



INNOVATIVE

SUSTAINABLE

RESPONSIBLE

2011  
MANITOBA LIQUOR  
CONTROL COMMISSION  
88<sup>TH</sup> ANNUAL REPORT

FOR THE FISCAL YEAR APRIL 1, 2010 TO MARCH 31, 2011

## VISION

Together we will be the model for innovative, sustainable, and responsible service within the Manitoba community and marketplace.

## MISSION

To regulate, distribute and sell beverage alcohol, generating revenue for Manitobans within a framework of social responsibility, customer service excellence, business effectiveness and workplace quality.

## VALUES

**IMPORTANCE OF PEOPLE** Foster a positive work force by working together as a team towards our common goals.

**SOCIAL RESPONSIBILITY** Promote the responsible sale and consumption of beverage alcohol, promote sustainable development and demonstrate a commitment to our community.

**INTEGRITY AND FAIRNESS** Develop respectful and ethical relationships and be fully accountable for our actions, decisions and behaviours.

**SERVICE EXCELLENCE** Provide superior service to our customers, partners and co-workers.

**INNOVATION** Encourage our employees to be innovative.

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INNOVATIVE

# F11

# GOVERNANCE AND BOARDS

The **BOARD OF COMMISSIONERS** is the governing body that oversees the activities of the MLCC. The Board Chair reports to the minister responsible for *The Liquor Control Act*, who, in turn, reports to the Legislative Assembly. The day-to-day operation of the MLCC is the responsibility of the President and Chief Executive Officer (CEO), who reports to the Board.

The Board of Commissioners is comprised of 10 Board Members who are appointed by the Manitoba Government. One person is appointed as chair and another as vice-chair. The Board meets no less than six times per year and is responsible for the following general governance processes:

- adoption of a strategic planning process, approval of strategic plans and monitoring performance against plans;
- approving annual capital and operating plans and monitoring performance against those plans;
- approving policies and processes to ensure the integrity of the MLCC's internal control and management information systems;
- assessing the contribution of the Board, committees and all Board Members annually;

- preparing recommendation(s) to the minister responsible respecting the appointment or termination of the CEO;
- succession planning, performance evaluation and leadership development for the CEO and senior management;
- approving the standard compensation structure and benefits package for all employees; and
- approving a communications policy for the MLCC.

The Board is assisted by the work of several committees. These committees include:

- Governance Committee;
- Strategic Planning and Budgeting Committee;
- Audit Committee; and
- Human Resources Committee.

In addition, the Board operates under a well-articulated Governance by-law, which includes specific responsibilities for the Chair and Board Members, as well as Terms of Reference for various committees. A corporate Code of Conduct also guides the actions of the Board and all MLCC employees.

## THE LICENSING BOARD

considers applications for licences and determines the appropriate disciplinary action for breaches of *The Liquor Control Act* and Regulations. These decisions may be appealed to the Board of Commissioners.

The Licensing Board is comprised of five persons appointed by the Lieutenant Governor in Council. The Board may be called to meet at any time by the Chair of the Board. All meetings of the Licensing Board are open to the public.



The Licensing Board (standing l – r): Dale Neal (vice-chair); Vic Wonnacott (chair); Les Barrett (seated l – r): Lorraine Sigurdson; Cliff Bernhardt



(standing l – r): Les Crisostomo; Garry Hammerback; Janine Ballingall Scotten; Ed Azure; Aidan O'Brien; Eugene Kostyra

(seated l – r): Fran Frederickson (vice-chair); Carmen Neufeld (chair); Myrna Phillips  
(missing) Maria Moore

## CHAIR'S MESSAGE

### ON BEHALF OF THE BOARD OF COMMISSIONERS, I AM PLEASED TO PRESENT THE 88<sup>TH</sup> ANNUAL REPORT OF THE MLCC FOR FISCAL 2011.

F11 was the MLCC's most successful year to date, returning over \$250 million to the provincial government and the people of Manitoba. This is a remarkable achievement and credit must be given to the entire management team for increasing net profits while remaining fiscally responsible.

Under the leadership of President & CEO Ken Hildahl, the MLCC, in conjunction with the Board, developed a Vision Statement and a new three-year Strategic Plan that set the course for success in F11 and beyond. The plan incorporates initiatives for both the short- and long-term future of the MLCC. Many initiatives within the plan involve changes to *The Liquor Control Act*, and will also impact Manitoba's hospitality industry. These proposed changes will be addressed by government early in F12.

Throughout F11, the Board remained supportive of the MLCC's efforts in all areas of social responsibility – from refusing service to minors and intoxicated individuals in Liquor Marts, to enforcement of liquor laws in licensed premises, to the public information programs and strategies that address specific alcohol related issues. We continue to be proud of nationally and internationally-recognized programs, such as the *Be With Child – Without Alcohol* program (FASD), *Be Undrunk* (binge drinking among young adults) and *Be the Influence* (parental influence on children's attitudes toward alcohol).

We were extremely pleased with the response and participation at the Summit on Youth & Alcohol; which was hosted by the MLCC in October 2010. The summit brought together experts and participants from many areas to address the issues surrounding the use of alcohol by youth. The exchange of ideas and best practices, as well as the participation by approximately 80 youth, was instrumental in the development of some of the recommendations under consideration by government as part of the changes to *The Liquor Control Act*.

F11 was a very challenging year on many fronts for the MLCC; however, the year end results speak for themselves. Much of the success is due to a team environment that fosters commitment throughout the organization. Thank you to the members of the Board of Commissioners, the MLCC executive, management and all employees for your outstanding team effort this past year.

**CARMEN NEUFELD**  
Chair, Board of Commissioners

## PRESIDENT'S MESSAGE



**INNOVATION. SUSTAINABILITY. RESPONSIBILITY. THESE THREE GUIDING PRINCIPLES FORM THE BASIS OF THE MLCC'S NEW VISION STATEMENT AND A NEW THREE-YEAR STRATEGIC PLAN FOR F11 – F13. THE FIRST YEAR OF THE PLAN RESULTED IN AN UNPRECEDENTED RETURN OF \$250.5 MILLION TO THE PROVINCIAL GOVERNMENT, A 7% INCREASE OVER LAST YEAR AND THE LARGEST NET PROFIT IN THE MLCC'S 88-YEAR HISTORY.**

F11 has been about building relationships; both internally and externally. Internally, it was important that our employees not only had an opportunity to contribute to our strategic plan but that they understood their role in the plan and the reasoning behind the various objectives and strategies. Executive management spent several weeks in early F11 meeting with employees across the province to share the plan and our vision for the organization. These efforts have produced tremendous results and I credit our success this past year to our employees for helping us execute the new plan. Credit must also be given to support from our external business partners. Over the past year, I spent a significant amount of time meeting with various industry members and fostering relationships in support of our new vision and direction.

Throughout all of our activities this past year, our vision principle of Innovation has been front and centre. To help gather and grow employee ideas, we created an Innovation Team or iTeam, comprised of employees from all levels of the organization. I would like to thank the iTeam for their efforts this past year and to all employees for their creative suggestions. The team acted on many of the ideas that came forward, which contributed to the success of this past year. I look forward to continuing to work with the committee, receiving new ideas and using the expertise of our employees to help us continue to build for the future.

Much time and energy was also put toward identifying changes that would help modernize the province's liquor laws and MLCC policies. In discussion with government, almost 40 changes to legislation, regulation and policy were recommended for change by late F11.

## PRESIDENT'S MESSAGE

Sustainability, another principle of our new Vision Statement, is evident by our commitment to developing a Sustainable Building Strategy. Our intent is to minimize our impact on the environment and create a healthier retail environment for employees and our customers. In F11, store renovations included bright colours using low VOC paint, attractive finishings made from recycled materials, natural daylight and energy efficient lighting.

While we continued to make improvements in our stores, we have been no less busy behind the scenes. In F11, the MLCC selected a retail centralized merchandising software solution that will significantly change the way Liquor Marts manage their product inventory. We further enhanced our support for business activities with an upgrade to our computer system and introduced chip card technology within Liquor Marts to improve security and convenience for customers who pay with credit cards.

Responsibility, our third guiding principle of the new Vision, continues to be intertwined in all MLCC activities. Licensee education and enforcement efforts continue with the aim of regulatory compliance, and public information programs continue to be refreshed and broadened in their appeal. We have also focused efforts on growing our partnerships in the area of social responsibility. In F11, the MLCC partnered with Manitoba Public Insurance, MADD Canada and Brandon Police Services on a six-month pilot program in Brandon called “Call 9-1-1 to Report Impaired Drivers!”

The vision that we created for the MLCC is clearly producing results. The innovative ideas generated this past year are seeds that will continue to germinate and grow over the next several years and result in significant improvements in the way we sell, regulate and distribute beverage alcohol products within Manitoba.

I want to thank the Board of Commissioners for their continued support over the past year. A big thank you to the Executive Management Team who has worked long and hard to ensure we met our obligations to government under challenging economic conditions. I also want to thank the entire management team and your staff for your dedication and ongoing support for the new strategic plan. Lastly, but most importantly, I would like to thank all the employees of the MLCC who on a day-to-day basis demonstrate commitment and service excellence to the people of Manitoba.



**KEN HILDAHL**  
President & CEO

# THE VISION



## INNOVATIVE

We encourage our employees to be innovative.



## SUSTAINABLE

We promote sustainable development and are committed to our community.



## RESPONSIBLE

We promote the responsible sale and consumption of beverage alcohol.



SUSTAINABLE

## BUSINESS PLAN REVIEW

# F11

The MLCC's Strategic Plan is comprised of five goal areas. These areas provide the blueprint for incorporating the Vision, Mission and Values into its daily operational activities.

[ FINANCIAL ] [ SOCIAL RESPONSIBILITY ] [ CUSTOMER SERVICE ]  
[ BUSINESS EFFECTIVENESS ] [ WORKPLACE QUALITY ]

The following is an overview of the MLCC's accomplishments in F11.

# [ FINANCIAL ]

## GOAL:

Meet the net profit requirements of the Manitoba Government through the controlled sale of beverage alcohol.

## OBJECTIVE:

Generate funds required to support innovation and growth in the business to meet the net profit requirements of the Manitoba Government.

## FOR THE FIRST TIME IN THE MLCC'S 88 YEAR HISTORY, NET PROFIT EXCEEDED \$250 MILLION!

### PERFORMANCE RESULTS

**Net Profit:** Target:  
\$246.8 million

**Actual:**  
\$250.5 million

Sales were \$19.4 million or 3% below budget. This was off-set by careful management of expenses, resulting in net profit exceeding budget by \$3.7 million or 1.5%.

