

British Columbia Lottery Corporation Financial Information Act

Fiscal Year Ended March 31, 2010

Table of Contents

Schedules:

A. Statement of Financial Information Approval

B. Management Report

**C. Audited Consolidated Financial Statements,
March 31, 2010**

**D. Schedule of Debts,
March 31, 2010**

**E. Schedule of Guarantee and Indemnity Agreements,
March 31, 2010**

**F. Schedule of Payments to Suppliers of Goods and Services,
March 31, 2010**

**G. Schedule of Remuneration and Expenses,
March 31, 2010**

British Columbia Lottery Corporation

Statement of Financial Information Approval

March 31, 2010

SCHEDULE A

British Columbia Lottery Corporation

Statement of Financial Information Approval

The undersigned represents the Board of Directors of the British Columbia Lottery Corporation and approves all of the statements and schedules included in the Statement of Financial Information, produced under the *Financial Information Act*.



John McLernon, Chair, Board of Directors
British Columbia Lottery Corporation

Date:

August 5 2010

British Columbia Lottery Corporation

Management Report

March 31, 2010

SCHEDULE B

British Columbia Lottery Corporation

Management Report

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles and the integrity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.


Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for providing oversight that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee of the Board. The Audit Committee meets with management, the internal auditors and the external auditors on a quarterly basis with additional meetings scheduled as required.

The Corporation's internal auditor has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the Corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit Committee of the Board and meet with it on a regular basis.

On behalf of British Columbia Lottery Corporation,



Michael Graydon
President and CEO



Tom Williamson
Vice President, Finance and Corporate Services and CFO

Date: September 10, 2010

British Columbia Lottery Corporation

Audited Consolidated Financial Statements

March 31, 2010

SCHEDULE C

British Columbia Lottery Corporation

Index to Audited Consolidated Financial Statements

For the Fiscal Year Ended March 31, 2010

- Auditors' Report
- Consolidated Balance Sheet
- Consolidated Statement of Income
- Consolidated Statement of Amounts Due to the Government of British Columbia
- Consolidated Statement of Cash Flows
- Notes to Consolidated Financial Statements

Audited Consolidated Financial Statements of

**BRITISH COLUMBIA LOTTERY
CORPORATION**

Year ended March 31, 2010



KPMG LLP
Chartered Accountants
200-206 Seymour Street
Kamloops BC V2C 6P5
Canada

Telephone (250) 372-5581
Fax (250) 828-2928
Internet www.kpmg.ca

AUDITORS' REPORT

To the Directors and Minister Responsible of British Columbia Lottery Corporation:

We have audited the consolidated balance sheet of British Columbia Lottery Corporation as at March 31, 2010 and the consolidated statements of income, amounts due to Government of British Columbia, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants

Kamloops, Canada
April 19, 2010

BRITISH COLUMBIA LOTTERY CORPORATION

Consolidated Balance Sheet

March 31, 2010, with comparative figures for 2009
(in thousands of dollars)

	2010	2009
Assets		
Current assets:		
Cash (note 4)	\$ 33,538	\$ 46,288
Funds held in trust (note 5)	-	3,445
Short-term investments (note 6)	29,628	58,520
Accounts receivable (note 7)	25,859	47,042
Receivable from Interprovincial Lottery Corporation	4,247	-
Prepaid expenses	3,708	7,184
Inventories	9,379	6,267
	106,359	168,746
Accrued pension plan asset (note 8)	32,404	21,739
Property, plant and equipment (note 9)	147,390	143,169
Intangible assets (note 10)	16,183	4,815
	\$ 302,336	\$ 338,469

Liabilities

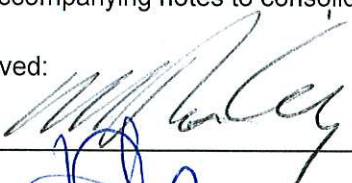
Current liabilities:

Cheques issued in excess of funds on hand	\$ 5,635	\$ 7,820
Prizes payable	25,483	41,719
Accounts payable and accrued liabilities	44,095	51,906
Short-term financing (note 11)	59,996	-
Due to Government of British Columbia	128,715	201,736
	263,924	303,181
Accrued post retirement benefit obligation (note 8)	38,412	35,288
	\$ 302,336	\$ 338,469

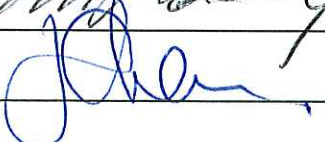
Commitments and contingencies (notes 18 and 19)

See accompanying notes to consolidated financial statements.

