

47th REPORT

LIQUOR CONTROL BOARD
OF ONTARIO

APRIL 1st, 1972
to MARCH 31st, 1973



The Liquor Control Board of Ontario

55 Lake Shore Boulevard East,
Toronto, Ontario, M5E 1A4,
October 2, 1973.

The Honourable W. Ross MacDonald, P.C., C.D., Q.C., LL.D.,
The Lieutenant-Governor of the Province of Ontario,
Parliament Buildings,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour,

I have the honour to submit the forty-seventh report of the Liquor Control Board of Ontario. This report covers the activities of the Board for the twelve-month fiscal period which ended March 31, 1973, as required under Section 13 of the Liquor Control Act.

During the past twelve months the Board has at all times administered its affairs and the control aspects of its responsibilities in an efficient and proper manner. At the same time the search for better products of distilleries, breweries and wineries from all over the world continued to be one of the priorities of the Board.

On April 17, 1972, the selling prices of all products listed by the Board were increased. This increase satisfied a requirement of the 1972-73 Ontario budget. Normal growth together with this general price change resulted in increases in sales and net profit of \$58,795,367 and \$33,923,385 respectively. As in previous years the cost of administration remained at 8% of sales.

To accommodate the requests by municipal officials and the purchasing public, the Board continued its store expansion program. A total of thirty-eight new stores were opened during the year, which included a second duty free store at Terminal Two at the Toronto International Airport and thirty-seven self-serve stores. In addition, twenty stores were modernized and converted to self-serve. Of this total, nine stores were relocated and eleven were converted at their present locations.

During the fiscal period covered by this report, the administrative divisions of the Board were reorganized and two new sections were established. A Records

Management Section will provide better control over the large volume of Board records and the new Planning Section will work on the many special projects in which the Board is involved.

The continuing need for current statistical information and current processing methods required a change in our electronic data processing equipment during the year. This change will assist in the control of administrative costs and will lead to increased efficiencies.

The program of improved customer service implemented last year has been well accepted by the public. The results of service questionnaires were analysed and we were gratified to see that the present method of operation generally meets with the approval of the public. Better communication has been effected with the publication of an information booklet. Better service has been provided as the result of the change in hours in some stores. Many stores observe extended hours or have adopted a double shift operation. Closing days have been changed to conform with the hours of the local municipalities.

A rare wine and spirit cellar will be opened in the near future. This will provide access to special products that are in limited supply and not available in stores.

Orders of interdiction have continued to be of assistance in the control of liquor abuses. This control is more effective in the rural areas of the province.

The cooperation and assistance extended to me by Mr. R. J. Harris, Deputy Chief Commissioner is greatly appreciated and I also thank the Reverend A. Walter Downer, M.P.P. for his efforts in a specialized area. A special tribute is paid to Mr. J. S. Abra, General Manager, all executives and employees of the Board for their fine efforts during the year.

I have the honour to be, Sir,

Your Obedient Servant,

GEORGE KITCHING,
Chief Commissioner.

Sales

The sales of spirits, wine and beer from liquor stores during the twelve months amounted to \$535,529,373. Sales in Ontario, of Canadian wine made direct to customers from licensed retail wine stores and wineries, amounted to \$11,702,322. The net value of beer sold in Ontario, from breweries and brewers' retail stores, exclusive of any charge for containers, totalled \$336,913,624.

The following comparative sales statistics are given for the fiscal period under review and also for the preceding twelve months:

Sales by Value

	Twelve Months Ending March 31, 1973	Twelve Months Ending March 31, 1972	Increase
Sales by Board Stores			
Canadian Spirits	\$357,349,829	\$326,360,945	\$30,988,885
Imported Spirits	74,111,179	66,377,416	7,733,762
Canadian Wines	41,199,396	34,409,106	6,790,291
Imported Wines	44,772,593	34,535,605	10,236,987
Canadian Beers	15,573,820	13,033,464	2,540,356
Imported Beers	2,522,556	2,017,470	505,086
Total Sales by Board Stores	<u>\$535,529,373</u>	<u>\$476,734,006</u>	<u>\$58,795,367</u>
 Sales by Ontario Wineries and Winery Stores	 <u>\$ 11,702,322</u>	 <u>\$ 11,320,201</u>	 <u>\$ 382,121</u>
 Sales by Breweries and Brewers' Retail Stores (exclusive of container value)	 <u>\$336,913,624</u>	 <u>\$302,104,447</u>	 <u>\$34,809,177</u>