Sales were below budget for several reasons. Volumes were below budget in all categories except wine. Customers paid less than expected for all products with the shift in purchasing patterns most notable in the movement toward economy-priced beer. In addition, supplier price increases for wine did not occur as expected. Sales to licensees were \$12.5 million below budget, primarily in the beer category. Sales through Liquor Marts were \$6 million below budget.

Gross profit was \$5.2 million or 1.6% below budget, primarily due to the shift toward lower-priced beer.

Throughout F11, management carefully monitored and successfully managed various expenses.

As a result, general and administrative expenses were \$8.4 million or almost 10.9% below budget and lower than F10 by 3%. Salaries and benefits were under budget due to management strategies in filling vacancies and new positions, and lower labour requirements in stores as a result of sales volumes below budget. During the year, the MLCC entered into an agreement with the Civil Service Superannuation Board to manage pension assets that were previously held by the Province in a segregated fund available only to satisfy MLCC pension obligations. An increase in the value of the pension assets was partially offset by an increase in the pension liability based on an actuarial report as at December 2009. Pension expense is under budget due to new actuarial assumptions. Deferral of capital projects caused lower depreciation expense.

The MLCC continues to monitor pricing across Canada in an effort to maintain pricing that is competitive with Saskatchewan and Ontario. MLCC prices are somewhat higher than Ontario and Saskatchewan for spirits, wine and refreshment beverages (coolers/ciders). Ontario prices for popular beer brands dropped slightly below MLCC pricing in F11. Saskatchewan beer prices remain significantly higher than Manitoba.

### DELUXE/PREMIUM SHARE OF MARKET

In F11, the MLCC continued to focus its marketing efforts on promoting premium-priced products (premiumization). Year end results suggest that the purchasing shift toward premium priced products appears to have leveled off.

Target: 68%

Results: 67.8%

# [SOCIAL RESPONSIBILITY]

## GOAL:

Promote the responsible sale and consumption of beverage alcohol; sustainable development; and a commitment to our community.

## OBJECTIVE:

1. Support programs to promote the socially responsible consumption of beverage alcohol, setting aside a minimum of 0.20% of estimated gross profit to fund these programs.
2. Optimize compliance with *The Liquor Control Act* through education and regulation.
3. Act as a good corporate citizen ensuring our actions align with the social, economic and environmental well being of the province.

## PERFORMANCE RESULTS

### SOCIAL RESPONSIBILITY PROGRAMS

- **Be Undrunk** – The binge drinking awareness and education program for young adults 18-25 years of age capitalized on the popularity of the *Twilight* book and movie series with an on-line contest to win tickets to a preview of the movie *Eclipse*. To enter the contest, site visitors had to take a quiz to test their alcohol consumption knowledge, or participate in a survey on drinking habits and share the web site with friends. The month-long promotion saw a 2,000% increase in visits to the web site and over 5,500 contest entries. The *Be Undrunk* Facebook fan page drew almost 1,400 members with comments and discussion in support of the program and its message for young adults on dangers of binge drinking.

- **Be With Child-Without Alcohol** – The alcohol and pregnancy program was refreshed with a new booklet available in English, French, Cree and Ojibway. The web site was also refreshed to complement the booklet and includes an opportunity to pose questions to Dr. Sally Longstaffe, Medical Director at the Manitoba FASD Centre
- **Be the Change – Caught Safe & Sober** – To thank sober drivers during the holiday season, the MLCC partnered with Operation Red Nose and both Winnipeg and Brandon police services to promote the ‘*Caught Safe & Sober*’ campaign. The campaign provided sober drivers and users of Operation Red Nose with an opportunity to win a weekend getaway. The MLCC also promoted its “I hate impaired driving” message and web site with billboards throughout Manitoba during the busy Christmas holiday season.
- **Operation Red Nose** – The MLCC is a provincial sponsor of and participant in the annual safe ride home program held during the Christmas holiday season.

- **Youth & Alcohol Summit** – A summit on youth and alcohol was held on October 20, 2010 in Winnipeg. The summit brought together stakeholders to share ideas and make recommendations to government on delaying or preventing alcohol use by youth. Participation included representatives from various government departments, health and addictions agencies, social interest groups, law enforcement, the beverage alcohol and hospitality industries, as well as youth representing Grades 9 to 12. Recommendations from the summit were presented to government for consideration under changes to *The Liquor Control Act* and its regulations contemplated for F12.

CFL legend Michael “Pinball” Clemons shares his inspirational message with youth attending the Youth & Alcohol Summit



## [SOCIAL RESPONSIBILITY]

### EDUCATION AND REGULATION

The MLCC balances education and enforcement of licensed premises and occasional permit functions to ensure compliance with *The Liquor Control Act*. Inspection Services uses a risk-based inspection program dependent upon the type of licence held and the previous history of operation. Establishments where liquor is the primary component of the operation, such as a beverage room, cabaret, beer vendor, and cocktail lounge, are inspected more frequently than those where food is the primary component of the operation.

Progressive disciplinary action is recommended for those licensees, permittees and banquet hall operators who continue to breach *The Liquor Control Act* and Regulations.

#### NUMBER OF INSPECTIONS:

##### Licensed Premises

Target: 25,500

**Actual: 22,874\***

##### Sale Permit Functions

Target: 20%

**Actual: 23.1%**

##### Number of Inspections with No Breaches

Target: 97%

**Actual: 96.6%**

\*Note – Vacancies in Inspections Services resulted in the variance in inspections numbers.

#### NUMBER OF EDUCATIONAL SEMINARS:

##### Licensed Premises

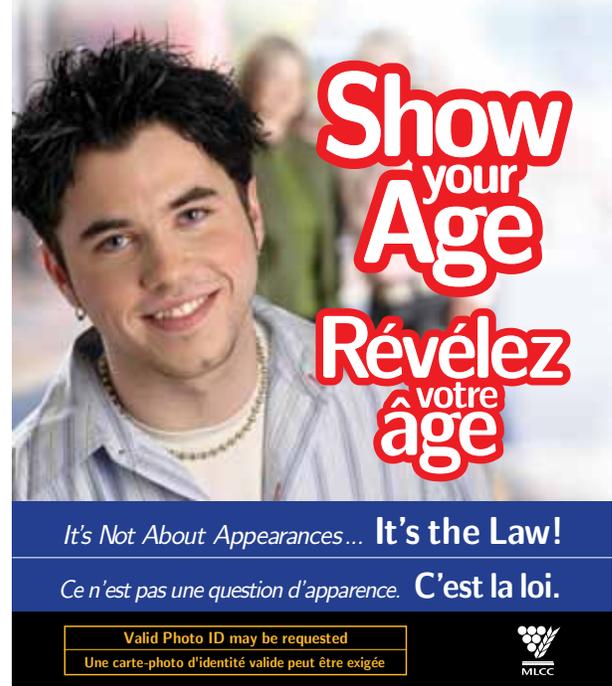
Target: 125

**Actual: 195**

##### Permittees/Banquet Halls operators

Target: 75

**Actual: 83**



### SOCIAL RESPONSIBILITY IN LIQUOR MARTS

To help counter underage drinking, Liquor Mart employees ask for proof of age from customers who look under 25 years of age. Liquor Marts are expected to ask for photo-id 100% of the time and to ensure this is occurring, the MLCC uses professional shoppers to shop its stores. If a Liquor Mart does not achieve a 100% score, remedial action involving staff training will occur.

Target: 100% rating per store

**Actual: 91% overall**

### CHALLENGES & REFUSALS

To uphold laws under *The Liquor Control Act* and in keeping with its commitment to social responsibility, Liquor Mart employees request proof of age identification from young adults and refuse service to minors and impaired customers.

#### PROOF OF AGE REQUESTS

F11 362,690

F10 311,143

#### MINORS REFUSED

F11 12,210

F10 14,430

#### IMPAIRED REFUSED

F11 13,274

F10 11,939

## LEGISLATIVE CHANGES

### REGULATIONS:

An amendment of 177/94 Liquor Licensing Regulation by M/R 10/2011 became law on April 1, 2011. The amendment requires managers, servers, bartenders, and security staff in licensed premises to be certified in a responsible service and safety course upon entry into the industry. The amendment included clarification on persons required to be at licensed premises while open to the public.

# [SOCIAL RESPONSIBILITY]



## SUSTAINABLE DEVELOPMENT

The MLCC is committed to the integration of sustainable development into all of its business decisions, actions and operations.

### GREEN BUILDING

MLCC is continuing its commitment to develop a Sustainable Building Strategy to minimize its impact on the environment, create a healthier retail environment for employees and patrons, and to meeting the intent of the Province of Manitoba's Green Building Policy.

Some of the initiatives implemented while renovating Liquor Marts in F11 include:

- using natural daylight and energy efficient lighting;
- installing water efficient fixtures;
- managing construction waste;
- installing bike racks at select Liquor Marts for staff and patron use;
- improving air quality by using low VOC paints, adhesives and sealants and managing indoor air quality during construction and renovations; and
- using post-consumer recycled glass from recycled wine and beer bottles in the countertops at the St Vital Square Liquor Mart.

### WASTE MANAGEMENT

A biennial waste audit in F11 demonstrated that the waste diversion strategy implemented at MLCC's Head Office in 2008 has successfully diverted 65-70% of waste from the landfill. This was done through a composting and recycling program at Head Office, as well as its recycling program at all Winnipeg and Brandon Liquor Marts and in rural Liquor Marts where recycling is available.

### PROCUREMENT

In F11, the MLCC officially became a partner with Lake Friendly by making a commitment to using Eco Logo certified cleaning products. In addition, goods and services RFPs included criteria such as reduced/reusable packaging, sustainable transportation initiatives and purchase of commodities where efficiency, recycled content, verifiable certifications, and product composition are considerations.

### ENVIRONMENTAL AWARENESS

Throughout F11, the MLCC participated in a number of events and initiatives to promote environmental awareness both internally and externally. Activities included:

- participation in the *AIR MILES My Planet* program
- participation in the Commuter Challenge

- tree planting with Diageo, and
- hosting Earth Day activities for employees.

The MLCC continues to maintain a page on its internal web site with information about corporate sustainability initiatives, as well as tips on green living for employees.

### FAIR TRADE AND ORGANIC PRODUCTS

Fair Trade is an international system of doing business based on dialogue, transparency and respect. It contributes to sustainable development by offering better trading conditions for producers and workers in developing countries. MLCC supports Fair Trade by offering Liquor Mart customers 26 fair trade products.

