



Yukon Liquor Corporation
24th Annual Report
April 1, 2000 to March 31, 2001

LETTER OF TRANSMITTAL 1

PRESIDENT & C.E.O.'s REPORT 2

OPERATIONAL REVIEW 3

Corporate Services 3

Operations and Purchasing 4

Licensing and Development 5

FINANCIAL OVERVIEW

Comparative Statement of Sales by Product Type 6

Schedule of Spirits, Wine and Beer Sales by Store 8

Schedule of Hectolitres of Liquor Sold 9

FINANCIAL STATEMENTS

Management's Responsibility for Financial Reporting 10

Auditor's Report 11

Balance Sheet 12

Statement of Income 13

Statement of Cash Flows 14

Notes to the Financial Statements 15

LICENCES & PERMITS 19

LICENCE INFRACTIONS 20



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OFFICE OF THE PRESIDENT

Our File:
Your File:

The Honourable Sue Edelman
Minister responsible for the
Yukon Liquor Corporation
Executive Council Office
Government of Yukon
P.O. Box 2703
Whitehorse, Yukon
Y1A 2C8

Dear Mrs. Edelman:

I have the honour to submit the Annual Report of the Yukon Liquor Corporation for the fiscal year ended March 31, 2001.

I respectfully request that this report be tabled in the Legislative Assembly, in accordance with Section 14 of the *Liquor Act*.

Respectfully submitted:

A handwritten signature in black ink, appearing to read "Bill D. Webber".

Bill D. Webber
President and
Chief Executive Officer



2 President & C.E.O.'s Report

The year 2000/2001 was a challenging and interesting year for the Yukon Liquor Corporation (YLC). While maintaining its administrative mandate under the *Liquor Act and Liquor Tax Act* it assumed a supportive role in a complete review of the Act and Regulations. An independent four-person Liquor Act and Regulation Review Committee was appointed by the Minister Responsible for the Yukon Liquor Corporation to undertake public consultation throughout the Yukon. The Corporation supported the Committee by providing a secretariat function to assist the review committee in its work. The challenge for the Corporation was to continue to respond to the normal demands while assuming the additional task of a comprehensive review.



Recognizing that our employee's throughout Yukon are our greatest asset we continue to encourage staff training and development and strive to facilitate temporary assignments and educational opportunities for our employees.

Quality service continues to be the focus of the Corporation – in our liquor stores, through service to licensees, in issuing licences and permits and in delivering service and product education to the hospitality industry and to the public.

The Corporation has an important role to play as a corporate citizen. A significant aspect of this role is education about the responsible use of beverage alcohol for the consuming public and for our customers. In conjunction with other government and special interest partners, YLC continues to assist in the development, promotion and distribution of materials promoting the safe use of beverage alcohol.

Although the economy has experienced a downturn, the 2000/2001 fiscal year represented a year of reasonable financial stability with a slight increase of 200 hectolitres in beverage alcohol consumption, and a \$151 thousand increase in sales from 1999/2000. The net income for the year was \$4.8 million with remittances to the Yukon Territorial government's General Revenue Fund totalling \$7.3 million in respect to the 2000/2001 fiscal year for Net Income and Liquor Tax.

The Corporation gratefully acknowledges the support and co-operation of the members of the Royal Canadian Mounted Police in carrying out their regulatory responsibility.

We wish to thank our employees who are committed to Corporation goals of improving efficiency, building on existing or new initiatives, and providing quality customer service balanced with social responsibility and environmentally conscientious activities.

Bill D. Webber
President and Chief Executive Officer

The Yukon Liquor Corporation (YLC) is a Yukon Territory crown corporation responsible for the administration of the *Liquor Act*, *Liquor Regulations* and the *Liquor Tax Act*, and for the purchase and sale of all beverage alcohol products in the Territory.

The Yukon Liquor Corporation was established in 1977. This year marks its twenty-fourth anniversary conducting the dual duties of the control and sale of beverage alcohol and the licensing and inspection of premises licensed for the service and consumption of liquor.

