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Chair’s Message

The past year has been an exciting time for the Yukon Environmental and Socio-economic Assessment Board (YESAB). In our first full fiscal year of conducting assessments we have grown as an organization and overcome many challenges while administering the Yukon Environmental and Socio-economic Assessment Act (YESAA). Our efforts have allowed us to work with hundreds of proponents to help mitigate and eliminate potentially significant environmental and socio-economic effects. This work has benefited Yukon communities, the environment and the economic sustainability of Yukon.

Throughout 2006 and 2007 we continued to focus on being an impartial, effective and efficient organization that provides quality assistance to all involved in the assessment process. To accomplish this goal, our staff and Board have worked closely with numerous interest groups, proponents and the public, as well as with First Nation, Territorial and Canadian governments to disseminate information about the Act and build understanding and confidence in the assessment process.

The YESAB Online Registry (YOR) has grown in functionality and convenience, and because of this we are seeing an increase in activity and contributions from all sectors of society. Yukon citizens have proven to play a key role in the effectiveness of the legislation and we have been impressed by their commitment to contribute to assessments. The unprecedented access to assessment-related material offered by the YOR has proven to be a valuable tool for the public and proponents alike, and improvements to this system continue.

In addition to providing an open and transparent process, we have undertaken extensive outreach efforts to all sectors of government, the public and industry and have worked towards building positive relationships and partnerships with all involved.

We feel our work has helped Yukon grow responsibly and that the efforts of Yukon citizens, project proponents and governments have all contributed to the evolution of the YESAA and has turned this important legislation into a reality.

Most sincerely,

Dale J Eftoda
Chair

... our work has helped Yukon grow responsibly ...
The Year in Review

In the fiscal year 2006/2007 we saw the YESAB experience its first full year of conducting assessments. The year was focused on putting into practice the processes that had been developed for effective environmental and socio-economic assessments. We established ourselves as an impartial assessment organization at arms-length from government.

Recognizing the YESAA is still a relatively new process, we continued to focus on outreach and networking. We provided information about the assessment process as well as the roles and responsibilities of various stakeholders. This outreach gave us opportunities to talk with governments, groups and individuals. It also gave these stakeholders an opportunity to provide us with insight into what was working and what needed to be improved.

We found that some individuals and groups required more support and guidance during their assessments. Based on those needs, we began work on developing standard mitigative measures, developing guidance documents for placer and quartz projects, and creating guides to assist proponents of large projects with developing wildlife monitoring programs.

*Other milestones in the 2006/2007 fiscal year included:*

**Signing of the YESAB/MVEIRB Cooperation Agreement**
- In keeping with Section 92 of the Act (which directs the Board to collaborate with other bodies who will be conducting assessments on projects) the YESAB and the Mackenzie Valley Environmental Impact Review Board developed a formal Cooperation Agreement for transboundary projects along the Yukon/NWT border.

**First Executive Committee level projects were received**
- Carmacks Copper Project and the Carmacks-Stewart/Minto Spur Transmission Project.

**First Application for Confidential Traditional Knowledge**
- The YESAA has the unique and progressive feature of setting out in law that certain types of traditional knowledge can be determined to be confidential. We received our first application to have traditional knowledge designated confidential. This was for a project in the Whitehorse assessment district.
Environmental and socio-economic assessment is a process that strives to identify the potential environmental and socio-economic effects of proposed initiatives before they are carried out. If significant adverse effects are identified, assessors propose measures to limit or eliminate those effects.

Why Conduct Assessments?

The YESAB conducts assessments to ensure that projects are undertaken in a way that results in responsible development without undermining the environmental and social systems of individuals and communities. This is done by minimizing or avoiding significant adverse environmental and socio-economic effects before they occur, and by ensuring that sustainability is incorporated in the planning and development of projects.

The Benefits of Assessment

Environmental and socio-economic assessment offers a number of benefits to Yukoners. It provides opportunities for the public to become involved in the development of the territory and allows for increased protection of human health, ensures the sustainable use of natural resources, and minimizes environmental risks. Yukon’s assessment process ensures that assessments are done independently by an impartial body and increases the accountability of decision-makers by ensuring all documents are available to the public. The process is also beneficial to industry and proponents by having set timelines at every stage, which reduces uncertainty.
The Yukon Environmental and Socio-economic Assessment Act

Chapter 12 of the Umbrella Final Agreement called for the establishment, through federal legislation, of an assessment process that would apply on all lands of Yukon: federal, territorial, First Nation and private. The Council of Yukon First Nations (CYFN) and the Yukon Territorial Government agreed to work with the Government of Canada to jointly establish a unique development assessment process for Yukon. The federal legislation establishing this process (YESAA) has functionally replaced previous regimes.

The Act’s purposes are to:

• Provide a comprehensive, neutrally conducted assessment process applicable in Yukon.

• Require that, before projects are undertaken, their environmental and socio-economic effects are considered.

• Protect and maintain environmental quality and heritage resources.