Approved:



Director



Director

BRITISH COLUMBIA LOTTERY CORPORATION

Consolidated Statement of Income

Year ended March 31, 2010, with comparative figures for 2009
(in thousands of dollars)

	2010	2009
Revenue (note 12):		
Lottery	\$ 937,920	\$ 954,208
Casino	1,321,625	1,341,240
Community gaming	257,811	254,726
	2,517,356	2,550,174
Prizes	577,611	599,745
Net win	1,939,745	1,950,429
Direct expenses:		
Commissions	569,854	577,818
Ticket printing and bingo paper	15,453	17,134
Equipment supplies, leases, and licenses	21,426	24,780
	606,733	619,732
Net win less direct expenses	1,333,012	1,330,697
Operating expenses:		
Administrative expenses	149,259	138,145
Amortization	68,869	64,138
Other expenses	32	4,898
Marketing Trust Account (note 13):		
Marketing Trust Account income	-	(15,642)
Marketing Trust Account expenditures	-	15,642
	218,160	207,181
Income from operations	1,114,852	1,123,516
Non-operating income (expenses):		
Net horse racing betting fees (note 14)	1,878	1,878
Integrated Illegal Gaming Enforcement Team expenses (note 15)	-	(981)
Goods and Services Tax expense (note 22)	(37,650)	(33,727)
	(35,772)	(32,830)
Net income, being comprehensive income	\$ 1,079,080	\$ 1,090,686
Allocation of net income:		
Government of British Columbia	\$ 1,070,404	\$ 1,081,989
Government of Canada (note 16)	8,676	8,697
	\$ 1,079,080	\$ 1,090,686

Sector activity information (note 21)

See accompanying notes to consolidated financial statements.

BRITISH COLUMBIA LOTTERY CORPORATION

Consolidated Statement of Amounts Due to Government of British Columbia

Year ended March 31, 2010, with comparative figures for 2009
(in thousands of dollars)

	2010	2009
Balance, beginning of year	\$ 201,736	\$ 192,880
Net income	1,079,080	1,090,686
	1,280,816	1,283,566
Payments to Government of British Columbia	1,143,425	1,073,133
Payments to Government of Canada (note 16)	8,676	8,697
	1,152,101	1,081,830
Due to Government of British Columbia	\$ 128,715	\$ 201,736

See accompanying notes to consolidated financial statements.

BRITISH COLUMBIA LOTTERY CORPORATION

Consolidated Statement of Cash Flows

Year ended March 31, 2010, with comparative figures for 2009
(in thousands of dollars)

	2010	2009
Cash provided by (used in):		
Operations:		
Net income	\$ 1,079,080	\$ 1,090,686
Adjustments for:		
Amortization of property, plant and equipment	66,026	62,935
Amortization of intangible assets	2,843	1,203
Loss (gain) on disposal of property, plant and equipment	(398)	(513)
	1,147,551	1,154,311
Changes in non-cash operating items:		
Accounts receivable	21,183	(3,989)
Receivable from Interprovincial Lottery Corporation	(4,247)	(1,685)
Prepaid expenses	3,476	(1,463)
Inventories	(3,112)	(2,064)
Accrued pension plan asset	(10,665)	(5,990)
Prizes payable	(16,236)	(2,118)
Accounts payable and accrued liabilities	(7,811)	5,587
Accrued post retirement benefit obligation	3,124	3,521
	1,133,263	1,146,110
Financing:		
Short-term financing	59,996	-
Payments to Government of British Columbia	(1,143,425)	(1,073,133)
Payments to Government of Canada (note 16)	(8,676)	(8,697)
	(1,092,105)	(1,081,830)
Investments:		
Additions to property, plant and equipment	(71,139)	(91,404)
Additions to intangible assets	(14,211)	(6,018)
Proceeds on disposal of property, plant and equipment	1,290	864
	(84,060)	(96,558)
Decrease in cash and cash equivalents	(42,902)	(32,278)
Cash and cash equivalents, beginning of year	100,433	132,711
Cash and cash equivalents, end of year	\$ 57,531	\$ 100,433
Cash and cash equivalents are comprised of:		
Cash (note 4)	\$ 33,538	\$ 46,288
Funds held in trust (note 5)	-	3,445
Short-term investments (note 6)	29,628	58,520
Cheques issued in excess of funds on hand	(5,635)	(7,820)
Cash and cash equivalents, end of year	\$ 57,531	\$ 100,433

See accompanying notes to consolidated financial statements.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements

Year ended March 31, 2010

(in thousands of dollars)

1. Nature of the Corporation:

The British Columbia Lottery Corporation ("BCLC" or "Corporation") is a Crown corporation. BCLC was incorporated under the *Company Act* of British Columbia on October 25, 1984, and is continued under the *Gaming Control Act* (B.C.). As an agent of the Crown, the Province has designated the Corporation as the authority to conduct, manage and operate lottery schemes on behalf of the Province, including lottery, casino and bingo. BCLC is also the regional marketing organization for national lottery games which are joint undertakings by the provinces acting through the Interprovincial Lottery Corporation.

2. Significant accounting policies:

(a) Basis of presentation:

- (i) The financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles (GAAP).
- (ii) The consolidated financial statements include B.C. Lottotech International Inc., a wholly owned subsidiary of the British Columbia Lottery Corporation, as well as the Marketing Trust Account, a variable interest entity for which the Corporation is deemed the primary beneficiary (see note 13).

(b) Cash:

Cash includes cash balances on deposit and gaming bankrolls.

(c) Short term investments:

Short-term investments include investments in overnight deposits with financial institutions having an original maturity date of 90 days or less. Short-term investments are highly liquid and form an integral part of the Corporation's cash management. As such, they are a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(d) Financial instruments:

The Corporation has designated or classified its financial assets and liabilities as follows:

Cash, funds held in trust, short-term investments, and cheques issued in excess of funds on hand have been designated as held for trading and are measured at their fair values, with changes in fair value recognized in the consolidated statement of income.

