



# YUKON LOTTERY COMMISSION

ANNUAL REPORT • 2011-2012





Cover Photo: Ski biathlon athlete, 2012, Arctic Winter Games, Whitehorse, Yukon

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The Honourable Scott Kent  
Minister Responsible for Yukon Lottery Commission  
Government of Yukon

March 28, 2013

Dear Minister Kent,

I have the honour to present you with the Annual Report of the Yukon Lottery Commission for the fiscal year ended March 31, 2012.

Respectfully submitted,

Connie Riemer  
Chair  
Yukon Lottery Commission

# Message from the Yukon Lottery Commission

I am pleased to share with you the 2011/12 Annual Report of the Yukon Lottery Commission.

The Yukon Lottery Commission is created and mandated under the *Public Lotteries Act and Regulations*. A key responsibility of the Commission is the allocation of profits from the sale of lottery tickets. Oversight for public lotteries in Yukon is provided by both the Commission and the Western Canada Lottery Corporation.

2011/12 was a busy year for the Commission. Some of our key accomplishments over the past fiscal include:

- ▶ Strategic planning — identifying strategic revenue and expenditure issues to guide the Commission's strategies and activities for the next five years; and,
- ▶ An extensive governance review culminating in the development of a new governance framework that supports role clarity and efficiencies in board operations.

We are pleased to be able to support a number of art, sport and recreation initiatives in communities across the Yukon either through our programs or through our funding support to the Yukon government Sport and Recreation Branch and Cultural Services Branch. Funding support however is but one aspect of what contributes to the ideal conditions for healthy and vibrant communities. The common link between the Commission and our partners are the organizations we support. To better serve these organizations requires building strong and sustainable relationships with all our partners in art, sport and recreation. Moving forward our efforts will focus on these critical relationships as a key component of the Commission's strategy in 2012/13.

This year I had the honour of participating in some of the medal ceremonies for the 2012 Arctic Winter Games held in Whitehorse. These games are always an exciting time for northerners to compete, perform and reunite with or meet new friends. The Commission has for many years supported these games and congratulates the participants and organizers on a job well done.

I would like to take this opportunity to thank the staff of Lotteries Yukon for their hard work and the support they have provided to the Commission over the past fiscal year.

Sincerely,



Connie Riemer, Chair  
Yukon Lottery Commission

*Photo: Connie Riemer,  
Chair awarding medals  
during the 2012 Arctic  
Winter Games held in  
Whitehorse, Yukon.*



# Operations and Sales Report

Through the tremendous support of the Commission, Lotteries Yukon has made significant strides in a number of key areas. One of those key areas includes website upgrades that have supported the modernization of our funding programs and created a fully bilingual website.

The staff at Lotteries Yukon recognizes that the majority of funding program recipients are non-profit groups that rely heavily on volunteers. We work hard at finding ways to support these groups by balancing our need for transparent and accountable governance with the realities of these volunteer based non-profit organizations. Through the reorganization of existing positions we have aligned our work so that program applicants have one point of contact — the Program Administrator. The feedback on this change has been overwhelmingly positive.

On the lottery side of our business a new Lottery Ticket Centre Retailer Agreement was introduced. This tripartite agreement between the retailer, the Commission and Western Canada Lottery Corporation provides added clarity about the roles, responsibilities and standards retailers are expected to follow as a lottery ticket centre.

In 2010/11 a series of record breaking Lotto Max jackpots brought higher than anticipated revenues. While these same conditions did not exist in 2011/12, Lotteries Yukon still achieved the 2nd highest year of sales ever with a profit of \$2.6 million. Although sales were down slightly for Lotto Max and 649 we achieved record breaking sales in Keno, Western 649, Pick 3 and Scratch 'N' Win. For more details on sales a five year comparison is provided on page five.



