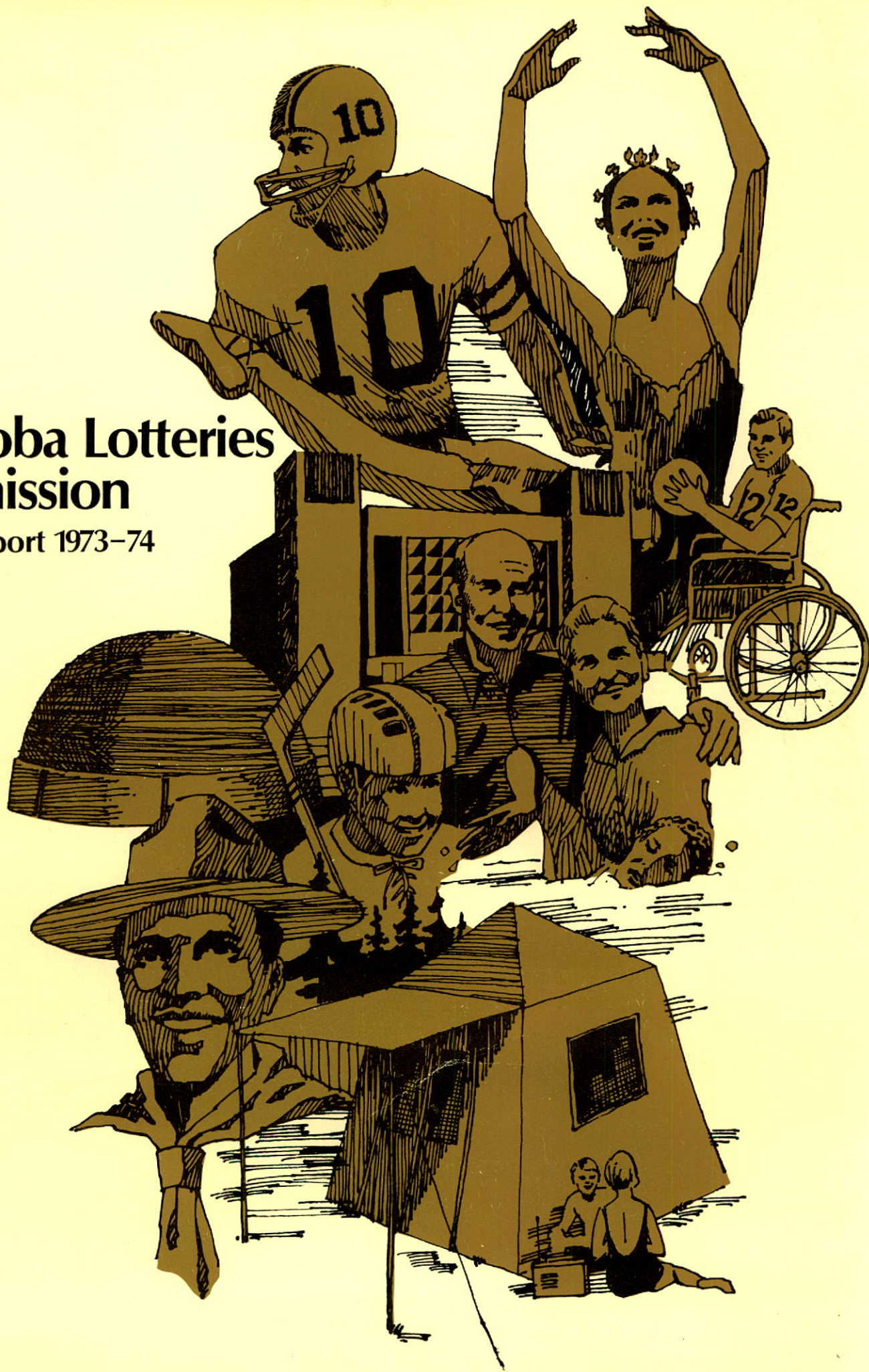


Manitoba Lotteries Commission

Annual Report 1973-74



Message from the Honourable René Toupin



As I review the work done during the past year by the Manitoba Lotteries Commission, the many organizations whose purposes and initiatives have been furthered by their involvement in lottery ticket sales, and the extensive list of recreational, cultural, and sports activities that have been supported by the lottery revenues, I continue to be pleased that the Government decided to develop a lottery program that enriches the leisure-time opportunities of the people of Manitoba.