Accounts receivable and receivable from Interprovincial Lottery Corporation have been classified as loans and receivables and are measured at amortized cost; and

Accounts payable and accrued liabilities, short-term financing, prizes payable, and amounts due to the Government of British Columbia have been classified as other financial liabilities and are measured at amortized cost.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

2. Significant accounting policies (continued):

(e) Inventories:

Inventories are recorded at the lower of cost (determined on a first-in, first-out basis) and net realizable value. The cost of inventories is comprised of directly attributable costs and includes the purchase price plus other costs incurred in bringing the inventories to their present locations. Inventories are written down to their net realizable values when the cost of the inventories is not estimated to be recoverable.

(f) Property, plant and equipment:

The Corporation's policy on capital purchases is that any major purchase which has a useful life that extends one year beyond the current year will be capitalized.

The Corporation's property, plant and equipment is recorded at its cost less accumulated amortization. Amortization is taken over the estimated useful lives of the assets on a straight-line basis starting when the assets are available for use. Amortization is taken at the following annual rates:

Asset	Rate
Corporate facilities and equipment	5 years
Corporate information systems	3 years
Lottery gaming systems and equipment	5 years
Casino gaming systems and equipment	3 to 5 years
Community gaming systems and equipment	3 to 5 years

Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset.

If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

2. Significant accounting policies (continued):

(g) Intangible assets:

Costs incurred in developing or acquiring computer software products or systems that will benefit future periods through revenue generation and/or cost reduction are capitalized as intangible assets.

The cost of internally developed intangible assets comprises developmental costs that are directly attributable to creation, production, and preparation of the asset to be capable of operating in the manner intended by management. These costs are capitalized if they meet all of the following criteria:

- The technical feasibility of completing the software for use has been demonstrated,
- The Corporation has demonstrated its intention to use the software,
- The Corporation has demonstrated its ability to use the software,
- The usefulness of the software in generating probable future economic benefit has been demonstrated,
- There are adequate technical, financial and other resources to complete the development of the software, and
- The expenditure attributable to the software can be measured reliably during its development.

Capitalized software is carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of the assets (three to five years). An intangible asset that is subject to amortization is tested for impairment only when events or changes in circumstances indicate that its carrying amount may not be recoverable. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. An impairment loss for an intangible asset is not reversed upon subsequent increase of the fair value of such assets.

(h) Employee future benefits:

The Corporation has defined benefit pension plans (the registered plan and supplementary plan) covering substantially all of its employees. The benefits are based on length of service and the average of the 60 consecutive months of highest pensionable earnings. The cost of the registered plan is funded by employee and employer contributions. The supplementary plan is not funded.

The Corporation also sponsors post-retirement benefit life insurance and health care plans for substantially all retirees. The Corporation measures the costs of its obligations based on estimates provided by independent actuaries.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

2. Significant accounting policies (continued):

(h) Employee future benefits (continued):

The Corporation accrues its obligations under employee benefit plans as the employees render the services necessary to earn the pension and other employee future benefits. The Corporation has adopted the following policies:

- The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected benefit method and management's best estimate of expected plan investment performance, salary escalation, membership data and expected health care costs.
- The expected return on plan assets is based on the fair value of plan assets.
- Past service costs from plan amendments or initiations are amortized on a straight-line basis over the expected average remaining service life (EARSL) of active members expected to receive benefits under the plan.
- Cumulative gains and losses in excess of 10% of the greater of the accrued benefit obligation and the market-related value of plan assets are amortized over the average remaining service period of active members expected to receive benefits under the plans. The EARSL for the registered plan and the supplementary plan are 13 years and eight years respectively.
- An unfunded liability may be amortized over no more than 15 years through special payments as required under the *Pension Benefits Standards Act*. A funding excess may be applied immediately to reduce required employer current service contributions; however, the reduction in contributions may not cause the funding excess to drop below 5% of the pension plan benefit obligation. Furthermore, the use of a funding excess must be amortized over a minimum of five years.
- There were no changes in plan provisions, actuarial cost methods or the asset valuation method since the last disclosure as of March 31, 2009.

(i) Revenue recognition:

Lottery:

The recognition of lottery sales and the corresponding direct expenses for online games is at the date of the draw. Receipts for lottery tickets sold before March 31 for draws held subsequent to that date are recorded as deferred revenue, and the associated direct costs are recorded as prepaid expenses.

The recognition of lottery sales and the corresponding direct expenses for all instant ticket games is at the time of the transfer of legal ownership to the retailer.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010

(in thousands of dollars)

2. Significant accounting policies (continued):

(i) Revenue recognition (continued):

Casino:

Revenue from casino slot machines and table games is recorded in the consolidated statement of income, net of prizes paid, in the same period the game is played. Related operating costs are recorded in the consolidated statement of income in the period they are incurred.

Community gaming:

Revenue from the operation of paper, electronic, and linked bingo and the associated selling costs and prize expenses are included in the consolidated statement of income in the same period the games are played. Revenue from community gaming slot machines is recorded in the consolidated statement of income, net of prizes paid, in the same period the games are played. Related operating costs are recorded in the consolidated statement of income in the period they are incurred.

(j) Prize expenses:

Lottery prize expenses are recorded based on the actual prize liability experienced for each online game, and theoretical prize liabilities for instant ticket games.

For instant ticket games, the actual expense incurred each year will vary from theoretical estimates based on the nature of games of chance. Over the life of a game, the actual prize expense will equal the theoretical expense.