Colleen Parker  
General Manager, Lotteries Yukon

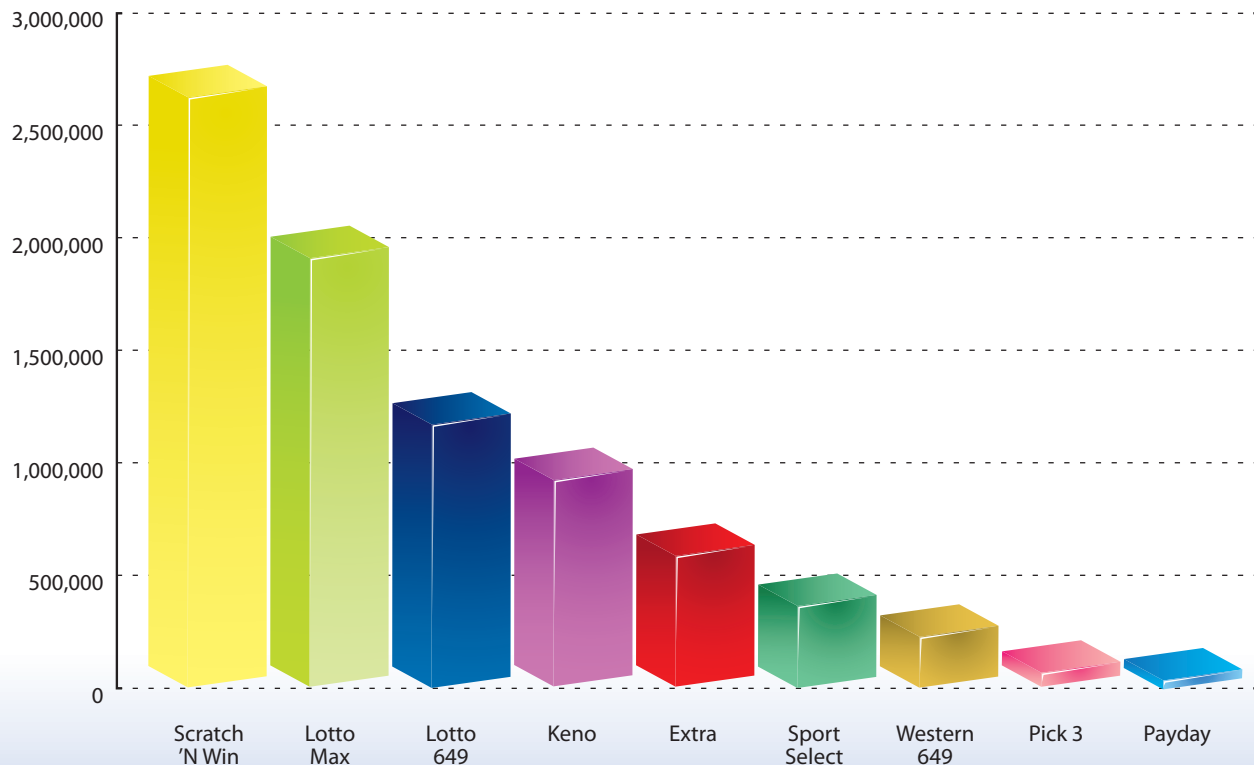


## Yukon Sales by Game — Five Year Comparison

Lottery Games	2011/12	2010/11	2009/10	2008/09	2007/08
Lotto Max <sup>1</sup>	\$1,982,742	\$2,699,255	\$813,710	-	-
Super 7 <sup>1</sup>	-	-	366,696	\$734,352	\$666,782
Instant	2,694,082	2,732,881	2,322,127	2,400,731	2,564,412
Lotto 649	1,243,468	1,222,754	1,571,124	1,756,706	1,617,294
Keno	993,819	760,222	900,838	1,419,944	1,875,562
Extra	662,369	719,433	616,597	630,254	602,863
Sport Select <sup>2</sup>	429,767	428,266	416,406	431,794	382,308
Western 649	297,579	274,022	280,823	271,019	265,783
Pick 3	69,422	41,058	43,273	44,278	43,464
Millionaire Life	-	40,860	-	69,765	95,140
Pay Day	23,208	25,612	37,382	36,672	75,144
<b>Total On-Line</b>	<b>\$8,396,456</b>	<b>\$8,944,363</b>	<b>\$7,368,976</b>	<b>\$7,795,515</b>	<b>\$8,188,752</b>

<sup>1</sup> Super 7 was replaced with Lotto Max in September 2009

<sup>2</sup> Sport Select Pools and Props games launched in September 2010



# Yukon Lottery Commission Revenue Distribution

The Yukon Lottery Commission's legislated mandate provides for community based programming focused on art, sport and recreation. Lotteries Yukon delivers three different funding programs that are intended to:

- ▶ sustain and contribute to the growth of art, sport and recreation for Yukon people;
- ▶ increase access and participation of all Yukon people in art, sport, and recreation;
- ▶ improve/provide more community art, sport and recreation infrastructure; and
- ▶ increase organizational and community capacity in art, sport and recreation.



The following provides a brief description of the three Lotteries Yukon funding programs. For more information on the investments made in each program for the 2011/2012 fiscal year please refer to pages 7-9 of this report.

## **Recreational Projects Program**

The Recreational Projects Program is application driven and provides non profit groups with funding to support art, sport and recreation projects, events or activities. Applications are accepted twice a year; April 15 and October 15. In 2011/2012 \$658,061 was allocated to projects, special events or activities under the Recreational Projects Program.

## **Travel Assistance Program**

The Travel Assistance Program provides assistance to non-profit groups and extra-curricular high school groups attending competitions or adjudicated events. The Travel Assistance Program is a very popular program providing over 1000 participants with \$220,184 in funding assistance in 2011/2012. This program supports the development of amateur art, sport and recreation for Yukon people of all ages.

## **Community Lottery Program**

The Community Lottery Program provides municipalities and local authorities with funding to support art, sport and recreation in their communities. Each community receives a base amount of \$8,000 plus \$12.00 per capita for populations up to 5,000 and \$3.25 per capita for populations over 5,000. The intent of the program is to enable local decision making to meet community needs and create equitable access to lottery revenues for all Yukon people. In 2011/2012 \$398,911 was provided to municipalities and local authorities for the Community Lottery Program.



## Yukon Lottery Commission Funding Programs 2011/2012 Approved Funding\*

COMMUNITY	ORGANIZATION	PROGRAM	AMOUNT
<b>Beaver Creek</b>	Beaver Creek Community Club	CLP	\$ 9,380
			<b>9,380</b>
<b>Burwash Landing</b>	Burwash Landing Recreation Committee	CLP	<b>9,248</b>
<b>Carcross</b>	Carcross Recreation Board	CLP	13,184
	Carcross Recreation Board	RPP	1,744
			<b>14,928</b>
<b>Carmacks</b>	Village of Carmacks	CLP	<b>14,240</b>
<b>Dawson City</b>	City of Dawson	CLP	31,508
	Dawson City Music Festival	RPP	14,490
	Dawson City Oldtimer Hockey Association	TAP	5,200
	North Klondyke Highway Music Society	RPP	2,110
	Percy Dewolfe Memorial Mail Race	RPP	7,320
	Robert Service School	TAP	3,876
			<b>64,504</b>
<b>Destruction Bay</b>	Kluane Lake Athletic Association	CLP	<b>8,588</b>
<b>Faro</b>	Town of Faro	CLP	<b>12,704</b>
<b>Haines Junction</b>	Village of Haines Junction	CLP	<b>18,128</b>
<b>Keno</b>	Keno Community Club	CLP	<b>8,264</b>
<b>Lorne Mountain</b>	Lorne Mountain Community Association	CLP	12,896
	Lorne Mountain Community Association	RPP	13,900
			<b>26,796</b>
<b>Marsh Lake</b>	Marsh Lake Community Society	CLP	13,988
	Marsh Lake Community Society	RPP	3,072
			<b>17,060</b>
<b>Mayo</b>	Village of Mayo	CLP	<b>13,712</b>
<b>Old Crow</b>	Vuntut Gwitchin First Nation	CLP	<b>10,976</b>
<b>Pelly Crossing</b>	Selkirk First Nation	CLP	<b>11,960</b>
<b>Ross River</b>	Ross River Recreation Society	CLP	<b>12,572</b>
<b>Tagish</b>	Tagish Community Association	CLP	<b>10,928</b>
<b>Teslin</b>	Village of Teslin	CLP	13,604
	Teslin Minor Hockey Association	RPP	7,511
			<b>21,115</b>

NOTE: CLP = Community Lottery Program, TAP = Travel Assistance Program, RPP = Recreational Projects Program

\* The amount of funding approved/allocated may vary from the amount claimed by recipients.