YLC operates six (6) liquor stores where consumers are offered an extensive and varied product selection from countries around the world. Included in our 859 standard product line this year were 67 new listings.

Through the special order feature, our customers may purchase from a wide selection of domestic and imported liquor products not carried in our regular inventory. This year we processed 97 special orders.

For the fiscal year, the Yukon Liquor Corporation issued a total of 340 licenses for the sale of spirits, wine and beer. In addition to annual licence renewals, this figure represents issuance of 14 new licences and 19 licences transferred in conjunction with changes in proprietorship of 12 businesses. As well, 331 Special Occasion and 151 Reception Permits were issued.

The operational and administrative duties of the Corporation are conducted through its three branches; Corporate Services, Operations and Purchasing, and Licensing and Development.

Corporate Services

The **Finance & Systems** section provides for the financial control and reporting needs of the Yukon Liquor Corporation.

This section is also responsible for the enhancement of current information systems and the development of any new systems as required.

During the year, the Corporation continued refinement on its Point of Sale system.

The **Administration** unit provides YLC with various essential support services. Responsibilities and services of this section include electronic and tele-communications, records management, contract administration, receptionist functions, and other general support services to all branches of the Corporation.

The **Human Resources** unit provides a support service function to all three branches on a territory-wide basis, ensuring the Yukon Liquor Corporation meets its human resource needs while complying with territorial government legislation and guidelines.

The **Communications & Social Responsibility** unit conducts research, analysis and development on corporate policies and procedures and coordinates the Corporation's social responsibility initiatives.

The unit also develops and implements communications and marketing strategies and works in partnerships with other government departments and community stakeholders to address issues surrounding alcohol misuse.

This year the Corporation continued to work closely with a Yukon-wide, community-based substance abuse prevention coalition to support the “Dallton” mascot program. Throughout the summer, Dallton appeared at several events to promote healthy choices and substance abuse awareness.

The monthly Licensee Information Bulletin, introduced in 1994 continues to provide opportunities to communicate Corporation and industry initiatives and clarify new or changing policies.

Operations and Purchasing

The Operations and Purchasing Branch provides service to the public and to licensees by:

- operating the Corporation’s network of six (6) retail stores;
- operating the central warehouse and distribution centre in Whitehorse;
- working closely with suppliers to develop and implement progressive marketing and merchandising programs for shelf management, merchandise display and in-store tasting programs;
- providing product and service information to customers and staff in the monthly Licensee Information Bulletin;
- applying stringent procedures to ensure quality control;
- developing and implementing proposals for the improvement of facilities and services offered to customers;
- purchasing beverage alcohol products in response to evolving consumer demand;
- placing special orders on behalf of licensees and individuals for products not carried by the Corporation;
- operating a Bottle Your Own Wine (BYOW) facility at the Whitehorse liquor store providing value, selection and quality to our retail customers;
- working with local service clubs and industry representatives to organize and facilitate annual wine and beer tasting festivals including an on site store; and
- participating in the beverage container deposit and refund system to support and encourage recycling.

During 2000/2001 we maintained our commitment to foster environmentally sustainable initiatives by expanding our partnership with a non-profit recycling group to handle and ship empty beer kegs on our behalf.

Corporation staff continued to operate territorial government agencies annexed to liquor store operations in communities outside Whitehorse. The territorial agents provide services for a variety of territorial government departments including Motor Vehicles, Renewable Resources and Justice.

Licensing and Development

The Licensing and Development Branch is responsible for liquor licensing, inspecting licensed premises, interpreting and enforcing liquor legislation, and developing and delivering responsible server programs to reach the ultimate goal of socially responsible service of beverage alcohol throughout the Yukon.

The Branch endeavours to promote voluntary compliance particularly in the areas of public safety concerns such as sale and service of liquor to minors and intoxicated persons, and overcrowding. Liquor inspectors maintain a balanced schedule of walk-through and full-premise inspections of licensed establishments and permitted functions. These inspections focus on aspects of both operations and facilities.