The MLCC also offers some 46 organic beverage alcohol products for its customers. Organic beverage alcohol products are made from grapes and grains grown in accordance with the principles of organic farming, which generally excludes the use of artificial chemicals such as fertilizers, pesticides, fungicides and herbicides.

### MONITORING ENVIRONMENTAL PERFORMANCE

The MLCC monitors greenhouse gas emissions on an ongoing basis and has compiled a Greenhouse Gas Emissions Inventory to evaluate our performance.

## [SOCIAL RESPONSIBILITY]



### SPONSORSHIPS

The MLCC supports community and charitable organizations throughout the year through sponsorships, silent auction donations and in-store fundraising activities such as coin boxes and customer-ask programs. F11 sponsorship and event support included:

ALS Society	Festival du Voyageur	MTC Fringe Festival
Alzheimer Society	Folklorama	Manitoba Moose
Brandon Folk Festival	Grace Hospital Foundation	Neepawa Lily Festival
Brandon Wheat Kings	Health Sciences Centre Laureate Awards	Operation Red Nose
Canadian Tour Players Cup	Hemophilia Society	Rainbow Stage
Cancer Care Manitoba	Juvenile Diabetes	Riverview Health Centre
Capturing Opportunities (Brandon)	LPGA-CN Canadian Open	SCE Lifeworks
Child Find Manitoba	ManitoAhee	Seven Oaks Hospital Foundation
Children's Rehabilitation Centre	Manitoba Museum	Special Olympics Manitoba
CNIB Eye on the Arts	Manitoba Opera	United Way
Concordia Hospital Foundation	Memorial Cup	Winnipeg Blue Bombers
Crohn's & Colitis Foundation	Mike Weir Golf Tournament	Winnipeg Folk Festival
Dauphin Countryfest	Misericordia Foundation	Winnipeg Goldeyes
Dauphin Ride Program		Winnipeg Symphony Orchestra

### WINE FESTIVALS

Manitoba Liquor Marts also assist urban and rural communities with hosting wine festivals as fundraising events for community and charitable organizations. These events also provide the MLCC with opportunities to enhance product knowledge. The largest of these events is the Winnipeg Wine Festival in support of Special Olympics Manitoba.

Community	Charity/Recipient	\$ Raised
Brandon (Westman Wine Festival)	Brandon Rotary Club – Elspeth Reid Family Resource Centre	\$9,455
Dauphin	Dauphin Rotary Club	\$7,654
Neepawa	Viscount Cultural Centre	\$2,453
Pine Falls	Pine Falls Arena/Curling Club Renovation Project	\$3,200
Russell	Russell Recreation Commission – Russell Regional Multiplex Project	\$4,186
The Pas	The Pas Health Complex Foundation, Inc	\$4,750
Thompson	Thompson Community Foundation	\$4,644
Winnipeg (Winnipeg Wine Festival)	Special Olympics Manitoba	\$293,000
Winnipeg (Flatlander's Beer Festival)	Manitoba Moose Yearling Foundation	\$51,039

# [CUSTOMER SERVICE]

## GOAL:

Deliver excellent customer service to our retail and commercial customers.

## OBJECTIVE:

1. Enhance service to our public customers by continuing to elevate customer service levels to meet increasing expectations.
2. Enhance service to commercial customers to reflect the current business environment and the increasing expectations of their customers.

## PERFORMANCE RESULTS

### PUBLIC CUSTOMER SATISFACTION RATING (BIENNIAL SURVEY)

Target: 90%

Achieved: 97%

### LIQUOR MART SERVICE SHOP RATINGS:

Target: 90%

Achieved: 90%

### LIQUOR MART DEVELOPMENT

The MLCC is committed to providing a convenient, modern shopping experience for customers through renovation and expansion of its Liquor Mart retail stores. In F11, the following Liquor Marts were renovated and/or expanded to current design standards:

Winnipeg:

- Eastwinds Shopping Centre
- Dominion Shopping Centre
- St. Vital Square

Leases were renewed and renovations were approved for both the Tuxedo and Grant Park Liquor Marts. A lease was also approved for a new Liquor Mart Express store to be located in the Arrivals area of the new James A. Richardson International Airport, scheduled to open in F12.

### MLCC PRODUCT LISTINGS

Having the right product; at the right time and at the right price is the key to MLCC's customer service success. Monitoring sales and product trends helps to ensure a wide assortment of products for its customers. To keep the product assortment robust, new products are added and low selling products are discontinued throughout the year. During F11, 490 products were removed from the corporate assortment, while 596 new products were added.

### PRODUCT LISTINGS AS AT MARCH 31, 2011:

#### Spirits

general list	509
specialty list	376

#### Wine

general list	1,196
specialty list	1,369

#### Beer

MLCC distributed	125
Privately distributed	476

#### Refreshment Beverages (coolers/ciders)

general list	89
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#### Total: 4,140 Active Listings

**Note:** General list products typically represent those with high volume sales. Specialty list products have smaller volume sales and are unique products that round out the overall corporate assortment.



MLCC Product Ambassadors conducted approximately 130 public and private product tasting and education sessions to more than 3,800 attendees during F11. These courses include food and product pairing sessions, wine appreciation sessions, and scotch seminars. In Winnipeg, courses are generally conducted in the Education Centres at the Grant Park and Madison Square Liquor Marts in Winnipeg or in the MLCC's Head Office Tasting Room. Rural courses are held at various locations.

The MLCC is also committed to ensuring Liquor Mart staff are knowledgeable in all product areas and provided 48 training seminars and education sessions throughout the year for Liquor Mart product consultants and MLCC staff. These include the Basic Product Knowledge Course and a Higher Certificate Course.

Product Ambassadors also participate in radio and television media opportunities to promote new and seasonal products.

Manitoba Liquor Marts continued to sponsor and support *Great Tastes of Manitoba*, the longest running and top-rated cooking show in Manitoba, including all food programs running on the Food Network. Alun Bowness, MLCC's Specialty Purchasing Manager is the resident beverage consultant, recommending wine and spirits that will match the dishes prepared by the cooks on the show.

#### LIQUOR MARTS ON-LINE

To improve customer service on-line, the MLCC's retail web site, [www.liquormartsonline.com](http://www.liquormartsonline.com), was updated to allow customers to purchase Liquor Mart Gift Cards and to pay more securely using Paypal.

A Twitter account was also established to allow for the tweeting of product and business information.

#### LIQUOR VENDOR AGREEMENTS

A new standard agreement for liquor vendors was finalized and agreements were signed with all 176 liquor vendors.

#### LICENSEE SUPPORT

In F11, the MLCC increased the number of Licensing & Permit Advisors from one to four to improve service and support for businesses seeking a liquor licence.

In consultation with the provincial government, the MLCC undertook a review of its policies, and proposed a number of changes to *The Liquor Control Act* and its regulations with the aim of reducing red tape, improving commercial customer service and providing new opportunities for the hospitality industry. The recommendations were developed in F11 for review and consideration by government in early F12.

#### CORPORATE RE-ORGANIZATION

A new organizational structure was implemented in F11 to improve efficiencies, better align business functions and foster communication between departments.

# [ BUSINESS EFFECTIVENESS ]

## GOAL:

Foster relationships with our business partners and improve business processes and systems through innovation.

## OBJECTIVE:

1. Develop and enhance business partnerships.
2. Establish effective, efficient and collaborative business processes that consistently demonstrate the MLCC as the model for innovation among Canadian liquor jurisdictions and Manitoba Crown Corporations.

## PERFORMANCE RESULTS

### G & A EXPENSES (YTD)

Target: \$77 million

**Achieved: \$68.6 million**

**Note:** Full explanation of performance results are available under the *Financial Section* of the Business Plan Review.

### PRODUCTIVITY AND COST-EFFECTIVENESS

The MLCC annually reviews productivity and the cost-effectiveness of its strategies to determine the most efficient way of handling inventory at its Liquor Marts and Distribution Centre. Targets are set for productivity for both Liquor Marts and the Distribution Centre.

#### LIQUOR MARTS

##### MEASURE

Productivity (Units/Labour Hour)

Winnipeg

Target: 34.6

**Achieved: 34.2**

Rural

Target: 31.2

**Achieved: 30.9**

#### DISTRIBUTION CENTRE

##### MEASURE

Cases per Labour Hour

Target: 28.9

**Achieved: 29.6**

Inventory Turns (rolling 12 months)

Target: 7.0

**Achieved: 7.1**

In-stock Service Levels

Target: 97%

**Achieved: 98%**

#### RETAIL CENTRALIZED MERCHANDISING PROJECT

In F11, Aldata Solutions was selected to provide the MLCC with merchandising software to help manage Liquor Mart product assortment and replenishment activities. By centralizing these activities, the MLCC can manage its supply chain more efficiently, ensuring the right products are at the right place at the right time, while enabling store staff to spend more time on activities directly related to sales and customer service.

#### COMPUTER SOFTWARE UPGRADE

An upgrade to the JDE computer software system was completed on schedule and significantly under budget.

#### CONTINGENCY PLANNING

To ensure the MLCC is able to continue operating in the event of the loss of Head Office, all core business application data is replicated to the Disaster Recovery site on a real-time basis.

#### CHIP-BASED PAYMENT CARDS

Chip card technology was successfully implemented and certified, allowing Liquor Mart customers to pay for purchases using chip-based payment cards.

#### RECORDS MANAGEMENT PROJECT

In order to comply with provincial and federal legislation for record-keeping, the MLCC began a project in 2008 to better manage its electronic records. The implementation of software began in F10 and roll-out throughout the organization continued in F11.

#### LIQUOR LICENSING

The MLCC's Licenses and Permits department simplified a number of its processes to handle special requests from licensees. The process for issuing a liquor licence was improved reducing the time to issue a licence from 10 weeks to just five weeks. The department also reviewed a number of its processes and policies as part of the effort to reduce red tape. Recommendations included changes to regulations; which were forwarded to government for consideration.

# [WORKPLACE QUALITY]

## GOAL:

Foster a work environment that is safe, innovative and inclusive.

## OBJECTIVE:

1. Enhance an inclusive culture that promotes an engaged workforce and encourages innovation from employees.
2. Develop a staff and management workforce with the competencies to maintain and undertake new responsibilities.
3. Maintain a positive work environment.