• Protect and promote the well-being of Yukon Indian persons, their societies and Yukon residents generally, as well as the interests of other Canadians.

• Ensure that projects are undertaken in accordance with principles that foster beneficial socio-economic change without undermining the ecological and social systems on which communities, their residents, and societies in general, depend.

• Recognize and, to the extent practicable, enhance the traditional economy of Yukon Indian persons and their special relationship with the wilderness environment.

• Guarantee opportunities for the participation of Yukon Indian persons and make use of their knowledge and experience in the assessment process.

• Provide opportunities for public participation in the assessment process.

• Ensure that the assessment process is conducted in a timely, efficient and effective manner that avoids duplication.

• Provide certainty to the extent practicable with respect to assessment procedures, including information requirements, time limits and costs to participants.

Key features of the YESAA

• A single assessment process that will apply throughout Yukon, to all projects, and to the federal, territorial and First Nation governments.

• A neutral process done at arms-length from governments.

• A high level of transparency – decisions and actions will include written reasons and will be made available on the public registry.

• Broader consideration of socio-economic factors.

• Guaranteed provisions for public participation.

• Guaranteed opportunities for First Nation participation.

• Traditional and local knowledge are listed as factors to be considered.

• Increased certainty regarding information and coordination requirements, as well as mandatory time lines for both assessment and decision-making stages.
The YESAB is an independent arms-length entity, responsible for the implementation of the YESAA and associated regulations. Specifically, its role is to administer the YESAA process.

Members of the Board
The Board is comprised of a three-person Executive Committee, one of whom is the Chair, and four other Board members. All Board members are appointed by the Minister of Indian Affairs and Northern Development.

Nominations to the Board
Prior to appointments, nominations to the Board are made as set out in the legislation (YESAA). One member of the Executive Committee is nominated by the Council of Yukon First Nations (CYFN) and one member is appointed by the federal minister after consultation with the territorial minister. The third member of the Executive Committee, the Chair, is appointed after the federal minister consults with the other two Executive Committee members. Of the four remaining Board members, two are nominated by CYFN, one is nominated by the territorial minister, and the fourth is a direct appointment by the federal minister.

YESAB Board Members
- Dale J Eftoda | Chair & Executive Committee Member
- Scott Kent | Executive Committee Member
- Stephen Mills | Executive Committee Member
- Tara Christie | Board Member
- Dave Keenan | Board Member
- Ross Leef | Board Member
- Carl Sidney | Board Member

The YESAB is an independent arms-length entity, responsible for the implementation of the YESAA and associated regulations.
Organizational Structure

The YESAB is made up of a Head Office located in Whitehorse and six Designated Offices located in Dawson City, Haines Junction, Mayo, Teslin, Watson Lake, and Whitehorse.

The Designated Offices (DOs) carry out the majority of the project assessments under the YESAB. Taking guidance from the YESAA, the associated regulations, the YESAB rules and the operating guidelines, the Designated Offices are independently responsible to carry out evaluations and make recommendations for a wide variety of projects. The DOs are the primary point of contact for many Yukoners. Staff provide information and assistance to those involved in the YESAA assessment process.

The Head Office houses senior assessment personnel, the Executive Director, administrative staff, communications personnel and the Executive Committee members. Executive Committee Screenings are conducted through the Head Office.

Staff

In March 2007 the YESAB had 30 full-time staff positions within seven offices throughout the territory. Below is the organizational chart which lists all employees and their position titles.

Organizational Chart
An Overview of the YESAA Process

An assessment under the YESAA is required when a development activity is listed in the regulations and requires a permit or authorization, when there is a transfer of land, or if the project utilizes federal funding. The assessment process is initiated when an individual or organization submits a project proposal (Form 1) to the YESAB. Once the proposal is received, YESAB assessors ensure that the proposal contains the information necessary to conduct an assessment and if so, the assessment begins.

Assessors look at the potential environmental and socio-economic effects of proposed activities by gathering and analyzing information from governments, traditional and non-traditional experts, the public and interested people, as well as conducting any other research required for a complete and thorough assessment.

Once the appropriate information has been collected and considered, the assessor recommends whether the activity should proceed, proceed with terms and conditions, or not proceed. When an assessment is complete, the recommendation with reasons is forwarded to the relevant Decision Body. Decision Bodies can be federal, territorial and/or First Nation governments.

The Decision Body will then decide whether to accept, reject or vary the recommendation of the YESAB and issue a Decision Document. Decision Documents are placed on the YOR and filed on the YESAB Document Registry. Below is a summary of the three levels of environmental and socio-economic assessment and the main stages involved.

Three Levels of Assessment

Depending on the type, size and complexity involved with a proposed project, an assessment can take place at three different levels.

- **Designated Office:**
  The majority of assessments are conducted in the six community-based Designated Offices located in: Dawson City, Haines Junction, Mayo, Teslin, Watson Lake, and Whitehorse.

- **Executive Committee:**
  The Executive Committee of the Board will assess larger projects that are submitted to it directly, or are referred by a Designated Office.