## Yukon Lottery Commission Funding Programs 2011/2012 Approved Funding

COMMUNITY	ORGANIZATION	PROGRAM	AMOUNT
<b>Upper Liard</b>	Liard First Nation	CLP	<b>\$ 9,584</b>
<b>Watson Lake</b>	Town of Watson Lake	CLP	24,620
	Gentle Steps Equine Assisted Learning Centre	RPP	6,000
	Watson Lake Silvertip Oldtimers Hockey	TAP	708
			<b>31,328</b>
<b>Whitehorse</b>	City of Whitehorse	CLP	138,827
	4-H Yukon Spirit Riders	RPP	1,350
	Arctic Edge Skating Club	TAP	3,000
	Arctic Edge Skating Club	RPP	6,164
	Boreal Adventure Running Association	RPP	1,350
	Canadian Ski Patrol System — Yukon Zone	TAP	1,200
	Contagious Mountain Bike Club	RPP	10,725
	Dog Powered Sports Association of Yukon	RPP	4,168
	FH Collins Secondary School	TAP	2,970
	Golden Age Society	RPP	2,470
	Klondike Highland Dance Club	TAP	1,400
	Klondike Highland Dance Club	RPP	1,891
	Mountain View Golf Club	TAP	400
	Mountain View Golf Club	RPP	23,573
	Polarettes and Polar Tumblers Gymnastics Club	TAP	1,600
	Porter Creek Secondary School	TAP	6,228
	Second Opinion Society	RPP	1,320
	Senior Metro Soccer League	TAP	7,454
	St. Elias Community School	TAP	697
	Sour Brides Theatre	RPP	12,875
	Vanier Catholic Secondary School	TAP	1,739
	Whitehorse Cross Country Ski Club	RPP	59,300
	Whitehorse Curling Club	RPP	8,155
	Whitehorse Glacier Bears Swim Club	TAP	10,600
	Whitehorse Minor Hockey Association	TAP	31,716
	Whitehorse Oldtimers Hockey League	TAP	3,200
	Whitehorse Women's Hockey Association	TAP	2,377
	Whitehorse Women's Hockey Association	RPP	8,059
	Yukon Jr. Association of Mushers	TAP	559
	Yukon Roller Girls	TAP	3,000
			<b>358,366</b>

NOTE: CLP = Community Lottery Program, TAP = Travel Assistance Program, RPP = Recreational Projects Program

\* The amount of funding approved/allocated may vary from the amount claimed by recipients.

## Yukon Lottery Commission Community Programs 2011/2012 Approved Funding

COMMUNITY	ORGANIZATION	PROGRAM	AMOUNT
Yukon	All-City Band Society	TAP	\$ 28,000
	Association franco-yukonnaise (AFY)	TAP	3,000
	Athletics Yukon	TAP	13,200
	Athletics Yukon	RPP	4,914
	Basketball Yukon	TAP	7,865
	Biathlon Yukon	TAP	2,400
	Biathlon Yukon	RPP	5,405
	Blue Feather Music Society	RPP	7,800
	Breakdancing Yukon Society	TAP	2,800
	Breakdancing Yukon Society	RPP	14,538
	Council of Yukon First Nations	RPP	15,000
	Cross Country Yukon	TAP	1,529
	Cross Country Yukon	RPP	1,927
	Extremely Moving Youth Society	TAP	7,800
	Great Northern Ski Society	RPP	100,000
	Kluane Chilkat International Bike Relay Association	RPP	6,713
	Learning Disabilities Association of Yukon	RPP	10,000
	Music Yukon	RPP	18,000
	Nakai Theatre	RPP	13,800
	Snowboard Yukon	TAP	1,600
	Snowboard Yukon	RPP	8,230
	Softball Yukon	RPP	125,000
	Squash Yukon	TAP	1,600
	Table Tennis Yukon	TAP	823
	Table Tennis Yukon	RPP	925
	Teegatha'oh Zheh	RPP	3,548
	Volleyball Yukon	TAP	22,200
	Volleyball Yukon	RPP	7,807
	Yukon Amateur Speed Skating	RPP	3,200
	Yukon Art Society	TAP	1,000
	Yukon Badminton Association	RPP	6,000
	Yukon Bluegrass Music Society	RPP	12,756
	Yukon Curling Association	TAP	3,400
	Yukon Fish and Game Association	RPP	3,958
	Yukon Film Society	RPP	12,300
	Yukon Freestyle Ski Association	TAP	2,800
	Yukon Horse and Rider Association	RPP	8,700
	Yukon Indian Hockey Association	TAP	361
	Yukon Music Camp Society	RPP	12,000
	Yukon Shooting Federation	TAP	400
Yukon Soccer Association	TAP	31,483	
Yukon Sourdough Rendezvous Society	RPP	20,993	
			<b>555,775</b>

NOTE: CLP = Community Lottery Program, TAP = Travel Assistance Program, RPP = Recreational Projects Program  
\* The amount of funding approved/allocated may vary from the amount claimed by recipients.

## Yukon Lottery Commission Funding Programs 2011/2012 Approved Funding

<b>TOTAL APPROVED FUNDING</b>	<b>1,240,156</b>
Recreational Projects Program Sponsorship	\$37,000
<b>Total Administered Contributions</b>	<b>\$1,277,156</b>
<b>GOVERNMENT OF YUKON REVENUE SHARING</b>	
<b>Cultural Services Branch</b>	
Yukon Arts Advisory Committee (YAAC)	
<b>Total Cultural Services Branch</b>	<b>\$285,207</b>
<b>Sport &amp; Recreation Branch</b>	
Yukon Sport & Recreation Advisory Committee (YRAC)	
<b>Total Sport &amp; Recreation Branch</b>	<b>\$538,339</b>
<b>Total Funds Released to Yukon Government — YRAC and YAAC</b>	<b>\$823,546</b>
<b>Total Funding Approved/Released</b>	<b>\$2,100,702</b>
<b>Unclaimed Contributions</b>	<b>\$159,717</b>
<b>Total Contributions/Funds Released 2011/2012</b>	<b>\$1,940,985</b>



# Revenue Sharing — Government of Yukon

Lottery revenues supplement Yukon government funding for art, sport and recreation; funding is provided to the Yukon Recreational Advisory Committee and the Yukon Arts Advisory Council. In 2011/12 the Yukon Lottery Commission provided the Yukon Recreation Advisory Committee with \$465,339 and the Yukon Arts Advisory Council with \$285,207.