## PERFORMANCE RESULTS

### MEASURE

Employee Engagement

Target: 85%

**Achieved: 89%**

Number of Aboriginal persons or members of visible minorities hired or promoted

Target: 10

**Achieved: 16 (full-time)**

### COMMUNICATING THE STRATEGIC PLAN F11- F13

A full day meeting with all managers was conducted to review the new Vision and three-year Strategic Plan. Executive Management communicated the new plan to all employees through a series of meetings held throughout the province.

## INNOVATION TEAM (ITEAM)

An innovation think tank called the “iTeam” was established in F11 to develop and direct the implementation of innovative ideas received from employees in support of the MLCC’s strategic goals. The team is comprised of a cross-section of employees with participation of the President and CEO and Chief Corporate Services Officer. Monthly meetings commenced in September 2010. Some of the ideas implemented in F11 include maternity uniforms for Liquor Mart employees; installation of bicycle racks at all Winnipeg Liquor Marts and select rural Liquor Marts; and product knowledge courses for Head Office employees.

## DIVERSITY

The MLCC continued to support diversity in the workplace through the Aboriginal and Diversity Internship Programs and a Multiculturalism Day. New initiatives for F11 included the creation of the Language Bank Program called “Words of the World” and diversity training for managers called “The Role of Culture in Hiring Newcomers”.

## SUCCESSION PLANNING

An RFP was issued and Myers Norris Penny was selected to review and identify potential improvements to the MLCC’s succession planning program. The review is ongoing into F12.

## LEADERSHIP DEVELOPMENT PROGRAM

A revised Advanced Program in Management Leadership and Strategy for middle-management was developed in partnership with other Crown Corporations and the Asper School of Business. Topics included: Governance, Strategic Planning, Use of Financial Information, Enterprise Risk Management, Diversity Awareness, Organizational Brand and Emerging Business Trends. Four managers completed the two-week course.

## TRAINING

MLCC continues to focus on training to ensure employees have the skills and experience required to meet customer expectations, as well as changes in job responsibilities. To assist with training delivery, an on-line Learning Management System called *Training Partner* was launched in January 2011.

The following training courses were held throughout the year:

- Business Writing
- Higher Certificate and Basic Product Knowledge courses for Head Office and Liquor Mart employees
- Non-violent Crisis Intervention, including *Play It Safe*
- Backsafe
- Fight or Flight (fire extinguisher)
- First Aid/CPR
- Forklift Operation and High-Lift
- Higher Certificate and Basic Wine courses for Head Office and Retail employees



F11 Awards of Distinction were presented by President & CEO Ken Hildahl to MLCC employees Lori Kreutzer (Community Service Award), and Art Arpin, (second consecutive Customer Service Excellence Award).

- *Serving it Safe* (formerly *It's Good Business*)
- Performance Management
- Quality Control
- Robbery Prevention
- Supplier Seminars for Liquor Mart staff and Product Ambassadors
- Training Partner Learner and Manager Online Training
- WCB Incident Reporting
- *Working Smart*

## AWARDS OF DISTINCTION

The Awards of Distinction recognize employees who make superb contributions to the MLCC and the community in the areas of Community Service, Business Innovation, Leadership, and Customer Service Excellence. A Crowning Achievement category is also included to recognize professional and personal accomplishments. In F11, the MLCC recognized two employees for their community work and customer service achievements.

## SCHOLARSHIP PROGRAM

The MLCC Scholarship Program provides financial assistance to the children of MLCC employees who are pursuing post-secondary education at the university or college level. Up to six scholarships are available (four \$1,000 university scholarships and two \$500 college/vocational trade school). Four university scholarships were awarded in F11.

## MLCC AWARD RECOGNITION

For the fifth consecutive year, the MLCC was recognized as one of the Top 25 Employers in Manitoba as part of the Top 100 Employers in Canada competition.

## [WORKPLACE QUALITY]



### HEALTH AND WELLNESS

MLCC continued to recognize the importance and benefits of a healthy lifestyle through the following initiatives:

- A third annual Wellness Day was held featuring healthy lifestyle and community displays and a blood typing clinic. The day included healthy food and snack options.
- Ergonomic information sessions were held in each Head Office department to ensure employees “sit safe.”
- A flu shot clinic was held for Head Office and Winnipeg Liquor Mart employees to prepare for the upcoming flu season.
- Other wellness initiatives included “The Biggest Loser” weight loss challenge, and the development of an alcohol awareness program in partnership with the Addictions Foundation of Manitoba.

### AUTOMATIC EXTERNAL DEFIBRILLATORS (AEDS)

The MLCC undertook a pilot program in F11 to install five AEDs; three at Head Office and at two Liquor Marts for the safety of employees and customers. The program was approved for full roll out to all Liquor Marts with installation to be completed early in F12.

### PRIDE WEAR

A new employee pride wear program was launched with limited selection items for purchase. Items will be updated on a semi-annual basis.

### SAFETY INSPECTIONS/JOB HAZARD ANALYSIS

Safety and health continued to be a priority at MLCC through the following initiatives:

- ongoing quarterly inspections in all Liquor Marts;
- completion of safe work procedures for the Maintenance department;
- hearing tests for Head Office employees; and
- installation of bollards in front of all Liquor Marts considered at risk for vehicle collision.

In addition, Safety Committee members conducted safety audits at 28 Liquor Marts, while Safety Inspectors from Workplace, Safety and Health Division inspected 10 Liquor Marts. As a result of the inspections, eye wash stations were added to Liquor Marts in Brandon and a power jack was purchased for the Swan River Liquor Mart.

### FACILITIES

Improvements were made to a number of Liquor Marts to provide space for online training as well as more warehouse space. The MLCC also reviewed its space requirements at its Head Office with an eye to current and future business growth. This included a review of the exterior envelope of the almost 50-year old building due to safety concerns. Negotiations were initiated to lease space in a building adjacent to Head Office to manage office space needs while plans for work on the exterior of the building will commence in F12.

### WHISTLEBLOWER LEGISLATION

There are no disclosures to report in F11.



RESPONSIBLE

**FINANCIAL  
STATEMENTS**

**F11**

FOR THE FISCAL YEAR APRIL 1, 2010 TO MARCH 31, 2011

MANAGEMENT  
REPORT

**AS AT MARCH 31**

The accompanying financial statements are the responsibility of Management and have been prepared in accordance with the accounting policies disclosed in Note 2. In Management's opinion, the financial statements have been properly prepared and of necessity, include some amounts based upon Management's best estimates and judgements.

As Management is responsible for the integrity of the financial statements, Management has established systems of internal control to provide assurance that assets are properly accounted for and safeguarded from loss.



Ken Hildahl  
President & Chief Executive Officer



Ingrid Loewen  
Chief Financial & Strategy Officer

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of  
**The Liquor Control Commission**

We have audited the accompanying financial statements of **The Liquor Control Commission**, which comprise the balance sheet as at March 31, 2011 and the statements of income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

### AUDITORS' RESPONSIBILITY

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

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

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

### OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Liquor Control Commission** as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The logo for Ernst & Young LLP is written in a black, cursive script font.

### CHARTERED ACCOUNTANTS

Winnipeg, Canada  
May 25, 2011.

**BALANCE SHEET**  
[IN THOUSANDS OF DOLLARS]

**AS AT MARCH 31**

	2011 \$	2010 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	8,399	9,190
Accounts receivable	20,308	20,726
Inventory [note 6]	38,311	35,690
Prepaid expenses	1,328	1,256
<b>Total current assets</b>	<b>68,346</b>	<b>66,862</b>
Restricted cash [notes 2 and 11]	—	46,360
Property and equipment, net [note 9]	28,007	26,356
Intangible assets [note 10]	2,110	2,984
	<b>98,463</b>	<b>142,562</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable - trade and other	38,917	34,759
Goods and Services Tax payable	708	1,096
Manitoba Retail Sales Tax payable	1,522	1,471
Net profit payable to the Province of Manitoba	47,696	47,777
Environmental Protection Tax payable	140	141
Deferred licence fees	342	327
<b>Total current liabilities</b>	<b>89,325</b>	<b>85,571</b>
Provision for employee pension benefits [note 11]	5,527	53,318
Provision for retirement allowances [note 12]	3,611	3,673
	<b>98,463</b>	<b>142,562</b>

See accompanying notes

On behalf of the Commission:



Chair of the Board



Chair of the Audit Committee



President & Chief Executive Officer



Chief Financial & Strategy Officer

YEAR ENDED MARCH 31

STATEMENT OF INCOME  
[IN THOUSANDS OF DOLLARS]

	2011 \$	2010 \$
<b>Sales</b> <i>[schedule]</i>	<b>621,880</b>	610,515
Cost of sales <i>[schedule]</i>	<b>307,762</b>	310,916
<b>Gross profit</b> <i>[schedule]</i>	<b>314,118</b>	299,599
<b>Other income</b> <i>[note 7]</i>		
Licence and permit fees	<b>1,828</b>	1,912
Merchandising program fees	<b>2,235</b>	1,790
Administration and other	<b>882</b>	1,050
	<b>4,945</b>	4,752
	<b>319,063</b>	304,351
General and administrative expenses <i>[note 8]</i>	<b>64,718</b>	66,913
Depreciation	<b>3,849</b>	3,761
<b>Net profit paid or payable to the Province of Manitoba</b>	<b>250,496</b>	233,677

See accompanying notes

STATEMENT OF CASH FLOWS  
[IN THOUSANDS OF DOLLARS]

YEAR ENDED MARCH 31

	2011 \$	2010 \$
<b>OPERATING ACTIVITIES</b>		
Cash receipts		
Sales – spirits, wine, coolers/ciders and beer	622,044	611,760
Annual licence and permit fees	5,248	4,887
Goods and Services Tax	31,639	30,945
Manitoba Retail Sales Tax	21,437	20,903
Manitoba Waste Reduction and Prevention Levy	—	494
Environmental Protection Tax	2,020	2,010
	<b>682,388</b>	<b>670,999</b>
Cash disbursements		
Purchases – merchandise, federal duty, excise and other costs	305,894	317,144
General and administrative expenses	66,392	65,138
Goods and Services Tax	32,027	30,844
Manitoba Retail Sales Tax	21,386	20,813
Manitoba Waste Reduction and Prevention Levy	34	492
Environmental Protection Tax	2,021	2,002
	<b>427,754</b>	<b>436,433</b>
<b>Net cash available from operating activities</b>	<b>254,634</b>	<b>234,566</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(4,848)	(6,185)
<b>Net cash available for transfer</b>	<b>249,786</b>	<b>228,381</b>
<b>TRANSFERS TO PROVINCE OF MANITOBA</b>		
Current year's net profit	202,800	185,900
Prior year's net profit	47,777	42,564
	<b>250,577</b>	<b>228,464</b>
<b>Net decrease in cash and cash equivalents during the year</b>	<b>(791)</b>	<b>(83)</b>
Cash and cash equivalents, beginning of year	9,190	9,273
<b>Cash and cash equivalents, end of year</b>	<b>8,399</b>	<b>9,190</b>

