

**YUKON FISH AND WILDLIFE
ENHANCEMENT TRUST**

FINANCIAL STATEMENTS

MARCH 31, 2006

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Changes in Net Assets

Statement of Cash Flows

Notes to Financial Statements

J. Kim Tanner, C.A., Ltd.

Chartered Accountant

AUDITOR'S REPORT

To the Trustees of the Yukon Fish and
Wildlife Enhancement Trust:

I have audited the statement of financial position of the Yukon Fish and Wildlife Enhancement Trust as at March 31, 2006 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Trust management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Trust as at March 31, 2006 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.



CHARTERED ACCOUNTANT

Whitehorse, Yukon
January 24, 2007


YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

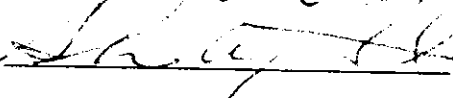
STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2006

ASSETS	<u>2006</u>	<u>2005</u>
CURRENT ASSETS		
Cash	\$ 25,838	\$ 146,529
Due from Yukon Fish & Wildlife Management Board	29,490	-
Accounts receivable	131	301
GST receivable	<u>1,160</u>	<u>1,410</u>
	56,619	148,240
MARKETABLE SECURITIES AND INVESTMENTS (NOTE 3)	<u>3,653,824</u>	<u>3,438,557</u>
	<u>\$ 3,710,443</u>	<u>\$ 3,586,797</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 12,629	\$ 7,629
Due to Sharing the Land Scholarship Fund (note 4)	12,804	-
Due to Yukon Fish & Wildlife Management Board	<u>15,803</u>	<u>14,000</u>
	41,236	21,629
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>3,669,207</u>	<u>3,565,168</u>
	<u>\$ 3,710,443</u>	<u>\$ 3,586,797</u>

APPROVED BY:


 _____ Trustee


 _____ Trustee

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2006

	<u>2006</u>	<u>2005</u>
REVENUE		
Walter Gordon Foundation donation	\$ -	\$ 14,000
United Way	262	-
Interest income	96,715	87,208
Dividend income	35,353	3,801
Foreign income	-	5,916
Gain on sale of investments	<u>41,316</u>	<u>-</u>
	<u>173,646</u>	<u>110,925</u>
EXPENSES		
Administration fees	11,510	25,000
Advertising and promotion	426	-
Annual report	788	-
Amortization of bonds	2,716	-
Bank charges and interest	153	301
Investment management fees	28,327	23,002
Loss on sale of investments	-	3,936
Office supplies and miscellaneous	108	201
Professional fees	5,120	5,772
Project expenses (note 5)	19,000	116,850
Telephone	-	(170)
Travel	<u>1,459</u>	<u>-</u>
	<u>69,607</u>	<u>174,892</u>
EXCESS (SHORTAGE) OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 104,039</u>	<u>\$ (63,967)</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2006

	<u>2006</u>	<u>2005</u>
BALANCE AT BEGINNING OF YEAR	\$ 3,565,168	\$ 3,629,135
Excess (shortage) of revenue over expenses in year	<u>104,039</u>	<u>(63,967)</u>
BALANCE AT END OF YEAR	<u>\$ 3,669,207</u>	<u>\$ 3,565,168</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2006

	<u>2006</u>	<u>2005</u>
CASH PROVIDED BY (USED FOR) OPERATIONS		
Cash received from Walter Gordon Foundation	\$ -	\$ 14,000
Cash received from other organizations	131	-
Cash paid out for project expenses	(18,000)	(102,981)
Cash paid out for other expenses	<u>(60,939)</u>	<u>(53,512)</u>
	<u>(78,808)</u>	<u>(142,493)</u>
CASH PROVIDED BY (USED FOR) INVESTMENTS		
Investment income received	173,384	96,925
Net sales (purchases) of investments	<u>(215,267)</u>	<u>175,785</u>
	<u>(41,883)</u>	<u>272,710</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	(120,691)	130,217
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>146,529</u>	<u>16,312</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 25,838</u>	<u>\$ 146,529</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2006