As a result of the revenues that have been realized from the operations of the Lotteries Commission for 1973/74, the Department of Tourism, Recreation and Cultural Affairs has been able to continue the extensive program of support to communities in the Province for the construction of new recreational facilities. Support for sports and recreation projects has been channelled to a growing list of communities throughout Manitoba from small communities in the northern areas to the cities, towns and municipal areas in the south. All areas of the province have benefitted from the revenues from lotteries. Assistance has been provided for the construction of community centers, arenas, indoor and outdoor swimming pools, track and field facilities, ski areas and many other types of recreational projects.

Grants have been provided to the Manitoba sports organizations for the provision of leadership training and for the development of teaching aids to develop the recreational skills of the citizens of the province. During the year, the first Manitoba Northern Games were supported through the revenue derived from the lotteries.

Administrative assistance to the sports organizations has been provided through the funds made available. These and many other programs that provide for increased opportunities in sports activities are the direct result of Manitobans mutual efforts in the lotteries program.

The cultural and artistic life of Manitoba has similarly benefitted from lotteries proceeds. Under the program umbrella of Festival Manitoba, the talents and skills of Manitobans have been given increased opportunity for expression. Residents in all areas of the province have been able to benefit from increased variety in their enjoyment of and participation in music, theatre, crafts, dance and other forms of cultural activity.

As we move into full-scale operation of the new Western Canadian Lottery, and engage in this co-operative venture with our neighbouring provinces, I am confident that we will continue to derive benefits to all our people.

May I take this opportunity of expressing appreciation on behalf of the Government for the work of the board and staff of the Lotteries Commission, and extend best wishes for continued success.

RENÉ E. TOUPIN

Minister of Tourism, Recreation and Cultural Affairs

Manitoba Lotteries Commission



Mrs. Kae Dyck, Vice-Chairman



Nick Yuzark, Director



Lorne Leech, Chairman

Report from the

It is with a great deal of pleasure that I report a most successful year. In fact, 1973-74 has been the most successful yet for the Manitoba Lotteries Commission. It is gratifying to look back on last year's report which mentioned that the Commission was entering its third year with confidence and pride. I can now say that the assessment was fully justified.

As a provincial agency, the Manitoba Lotteries Commission was established to operate lotteries with the resulting revenues used for cultural and recreational projects within Manitoba. A successful year means that there are more funds available to assist communities and organizations across the province.

The Commission has also had the responsibility to encourage the sale of Golden Sweepstakes tickets

Manitoba Lotteries Commission Administrators



John A. Stewart, Executive Director

Board of Directors



John B. Sinclair, *Director*



Howard Mitchell, *Director*

Chairman

through the many non-profit agencies operating in Manitoba. Sales generated by these groups not only contribute to commission revenues, but also provide monies for their own worthwhile programs. Naturally, a successful year means additional financial help and a big boost to the realization of their objectives.

While many factors helped create growth over the past year, I feel I must congratulate our dedicated Commission staff, the ticket selling agencies, Manitobans and Canadians for their warm response to our product and objectives and the media. This team effort has allowed us to move ahead in all sectors and reach goals earlier than planned.

Although every individual involved in our past successes merits well earned praise, I feel I should in all

fairness make special mention of the Commission's board of directors and the Commission's administration officers. Without their dedication, enthusiasm and expertise, the results would have been far different.

Once again, the Commission looks forward to another year with renewed confidence and optimism. Since the Golden Sweepstakes lottery will end with the Manitoba Derby and be replaced by the Western Canada Lottery, I believe that the same team effort will allow Manitoba to measure up to its new responsibilities and permit the Commission to play a valuable role in the new four-province operation.