Expired prizes are recorded as reductions in prize expense in the year of expiry.

(k) Commissions:

Commissions paid to retailers are based on revenue earned. BCLC recognizes these commissions as revenue is earned.

Commissions paid to service providers are based on net win earned. BCLC recognizes these commissions as net win is earned.

BCLC employs a commission structure that enables casino, community gaming and bingo service providers to earn additional compensation (facility development commission (FDC) and accelerated facility development commission (AFDC)), up to contractually determined limits, based on net win generated for properties where facility enhancements have been undertaken by the service providers.

The FDC and AFDC are recognized as a commission expense to BCLC as net win is earned.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

2. Significant accounting policies (continued):

(l) Income taxes:

As the Corporation is an agent of the Crown it is not subject to federal or provincial corporate income taxes or corporate capital taxes.

(m) Estimates:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas of estimate include employee future benefits, and prize liabilities and expenses. Actual results could differ from these estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in income in the year they become known.

(n) Sector activity reporting:

The Corporation's reportable sectors are strategic business units that represent distinct distribution channels that offer similar and unique products and services. These sectors are lottery, casino, community gaming and horse racing. The sector activity is illustrated in note 21. The accounting policies of the sectors do not differ from the accounting policies of the Corporation.

3. Changes in accounting policy:

(a) Accounting pronouncements adopted during the year:

Effective April 1, 2009, the Corporation adopted the following CICA Handbook sections, which became effective for the Corporation on that date:

- (i) In 2009, the CICA amended Section 3862 Financial Instruments – Disclosures to improve fair value and liquidity risk disclosures. Section 3862 now requires that all financial instruments measured at fair value be categorized into one of three hierarchical levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:
 - Level 1 – Inputs are unadjusted quoted prices of identical instruments in active markets.
 - Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.
 - Level 3 – Inputs used in a valuation technique that are not based on observable market data in determining fair values of the instruments.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

3. Changes in accounting policy (continued):

(a) Accounting pronouncements adopted during the year (continued):

- (ii) The new CICA Handbook Section 3064 Goodwill and Intangible Assets replaced Section 3062 Goodwill and Other Intangible Assets and Section 3450 Research and Development Costs. The new standard provides further guidance on the recognition and treatment of internally developed intangibles and establishes further criteria for intangible costs that do not qualify for capitalization. The Corporation's intangible assets are comprised of software costs which were previously recorded as property, plant and equipment prior to the adoption of Section 3064. The adoption of this standard, which has been applied retroactively, resulted in a reclassification of software costs as "Intangible assets" in the consolidated balance sheet. Reclassification of prior year amounts resulted in an increase in intangible assets and a corresponding decrease in property, plant and equipment of \$4,815.

(b) Accounting pronouncements issued but not yet effective:

(i) International Financial Reporting Standards (IFRS):

The Canadian Accounting Standards Board (AcSB) announced that for fiscal years commencing on or after January 1, 2011, all publicly accountable enterprises are required to report their financial results using IFRS as issued by the International Accounting Standards Board (IASB).

Currently, the Corporation meets the definition of a Government Business Enterprise (GBE). The Public Sector Accounting Standards Board (PSAB) states that GBEs should adhere to the accounting principles applicable for publicly accountable enterprises.

The Corporation has commenced a project to identify and evaluate the implications and impacts of IFRS. BCLC will continue to accumulate and assess IFRS information in order to be prepared to comply with the directions of PSAB.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

4. Cash:

	2010	2009
Casino and community gaming cash floats	\$ 24,104	\$ 41,962
Funds held for security deposits	7,958	3,095
Funds held for eGaming wallets	1,476	1,231
	\$ 33,538	\$ 46,288

Casino and community gaming cash floats are owned by the Corporation and provided by the Corporation to its service providers for gaming bankrolls (as specified under the operating service agreements). These floats are located at the gaming locations and are not available for other purposes. These amounts are secured by Irrevocable Standby Letters of Credit.

Funds held for security deposits include security deposit amounts provided by lottery retailers to BCLC. These funds are deposited into a separate bank account and returned to retailers, including any interest earned, in accordance with the retailer agreements. Also included in this balance is a standing security deposit of \$4,750 (2009: \$ nil) to secure amounts for casino net win balances owing to BCLC that are not covered by Irrevocable Standby Letters of Credit. All security deposit amounts are internally restricted by BCLC exclusively for funding the security deposit liability.

A corresponding security deposit liability in the amount of \$7,958 (2009: \$3,095) is included in accounts payable and accrued liabilities.

Funds held for eGaming wallets represent funds provided to BCLC by eGaming players through player wallets on PlayNow. These amounts are deposited into a separate bank account and are internally restricted by BCLC exclusively for funding the eGaming wallet liability.

A corresponding eGaming wallet liability in the amount of \$1,476 (2009: \$1,231) is included in accounts payable and accrued liabilities.

5. Funds held in trust:

Prior to being returned to casino service providers during the 2010 fiscal year, funds held in trust was money held in the Marketing Trust Account, in accordance with the Casino Operational Services Agreement (COSA) between BCLC and the participating service providers.

A corresponding trust liability in the amount of \$ nil (2009: \$3,445) was included in accounts payable and accrued liabilities (see note 13).