- **Panel of the Board**
  A Panel of the Board may be established to assess projects which have potential significant adverse effects, are likely to cause significant public concern, or involve the use of controversial technology.
Stages of the YESAA Process

Stage 1
With the help of a government regulator, the proponent or project developer determines if an assessment is required.

Stage 2
Proponent fills out a “Project Proposal Form” and submits it to one of the YESAB’s Designated Offices.

Stage 3
The YESAB assessors review the proposal to ensure that enough information is included.

Stage 4
The YESAB assessor then begins the assessment and gathers and reviews information from the public, governments, traditional and non-traditional experts in the field and interest groups.

Stage 5
After considering all relevant information gathered, the assessor determines the project’s potential environmental and socio-economic effects. The YESAB assessor then makes a formal recommendation to the relevant Decision Body (federal, territorial, and/or First Nation governments).

Stage 6
The Decision Body reviews the YESAB’s recommendation and either accepts, rejects or varies it and then issues a Decision Document.
Assessment Districts

The territory has six assessment districts. Each district contains a Designated Office that is responsible for all Designated Office evaluations for that region.
Outreach

In addition to our extensive outreach efforts, the YESAB works towards identifying and informing various audiences about the YESAA process through a number of communication initiatives. We do this by writing and distributing a number of YESAA-related articles to local and national publications, implementing local advertising campaigns, monitoring local media, assisting reporters with YESAA-related stories, offering interviews to radio, newspaper and television, and continually updating and maintaining our website and other external communication tools.

Networking and Presentations

We understand the importance of reaching out to those involved with the assessment process in the territory. While we have been conducting assessments for over a year now, the YESAA is still relatively new and individuals, organizations and groups continue to have questions about the assessment process. To that end we have attended and made presentations at a number of conferences, trade shows and symposiums including:

- Yukon Geoscience Forum
- Dawson City International Gold Show
- 8th Annual Far North Oil and Gas Forum
- Mineral Exploration Roundup 2007
- Pembina Institute Oil & Gas Workshop
- 2nd Annual Alaska Oil & Gas Symposium
- Achieving Objectives Conference
- Energy Ministers’ Conference 2006
- Meet the North Conference & Trade Show 2006
- Northern Oil & Gas and the Environment
- Yukon Environment Conference 2007
- Proponent’s Workshop for Executive Committee Screenings
- Decision Body Workshop
We have also made efforts to meet with groups and individuals who play a variety of roles in Yukon’s assessment process. This outreach has resulted in a better understanding of the priorities and issues of groups in the territory, as well as a clearer understanding of the YESAA assessment process. We continue to build relationships and respond to feedback and advice from those who provide it to us. This networking has been done by Board members, as well as staff from Head Office and our six assessment districts. In the past fiscal year we have met with the following groups and organizations:

- Watson Lake Chamber of Commerce
- Gwich’in Tribal Council
- Carcross/Tagish First Nation
- Teslin Tlingit Council
- Kluane National Park Management Board
- Parks Canada
- Yukon Tourism Association
- Champagne and Aishihik Trappers
- Champagne and Aishihik First Nation Heritage
- White River First Nation
- Yukon Placer Secretariat
- Laberge Renewable Resources Council
- Ta’an Kwach’an Council
- Council of Yukon First Nations YESAA Caucus
- Mackenzie Valley Environmental Impact Review Board
- Yukon Chamber of Commerce
- Klondike Placer Miners’ Association
- Yukon Mineral Advisory Board
- Opposition Caucuses (Liberal & NDP)
- Yukon First Nations Heritage Group
- City of Whitehorse
- Yukon Outfitters’ Association
- Council of Yukon First Nations General Assembly
- Northern Tutchone Tribal Council
- EBA Engineering Consultants

In addition to these outreach efforts, we participate in frequent meetings with regulators. These meetings provide a valuable forum in which participants learn about the needs and constraints of both the assessment and permitting sides of the process.

We meet regularly with potential proponents of both small and large scale development projects. These meetings have been an effective way to ensure proponents know what will be required of them when they go through our assessment process. It also assists in providing us with early notice of what projects we can expect to be submitted to our offices.
The Website

We developed www.yesab.ca with the objective of it becoming the first place you look for information about the YESAB and the assessment process in Yukon. The website provides up-to-date information about our organization and our assessment process. Reference and guidance documents that describe how assessments will be conducted are available, as well as instructions and guidebooks about developing project proposals. Our website links to the YOR, which is the electronic registry and document management system used to support assessments. You will also find contact information for our six Designated Offices and our Head Office in Whitehorse.

YESAB Online Registry

The YOR is intended to be the main tool used (by proponents, Decision Bodies, regulators, and members of the public) to participate in the assessment process. The two main functions of the YOR are to provide public access to assessment-related documents and to help people submit comments and information into the assessment process. It is also designed so that the public will become aware of new assessments and can track project proposals throughout the process.