Lorne A. Leech

LORNE A. LEECH
Chairman



Len A. Gzebb, *Marketing Director*



Phil G. Viau, *Comptroller*



Tom Rooke, *Agency Co-ordinator*

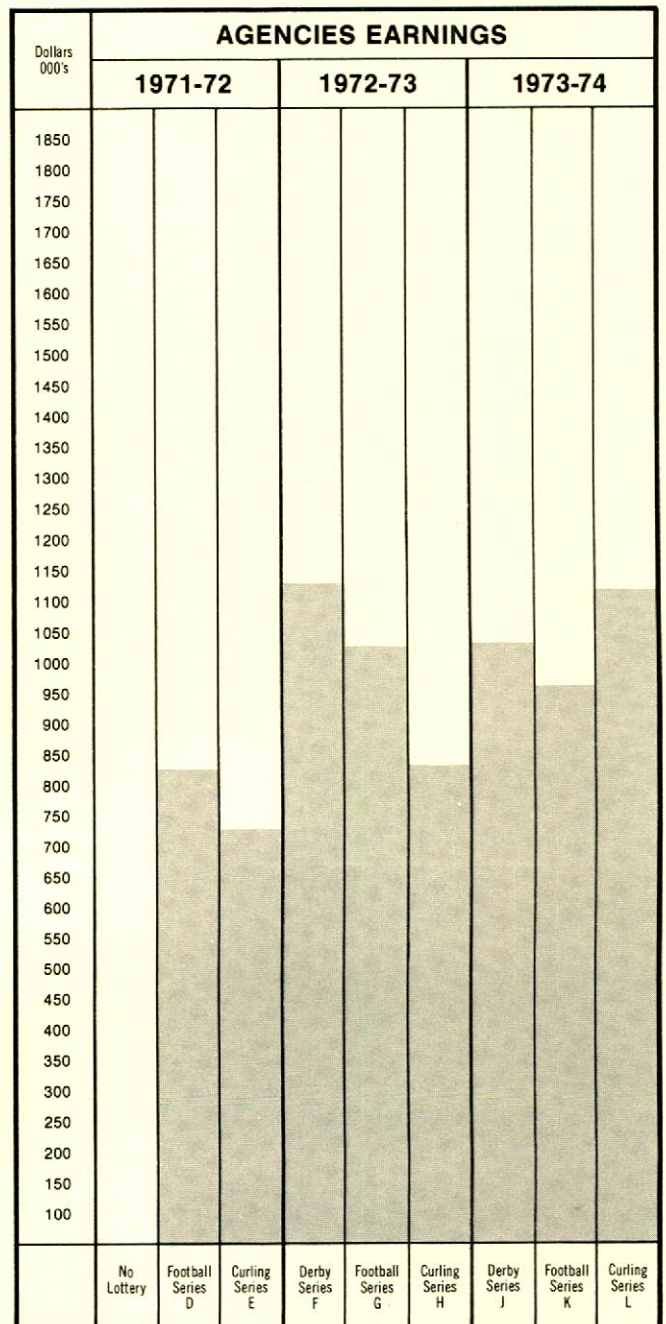
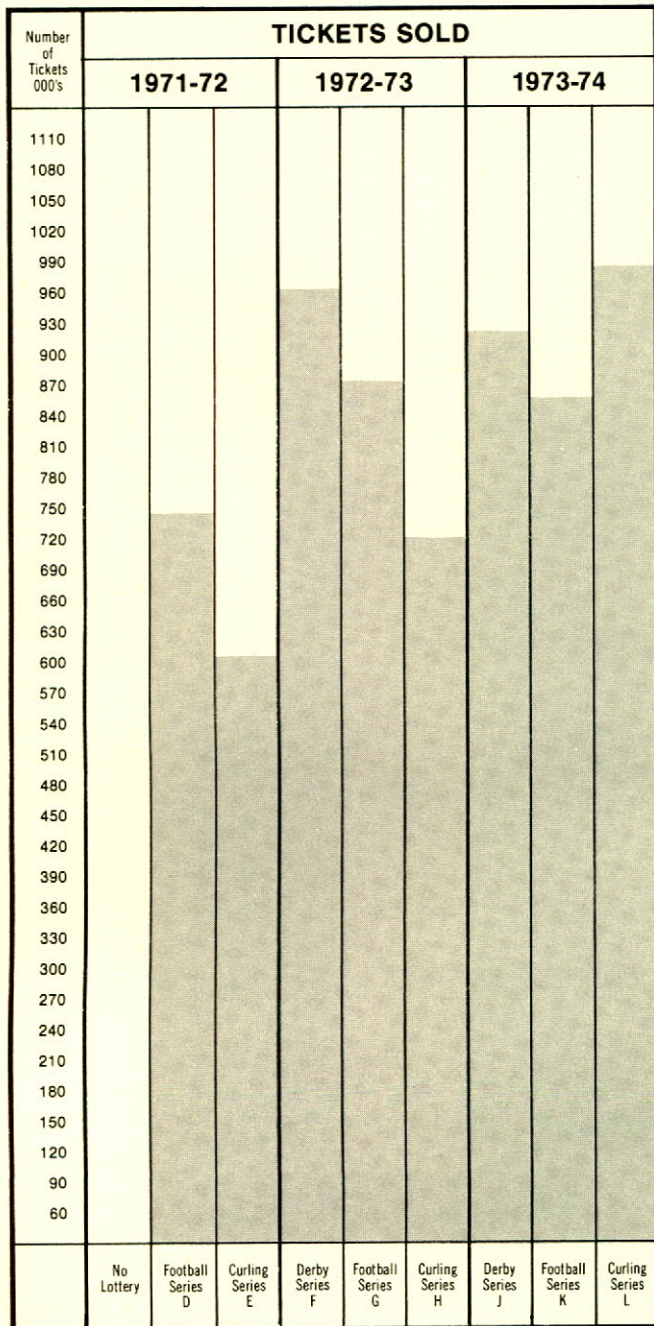
Draw Highlights