During routine visits to licensed premises and permit functions the majority of infractions noted during the year were in the areas of overservice and permitting intoxicated persons to remain on premises. Although it is the inspectors' duty to identify instances of non-compliance and initiate enforcement action when necessary, liquor inspectors spend a great deal of time consulting with licensees to promote greater awareness and compliance. Licensees and their staff are encouraged to participate in various training and information sessions offered by the Branch.

The Be A Responsible Server (B.A.R.S.) program was delivered to a total of 48 participants at five seminars in Whitehorse. Four training sessions were held for licensees, managers and servers, and one was held for permit holders. These programs are designed to make the participants aware of their legal responsibilities as alcohol providers and to encourage both responsible service and voluntary compliance.

This Branch continues to work closely with other regulatory agencies within the Yukon and in other jurisdictions to stay abreast of and address liquor service and health and safety issues in regard to licensed premises.

Twenty-two applications for new liquor licences were received. Of these, 14 were approved and five were deferred during the current year. These figures do not necessarily reflect all those who expressed interest in licensing matters.

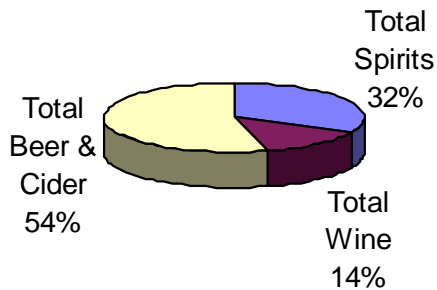
6 Financial Overview

Yukon Liquor Corporation ~ 24th Annual Report ~ April 1, 2000 - March 31, 2001

Comparative Statement of Sales by Product Type [\$000's]

		<u>2000/2001</u>		<u>1999/2000</u>	
		\$	%	\$	%
Rye	Domestic	1,311	7.0	1,341	7.1
	Imported	70	0.4	75	0.4
Scotch	Domestic	0	0	0	0.0
	Imported	406	2.2	410	2.2
Rum	Domestic	923	4.9	926	4.9
	Imported	47	0.2	45	0.2
Gin	Domestic	62	0.3	71	0.4
	Imported	111	0.6	96	0.5
Brandy	Domestic	13	0.1	15	0.1
	Imported	101	0.5	109	0.6
Liqueur	Domestic	220	1.2	220	1.2
	Imported	785	4.2	722	3.9
Vodka	Domestic	1,327	7.0	1,232	6.6
	Imported	90	0.5	86	0.5
Coolers	Domestic	465	2.5	466	2.5
	Imported	17	0.1	15	0.1
Other	Domestic	24	0.1	25	0.1
	Imported	120	0.6	110	0.6
Total Spirits		<u>6,092</u>	<u>32.4</u>	<u>5,964</u>	<u>31.9</u>
Wine	Domestic	1,146	6.1	1,098	5.9
	Imported	1,427	7.6	1,440	7.7
Total Wine		<u>2,573</u>	<u>13.6</u>	<u>2,538</u>	<u>13.6</u>
Beer	Domestic	9,357	49.6	9,406	50.3
	Imported	300	1.6	249	1.3
Cider	Domestic	535	2.8	549	2.9
	Imported	0	0.0	0	0.0
Total Beer & Cider		<u>10,192</u>	<u>54.0</u>	<u>10,204</u>	<u>54.5</u>
Total		<u><u>18,857</u></u>	<u><u>100.0</u></u>	<u><u>18,706</u></u>	<u><u>100.0</u></u>

Sales by Product Type



Why does a 12 bottle case of domestic beer cost \$15.95?

Producer	\$4.19
Federal Duty & Excise Tax	1.23
Freight	1.07
YLC Mark-up	5.90
Yukon Liquor Tax	1.49
Refundable Deposits	1.20
G.S.T.	0.87

Why does a typical 750 ml bottle of spirits cost \$21.60?