1. PURPOSE OF THE ORGANIZATION

The Yukon Fish and Wildlife Enhancement Trust was established in February, 1995 under the provisions of an Umbrella Final Agreement between the Council for Yukon First Nations, the Government of Canada and the Yukon Territorial Government. The objective of the Yukon Fish and Wildlife Enhancement Trust is to restore, enhance and protect fish and wildlife populations and their habitat in the Yukon. The Yukon Fish and Wildlife Enhancement Trust is presently registered as a charitable organization for purposes of granting receipts to persons making gifts to the Trust.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles in Canada. Outlined below are those policies considered particularly significant to the Board:

- a) Revenue Recognition
Revenue from contributions and investments are recorded on an accrual basis.
- b) Marketable Securities and Investments
Marketable securities and investments are carried at the lower of cost and fair market value. Details are provided in note 3.
- c) Deferred Revenue
Deferred revenue represents funding received for which the expenditures have not yet been incurred. The revenue will be recognized when the corresponding expenditures are incurred.
- d) Contributed Services
Volunteers contribute many hours per year to assist the Trust in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2006

3. MARKETABLE SECURITIES AND INVESTMENTS

	<u>2006</u>	<u>2005</u>
Cash and equivalents	\$ 39,065	\$ 132,577
Canadian Bonds	1,420,814	2,499,857
Mutual Funds	202,092	-
Canadian Equities	1,499,990	-
U.S. Equities	220,456	-
International Equities	<u>271,407</u>	<u>806,123</u>
	<u>\$ 3,653,824</u>	<u>\$ 3,438,557</u>
 Total fair market value of Marketable Securities and Investments	 <u>\$ 3,807,991</u>	 <u>\$ 3,471,969</u>

4. DUE TO SHARING THE LAND SCHOLARSHIP

Funds were received in the year from the Yukon Fish and Wildlife Management Board to be set aside in a "Sharing the Land Scholarship Fund". The terms of reference for this Scholarship Fund will be approved in January of the following fiscal year. These funds were deposited to the Enhancement Trust's general bank account and have not yet been set aside in a separate bank account. The full amount is due to the Scholarship Fund.

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2006

5. PROJECT EXPENSES

2006

2005

The following project expenses were incurred in the year:

FUNDED BY WALTER & DUNCAN GORDON FOUNDATION

Access Management Policy Framework	\$ _____	\$ <u>14,000</u>
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Project # FUNDED FROM INVESTMENTS

2005-1	Southern Lakes Caribou Game Guardian	2,000	8,000
2005-2	Southern Lakes Wildlife in Wire	-	15,540
2005-3	Teslin Lake Sign Creation	-	586
2005-5	Teslin Caribou Warning Signs	-	930
2005-7	Ducks Unlimited Chrystal Creek	-	5,000
2005-8	Nacho Nyak Dun Introducing Youth	-	3,700
2005-10	Cham/Aish Underwater Surveillance	1,000	4,000
2005-13	Cham/Aish Ground Base Monitoring	1,000	4,000
2005-14	F&WMB Fish & Wildlife Stewardship	-	20,000
2005-15	Bailey Stream Reference Conditions	-	2,015
2005-16	Kluane First Nation Wildlife Monitor	-	5,000
2005-19	Mathew Larsen Least Cisco	-	5,000
2005-20	Alsek RRC Information Signs	-	4,800
2005-21	North Yukon Caribou Workshop	-	2,440
2005-22	Dawson RRC Fur Show	-	3,500
2005-27	Chisana Project	15,000	18,339
		<u>19,000</u>	<u>102,850</u>
		\$ <u>19,000</u>	\$ <u>116,850</u>

All projects were completed in the year. No new projects were approved in fiscal 2006.

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2006

6. FINANCIAL INSTRUMENTS

The Trust's financial instruments consist of cash, marketable securities and, investments, receivables and payables. Unless otherwise noted, it is the Trustees' opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

7. MEASUREMENT UNCERTAINTY

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make assumptions and estimates that have an effect on the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could be different from those estimates.