Chairman Lorne Leech blows out the candles to mark the second anniversary of the Golden Sweepstakes lottery at 1973 Series J Derby draw (above). Series K draw host Cliff Gardner announces that Fred Law, Manitoba Curling Association President for 1973-74, has selected the Ottawa football team which later went on to win the 1973 Grey Cup and \$100,000 for a Golden Sweepstakes ticket holder (below). World figure skating and Ice Capades star Karen Magnussen headlined the guest list at the Series L January Bonus Draw based on the 1974 Canadian Curling championships (on the left).



Tickets Sold / Agencies Earnings

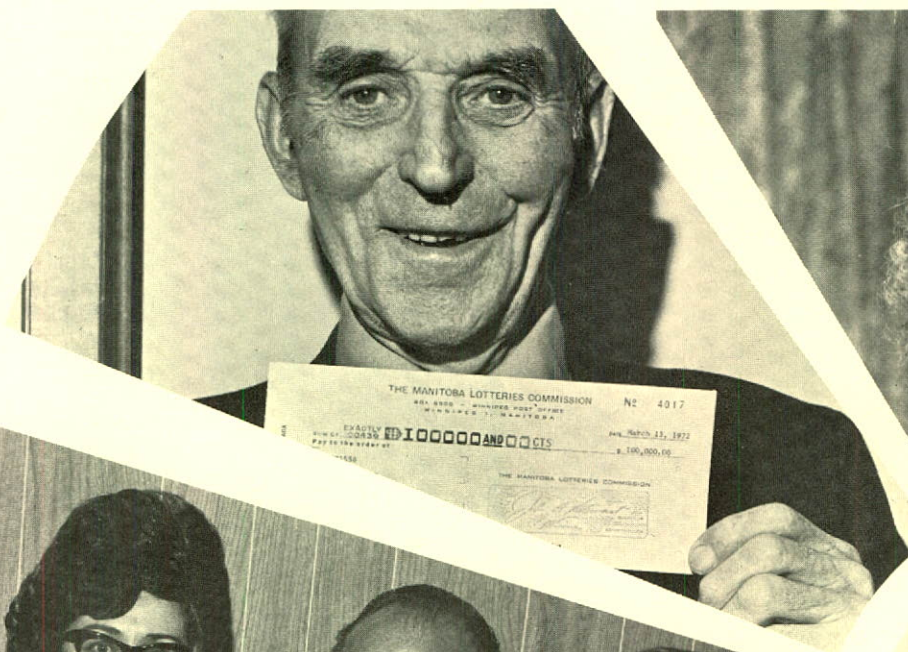


Winners

SERIES D — Mrs. Pearl S.

