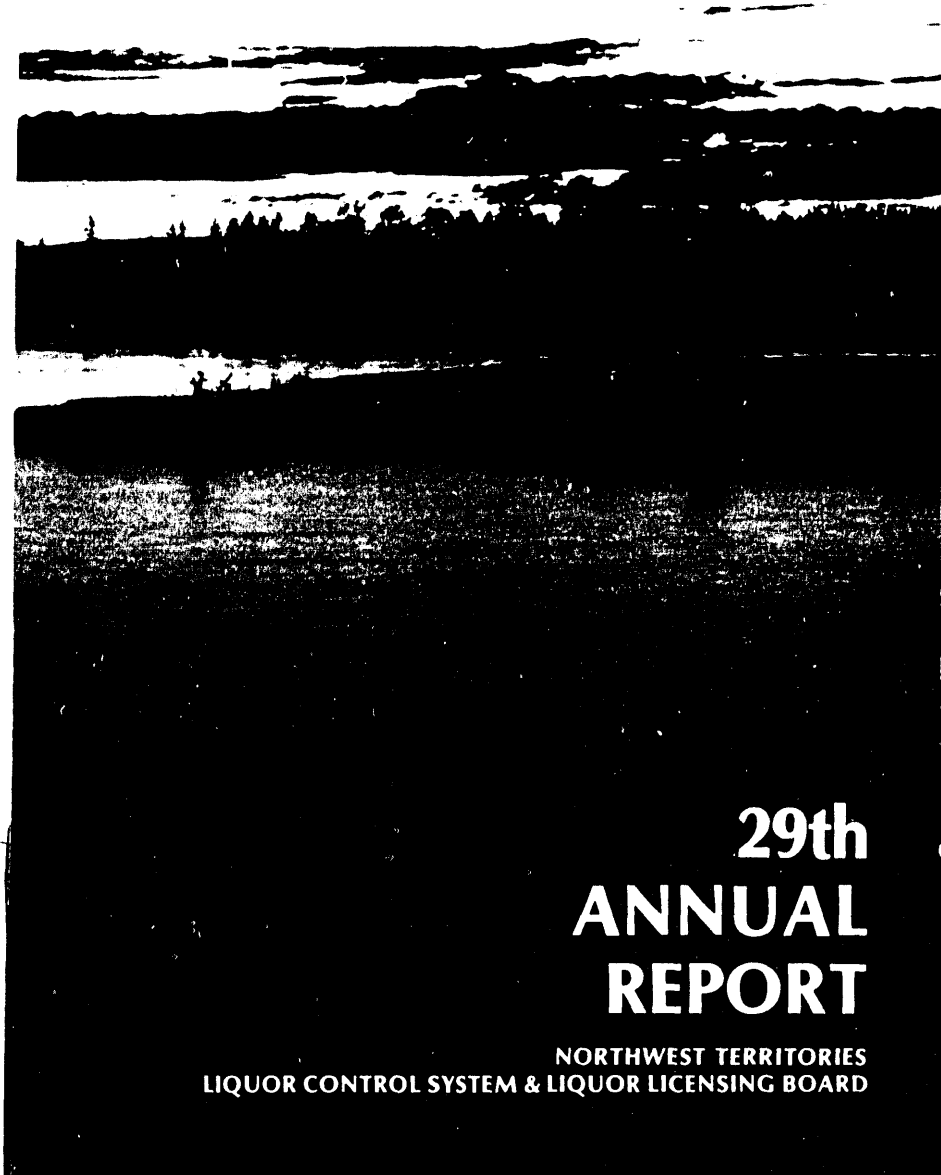


**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
10TH ASSEMBLY, 1ST SESSION**

TABLED DOCUMENT NO. 14-84(1)

TABLED ON FEBRUARY 13, 1984

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Tabled 5.6.17/94



29th ANNUAL REPORT

NORTHWEST TERRITORIES
LIQUOR CONTROL SYSTEM & LIQUOR LICENSING BOARD

29th ANNUAL REPORT

**LIQUOR CONTROL SYSTEM
AND
LIQUOR LICENSING BOARD**

APRIL 1st, 1982 to March 31st, 1983



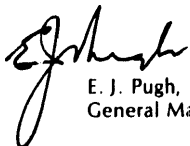
To the Honourable Tom Butters
Minister of Government Services

Dear Sir:

I have the honour to submit herewith the twenty-ninth Annual Report of the Liquor Control System, and the Liquor Licensing Board.

