



LOTTERIES YUKON

2023-24

Yukon Lottery  
Commission

**ANNUAL REPORT**

*SUPPORTING ARTS,  
SPORT, AND RECREATION...  
ONE TICKET AT A TIME.*





**Whitehorse Cross Country Ski Club** was a recipient of the **Project Fund** for the Whitehorse Spring Nordic Festival.





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On the cover:

**Climb Yukon** was a recipient of the **Project Fund**.

Yukon Lottery Commission Annual Report for the year ended March 31, 2024.

**Music Yukon** was a recipient of the **Project Fund** for Arts in the Park.



# Message from the Yukon Lottery Commission

As Chair/CEO of the Yukon Lottery Commission, it is my pleasure to share the Commission's results for the fiscal year 2023-24.

In 2023-24, Lotteries Yukon continued to implement our funding program framework that provides Yukoners with an array of programming options. Doing so improves participation in arts, sports and recreation in the Yukon.

Lottery players in Yukon continue to have the ability to purchase tickets online through the Lotto Spot lottery app [www.lottospot.ca](http://www.lottospot.ca) for both Apple and Android devices.

As the Yukon's agent for the sale of lottery tickets, the Commission continues to be a leader of social responsibility in gambling by assisting lottery players in making informed choices, with a focus on positive play. [www.gamesenseyukon.com](http://www.gamesenseyukon.com).

Additionally, the Commission made improvements to our website allowing for the submission of funding applications through an online portal. This should speed up the submission process for our applicants. [www.lotteriesyukon.com](http://www.lotteriesyukon.com).

On behalf of the Commission, I would like to thank Lotteries Yukon staff for their continued support and dedication.

We look forward to another successful year where we continue to strive for a robust interjurisdictional lottery. Our focus moving forward is to continue to support Yukoners' living healthy, active and full lives. We remain committed to implementing new ideas to increase engagement and access to arts, sport and recreation.

Sincerely,



**Sara Skelton**

*Chair & Chief Executive Officer, Yukon Lottery Commission*



# Yukon Lottery Commission



**Sara Skelton**  
Chair



**Norma Davignon**  
Vice-Chair



**Deborah Bartlette**



**Tim Brady**



**Alex Brook**



**Kylie Campbell-Clarke**



**Linda Casson**



**Warren Pearson**

The Yukon Lottery Commission consists of a Chair/Chief Executive Officer, a Vice Chair and six other members appointed by the Minister responsible for the Yukon Lottery Commission.

The Commission is a governing body that is responsible for oversight of interjurisdictional lotteries in the Yukon and reinvesting profits from the sale of lottery tickets into arts, sport and recreation in the Yukon.

As stewards, the Yukon Lottery Commission directs and controls the Commission's affairs in accordance with the *Public Lotteries Act and Regulations*, the *Financial Administration Act* and other applicable legislation and policies. A governance agreement between the Yukon Lottery Commission and the Minister responsible describes the roles and responsibilities of the Yukon Lottery Commission, Minister and administration.

In its interjurisdictional lotteries role, the Commission acts as the Government of Yukon's agent for the conduct and management of the sale of lottery tickets through an agreement with Western Canada Lottery Corporation (WCLC) and agreements with lottery retailers throughout the Yukon.

Lottery revenue is reinvested through the Commission's funding programs and, also by the Partnership Memorandum of Understanding (PMOU) with the Government of Yukon Sport and Recreation Branch and Cultural Services Branch to supplement government programming for arts, sport and recreation. Lottery revenue is also used to support the operations of the Yukon Lottery Commission and Lotteries Yukon.

Using profits derived from lottery revenue, the Commission invested over \$4 million in the 2023-24 fiscal year in community-based initiatives related to arts, sport and recreation.

# Lotteries Yukon

Lotteries Yukon is the administrative arm of the Yukon Lottery Commission. The work of Lotteries Yukon is accomplished by a complement of five staff who deliver services to lottery retailers, customers and funding programs to Yukon non-profit organizations to support arts, sport and recreation projects.

The sale of lottery tickets in Yukon would not be possible without the significant infrastructure and support provided by WCLC and the network of 36 retailers.

Lotteries Yukon, through a Partnership Memorandum of Understanding with Government of Yukon (Sport and Recreation Branch and Cultural Services Branch), works collaboratively with its internal partners to be strategic and align arts, sport and recreation programs in Yukon.

**Yukon First Nation Culture & Tourism Association** was a recipient of the **Project Fund** for the Adäka Cultural Festival.







Friends of Mount Sima was a recipient of the **Project Fund** for the Lost in Paradise FIS Para Snowboard World Cup Festival.



# Our Values



## Social responsibility

Our lotteries work is undertaken with consideration of its impact on communities and people. We strive to ensure that lottery tickets remain a form of entertainment, and that there is information and support available that promotes healthy lottery play.

## Integrity

We take responsibility for our commitments and actions. Our reasoned and objective decision making can be held to close scrutiny.

## Collaboration and cooperation

We recognize that our clients are better served by aligning planning and program delivery across departments/agencies, therefore, we will work collaboratively with our partners for the benefit of our clients.

## Accessible

Our funding programs are accessible to all segments of the Yukon population and focus on achieving broad benefits to communities and organizations.

# \$1,158,621

Lottery revenue shared with the Government of Yukon.

## Transparency

We are open and clear about our processes, decision making and results.

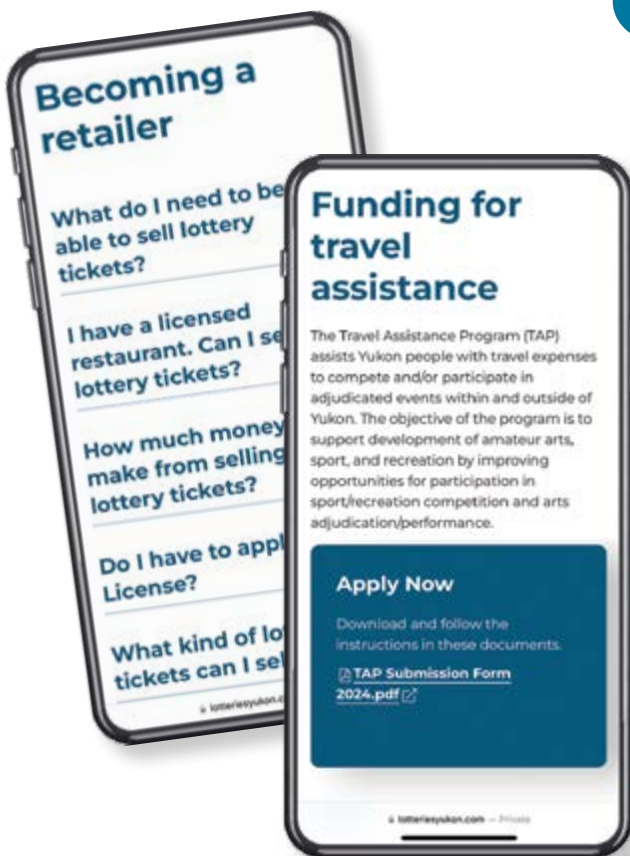
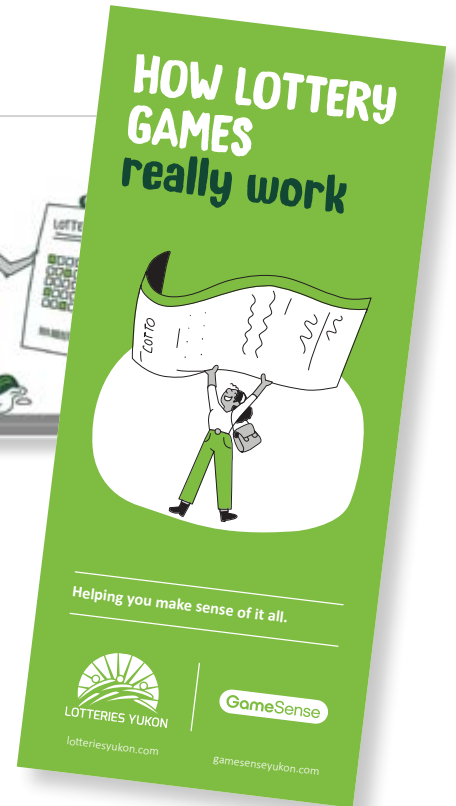
# New Initiatives

In order to position the Yukon Lottery Commission for success in operationalizing its goal to be a leader of social responsibility in gambling, the Commission launched a responsible gambling program called GameSense®. This program is designed to assist lottery players in making informed choices, with a focus on positive play.

[www.gamesenseyukon.com](http://www.gamesenseyukon.com)



## GameSense



To modernize our operations, Lotteries Yukon continues to use a mobile friendly website. This website has improved functionality with a focus on user satisfaction while allowing the submission of funding applications through an online portal.

[www.lotteriesyukon.com](http://www.lotteriesyukon.com)

Lottery players in Yukon continue to have the ability to purchase tickets online through the Lotto Spot lottery app [www.lottospot.ca](http://www.lottospot.ca) for both Apple and Android devices.