Producer	\$3.52
Federal Duty & Excise Tax	3.32
Freight	0.16
YLC Mark-up	10.86
Yukon Liquor Tax	2.14
Refundable Deposits	0.25
Recycling Fee	0.10
G.S.T.	1.25

Why does a typical 750 ml bottle of wine cost \$8.95?

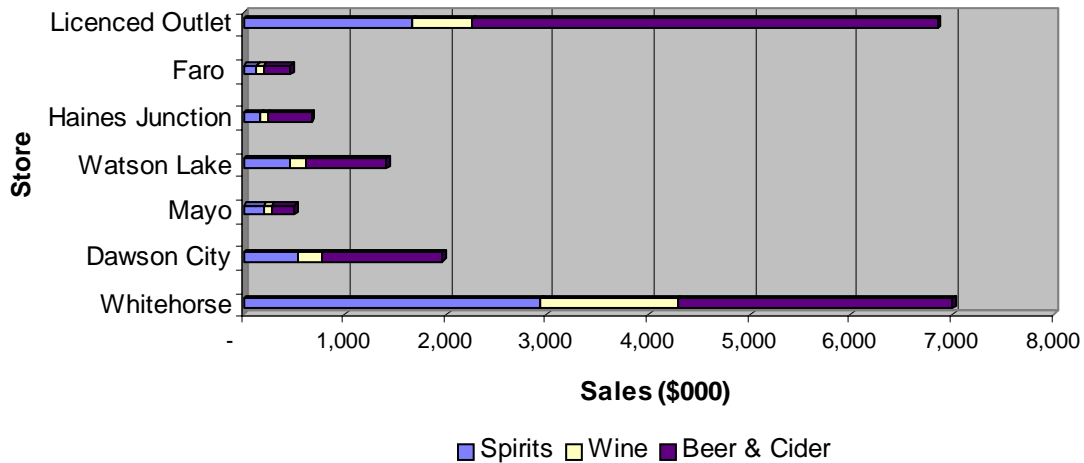
Producer	\$2.52
Federal Duty & Excise Tax	0.38
Freight	0.17
YLC Mark-up	4.15
Yukon Liquor Tax	0.87
Refundable Deposits	0.25
Recycling Fee	0.10
G.S.T.	0.51

8 Financial Overview

Schedule of Spirits, Wine and Beer & Cider Sales by Store
[\$000's]

	Spirits	Wine	Beer & Cider	2000/2001	1999/2000
	\$	\$	\$	\$	\$
Whitehorse	2,928	1,357	2,718	7,003	6,918
Dawson City	543	235	1,183	1,961	1,967
Mayo	195	78	225	498	470
Watson Lake	457	168	785	1,410	1,438
Haines Junction	171	70	429	670	650
Faro	128	70	265	463	456
Licenced Outlet	<u>1,670</u>	<u>595</u>	<u>4,587</u>	<u>6,852</u>	<u>6,807</u>
Total 2000/2001	<u>6,092</u>	<u>2,573</u>	<u>10,192</u>	<u>18,857</u>	
% of Sales	<u>32.4</u>	<u>13.6</u>	<u>54.0</u>	<u>100.0</u>	
Total 1999/2000	<u>5,964</u>	<u>2,538</u>	<u>10,204</u>		<u>18,706</u>
% of Sales	<u>31.9</u>	<u>13.6</u>	<u>54.5</u>		<u>100.0</u>