I wish to express my thanks and appreciation to the members of the Liquor Licensing Board, and the R.C.M.P. for their co-operation and support.

Respectfully submitted,



E. J. Pugh,
General Manager

Mr. John H. Parker
Commissioner
Government of the Northwest Territories

Dear Sir:

I have the honour to present herewith, for the information of the Members of the Legislative Assembly and yourself, the Annual Report of the Liquor Control System and the Liquor Licensing Board, covering the period April 1, 1982 to March 31, 1983.

Respectfully submitted,



Tom Butters, M.L.A.
Minister of Government Services

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LIQUOR CONTROL SYSTEM
SALES HIGHLIGHTS

TABLE I

Year Ending March 31	Sales	Gross Profit	Gross Profit % of Sales	% Increase in Sales
1969	3,981,842	2,060,746	51.8	15.0
1970	4,783,210	2,334,611	48.8	20.1
1971	5,589,192	2,673,637	47.6	16.8
1972	6,509,583	3,107,027	47.7	16.4
1973	7,496,179	3,585,040	47.7	15.2
1974	8,704,012	4,252,030	48.8	16.1
1975	9,574,266	4,864,861	50.8	9.9
1976	10,981,708	5,081,679	46.3	14.7
1977	11,280,747	5,061,090	44.9	2.7
1978	12,150,944	5,241,284	43.1	7.7
1979	12,783,114	5,992,823	46.9	5.2
1980	13,379,588	6,604,938	49.4	4.7
1981	15,184,548	7,289,791	48.0	13.5
1982	17,750,366	8,154,080	45.9	16.9
1983	20,199,370	9,025,756	44.7	13.8

**LIQUOR CONTROL SYSTEM
LITRES OF LIQUOR SOLD**

TABLE II

	1982-83			1981-82	
	Domestic	Imported		Total	% Change
Spirits	479,158	88,108		548,114	+ 3.5
Wine	82,679	197,795		257,582	+ 8.9
Beer	<u>3,603,100</u>	<u> </u>		<u>3,422,427</u>	+ 5.3
Total	<u>4,164,937</u>	<u>285,903</u>		<u>4,228,123</u>	+ 5.3
Litres of Absolute Alcohol Sold				<u>418,701</u>	+ 4.6

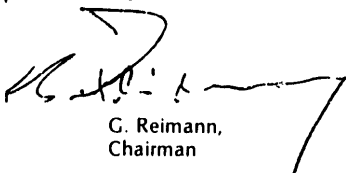
N.W.T. LIQUOR LICENSING BOARD

The Board held eleven meetings during the fiscal period April 1, 1982 to March 31, 1983, with ten meetings being held in Yellowknife and one in Rankin Inlet. During this period, seven licensees received suspensions.

Three additional licenses were issued, one Dining Lounge licence was relinquished and fifteen licenses were transferred because of change of ownership.

The Board continued the practise of holding public meetings when objections were received from the public opposing the granting of a new licence. These meetings have provided a forum for interested parties to present their views to the Board.

The Board wishes to express sincere appreciation to the officers and staff of the R.C.M.P. and Health and Welfare Canada throughout the Territories for the efficient co-operation in supporting the Board in enforcing the provisions of the Liquor Ordinance.

A handwritten signature in black ink, appearing to read 'G. Reimann', is written over a large, stylized, handwritten number '7'.