# Moving Ahead 2024-25

## Priorities:

- ▶ Continue to implement the Funding Program Framework with a focus on streamlining processes, increasing program efficiencies and building strategic partnerships;
- ▶ Strengthen effectiveness and efficiency of the retailer network through a focus on retailer relations and improvements to Lotteries Yukon retail services and policies;
- ▶ Continued roll-out of interactive play tables at Yukon retailers;
- ▶ Continue to be more responsive to client needs by collaborating with internal partners through the Partnership Memorandum of Understanding;
- ▶ Increase engagement and marketing of Lotteries Yukon;
- ▶ Increase in legacy sport, arts and recreation projects; and
- ▶ Celebrating Lotteries Yukon 50th anniversary.



**19**

Number of Yukon communities allocated \$ 651,958 in Community Lottery Program funding in 2023-24.

**75**

Number of Yukon non-profit groups approved for \$ 2,017,034 in Project funding in 2023-24.

# Sales

The Yukon is a member of the WCLC, a non-profit organization authorized to manage, conduct and operate lottery and gaming-related activities in Alberta, Saskatchewan, Manitoba, Yukon, Northwest Territories and Nunavut. Through a tri-party agreement between WCLC, Government of Yukon and the Yukon Lottery Commission, Lotteries Yukon distributes national and regional lottery products to Yukon retailers.

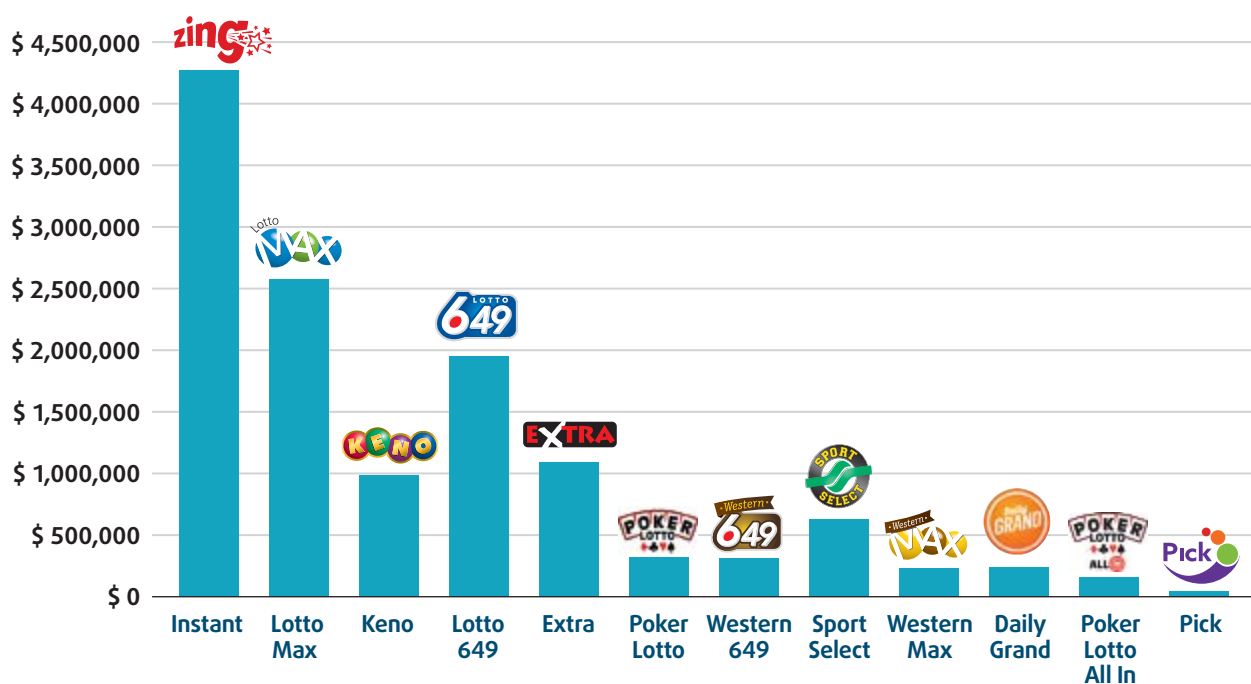
As the territory's sole distributor of lottery products, Lotteries Yukon is responsible for a network of 36 retailers in Yukon; 21 retailers located in the Whitehorse area and 15 retailers in the communities.

In the 2023-24 fiscal year, the Yukon achieved sales of 12.8 million dollars.





## 2023-24 Sales By Game



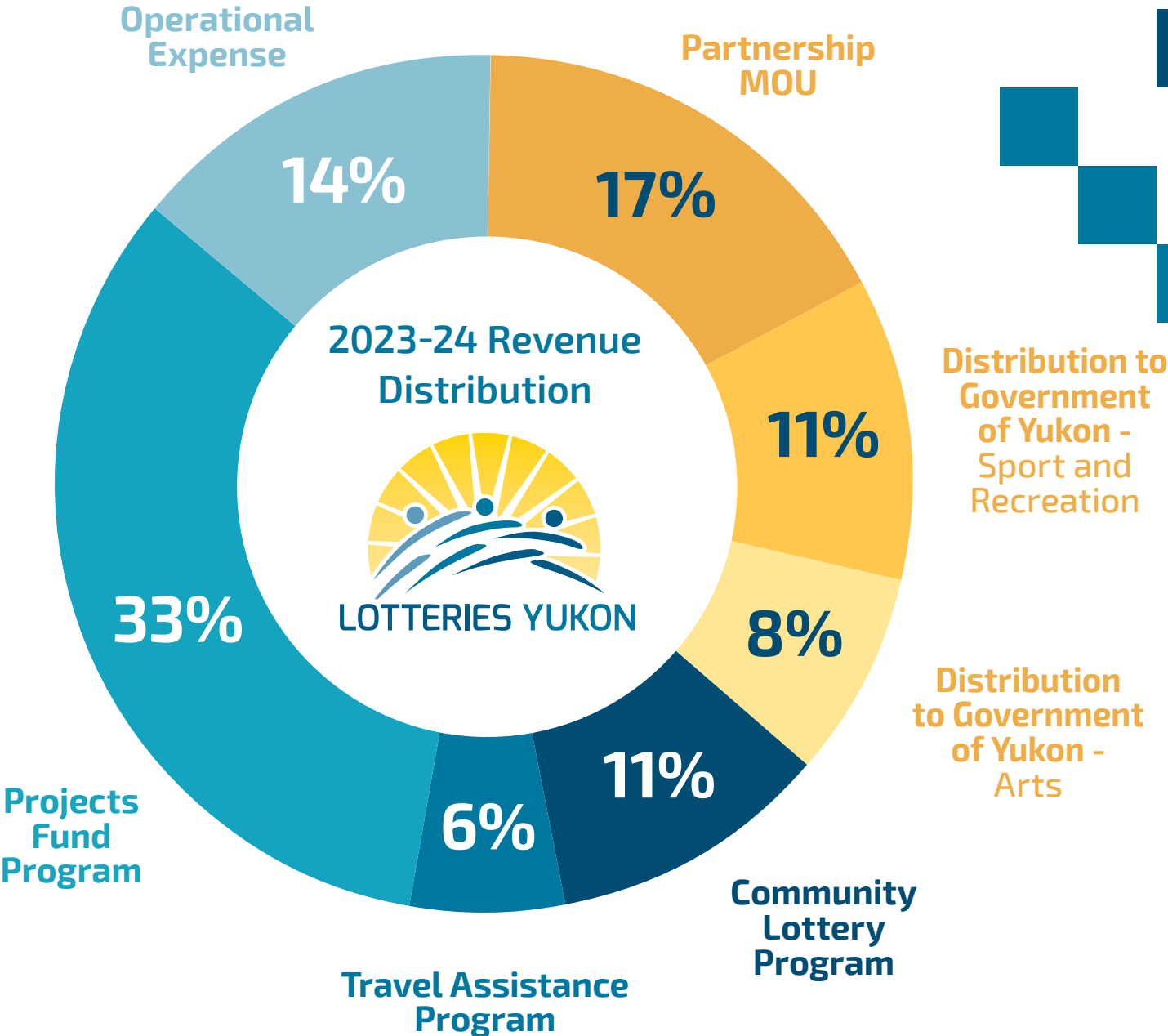
## Yukon Sales By Game - Five Year Comparison