Combined, the YESAB website and the YOR provide an interactive medium for proponents, stakeholders, Decision Bodies and the public who are involved or interested in assessments and gives unprecedented access to the assessment process.
Project Statistics

In the fiscal year of 2006/2007 we undertook the following assessments:

<table>
<thead>
<tr>
<th>Projects Submitted to Designated Offices</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dawson City</td>
<td>51</td>
</tr>
<tr>
<td>Haines Junction</td>
<td>60</td>
</tr>
<tr>
<td>Mayo</td>
<td>46</td>
</tr>
<tr>
<td>Teslin</td>
<td>26</td>
</tr>
<tr>
<td>Watson Lake</td>
<td>27</td>
</tr>
<tr>
<td>Whitehorse</td>
<td>58</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>268</td>
</tr>
</tbody>
</table>

**Project Decisions for 2006/2007 Fiscal Year**

<table>
<thead>
<tr>
<th></th>
<th>Recommendations Sent by YESAB</th>
<th>Accepted by Decision Body</th>
<th>Varied by Decision Body</th>
<th>Rejected by Decision Body</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dawson City</td>
<td>45</td>
<td>17</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>Haines Junction</td>
<td>58</td>
<td>13</td>
<td>45</td>
<td>0</td>
</tr>
<tr>
<td>Mayo</td>
<td>41</td>
<td>14</td>
<td>27</td>
<td>0</td>
</tr>
<tr>
<td>Teslin</td>
<td>21</td>
<td>6</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Watson Lake</td>
<td>37</td>
<td>11</td>
<td>26</td>
<td>0</td>
</tr>
<tr>
<td>Whitehorse</td>
<td>45</td>
<td>28</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>247</td>
<td>89</td>
<td>156</td>
<td>2</td>
</tr>
</tbody>
</table>

(21 projects in process)
### The Type of Projects Submitted

<table>
<thead>
<tr>
<th>Category</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture\Aquaculture</td>
<td>22</td>
</tr>
<tr>
<td>Camps</td>
<td>1</td>
</tr>
<tr>
<td>Energy - Petroleum</td>
<td>2</td>
</tr>
<tr>
<td>Energy - Transmission (Gas, Electricity)</td>
<td>11</td>
</tr>
<tr>
<td>Forestry</td>
<td>5</td>
</tr>
<tr>
<td>Mining - Placer</td>
<td>52</td>
</tr>
<tr>
<td>Mining - Quartz</td>
<td>30</td>
</tr>
<tr>
<td>Other Industrial Activities</td>
<td>14</td>
</tr>
<tr>
<td>Recreation and Tourism</td>
<td>33</td>
</tr>
<tr>
<td>Land Development (Residential, Commercial &amp; Industrial)</td>
<td>45</td>
</tr>
<tr>
<td>Scientific Research/Wildlife Management</td>
<td>3</td>
</tr>
<tr>
<td>Transportation (Rail, Marine, Air)</td>
<td>3</td>
</tr>
<tr>
<td>Transportation (Roads, Access Roads &amp; Trails)</td>
<td>22</td>
</tr>
<tr>
<td>Utilities (Water &amp; Wastewater)</td>
<td>16</td>
</tr>
<tr>
<td>Waste Management (Contaminated Sites)</td>
<td>5</td>
</tr>
<tr>
<td>Waste Management (Solid Waste)</td>
<td>2</td>
</tr>
<tr>
<td>Waste Management (Special &amp; Hazardous Waste)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total Projects Assessed</strong> (2006/2007 Fiscal Year)</td>
<td><strong>268</strong></td>
</tr>
</tbody>
</table>
Executive Committee Screenings

The YESAB Head Office received two project proposals for Executive Committee Screenings in the 2006/2007 fiscal year.

Carmacks-Stewart/Minto Spur Transmission Project

Project Description
Yukon Energy Corporation (proponent) is proposing the development of a transmission line in two phases. The first phase includes the construction of a 138kV transmission line from Carmacks to Pelly Crossing, as well as a 35kV transmission line from Minto Landing to Minto Mine. This phase will also include the development of new substations at Carmacks, Pelly Crossing and Minto Landing. Phase 2 of the project will involve the construction of a 138kV transmission line from Pelly Crossing to Stewart Crossing as well as the expansion of the Stewart Crossing substation.

The resulting transmission line from Carmacks to Stewart Crossing will be approximately 172 km in length along a 60 m right-of-way, and the Minto Spur will be approximately 27 km in length along a 30 m right-of-way.

Screening Update
As of March 31, 2007, the Yukon Energy Corporation transmission project had been deemed adequate and was nearing the end of the extended public review period. The initial period of 30 days had been extended by 3 weeks (March 14th to April 4th, 2007) as a response to a request by the Little Salmon/Carmacks First Nation.

Carmacks Copper Project

Project Description
The Western Copper Corporation (proponent) is proposing to develop the Carmacks Copper property located 38km northwest of Carmacks, Yukon. The proposal is to design, construct, operate, maintain, decommission, reclaim, and eventually abandon a maximum 9,872 t/d (ore) open pit copper mine and heap leach solvent extraction and electrowinning processing facility at the project site.