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

6. Short-term investments:

	2010	2009
BC Investment Management Corporation:		
Canadian Money Market Fund (overnight deposit)	\$ 29,507	\$ 58,370
US Dollar Money Market Fund (overnight deposit)	121	150
	\$ 29,628	\$ 58,520

7. Accounts receivable:

	2010	2009
Trade accounts receivable:		
Lottery retailers	\$ 18,552	\$ 16,608
Casino service providers	3,726	25,761
Community gaming and bingo service providers	1,582	1,401
	23,860	43,770
Other	1,999	3,272
Total accounts receivable	\$ 25,859	\$ 47,042

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

8. Employee future benefits:

The Corporation has a defined benefit pension plan and a post retirement benefit life insurance and health care plan covering substantially all of its employees.

Information about the Corporation's defined benefit plans is as follows:

	Pension Plans		Post Retirement Benefit Plans	
	2010	2009	2010	2009
Accrued benefit obligation:				
Balance at beginning of year	\$ 58,197	\$ 75,855	\$ 29,828	\$ 35,520
Current service cost	1,645	3,536	1,439	1,823
Interest cost	5,006	4,809	2,691	2,354
Plan amendments	—	193	—	—
Employee contributions	2,213	1,977	—	—
Benefits paid	(2,657)	(3,426)	(600)	(567)
Actuarial loss (gain)	29,162	(24,747)	(131)	(9,302)
Balance at end of year	93,566	58,197	33,227	29,828
Plan assets:				
Fair value at beginning of year	76,344	83,019	—	—
Actual return (loss) on plan assets	17,760	(13,864)	—	—
Employer contributions	11,807	8,638	600	567
Employee contributions	2,213	1,977	—	—
Benefits paid	(2,657)	(3,426)	(600)	(567)
Balance at end of year	105,467	76,344	—	—
Funded status – excess (deficiency)	11,901	18,147	(33,227)	(29,828)
Unamortized (negative) past service cost	580	721	(4,076)	(4,483)
Unamortized net actuarial loss (gain)	19,923	2,871	(1,109)	(977)
Accrued employee future benefit plan asset (obligation)	\$ 32,404	\$ 21,739	\$ (38,412)	\$ (35,288)

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

8. Employee future benefits (continued):

Plan assets by asset category:

	2010	2009
Equity securities	61 %	58%
Debt securities	39 %	42%
	100 %	100%

An actuarial valuation is required at minimum every three years to assess the financial position of the pension plan. The most recent actuarial valuation of the pension plan for funding purposes was made as of December 31, 2007 by Mercer, a firm of consulting actuaries. The next required valuation will be at a date not later than December 31, 2010, with results available in early 2011. The significant actuarial assumptions adopted in measuring the Corporation's accrued benefit obligations for accounting purposes are as follows:

	Pension Plans		Post Retirement Benefit Plans	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
At beginning of fiscal period:				
Discount rate	8.60%	6.25%	8.70%	6.35%
Expected rate of return on plan assets	7.00%	7.00%	—	—
Rate of compensation increase	4.75%	5.00%	—	—
Health care cost trend rate:				
2009/2010	—	—	6.44%	6.24%
Ultimate	—	—	4.35%	4.50%
Year ultimate reached	—	—	2029	2012
At end of fiscal period:				
Discount rate	6.25%	8.60%	6.35%	8.70%
Rate of compensation increase*	4.27%	4.75%	—	—
Health care cost trend rate:				
2009/2010	—	—	6.84%	6.44%
Ultimate	—	—	4.50%	4.35%
Year ultimate reached	—	—	2029	2029

* A long term estimate of a 3.00% rate of compensation increase has also been factored into the actuarial assumptions adopted.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

8. Employee future benefits (continued):

The Corporation's net benefit plan expense is as follows:

	Pension Plans		Post Retirement Benefit Plans	
	2010	2009	2010	2009
Current service cost, net of employees' contributions (including provision for plan expenses) \$	1,645	\$ 3,536	\$ 1,439	\$ 1,823
Interest cost	5,006	4,809	2,691	2,354
Plan amendment	—	193	—	—
Actual loss (return) on plan assets	(17,760)	13,864	—	—
Actuarial loss (gain) on accrued benefit obligation	29,162	(24,747)	(131)	(9,302)
Costs arising in the year	18,053	(2,345)	3,999	(5,125)
Differences between costs arising in the year and costs recognized in the year in respect of:				
Return on plan assets	12,136	(19,883)	—	—
Actuarial loss (gain)	(29,187)	24,776	131	9,620
Plan amendment	141	(76)	—	—
(Negative) past service cost	—	—	(407)	(407)
Net benefit cost recognized	\$ 1,143	\$ 2,472	\$ 3,723	\$ 4,088

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010

(in thousands of dollars)

9. Property, plant and equipment:

			2010	2009
	Cost	Accumulated amortization	Net	Net
Land	\$ 700	\$ -	\$ 700	\$ 700
Corporate facilities and equipment	35,708	28,869	6,839	5,127
Corporate information systems	33,716	23,447	10,269	8,546
Lottery gaming systems and equipment	127,050	91,056	35,994	40,390
Casino gaming systems and equipment	213,825	139,156	74,669	67,659
Community gaming systems and equipment	67,519	48,600	18,919	20,747
	\$ 478,518	\$ 331,128	\$ 147,390	\$ 143,169