|                                       | 2023-24             | 2022-23             | 2021-22             | 2020-21             | 2019-20             |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Instant                               | \$4,283,095         | \$4,077,156         | \$3,595,413         | \$4,011,969         | \$3,313,032         |
| Lotto Max                             | \$2,584,515         | \$3,484,635         | \$3,451,430         | \$3,120,215         | 2,702,083           |
| Lotto 649                             | \$1,957,368         | \$1,552,986         | \$1,466,196         | \$1,477,177         | 1,353,486           |
| Keno                                  | \$983,996           | \$1,308,952         | \$1,315,078         | \$1,596,560         | 1,197,235           |
| Extra                                 | \$1,093,611         | \$1,109,641         | \$1,090,359         | \$1,044,629         | 938,960             |
| Sport Select                          | \$627,949           | \$433,710           | \$391,147           | \$292,959           | 398,333             |
| Western 649                           | \$310,018           | \$283,028           | \$287,863           | \$296,682           | 248,602             |
| Western Max                           | \$228,116           | \$239,029           | \$247,156           | \$251,894           | 210,904             |
| Daily Grand <sup>1</sup>              | \$242,337           | \$226,962           | \$225,315           | \$227,578           | 224,308             |
| Pick                                  | \$41,013            | \$42,856            | \$51,622            | \$54,102            | 49,847              |
| Poker Lotto <sup>2</sup>              | \$325,116           | \$247,234           | \$246,896           | \$297,078           | 231,886             |
| All In <sup>3</sup>                   | \$158,728           | \$120,796           | \$119,874           | \$143,909           | 108,954             |
| <b>Total Sales</b>                    | <b>\$12,835,862</b> | <b>\$13,126,985</b> | <b>\$12,488,349</b> | <b>\$12,814,752</b> | <b>\$10,977,630</b> |
| <b>Sales Comparison to Prior Year</b> | <b>(291,123)</b>    | <b>\$638,636</b>    | <b>(326,403)</b>    | <b>1,837,122</b>    | <b>(209,665)</b>    |
| <b>Percentage Comparison</b>          | <b>-2%</b>          | <b>5%</b>           | <b>-3%</b>          | <b>14%</b>          | <b>-2%</b>          |
| <b>Number of Retailers*</b>           | <b>36</b>           | <b>36</b>           | <b>35</b>           | <b>34</b>           | <b>34</b>           |

<sup>1</sup> Daily Grand launched October 2016 <sup>2</sup> Poker Lotto launched March 2017 <sup>3</sup> All In launched February 2018 \* does not include Royal Canadian Legion

# Revenue Distribution

Lottery ticket revenue is distributed through three Yukon Lottery Commission funding programs – the **Projects Fund**, the **Travel Assistance Program** and the **Community Lottery Program**. The Yukon Lottery Commission, through a PMOU, also shares revenue with the **Government of Yukon** department of Tourism and Culture (Cultural Services Branch) and the department of Community Services (Sport and Recreation Branch).





**Arctic Edge Skating Club** was a recipient of the **Projects Fund**.



**Flatwater Paddling Yukon** was a recipient of the **Travel Assistance Program**.



**U Kon Echelon Biking Club** was a recipient of the **Project Fund**.

## The Yukon Lottery Commission's legislated mandate provides for programming focused on arts, sport and recreation.

These funding programs are intended to:

- ▶ Sustain and contribute to the growth of arts, sport and recreation for Yukon people;
- ▶ Increase access and participation of all Yukon people in arts, sport, and recreation;
- ▶ Improve/provide more community arts, sport and recreation infrastructure; and
- ▶ Increase organizational and community capacity in arts, sport and recreation.

**Robotics North Society**  
was a recipient of the  
**Travel Assistance Program.**





## Projects Fund Program

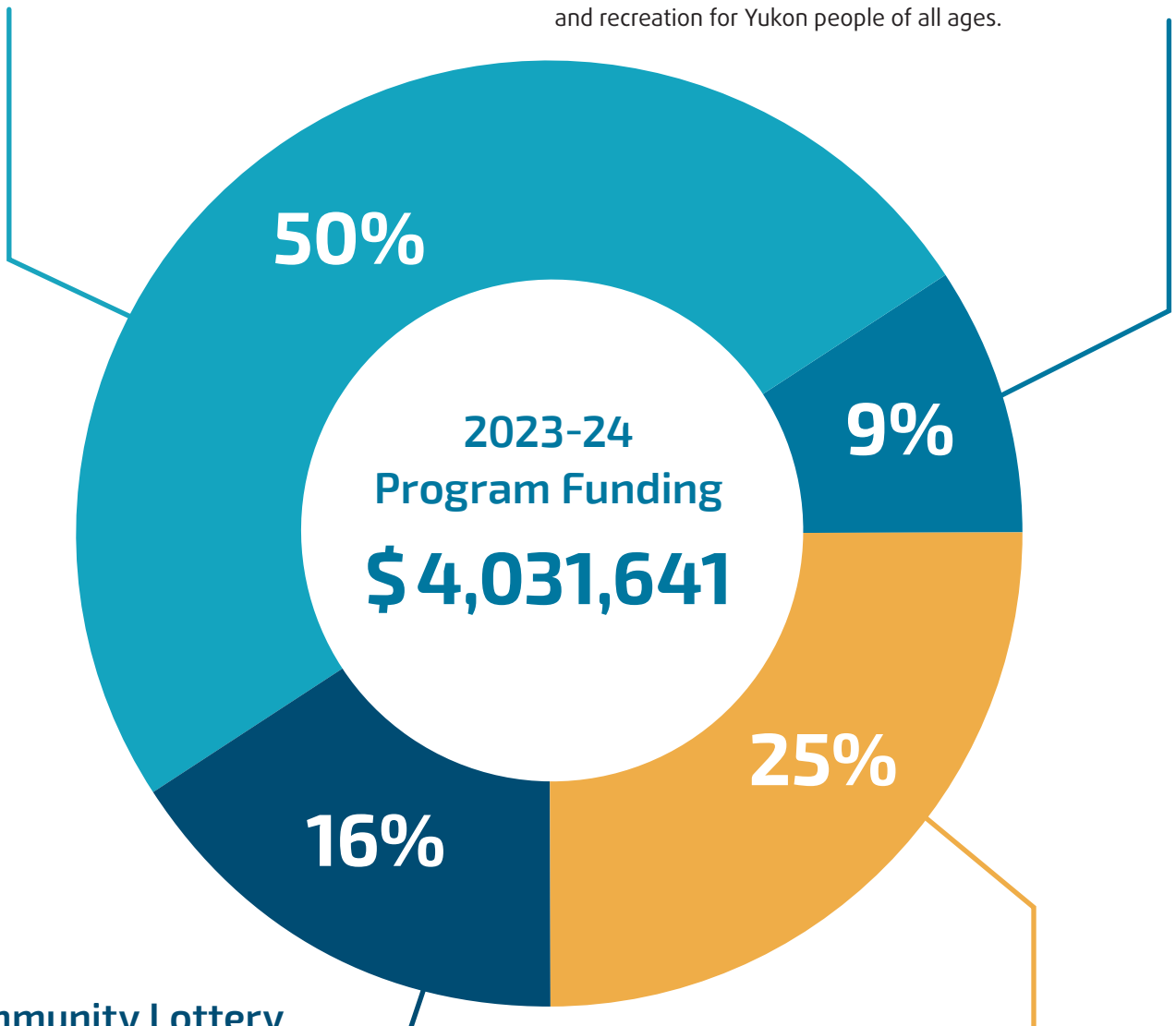
# \$ 2,017,034

- ▶ Provides non-profit groups with funding to support arts, sport and recreation projects, events or activities.

## Travel Assistance Program

# \$ 346,549

- ▶ Provides assistance to non-profit groups and extra-curricular high school groups attending competitions or adjudicated events.
- ▶ Supports the development of amateur arts, sport and recreation for Yukon people of all ages.



## Community Lottery Program

# \$ 651,958

- ▶ Provides municipalities and local authorities with funding to support arts, sport and recreation in their communities.
- ▶ Intended to enable local decision making to meet community needs and create equitable access to lottery revenues for all Yukon people.

## Partnership MOU

# \$ 1,016,100

- ▶ Strategic funding to non-Yukon Government partners for high-impact, transformational projects.

## 2023-24 Approved Funding\*

| Community       | Organization                           | Program | Amount     |
|-----------------|--|---------|------------|
| Beaver Creek    | Beaver Creek Community Club            | CLP     | \$ 11,746  |
| Burwash Landing | Burwash Landing Recreation Committee   | CLP     | \$ 11,746  |
| Carcross        | Carcross Recreation Board              | CLP     | \$ 18,794  |
| Carmacks        | Village of Carmacks                    | CLP     | \$ 18,794  |
| Dawson City     | City of Dawson                         | CLP     | 45,978     |
|                 | Dawson City Arts Society               | PF      | 42,816     |
|                 | Dawson City Golf Association           | PF      | 85,285     |
|                 | Dawson Society for Children & Families | PF      | 27,221     |
|                 | North Klondyke Highway Music Society   | PF      | 3,944      |
|                 | Shiver Arts Society                    | PF      | 10,000     |
|                 |  |         | \$ 215,244 |
| Faro            | Town of Faro                           | CLP     | 14,095     |
|                 | Del Van Gorder School                  | TAP     | 4,200      |
|                 | Faro Golf Club                         | PF      | 35,334     |
|                 |  |         | \$ 53,629  |
| Haines Junction | Village of Haines Junction             | CLP     | 23,493     |
|                 | Junction Arts & Music Society          | PF      | 34,707     |
|                 | St. Elias Community School             | TAP     | 1,800      |
|                 |  |         | \$ 60,000  |
| Keno            | Keno Community Club                    | CLP     | \$ 7,048   |
| Lorne Mountain  | Lorne Mountain Community Association   | CLP     | 14,095     |
|                 | Lorne Mountain Community Association   | PF      | 21,700     |
|                 |  |         | \$ 35,795  |
| Marsh Lake      | Marsh Lake Community Society           | CLP     | \$ 18,794  |
| Mayo            | Village of Mayo                        | CLP     | 18,794     |
|                 | J.V Clark School                       | TAP     | 2,600      |
|                 | Mayo Curling Club                      | PF      | 11,612     |
|                 |  |         | \$ 33,006  |
| Old Crow        | Vuntut Gwitchin First Nation           | CLP     | \$ 14,095  |
| Pelly Crossing  | Selkirk First Nation                   | CLP     | \$ 14,095  |
| Ross River      | Ross River Recreation Society          | CLP     | \$ 14,095  |
| Tagish          | Tagish Community Association           | CLP     | \$ 14,095  |
| Teslin          | Village of Teslin                      | CLP     | \$ 18,794  |
| Upper Liard     | Liard First Nation                     | CLP     | \$ 11,746  |
| Watson Lake     | Town of Watson Lake                    | CLP     | 28,191     |
|                 | Kaska Dena Tsyone & Misga Society      | PF      | 17,000     |
|                 | Signpost Seniors Association           | PF      | 7,500      |
|                 | Watson Lake Ski Club                   | PF      | 437,428    |
|                 |  |         | \$ 490,119 |