Sales by Gallons

	Twelve Months Ending March 31, 1973	Twelve Months Ending March 31, 1972	Increase
Sales by Board Stores			
Canadian Spirits	10,651,366	10,097,970	553,396
Imported Spirits	1,876,626	1,723,257	153,369
Canadian Wines	4,418,149	4,122,765	295,384
Imported Wines	2,944,525	2,445,900	498,625
Canadian Beers	5,420,586	4,877,010	543,576
Imported Beers	408,349	327,882	80,467
Total Sales by Board Stores	<u>25,719,601</u>	<u>23,594,784</u>	<u>2,124,817</u>
Sales by Ontario Wineries and Winery Stores	<u>1,325,219</u>	<u>1,415,996</u>	(decrease) <u>90,777</u>
Sales by Breweries and Brewers' Retail Stores	<u>139,953,092</u>	<u>136,026,106</u>	<u>3,926,986</u>

Revenue payments totalling \$579,768,604 were received by the Treasurer of Ontario, the Government of Canada and by 225 Ontario Municipalities, as a result of levies on beverage alcohol sold in Ontario during the year. This amount is exclusive of Corporation, Realty and Business Taxes paid to these Governments and Municipalities by the distilleries, wineries, breweries and licence holders. It is also exclusive of Ontario Retail Sales Tax collected by licence holders and agency stores on their sales of beverage alcohol.

A summary of the aforementioned revenue payments follows:

Treasurer of Ontario

Remitted by the Board —

On account of profits, licence fees etc. \$253,700,000

Ontario Retail Sales Tax on sales through
liquor stores

47,471,167

301,171,167

Remitted by others —

Ontario Retail Sales Tax on sales through
retail wine stores and brewers' retail stores

26,413,070

\$327,584,237

Government of Canada

Paid by the Board —

Customs and Excise Duties 129,642,533

Federal Sales Tax on spirits, wines and
imported beers

29,181,360

158,823,893

Paid by others —

Malt duties and taxes on domestic beers
and wines

90,083,886

\$248,907,779

Ontario Municipalities

Paid by the Board —

Rebate of a proportion of fees received
from licencees

1,898,268

Grants in lieu of realty and business taxes

1,378,320

\$ 3,276,588

\$579,768,604

Sales by Breweries to Other Provinces and Countries

	1969 Gallons	1970 Gallons	1971 Gallons	1972 Gallons	1973 Gallons
Sales to other Provinces	1,383,050	1,137,053	3,019,168	4,904,485	1,806,931
Export Sales	2,656,871	3,050,946	2,900,609	2,927,320	2,872,772
	<u>4,039,921</u>	<u>4,187,999</u>	<u>5,919,777</u>	<u>7,831,805</u>	<u>4,679,703</u>

The decrease in sales to other provinces in 1973 is the direct result of the transfer of the total production of canned beer by one brewery from Ontario to Quebec.

All brands of beer produced by the Ontario breweries and by the Quebec and Manitoba breweries which were sold in this province were periodically analysed as in previous years. This ensures that beer sold in Ontario is in conformity with the Regulations passed pursuant to the Food and Drugs Act of Canada and the standards set by the Board.

The Board receives from its laboratory at the Toronto Warehouse, current analytical reports on all brands of spirits, wine and beer.

Wineries

The number of wineries and retail wine stores remained at eight and fifty-one respectively at March 31, 1973.

There were no location changes during the year.

Sales by Wineries to Other Provinces and Countries

	1969 Gallons	1970 Gallons	1971 Gallons	1972 Gallons	1973 Gallons
Sales to other Provinces	2,957,728	3,536,132	3,970,456	4,129,763	4,315,648
Export Sales	21,955	34,414	34,409	38,401	59,266
	<u>2,979,683</u>	<u>3,570,546</u>	<u>4,004,865</u>	<u>4,168,164</u>	<u>4,374,914</u>

The tonnage of grapes and cherries used by the various wineries during the past five years was as follows:

	1969 Tons	1970 Tons	1971 Tons	1972 Tons	1973 Tons
Grapes used in the manufacture of wine	34,453	36,417	40,278	52,750	39,739
Grapes used in the manufacture of concentrates	1,681	2,015	2,139	5,286	434
Cherries used in the manufacture of wine	154	292	12	106	78
	<u>36,288</u>	<u>38,724</u>	<u>42,429</u>	<u>58,142</u>	<u>40,251</u>

Personnel

The number of Board Members and permanent employees of the various departments of the Board as at March 31, 1973, was as follows:

Board Members	3	Legal	6
Staffs of Departments		Permit	6
Chief Commissioner	4	Personnel	13
General Manager	7	Planning and Development	3
Accounting	65	Product Administration	24
Audit	37	Properties Management	22
Customs	5	Purchasing	4
Data Processing	32	Records Management	5
Distribution Depot	36	Stores	2,496
Garage	5	Store Operations	29
Laboratory	9	Traffic	9
		Warehouses	210
			<u>3,030</u>

In addition there were 1,344 temporary or daily rate employees at March 31, 1973. Of this total 1,322, were employed in the stores.