Screening Update
The Executive Committee of the Board received the Western Copper Corporation’s Carmacks Copper Project proposal in February of 2006. The project proposal was deemed adequate for the purposes of screening in early 2007. A period for public review of the project proposal was opened in February of 2007 and concluded in early April 2007.
The Year Ahead

The next fiscal year will be a busy and exciting time for the YESAB. In June 2007 the appointment terms of six Board members will end. This will result in new Board appointments or re-appointments early in the next fiscal year.

With the speculation of higher than average mineral prices and the potential for an increase in economic development within the territory, we are expecting an increase in both Designated Office and Executive Committee project submissions.

Now that governments, interest groups and the general public are gaining a better understanding of their roles and responsibilities under the YESAA, we anticipate an increase in interest and participation in the YESAA process.

Rules Review

We will be conducting a review of our Rules in the 2007/2008 fiscal year. Since the majority of our project assessments were conducted at the Designated Office level, we will be reviewing the “Rules for Evaluations Conducted by Designated Offices” first. We will seek input and suggestions from governments, interest groups, and the public. Once all the information and suggested changes have been collected, the public will have the opportunity to comment on any proposed Rule changes.

With the speculation of higher than average mineral prices and the potential for an increase in economic development within the territory, we are expecting an increase in both Designated Office and Executive Committee project submissions.
Financials

Following is the audited financial report for the period of April 1, 2006 - March 31, 2007.
Auditors’ Report

To the Members of
Yukon Environmental and Socio-economic Assessment Board

We have audited the statement of financial position of Yukon Environmental and Socio-economic Assessment Board as at March 31, 2007 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 Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Whitehorse, Canada
June 27, 2007
Chartered Accountants
## Statement of Operations

**For the year ended March 31,**

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution funding - Government of Canada</td>
<td>$3,344,075</td>
<td>$3,834,075</td>
<td>$2,983,820</td>
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<tr>
<td>Contribution funding repayable to Government</td>
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<td>(278,629)</td>
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<tr>
<td><strong>Total Revenues</strong></td>
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<td>3,834,075</td>
<td>2,705,191</td>
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<tr>
<td><strong>Expenditures</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>127,065</td>
<td>-</td>
<td>138,580</td>
</tr>
<tr>
<td>Backup consumables</td>
<td>2,117</td>
<td>3,000</td>
<td>438</td>
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<tr>
<td>Board honoraria</td>
<td>341,852</td>
<td>366,756</td>
<td>407,995</td>
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<tr>
<td>Board/staff - travel and course fees</td>
<td>236,329</td>
<td>350,532</td>
<td>163,245</td>
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<tr>
<td>Communications</td>
<td>69,112</td>
<td>121,749</td>
<td>143,200</td>
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<tr>
<td>Contractual services (schedule 3)</td>
<td>253,170</td>
<td>488,797</td>
<td>180,935</td>
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<tr>
<td>Freight</td>
<td>4,502</td>
<td>5,428</td>
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<td>Insurance</td>
<td>10,752</td>
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<td>Interest and bank charges</td>
<td>2,352</td>
<td>2,650</td>
<td>1,909</td>
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<tr>
<td>Internet and email</td>
<td>17,722</td>
<td>20,656</td>
<td>14,781</td>
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<td>Interview</td>
<td>-</td>
<td>-</td>
<td>563</td>
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<tr>
<td>Leasehold improvements</td>
<td>-</td>
<td>6,592</td>
<td>-</td>
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<tr>
<td>Miscellaneous</td>
<td>4,343</td>
<td>29,830</td>
<td>183</td>
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<tr>
<td>Office supplies</td>
<td>27,213</td>
<td>35,372</td>
<td>36,304</td>
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<tr>
<td>Personnel (schedule 4)</td>
<td>1,919,386</td>
<td>2,151,654</td>
<td>1,248,753</td>
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<td>Postage and courier</td>
<td>5,674</td>
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<td>Reference materials</td>
<td>7,749</td>
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<td>Rent</td>
<td>271,916</td>
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<td>Security</td>
<td>3,105</td>
<td>3,631</td>
<td>1,328</td>
</tr>
<tr>
<td>Software purchases</td>
<td>-</td>
<td>-</td>
<td>173</td>
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<tr>
<td>Telephone</td>
<td>46,625</td>
<td>66,436</td>
<td>42,342</td>
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<tr>
<td>Vehicle</td>
<td>15,683</td>
<td>50,560</td>
<td>13,976</td>
</tr>
<tr>
<td>Vehicle lease</td>
<td>28,533</td>
<td>28,637</td>
<td>30,137</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>3,395,200</td>
<td>4,059,604</td>
<td>2,717,591</td>
</tr>
<tr>
<td><strong>Deficiency of revenues over expenditures</strong></td>
<td>$ (90,181)</td>
<td>$ (225,529)</td>
<td>$ (12,400)</td>
</tr>
</tbody>
</table>
Statement of Changes in Net Assets