|     |                           |
|-----|---------------------------|
| PF  | Projects Fund             |
| TAP | Travel Assistance Program |
| CLP | Community Lottery Program |

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

\*\* The amount includes Projects Fund: Strategic Partnerships; Regular Intake; Opportunity Projects, and Three Year Plan



| Community                  | Organization                                    | Program | Amount            |
|----------------------------|---|---------|-------------------|
| Whitehorse                 | City of Whitehorse                              | CLP     | 333,470           |
|                            | All City Band                                   | TAP     | 9,600             |
|                            | Arctic Edge Skating Club                        | PF      | 25,578            |
|                            | Arctic Edge Skating Club                        | TAP     | 3,800             |
|                            | CSSC Mercier School                             | TAP     | 4,800             |
|                            | F.H Collins Secondary School                    | TAP     | 18,600            |
|                            | Friends of Mount Sima                           | PF      | 26,935            |
|                            | Kita Kaze Budo Club                             | TAP     | 1,200             |
|                            | Kwanlin Koyotes Ski Club                        | PF      | 14,150            |
|                            | Mountain View Golf Club                         | PF      | 61,504            |
|                            | Nakai Theatre                                   | PF      | 29,153            |
|                            | Network for Healthy Early Human Develop         | PF      | 20,238            |
|                            | Northernlight Dance of School                   | TAP     | 3,400             |
|                            | Porter Creek Secondary School                   | TAP     | 10,500            |
|                            | Robotics North Society                          | PF      | 5,545             |
|                            | Robotics North Society                          | TAP     | 4,928             |
|                            | St. Francis of Assisi Catholic Secondary School | TAP     | 10,300            |
|                            | Teegatha'Oh Zheh                                | PF      | 7,500             |
|                            | U Kon Echelon Biking Club                       | PF      | 22,500            |
|                            | Utilities Consumer Group                        | PF      | 19,997            |
|                            | Victoria Faulkner Women's Centre                | PF      | 875               |
|                            | Whitehorse Archery                              | PF      | 10,145            |
|                            | Whitehorse Bike Kitchen Task Force              | PF      | 6,000             |
|                            | Whitehorse Cross Country Ski Club               | PF      | 154,894           |
|                            | Whitehorse Curling                              | PF      | 17,853            |
|                            | Whitehorse Disc Golf                            | PF      | 11,398            |
|                            | Whitehorse Duplicate Bridge Club                | PF      | 7,500             |
|                            | Whitehorse Glacier Bears                        | PF      | 10,619            |
|                            | Whitehorse Oldtimers Hockey Society             | TAP     | 3,000             |
|                            | Whitehorse United F/C                           | PF      | 6,030             |
| Whitehorse Women's Hockey  | TAP   | 2,600   |                   |
|                            |   |         | <b>\$ 864,612</b> |
| Yukon                      | Alpine Club of Canada Yukon Society             | PF      | 1,713             |
|                            | Alpine Ski                                      | TAP     | 1,279             |
|                            | Athletics Yukon                                 | TAP     | 10,600            |
|                            | Basketball Yukon                                | TAP     | 32,238            |
|                            | Biathlon YK                                     | TAP     | 3,600             |
|                            | Biathlon YK                                     | PF      | 3,553             |
|                            | Blue Feather Music Society                      | PF      | 28,166            |
|                            | Climb Yukon                                     | TAP     | 2,400             |
|                            | Climb Yukon                                     | PF      | 17,161            |
|                            | Cross Country Yukon                             | TAP     | 6,800             |
|                            | Cross Country Yukon                             | PF      | 5,986             |
|                            | Cycling Association of Yukon                    | PF      | 12,420            |
|                            | Cycling Association of Yukon                    | TAP     | 400               |
|                            | Flatwater Paddling Yukon                        | TAP     | 800               |
|                            | Flatwater Paddling Yukon                        | PF      | 15,500            |
|                            | Golden Age Society                              | PF      | 3,718             |
|                            | Grapple Yukon Association                       | TAP     | 1,000             |
|                            | Guild Society                                   | PF      | 19,153            |
|                            | Gwaandak Theatre Society                        | PF      | 21,406            |
|                            | Heart of Riverdale Community Centre Society     | PF      | 23,026            |
| Heat Yukon Volleyball Club | PF  | 7,500   |                   |

| Community                                 | Organization  | Program | Amount              |
|---|---|---------|---------------------|
| Yukon continued                           | Japanese Canadian Association of Yukon              | PF      | 3,984               |
|   | Jazz Yukon  | PF      | 34,365              |
|   | Judo Yukon  | TAP     | 17,242              |
|   | Larrikin Entertainment Ensemble                     | PF      | 55,000              |
|   | Learning Disabilities Association of Yukon          | PF      | 11,267              |
|   | Longest Night Society                               | PF      | 16,525              |
|   | Music Yukon   | PF      | 29,293              |
|   | Paradise Music Festival                             | PF      | 1,075               |
|   | Queer Yukon   | PF      | 5,000               |
|   | Recreation & Parks Association of YT                | PF      | 84,600              |
|   | Screen Production Yukon Association                 | PF      | 13,193              |
|   | Snowboard Yukon                                     | PF      | 6,700               |
|   | Snowboard Yukon                                     | TAP     | 2,200               |
|   | Softball Yukon                                      | TAP     | 26,924              |
|   | Sport Yukon   | PF      | 18,310              |
|   | Sport Yukon   | TAP     | 800                 |
|   | Squash Yukon  | TAP     | 1,800               |
|   | Swim Yukon  | TAP     | 9,200               |
|   | Tennis Yukon  | PF      | 2,360               |
|   | Volleyball Yukon                                    | TAP     | 56,088              |
|   | Yukon Aboriginal Sport Circle                       | TAP     | 9,692               |
|   | Yukon Aboriginal Women's Council                    | PF      | 14,780              |
|   | Yukon Amateur Hockey Association                    | TAP     | 35,958              |
|   | Yukon Amateur Speed Skating                         | TAP     | 4,000               |
|   | Yukon Anti-Poverty Coalition                        | PF      | 3,500               |
|   | Yukon Arts Centre Corporation                       | PF      | 75,400              |
|   | Yukon Bluegrass                                     | PF      | 30,000              |
|   | Yukon Breeze Sailing                                | PF      | 2,550               |
|   | Yukon Canoe and Kayak Association                   | PF      | 53,430              |
|   | Yukon Conservation Society                          | PF      | 6,280               |
|   | Yukon Curling                                       | PF      | 4,972               |
|   | Yukon Curling                                       | TAP     | 2,200               |
|   | Yukon Dog Musers Association                        | TAP     | 1,200               |
|   | Yukon E Sports Alliance                             | TAP     | 1,400               |
|   | Yukon Film Society                                  | PF      | 19,153              |
|   | Yukon First Nations Culture and Tourism Association | PF      | 28,166              |
|   | Yukon Freestyle Ski Association                     | PF      | 14,862              |
|   | Yukon Freestyle Ski Association                     | TAP     | 3,000               |
|   | Yukon Golf Association                              | TAP     | 1,000               |
|   | Yukon Gymnastics Association                        | TAP     | 7,000               |
| Yukon Music Camp Society                  | PF  | 16,674  |                     |
| Yukon Orienteering Association            | TAP   | 2,400   |                     |
| Yukon Quest International Association     | PF  | 19,000  |                     |
| Yukon River Marathon Paddling Association | PF  | 31,700  |                     |
| Yukon Soccer                              | TAP   | 22,400  |                     |
| Yukon Sourdough Rendezvous Society        | PF  | 30,420  |                     |
| Yukon Special Olympis                     | TAP   | 1,600   |                     |
| Yukon Theatre for Young People            | PF  | 21,000  |                     |
| Yukon Wildlife Preserve Operating Society | PF  | 3,500   |                     |
| Yukonconstruct Makerspace Society         | PF  | 4,212   |                     |
| YXY Beach Volleyball Club                 | PF  | 3,500   |                     |
|   |   |         | <b>\$ 1,089,294</b> |





**\$ 4,031,641**

Total amount contributed to Yukon communities and non-profit organization in 2023-24.