## Lottery Revenue for the Arts

Lottery revenues to the Yukon government for arts are provided for under the *Public Lottery Regulations* and the *Arts Act*. Programs are administered by the Department of Tourism and Culture with the Yukon Arts Advisory Council making recommendations on funding applications to the Minister of Tourism and Culture. Lottery revenue is used to support the Arts Operating Fund and the Advanced Artist Award.

## Lottery Revenue for Sport and Recreation

Lottery revenues to the Yukon government for sport and recreation are provided for under the *Public Lottery Regulations* and the *Recreation Act*. Programs are administered by the Department of Community Services, Sport and Recreation Branch. The Yukon Recreation Advisory Committee makes recommendations on funding applications to the Minister of Community Services. Lottery revenues contribute to funding programs for sport governing bodies, recreation groups, high performance athletes and officials, and Sport Yukon.



# Long-Serving Commission Member Reflects on Achievements

After nine years of service, the Commission's longest-serving member is leaving in July when her current term expires. Renée Mayes is the last member to be on board throughout the entire policy development phase, which began in 2010. What has kept her involved for so long? "The value that lotteries funding provides to community groups and organizations was really important to me," she explains. "I feel really comfortable that what I'm leaving the Commission with is something that will assist in their further development and make their process a smoother one."

During 2011-12, the Commission was fully engaged for the first time in strategic planning, a process that has resulted in a more efficiently run organization with greater clarity in roles and responsibilities. "The changes we've made as a result are happening throughout Lotteries Yukon and are intended to produce a more open, accessible and accountable process," says Mayes. "We worked the better part of two years to clearly understand who our clients are and how we could better meet their needs. There is still work to be done, but we're in a much better position than we were three years ago."

Mayes' emphasis on the importance of transparency and accountability in the way Lotteries Yukon is run is expressed in the organization's vision statement: Public lotteries in Yukon are conducted in a manner that assures integrity and inspires public confidence. "Lotteries funding has a much larger impact on art, sport, and recreation in the Yukon than what is visible to the average person," she says. "We administer the

"Lotteries funding has a much larger impact on sport, art, and recreation in the Yukon than what is visible to the average person," she says. "We administer the money, and we have to be able to demonstrate to the public how we're spending it."

money, and we have to be able to demonstrate to the public how we're spending it."

Mayes was first appointed to the Commission in 2004. As a keen supporter of recreational opportunities in her community of Dawson City, she knew the Commission's work was important. "When I first joined I had children who were actively involved in dance classes, hockey, and volleyball. I'd coached gymnastics, too. Being in a small community you have to get involved, or those opportunities just don't happen."

During her first six years with the Commission, Mayes brought a community perspective to its decisions and functioning. "But we didn't have a lot of clearly defined and well-written policy," she notes. "Over the last three or four years we've really worked hard at developing policies that make our visions and goals clear. Our General Manager has taken us a long way in our policy development and in formalizing the things we were doing informally before."

Improved organizational effectiveness also means better service for organizations applying for funding. "We've made numerous changes to the Recreational Projects Program to provide greater clarity for the project applicants," says Mayes. "I'm hoping that our new policies give the organizations we serve a better understanding of our processes and help them to better plan their activities and applications."

Lotteries Yukon has also restructured existing staff positions with one position available to work with applicants on reviewing their applications for eligibility and completeness before they reach the Commission. "If the process is clear and open so

the average applicant can understand it, then those organizations can better benefit from the fund," says Mayes.

New program guidelines have also helped clarify the process, explains fellow Commission member John Spicer. "For example, we've limited some of the larger capital projects to once every two years instead of once every year," he says. "We've also established clearer definitions for funding amounts. Staff have helped us to go through our guidelines, analyze what we'd done in the past, and look at some of the typical questions that applicants ask. Now we have a cleaner, more readable, user-friendly set of guidelines." Clients have reported that going through the new guidelines and the application form is considerably easier than in the past.

There's still room to be more strategic, Spicer adds — for example, by increasing their focus on partnerships with other government departments who administer art, sport, and recreation programs. "But now that we've clarified our values, such as working collaboratively and cooperatively with our partners, we can work on implementing those values and achieving some of the goals that reflect them, such as identifying opportunities to maximize lottery revenues."

As for Mayes, she says that now her four children are grown, a new chapter is opening in her life. What does she feel best about from her years with the Commission? "For me it was the policy creation and refinement that has really made me feel good. We're providing more consistency and clarity to our decision-making processes."

As for the memories she'll take away with her, Mayes talks about "all the amazing people who have served on the Commission with me. For most of those years it's been a very respectful, collaborative board, with people who have appreciated each other's perspectives and who have really had the best interests of the Yukon public in their hearts. So that's what's made it such a pleasure," she adds, choking up. "I'll miss it."



## **Management Responsibility Statement**

The management of Yukon Lottery Commission is responsible for preparing the financial statements, the notes to the financial statements and other financial information contained in this annual report.

Management prepares the financial statements in accordance with International Financial Reporting Standards. The financial statements are considered by management to present fairly the management's financial position and results of operations.

The Commission, in fulfilling its responsibilities, adheres to the Yukon Financial Administration Act which provides for a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the financial statements.

The financial statements have been reported on by MacKay LLP, Chartered Accountants, the Commission's auditors. Their report outlines the scope of their examination and their opinion on the financial statements.