SERIES E

Jim Stevenson, Winnipeg, \$100,000



SERIES F

Mrs. Marie Ouellette,
Dugald, Man., \$100,000



SERIES G

L. R. Hefford, Kitchener, Ont.,
\$100,000



SERIES H — M. Rosendhal



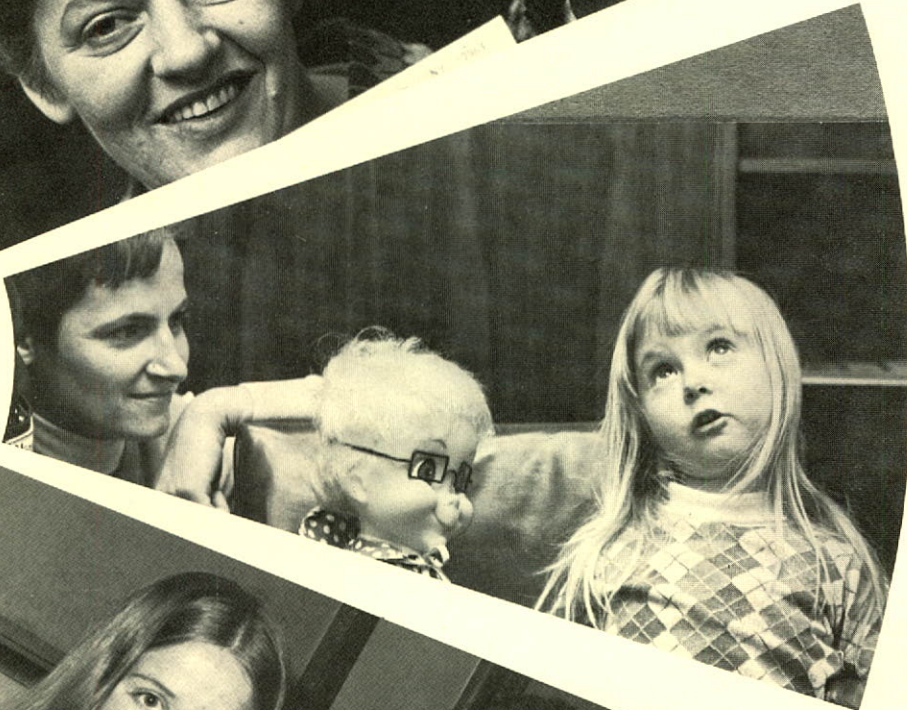
s' Circle

Smith, Winnipeg, \$100,000



SERIES L

Gerry Casey, Victoria, B.C., \$150,000



SERIES K

Barbara Wozney,
Winnipeg, \$100,000



SERIES J

Donna Stokes, Winnipeg, \$100,000

, Mississauga, Ont., \$100,000

Auditor's Report



PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

I report that the accounts of The Manitoba Lotteries Commission have been audited under my direction for the fiscal year ended March 31, 1974. The audit included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as were considered necessary in the circumstances.

In my opinion the statements appended hereto as Exhibits A, B, C and D present fairly the financial position of The Manitoba Lotteries Commission as at March 31, 1974 and the results of its operations for the year then ended, in accordance with the accounts of the Commission maintained on a basis consistent with that of the preceding year.

A handwritten signature in black ink, reading "W. K. Ziprick".

W. K. ZIPRICK, C.A.,
Provincial Auditor.

July 2, 1974,
Winnipeg, Manitoba.