Board Stores

There were 490 stores in operation during the year which included the distribution depot in Toronto. A total of thirty-eight new stores were opened. Of this total a second duty free store was opened at Terminal Two at the Toronto International Airport on June 19, 1972. Thirty-seven self-serve stores were opened at the following locations:

April	21, 1972	582 Goderich Street	Port Elgin
May	19, 1972	2356 Kennedy Road	Agincourt
May	19, 1972	• Willoughby Street	Lucknow
May	29, 1972	T R. R. #1, Dorion	Hurkett
June	15, 1972	T	Rosspoint
June	16, 1972	115 Lakeshore Road	St. Catharines
June	21, 1972	T Highway #17	Goulais River
June	28, 1972	T R. R. #1, Whitefish	Lake Panache
June	30, 1972	T Highways #17 and #535	Hagar
July	7, 1972	T George Street and Clarence Street	Lanark
July	7, 1972	T P. O. Box 176	Port Severn
July	14, 1972	2225 Erin Mills Parkway	Mississauga

July	20, 1972	T	George Street and Wheatly Street	Sydenham
July	21, 1972	T	Highway #500	Denbigh
July	27, 1972		207 Manitoba Street	Schreiber
August	1, 1972	*	P. O. Box 399	Dundalk
August	2, 1972		P. O. Box 248	Mattice
August	5, 1972		Nelson Street and Highways #46 and #503	Kirkfield
August	5, 1972		P. O. Box 10	Hudson
August	14, 1972		25 Peak-O-Dawn Road	Mississauga
September	1, 1972	*	St. Philippe Street	Alfred
September	22, 1972		Muskoka Street	Washago
October	5, 1972		Union Station	Toronto
October	14, 1972		40 High Street	Elora
November	4, 1972	T	James Street	Iron Bridge
November	13, 1972		3427 Weston Road	Weston
November	24, 1972	*	P. O. Box 98	Smithville
November	25, 1972		1251 Simcoe Street North	Oshawa
November	27, 1972		2000 Lauzon Road and Tecumseh Road	Windsor
December	1, 1972	T	St. Joseph Street	St. Charles
December	8, 1972		2007 Mount Forest Drive	Burlington
January	13, 1973		Westcliffe Mall, 925 Ontario Street	Stratford
January	22, 1973		911 Jane Street	Toronto
February	13, 1973		1009 Coxwell Avenue	Toronto
February	24, 1973	T	8552 Willoughby Drive	Chippawa
March	1, 1973	*T	P. O. Box 310	Newcastle
March	12, 1973		119-129 Second Line West	Sault Ste. Marie
			* Board-owned Properties	T Trailer

On September 2, 1972 the store in Hagar was closed.

Nine stores were relocated and converted to self-serve as follows:

Store	From	To
2	116 Wellington Street West	York Centre, 145 King Street West, Toronto
21	29 Charles Street	Mohawk Road and Upper Paradise Road, Hamilton
25	18 Foundry Street	57 Cootes Drive, Dundas
59	63 Collier Street	*55 Mary Street, Barrie
119	Main Street	Elgin Street and Wellington Street, Merrickville
156	10 Mill Street	*Delrex Market Centre, 63 Mountainview Road South, Georgetown
182	223 Lakeshore Road East	*200 Lakeshore Road East, Port Credit
292	Highway #5	Ear Falls Plaza, Ear Falls
334	Batchawana P.O.	Highway #17, Batchawana Bay

*Board-owned Properties

The trailer stores in Sydenham and Lincoln were relocated in permanent buildings and were opened as self-serve stores.

In addition, eleven stores were converted from conventional to self-serve at their present locations. There was a total of 102 self-serve stores in operation at March 31, 1973.

Agency Stores

Eight new agency stores were established during the year at the following locations:

April	11, 1972	Graham	June	29, 1972	Nipigon
May	11, 1972	English River	June	30, 1972	Calstock
May	29, 1972	Thessalon	July	21, 1972	Foleyet
June	3, 1972	Lake Matinenda	October	19, 1972	Ignace

In addition, four agencies changed ownership during the year. There were fifty-four agencies in operation at March 31, 1973.