Heart of Riverdale Community Centre Society was a recipient of the Project Fund.



# Revenue Sharing

Lottery revenues supplement the Government of Yukon funding for arts, sport and recreation.

## Arts

# \$ 469,004

Lottery revenues to the Government of Yukon for arts are provided for under the *Public Lottery Regulations* and the *Arts Act*.

- ▶ Programs are administered by the department of Tourism and Culture (Cultural Services Branch).
- ▶ The Yukon Arts Advisory Council (YAAC) makes 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.

## Sport and Recreation

# \$ 689,617

Lottery revenues to the Government of Yukon 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 (YRAC) 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, officials and Sport Yukon.



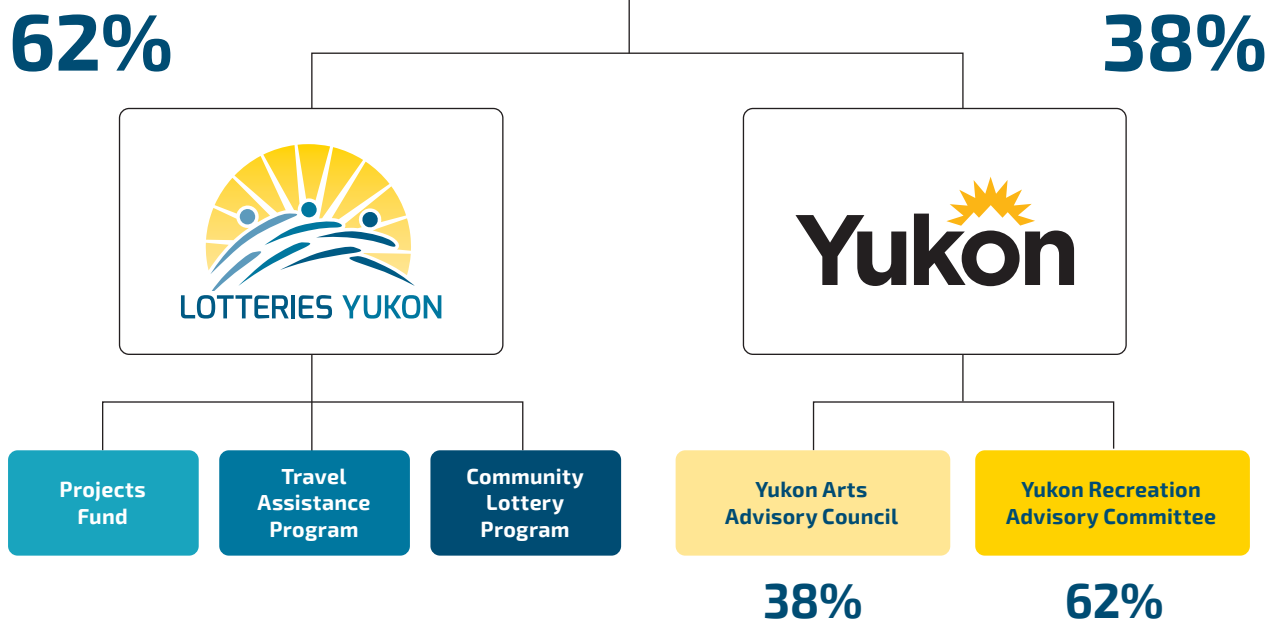
**Queer Yukon** was a recipient of the **Project Fund**.



**Music Yukon** was a recipient of the **Project Fund** for Arts in the Park.

## Yukon Lottery Commission Revenue Sharing Model

*Minus operating, maintenance, and capital expenses for Yukon Lottery Commission / Lotteries Yukon*





**Yukon Lottery Commission**  
**Financial Statements**  
**March 31, 2024**  
**(Expressed in Canadian dollars)**

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**Yukon Lottery Commission**

**Financial Statements  
(Expressed in Canadian dollars)**

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**March 31, 2024**

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## **Management Responsibility Statement**

The management of Yukon Lottery Commission is responsible for preparing the financial statements and the notes to the financial statements.

Management prepares the financial statements in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board. The financial statements are considered by management to present fairly the Commission'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 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 Crowe MacKay LLP, Chartered Professional Accountants, the Commission's auditors. Their report outlines the scope of their examination and their opinion on the financial statements.



**General Manager**  
**September 20, 2024**





Crowe Mackay LLP  
Member Crowe Horwath International  
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## Independent Auditors' Report

### To the Members of Yukon Lottery Commission

#### *Opinion*

We have audited the financial statements of Yukon Lottery Commission, which comprise the statement of financial position as at March 31, 2024, and the statements of comprehensive income (loss), changes in equity, and cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies and the schedules of break-open tickets and capital management of surplus.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the commission as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS as issued by the International Accounting Standards Board, 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.

In preparing the financial statements, management is responsible for assessing the commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the commission's financial reporting process.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

## Independent Auditors' Report (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Whitehorse, Canada  
September 20, 2024

*Crowe MacKay LLP*

Chartered Professional Accountants

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## Yukon Lottery Commission

### Statement of Comprehensive Income (Loss) (Expressed in Canadian dollars)

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| For the year ended March 31,   | 2024                  | 2023              |
|--|-----------------------|-------------------|
| <b>Revenues</b>  |                       |                   |
| Commissions - Western Canada Lottery Corporation   | \$ 3,722,637          | \$ 4,201,571      |
| Break-open Tickets (schedule 1)  | 223,295               | 122,135           |
| Interest   | 576,603               | 338,288           |
| Terminals  | 8,960                 | 9,230             |
|  | <hr/>                 | <hr/>             |
|  | 4,531,495             | 4,671,224         |
| <b>Administration expenditures</b>   |                       |                   |
| Advertising and promotion  | 6,555                 | 4,164             |
| Depreciation on property and equipment (note 8)  | 2,890                 | 3,700             |
| Break-open Tickets (schedule 1)  | 64,293                | 52,380            |
| Interest on lease liability (note 9)   | 4,895                 | 7,934             |
| Depreciation on right-of-use asset (note 9)  | 81,964                | 81,872            |
| Office   | 6,644                 | 6,922             |
| Postage and courier  | 1,610                 | 786               |
| Professional, consulting and administrative services agreement fees (note 16)              | 109,853               | 18,524            |
| Public relations   | 802                   | 1,146             |
| Repairs and maintenance  | 16,713                | 15,016            |
| Telephone and utilities  | 23,627                | 22,821            |
| Travel   | 4,313                 | 3,337             |
| Wages and benefits (note 16)   | 510,862               | 487,048           |
|  | <hr/>                 | <hr/>             |
|  | 835,021               | 705,650           |
|  | <hr/>                 | <hr/>             |
|  | 3,696,474             | 3,965,574         |
| <b>Commission meeting and program expenditures</b>   |                       |                   |
| Directors' honoraria, travel and meetings  | 9,747                 | 7,123             |
| Retailer incentive   | 26,485                | 28,306            |
|  | <hr/>                 | <hr/>             |
|  | 36,232                | 35,429            |
| <b>Excess of revenues over expenditures before transfer payments</b>                       | <b>3,660,242</b>      | <b>3,930,145</b>  |
| <b>Transfer payments (note 13)</b>   | <b>5,112,652</b>      | <b>2,977,848</b>  |
| <b>Excess (deficiency) of revenues over expenditures being comprehensive income (loss)</b> | <b>\$ (1,452,410)</b> | <b>\$ 952,297</b> |

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See accompanying notes

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**Yukon Lottery Commission**

**Statement of Changes in Equity  
(Expressed in Canadian dollars)**

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| <b>For the year ended March 31,</b>   | <b>2024</b>         | <b>2023</b>         |
|---|---------------------|---------------------|
| Surplus, beginning of year  | \$ 7,434,723        | \$ 6,482,426        |
| Excess (deficiency) of revenues over expenditures being comprehensive income (loss) | (1,452,410)         | 952,297             |
| <b>Surplus, end of year</b>   | <b>\$ 5,982,313</b> | <b>\$ 7,434,723</b> |

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See accompanying notes

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**Yukon Lottery Commission**

**Statement of Financial Position  
(Expressed in Canadian dollars)**

March 31, 2024 2023

**Assets**

**Current**

|                              |            |            |
|------------------------------|------------|------------|
| Cash                         | \$ 147     | \$ 91      |
| Funds held in trust (note 5) | 10,855,367 | 10,852,210 |
| Trade receivables (note 6)   | 457,740    | 415,127    |
| Inventory (note 7)           | 2,494      | 3,168      |
| Prepaid expenses             | 28,933     | 21,903     |

**11,344,681 11,292,499**

|                                 |        |         |
|---------------------------------|--------|---------|
| Property and equipment (note 8) | 38,015 | 41,137  |
| Right-of-use asset (note 9)     | 88,576 | 177,115 |