For the year ended March 31,

<table>
<thead>
<tr>
<th></th>
<th>Investment in capital assets</th>
<th>Unrestricted net assets</th>
<th>Total 2007</th>
<th>Total 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$435,524</td>
<td>$-</td>
<td>$435,524</td>
<td>$447,924</td>
</tr>
<tr>
<td>Deficiency of revenues over</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>expenditures</td>
<td>(127,065)</td>
<td>36,884</td>
<td>(90,181)</td>
<td>(12,400)</td>
</tr>
<tr>
<td>Purchase of assets</td>
<td>37,884</td>
<td>(37,884)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from disposal of</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>assets</td>
<td>(1,000)</td>
<td>1,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$345,343</td>
<td>$-</td>
<td>$345,343</td>
<td>$435,524</td>
</tr>
</tbody>
</table>
## Statement of Financial Position

**March 31, 2007**

### Assets

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$497,962</td>
<td>$505,949</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>25,388</td>
<td>30,848</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>6,230</td>
<td>11,901</td>
</tr>
<tr>
<td></td>
<td>529,580</td>
<td>548,698</td>
</tr>
<tr>
<td><strong>Capital Assets (note 3)</strong></td>
<td>345,344</td>
<td>435,524</td>
</tr>
<tr>
<td></td>
<td>$874,924</td>
<td>$984,222</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$20,037</td>
<td>$100,110</td>
</tr>
<tr>
<td>Salaries and benefits payable</td>
<td>98,669</td>
<td>76,769</td>
</tr>
<tr>
<td>Due to Indian and Northern Affairs (note 4)</td>
<td>410,875</td>
<td>371,819</td>
</tr>
<tr>
<td></td>
<td>529,581</td>
<td>548,698</td>
</tr>
<tr>
<td><strong>Investment in Capital Assets</strong></td>
<td>345,343</td>
<td>435,524</td>
</tr>
<tr>
<td></td>
<td>$874,924</td>
<td>$984,222</td>
</tr>
</tbody>
</table>

Approved by the members:

- [Signature]
  Member

- [Signature]
  Member
# Statement of Cash Flows

For the year ended March 31, 2007

<table>
<thead>
<tr>
<th>Cash provided by (used for)</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficiency of revenues over expenditures</td>
<td>$(90,181)</td>
<td>$(12,400)</td>
</tr>
<tr>
<td>Item not affecting cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>127,065</td>
<td>138,580</td>
</tr>
<tr>
<td></td>
<td>36,884</td>
<td>126,180</td>
</tr>
<tr>
<td>Change in non-cash working capital items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease in accounts receivable</td>
<td>5,460</td>
<td>11,919</td>
</tr>
<tr>
<td>Decrease (increase) in prepaid expenses</td>
<td>5,671</td>
<td>(10,271)</td>
</tr>
<tr>
<td>Decrease in accounts payable and accrued liabilities</td>
<td>$(80,074)</td>
<td>$(70,403)</td>
</tr>
<tr>
<td>Increase in salaries and benefits payable</td>
<td>21,900</td>
<td>54,955</td>
</tr>
<tr>
<td>Increase in due to Indian and Northern Affairs</td>
<td>39,056</td>
<td>278,629</td>
</tr>
<tr>
<td></td>
<td>28,897</td>
<td>391,009</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>$(37,884)</td>
<td>$(126,180)</td>
</tr>
<tr>
<td>Proceeds from disposal of capital assets</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(36,884)</td>
<td>$(126,180)</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash</strong></td>
<td>(7,987)</td>
<td>264,829</td>
</tr>
<tr>
<td><strong>Cash, beginning of year</strong></td>
<td>505,949</td>
<td>241,120</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>$ 497,962</td>
<td>$ 505,949</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements

March 31, 2007

1. Nature of operations

Yukon Environmental and Socio-economic Assessment Board is an independent arms length entity and its role is to conduct environmental and socio-economic assessments and make recommendations to decision bodies. The board was established in June 2004, under the auspices of the Yukon Environmental and Socio-economic Assessment Act. This act establishes a process to assess environmental and socio-economic effects of projects and other activities in the Yukon, or that might have effects in the Yukon. The Act is a requirement of Chapter 12 of the Umbrella Final Agreement and Yukon First Nation Final Agreements. Funding for the Board is solely provided by the Government of Canada, Department of Indian Affairs and Northern Development through a Comprehensive Funding Arrangement determined annually.

2. Significant accounting policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

(a) Revenue recognition

Funding is recognized as revenue to the extent that allowable expenditures have been made. Excess funding is recorded as refundable to Indian Affairs and Northern Development.

(b) Capital assets

Capital assets is recorded at original cost plus any costs of betterment less accumulated amortization and excludes any assets not in current use. Amortization is calculated by the declining balance method at the annual rates set out in note 3.

Amortization in the first year of an addition to the assets is recorded at 1/2 of the annual rate.

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

(c) Financial instruments

The Board's financial instruments consist of cash, term deposits, advances receivable, accounts receivable, accrued interest receivable, due to Indian and Northern Affairs, accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the Board is not exposed to significant interest, currency or credit risks.