Breweries and Brewers' Retail Stores

The total number of breweries was unchanged. There were ten breweries located in Ontario, five in Quebec and three in Manitoba that were licenced to sell their products in Ontario.

Fourteen brewers' retail stores were opened during the year at the following locations:

May	1, 1972	8150 Tecumseh Boulevard East	Windsor
May	1, 1972	499 Appleby Line	Burlington
June	19, 1972	2360 Kennedy Road	Toronto
June	27, 1972	3078 Don Mills Road	Toronto
July	10, 1972	Cumberland Street and Wolsley Street	Thunder Bay
August	11, 1972	Highway #27 and Hugel Avenue	Midland
August	21, 1972	112 Burns Street	New Hamburg
October	2, 1972	Jane Park Plaza, 839 Jane Street	Toronto
December	5, 1972	Service Road	Spanish
December	5, 1972	285 Taunton Road East	Oshawa
December	15, 1972	572-640 Mohawk Road West	Hamilton
February	5, 1973	15 Municipal Street	Guelph
February	26, 1973	244 C. H. Meier Boulevard	Stratford
March	12, 1973	Highway #2 and King Street East	Newcastle

On November 25, 1972 the Brewers' Retail Store at 1575 Alta Vista Drive, Ottawa was closed.

Six stores were relocated during the year as follows:

From	To	
25 First Avenue	1014 Talbot Street	St. Thomas
Edward Street and Churchill Road	990 Edward Street North	Prescott
12 Foundry Street	50 Cootes Drive	Dundas
326 Silverthorpe Avenue	1515 Keele Street	Toronto
General Delivery, Beamsville	49 Ontario Street	Lincoln
23 Market Street West	116 St. Andrew Street	Port Dover

There were 393 stores in operation at March 31, 1973.

Permits

A classification of permits and licences issued during the year follows:

PERMITS 1972-1973

Physicians	71
Druggists	55
Dentists and Veterinarians	71
Mechanical and Scientific	320 (140 Free)
Manufacturers	147
Kitchen	31
Hospitals	309 (Free)
First Aid	19 (Free)

LICENCES 1972-1973

Breweries	15
Wineries	8
Sacramental Wine Vendorships	15
Non-potable alcohol, Storage Warehouses	1

Financial Statements

Current Assets totalling \$59,927,984 consisted of the following:

Cash on hand and in banks	\$ 7,066,715
Accounts Receivable; Licence holder fees, beer levies, duty recoverable items, freight claims, hospital charge sales, etc.	6,582,469
Inventories of liquors and supplies	46,278,800
	<u>\$59,927,984</u>

Prepaid charges for insurance, taxes, etc. amounted to \$314,688. Prepaid merchandise for future delivery amounted to \$411,496.

Mortgage Receivable \$21,487, represents the principal amount outstanding of the mortgage taken on the old Thunder Bay warehouse property which was sold in 1965.

Fixed assets are shown at a nominal valuation of \$1.00 for each parcel of land, and \$1.00 for each building, either completed or in process, plus \$1.00 for all furniture, fixtures, machinery, equipment and leasehold improvements in stores, warehouses and offices. The real estate consists of the land and buildings at 55 Lake Shore Boulevard East, Toronto, together with the adjacent land between Cooper Street and the Government building occupied by the Ontario Provincial Police; land and warehouse at Thunder Bay; land and warehouse at Ottawa; and land and warehouse at London. Also included in the real estate are 173 store sites on which completed stores are located; 30 store sites, against which charges have been made for costs of uncompleted store buildings and 1 store parking lot. The costs of all lands and buildings incurred during the year (less \$1.00 each unit), totalling together \$1,885,624 have been charged against income. The accumulations of Reserve for Depreciation have been increased by \$2,685,579, representing the purchases, less disposals of furniture, fixtures, machinery, equipment and alterations to owned and rented premises.

Current Liabilities of the Board totalled \$34,031,382 and consisted of accounts payable for liquors and supplies, accrued charges, deposits, deferred licence fees and licences etc.

The Reserve for Insurance of \$1,000,000 and the Reserve for Contingencies of \$500,000 remained the same as at the end of the previous year.

Outstanding Commitments amounted to \$20,816,000. These items represent the value of undelivered orders totalling \$6,747,000, the amount of \$13,846,000 for Customs Duties and Sales Tax which are payable on the goods which were in bond in warehouses on March 31, 1973, and the liabilities for property under option and uncompleted contracts of \$223,000. These outstanding commitments have not been reflected in the trading profits of the Board.