**\$ 11,471,272 \$ 11,510,751**

**Liabilities**

**Current**

|  |            |            |
|--|------------|------------|
| Trade payables and accruals (note 10)              | \$ 445,242 | \$ 356,120 |
| Provision, committed to Yukon Government (note 14) | 2,891,003  | 2,700,502  |
| Provision, committed transfer payments (note 11)   | 2,061,063  | 839,251    |
| Current portion of lease obligation                | 91,651     | 88,503     |

**5,488,959 3,984,376**

|                           |   |        |
|---------------------------|---|--------|
| Lease obligation (note 9) | - | 91,652 |
|---------------------------|---|--------|

**5,488,959 4,076,028**

**Equity**

|                                |           |           |
|--------------------------------|-----------|-----------|
| Surplus (schedule 2) (note 15) | 5,982,313 | 7,434,723 |
|--------------------------------|-----------|-----------|

**\$ 11,471,272 \$ 11,510,751**

**Commitments and contingencies (note 12)**

Approved on behalf of the Commission:

 Member  
 Member

See accompanying notes

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**Yukon Lottery Commission****Statement of Cash Flows**  
**(Expressed in Canadian dollars)**

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| <b>For the year ended March 31,</b>               | <b>2024</b>          | <b>2023</b>          |
|---|----------------------|----------------------|
| <b>Cash provided by (used for)</b>                |                      |                      |
| <b>Operating activities</b>                       |                      |                      |
| Excess (deficiency) of revenues over expenditures | \$ (1,452,410)       | \$ 952,297           |
| Items not affecting cash                          |                      |                      |
| Depreciation                                      | 3,122                | 3,983                |
| Lease expense                                     | 93,434               | 96,437               |
|   | <b>(1,355,854)</b>   | <b>1,052,717</b>     |
| Change in non-cash working capital items          |                      |                      |
| Trade receivables                                 | (42,613)             | 80,444               |
| Inventory   | 674                  | 1,234                |
| Prepaid expenses                                  | (7,030)              | (14,598)             |
| Trade payables and accruals                       | 89,121               | 30,293               |
| Provision, committed to Yukon Government          | 190,501              | 293,323              |
| Provision, committed transfer payments            | 1,221,812            | 143,310              |
|   | <b>96,611</b>        | <b>1,586,723</b>     |
| <b>Financing activity</b>                         |                      |                      |
| Lease payments                                    | (93,398)             | (93,398)             |
| <b>Increase in cash</b>                           | <b>3,213</b>         | <b>1,493,325</b>     |
| <b>Cash, beginning of year</b>                    | <b>10,852,301</b>    | <b>9,358,976</b>     |
| <b>Cash, end of year</b>                          | <b>\$ 10,855,514</b> | <b>\$ 10,852,301</b> |
| <b>Cash consists of:</b>                          |                      |                      |
| Cash  | \$ 147               | \$ 91                |
| Funds held in trust                               | 10,855,367           | 10,852,210           |
|   | <b>\$ 10,855,514</b> | <b>\$ 10,852,301</b> |

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See accompanying notes

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 1. Nature of operations

Yukon Lottery Commission (the "Commission"), was created under the provisions of the Yukon Public Lotteries Act, in Yukon, Canada and is responsible for the conduct and management of interjurisdictional lotteries in the Yukon, as set out by agreement with Western Canada Lottery Corporation. Consequently, the Yukon Government controls the Commission. 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. The Commission is not subject to income taxes.

These financial statements were authorized for issue at a meeting of the Commission on September 20, 2024.

#### 2. Adoption of new and revised standards

The following amendments were adopted during the year:

##### **Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies**

These amendments continue the International Accounting Standard Board's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The International Accounting Standards Board also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. Management reviewed the accounting policies and made updates to the information disclosed in certain instances in line with the amendments.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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**3. New and revised IFRSs issued but not yet effective**

The following new standards and amendments are not yet effective and have not been applied in preparing these financial statements. The Partnership expects to adopt the new amendments or standards at the effective dates.

**Amendments to IAS 1 – Classification of Liabilities as Current or Non-current**

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024 and are not expected to have a material impact on the financial statements.

**Amendment to IAS 1 – Non-current Liabilities with Covenants**

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. This amendment is effective for reporting periods beginning on or after January 1, 2024 and are not expected to have a material impact on the financial statements.

**IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Commission will be assessing the impact on its financial statements in the future.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 4. Material accounting policies

These financial statements are prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board. The material accounting policies are detailed as follows:

##### (a) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Commission takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 4. Material accounting policies (continued)

##### (b) Property and equipment

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

|                         |                        |
|-------------------------|------------------------|
| Furniture and fixtures  | 20% Declining balance  |
| Leasehold improvements  | 6 years Straight-line  |
| Machinery and equipment | 30% Declining balance  |
| Tools and dies          | 100% Declining balance |
| Break-open machines     | 30% Declining balance  |
| Artwork                 | Not amortized          |

##### (c) Provisions

Provisions are recognized when the Commission has a present obligation as a result of the approval of a transfer payment by the Commission where it is probable that the Commission will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

All unpaid, but approved transfer payments, are included in the provision for committed transfer payments. When the Commission determines that an obligation no longer exists, as there will be no future claims by the recipient of the transfer payment, the amount is considered unclaimed and the provision is reduced.

The Commission records two separate provisions.

- Committed to Yukon Government - provides for amounts that are subject to an agreement between the Commission and the Yukon Government that provides for the addition of 38% of the annual revenue available for distribution less amounts claimed in the current and prior year

-Committed transfer payments that provides for other claimants that are not subject to the agreement between the Yukon Government and the Commission.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 4. Material accounting policies (continued)

##### (d) Financial instruments

###### Recognition and initial measurement

Financial assets and financial liabilities are initially recognised when the Commission becomes a party to the contractual provisions of the instrument and are measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of a financial instrument apart from those measured at fair value through profit and loss are added to the fair value on initial recognition and accreted to profit and loss over the term of the instrument.

###### Classification and subsequent measurement

Cash comprises cash on hand and funds held in trust.

Financial instruments are classified and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL").

Financial assets measured at amortized cost include: cash, funds held in trust and trade receivables.

Financial liabilities measured at amortized cost include: trade payables and accruals, and lease obligations.

The Commission did not measure any financial assets or liabilities at FVTPL or FVTOCI.

Financial assets are not reclassified subsequent to their initial recognition unless the Commission changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Commission does not utilize derivative financial instruments to hedge its foreign currency and interest rate risk exposure.

Financial assets are measured at amortized cost if both of the following conditions are met and the financial asset is not designated as at FVTPL:

- i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is measured as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition, otherwise it is classified as measured at amortized cost. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Subsequent measurement:

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## Yukon Lottery Commission

Notes to the Financial Statements  
(Expressed in Canadian dollars)

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March 31, 2024

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### 4. Material accounting policies (continued)

Financial instruments at amortised cost are subsequently measured using the effective interest method. Any gain or loss on derecognition is recognised in profit or loss.

Impairment:

The Commission assesses at the end of each reporting period whether there is objective evidence that financial assets may be impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred based on the expected credit loss ("ECL") model. To determine recognition and measurement of credit losses, the Commission considers a broad range of information including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

- i) 12-month expected credit losses (stage 1) - financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk and
- ii) lifetime expected credit losses (stage 2) - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.
- iii) impairment (stage 3) - financial assets that have objective evidence of impairment at the reporting date.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of assets. The Commission recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit loss or reversal required to adjust the allowance.

The Commission uses the simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. When calculating the credit losses the Commission uses its historical experience, external indicators and forward-looking information.



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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 4. Material accounting policies (continued)

##### (e) Accounting estimates

The preparation of financial statements in conformity with the selected standard (changes in statements) 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 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 depreciation 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

Under IFRS 15 lottery commission revenue is recognized when the draw based game occurs. Instant win ticket or break-open ticket revenue is recognized at the time the retailer activates a specific book of tickets via the on-line accounting system for a sale to a customer.

IFRS 15 presents a single model of recognizing revenue from contracts with customers with the exception of certain contracts under other IFRSs. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the expected consideration receivable in exchange for transfer of those good and services. Under IFRS 15, revenue is measured at the transaction price, which is allocated to the performance obligations identified in the contract with the customer. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised good or services to customers.

As a result, commission revenues are required to be reported net of expected prize expense, and the Western Canada Lottery Commission's cost of producing and selling the tickets and is labeled Commissions - Western Canada Lottery Commission. Break-open tickets commission revenue is separately recorded and is labeled Break-open Tickets.

Terminal revenue is recognized as the administrative service is provided to retailers on a weekly basis.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 4. Material accounting policies (continued)

##### (g) Leases

###### As a lessee:

The Commission recognizes a right-of-use asset and lease liability at the commencement of an agreement where there is a right to control the use of an asset for a period of time. The date which a lessor makes the asset available for use by a lessee is the commencement date.