EXHIBIT A

Balance Sheet

as at March 31, 1974 (with 1973 figures for comparison)

Assets

	1974	1973
Cash on hand and in bank	\$ 250,514.11	\$ 183,810.94
Funds on deposit with the Minister of Finance, interest bearing	1,200,000.00	800,000.00
Accrued interest receivable	22,590.99	7,218.67
Accounts receivable	1,922.50	2,695.30
Prepaid expenses	17,632.85	15,146.08
Lottery Series in progress, Exhibit D	324,363.54	261,827.83
Deferred expenditures re Western Canada Lottery Foundation (Note 1)	23,444.15	—
Furnishings and equipment, at cost	101,805.47	66,270.42
Less—Accumulated depreciation	40,610.67	20,216.91
	<u>61,194.80</u>	<u>46,053.51</u>
Organization expenses	33,479.17	33,479.17
Less—Amount amortized	33,479.17	30,333.71
	<u>—</u>	<u>3,145.46</u>
	<u>\$1,901,662.94</u>	<u>\$1,319,897.79</u>

Liabilities

Cheques issued and outstanding	\$ 71,962.53	\$ 391,740.09
Accounts payable	72,637.36	48,645.10
Grants payable	468,178.00	359,158.00
Lottery Series in progress, accrued:		
Grants	60,261.00	84,562.50
Prizes	400,000.00	400,000.00
	<u>460,261.00</u>	<u>484,562.50</u>
General Reserve, Exhibit B	828,624.05	35,792.10
	<u>\$1,901,662.94</u>	<u>\$1,319,897.79</u>

Statement of General Reserve

for the year ended March 31, 1974 (with 1973 figures for comparison)

EXHIBIT B

	1974	1973
Balance, beginning of year	\$ 35,792.10	\$ 62,635.19
Add:		
Excess of revenues over expenditures, Exhibit C	1,959,668.08	1,624,838.28
Adjustment of prior years' revenues and expenditures	(6,044.03)	12,621.21
	<u>1,953,624.05</u>	<u>1,637,459.49</u>
Deduct:		
Funds transferred to the Trust and Special Division of the Consolidated Fund for cultural and recreational purposes. These funds are administered by the Government and reported on in the Public Accounts of the Province	1,160,792.10	1,662,635.19
Book value adjustment on sale of equipment	—	1,667.39
	<u>1,160,792.10</u>	<u>1,664,302.58</u>
Balance, at end of year, Exhibit A	<u>\$ 828,624.05</u>	<u>\$ 35,792.10</u>

Statement of Revenues and Expenditures for completed Lottery Series

for the year ended March 31, 1974 (with 1973 figures for comparison)

	Lottery Series			Totals	
	"J"	"K"	"L"	1974	1973
Revenues:					
Gross ticket sales	\$2,316,652.50	\$2,139,160.00	\$2,497,192.50	\$6,953,005.00	\$6,382,502.50
Less—Commissions retained by selling agencies	443,742.00	411,678.00	478,890.00	1,334,310.00	1,227,738.00
Net ticket sales	1,872,910.50	1,727,482.00	2,018,302.50	5,618,695.00	5,154,764.50
Investment income	23,313.29	39,016.72	37,042.90	99,372.91	65,993.14
Total net revenues	1,896,223.79	1,766,498.72	2,055,345.40	5,718,067.91	5,220,757.64
Expenditures:					
Administration, General and Promotion Expenses:					
Acknowledgement receipts — postage, printing and supplies	60,332.27	58,517.67	67,432.12	186,282.06	167,694.19
Advertising and promotion	71,370.19	82,729.88	94,789.41	248,889.48	289,088.62
Amortization of organization expenses	1,808.07	1,789.40	—	3,597.47	18,950.34
Audit	1,450.00	1,340.00	1,560.00	4,350.00	4,750.00
Board members' fees and expenses	1,142.89	935.69	618.47	2,697.05	4,347.70
Building rental and maintenance	9,341.35	8,048.08	7,129.81	24,519.24	16,765.27
Cartage	559.92	571.55	360.95	1,492.42	2,460.71
Data processing services	7,955.74	10,807.34	12,932.91	31,695.99	25,947.52
Depreciation—furnishings and equipment	7,002.60	6,540.71	6,465.67	20,008.98	14,597.72
Draws—exclusive of salaries	10,490.01	8,757.88	4,938.35	24,186.24	17,338.22
Equipment rental and maintenance	3,273.33	1,734.18	824.18	5,831.69	8,957.36
Miscellaneous	1,045.98	1,967.70	1,372.71	4,386.39	9,227.91
Office supplies	4,281.12	3,279.67	3,092.43	10,653.22	12,434.31
Postage, telephone and telegraph	4,941.61	3,767.20	4,007.83	12,716.64	12,666.14
Printing of lottery tickets	21,764.30	20,658.86	23,596.32	66,019.48	55,009.53
Salaries	53,548.84	59,629.45	42,477.62	155,655.91	168,672.76
Travel	766.11	1,571.27	749.44	3,086.82	4,081.31
	261,074.33	272,646.53	272,348.22	806,069.08	832,989.61
Grants to selling agencies	584,064.00	538,831.50	629,435.25	1,752,330.75	1,607,679.75
Prizes	400,000.00	400,000.00	400,000.00	1,200,000.00	1,155,250.00
Total expenditures	1,245,138.33	1,211,478.03	1,301,783.47	3,758,399.83	3,595,919.36
Excess of revenues over expenditures, Exhibit B	\$ 651,085.46	\$ 555,020.69	\$ 753,561.93	\$1,959,668.08	\$1,624,838.28