The Statement of Income shows that the sales for the twelve months of spirits, wines and beer from Liquor Control Board stores amounted to \$535,529,373.

The same statement shows a gross trading profit of \$240,746,254 and other revenue of \$65,512,326 consisting of levies on brewers and wine manufacturers and their products, licence holders' fees, permit sales, transfer fees and miscellaneous income. Expenses for the year totalled \$52,539,745 consisting of administrative and operating expenses (including \$2,171,313 incurred by the Liquor Licence Board) and cost of additions to lands and buildings and furniture, fixtures, equipment and alterations. The net income carried forward to the Statement of Retained Income is \$253,718,835. After payment to the Treasurer of Ontario of \$253,700,000 on account of profits, a balance of \$25,144,692 remained in Retained Income.

For comparative purposes the figures and percentages to sales are given for the twelve month period reported upon herein and the preceding fiscal year.

The Statement of Source and Application of Funds summarizes how the funds were made available and how funds were disbursed during the year.

In addition, a statement showing the expenses of administration and operation for the twelve months is also attached. Individual percentages in comparison to the total sales are given for the twelve months and also for the preceding fiscal year.

The Statement of Administration and Operation includes a total of \$260,763 for miscellaneous other expenses and a total of \$233,562 for store services. Of these amounts, a total of \$145,635 represents expenses paid from the stores' and warehouses' petty cash.