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability. After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability. Depreciation is measured straight-line over the lower of the estimated remaining useful life of the asset and the end of the lease term. If ownership of the asset transfers by the end of the lease term or the price reflects that the Commission will exercise a purchase option, then the right-of-use asset is depreciated over the remaining useful life of the asset.

The lease liability is initially measured at the present value of the lease payments that are not yet paid, discounted at the Commission's incremental rate of borrowing or the rate implicit in the lease agreement. The lease payments exclude variable components which are dependent on external factors. Variable lease payments which are not included in the initial measurement of lease liability are recognized directly in profit and loss.

Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments and re-measuring the carrying amount to reflect any reassessment or lease modifications.

The Commission has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Commission, instead, recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (h) 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.

##### (i) Functional and presentation currency

Items are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). These financial statements are presented in Canadian dollars, which is the Commission's functional currency and presentation currency.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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4. **Material accounting policies (continued)**

(j) **Termination benefits**

A liability for termination benefits, in respect of severance, is recognized when the Commission can no longer withdraw the offer of severance.

5. **Funds held in trust**

All general funds of the Commission are held in trust for the Commission by the 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.

6. **Trade receivables**

Accounts receivable is all, or substantially all, due from Western Canada Lottery Corporation.

7. **Inventory**

Inventory consists of Commission-branded promotional items on hand at year-end. During the year, \$802 (2022 - \$1,234) was expensed.

8. **Property and equipment**

|                          | 2024                      |                           |                       |           |            |
|--------------------------|---------------------------|---------------------------|-----------------------|-----------|------------|
|                          | Furniture and<br>fixtures | Leasehold<br>improvements | Computer<br>equipment | Artwork   |            |
| Cost                     |                           |                           |                       |           |            |
| Opening                  | \$ 118,880                | \$ 76,391                 | \$ 62,664             | \$ 26,275 | \$ 284,210 |
| Closing                  | 118,880                   | 76,391                    | 62,664                | 26,275    | 284,210    |
| Accumulated depreciation |                           |                           |                       |           |            |
| Opening                  | 105,513                   | 76,391                    | 61,168                | -         | 243,072    |
| Provision                | 2,674                     | -                         | 450                   | -         | 3,124      |
| Closing                  | 108,187                   | 76,391                    | 61,618                | -         | 246,196    |
| Net book value           | \$ 10,693                 | \$ -                      | \$ 1,046              | \$ 26,275 | \$ 38,014  |

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**Yukon Lottery Commission**

**Notes to the Financial Statements  
(Expressed in Canadian dollars)**

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**March 31, 2024**

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

|                          | <b>2023</b>               |                           |                       |           |            |
|--------------------------|---------------------------|---------------------------|-----------------------|-----------|------------|
|                          | Furniture<br>and fixtures | Leasehold<br>improvements | Computer<br>equipment | Artwork   |            |
| Cost                     |                           |                           |                       |           |            |
| Opening                  | \$ 118,880                | \$ 76,391                 | \$ 62,664             | \$ 26,275 | \$ 284,210 |
| Closing                  | 118,880                   | 76,391                    | 62,664                | 26,275    | 284,210    |
| Accumulated depreciation |                           |                           |                       |           |            |
| Opening                  | 102,172                   | 76,391                    | 60,527                | -         | 239,090    |
| Provision                | 3,341                     | -                         | 642                   | -         | 3,983      |
| Closing                  | 105,513                   | 76,391                    | 61,169                | -         | 243,073    |
| Net book value           | \$ 13,367                 | \$ -                      | \$ 1,495              | \$ 26,275 | \$ 41,137  |

**9. Right-of-use asset and lease obligation**

The Commission leases office space. The lease term is for three years beginning April 1, 2022 and ending March 31, 2025.

|   | <b>2024</b> |                             |                   |
|---|-------------|-----------------------------|-------------------|
|   | Cost        | Accumulated<br>amortization | Net book<br>value |
| Right-of-use  | \$ 265,618  | \$ 177,042                  | \$ 88,576         |
|   |             |                             |                   |
|   | <b>2023</b> |                             |                   |
|   | Cost        | Accumulated<br>amortization | Net book<br>value |
| Right-of-use  | \$ 265,618  | \$ 88,503                   | \$ 177,115        |
|   |             |                             |                   |
| <b>Maturity analysis - undiscounted lease liabilities</b> |             |                             |                   |
| Less than one year  |             |                             | \$ 91,651         |

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 9. Right-of-use asset and lease obligation (continued)

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|  |               |
|--|---------------|
| <b>Lease liabilities - principal</b>                             |               |
| Total lease liabilities  | \$ 91,651     |
| Less current portion   | (91,651)      |
| <hr/>  |               |
| Non-current portion  | \$ -          |
| <hr/>  |               |
| <b>Amounts recognized in net income</b>                          |               |
| Depreciation expense on right-of-use asset - leased office asset | \$ 88,540     |
| Interest expense on lease liabilities                            | 4,895         |
| <hr/>  |               |
| <b>Lease expense</b>   | <b>93,435</b> |
| Lease expense allocated to Break-open Tickets (Schedule 1)       | (6,576)       |
| <hr/>  |               |
|  | \$ 86,859     |

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The lease payments have been discounted at an effective interest rate of 3.5%. The lease payments commenced on April 1, 2023 and will end on March 31, 2025. The continuity of the discounted lease liability over the term of the lease is as follows:

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|                 | Start of lease | 2023       | 2024      | 2025 |
|-----------------|----------------|------------|-----------|------|
| Lease Liability | \$ 280,194     | \$ 180,155 | \$ 91,652 | \$ - |

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#### 10. Trade payables and accruals

Included in trade payables and accruals are the following:

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|   | 2024       | 2023       |
|---|------------|------------|
| Accrued employee termination benefits                               | \$ 270,699 | \$ 263,791 |
| Due to Yukon Government, a related party, for contributions payable | -          | 15,408     |
| Due to Yukon Government, a related party, for expenses              | 892        | -          |
| Due to Yukon Government, a related party, for wages payable         | 129,180    | 47,804     |
| Trade payables and accruals   | 44,471     | 29,117     |
| <hr/>   |            |            |
|   | \$ 445,242 | \$ 356,120 |

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 11. Provision, committed transfer payments

This provision is to provide a known level of funding to claimants as authorized by the Commission.

|                              | 2024         | 2023       |
|------------------------------|--------------|------------|
| Provision, beginning of year | \$ 839,251   | \$ 695,941 |
| Additions                    | 2,039,938    | 839,251    |
| Paid during the year         | (554,730)    | (508,535)  |
| Unclaimed                    | (263,396)    | (187,406)  |
| Provision, end of year       | \$ 2,061,063 | \$ 839,251 |

#### 12. Commitments and contingencies

The Commission is responsible for paying their employees, with five or more years of service severance and sick pay upon retirement or termination of employment (see note 10). The accruals for those employees have been set up as a payable in the financial statements. For employees that have been employed by the Commission for less than five years, severance and sick pay is not required to be paid out unless the employee was laid off or terminated without just cause. The Commission is not aware of any future layoffs or termination of employment; therefore, the amount of any liability is not determinable at this time.

In addition, the Western Canada Lottery Corporation has identified a negative equity balance of \$61,500 that may be collected from the Commission as a result of a pension conversion under IFRS. The decision to collect this amount from the commission has yet to be determined by the Western Canada Lottery Corporation.



## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

March 31, 2024

#### 13. Transfer payments

|  | 2024                | 2023                |
|--|---------------------|---------------------|
| Travel Assistance Program              | \$ 346,549          | \$ 251,578          |
| Community Lottery Program              | 651,958             | 610,448             |
| Project Fund                           |                     |                     |
| Regular intake                         | 1,584,053           | 579,458             |
| Three year plan                        | 309,539             | 200,222             |
| Opportunity                            | 123,442             | 40,014              |
| Strategic partnerships                 | 1,016,100           | 22,317              |
| Special Funding - APTN                 | -                   | -                   |
| Recreation Awareness Campaign          | -                   | -                   |
| Unclaimed Funds                        | (268,111)           | (187,406)           |
| Yukon Government - YRAC/YAAC (note 14) | 1,349,122           | 1,434,463           |
| Yukon Government - E-services          | -                   | 1,200               |
| PMOU - Strategic Initiatives           | -                   | 25,554              |
|  | <b>\$ 5,112,652</b> | <b>\$ 2,977,848</b> |

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

The Yukon Government, which has control over the Commission, is a related party. This provision is to provide a known level of funding to the Yukon Government Sport and Recreation Branch and Cultural Services Branch, to be accessed as required.

|  | 2024                | 2023                |
|--|---------------------|---------------------|
| Excess of revenue over expenditures before transfer payments   | \$ 3,660,241        | \$ 3,930,145        |
| Less: Break-open net income (schedule 1)                       | (159,002)           | (69,755)            |
|  | <b>3,501,239</b>    | <b>3,860,390</b>    |
| Change in contingencies reserve (prior year less current year) | 49,081              | (85,488)            |
| <b>Total revenue available for distribution</b>                | <b>\$ 3,550,320</b> | <b>\$ 3,774,902</b> |
|  | 2024                | 2023                |
| Total revenue available for distribution (from above)          | \$ 3,550,321        | \$ 3,774,902        |
| Less: Available for Yukon Lottery Commission (62%)             | (2,201,199)         | (2,340,439)         |
| <b>Total available for Yukon Government (38%)</b>              | <b>\$ 1,349,122</b> | <b>\$ 1,434,463</b> |

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**Yukon Lottery Commission****Notes to the Financial Statements  
(Expressed in Canadian dollars)**

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**March 31, 2024**

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**14. Provision, committed to Yukon Government (continued)**

|                                   | 2024                | 2023                |
|-----------------------------------|---------------------|---------------------|
| Sport and Recreation Branch (62%) | \$ 836,456          | \$ 889,367          |
| Cultural Services Branch (38%)    | 512,666             | 545,096             |
|                                   | <u>\$ 1,349,122</u> | <u>\$ 1,434,463</u> |
|                                   | 2024                | 2023                |
| Provision, beginning of year      | \$ 2,700,502        | \$ 2,407,179        |
| Additions                         | 1,349,122           | 1,434,463           |
| Paid during the year              | (1,158,621)         | (1,141,140)         |
| Provision, end of year            | <u>\$ 2,891,003</u> | <u>\$ 2,700,502</u> |

**15. Capital management**

The Commission considers its surplus 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 surplus for certain specified expenditures.