General Manager  
**November 23, 2012**



## Independent Auditors' Report

### To the Members of Yukon Lottery Commission

We have audited the accompanying financial statements of Yukon Lottery Commission, which comprise the statements of financial position as at March 31, 2012, March 31, 2011 and April 1, 2010, and the statements of comprehensive income, changes in equity and cash flows for the years ended March 31, 2012 and March 31, 2011, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Yukon Lottery Commission as at March 31, 2012, March 31, 2011 and April 1, 2010, and its financial performance and its cash flows for the years ended March 31, 2012 and March 31, 2011 in accordance with IFRS.

#### *Comparative Information*

Without modifying our opinion, we draw attention to Note 4 to the financial statements which describes that Yukon Lottery Commission adopted International Financial Reporting Standards on April 1, 2011 with a transition date of April 1, 2010. These standards were applied retrospectively by management to the comparative information in these financial statements, including the balance sheets as at March 31, 2011 and April 1, 2010, and the statements of income, changes in equity and cash flows for the year ended March 31, 2011 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

Whitehorse, Canada  
November 23, 2012

mackay.ca refers to the Canadian firm Mackay LLP

*Mackay LLP*

Chartered Accountants

## Yukon Lottery Commission

### Statement of Comprehensive Income

For the years ended March 31,	2012	2011
<b>Revenue</b>		
Commissions - Western Canada Lottery Corporation	\$ 2,638,994	\$ 2,799,538
Break-open tickets (schedule 1)	91,821	101,797
Interest income	33,708	24,163
Terminals	8,525	8,330
Gain (loss) on disposal	-	(2,418)
	<b>2,773,048</b>	<b>2,931,410</b>
<b>Administration expenses</b>		
Break-open tickets (schedule 1)	56,118	59,866
Advertising and promotion	13,076	18,423
Amortization	20,598	13,435
Computer supplies and support	-	2,715
Insurance	1,653	1,569
Leased equipment	3,663	3,897
Miscellaneous	178	257
Office	8,269	8,047
Postage and courier	985	7,562
Professional and consulting fees	35,145	23,059
Public relations	9,509	-
Rent	72,963	60,371
Repairs and maintenance	9,618	-
Retail	1,073	847
Telephone and utilities	6,687	6,667
Travel and training	4,063	10,972
Wages and benefits	372,493	347,760
	<b>616,091</b>	<b>565,447</b>
	<b>2,156,957</b>	<b>2,365,963</b>
<b>Commission meeting and program expenditures</b>		
Directors' honoraria, travel and meetings	30,021	25,398
Retailer incentive	21,508	16,057
	<b>51,529</b>	<b>41,455</b>
<b>Excess of revenue over expenditures before transfer payments</b>	<b>2,105,428</b>	<b>2,324,508</b>
<b>Transfer payments (note 11)</b>	<b>1,940,985</b>	<b>2,232,151</b>
<b>Excess of revenue over expenditures being comprehensive income</b>	<b>\$ 164,443</b>	<b>\$ 92,357</b>

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**Yukon Lottery Commission****Statements of Changes in Equity**

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<b>For the years ended March 31,</b>	<b>2012</b>	<b>2011</b>
<b>Retained earnings, beginning of year (note 4)</b>	<b>\$ 1,610,787</b>	<b>\$ 1,518,430</b>
<b>Excess of revenue over expenditures being comprehensive income</b>	<b>164,443</b>	<b>92,357</b>
<b>Retained earnings, end of year</b>	<b>\$ 1,775,230</b>	<b>\$ 1,610,787</b>

## Yukon Lottery Commission

### Statements of Financial Position

March 31, 2012, March 31, 2011 and April 1, 2010

	March 31, 2012	March 31, 2011	April 1, 2010
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#### Assets

##### Current

Cash (note 5)	\$ 396	\$ 376	\$ 1,254
Funds held in trust (note 6)	3,176,424	2,946,040	2,751,469
Trade receivables (note 7)	503,831	444,002	375,596
Inventory	11,070	13,667	9,551
Prepaid expenses	11,720	7,101	7,757

3,703,441 3,411,186 3,145,627

##### Property and equipment (note 8)

104,879 110,800 15,099

**\$ 3,808,320 \$ 3,521,986 \$ 3,160,726**

#### Liabilities

##### Current

Trade payables and accruals	\$ 168,791	\$ 149,055	\$ 130,968
Provision, committed to Yukon Government (note 12)	1,041,750	951,673	763,017
Provision, committed transfer payments (note 9)	822,549	810,471	748,311

2,033,090 1,911,199 1,642,296

#### Equity

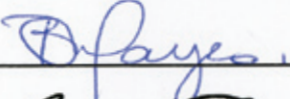
##### Retained earnings (note 13)


1,775,230 1,610,787 1,518,430

**\$ 3,808,320 \$ 3,521,986 \$ 3,160,726**

#### Commitments and contingencies (note 10)

Approved on behalf of the Commission:

  
\_\_\_\_\_  
Member

  
\_\_\_\_\_  
Member

## Yukon Lottery Commission

### Statements of Cash Flows

For the years ended March 31,	2012	2011
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures being comprehensive income	\$ 164,443	\$ 92,357
Items not affecting cash		
Amortization	22,528	14,918
Loss on disposal of assets	-	2,418
	<b>186,971</b>	109,693
Change in non-cash working capital items		
Trade receivables	(59,829)	(68,406)
Inventory	2,597	(4,116)
Prepaid expenses	(4,619)	656
Trade payables and accruals	19,735	18,087
Provision, committed to Yukon Government	90,077	188,656
Provision, committed transfer payments	12,078	62,160
	<b>247,010</b>	306,730
<b>Investing activity</b>		
Purchase of property and equipment	(16,606)	(113,037)
<b>Increase in cash</b>	<b>230,404</b>	193,693
<b>Cash, beginning of year</b>	<b>2,946,416</b>	2,752,723
<b>Cash, end of year</b>	<b>\$ 3,176,820</b>	\$ 2,946,416
<b>Cash consists of:</b>		
Cash	\$ 396	\$ 376
Funds held in trust	3,176,424	2,946,040
	<b>\$ 3,176,820</b>	\$ 2,946,416
<b>Supplemental cash flow information</b>		
The company Commission had the following cash transactions:		
Interest received	\$ 33,708	\$ 24,163

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 1. Nature of operations

Yukon Lottery Commission ("Commission") was created under the provisions of the Yukon Public Lotteries Act and is responsible for the conduct and management of public lotteries in the Yukon, as set out by agreement with Western Canada Lottery Corporation. This includes the distribution and administration of funds received from government sanctioned lotteries. The Commission's registered office address is 101-205 Hawkins Street, Whitehorse, Yukon Y1A 1X3.