G. Reimann,
Chairman

SUSPENSION OF LICENCE PRIVILEGES

1. **Snowshoe Inn, Fort Providence**
Cocktail Lounge Licence suspended for the period May 13th to 14th, 1982, inclusive.
2. **The Loft, Inuvik**
Dining Lounge Licence suspended for the period June 18th to July 2nd, 1982, inclusive.
3. **Gallery Lounge, Yellowknife**
Cocktail Lounge Licence suspended for the period July 8th to 10th, 1982, inclusive.
4. **Gold Range Hotel, Yellowknife**
Revocation of entertainment (in the Cocktail Lounge) policy for the period 1st to 28th February, 1983, inclusive.
5. **Nanook Curling Club, Cambridge Bay**
Club Licence suspended indefinitely.
6. **Papa's Holdings Ltd., Yellowknife**
Dining Lounge Licence suspended for Liquor Sales only for the period 8th to 10th December, 1982, inclusive.
7. **Papa's Holdings Ltd., Yellowknife**
Suspension in Dining Lounge Licence on Liquor Sales only during the period February 7th to 10th, 1983, inclusive — presently under appeal.

LIQUOR LICENSING BOARD

TABLE III

<u>Licenses Issued</u>	<u>1981-82</u>
Cocktail Lounge	35
Cocktail Lounge -- Cabaret	1
Dining Lounge	27
Dining Room	5
Tavern	0
Off Premises	14
Club	16
Canteen	15
Guest Room	23
Aircraft and Ship	3
Annual Special	21
Special Occasion	1278
Wine Permit	7
Beer Permit	23
Import Permit	575
Private Recreation Facility	1



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, 1983

AUDITOR'S REPORT

The Commissioner
Government of the Northwest Territories

I have examined the balance sheet of the Northwest Territories Liquor Control System as at March 31, 1983 and the statement of income 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.

In my opinion, these financial statements present fairly the financial position of the System as at March 31, 1983 and the results of its operations for the year then ended in accordance with generally accepted accounting principles, applied on a basis consistent with that of the preceding year.



Raymond Dubois
Deputy Auditor General
for the Auditor General of Canada

Ottawa, Ontario
June 9, 1983

Northwest Territories Liquor Control System

Balance Sheet as at March 31, 1983

Assets

		1982
		(in thousands of dollars)
Cash		\$ 1,392
Accounts receivable		112
Due from liquor agents		52
Inventories		<u>2,050</u>
		<u>\$ 3,606</u>

Approved by Management:

Donny Jones

Manager, Finance and Operations

John

General Manager

Liabilities

		1982
		(in thousands of dollars)
Accounts payable		\$ 685
Deferred revenue — licence fees		19
Due to the Government of the Northwest Territories (Note 3)		<u>2,902</u>
		<u>\$ 3,606</u>

Approved by Government of the Northwest Territories:

John

Comptroller General

Eric

Deputy Minister of Finance

Northwest Territories Liquor Control System

Statement of Income
for the year ended March 31, 1983

	1983			1982
	Spirits	Beer	Wine	Total
	(in thousands of dollars)			
Sales	\$ 9,923	\$ 8,217	\$ 2,059	\$ 17,750
Less discounts on sales (Note 4)	240	109	63	374
	9,683	8,108	1,996	17,376
Cost of goods sold (Note 5)	4,187	5,467	1,107	9,222
Gross profit	\$ 5,496	\$ 2,641	\$ 889	8,154
Other income (Note 6)				832
				8,986
Expenses				
Salaries, wages and employee benefits				738
Commissions to agents (Note 4)				279
Utilities				85
Repairs and maintenance				33
Travel				64
Rent, taxes and insurance				79
Telephone, postage, stationery and supplies				56
Consultants and computer services				15
Honoraria				11
Breakage and spoilage				9
Miscellaneous				13
				\$1,382
Net income for the year (Note 3)				\$ 7,604

Northwest Territories Liquor Control System

Notes to Financial Statements

March 31, 1983

1. Operations

The System, established under the Northwest Territories Liquor Ordinance, is responsible for administering the purchase, sale and control of liquor consumption in the Northwest Territories. The System is authorized by the Legislative Assembly to receive working capital advances from time to time not exceeding \$3,000,000 to finance its operations.