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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 15. Capital management (continued)

The Commission has internally restricted surplus earnings of \$4,448,037 (2023 - \$4,930,545) to provide for contingencies, to maintain funding levels for the Commission's funding programs, and for partnership strategic initiatives (Schedule 2). These restricted amounts are not available for other purposes without approval of the Commission. The restricted amounts consist of:

Invested in Capital Assets - an amount equal to the net book value of the Commission Capital Assets.

Working Capital - a fixed amount of \$100,000 to cover working capital needs.

Contingencies - an amount equal to 20% of revenue not including break-open ticket revenue.

Project Fund, - an amount is added annually to support various projects as approved by the Commission. Any amount paid to recipients or or any unclaimed amounts once a project is completed reduce the restricted amount.

Community Lottery Program - an amount is approved annually by the Commission to fund community lottery programming. Any amount paid to recipients or or any unclaimed amount upon completion of a project reduces the restricted amount.

Travel Assistance Program - an amount is approved annually by the Commission to fund travel for applicants. Any amount paid to recipients or or any unclaimed amount upon completion of travel reduces the restricted amount.

PMOU Strategic Initiatives - the net amount of break-open ticket revenues less allocated expenses as shown in schedule 1 is added to the restricted amount each year to fund future initiatives of strategic importance as determined by the Commission from time to time.

#### 16. Related party transactions

During the year, Yukon Government provided employee services to the Commission of \$551,846 (2023 - \$524,272) and provided other administrative services of \$74,230 (2023 - Nil).

During the year, the Commission committed transfer payments of \$1,349,122 (2023 - \$1,434,463) and paid out \$1,151,628 (2023 - \$1,141,140) to the Yukon Government.

#### 17. Key management compensation

During the year, key management short-term employee benefits and Commission member compensation totaled \$172,376 (2023 - \$156,777) plus termination benefits of \$1,116 (2023 - \$5,555) Key management compensation includes the general manager's salary and benefits and all Commission members' honoraria.



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## Yukon Lottery Commission

### Notes to the Financial Statements (Expressed in Canadian dollars)

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March 31, 2024

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#### 18. Financial risk management

##### (a) Liquidity risk

Liquidity risk is the risk the Commission may not be able to meet its obligations associated with its financial liabilities. The Commission reviews and maintains sufficient cash resources to ensure that liabilities can be settled when they become due.

##### (b) Credit risk

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 Commission has credit risk in trade receivables from Western Canada Lottery Corporation in respect of commissions of \$457,740 (2023 - \$415,127) and has recorded a credit loss allowance of nil (2023 - nil) based on historical default rates and collections subsequent to the year end.

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

##### (c) 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 1.0% on its funds held in trust would result in an approximate impact on income of \$108,553.

##### (d) Fair value

The Commission's financial instruments include cash, funds held in trust, trade receivables, trade payables and accruals and lease liability. The fair values on initial recognition are measured at the transaction amounts due to the short-term to maturity, except for the lease liability which is measured using the entity's incremental borrowing rate.

#### 19. Subsequent event

Subsequent to the end of the year, the Government of Yukon's Department of Community Services and Department of Tourism and Culture entered into a Partnership Memorandum of Understanding (MOU) with the Commission. Pursuant to the MOU, the Commission provided a commitment for funding to the Tourism and Culture department in the amount of \$825,075, \$925,075, and \$925,075 for the March 31, 2025, March 31, 2026 and March 31, 2027 fiscal years, respectively, and for funding to the Community Services department in the amount of \$1,052,996 annually for the three fiscal years from March 31, 2025 to March 31, 2027.

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**Yukon Lottery Commission****Schedule to the Financial Statements  
(Expressed in Canadian dollars)**

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**For the year ended March 31,**

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|  | <b>Schedule 1</b> |                   |
|--|-------------------|-------------------|
|  | 2024              | 2023              |
| <b>Revenue</b>   | <b>\$ 223,295</b> | <b>\$ 122,135</b> |
| <b>Expenditures</b>  |                   |                   |
| Advertising and promotion  | 526               | 319               |
| Depreciation   | 232               | 283               |
| Directors' honoraria, travel and meetings                          | 782               | 544               |
| Lease (note 9)   | 6,576             | 6,631             |
| Office supplies and printing                                       | 480               | 506               |
| Postage and freight  | 129               | 60                |
| Professional, consulting and administrative service agreement fees | 8,813             | 1,416             |
| Public relations   | 64                | 88                |
| Repairs and maintenance  | 1,341             | 1,148             |
| Retailer incentive   | 2,125             | 2,163             |
| Telephone  | 1,895             | 1,744             |
| Training   | 40                | 146               |
| Travel   | 306               | 109               |
| Wages and benefits   | 40,984            | 37,223            |
|  | <b>64,293</b>     | <b>52,380</b>     |
| <b>Excess of revenues over expenditures</b>                        | <b>\$ 159,002</b> | <b>\$ 69,755</b>  |

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**Yukon Lottery Commission**  
**Schedule of Capital Management of Surplus**  
**(Expressed in Canadian dollars)**

**Schedule 2**

**For the year ended March 31,**

**2024**

**2023**

|  | Operating Surplus | Invested in Capital Assets | Working Capital | Contingencies | Project Fund | Community Lottery Program | Travel Assistance Program | PMOU Strategic Initiatives | Total        | Total        |
|--|-------------------|----------------------------|-----------------|---------------|--------------|---------------------------|---------------------------|----------------------------|--------------|--------------|
| <b>Balance, beginning of year</b>                            | \$ 1,814,274      | \$ 41,137                  | \$ 100,000      | \$ 910,721    | \$ 3,815,859 | \$ 68,827                 | \$ 162,293                | \$ 521,612                 | \$ 7,434,723 | \$ 6,482,426 |
| Excess of revenue over expenditures before transfer payments | 3,501,240         | -                          | -               | -             | -            | -                         | -                         | 159,002                    | 3,660,242    | 3,930,145    |
| <b>Balance before transfer payments</b>                      | 5,315,514         | 41,137                     | 100,000         | 910,721       | 3,815,859    | 68,827                    | 162,293                   | 680,614                    | 11,094,965   | 10,412,571   |
| Transfer payments Unclaimed funds                            | (1,348,122)       | -                          | -               | -             | (3,680,377)  | -                         | (346,549)                 | -                          | (5,376,048)  | (3,165,253)  |
|  | -                 | -                          | -               | -             | 46,645       | 192,775                   | 23,976                    | -                          | 263,396      | 187,405      |
| <b>Transfer payments (note 14)</b>                           | (1,348,122)       | -                          | -               | -             | (3,633,732)  | 192,775                   | (322,573)                 | -                          | (5,112,652)  | (2,977,848)  |
| <b>Subtotal</b>  | 3,966,392         | 41,137                     | 100,000         | 910,721       | 182,127      | 261,602                   | (160,280)                 | 680,614                    | 5,982,313    | 7,434,723    |
| Depreciation   | 3,122             | (3,122)                    | -               | -             | -            | -                         | -                         | -                          | -            | -            |
| Transfers from reserves                                      | 117,908           | -                          | -               | (48,081)      | -            | (68,827)                  | -                         | -                          | -            | -            |
| Transfers to reserves  | (2,553,146)       | -                          | -               | -             | 2,340,439    | -                         | 212,707                   | -                          | -            | -            |
| <b>Balance, end of year</b>                                  | \$ 1,534,276      | \$ 38,015                  | \$ 100,000      | \$ 861,640    | \$ 2,522,566 | \$ 192,775                | \$ 52,427                 | \$ 680,614                 | \$ 5,982,313 | \$ 7,434,723 |





**Shiver Arts Society** was a recipient of the **Project Fund**.





**Whitehorse Bike Kitchen Task Force** was a recipient of the **Project Fund**.

## Lotteries Yukon

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