Millions

530

500

470

440

410

380

350

320

290

260

230

LIQUOR CONTROL BOARD OF ONTARIO
STORE SALES
MARCH, 1964 TO MARCH, 1973

1964

1965

1966

1967

1968

1969

1970

1971

1972

1973

Millions

250

240

230

220

210

200

190

180

170

160

150

140

130

120

110

100

90

NET PROFIT PAID TO
THE TREASURER OF ONTARIO
MARCH, 1964 TO MARCH, 1973

1964

1965

1966

1967

1968

1969

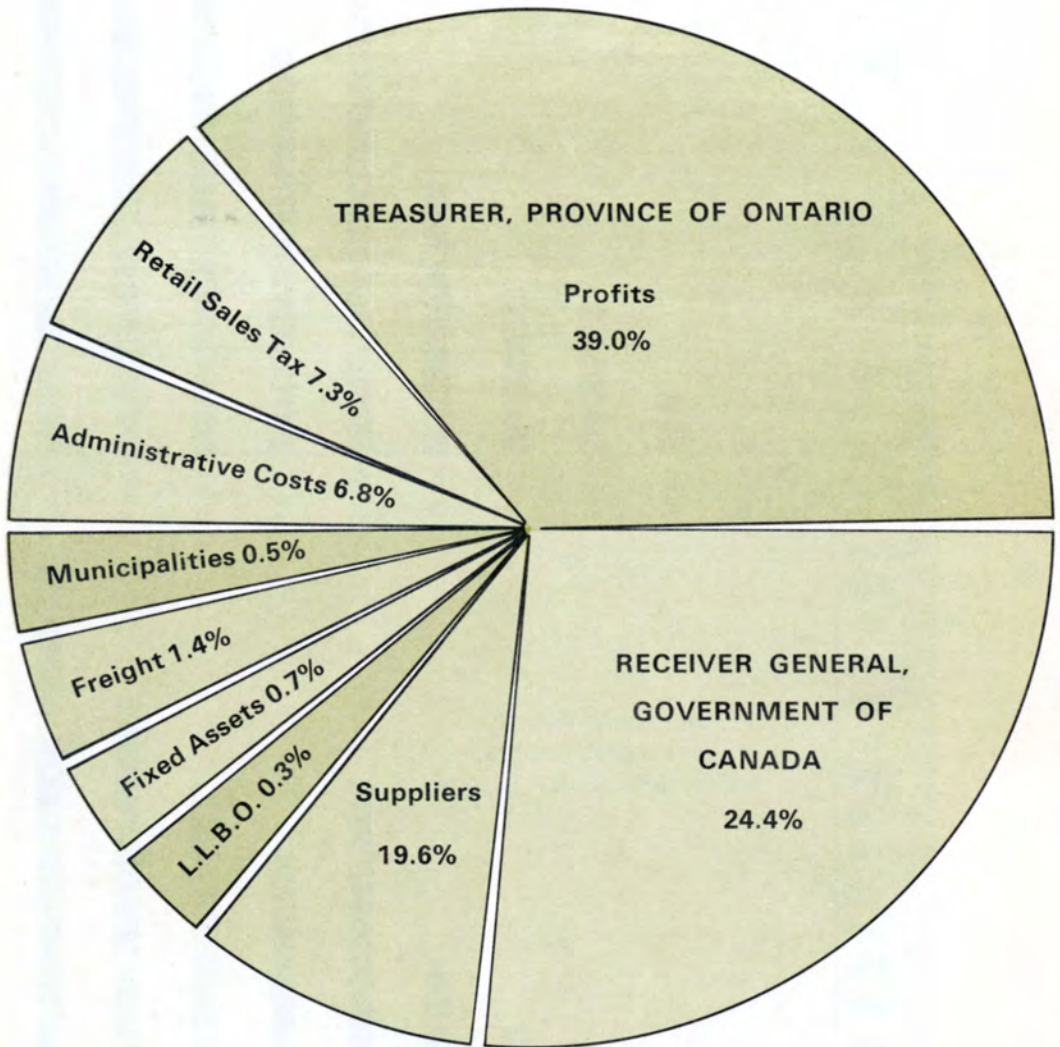
1970

1971

1972

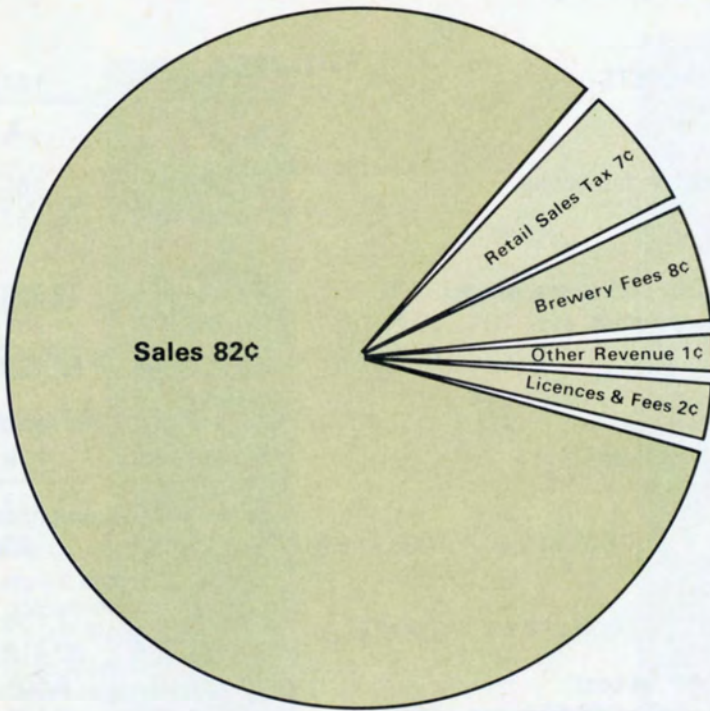
1973

LIQUOR CONTROL BOARD OF ONTARIO
DISTRIBUTION OF GROSS REVENUE
1972 - 1973



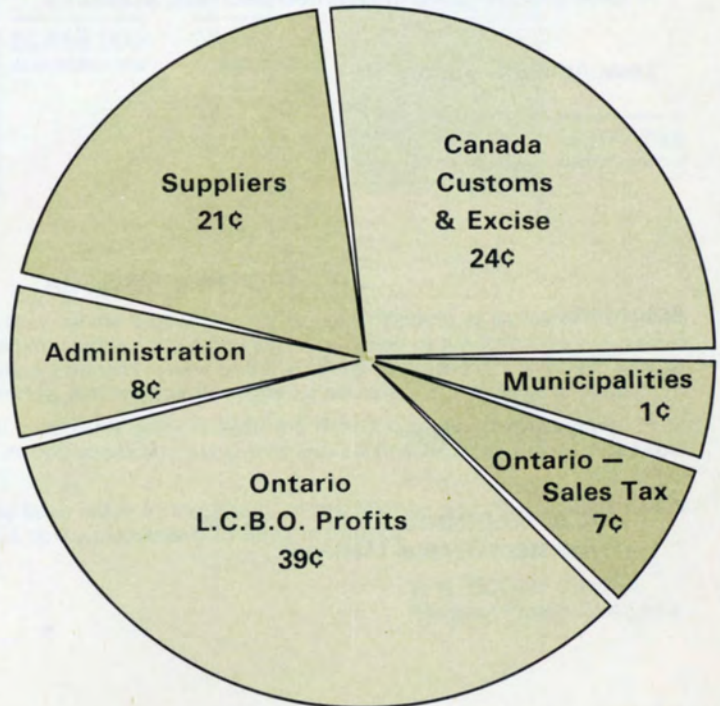
THE L.C.B.O. DOLLAR

1972 - 1973



Where it comes from

How it is spent



LIQUOR CONTROL BOARD OF ONTARIO

Balance Sheet

March 31, 1973

(with comparative figures for 1972)