10. Intangible assets:

			2010	2009
	Cost	Accumulated amortization	Net	Net
Software	\$ 20,229	\$ 4,046	\$ 16,183	\$ 4,815

11. Short-term financing:

	2010	2009
Province of British Columbia, loan, payable in a single instalment of \$60,000 including interest of \$8 at 0.17%, unsecured, due April 16, 2010	\$ 59,996	\$ -

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

12. Revenue:

	2010	2009
Lottery:		
Lotto 6/49	\$ 210,848	\$ 240,487
Keno	209,075	210,239
Scratch & Win	148,684	158,325
LOTTO MAX	73,330	-
Extra	50,188	53,965
Sports Action	49,843	52,911
Pacific Hold'em Poker	47,521	39,926
BC/49	47,108	51,878
Pull Tab	46,510	54,918
Lotto Super 7	34,094	68,550
SportsFunder	11,520	15,255
eBingo	4,057	779
Special Event	2,879	-
Interactives	1,491	1,338
Knockout 21	772	-
Millionaire Life	-	5,637
	937,920	954,208
Casino – revenue net of prizes paid:		
Slot machines	954,600	961,408
Table games	343,885	356,370
Poker	23,140	23,462
	1,321,625	1,341,240
Community gaming:		
Slot machines – revenue net of prizes paid	143,959	125,997
Electronic Bingo	62,662	66,335
Paper Bingo	44,371	51,924
Linked Bingo	6,819	7,675
Handheld Bingo	-	2,795
	257,811	254,726
Total revenue	\$ 2,517,356	\$ 2,550,174

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

13. Marketing Trust Account:

The Marketing Trust Account (MTA) was established in 2004 between BCLC and casino service providers who were provided with more than 300 slot machines. Under the terms of the COSA, casino service providers were required to contribute to this account for the purpose of funding casino marketing and responsible gambling programs.

BCLC and the casino service providers mutually agreed to the termination of contributions to the MTA as of December 27, 2008. The remaining MTA balance as at March 31, 2009 was returned to the casino service providers during the current fiscal year.

The Corporation included the activities of the MTA in its consolidated financial statements pursuant to Accounting Guideline 15—Consolidation of Variable Interest Entities, as it was deemed to be the primary beneficiary of the MTA.

Amounts related to the MTA are as follows:

	2010	2009
MTA contributions and interest	\$ —	\$ 12,176
MTA earned contributions	—	3,466
MTA income	—	15,642
MTA expenditures	—	(15,642)
Net MTA income	\$ —	\$ —

Amounts included in funds held in trust (note 5) and accounts payable and accrued liabilities related to the MTA are as follows:

	2010	2009
Opening MTA trust assets and liabilities	\$ 3,445	\$ 6,911
Current year earned MTA contributions	(3,445)	(3,466)
Ending MTA trust assets and liabilities	\$ —	\$ 3,445

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

14. Net horse racing betting fees:

Pursuant to section 16 of the *Gaming Control Act* (B.C.) (the Act), BCLC is responsible for the collection and distribution of horse racing fees in the province of British Columbia. The rates of fee collection and the responsibility for their distribution are set forth in the Act. The amount shown as net horse racing betting fees in these financial statements is the portion of those fees collected by BCLC and then remitted to Government, and approximates the cost of regulating the industry as determined by the Gaming Policy Enforcement Branch (GPEB).

	2010	2009
Revenue collected from the horse racing industry	\$ 5,754	\$ 6,572
Less: revenue returned to the horse racing industry	(3,876)	(4,694)
Net horse racing betting fees	\$ 1,878	\$ 1,878

15. Integrated Illegal Gaming Enforcement Team expenses:

In February 2003, based on direction from the provincial government, the Integrated Illegal Gaming Enforcement Team (IIGET), a specialized division of the Royal Canadian Mounted Police, was established. The expenditures required to fund the IIGET were provided by BCLC pursuant to a Sponsoring Agreement with the Province. This Sponsoring Agreement ended March 31, 2009.

16. Payments to the Government of Canada:

The Interprovincial Lottery Corporation (ILC) makes inflation-adjusted payments to the Government of Canada as a result of an agreement between the federal and provincial governments following the withdrawal of the Government of Canada from the lottery field. The Corporation remits British Columbia's share of the above payments to ILC.

17. Interprovincial Lottery Corporation expenses and interest revenue:

The Corporation's share of the ILC prize and ticket printing costs for national games is recognized as a direct expense in accordance with the recognition of revenue. The Corporation's share of the ILC's interest income less operating expenses is included in other expenses.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

18. Commitments:

The Corporation is committed to payments under operating leases for premises and vehicles.

Minimum annual rental payments for the next five years and thereafter are approximately as follows:

2011	\$ 3,709
2012	4,730
2013	4,521
2014	4,212
2015	3,856
Thereafter	41,821

19. Contingencies:

The Corporation has been named as a defendant in several lawsuits. In the opinion of management, these matters are without substantial merit and accordingly no provision has been made for them in the accounts.

The Corporation periodically enters into agreements with suppliers that include limited indemnification obligations. These guarantees are customary in the industry and typically require the Corporation to compensate the other party for certain damages and costs incurred as a result of third party claims. The nature of these agreements prevents the Corporation from making a reasonable estimate of the maximum potential amount it could be required to pay its suppliers. Historically, the Corporation has not made any significant indemnification payments under such agreements and no amount has been accrued in the financial statements for these indemnification guarantees.