Sales by Location

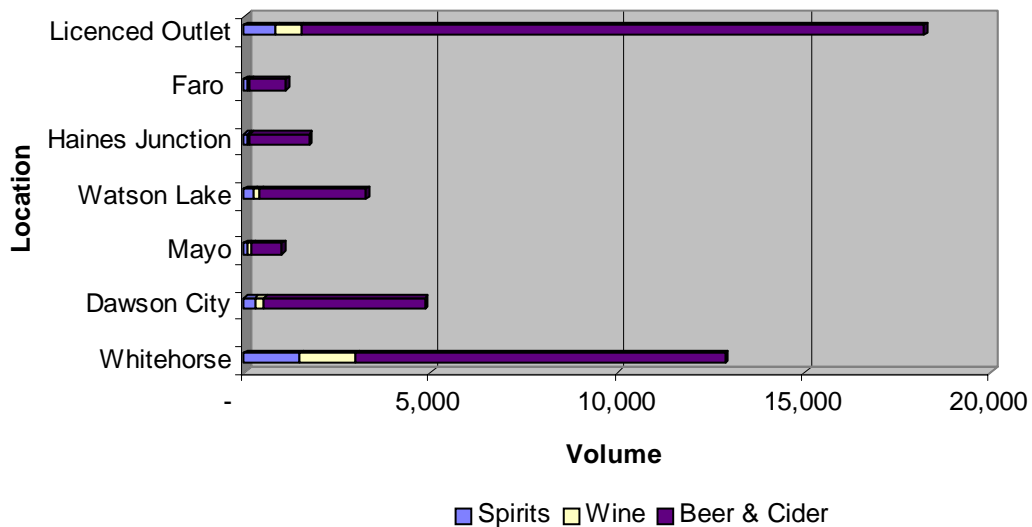


Schedule of Hectolitres of Liquor Sold

	Spirits	Wine	Beer & Cider	2000/2001	1999/2000
Whitehorse	1,477	1,504	9,885	12,866	12,809
Dawson City	273	259	4,301	4,833	4,843
Mayo	98	86	816	1,000	953
Watson Lake	230	185	2,855	3,270	3,368
Haines Junction	86	77	1,557	1,720	1,666
Faro	65	77	964	1,106	1,081
Licenced Outlet	<u>843</u>	<u>663</u>	<u>16,699</u>	<u>18,205</u>	<u>18,080</u>
Total 2000/2001	<u>3,072</u>	<u>2,851</u>	<u>37,077</u>	<u>43,000</u>	
Total 1999/2000	<u>3,016</u>	<u>2,874</u>	<u>36,910</u>		<u>42,800</u>
% Increase/(Decrease)	1.9%	(0.8)%	0.5%		0.5%

Note: One hectolitre equals 22 imperial gallons

Hectolitres Sold by Store




MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The management of the Yukon Liquor Corporation is responsible for establishing and maintaining a system of books, records, internal controls and management practices designed to:

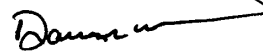
- provide reasonable assurance that reliable financial information is produced;
- safeguard and control the assets of the Corporation;
- ensure that the transactions of the Corporation are in accordance with relevant legislation, and by-laws of the Corporation;
- ensure that the resources of the Corporation are managed efficiently and economically; and,
- ensure that the operations of the Corporation are carried out effectively.

Management is also responsible for the integrity and objectivity of the financial statements of the Corporation. The accompanying financial statements, which include amounts based on management's best estimates as determined through experience and judgement, are in accordance with generally accepted accounting principles.

These financial statements have been independently audited by the Corporation's external auditor, the Auditor General of Canada, and her report is included in this report.



Bill D. Webber
President & CEO



David Steele
Director, Corporate Services

June 1, 2001



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Executive Council Member responsible for the
Yukon Liquor Corporation

I have audited the balance sheet of the Yukon Liquor Corporation as at March 31, 2001 and the statements of income and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's 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 Corporation as at March 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Liquor Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept and the financial statements are in agreement therewith, and the transactions of the Corporation that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the *Liquor Act* and regulations, the *Liquor Tax Act*, the *Financial Administration Act* and regulations and the by-laws of the Corporation.

A handwritten signature in black ink, appearing to read 'Ron Thompson'.