See accompanying notes

YEAR ENDED MARCH 31

	Spirits \$	Wine \$	Coolers/ Ciders \$	Beer \$	Total \$
<b>SALES</b>					
Stores	151,268	93,988	13,793	46,856	305,905
Liquor vendors	34,988	9,411	3,596	7,205	55,200
Licensees	19,244	5,218	1,699	220,926	247,087
Specialty wine stores	45	13,559	84	—	13,688
<b>Total sales for 2011</b>	<b>205,545</b>	<b>122,176</b>	<b>19,172</b>	<b>274,987</b>	<b>621,880</b>
Total sales for 2010	203,037	116,698	19,658	271,122	610,515
<b>COST OF SALES</b>					
<b>Total cost of sales for 2011</b>	<b>81,320</b>	<b>56,229</b>	<b>8,714</b>	<b>161,499</b>	<b>307,762</b>
Total cost of sales for 2010	80,491	53,735	8,882	167,808	310,916
<b>Gross profit for 2011</b>	<b>124,225</b>	<b>65,947</b>	<b>10,458</b>	<b>113,488</b>	<b>314,118</b>
Gross profit for 2010	122,546	62,963	10,776	103,314	299,599

See accompanying notes

SCHEDULE OF SALES, COST OF SALES  
AND GROSS PROFIT  
[IN THOUSANDS OF DOLLARS]

**MARCH 31, 2011**

## 1. NATURE OF ORGANIZATION

The Liquor Control Commission [the “MLCC”] was formed in 1923 as an agency of the Government of the Province of Manitoba under *The Liquor Control Act*. The MLCC’s mandate is to purchase, sell and regulate alcoholic beverages; to determine locations for retail liquor outlets; to licence and regulate facilities used by the consuming public; to provide revenue to the Province of Manitoba from the activities of the MLCC; and to do all such things necessary to effect the provisions of *The Liquor Control Act*.

## 2. SIGNIFICANT ACCOUNTING POLICIES

- [a] Cash and cash equivalents include cash on hand, balances with banks and outstanding electronic fund transactions forwarded to banks.
- [b] Cash and cash equivalents [restricted] consist of cash balances held in a trust account which has been advanced by the Province of Manitoba to fund the employee pension and retiring allowances benefits.
- [c] Accounts receivable include electronic fund transactions to be forwarded to banks after March 31.
- [d] Inventories of goods for resale are valued at the lower of average cost and net realizable value.
- [e] Revenue is recognized at the time the product is shipped, title passes, the sales price is fixed and determinable, and collectibility is reasonably assured.
- [f] Property and equipment are recorded at cost less accumulated depreciation. Depreciation is provided on the declining balance basis at the following annual rates:
 

Automobiles.....	30%
Equipment and furnishings .....	20%
Paving.....	8%

Leasehold improvements are depreciated on a straight-line basis over the remaining term of the lease or a minimum of five years.

Buildings are depreciated on a straight-line basis over 40 years.
- [g] Intangible assets are recorded at cost less accumulated depreciation. Depreciation is provided on the declining balance basis at the following annual rate:
 

Systems development.....	30%
--------------------------	-----
- [h] Substantially all of the employees of the MLCC are eligible for pension benefits based on length of service and average annualized earnings calculated on the best five years prior to retirement, termination, or death that provides the highest earnings. Pension costs, included in salaries, benefits and pension costs, consist of the employer’s share of pension benefits paid to retired employees, as well as the increase in unfunded pension liabilities during the fiscal year. This liability is determined actuarially every three years with the balances for the intervening years being determined by formula provided by the actuary as detailed in note 11. Actuarial gains and losses are recognized in income immediately as detailed in note 11.
- [i] In preparing the MLCC’s financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

- [j] The MLCC has classified all financial instruments into one of the following five categories: held for trading, held to maturity investments, available for sale financial assets, loans and receivables and other financial liabilities. All financial instruments are included on the balance sheet and are measured at fair value with the exception of loans and receivables, held to maturity investments and other financial liabilities, which are measured at amortized cost. Subsequent measurement and recognition of changes in fair value of financial instruments depend on their initial classification. Held for trading financial instruments are measured at fair value and all gains and losses are included in income in the period in which they arise. Available for sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset or liability is removed from the balance sheet.

### 3. FUTURE ACCOUNTING CHANGES

#### INTERNATIONAL FINANCIAL REPORTING STANDARDS [“IFRS”]

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt IFRS in place of Canadian generally accepted accounting principles [“GAAP”] for fiscal years beginning on or after January 1, 2011. In October 2009, the Public Sector Accounting Board confirmed that public sector enterprises such as MLCC will be required to follow IFRS for periods beginning January 1, 2011. MLCC will be required to prepare financial statements in accordance with IFRS effective for its 2011-12 fiscal year with comparative information presented for the 2010-11 fiscal year.

Although IFRS and Canadian GAAP are premised on a similar conceptual framework, there are a number of differences with respect to recognition, measurement and disclosure. MLCC has completed an assessment of adopting IFRS, and has identified the areas with the highest potential to impact MLCC. Those areas include property, plant and equipment, leases, employee benefits and the transitional requirements upon the adoption of IFRS under the provisions of IFRS 1, First-Time Adoption of IFRS.

### 4. FINANCIAL INSTRUMENTS

#### CREDIT RISK

Accounts receivable are all current at year end and were fully collected subsequent to year end. Therefore no allowance for uncollectible amounts was accrued by management. Accounts receivable are written-off when management determines that they cannot be collected or they have been outstanding for greater than 120 days.

#### LIQUIDITY RISK

Liquidity risk is mitigated by collection terms on accounts receivable being set at less than or equal to the payment terms of accounts payable. All accounts payable are due within 30 days of year end. See note 13 for details of other contractual obligations and their maturities.

#### FOREIGN CURRENCY RISK

The MLCC is exposed to currency risk through inventory purchase transactions that require settlement in foreign currencies. Exposure to fluctuations in exchange rates is mitigated by the policy of adjusting purchase or selling prices to maintain the profit margin approved by the Board of Commissioners.

#### FAIR VALUE

The fair value of the MLCC’s financial instruments on initial recognition is the transaction price, which is the value of the consideration given or received. At March 31, 2011, the MLCC’s only financial asset or financial liability measured at fair value on a recurring

basis was cash totalling \$8,399. The MLCC has made the following classifications of its financial instruments:

Cash and cash equivalents are classified as held for trading and measured at fair value. The gains or losses arising on the revaluation to fair value at the end of the period are included in net income.

Accounts receivable are classified as loans and receivables and recorded at cost, which upon initial recognition is equal to their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

Accounts payable, net profit payable to the Province of Manitoba and other taxes payable are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

It is management's opinion that the MLCC is not exposed to significant interest rate, currency, liquidity, or credit risks arising from these financial instruments. The fair values of the MLCC's financial instruments approximate their carrying value unless otherwise stated due to the short period between initial recognition and subsequent settlement.

## 5. CAPITAL MANAGEMENT

The MLCC defines its capital as cash and cash equivalents available for operations. The MLCC's objectives are to have cash resources available for operations, to provide flexibility to take advantage of opportunities that will advance its purposes and to meet its obligation to transfer its net profit to the Province of Manitoba annually. The need for cash is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to budget. As at March 31, 2011, the MLCC has met its objective of having sufficient cash resources to meet its current obligations.

## 6. INVENTORY

Inventory consists of the following:

	2011 \$	2010 \$
Warehouse	26,029	23,802
Stores	12,282	11,888
	<b>38,311</b>	<b>35,690</b>

The amount of unpaid and unrecorded Customs and Excise duties on owned merchandise held in bond is approximately \$3,806 at March 31, 2011 [2010 - \$3,948].

## 7. OTHER INCOME

Other income consists of the following:

	2011 \$	2010 \$
Annual licence fees and licence application fees	1,091	1,104
Occasional permit fees	640	329
Occasional permit additional fees	—	471
Licensee monetary penalties	97	8
	<b>1,828</b>	<b>1,912</b>

**NOTES TO  
 FINANCIAL STATEMENTS**  
 [IN THOUSANDS OF DOLLARS]

AIR MILES® revenue	1,271	957
Advertising revenue – other	964	833
	<b>2,235</b>	1,790
Markup on non-sale items	401	329
Foreign exchange	137	266
Administration charges	138	152
Border point fees	158	125
Miscellaneous	22	152
Specialty wine store fees	26	26
	<b>882</b>	1,050
	<b>4,945</b>	4,752

## 8. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	2011	2010
	\$	\$
Salaries, benefits and pension costs <i>[note 11]</i>	<b>38,820</b>	41,541
Leased premises <i>[note 13]</i>	<b>7,209</b>	6,791
Maintenance and repairs	<b>3,401</b>	3,174
Bank charges	<b>2,402</b>	2,341
Delivery charges	<b>1,845</b>	1,781
Utilities	<b>1,316</b>	1,545
AIR MILES® program	<b>1,258</b>	1,288
Alcohol education	<b>837</b>	821
Protective services	<b>816</b>	792
Printing, postage and supplies	<b>804</b>	779
Community support	<b>717</b>	577
Health and Post Secondary Education Tax Levy	<b>714</b>	699
Grants in lieu of taxes	<b>701</b>	667
Advertising and promotions	<b>614</b>	521
Staff training	<b>584</b>	656
Equipment rentals <i>[note 13]</i>	<b>580</b>	685
Professional fees	<b>499</b>	520
Travel	<b>316</b>	391
Miscellaneous	<b>312</b>	392
Communications	<b>227</b>	253
Vehicle expenses	<b>203</b>	199
Association memberships	<b>114</b>	122
Corporation Capital Tax	<b>111</b>	107
Crown Corporations Council levy	<b>100</b>	105
Bad debt expense	<b>77</b>	25
Product analysis	<b>73</b>	74
Insurance	<b>68</b>	67
	<b>64,718</b>	66,913

## 9. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2011		
	Cost \$	Accumulated depreciation \$	Net book value \$
Land	120	—	120
Automobiles	656	340	316
Equipment and furnishings	12,547	6,380	6,167
Paving	520	203	317
Leasehold improvements	13,439	6,318	7,121
Buildings	18,397	4,866	13,531
Systems infrastructure	1,401	966	435
	<b>47,080</b>	<b>19,073</b>	<b>28,007</b>

	2010		
	Cost \$	Accumulated depreciation \$	Net book value \$
Land	120	—	120
Automobiles	639	386	253
Equipment and furnishings	11,728	5,133	6,595
Paving	496	175	321
Leasehold improvements	11,198	5,543	5,655
Buildings	17,473	4,480	12,993
Systems infrastructure	1,239	820	419
	<b>42,893</b>	<b>16,537</b>	<b>26,356</b>

## 10. INTANGIBLE ASSETS

Intangible assets consist of the following:

	2011		
	Cost \$	Accumulated depreciation \$	Net book value \$
Systems development	11,103	8,993	2,110

	2010		
	Cost \$	Accumulated depreciation \$	Net book value \$
Systems development	11,577	8,593	2,984

## 11. PROVISION FOR EMPLOYEE PENSION BENEFITS

The MLCC maintains a defined benefit pension plan in accordance with the provisions of *The Civil Service Superannuation Act* administered by the Civil Service Superannuation Board. An actuarial valuation of the provision for employee pension benefits was conducted by Ellement & Ellement Ltd. Consulting Actuaries as of December 31, 2009. The projected unit credit method was used and the liabilities have been extrapolated to March 31, 2011 using a formula provided by the actuary.

