
LEGISLATIVE ASSEMBLY OF THE

NORTHWEST TERRITORIES

8TH ASSEMBLY, 64TH SESSION

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Subled on Feb 3, 1978

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, 1977



AUDITOR GENERAL OF CANADA

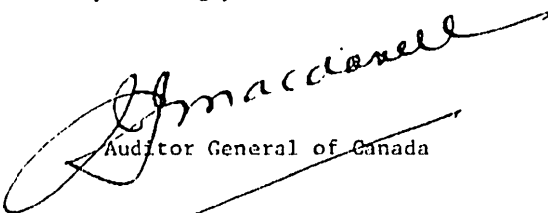
VÉRIFICATEUR GÉNÉRAL DU CANADA

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

I have examined the balance sheet of the Northwest Territories Liquor Control System as at March 31, 1977 and the income statement, statement of equity, and statement of changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

As stated in Note 2, the buildings, fixtures and fittings are provided without charge by the Government of the Northwest Territories and no cost is included in the financial statements for the use of these assets.

In my opinion, except that a fair charge for the use of the fixed assets is not recorded, these financial statements present fairly the financial position of the Liquor Control System as at March 31, 1977 and the results of its operations and changes in financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.


Auditor General of Canada

Ottawa, Ontario
June 10, 1977

GOVERNMENT OF THE NORTHWEST TERRITORIES
Liquor Control System
Balance Sheet
as at March 31, 1977

<u>ASSETS</u>			<u>LIABILITIES</u>		
	<u>1977</u>	<u>1976</u>		<u>1977</u>	<u>1976</u>
Current			Current		
Cash	\$ 369,827	\$ 310,151	Accounts payable	\$ 503,899	\$ 192,653
Accounts receivable	189	369	Deferred revenue - licence fees	3,564	3,552
Inventory - at cost	1,762,526	1,852,958		<u>507,463</u>	<u>196,205</u>
	<u>\$ 2,132,542</u>	<u>\$ 2,163,478</u>	Equity of the Northwest Territories	<u>1,625,079</u>	<u>1,967,273</u>
				<u>\$2,132,542</u>	<u>\$2,163,478</u>

EQUITY

The accompanying notes are an integral part of the financial statements.

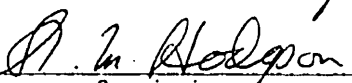
Approved on behalf of the Board:



 General Manager



 Territorial Treasurer



 Commissioner

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

Income Statement

for the year ended March 31, 1977

	<u>1977</u>	<u>1976</u>
Sales	\$ 11,280,747	\$ 10,981,708
Less discount on sales	<u>204,604</u>	<u>185,889</u>
	11,076,143	10,795,819
Cost of goods sold	<u>6,015,053</u>	<u>5,714,140</u>
Gross profit	5,061,090	5,081,679
Operating expenses (Schedule 1)	<u>914,143</u>	<u>808,978</u>
	4,146,947	4,272,701
Other income (Schedule 2)	<u>281,386</u>	<u>204,960</u>
Income for the year	<u>\$ 4,428,333</u>	<u>\$ 4,477,661</u>

The accompanying notes are an integral part of the financial statements.

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

Statement of Equity

for the year ended March 31, 1977

	<u>1977</u>	<u>1976</u>
Equity at beginning of year	\$ 1,967,273	\$ 2,210,600
Income for the year	4,428,333	4,477,661
Expenses paid by the Government of the Northwest Territories on behalf of the Liquor Control System	<u>429,473</u>	<u>379,012</u>
	6,825,079	7,067,273
Transfer of funds to the Consolidated Revenue Fund	<u>5,200,000</u>	<u>5,100,000</u>
Equity at end of year	<u>\$ 1,625,079</u>	<u>\$ 1,967,273</u>

The accompanying notes are an integral part of the financial statements.

GOVERNMENT OF THE NORTHWEST TERRITORIES

Liquor Control System

Statement of Changes in Financial Position

for the year ended March 31, 1977

	<u>1977</u>	<u>1976</u>
Funds provided		
Income for the year	\$ 4,428,333	\$ 4,477,661
Add: Item not requiring an outlay of funds:		
Expenses paid by the Government of Northwest Territories on behalf of the Liquor Control System	<u>429,473</u>	<u>379,012</u>
	4,857,806	4,856,673
Funds applied		
Transfers to the Government of the Northwest Territories	<u>5,200,000</u>	<u>5,100,000</u>
Decrease in working capital	342,194	243,327
Working capital, beginning of year	<u>1,967,273</u>	<u>2,210,600</u>
Working capital, end of year	<u>\$ 1,625,079</u>	<u>\$ 1,967,273</u>

The accompanying notes are an integral part of the financial statements.

GOVERNMENT OF THE NORTHWEST TERRITORIESLiquor Control System

Schedule of Operating Expenses

for the Year ended March 31, 1977

	<u>1977</u>	
Salaries and wages	\$ 429,473	\$ 378,093
Commissions to agents	246,372	241,218
Insurance	43,927	23,321
Utilities	37,964	27,839
Duty-travel	32,419	16,446
Employee benefits	26,689	40,459
Warehouse rental	21,225	14,275
Repairs and maintenance	19,273	13,157
Office rent	12,400	12,840
Storage allowance	10,664	6,133
Grants in lieu of taxes	8,479	8,441
Stationery, materials, supplies	7,373	11,609
Postage and telephone	7,043	5,965
Board honoraria	3,826	2,957
Miscellaneous	7,016	6,225
	<u>\$ 914,143</u>	<u>\$ 808,978</u>

GOVERNMENT OF THE NORTHWEST TERRITORIES
Liquor Control System
Notes to the Financial Statements
March 31, 1977

1. Authority of the Liquor Control System

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

2. Assets Used Without Charge

The buildings, fixtures and fittings used by the Liquor Control System are owned by the Government of the Northwest Territories. No charge is made to the Liquor Control System for the use of these assets.

3. Anti-Inflation Act

As a part of the Government of the Northwest Territories, the Liquor Control System is subject to and, in the opinion of management, is complying with Section 4 (1) of the Federal Anti-Inflation Act.

GOVERNMENT OF THE NORTHWEST TERRITORIESLiquor Control System

Schedule of Other Income

for the Year ended March 31, 1977

	<u>1977</u>	<u>1976</u>
Licence fees	\$ 81,137	\$ 73,158
Interest	70,843	46,079
Import permits	69,122	38,607
Licences	29,888	23,152
Rent	16,684	16,684
Land taxes collected	1,864	-
Miscellaneous	11,848	7,280
	<u>\$ 281,386</u>	<u>\$ 204,960</u>