These financial statements were authorized for issue at a meeting of the Commission on November 23, 2012.

#### 2. First time adoption of International Financial Reporting Standards ("IFRS")

The financial statements of the Commission for the year ended March 31, 2012 are the first annual financial statements prepared in accordance with IFRS, having previously prepared its financial statements in accordance with pre-changeover Canadian Generally Accepted Accounting Principles ("pre-changeover Canadian GAAP").

The Commission applied IFRS 1, First-time Adoption of International Financial Reporting Standards, which requires that comparative financial information be provided. As a result, the first date at which the Commission has applied IFRS was April 1, 2010 (the "Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Commission will be March 31, 2012. Therefore, the financial statements for the year ended March 31, 2012, the comparative information presented in these financial statements for the year ended March 31, 2011 and the opening IFRS statement of financial position at April 1, 2010 are prepared in accordance with IFRS standards effective at the reporting date. However, IFRS also provides for certain optional exemptions and certain mandatory exceptions for first time IFRS adoption.

Details of how the transition from pre-changeover Canadian GAAP to IFRS has affected the financial position and financial performance are explained in Note 4.

#### 3. Significant accounting policies

These financial statements are prepared in accordance with IFRS. The significant policies are detailed as follows:

##### (a) Property and equipment

Property and equipment are recorded at cost. The company provides for amortization using the following methods at rates designed to amortize the cost of the property and equipment over their estimated useful lives. The annual amortization rates and methods are as follows:

Furniture and equipment	20% Declining balance
Leasehold improvements	6 years Straight-line
Computer hardware	30% Declining balance
Computer software	100% Declining balance
Break-open machines	30% Declining balance

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 3. Significant accounting policies (continued)

##### (b) Inventory

The inventory of promotional items is valued using the specific item method at the lower of cost and net realizable value. The write-down of inventories to net realizable value is recognized in the period that the write-down occurs. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed.

##### (c) Transfer payments

Transfer payments are treated as expenditures at the time the transfer payments are approved by the Commission. All unpaid, but approved transfer payments, are included in the provision for committed transfer payments. Approved transfer payments which are not claimed within the required time frame are reversed as unclaimed transfer payments.

##### (d) Financial instruments

The Commission utilizes various financial instruments. All transaction costs related to financial instruments are separated into one of the following categories based on the purpose for which the asset was acquired. The accounting policy for each category is as follows:

###### **Financial assets at fair value through profit and loss:**

This category is comprised of financial assets which are carried in the statement of financial position at fair value, or classified as held-for-trading. Financial assets are classified as held-for-trading if the Commission manages such investments and makes purchases and sale decisions based on their fair value and the assets have been acquired principally for the purpose of selling in the near term. Financial assets classified as held-for-trading or designated at fair value through profit or loss are measured at fair value with changes in fair value recognized in the income statement. Transaction costs related to instruments classified as fair value through profit and loss are expensed as incurred. The Commission did not have any financial assets designated at fair value through profit and loss.

###### **Cash, loans and receivables:**

Cash and funds held in trust comprise of cash on hand and funds held by Yukon Government in trust, which includes short-term liquid investments.

Financial assets with fixed or determinable payments that are not derivatives and are not quoted in an active market are classified as loans and receivables. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method of amortization, less any provision for impairment. Transaction costs related to loans and receivables are expensed as incurred. Trade receivables are classified as loans and receivables.

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 3. Significant accounting policies (continued)

**Held to maturity:**

Financial assets are classified as held-to-maturity if the Commission has the positive intent and the ability to hold the asset to maturity. Held-to-maturity financial assets are initially measured at fair value and then measured at amortized cost using the effective interest method of amortization. Under this method, estimated future cash receipts are discounted over the asset's expected life to its net carrying value. Net gains and losses arising from changes in fair value are recognized in net income upon derecognition or impairment. The Commission did not hold any held-to-maturity financial assets.

**Available for sale financial assets:**

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held to maturity investments or (c) financial assets at fair value through profit or loss. Financial assets available-for-sale are measured at fair value with changes recognized in other comprehensive income. The Commission did not hold any available-for-sale financial assets.

**Other financial liabilities:**

This category includes financial liabilities other than those classified as held-for-trading and comprises trade payables. These liabilities are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method. Transaction costs related to other financial liabilities are expensed as incurred.

Unless otherwise stated, the fair value of the Commission's financial instruments approximate their carrying values. The Commission did not have any financial instruments measured at fair value through profit and loss.

The Commission assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes an allowance for impairment when such evidence exists. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has a negative impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.



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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 3. Significant accounting policies (continued)

##### a) Assets carried at amortized cost

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When the asset becomes uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying value does not exceed the amortized cost had no impairment been recognized in prior periods.

##### b) Assets classified as available-for-sale

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in unrealized gains/losses on available-for-sale financial assets in equity, to profit or loss.

If, in a subsequent period, the fair value of an impaired available-for-sale financial asset increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale financial asset is recognized in other comprehensive income.

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 3. Significant accounting policies (continued)

##### (e) Accounting estimates

The preparation of financial statements in conformity with IFRS 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 reported period. Actual results could differ from those estimates.

Management makes assumptions and estimates in determining the net realizable value of inventory. The impact of the assumptions and estimates used could result in the over or understatement of net realizable value and the reported amount of inventory on the statement of financial position and any loss or recovery reported on the statement of income resulting from a write-down or recovery to net realizable value.

Management make assumptions and estimates in determining the useful life of property and equipment. The impact of the assumptions and estimates could result in an under or overstatement of the annual provision for amortization of these assets resulting in an under or overstatement of the net book value of the assets on the statement of financial position.