	2011 \$	2010 \$
<b>Accrued benefit liability, beginning of year</b>	<b>53,318</b>	51,213
Loss based on 2009 actuarial report	4,094	—
Benefits accrued	1,804	1,736
Interest accrued on benefits	3,729	3,597
Benefits paid	(2,920)	(2,762)
Matching pension contributions	(560)	(466)
<b>Accrued benefit liability, end of year</b>	<b>59,465</b>	53,318
Pension expense	5,533	5,333
Employee contributions	1,710	1,667
Employer contributions	2,920	2,762

The pension expense consists of benefits accrued of \$1,804 [2010 - \$1,736] and interest accrued on benefits of \$3,729 [2010 - \$3,597].

The accrued benefit liability is comprised of:

	2011 \$	2010 \$
Defined benefit obligation	59,465	53,318
Fair value of plan assets	53,938	—
Accrued benefit liability	(5,527)	(53,318)

Changes in the fair value of the plan assets are as follows (in actual dollars):

	2011 \$	2010 \$
<b>Fair value of plan assets, beginning of year</b>	<b>—</b>	—
Transfer of restricted cash	46,408,293	—
Expected return	5,713,939	—
Contributions by employer	560,020	—
Matching contributions	1,255,433	—
<b>Fair value of plan assets, end of year</b>	<b>53,937,685</b>	—

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2011 %	2010 %
Cash and cash equivalents	5.3	—
Canadian equities	94.7	—

The overall expected rate of return on assets is determined based on the market expectations prevailing on that date, applicable to the period over which the obligation is to be settled. These are reflected in the principal assumptions below.

The key actuarial assumptions used in determining the MLCC's provision for employee pension benefits were at the following weighted average rates:

<b>As at March 31</b>	<b>2011</b>	2010
	%	%
Discount rate	<b>6.00</b>	6.50
Expected long-term rate of return	<b>6.00</b>	6.50
Inflation	<b>2.00</b>	2.50
Rate of future compensation increases	<b>3.75</b>	4.25

In addition, post-retirement indexing is at 1.33%.

The amount of the long-term provision for employee pension benefits of \$46,360 as at March 31, 2010 has been funded by the cash advanced by the Province of Manitoba. The funds are held in a trust account and are recorded as restricted cash [note 2].

## 12. PROVISION FOR RETIREMENT ALLOWANCES

Effective April 1, 1998, the MLCC commenced recording accumulated retirement allowances for its employees. Eligible employees are entitled to receive a retirement allowance equal to one week's pay to a maximum of 25 weeks for each year of continuous employment based on the current salary at date of retirement. The provision recorded has been extrapolated to March 31, 2011 using a formula provided by the actuary.

## 13. COMMITMENTS

- [a] The MLCC leases 45 buildings. Leases have expiry dates ranging from 2012 to 2029.

The future minimum annual lease payments for each of the next five years and thereafter are as follows:

<b>Year ending March 31</b>	<b>\$</b>
2012	4,967
2013	4,717
2014	4,684
2015	4,453
2016	4,034
Thereafter	25,355
	<b>48,210</b>

- [b] The MLCC leases computer equipment. Leases on computer equipment have expiry dates ranging from 2012 to 2013.

The future minimum lease payments for each of the years to the expiry of the lease contracts are as follows:

<b>Year ending March 31</b>	<b>\$</b>
2012	81
2013	57
	<b>138</b>

## 14. COMPARATIVE FIGURES

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the current year's financial statements.

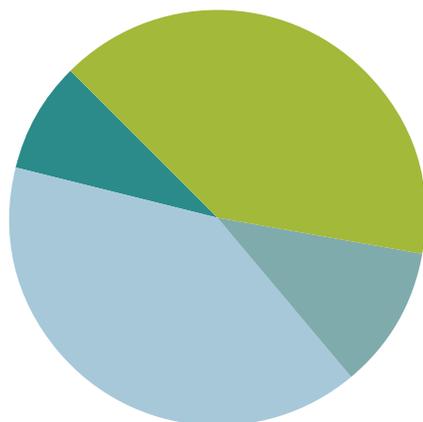
## PROFIT AND EXPENSE RATIOS [IN THOUSANDS]

FISCAL YEARS ENDING MARCH 31

	2007	2008	2009	2010	2011
Sales	521,380	554,769	583,763	610,515	621,880
Gross Profit	259,822	275,226	288,241	299,599	314,118
Net Profit	207,944	219,210	229,164	233,677	250,496
General and Administrative Expenses	53,934	58,328	60,355	66,913	64,718
Depreciation	2,583	2,666	3,313	3,761	3,849
Gross Profit as % of Sales	49.8%	49.6%	49.4%	49.1%	50.5%
Net Profit as % of Sales	39.9%	39.5%	39.3%	38.3%	40.3%
General and Administrative Expenses as % of Sales	10.3%	10.5%	10.3%	11.0%	10.4%

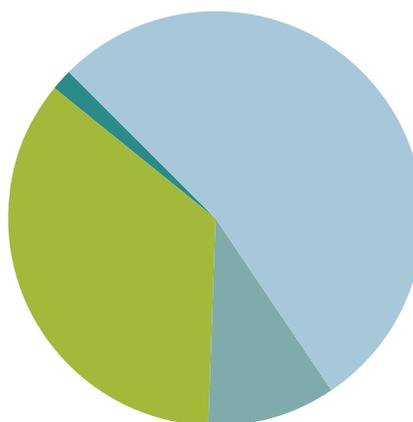
## WHERE DOES THE MONEY GO?

### \$250.5 MILLION FOR MANITOBANS



- Merchandise – \$253.9 40%
- Other Expenses – \$68.6 11%
- Prov. Gov't – \$250.5 40%
- Fed. Gov't – \$53.9 9%

### RETAIL OUTLETS – 2011



- Private Liquor Vendors/  
duty free stores – 180
- MLCC Liquor Marts – 50
- Private Beer Vendors – 271
- Specialty Wine Stores – 8

## ADDITIONAL PAYMENTS TO THE PROVINCE [IN MILLIONS]

Retail Sales Tax – \$21.4

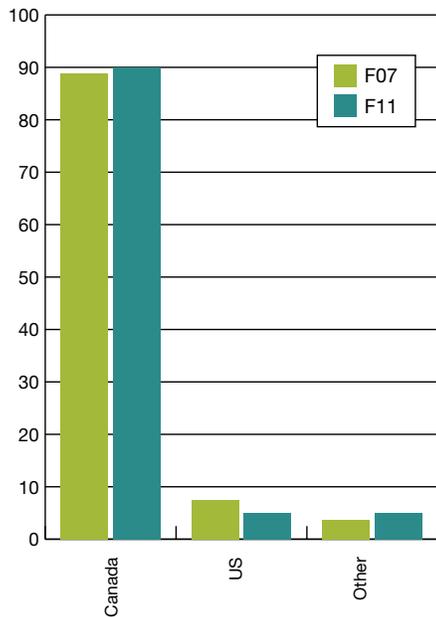
Environmental Protection Tax – \$2.0

## ADDITIONAL PAYMENTS TO THE FEDERAL GOVERNMENT [IN MILLIONS]

Goods and Services Tax – \$32.0

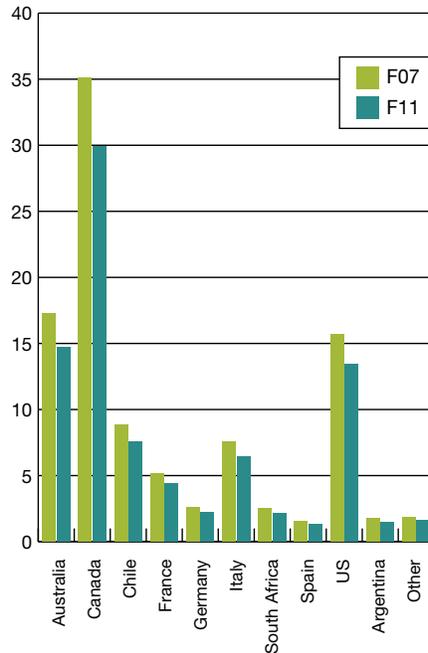
### BEER SALES BY COUNTRY

FISCAL 2007 AND FISCAL 2011



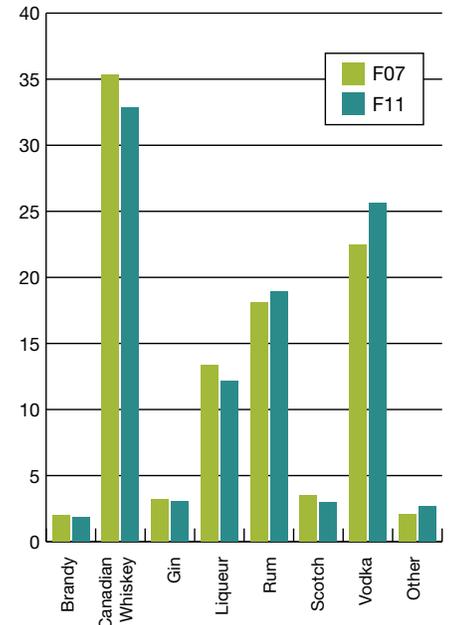
### WINE SALES BY COUNTRY

FISCAL 2007 AND FISCAL 2011



### SPIRIT SALES BY TYPE

FISCAL 2007 AND FISCAL 2011



### VOLUME SALES [MILLIONS OF LITRES]

	Beer	Spirits	Wine	Coolers/Ciders
2007	78.0	6.5	8.2	2.6
2008	79.0	6.7	8.7	2.7
2009	80.4	6.9	9.0	2.8
2010	82.0	6.9	9.3	2.9
<b>2011</b>	<b>81.0</b>	<b>6.9</b>	<b>9.7</b>	<b>2.7</b>

### PRODUCT \$ SALES [IN MILLIONS]

	Beer	Spirits	Wine	Coolers/Ciders
2007	229	179	97	16
2008	242	190	106	17
2009	255	198	112	19
2010	271	203	117	20
<b>2011</b>	<b>275</b>	<b>206</b>	<b>122</b>	<b>19</b>

### PER CAPITA CONSUMPTION [IN LITRES]

	Beer	Spirits	Wine	Coolers/Ciders
2007	87.1	7.3	9.2	2.9
2008	87.5	7.4	9.6	3.0
2009	88.0	7.5	9.8	3.1
2010	88.3	7.4	10.0	3.1
<b>2011</b>	<b>85.9</b>	<b>7.3</b>	<b>10.2</b>	<b>2.9</b>

Source: Manitoba Health Population Report based on population over the age of 17 as of June 1 of each year.

