

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
8TH ASSEMBLY, 61ST SESSION

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Report to the Commissioner of the
Northwest Territories
on the examination of the
accounts and financial statements
of the
NORTHWEST TERRITORIES LIQUOR CONTROL SYSTEM
for the year ended March 31, 1976



AUDITOR GENERAL OF CANADA

AUDITEUR GÉNÉRAL DU CANADA

Ottawa, Ontario
K1A 0G6

August 16, 1976

The Commissioner
Government of the Northwest Territories
Yellowknife, N.W.T.

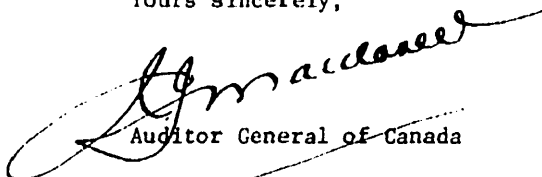
Sir,

I have examined the balance sheet of the Northwest Territories Liquor Control System as at March 31, 1976, and the statement of operations for the year then ended. My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances.

In my opinion, these financial statements give a true and fair view of the financial position of the Northwest Territories Liquor Control System as at March 31, 1976, and the results of its operations for the year then ended, in accordance with the accounting principles described in Note 1 to the Financial Statements which were applied on a basis consistent with that of the preceding year except for the accounting for certain operating expenses as described in Note 2.

I further report that, in my opinion, proper books of account have been kept by the Northwest Territories Liquor Control System, the financial statements are in agreement therewith and the transactions that have come under my notice have been within its statutory powers.

Yours sincerely,


Auditor General of Canada

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

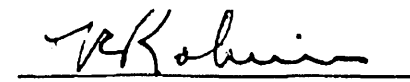
Balance Sheet as at March 31, 1976

<u>Assets</u>				<u>Liabilities</u>	
	<u>1976</u>	<u>1975</u>		<u>1976</u>	<u>1975</u>
Current assets			Current liabilities		
Cash	\$ 310,151	\$ 615,395	Accounts payable	\$ 192,653	\$ 430,120
Accounts receivable	369	549	Deferred revenue - licence fees	<u>3,552</u>	<u>4,603</u>
Inventory - at cost	<u>1,852,958</u>	<u>2,029,379</u>		<u>196,205</u>	<u>434,723</u>
			<u>Equity</u>		
			Government of the Northwest Territories		
			Balance at beginning of year	2,210,600	1,747,433
			Net income from operations	4,477,661	4,297,877
			Expenses paid by the Government of the Northwest Territories on behalf of the Liquor Control System	<u>379,012</u>	<u>365,290</u>
				7,067,273	6,410,600
			Transfer of funds to the Government of the Northwest Territories	<u>5,100,000</u>	<u>4,200,000</u>
			Balance at end of year	<u>1,967,273</u>	<u>2,210,600</u>
	<u>\$ 2,163,478</u>	<u>\$ 2,645,323</u>		<u>\$ 2,163,478</u>	<u>\$ 2,645,323</u>

The accompanying notes form an integral part of the Financial Statements

Approved on behalf of the Board


Chairman


General Manager

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

Statement of Operations

for the Year ended March 31, 1976

	<u>1976</u>	<u>1975</u>
Sales	\$ 10,981,708	\$ 9,574,266
Less: Discount on sales	<u>185,889</u>	<u>145,533</u>
	10,795,819	9,428,733
Cost of goods sold	<u>5,714,140</u>	<u>4,709,405</u>
Gross profit on sales	5,081,679	4,719,328
Operating expenses (Schedule 1)	<u>808,978</u>	<u>591,232</u>
	<u>4,272,701</u>	<u>4,128,096</u>
Other income		
Fees, permits and licences	134,918	136,182
Miscellaneous	<u>70,042</u>	<u>33,599</u>
	<u>204,960</u>	<u>169,781</u>
Net income from operations	<u>\$ 4,477,661</u>	<u>\$ 4,297,877</u>

The accompanying notes form an integral part of the Financial Statements

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

Notes to the Financial Statements

March 31, 1976

1. Authority of the Liquor Control System and Accounting Policies

The Liquor Control System operates under the authority of the Liquor Ordinance, Ch. L-7, 1970 (2nd), C12, S.1.

The Liquor Control System follows generally accepted accounting principles except for the following:

Fixed Assets.

All fixed assets for the Liquor Control System are purchased by the Government of the Northwest Territories. No charge for the use of these assets is provided for in the Liquor Control System financial statements.

2. Operating Expenses

The operating expenses of the current year include the following expenses charged back to the Liquor Control System for which similar chargebacks were not made in 1974/75.

Employee housing and recruiting services provided by the Government of the Northwest Territories	\$ 34,514
Office rent	12,840
Grants in lieu of taxes	8,440
Repairs and maintenance	6,145
Utilities	<u>8,030</u>
	<u>\$ 69,969</u>

3. Federal Anti-Inflation Legislation

As a part of the Government of the Northwest Territories, the Liquor Control System is required to comply with this legislation.

GOVERNMENT OF THE NORTHWEST TERRITORIESLiquor Control SystemSchedule of Operating Expensesfor the Year ended March 31, 1976

	<u>1976</u>	<u>1975</u>
Salaries and wages	\$ 378,093	\$ 365,130
Commissions to agencies	241,218	111,672
Employee benefits	40,459	6,590
Utilities	27,839	17,913
Stock insurance	23,321	28,796
Travel	16,446	18,061
Warehouse Rental	14,275	1,962
Repairs and maintenance	13,157	11,895
Office space rental	12,840	-
Stationery and supplies	11,609	6,943
Grants in lieu of taxes	8,441	-
Storage allowance	6,133	7,125
Postage, telephone, and telegraph	5,965	6,845
Board honorarium	2,957	2,568
Miscellaneous	6,225	5,732
	<u>\$ 808,978</u>	<u>\$ 591,232</u>