Net income for the year, excluding salaries, wages and employee benefits paid by the Government, is to be transferred to the Government of the Northwest Territories in accordance with the Liquor Ordinance.

2. Significant accounting policies

Inventories

Inventories are valued at the landed cost at each location within the System.

Fixed assets

Buildings, furnishings and fixtures, owned and paid for by the Government of the Northwest Territories, are provided for the use of the System without cost and are not reflected in the financial statements.

Salaries, wages and employee benefits

Salaries, wages and employee benefits are charged to expenditures of the Government of the Northwest Territories but are recorded as expenses of the System for the purpose of determining net income for the year.

3. Due to the Government of the Northwest Territories

	1983	1982
	(in thousands of dollars)	
Balance at the beginning of the year	\$ 2,902	\$ 1,798
Net income for the year	8,197	7,604
Salaries, wages and employee benefits paid by the Government of the Northwest Territories on behalf of the system	<u>886</u>	<u>700</u>
	11,985	10,102
Transfer of funds to the Government of the Northwest Territories	<u>9,600</u>	<u>7,200</u>
Balance at end of the year	<u>\$ 2,385</u>	<u>\$ 2,902</u>

4. Agency sales

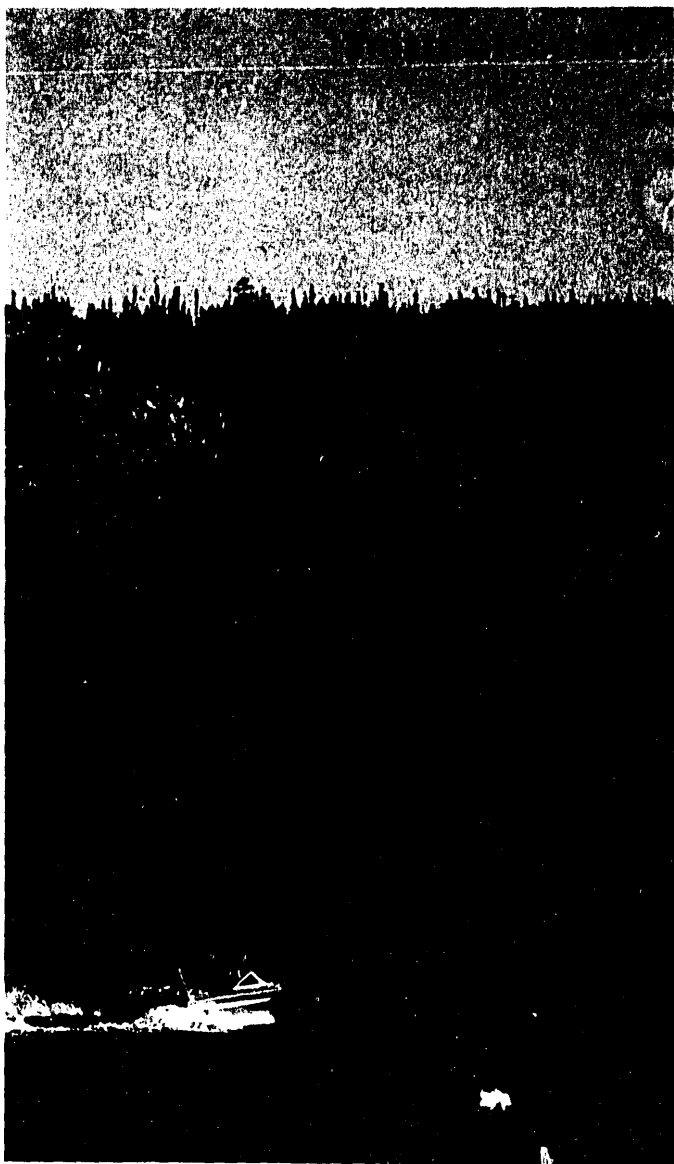
Pursuant to the Liquor Ordinance, agents have been appointed in several loctions to sell liquor. For agents purchasing liquor stock from the System the purchases were subject to discounts of \$412,000 (\$374,000 in 1982). In addition, commissions of \$313,000 (\$279,000 in 1982) were paid to agents selling consigned liquor stocks owned by the System.