ASSETS	1973	1972
	\$	\$
Current		
Cash on hand, in transit and in banks	7,066,715	7,961,849
Accounts receivable	6,582,469	5,957,359
Inventories		
Liquors in warehouses and stores, at cost	45,994,953	37,959,232
Stationery, supplies, empties, etc.	283,847	251,812
	<u>59,927,984</u>	<u>52,130,252</u>
Prepaid Charges		
Insurance and other charges	314,688	244,410
Merchandise for future delivery	411,496	178,904
	<u>726,184</u>	<u>423,314</u>
Mortgage Receivable	21,487	23,680
Fixed		
Land, at cost	7,625,693	7,156,129
Buildings, at cost	31,834,865	30,418,769
Furniture and equipment, at cost	7,766,038	6,505,718
Alterations to owned and rented premises, at cost	8,551,878	7,126,619
	<u>55,778,474</u>	<u>51,207,235</u>
Less: Amounts written off	55,778,055	51,206,852
	<u>419</u>	<u>383</u>
	<u><u>60,676,074</u></u>	<u><u>52,577,629</u></u>

Approved:

J. S. ABRA
General Manager

F. A. MACINNIS
Assistant General Manager

LIABILITIES		1973	1972
		\$	\$
Current			
Accounts payable, accrued charges, etc.		33,963,278	25,707,442
Deferred revenue		68,104	244,330
		<u>34,031,382</u>	<u>25,951,772</u>
Reserve for Insurance		1,000,000	1,000,000
Reserve for Contingencies		500,000	500,000
Retained Income		25,144,692	25,125,857
	\$		
Outstanding Commitments			
Duty on stocks in bond	13,846,000	9,744,000	
Liquors ordered but not delivered (including duty, freight, etc.)	6,747,000	13,919,000	
Property under option and uncompleted building contracts	223,000	269,000	
	<u>20,816,000</u>	<u>23,932,000</u>	
		<u>60,676,074</u>	<u>52,577,629</u>

AUDITOR'S REPORT

I have examined the balance sheet of the Liquor Control Board of Ontario as at March 31, 1973, and the statements of income, retained income and source and application of funds for the year ended on that date. My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances.

In my opinion these financial statements present fairly the financial position of the Board as at March 31, 1973 and the results of its operations and the source and application of its funds for the year then ended.

A report on the audit has also been made to the Board, to the Minister and, in accordance with Section 17 of The Liquor Control Act, to the Lieutenant Governor in Council.

Toronto, Ontario,
July 20, 1973

F. N. SCOTT, C.A.,
Assistant Provincial Auditor.

LIQUOR CONTROL BOARD OF ONTARIO

Statement of Income

For the year ended March 31, 1973
(with comparative figures for 1972)

1973

Sales

Sales of spirits, wines and beers

Cost of Sales

Inventories at beginning of year

Purchases

\$ 37,959,232

302,818,840

340,778,072

45,994,953

Less: Inventories at end of year

Gross Profit on Sales

Other Revenue

Brewers' licence fees

\$ 22,500

Brewery store and brewers' retail store licence fees

241,300

Gallonage fees on beer production — Ontario breweries

48,587,519

Gallonage fees on beer sales — Extra-Provincial breweries

2,886,242

Licences and fees — The Liquor Licence Act

(Net after deducting Municipalities' share)

8,494,139

Ontario wine licence fees

1,221,842

Miscellaneous permits

1,530

Special occasion permits

1,707,396

Transfer fees

1,939,143

Interest on bank balances

51,574

Remuneration for collecting Ontario Retail Sales Tax

34,236

Miscellaneous income

324,905

Income

Expenses — (the Liquor Control Board and the Liquor Licence Board)

Administrative and operating expenses (Schedule 1)

\$ 47,843,775

Furniture and equipment and alterations to owned and
rented premises written off

2,810,346

Additions to land and buildings during the year written off —

1,885,624

Net Income

<u>1973</u>		<u>1972</u>	
	%		%
\$535,529,373	100.00	\$476,734,006	100.00
		\$ 35,513,362	
		<u>268,558,128</u>	
		304,071,490	
<u>294,783,119</u>	<u>55.05</u>	<u>37,959,232</u>	<u>266,112,258</u>
240,746,254	44.95		<u>55.82</u>
		210,621,748	44.18
		22,500	
		233,600	
		37,908,625	
		1,648,298	
		8,289,166	
		1,189,262	
		1,340	
		1,492,350	
		1,650,561	
		128,651	
		424,494	
<u>65,512,326</u>	<u>12.23</u>	<u>188,877</u>	<u>53,177,724</u>
306,258,580	57.18		<u>11.16</u>
		263,799,472	55.34
		40,476,805	
		1,826,580	
<u>52,539,745</u>	<u>9.81</u>	<u>1,700,637</u>	<u>44,004,022</u>
<u>\$253,718,835</u>	<u>47.37</u>		<u>9.23</u>
		\$219,795,450	46.11