Management records commitments for transfer payments to recipients and records these as a provision for committed transfer payments. The amount recorded is based on the amount approved by the Commission based on the recipients' expected expenditures. In some cases the amount is not fully applied for, consequently the amount will result in unclaimed amounts that are recorded as a reduction in transfer payments and committed transfer payments when the amounts are known.

##### (f) Revenue recognition

Lottery commissions are recognized when the lottery tickets are sold by Western Canada Lottery Corporation. Investment income is recognized in the period earned.

##### (g) Impairment of long-lived assets

The Commission tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 3. Significant accounting policies (continued)

##### (h) Accounting standards not yet adopted

###### **IFRS 9 Financial Instruments**

IFRS 9 replaces *IAS 39 Financial Instruments: Recognition and Measurement* and shall be applied to annual periods beginning on or after January 1, 2013 with early adoption permitted. IFRS 9 establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

###### **IFRS 13 Fair Value Measurements**

IFRS 13 defines fair value, sets out a single IFRS framework for measuring fair value and requires disclosures about fair value measurements and shall be applied to annual periods beginning on or after January 1, 2013 with early adoption permitted. IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements except in specified circumstances.

The Commission is currently evaluating the impact of these standards on its financial statements.

#### 4. Impact of the change in the basis of accounting

These are the Commission's first financial statements prepared in accordance with IFRS. There were no changes required to the comparative balances presented as a result of adoption of these accounting principles.

##### Elective exemptions

The rules for transition to IFRS normally require that an enterprise prepare its opening statements of financial position using the standards that will be followed thereafter. However, certain elective exemptions from this rule are available. In preparing the opening statements of financial position shown above, the company used the following elective exemptions:

##### Related party transactions

The Commission has elected not to adjust the measurement of any related party transactions that occurred prior to April 1, 2010.

#### 5. Cash

Cash and cash equivalents consist of cash and funds held in trust.

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 6. Funds held in trust

All general funds of the Commission are held in trust for the Commission by Yukon Government. The account is interest bearing based on a pooled investment portfolio. Most deposits and expenditures are processed through this account which is subject to the provisions of the Yukon Financial Administration Act.

#### 7. Trade receivables

Accounts receivable, in its entirety, is due from Western Canada Lottery Corporation.

#### 8. Property and equipment

	2012			
	Furniture and equipment	Leasehold improvements	Computer hardware	Total
<b>Cost</b>				
Opening	\$ 79,104	\$ 66,541	\$ 55,087	\$ 200,732
Additions	6,756	9,850	-	16,606
Closing	85,860	76,391	55,087	217,338
<b>Accumulated amortization</b>				
Opening	36,013	6,138	47,781	89,932
Provision	9,185	11,151	2,191	22,527
Closing	45,198	17,289	49,972	112,459
<b>Net book value</b>	<b>\$ 40,662</b>	<b>\$ 59,102</b>	<b>\$ 5,115</b>	<b>\$ 104,879</b>

## Yukon Lottery Commission

### Notes to the Financial Statements

March 31, 2012, March 31, 2011 and April 1, 2010

#### 8. Property and equipment (continued)

	<b>2011</b>			
	Furniture and equipment	Leasehold improvements	Computer hardware	Total
<b>Cost</b>				
Opening	\$ 84,763	\$ -	\$ 55,087	\$ 139,850
Additions	46,496	66,541	-	113,037
Disposals	(52,155)	-	-	(52,155)
Closing	79,104	66,541	55,087	200,732
<b>Accumulated amortization</b>				
Opening	80,102	-	44,649	124,751
Provision	5,649	6,138	3,132	14,919
Disposals	(49,738)	-	-	(49,738)
Closing	36,013	6,138	47,781	89,932
<b>Net book value</b>	<b>\$ 43,091</b>	<b>\$ 60,403</b>	<b>\$ 7,306</b>	<b>\$ 110,800</b>

#### 9. Provision, committed transfer payments

	<b>2012</b>	2011
Provision, opening	<b>\$ 810,471</b>	\$ 748,311
Additions	<b>1,350,156</b>	1,556,873
Paid during the year	<b>(1,178,361)</b>	(1,401,528)
Unclaimed	<b>(159,717)</b>	(93,185)
Provision, closing	<b>\$ 822,549</b>	\$ 810,471

#### 10. Commitments and contingencies

The Commission has a lease for office space until August 31, 2013 which requires future minimum lease payments as follows:

2013	\$79,654
2014	\$33,189

The Commission has been named as a party to a lawsuit related to Scratch 'n Win lottery tickets. The matter is ongoing and any liability related to this claim is not determinable at this time.

## Yukon Lottery Commission

### Notes to the Financial Statements

March 31, 2012, March 31, 2011 and April 1, 2010

#### 11. Transfer payments

	2012	2011
Recreational Projects	\$ 142,061	\$ 266,809
Major Projects	552,000	595,877
Sponsorship	37,000	52,000
Total Recreational Projects Program	731,061	914,686
Travel Assistance Program	220,184	249,478
Community Lottery Program	398,911	392,709
Unclaimed funds	(159,717)	(93,185)
Yukon Government - YRAC/YAAC (note 12)	750,546	768,463
<b>Total transfer payments</b>	<b>\$ 1,940,985</b>	<b>\$ 2,232,151</b>

#### 12. Provision, committed to Yukon Government

	2012	2011
Excess of revenue over expenditures before transfer payments	\$ 2,105,428	\$ 2,324,507
Add: Loss on disposition of capital assets	-	2,418
Less: Break-open net income (schedule 1)	(35,703)	(41,931)
	2,069,725	2,284,994
Change in contingencies reserve (prior year less current year)	30,161	(117,623)
Transfer to major projects reserve (20% of revenue excluding breakopens)	(536,247)	(566,406)
<b>Total revenue available for distribution</b>	<b>\$ 1,563,639</b>	<b>\$ 1,600,965</b>

	2012	2011
Total revenue available for distribution (from above)	\$ 1,563,639	\$ 1,600,965
Less: Available for Yukon Lottery Commission (52%)	(813,093)	(832,502)
<b>Total available for Yukon Government (48%)</b>	<b>\$ 750,546</b>	<b>\$ 768,463</b>

	2012	2011
Sport and Recreation Branch (62%)	\$ 465,339	\$ 476,447
Cultural Services Branch (38%)	285,207	292,016

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 12. Provision, committed to Yukon Government (continued)

	2012	2011
Provision, opening	\$ 951,673	\$ 763,017
Additions	750,547	768,464
Paid during the year	(660,470)	(579,808)
Provision, closing	\$ 1,041,750	\$ 951,673

#### 13. Capital management

The Commission considers its retained earnings to represent the Commission's capital. The Commission manages its capital in such a manner that there is sufficient working capital available to ensure the Commission is able to continue its operations without suffering cash shortfalls, and has sufficient funds to provide transfer payments to eligible recipients and funding to Yukon Government for sport, recreation and arts. The Commission does not have any externally imposed capital requirements. The Commission has restricted retained earnings (Schedule 2) for certain specified expenditures.