5. Costs of goods sold

	<u>1983</u>				<u>1982</u>
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
	(in thousands of dollars)				
Inventories at beginning of the year	\$ 1,333	\$ 280	\$ 437	\$ 2,050	\$ 1,999
Purchases	3,924	4,135	905	8,964	7,725
Freight	<u>345</u>	<u>1,347</u>	<u>281</u>	<u>1,973</u>	<u>1,548</u>
	5,602	5,762	1,623	12,987	11,272
Inventories at end of the year	<u>1,415</u>	<u>295</u>	<u>516</u>	<u>2,226</u>	<u>2,050</u>
Cost of goods sold	<u>\$ 4,187</u>	<u>\$ 5,467</u>	<u>\$ 1,107</u>	<u>\$ 10,761</u>	<u>\$ 9,222</u>

6. Other income

	<u>1983</u>	<u>1982</u>
		(in thousands of dollars)
Licence fees	\$ 404	\$ 387
Interest	222	269
Permits	167	162
Miscellaneous	6	14
	<u>\$ 799</u>	<u>\$ 832</u>



Northwest Territories Liquor Control System

YELLOWKNIFE WAREHOUSE

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>				<u>1982</u>
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	\$ 4,136	\$ 3,140	\$ 1,116	\$ 8,392	\$ 7,630
Less:					
Agency Discount	<u>240</u>	<u>109</u>	<u>63</u>	<u>412</u>	<u>374</u>
Net Sales	<u>3,896</u>	<u>3,031</u>	<u>1,053</u>	<u>7,980</u>	<u>7,256</u>
Cost of Goods Sold:					
Beginning Inventory	251	40	234	525	731
Purchases	1,742	1,632	487	3,861	3,021
Freight	<u>130</u>	<u>245</u>	<u>141</u>	<u>516</u>	<u>398</u>
	2,123	1,917	862	4,902	4,150
Ending Inventory	<u>352</u>	<u>45</u>	<u>282</u>	<u>679</u>	<u>524</u>
Cost of Goods Sold:	<u>1,771</u>	<u>1,872</u>	<u>580</u>	<u>4,223</u>	<u>3,626</u>
Gross Profit	<u>\$ 2,125</u>	<u>\$ 1,159</u>	<u>\$ 473</u>	3,757	3,630
Operating Expenses				<u>139</u>	<u>122</u>
Net Income for the Year				<u>\$ 3,618</u>	<u>\$ 3,508</u>

Northwest Territories Liquor Control System

INUVIK STORE

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>				<u>1982</u>
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	<u>\$ 2,075</u>	<u>\$ 1,274</u>	<u>\$ 253</u>	<u>\$ 3,602</u>	<u>\$ 3,168</u>
Cost of Goods Sold:					
Beginning Inventory	472	80	61	613	506
Purchases	638	548	106	1,292	1,375
Freight	<u>62</u>	<u>335</u>	<u>39</u>	<u>436</u>	<u>343</u>
	1,172	963	206	2,341	2,224
Ending Inventory	<u>306</u>	<u>70</u>	<u>96</u>	<u>472</u>	<u>613</u>
Cost of Goods Sold	<u>866</u>	<u>893</u>	<u>110</u>	<u>1,869</u>	<u>\$1,611</u>
Gross Profit	<u>\$ 1,209</u>	<u>\$ 381</u>	<u>\$ 143</u>	1,733	1,557
Operating Expenses				<u>277</u>	<u>188</u>
Net Income for the Year				<u>\$ 1,456</u>	<u>\$ 1,369</u>