LIQUOR CONTROL BOARD OF ONTARIO

Statement of Retained Income

For the year ended March 31, 1973
(with comparative figures for 1972)

	<u>1973</u>	<u>1972</u>
	\$	\$
Balance at beginning of year	25,125,857	25,074,515
Add:		
Net income for the year	<u>253,718,835</u>	<u>219,795,450</u>
	278,844,692	244,869,965
Deduct:		
Payments to Treasurer of Ontario on account of profits	<u>253,700,000</u>	<u>219,744,108</u>
Balance at end of year	<u><u>25,144,692</u></u>	<u><u>25,125,857</u></u>

LIQUOR CONTROL BOARD OF ONTARIO

Statement of Source and Application of Funds

For the year ended March 31, 1973
(with comparative figures for 1972)

	1973	1972
	\$	\$
Source of Funds		
Net Income	253,718,835	219,795,450
Items not requiring an outlay of funds —		
Provision for write-off:		
Land and buildings	1,885,624	1,700,637
Furniture and equipment and alterations to premises	2,810,346	1,826,580
Decrease in mortgage receivable	2,193	2,053
	<u>258,416,998</u>	<u>223,324,720</u>
Application of Funds		
Investment in:		
Land and buildings	1,885,660	1,700,665
Furniture and equipment and alterations to premises	2,810,346	1,826,580
Increase in prepaid insurance and other charges	70,279	204,009
Increase in merchandise for future delivery	232,591	178,904
Payments to Treasurer of Ontario on accounts of profits	253,700,000	219,744,108
	<u>258,698,876</u>	<u>223,654,266</u>
Decrease in working capital	(281,878)	(329,546)
Working capital at beginning of year	26,178,480	26,508,026
Working capital at end of year	<u>25,896,602</u>	<u>26,178,480</u>

LIQUOR CONTROL BOARD OF ONTARIO

Administrative and Operating Expenses

(including Liquor Licence Board of Ontario expenses)

For the year ended March 31, 1973

(with comparative figures for 1972)

	1973		1972	
	\$	%	\$	%
Salaries	34,516,624	6.45	29,769,909	6.25
Superannuation and retirement funds	1,422,806	.27	1,173,492	.25
Canada Pension Plan	384,127	.07	310,770	.07
Employees' insurance and health plans	751,371	.14	441,437	.09
Workmen's Compensation and Unemployment Insurance	237,121	.04	89,056	.02
Rent	2,988,881	.56	2,387,774	.50
Light, heat and power	798,223	.15	683,489	.14
Premises protection	59,319	.01	65,010	.01
Repairs and maintenance	1,318,246	.25	1,069,773	.22
Insurance	108,930	.02	102,522	.02
Grants in lieu of business taxes	693,620	.13	511,886	.11
Grants in lieu of property taxes	684,700	.13	649,767	.14
Postage	121,415	.02	102,501	.02
Stationery	717,249	.13	564,751	.12
Telephone and telegraph	209,768	.04	174,686	.04
Packing material	558,702	.10	529,301	.11
Freight	14,572	.00	14,044	.00
Discounts	54,957	.01	52,307	.01
N.A.T.O. discounts	94,026	.02	85,510	.02
Agency commissions	312,467	.06	252,980	.05
Agency expenses	50,541	.01	12,110	.00
Breakages	144,216	.03	97,651	.02
Sundries (note)	260,763	.05	406,019	.09
Travelling	511,293	.10	452,230	.09
Car and truck expenses	5,898	.00	5,599	.00
Tabulating equipment rental and supplies	301,272	.05	302,756	.06
Exchange	16,839	.00	—	—
Store service expenses (note)	233,562	.04	—	—
Ontario Provincial Police —				
Reimbursement of certain administrative and enforcement expenses	156,163	.03	135,681	.03
Store stock losses	116,104	.02	33,794	.01
	<u>47,843,775</u>	<u>8.93</u>	<u>40,476,805</u>	<u>8.49</u>

Note: For the year ended March 31, 1972, store service expenses were included with sundries.