Ronald C. Thompson, CA
Assistant Auditor General
for the Auditor General of Canada

Ottawa, Canada
June 1, 2001

YUKON LIQUOR CORPORATION
Balance Sheet
as at March 31, 2001

ASSETS

	<u>2001</u>	<u>2000</u>
	(thousands of dollars)	
Current		
Cash	\$ 126	\$ 1,550
Accounts receivable (Note 3)	128	169
Inventories	1,887	1,916
	2,141	3,635
Capital assets (Note 4)	3,075	3,291
	\$ 5,216	\$ 6,926

LIABILITIES & EQUITY

Current		
Accounts payable (Note 3)	\$ 817	\$ 1,693
Due to the Government of the Yukon (Note 5)	480	1,009
Deferred revenue	92	90
	1,389	2,792
Accrued employee future benefits	752	843
	2,141	3,635
Commitments (Note 9)		
Equity (Note 6)	3,075	3,291
	\$ 5,216	\$ 6,926

Approved by Management:



President and Chief Executive Officer



Director, Corporate Services

The accompanying notes are an integral part of the financial statements

YUKON LIQUOR CORPORATION
Statement of Income
 for the year ended March 31, 2001

	<u>2001</u>	<u>2000</u>
	(thousands of dollars)	
Sales		
Beer	\$ 10,192	\$ 10,204
Spirits	6,092	5,964
Wine	2,573	2,538
	<u>18,857</u>	<u>18,706</u>
Cost of goods sold	<u>8,955</u>	<u>8,942</u>
Gross profit	<u>9,902</u>	<u>9,764</u>
Expenses		
Salaries and benefits	3,421	3,390
Rent, utilities and maintenance	694	698
Amortization	318	403
Cartage	217	187
Professional services	173	115
Travel and communications	142	135
General and office supplies	113	98
Miscellaneous	93	77
Board expenses	34	38
	<u>5,205</u>	<u>5,141</u>
Operating income	<u>4,697</u>	<u>4,623</u>
Other income		
Fees, permits and licences	106	110
Miscellaneous	21	(11)
	<u>127</u>	<u>99</u>
Net Income	<u><u>\$ 4,824</u></u>	<u><u>\$ 4,722</u></u>

The accompanying notes are an integral part of the financial statements

YUKON LIQUOR CORPORATION
Statement of Cash Flows
for the year ended March 31, 2001

	2001	2000
	(thousands of dollars)	
Cash provided by (used in):		
Operating activities:		
Net income for the year	\$ 4,824	\$ 4,722
Amortization	318	403
Changes in non-cash working capital:		
(Increase) decrease in accounts receivable	41	(82)
Decrease in inventories	29	26
Increase (decrease) in due to the Government of the Yukon	(529)	30
Increase (decrease) in accounts payable	(876)	383
Increase (decrease) in deferred revenue	2	(5)
Increase (decrease) in accrued employee future benefits	(91)	72
	3,718	5,549
Investing activities:		
Acquisition of capital assets	(102)	(62)
Financing activities:		
Adjusted net income due to the Government of the Yukon	(5,040)	(5,063)
Repayment of advance from the Government of the Yukon	-	(500)
	(5,040)	(5,563)
(Decrease) in cash during the year	(1,424)	(76)
Cash at the beginning of the year	1,550	1,626
Cash at the end of the year	\$ 126	\$ 1,550

The accompanying notes are an integral part of the financial statements

YUKON LIQUOR CORPORATION
Notes to the Financial Statements
 March 31, 2001

1. Authority and Operations

The Corporation, established in 1977, under the *Liquor Act*, is responsible for the purchase, distribution and sale of liquor within the Territory. It is responsible for controlling the sale of liquor through licensed outlets and enforcing all matters related to the *Act*.

In accordance with the *Liquor Act*, the net income for the year, before amortization, less amounts expended on capital assets, is remitted to the Government of the Yukon on a monthly basis.

The Corporation is required by the *Liquor Tax Act* to collect liquor taxes on behalf of the Government of the Yukon and to remit these taxes on a monthly basis. The current rate is 12%, and is applied on the amount the Corporation would otherwise charge for its products.

In accordance with the provisions of the Beverage Container Regulations under the *Environment Act*, the Corporation collects various beverage container deposits and recycling surcharges on the sale of its products. These amounts are remitted to the Recycling Fund on a monthly basis after deducting deposit refunds paid and fees earned under the program.

The employees of the Corporation are paid by the Government of the Yukon. The Corporation reimburses the Government on a monthly basis for salaries and benefits expenses paid.

2. Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The more significant accounting policies are as follows:

Inventories

Inventories are comprised of alcoholic beverages for resale and are valued at the lower of landed cost at Whitehorse, or market.

Amortization

Amortization of capital assets owned by the Corporation is calculated by the straight-line method over the estimated useful life of the assets as follows:

Buildings	20 years
Furniture and office equipment	5 years
Equipment	5 years
Systems equipment & software	3 years
Leasehold improvements	4 years or remaining term of lease

Employee future benefits

Under the conditions of employment, employees may qualify and earn employment benefits for vacation, sick, compensatory and personal leave, travel bonus, and severance benefits. The benefit obligation was determined on an actuarial basis. The key assumptions used were a liability discount rate of 7% and an annual rate of general salary escalation of 3%. The obligation for vacation leave, sick leave, and severance benefits were calculated using the projected benefit method pro-rated on service. The remainder was calculated assuming all employees would receive the benefits on valuation date.

YUKON LIQUOR CORPORATION

Notes to the Financial Statements

March 31, 2001

2. Accounting Policies (continued)**Services provided without charge**

The Corporation does not record the value of services it receives or provides without charge. These services include the following:

- capital assets such as liquor store buildings, store and warehouse improvements, furniture and equipment acquired by the Government of the Yukon until March 31, 1990 for use by the Corporation, see (Note 4 b);
- services, primarily accommodation, provided by the Government of the Yukon;
- services provided by the Corporation to the Government in its capacity of Territorial Agent in localities outside of Whitehorse; and
- annual audit provided by the Office of the Auditor General of Canada.

3. Fair Values of Financial Instruments

Accounts receivable, accounts payable and the amount due to the Government of the Yukon are incurred in the normal course of business. All are due on demand and are non-interest bearing. The carrying amounts of each approximate fair values because of their short maturity.

4. Capital Assets

a) Capital assets purchased by the Corporation after March 31, 1990 are as follows:

	2001		2000
	Cost	Accumulated Amortization	Net book Value
			Net book Value
		(thousands of dollars)	
Land	\$ 268	\$ 0	\$ 268
Buildings	4,373	1,711	2,662
Equipment	331	249	82
Systems equipment and software	532	474	58
Leasehold improvements	51	51	0
Furniture and office equipment	57	52	5
	<u>\$ 5,612</u>	<u>\$ 2,537</u>	<u>\$ 3,075</u>
			<u>\$ 3,291</u>

YUKON LIQUOR CORPORATION
Notes to the Financial Statements
 March 31, 2001

4. Capital Assets (continued)

- b) The un-amortized cost of capital assets acquired by the Government of the Yukon until March 31, 1990 and held by the Corporation is as follows:

	2001	2000
	(thousands of dollars)	
Liquor store buildings	\$ 978	\$ 978
Store and warehouse improvements	1,167	1,167
Equipment	375	375
Furniture and office equipment	104	104
	<u>\$ 2,624</u>	<u>\$ 2,624</u>

5. Due to the Government of the Yukon

	2001	2000
	(thousands of dollars)	
Adjusted net income due (Note 7a)	\$ 20	\$ 324
Reimbursements due for salaries paid to employees on behalf of the Corporation	390	456
Liquor tax (Note 7b)	30	176
Net remittances due to the Recycling Fund	40	53
	<u>\$ 480</u>	<u>\$ 1,009</u>

6. Equity

This amount represents the sum of the net book value of capital assets purchased by the Corporation after March 31, 1990, \$3,075,000 (2000 - \$3,291,000) which the Government of the Yukon has provided to the Yukon Liquor Corporation on a cumulative basis.

