management fees	3,055	-
Grants approved	7,000	-
	47,055	26,000
Excess (deficiency) of revenues over expenses before the undernoted	(13,319)	(8,331)
Other income (expenses)		
Unrealized gain (loss) on investments	(4,703)	(32,526)
Excess (deficiency) of revenues over expenses	\$ (18,022)	\$ (40,857)

THE NORTHWEST TERRITORIES LAW FOUNDATION

John U. Bayly Memorial Fund

(Schedule 3)

Year Ended June 30, 2023

	2023	2022
Revenues		
Interest and dividends on investments	\$ 347	\$ 363
Realized gain (loss) on investments	2,504	935
	2,851	1,298
Expenses		
Management fees	258	-
Excess (deficiency) of revenues over expenses before the undernoted	2,593	1,298
Other income (expenses)		
Unrealized gain (loss) on investments	(397)	(2,390)
Excess (deficiency) of revenues over expenses	\$ 2,196	\$ (1,092)

NWT LEGAL AID COMMISSION REPORT

Tracy Bock, Executive Director

It is a pleasure to present the annual Legal Aid Commission report to the Law Society of the Northwest Territories.

From our comprehensive coverage to our generous eligibility requirements, the NWT Legal Aid Plan is one of the best in Canada. Professional and committed service to our clients and improved access to justice remain our focus. The diligence and dedication of all our employees – lawyers, court workers and administrative staff – make our program successful.

We acknowledge the assistance and commitment of the private bar, both resident and non-resident, regularly providing coverage for all Court schedules.

Highlights:

- The Outreach Clinic plays an important role in providing public legal education and helping to ensure that people throughout the NWT have access to legal advice. We continue to partner with the Law Society and other organizations regarding Access to Justice initiatives.
- Legal Aid will continue recruitment activities, including outreach to Law Schools across the country, to promote employment for lawyers in the NWT, highlighting the unique northern experience.
- We will continue to work with private law firms, the GNWT, and its Department of Justice, to support Articling jobs in Yellowknife.
- One of our many objectives is to simplify the application process for Legal Aid, updating our Legal aid Guidelines and improving the workload efficiency for our staff.
- Ultimately, we are working toward having counsel spend more time in the communities, learning about and finding better ways to engage with and provide services to our clients.

Legal Aid provides a representative voice for those who need it most. We help the citizens of the NWT navigate the justice system.

However, NWT Legal Aid faces many challenges such as the recruitment and retention of personnel, the result of which is stretching the capacities of our staff and lawyers to

and beyond their limits. With compassion, innovation, and cooperation, we have and will continue to overcome difficulties; as in the end, no matter the challenge, Legal Aid must always come through.