20. Related party transactions:

The Corporation is related to various other government agencies, ministries and Crown corporations. All transactions with these related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

21. Sector activity information:

Year ended March 31, 2010					
	<u>Lottery</u>	<u>Casino</u>	<u>Community Gaming</u>	<u>Horse Racing</u>	<u>Consolidated</u>
Revenue	\$ 937,920	\$ 1,321,625	\$ 257,811	\$ -	\$ 2,517,356
Prizes	505,329	-	72,282	-	577,611
Net win	432,591	1,321,625	185,529	-	1,939,745
Direct expenses:					
Commissions	54,992	446,263	68,599	-	569,854
Ticket printing and bingo paper	14,199	-	1,254	-	15,453
Equipment supplies, leases and licenses	2,049	15,204	4,173	-	21,426
	71,240	461,467	74,026	-	606,733
Net win less direct expenses	361,351	860,158	111,503	-	1,333,012
Operating expenses:					
Administrative expenses	70,517	65,201	13,541	-	149,259
Amortization	19,013	38,427	11,429	-	68,869
Other expenses	(3,535)	2,637	930	-	32
	85,995	106,265	25,900	-	218,160
Income from operations	275,356	753,893	85,603	-	1,114,852
Non-operating income (expenses):					
Net horse racing betting fees	-	-	-	1,878	1,878
Goods and Services Tax expense	(10,488)	(22,612)	(4,550)	-	(37,650)
	(10,488)	(22,612)	(4,550)	1,878	(35,772)
Net income	\$ 264,868	\$ 731,281	\$ 81,053	\$ 1,878	\$ 1,079,080

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

21. Sector activity information (continued):

Year ended March 31, 2009					
	<u>Lottery</u>	<u>Casino</u>	<u>Community Gaming</u>	<u>Horse Racing</u>	<u>Consolidated</u>
Revenue	\$ 954,208	\$ 1,341,240	\$ 254,726	\$ -	\$ 2,550,174
Prizes	521,851	-	77,894	-	599,745
Net win	432,357	1,341,240	176,832	-	1,950,429
Direct expenses:					
Commissions	57,548	455,828	64,442	-	577,818
Ticket printing and bingo paper	15,680	-	1,454	-	17,134
Equipment supplies, leases and licenses	2,184	17,760	4,836	-	24,780
	75,412	473,588	70,732	-	619,732
Net win less direct expenses	356,945	867,652	106,100	-	1,330,697
Operating expenses:					
Administrative expenses	73,646	51,560	12,939	-	138,145
Amortization	17,167	37,267	9,704	-	64,138
Other expenses	810	3,185	903	-	4,898
Marketing Trust Account:					
Marketing Trust Account income	-	(15,642)	-	-	(15,642)
Marketing Trust Account expenditures	-	15,642	-	-	15,642
	91,623	92,012	23,546	-	207,181
Income from operations	265,322	775,640	82,554	-	1,123,516
Non-operating income (expenses):					
Net horse racing betting fees	-	-	-	1,878	1,878
Integrated Illegal Gaming Enforcement Team expenses	(224)	(671)	(86)	-	(981)
Goods and Services Tax expense	(10,605)	(16,852)	(6,270)	-	(33,727)
	(10,829)	(17,523)	(6,356)	1,878	(32,830)
Net income	\$ 254,493	\$ 758,117	\$ 76,198	\$ 1,878	\$ 1,090,686

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

22. Goods and Services Tax:

As a prescribed Goods and Services Tax (GST) registrant, BCLC makes GST remittances to the Government of Canada pursuant to the *Games of Chance Regulations* of the *Excise Tax Act* (the Regulations). The Corporation's net tax for a reporting period is comprised of net tax attributable to both gaming and non-gaming activities. Imputed tax on gaming expenses is calculated according to a formula set out in the Regulations resulting in the direct payment of additional GST at the applicable statutory rate. The net tax attributable to non-gaming activities is calculated similar to any other GST registrant.

23. Financial risk management:

The Corporation has exposure to the following financial risks from its use of financial instruments: credit risk, currency risk, interest rate risk, liquidity risk, and market risk.

This note presents information on how the Corporation manages those financial risks.

General

The Board of Directors (the Board) is responsible for the oversight of management including its policies related to financial and risk management issues. The Board has delegated responsibility to the Audit Committee to consider on an ongoing basis the principal risks facing the Corporation. Strategic and business risks are also considered as part of the strategic and business planning processes.

The Audit Committee oversees the review of the Corporation's information systems, risk management function and internal controls to obtain reasonable assurance that such systems are operating effectively to produce accurate, appropriate and timely management and financial information.

BCLC has adopted a formal risk management strategy and process (in accordance with international risk management standards) to identify significant risks, to assess control systems, and to adopt risk treatment plans when appropriate. An Enterprise Risk Management Advisory Committee (ERMAC), with representation from Risk Management, Audit Services, and senior management from all divisions, has been established to ensure risk management is implemented across the Corporation, to consider and recommend risk management strategies, plans, processes and policies to the Corporation, and to provide advice to the Executive Committee (CEO and Vice Presidents) on risk management at BCLC. Quarterly reports on risk management activities and the risk profile of the Corporation are produced for the Executive and Audit Committees.