(d) Management estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.
Notes to the Financial Statements

March 31, 2007

3. Capital assets

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rate</td>
<td>Cost</td>
</tr>
<tr>
<td>Leasehold</td>
<td></td>
<td></td>
</tr>
<tr>
<td>improvements 1/5 S.L.</td>
<td>$134,564</td>
<td>$ 51,058</td>
</tr>
<tr>
<td>Filing system</td>
<td>20%</td>
<td>$35,024</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>20%</td>
<td>$55,811</td>
</tr>
<tr>
<td>Kitchen equipment</td>
<td>20%</td>
<td>$2,571</td>
</tr>
<tr>
<td>Photo equipment</td>
<td>20%</td>
<td>$4,079</td>
</tr>
<tr>
<td>Postage meter</td>
<td>20%</td>
<td>$11,902</td>
</tr>
<tr>
<td>Projectors and screens</td>
<td>20%</td>
<td>$12,926</td>
</tr>
<tr>
<td>Telephone systems</td>
<td>20%</td>
<td>$24,103</td>
</tr>
<tr>
<td>Trade show booth</td>
<td>20%</td>
<td>$11,527</td>
</tr>
<tr>
<td>Workstation/boardroom</td>
<td>20%</td>
<td>$47,056</td>
</tr>
<tr>
<td>Computer cables</td>
<td>30%</td>
<td>$16,392</td>
</tr>
<tr>
<td>Computers - desktop servers</td>
<td>30%</td>
<td>$40,855</td>
</tr>
<tr>
<td>Designated office servers</td>
<td>30%</td>
<td>$24,840</td>
</tr>
<tr>
<td>Flatbed scanners</td>
<td>30%</td>
<td>$2,287</td>
</tr>
<tr>
<td>Laptop computers</td>
<td>30%</td>
<td>$44,385</td>
</tr>
<tr>
<td>Laser printers</td>
<td>30%</td>
<td>$14,868</td>
</tr>
<tr>
<td>Main server</td>
<td>30%</td>
<td>$15,427</td>
</tr>
<tr>
<td>Map plotter</td>
<td>30%</td>
<td>$14,789</td>
</tr>
<tr>
<td>Photocopiers and scanners</td>
<td>30%</td>
<td>$97,522</td>
</tr>
<tr>
<td>Public registry server</td>
<td>30%</td>
<td>$3,631</td>
</tr>
<tr>
<td>Switches and sonic walls</td>
<td>30%</td>
<td>$9,460</td>
</tr>
<tr>
<td>Computer software</td>
<td>100%</td>
<td>$55,332</td>
</tr>
</tbody>
</table>

$679,351 $334,007 $345,344 $435,524

4. Due to Indian and Northern Affairs

The Comprehensive Funding Agreement with Government of Canada, Department of Indian Affairs and Northern Development requires that any unexpended funding is a debt due and payable 120 days after the Board's year-end. The amount recorded represents the cumulative amount of unexpended funding.

5. Budget comparatives

The budget amounts used in these financial statements are unaudited.
Notes to the Financial Statements

March 31, 2007

6. Commitments

The board has committed to leases of vehicles and office space. They expire as follows:

<table>
<thead>
<tr>
<th></th>
<th>Vehicles</th>
<th>Office</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$28,354</td>
<td>$202,906</td>
<td>$231,260</td>
</tr>
<tr>
<td>2009</td>
<td>-</td>
<td>$202,906</td>
<td>$202,906</td>
</tr>
<tr>
<td>2010</td>
<td>-</td>
<td>$199,647</td>
<td>$199,647</td>
</tr>
<tr>
<td>2011</td>
<td>-</td>
<td>$9,686</td>
<td>$9,686</td>
</tr>
<tr>
<td></td>
<td>$28,354</td>
<td>$615,145</td>
<td>$643,499</td>
</tr>
</tbody>
</table>

The board has $42,837 commitments to consulting contracts expiring in 2008.

7. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.
## Schedules to the Financial Statements

For the year ended March 31,

### Schedule of Board Honoraria

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board meetings and preparation</td>
<td>$42,613</td>
<td>$42,081</td>
<td>$52,975</td>
</tr>
<tr>
<td>General office and other</td>
<td>$115,152</td>
<td>$118,700</td>
<td>$189,407</td>
</tr>
<tr>
<td>Other meetings and preparation</td>
<td>$43,000</td>
<td>$42,538</td>
<td>$84,119</td>
</tr>
<tr>
<td>Screening</td>
<td>$70,731</td>
<td>$90,731</td>
<td>$24,981</td>
</tr>
<tr>
<td>Training and workshops</td>
<td>$32,331</td>
<td>$34,681</td>
<td>$30,625</td>
</tr>
<tr>
<td>Travel</td>
<td>$38,025</td>
<td>$38,025</td>
<td>$25,888</td>
</tr>
</tbody>
</table>

**Total**: $341,852

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$341,852</td>
<td>$366,756</td>
<td>$407,995</td>
</tr>
</tbody>
</table>