## NUMBER OF HOTEL REGISTRATIONS & LICENCES

Class of Licence	2007	2008	2009	2010	2011
Hotel Registration	312	300	301	302	300
Retail	289	275	277	273	275
Beverage Room	262	252	249	249	246
Dining Room	1,143	1,132	1,116	1,125	1,135
Transportation	9	8	8	7	6
Cocktail Lounge	471	483	412	403	398
Cabaret	26	29	30	29	25
Spectator Activities	42	44	45	45	50
Private Club	260	252	252	249	247
Canteen	15	15	15	13	13
Sports Facility	147	151	142	144	137
Manufacturer's	22	22	20	17	17
<b>Totals</b>	<b>2,998</b>	<b>2,963</b>	<b>2,867</b>	<b>2,856</b>	<b>2,832</b>

## OCCASIONAL PERMITS ISSUED

	2007	2008	2009	2010	2011
Liquor Sold	7,020	6,796	6,607	6,473	6,000
Liquor Complimentary	4,316	4,443	4,290	4,289	4,175
<b>Total</b>	<b>11,336</b>	<b>11,239</b>	<b>10,897</b>	<b>10,762</b>	<b>10,175</b>

## INSPECTIONS, INVESTIGATIONS AND EDUCATIONAL SEMINARS

	2007	2008	2009	2010	2011
<b>Licensed Premises</b>					
Licensee visits	25,097	26,110	27,112	25,867	22,784
Licensee requests for service	1,171	997	1,069	1,144	1,294
Final Inspections	246	259	256	224	186
Application for licence	143	153	109	126	122
Licensee education sessions	146	100	174	180	195
<b>Total</b>	<b>26,803</b>	<b>27,619</b>	<b>28,720</b>	<b>27,541</b>	<b>24,581</b>
<b>Occasional Permits</b>					
Inspections while in progress	1,783	1,582	1,501	1,471	1,394
Investigations prior to issue	1,844	1,838	2,111	2,626	2,900
Education of hall owners/ permittees/public	73	56	76	69	82
Inspection of new banquet halls	241	236	233	287	146
<b>Total</b>	<b>3,941</b>	<b>3,712</b>	<b>3,921</b>	<b>4,453</b>	<b>4,522</b>
<b>Public Investigations</b>					
Photo ID	593	880	1,151	277*	0
Public Complaints	309	384	313	360	387
<b>Total</b>	<b>902</b>	<b>1,264</b>	<b>1,464</b>	<b>637*</b>	<b>387</b>

\*The MLCC Photo ID program was discontinued June 29, 2009.

## RECOMMENDED DISCIPLINARY ACTION

	2007	2008	2009	2010	2011
<b>Licensees:</b>					
<b>Administrative</b>					
- warning letters	259	248	273	250	261
- meetings with Manager, Inspection Services	41	40	44	41	56
<b>Total</b>	<b>300</b>	<b>288</b>	<b>317</b>	<b>291</b>	<b>317</b>
<b>Board</b>					
- disciplinary hearings	49	29	29	44	62
- appeal hearings	11	1	5	9	7
<b>Board Action</b>					
- warnings	3	3	5	7	5
- suspensions	42	25	21	34	38
- cancellations	1	0	1	1	0
- monetary penalty			2	7	29
- other	4	2	0*	1	1
<b>Total</b>	<b>50</b>	<b>30</b>	<b>29</b>	<b>50</b>	<b>73</b>
<b>Total suspension days issued</b>	<b>106</b>	<b>70</b>	<b>38</b>	<b>91</b>	<b>70</b>
<b>Total monetary penalties issued</b>			<b>\$7,500*</b>	<b>\$11,150</b>	<b>\$89,550</b>

**Note:** Board actions may not equal number of hearings due to appeals carried forward to next fiscal year, or more than one action taken at a hearing.

### Permittees/Hall Owners:

#### Administrative

- warnings	6	6	4	5	8
- suspension of privileges	1	1	8	7	6
<b>Total</b>	<b>7</b>	<b>7</b>	<b>12</b>	<b>12</b>	<b>14</b>

Breaches of *The Liquor Control Act* are dealt with through a process of progressive discipline.

- Cautions – Usually given where there is no previous record (which include educating licenses regarding breach)
- Warning Letter – Usually given where there is a record of operation and the breach is of a less serious nature
- Meeting with Manager, Inspection Services – To discuss solutions to the problem
- Licensing Board Hearing – Usually for breaches of a more serious nature

Appeals are heard by Board of Commissioners.

These disciplinary actions form part of a licensee's record of operation.

Breaches of *The Liquor Control Act* by banquet hall operators and occasional permit holders are normally handled by administration of the commission.

*\*two items have been moved from 'Other' to new category 'Monetary Penalty' and amount has been noted*

## THE MLCC OPERATES 50 LIQUOR MARTS THROUGHOUT MANITOBA

### **Beausejour**

619 Park Avenue

### **Brandon**

- 1015 Victoria Avenue
- Brandon Shoppers Mall, 18th & Richmond Avenue
- Corral Centre, 805-18th St. North

### **Carman**

3 Centre Avenue West

### **Churchill**

203 Laverendrye Avenue

### **Dauphin**

130 First Avenue  
North West

### **Flin Flon**

26 Hapnot Street

### **Gimli**

52 Centre Street

### **Killarney**

516 Broadway Avenue

### **Lac du Bonnet**

99 – 2nd Avenue

### **Minnedosa**

16 – 2nd Avenue  
North West

### **Morden**

331 North  
Railway Street

### **Neepawa**

393 Mountain Avenue

### **Pine Falls**

17 Pine Street

### **Portage la Prairie**

300 Saskatchewan  
Avenue

### **Roblin**

124 Main Street West

### **Russell**

202 Shell River Avenue  
North

### **Selkirk**

377 Main Street

### **Steinbach**

118 PTH 12 N

### **Swan River**

716 Main Street

### **The Pas**

249 Fischer Avenue

### **Thompson**

131 Selkirk Avenue

### **Virden**

197 – 3rd Avenue

## WINNIPEG

### **Bunn's Creek**

Shopping Mall  
2001 Henderson Highway

### **Charleswood Square**

1D – 3900 Grant Avenue

### **cityplace**

333 St. Mary Avenue

### **Crestview Shopping Centre**

Unit 170 – 3393 Portage  
Avenue

### **Dominion Shopping Centre**

21 Marion Street

### **Eastwinds Shopping Centre**

23 – 1530 Regent Avenue

### **Fort Garry**

1235 Pembina Highway

### **Fort Richmond**

2855 Pembina Highway

### **Garden City Square**

Unit 2 – 915 Leila Avenue

### **Grant Park Plaza Shopping Centre**

1120 Grant Avenue

### **Hargrave & Ellice**

325 Ellice Avenue

### **Kenaston Crossing**

8 – 1650 Kenaston  
Boulevard

### **Madison Square**

P – 1600 Ness Avenue

### **Main & Jefferson**

1662 Main Street

### **Main & Pritchard**

1005 Main Street

### **Northdale Shopping Centre**

965 – A Henderson  
Highway

### **Portage & Ainslie**

2549 Portage Avenue

### **Portage & Burnell**

923 Portage Avenue

### **Rivergrove**

2615 Main Street

### **River & Osborne**

469 River Avenue

### **St. Vital Square**

5 – 827 Dakota Street

### **Southdale Shopping Centre**

Unit 21 – 67 Vermillion  
Road

### **Southglen**

Unit A – 730 St. Anne's  
Road

### **Transcona Square**

1 – 620 Kildare Avenue  
East

### **Tuxedo**

168 – 2025 Corydon  
Avenue

### **Tyndall Market Mall**

Unit 15 – 850 Keewatin  
Street

LIQUOR  
MARTS

## LIQUOR VENDORS

LIQUOR VENDORS ARE PARTNERS WITH THE MLCC. BY COMBINING LIQUOR SALES WITH THEIR EXISTING BUSINESS, THESE LOCAL ENTREPRENEURS HELP TO ENSURE THEIR VIABILITY. IN F11, THERE WERE 176 LIQUOR VENDORS OPERATING THROUGHOUT MANITOBA.