Northwest Territories Liquor Control System

HAY RIVER STORE

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>				<u>1982</u>
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	<u>\$ 1,216</u>	<u>\$ 1,172</u>	<u>\$ 189</u>	<u>\$ 2,577</u>	<u>\$ 2,370</u>
Cost of Goods Sold:					
Beginning Inventory	217	23	50	290	178
Purchases	544	593	94	1,231	1,243
Freight	<u>33</u>	<u>68</u>	<u>15</u>	<u>116</u>	<u>105</u>
	794	684	159	1,637	1,526
Ending Inventory	<u>297</u>	<u>12</u>	<u>58</u>	<u>367</u>	<u>290</u>
Cost of Goods Sold	<u>497</u>	<u>672</u>	<u>101</u>	<u>1,270</u>	<u>1,236</u>
Gross Profit	<u>\$ 719</u>	<u>\$ 500</u>	<u>\$ 88</u>	1,307	1,134
Operating Expenses				<u>152</u>	<u>126</u>
Net Income for the Year				<u>\$ 1,155</u>	<u>\$ 1,008</u>

Northwest Territories Liquor Control System

NORMAN WELLS STORE

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>			<u>1982</u>	
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	
Sales	<u>\$ 472</u>	<u>\$ 360</u>	<u>\$ 70</u>	<u>\$ 902</u>	<u>\$ 489</u>
Cost of Goods Sold:					
Beginning Inventory	147	9	6	162	175
Purchases	155	206	31	392	181
Freight	<u>28</u>	<u>151</u>	<u>18</u>	<u>197</u>	<u>77</u>
	330	366	55	751	433
Ending Inventory	<u>130</u>	<u>42</u>	<u>12</u>	<u>184</u>	<u>162</u>
Cost of Goods Sold	<u>200</u>	<u>324</u>	<u>43</u>	<u>567</u>	<u>271</u>
Gross Profit	<u>\$ 272</u>	<u>\$ 36</u>	<u>\$ 27</u>	335	218
Operating Expenses				<u>61</u>	<u>50</u>
Net Income for the Year				<u>\$ 274</u>	<u>\$ 168</u>

Northwest Territories Liquor Control System

FROBISHER BAY WAREHOUSE

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	1983			1982	
	Spirits	Beer	Wine	Total	Total
	(in thousands of dollars)				
Sales	<u>\$ 411</u>	<u>\$ 737</u>	<u>\$ 84</u>	<u>\$ 1,232</u>	<u>\$ 1,022</u>
Cost of Goods Sold:					
Beginning Inventory	53	15	57	125	102
Purchases	233	340	46	619	473
Freight	<u>46</u>	<u>412</u>	<u>40</u>	<u>498</u>	<u>477</u>
	332	767	143	1,242	1,052
Ending Inventory	<u>135</u>	<u>37</u>	<u>28</u>	<u>200</u>	<u>125</u>
Cost of Goods Sold					
Sold	<u>197</u>	<u>730</u>	<u>115</u>	<u>1,042</u>	<u>927</u>
Gross Profit	<u>\$ 214</u>	<u>\$ 7</u>	<u>(\$ 31)</u>	190	95
Operating Expenses				<u>115</u>	<u>95</u>
Net Income for the Year				<u>\$ 75</u>	<u>\$ —</u>

Northwest Territories Liquor Control System

FORT SMITH AGENCY

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>				<u>1982</u>
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	<u>\$ 626</u>	<u>\$ 569</u>	<u>\$ 195</u>	<u>\$ 1,390</u>	<u>\$ 1,168</u>
Cost of Goods Sold:					
Beginning Inventory	74	15	37	126	148
Purchases	230	302	67	599	469
Freight	<u>18</u>	<u>43</u>	<u>17</u>	<u>78</u>	<u>62</u>
	322	360	121	803	679
Ending Inventory	<u>81</u>	<u>21</u>	<u>35</u>	<u>137</u>	<u>126</u>
Cost of Goods Sold	<u>241</u>	<u>339</u>	<u>86</u>	<u>666</u>	<u>553</u>
Gross Profit	<u>\$ 385</u>	<u>\$ 230</u>	<u>\$ 109</u>	724	615
Operating Expenses				<u>113</u>	<u>96</u>
Net Income for the Year				<u>\$ 611</u>	<u>\$ 519</u>