### Schedule of Board/Staff - Travel and Course Fees

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board training</td>
<td>$</td>
<td>$7,000</td>
<td>$2,662</td>
</tr>
<tr>
<td>Board travel</td>
<td>$59,399</td>
<td>$78,920</td>
<td>$53,217</td>
</tr>
<tr>
<td>Conference fees</td>
<td>$27,818</td>
<td>$31,982</td>
<td>$5,916</td>
</tr>
<tr>
<td>Employee health and wellness</td>
<td>$2,142</td>
<td>$2,142</td>
<td>$3,142</td>
</tr>
<tr>
<td>Hospitality</td>
<td>$3,347</td>
<td>$3,858</td>
<td>$2,130</td>
</tr>
<tr>
<td>Staff training</td>
<td>$29,628</td>
<td>$46,431</td>
<td>$17,433</td>
</tr>
<tr>
<td>Staff travel</td>
<td>$113,995</td>
<td>$180,199</td>
<td>$81,887</td>
</tr>
</tbody>
</table>

**Total**: $236,329

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$236,329</td>
<td>$350,532</td>
<td>$163,245</td>
</tr>
</tbody>
</table>

### Schedule of Contractual Services

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment design</td>
<td>$</td>
<td>$</td>
<td>$2,437</td>
</tr>
<tr>
<td>Assessment support - administration</td>
<td>$1,527</td>
<td>$21,745</td>
<td>$1,527</td>
</tr>
<tr>
<td>Assessment support - technical</td>
<td>$84,320</td>
<td>$300,229</td>
<td>$84,320</td>
</tr>
<tr>
<td>Financial services</td>
<td>$9,718</td>
<td>$9,218</td>
<td>$9,796</td>
</tr>
<tr>
<td>Human resources</td>
<td>$</td>
<td>$</td>
<td>$1,915</td>
</tr>
<tr>
<td>Legal services</td>
<td>$57,987</td>
<td>$57,987</td>
<td>$63,560</td>
</tr>
<tr>
<td>Online registry support</td>
<td>$61,877</td>
<td>$61,877</td>
<td>$61,877</td>
</tr>
<tr>
<td>Other</td>
<td>$26,180</td>
<td>$26,180</td>
<td>$90,289</td>
</tr>
<tr>
<td>IT support services</td>
<td>$11,561</td>
<td>$11,561</td>
<td>$12,938</td>
</tr>
</tbody>
</table>

**Total**: $253,170

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$253,170</td>
<td>$488,797</td>
<td>$180,935</td>
</tr>
</tbody>
</table>
### Schedules to the Financial Statements

For the year ended March 31,

#### Schedule of Personnel

<table>
<thead>
<tr>
<th></th>
<th>2007 Actual</th>
<th>2007 Budget</th>
<th>2006 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$ 587,340</td>
<td>$ 635,761</td>
<td>$ 397,835</td>
</tr>
<tr>
<td>Assessment</td>
<td>1,097,782</td>
<td>1,189,658</td>
<td>717,680</td>
</tr>
<tr>
<td>Benefits</td>
<td>234,264</td>
<td>326,235</td>
<td>133,238</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 1,919,386</strong></td>
<td><strong>$ 2,151,654</strong></td>
<td><strong>$ 1,248,753</strong></td>
</tr>
</tbody>
</table>
YESAB Public Telephone Directory

Toll-Free Number:  1-866-322-4040

Head Office
Physical Location: 3059 – 3rd Avenue
Mailing Address: P.O. Box 31642 • Whitehorse, YT • Y1A 6L2
Phone: (867) 668-6420 • Fax: (867) 668-6425

Dawson City Designated Office
Physical Location:  705 Church Street
Mailing Address: P.O. Bag 6050 • Dawson City, YT • Y0B 1G0
Phone: (867) 993-4040 • Fax: (867) 993-4049

Haines Junction Designated Office
Physical Location: Haines Junction Airport, Sifton Air Building
Mailing Address: P.O. Box 2126
Haines Junction, YT • Y0B 1L0
Phone: (867) 634-4040 • Fax: (867) 634-4049

Mayo Designated Office
Physical Location: Front Street
Mailing Address: P.O. Box 297 • Mayo, YT • Y0B 1M0
Phone: (867) 996-4040 • Fax: (867) 996-4049

Teslin Designated Office
Physical Location: McLeery Street
Mailing Address: P.O. Box 137 • Teslin, YT • Y0A 1B0
Phone: (867) 390-4040 • Fax: (867) 390-4049

Watson Lake Designated Office
Physical Location: 820 Adela Trail
Mailing Address: P.O. Box 294 • Watson Lake, YT • Y0A 1C0
Phone: (867) 536-4040 • Fax: (867) 536-4049

Whitehorse Designated Office
Physical Location: 7209B – 7th Avenue
Mailing Address: 7209B – 7th Avenue
Whitehorse, YT • Y1A 1R8
Phone: (867) 456-3200 • Fax: (867) 456-3209