7. Related party transactions

a) **Adjusted Net Income**

Calculation of adjusted net income due to the Government of the Yukon for the year (Note 1):

	2001	2000
	(thousands of dollars)	
Balance due at the beginning of the year	\$ 324	\$ 198
Net income	4,824	4,722
Capital expenditures	(102)	(62)
Capital asset amortization	318	403
Adjusted net income due to the Government of the Yukon	<u>5,040</u>	<u>5,063</u>
Less: remitted during the year	<u>(5,344)</u>	<u>(4,937)</u>
Balance due at the end of the year	<u>\$ 20</u>	<u>\$ 324</u>

YUKON LIQUOR CORPORATION

Notes to the Financial Statements

March 31, 2001

7. Related party transactions (continued)b) **Liquor tax**

Liquor tax collected and due to the Government of the Yukon for the year (Note 1):

	<u>2001</u>	<u>2000</u>
	(thousands of dollars)	
Balance due at the beginning of the year	\$ 176	\$ 148
Liquor tax collected during the year	2,263	2,245
Less: remitted during the year	<u>(2,209)</u>	<u>(2,217)</u>
Balance due at the end of the year	<u>\$ 30</u>	<u>\$ 176</u>

c) **Other transactions**

The value of services provided without charge by the Government of the Yukon to the Corporation is estimated to be \$552,842 (2000 - \$552,634). The value of services provided without charge by the Corporation to the Government is estimated to be \$385,000 (2000 - \$360,000). These transactions were not included in the financial statements of the Corporation.

8. Pensions

The Corporation and its employees, who are deemed to be employees of the Government of the Yukon, make contributions to the Public Service Superannuation Account administered by the Government of Canada. These contributions represent the Corporation's total pension obligation and are recognized in the accounts on a current basis. The Corporation's contributions to the plan have been limited to an amount equal to the employee's contributions on account of current services. Effective April 1, 2000, the Corporation's contributions increased to an amount reflecting the full cost of the employer's contributions. As of April 1, 2000, the employer's contribution is 2.14 times the employees' contribution. The Corporation is not required to make any contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

	<u>2001</u>	<u>2000</u>
	(thousands of dollars)	
Employer Contribution	\$245	\$120
Employee Contribution	<u>118</u>	<u>120</u>
Total	<u>\$363</u>	<u>\$240</u>

9. Commitments

The Corporation has the following commitments for annual rentals of leased premises:

2002	210,120
2003	210,120
2004	210,120
2005	210,120
2006	210,120
2007	17,510

LIQUOR LICENCES ISSUED

	2000/2001	1999/2000
Liquor Cocktail Lounge	64	65
Beer Tavern	-	-
Dining Room	61	63
Restaurant Beer and Wine	45	43
Liquor Off Premises	70	76
Beer Off Premises	22	23
Club Liquor	9	11
Beer Canteen	-	-
Special Liquor	33	32
Aircraft/Ship Liquor	4	4
Room Service Liquor	22	22
Mess Liquor	1	1
Sport Stadium	1	1
Recreation Facility	6	7
Brewer's	1	1
Brewer's Retail	<u>1</u>	<u>1</u>
TOTAL	<u>340</u>	<u>350</u>

PERMITS ISSUED

Reception Permits	151	166
Special Occasion Permits	<u>331</u>	<u>300</u>
TOTAL	<u>482</u>	<u>466</u>

SUMMARY OF PERMITS ISSUED BY LOCATION DURING 2000/2001

	Reception	Special Occasion
Whitehorse Office	100	199
Faro Store	2	14
Mayo Store	2	6
Watson Lake Store	2	24
Haines Junction Store	11	37
Dawson City Store	<u>34</u>	<u>51</u>
TOTAL	<u>151</u>	<u>331</u>

SUMMARY OF LICENCE INFRACTIONS

During the 2000/2001 fiscal year six (6) liquor licence suspensions were upheld and ten (10) letters of warning were issued for offences under the *Liquor Act and Regulations*:

- Permitting riotous or disorderly conduct on premises
- Permitting intoxicated patrons to enter or remain on premises
- Over-serving patrons
- Sale of liquor to intoxicated persons or persons appearing to be intoxicated
- Sale/service of liquor outside the authorized hours
- Violation of entertainment policies
- Failure to maintain premises health and safety standards
- Exceeding the maximum seating limits (overcrowding)