**ALEXANDER**  
Stahl's Food Mart

**ALONSA**  
Zdan's Family Store

**ALTONA**  
Altona Cleaners Inc.

**ANOLA**  
Anola Fine Foods

**ARBORG**  
Arborg Pharmacy

**ARGYLE**  
Meridian Trail General Store

**ASHERN**  
Ashern Pharmacy

**AUSTIN**  
Kim's Family Mart Ltd.

**BALDUR**  
Baldur Variety Store

**BELMONT**  
Belmont Hardware

**BENITO**  
Benito Pharmasave

**BIG WHITESHELL LAKE**  
Big Whiteshell Lodge  
(2000) Inc.

**BIRCH RIVER**  
Birchwood Grocery

**BIRD RIVER AREA**  
Tall Timber Lodge Ltd.

**BIRDS HILL**  
Birds Hill Store

**BIRTLE**  
Birtle Pharmacy

**BOISSEVAIN**  
Hazlewood Enterprises

**BRUNKILD**  
Brunkild Beverage &  
Grocery

**BRUXELLES**  
Marginet's Grocery &  
Hardware

**BUFFALO POINT**  
Buffalo Bay Marina

**CAMPERVILLE**  
McKay Grocery

**CANADIAN FORCES  
BASE – SHILO**  
Canex Super Mart

**CARBERRY**  
Spud City Food Mart Ltd.

**CARTWRIGHT**  
Cartwright Health Centre

**CLANDEBOYE**  
Clandeboye Store

**CLEARWATER LAKE**  
Wally's Place

**COWAN**  
Kolisnyk's General Store

**CRANBERRY PORTAGE**  
Streamer Hardware

**CYPRESS RIVER**  
Cypress River Foods

**DELORAINE**  
Myrna's Fabric Boutique

**DOMINION CITY**  
Dominion City Food Town

**DUGALD**  
Dugald Convenience Store

**ELGIN**  
West Elgin Mall

**ELIE**  
Elie Grocery Store

**ELKHORN**  
Twin Valley Co-op Ltd.

**ELM CREEK**  
Elm Creek Co-operative Oil  
& Supplies Ltd.

**ELMA**  
Elma Country Store

**EMERSON**  
Emerson Bigway

**ERICKSON**  
Mountain Park Pharmacy

**ERIKSDALE**  
Eriksdale Shop Easy

**ETHELBERT**  
Bird's Corner Store

**FALCON LAKE**  
Lumber One Building  
Supplies

**FISHER BRANCH**  
Fisher Branch Health Centre

**FRASERWOOD**  
J & J Store

**GARSON**  
Garson Grocery Ltd.

**GILBERT PLAINS**  
Gilbert Plains Pharmacy

**GILLAM**  
Trappers Shack

**GLADSTONE**  
Gladstone Pharmacy

**GLENBORO**  
Glenboro Pharmacy Ltd.

**GLENELLA**  
Preisntanz's General Store

**GLENORA**  
Glenora Mall

**GRAND MARAIS**  
Grand Marais Village Store

**GRAND RAPIDS**  
Grand Rapids Esso

**GRANDVIEW**  
Grandview Home  
Hardware

**GREAT FALLS**  
Great Falls Foods

**GRINDSTONE**  
Grindstone General Store

**GULL LAKE**  
Sherwood Grocery

**GYPSUMVILLE**  
Rawluk's Grocery &  
Pro Hardware

**HADASHVILLE**  
Saindon's Country Store

**HAMIOTA**  
Rawlings Home Hardware

**HARTNEY**  
Hartney Co-op

**HECLA**  
Hecla Island General  
Store(SEASONAL)

**HODGSON**  
Buckskin Trading Post

**HOLLAND**  
Holland Home Hardware

**ILE DES CHENES**  
Ile Des Chenes Country  
Store

**INGLIS**  
Jordie's Food Mart

**INWOOD**  
Inwood Food Town

**KELWOOD**  
Kelwood Store

**KENTON**  
Houston's

**KOMARNO**  
Komarno Quality Store

**LA BROQUERIE**  
MacNeil & MacNeil Ltd.

**LA SALLE**  
Jeni's Food & Hardware

**LAKE OF THE PRAIRIES**  
Kilman Resort

**LAKE METIGOSHE**  
Turtle Mountain All Season  
Resort

**LANGRUTH**  
Farncombe's Food Centre

**LAURIER**  
Molgat Shopping Centre

**LEAF RAPIDS**  
Clarke's Pharmacy Lynn  
Lake Ltd.

**LEE RIVER**  
Osprey Landing General  
Store

**LETELLIER**  
Gallant's Lucky Dollar

**LOCKPORT**  
Lockport Grocery

**LORETTE**  
Dawson Trail Country  
Store Inc.

**LUNDAR**  
Lundar Pharmacy Ltd.

**LYNN LAKE**  
Clarke's Pharmacy  
Lynn Lake Ltd.

**MacGREGOR**  
MacGregor Pharmacy

**MANIGOTAGAN**  
Kara's Convenience

**MANITOU**  
Manitou Variety & Health

**MARIAPOLIS**  
Pouteau Foods

**McAULEY**  
McAuley Country Grocery  
Co-op Ltd.

**McCREARY**  
Reischek's Pharmacy

**MELITA**  
Liquid World

**MIAMI**  
Miami Variety

**MINIOTA**  
Miniota C-Store

**MINITONAS**  
Nemetchek Enterprises  
(1992)

**MINTO**  
Minto Community Market

**MOOSEHORN**  
Moosehorn Consumer  
Co-op Ltd.

**MORRIS**  
Morris Super Variety

**NARROWS**  
The Narrows General Store

**NEWDALE**  
Strathclair Co-op  
(Newdale Branch)

**NINETTE**  
The Grocery Box

**NIVERVILLE**  
Niverville Bigway Foods

**NOTRE DAME**  
Notre Dame Shopping  
Centre

**NUTIMIK LAKE**  
Nutimik Lodge

**OAK LAKE**  
Valleyview Oak Lake  
Co-op

**OAKBANK**  
Oakbank Family Foods

**OAKBURN**  
Oak-Site Foods

**OAKVILLE**  
O & K Supermarket

**ONANOLE**  
B & D Hardware Inc.

**PIERSON**  
Edward Consumers  
Co-Operative Ltd.

**PILOT MOUND**  
Dobson's Foods Ltd.

**PINAWA**  
Solo Market

**PINE RIVER**  
Semenuk's Groceteria

**PIPESTONE**  
Main Street Market

**PLUM COULEE**  
Tri-Coulee Investments

**PLUMAS**  
Plumas Stop & Shop

**POINTE DU BOIS**  
The Pointe General Store

**POPLARFIELD**  
King Buck Inn

**RAPID CITY**  
Rapid City Insurance  
Services

**RATHWELL**  
Rathwell Solo & Hardware

**RENNIE**  
Rennie General Store  
(2005)

**RESTON**  
Reston Drugs

**RICHER**  
Burnells Food Plus

**RIDGEVILLE**  
Ridgeville Cooperative

**RIVERS**  
Rivers Super Thrifty Drug  
Mart Ltd.

**RIVERTON**  
Bilinski Enterprises Ltd.

**ROCK LAKE BEACH**  
Rock Lake Beach Store  
(2008)

**ROLAND**  
Roland General Store

**RORKETON**  
Tracy's Insurance Services

**ROSSBURN**  
L.P.K. Enterprises

**ST. ADOLPHE**  
St. Adolphe Esso

**ST. AMBROISE**  
St. Ambroise  
Convenience Ltd.

**ST. CLAUDE**  
Philippot's Shop Easy  
Foods

**ST. EUSTACHE**  
Jackson's General Store

LIQUOR  
VENDORS

## LIQUOR VENDORS

**ST. FRANCOIS XAVIER**  
S.F.X. Country Store

**ST. JEAN BAPTISTE**  
St. Jean Home Centre

**ST. LAURENT**  
Depanneur Entre-Lacs

**ST. LAZARE**  
Fafard's Place

**ST. MALO**  
St. Malo Co-operative Ltd.

**ST. PIERRE-JOLYS**  
St. Pierre Bigway

**STE. AGATHE**  
De'Panneur Cheyenne  
Convenience Store

**STE. ANNE**  
Ste. Anne Sundries Ltd.

**STE. ROSE DU LAC**  
Ste. Rose Variety Shop  
(2001)

**SANDY LAKE**  
Sandy Lake Hardware

**SANFORD**  
Sanford Lumber &  
Building Supplies

**SARTO**  
Sarto General Store

**SEVEN SISTERS**  
Tirschman's Esso

**SHOAL LAKE**  
Shoal Lake Pharmacy

**SIFTON**  
Boguski Grocery

**SNOW LAKE**  
Cornerview Enterprises Ltd.

**SOMERSET**  
Crossroads Grocery

**SOURIS**  
Souris Valley Foods

**SPRAGUE**  
Carl's Solo Store

**SPRINGFIELD**  
Garven Convenience Store

**STARBUCK**  
"Dawn Til Dusk"  
Convenience Store

**STONEWALL**  
Stonewall Pharmacy Ltd.

**STONY MOUNTAIN**  
Pick 'N Pay

**STRATHCLAIR**  
Strathclair Consumers  
Co-op Ltd.

**SWAN LAKE**  
B & B Store

**TEULON**  
Teulon Pharmacy

**TOLSTOI**  
Tolstoi Super Mart

**TRAVERSE BAY**  
Traverse Bay Corner Store

**TREHERNE**  
Treherne Pharmacy

**VASSAR**  
Vassar Corner Store

**VITA**  
Sumthing Special Florist

**WABOWDEN**  
Dwyer's General Store

**WANLESS**  
WeSte General Store

**WARREN**  
Pete's General Store

**WASKADA**  
Wilbro Enterprises Inc.

**WATERHEN**  
Waterhen General Store

**WAWANESA**  
Gullett Pro Hardware

**WEST HAWK LAKE**  
West Hawk Lake Resort

**WESTBOURNE**  
Sportsman's Corner  
Campground

**WHITEMOUTH**  
Whitemouth Sundries

**WINNIPEG BEACH**  
Ford's Groceries

**WINNIPEGOSIS**  
Winnipegosis Meat Market

**WOODLANDS**  
Studler's Enterprises Inc.

**WOODRIDGE**  
Vintage Corner Store

**TO BETTER SERVE THE PEOPLE OF MANITOBA AND TO BROADEN THE SELECTION OF WINE AVAILABLE, THE MLCC HAS AGREEMENTS WITH EIGHT PRIVATELY-OWNED AND OPERATED SPECIALTY WINE STORES. SIX OPERATE AS STAND-ALONE STORES AND TWO OPERATE AS FOOD AND WINE STORES.**

## SPECIALTY WINE STORES

**BANVILLE & JONES  
WINE COMPANY**  
1616 St. Mary's Road

**CALABRIA MARKET &  
FINE WINES**  
137/139 Scurfield Boulevard

**DELUCA'S FINE WINES**  
942 Portage Avenue

**FENTONS WINE  
MERCHANTS**  
106-1 Forks Market Road

**G.J. ANDREWS FOOD  
& WINE SHOPPE**  
384 Academy Road

**KENASTON WINE  
MARKET**  
1855 A Grant Avenue

**LA BOUTIQUE del VINO**  
1360 Taylor Avenue

**the winehouse**  
110-1600 Kenaston Blvd.





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Winnipeg, Manitoba R3C 2X1

Telephone: 204-284-2501

[www.mlcc.mb.ca](http://www.mlcc.mb.ca)