The Commission has internally restricted retained earnings of \$1,204,295 (2011 - \$1,469,070) to provide for contingencies, an even level of funding, travel, future major projects, and future transfer payments. These restricted amounts are not available for other purposes without approval of the Commission.

#### 14. Related party transactions

During the year, Yukon Government provided employee services to the Commission of \$372,493 (2011 - \$347,760).

During the year, the Commission committed \$750,546 (2011 - \$768,463) and paid out \$660,440 (2011 - \$579,808) to Yukon Government.

#### 15. Key Management Compensation

During the year, key management compensation totalled \$136,721 (2011 - \$125,381). Key management compensation include the General Manager's salaries and benefits and all board members' honoraria.

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## Yukon Lottery Commission

### Notes to the Financial Statements

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March 31, 2012, March 31, 2011 and April 1, 2010

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#### 16. Financial instruments

##### Fair value

The Commission's financial instruments include cash, funds held in trust, accounts receivable, accounts payable, and committed transfer payments. The fair values approximate their carrying value due to the immediate or short-term maturity of these instruments. The Commission classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) quoted prices in active markets for identical assets or liabilities (Level 1) which includes cash and funds held in trust;
- (ii) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (Level 3) which includes accounts receivable, accounts payable and accrued liabilities, and committed transfer payments.

##### Credit risk

The Commission has credit risk in trade receivables from Western Canada Lottery Corporation in respect of commissions of \$503,831 (2011 - \$444,002). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss.

The maximum exposure to credit risk is the carrying value of its accounts receivable.

##### Liquidity risk

Liquidity risk is the risk the Commission may not be able to meet its obligations associated with its financial liabilities. The Commission's accounts payable and committed transfer payments are all due within one year.

##### Interest rate risk

The Commission is exposed to the interest rate risk on its funds held in trust. A change in the effective interest rate of 1/2% on its funds held in trust would result in an approximate impact on income of \$16,000 in 2012.



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**Yukon Lottery Commission****Schedule to the Financial Statements**

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**For the years ended March 31,**

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**Schedule of break-open tickets****Schedule 1**

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	<b>2012</b>	<b>2011</b>
<b>Revenue</b>		
Commission - Break-open tickets	<b>\$ 91,821</b>	<b>\$ 101,797</b>
<b>Expenses</b>		
Advertising and promotion	<b>1,200</b>	2,044
Amortization	<b>1,930</b>	1,483
Computer	-	301
Directors' honoraria, travel and meetings	<b>2,753</b>	2,816
Insurance	<b>152</b>	174
Leased equipment	<b>336</b>	432
Miscellaneous	<b>16</b>	29
Office supplies	<b>758</b>	892
Postage and freight	<b>90</b>	838
Professional and consulting fees	<b>3,223</b>	2,556
Public relations	<b>872</b>	-
Rent	<b>6,691</b>	6,693
Retailer incentive	<b>2,071</b>	1,874
Repairs and maintenance	<b>882</b>	-
Telephone	<b>613</b>	739
Training	<b>144</b>	813
Travel	<b>228</b>	403
Wages and benefits	<b>34,159</b>	37,779
	<b>56,118</b>	59,866
<b>Excess of revenue over expenditures</b>	<b>\$ 35,703</b>	<b>\$ 41,931</b>

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## Yukon Lottery Commission

### Schedule 2 - Capital management of retained earnings

For the year ended March 31,

2012 2011

		Invested in Capital Assets	Working Capital	Contingencies	Recreational Program Major Projects	Travel Assistance Program	Future Application Transfer Payments	Total	Total
<b>Balance, beginning of year</b>	\$ 141,719	\$ 110,800	\$ 100,000	\$ 566,406	\$ 578,692	\$ 51,357	\$ 61,813	\$ 1,610,787	\$ 1,518,430
Excess of revenue over expenditures before transfer	2,069,725	-	-	-	-	-	35,703	2,105,428	2,324,508
<b>Balance before transfer payments</b>	2,211,444	110,800	100,000	566,406	578,692	51,357	97,516	3,716,215	3,842,938
Transfer payments	(1,328,518)	-	-	-	(552,000)	(220,184)	-	(2,100,702)	(2,325,336)
Unclaimed funds	92,745	-	-	-	21,525	45,447	-	159,717	\$ 93,185
<b>Transfer payments (note 11)</b>	(1,235,773)	-	-	-	(530,475)	(174,737)	-	(1,940,985)	(2,232,151)
Amortization	975,671	110,800	100,000	566,406	48,217	(123,380)	97,516	1,775,230	1,610,787
Investment in Capital Assets	20,598	(22,528)	-	-	-	-	1,930	-	-
Transfers to reserves	(16,606)	16,606	-	-	-	-	-	-	-
Transfers from reserves	(734,888)	-	-	-	536,245	198,643	-	-	-
	326,161	-	-	(30,161)	(296,000)	-	-	-	-
<b>Balance, end of year</b>	\$ 570,936	\$ 104,878	\$ 100,000	\$ 536,245	\$ 288,462	\$ 75,263	\$ 99,446	\$ 1,775,230	\$ 1,610,787



*Back Cover Photo: Arctic Sport Head Pull Competitors, 2012, Arctic Winter Games, Whitehorse, Yukon*