EXHIBIT D

Statement of Revenues and Expenditures for Lottery Series "M" in progress

as at March 31, 1974 (with 1973, Series "J", figures for comparison)

	1974	1973
Revenues:		
Gross ticket sales	\$ 240,835.00	\$ 338,185.00
Less—Commissions retained by selling agencies	47,958.00	67,572.00
Net ticket sales	192,877.00	270,613.00
Investment income	11,986.49	—
Total net revenues	204,863.49	270,613.00
Expenditures:		
Administration, General and Promotion Expenses:		
Acknowledgement receipts—		
postage, printing and supplies	4,903.94	7,518.85
Advertising and promotion	14,484.57	6,946.95
Amortization of organization expenses	—	452.01
Audit	150.00	250.00
Board members' fees and expenses	341.32	—
Building rental and maintenance	2,168.27	2,125.00
Cartage	261.60	—
Data processing services	540.83	401.64
Depreciation—furnishings and equipment	1,877.81	1,493.03
Equipment rental and maintenance	382.32	35.70
Miscellaneous	326.58	35.00
Office supplies	945.12	—
Postage, telephone and telegraph	1,345.59	—
Printing of lottery tickets	27,112.68	21,764.30
Salaries	13,719.84	6,676.44
Travel	405.56	179.41
Grants to selling agencies	68,966.03	47,878.33
Prizes	60,261.00	84,562.50
	400,000.00	400,000.00
Total expenditures	529,227.03	532,440.83
Excess of expenditures over revenues, Exhibit A	\$ 324,363.54	\$ 261,827.83

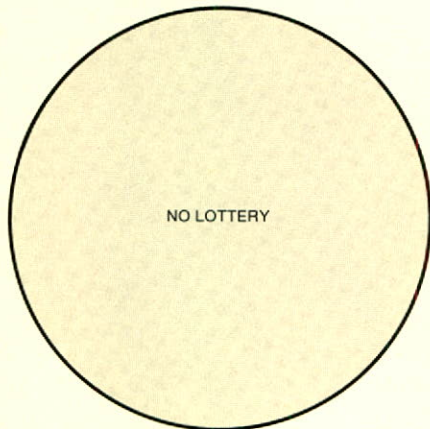
Note to financial statements

March 31, 1974.

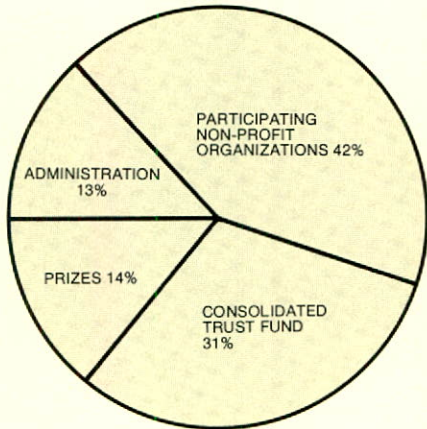
Deferred expenditures, amounting to \$23,444.15, represent development costs relating to interprovincial lotteries.