Northwest Territories Liquor Control System

FORT SIMPSON AGENCY

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	1983			1982	
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	
Sales	<u>\$ 272</u>	<u>\$ 320</u>	<u>\$ 33</u>	<u>\$ 625</u>	<u>\$ 549</u>
Cost of Goods Sold:					
Beginning Inventory	47	39	13	99	89
Purchases	88	155	11	254	260
Freight	<u>9</u>	<u>22</u>	<u>5</u>	<u>36</u>	<u>27</u>
	144	216	29	389	376
Ending Inventory	<u>41</u>	<u>24</u>	<u>11</u>	<u>76</u>	<u>98</u>
Cost of Goods Sold	<u>103</u>	<u>192</u>	<u>18</u>	<u>313</u>	<u>278</u>
Gross Profit	<u>\$ 169</u>	<u>\$ 128</u>	<u>\$ 15</u>	312	271
Operating Expenses				<u>81</u>	<u>74</u>
Net Income for the Year				<u>\$ 231</u>	<u>\$ 197</u>

Northwest Territories Liquor Control System

PINE POINT AGENCY

Statement of Operations
for the year ended March 31, 1983
(\$000's)

	<u>1983</u>			<u>1982</u>	
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	<u>\$ 503</u>	<u>\$ 413</u>	<u>\$ 60</u>	<u>\$ 976</u>	<u>\$ 982</u>
Cost of Goods Sold:					
Beginning Inventory	61	12	18	91	62
Purchases	190	211	25	426	451
Freight	<u>17</u>	<u>16</u>	<u>6</u>	<u>39</u>	<u>40</u>
	268	239	49	556	553
Ending Inventory	<u>65</u>	<u>8</u>	<u>19</u>	<u>92</u>	<u>90</u>
Cost of Goods Sold					
Sold	<u>203</u>	<u>231</u>	<u>30</u>	<u>464</u>	<u>463</u>
Gross Profit	<u>\$ 300</u>	<u>\$ 182</u>	<u>\$ 30</u>	512	519
Operating Expenses				<u>97</u>	<u>97</u>
Net Income for the Year				<u>\$ 415</u>	<u>\$ 422</u>

Northwest Territories Liquor Control System

TUNGSTEN AGENCY

Statement of Operations
for the year ended March 31, 1983
(\$000's)

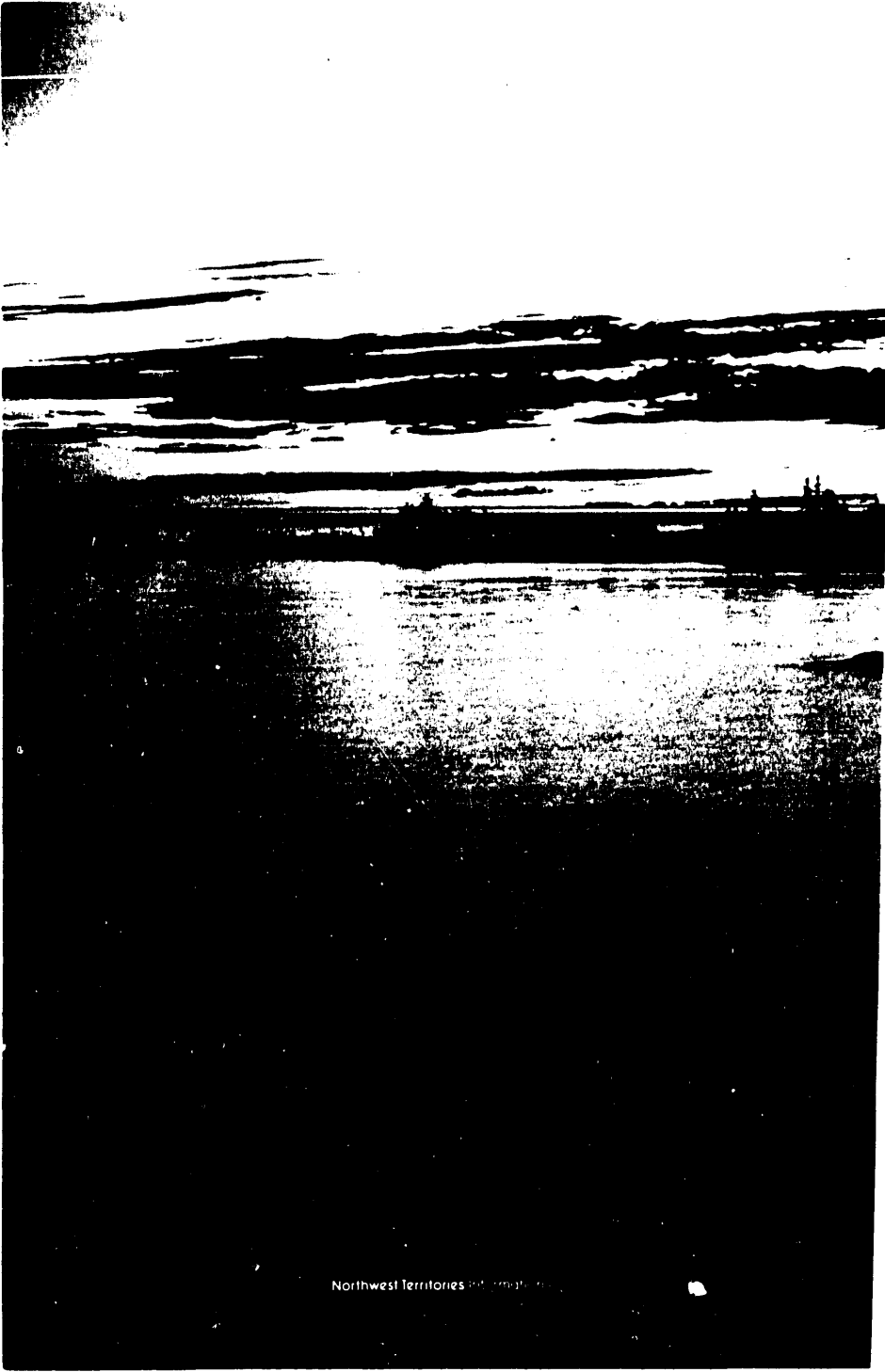
	1983			1982	
	<u>Spirits</u>	<u>Beer</u>	<u>Wine</u>	<u>Total</u>	<u>Total</u>
Sales	<u>\$ 121</u>	<u>\$ 129</u>	<u>\$ 34</u>	<u>\$ 284</u>	<u>\$ 295</u>
Cost of Goods Sold:					
Beginning Inventory	11	3	5	19	8
Purchases	56	106	18	180	190
Freight	<u>2</u>	<u>13</u>	<u>1</u>	<u>16</u>	<u>19</u>
	69	122	24	215	217
Ending Inventory	<u>8</u>	<u>4</u>	<u>2</u>	<u>14</u>	<u>19</u>
Cost of Goods Sold					
Sold	<u>61</u>	<u>118</u>	<u>22</u>	<u>201</u>	<u>198</u>
Gross Profit	<u>\$ 60</u>	<u>\$ 11</u>	<u>\$ 12</u>	83	97
Operating Expenses				<u>12</u>	<u>12</u>
Net Income for the Year				<u>\$ 71</u>	<u>\$ 85</u>

Northwest Territories Liquor Control System

CAMBRIDGE BAY AGENCY

Statement of Operations
for the year ended March 31, 1962
Source

	1963			1962
	Spirits	Beer	Wine	Total
Sales	—	\$ 102	—	\$ 102
Cost of Goods Sold:				
Beginning Inventory	—	—	—	—
Purchases	—	41	—	41
Freight	—	42	—	42
	—	83	—	83
Ending Inventory	—	5	—	5
Cost of Goods Sold	—	78	—	78
Gross Profit	—	\$ 24	—	24
Operating Expenses				13
Net Income for the Year				\$ 11



Northwest Territories Information