Division of Revenues

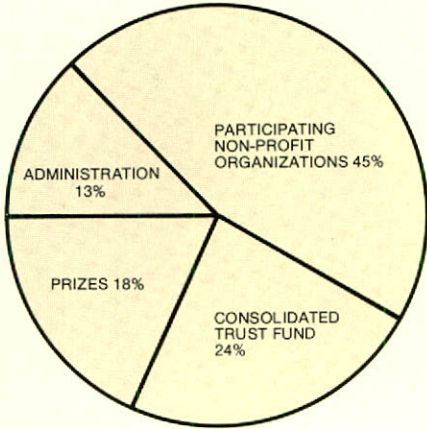
1971-72



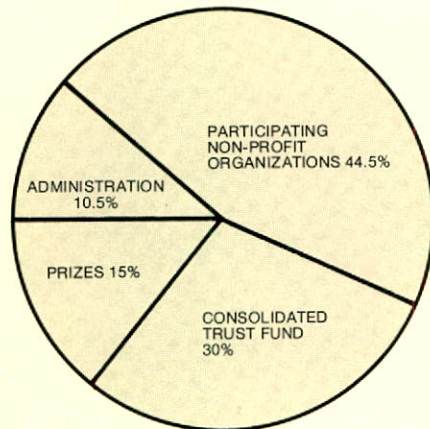
FOOTBALL
SERIES "D"



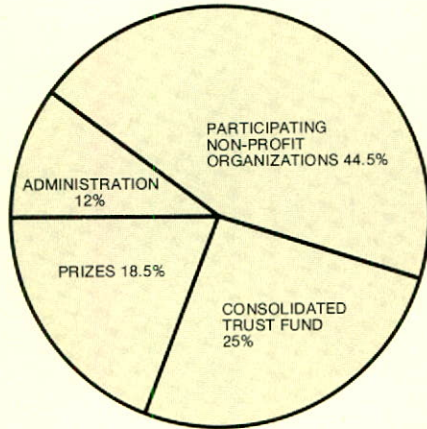
CURLING
SERIES "E"



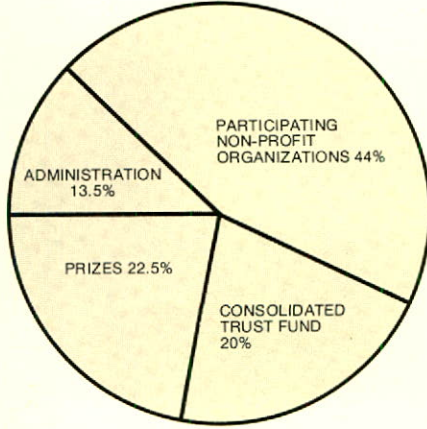
1972-73 DERBY
SERIES "F"



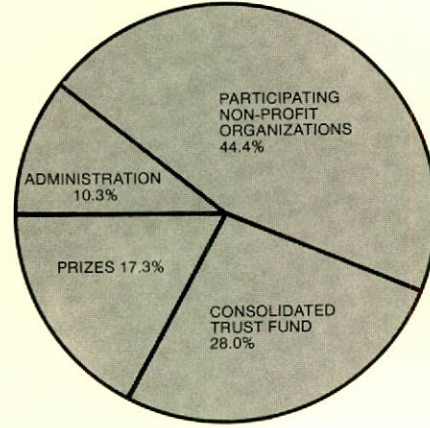
FOOTBALL
SERIES "G"



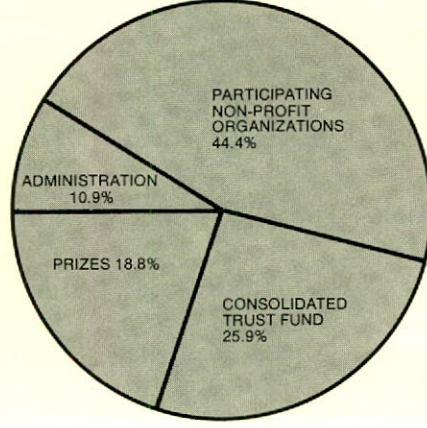
CURLING
SERIES "H"



1973-74 DERBY
SERIES "J"



FOOTBALL
SERIES "K"



CURLING
SERIES "L"