BCLC also has a division focused on corporate security and compliance, and has a dedicated risk manager to ensure that a high priority is placed on all operational aspects of risk management, control and compliance.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Credit risk

Credit risk is the risk that the Corporation will suffer a financial loss due to a third party failing to meet its financial or contractual obligations to the Corporation. Credit risk arises principally from the Corporation's trade receivables and investment securities.

Trade receivables and cash floats

The major third parties transacting with the Corporation, which include lottery retailers, casino service providers, community gaming service providers and bingo service providers, require registration with GPEB before doing business with BCLC. The Corporation is not materially exposed to any one individual lottery retailer or service provider except as noted below.

The objectives of the Corporation's lottery retailer credit policies are to provide retailers with adequate time to sell lottery products before payment is requested, while not exposing the Corporation to unacceptable risks. Credit assessments are completed for all new retailers (with the exception of registered charities) and may be completed for retailers who have experienced insufficient fund occurrences or where there is a concern a retailer might be experiencing financial difficulties.

Retailer security is obtained from retailers who are considered high financial risk or from retailers where minimal credit information is available. Security may include Irrevocable Standby Letters of Credit, security deposits or personal guarantees.

Casino and community gaming cash floats owned by the Corporation and provided by the Corporation to casino and community gaming service providers are secured by Irrevocable Standby Letters of Credit. These letters of credit also cover an estimated amount for the net win less commissions that would be outstanding from each service provider at any point in time. In the case where a letter of credit is not provided, BCLC holds a security deposit from the service provider covering the estimated amount owing to BCLC at any point in time. While the Corporation is materially exposed to two different casino service providers, the letters of credit and security deposits held partially mitigate the material risk of default for trade receivables and cash floats owned by the Corporation. Bingo cash floats provided by the Corporation to bingo service providers (commercial bingo halls) are unsecured.

The Corporation's eGaming sales are through credit card, debit card, or online bill payment purchases where customers pay in advance of transactions.

The Corporation's two largest service providers, account for \$1,282 of the accounts receivable carrying amount at March 31, 2010 (2009: \$22,263).

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Credit risk (continued)

Trade receivables and cash floats (continued)

The maximum exposure to credit risk for trade accounts receivable at the reporting date by type of debtor represents the carrying amounts, as detailed in note 7, less any Irrevocable Standby Letters of Credit or security deposits. These amounts are listed as follows:

	2010	2009
Lottery retailers	\$ 14,681	\$ 12,806
Casino service providers	-	6,961
Community gaming service providers	-	73
Other	6,246	3,272
	\$ 20,927	\$ 23,112

All accounts receivable are within credit terms.

Bad debts in the amount of \$26 were recognized during the year (2009: \$77).

Investments

The Corporation limits its exposure to investment credit risk by investing only in short term debt securities with high credit ratings (as noted below) and minimal market risk. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The Corporation has a formal policy and guidelines in place for short-term investments that provide direction for the management of the Corporation's funds with respect to the allocation of responsibilities, investment objectives, asset allocation, allowable fund holdings and investment constraints, and performance standards.

Specifically, the Corporation may invest in the following short-term investments:

- Fixed income securities issued, insured, or guaranteed by the Government of Canada, a provincial or municipal government, or the Government of the United States;
- Short-term financial and corporate commercial paper rated R-1 by the Dominion Bond Rating Service (DBRS) or an equivalent rating agency;
- Short-term paper issued by savings institutions;

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Credit risk (continued)

Investments (continued)

- Fixed income securities from corporate issuers with a rating of A or R-1 or better from DBRS or with an equivalent rating from another rating agency; and
- Canadian dollar denominated fixed income securities issued, insured or guaranteed by a non-Canadian sovereign government or a supranational entity (e.g., the World Bank), with a rating of A or R-1 or better from DBRS or with an equivalent rating from another rating agency.

An asset mix has been established that outlines various policy range percentages for investments restricted to short-term pooled money market funds or bond investments.

Supplier concentration

The Corporation has significant business arrangements with two casino service providers which account for the majority of its casino business. The Corporation also has arrangements with other casino service providers, community gaming service providers, and a large number of lottery retailers.

The Corporation has a number of strategic relationships with suppliers of goods and services. Among these are arrangements for ticket printing, as well as critical gaming hardware and software. In addition, the Corporation maintains a significant number of other business relationships with suppliers of goods and services which are within the normal parameters of the Corporation's business and the gaming industry.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due.

To manage cash flow requirements, the Corporation has a short-term financing agreement with the Province under its Fiscal Agency Loan (FAL) program. Under this arrangement BCLC may borrow up to \$150 million. In making a loan to the Corporation, the Province uses reasonable efforts to comply with the borrowing requirements of the Corporation by supplying funds at commercial rates; however, the interest rate of any loan will be determined at the sole discretion of the Province. The short-term financing is unsecured and there are no pre-established repayment terms.

The Corporation also has a \$10 million overdraft facility that is unsecured. Interest is payable at prime plus 0.5%. A standby fee of 0.25% is payable on the unused balance of the overdraft facility.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Liquidity risk (continued)

The Corporation's Finance division manages liquidity risk by forecasting and assessing actual cash flow requirements on an on-going basis, as well as by planning for short-term liquidity with investment maturities chosen to ensure that sufficient funds are available to meet the Corporation's financial obligations.

Invested funds represent temporary cash surplus balances resulting from unclaimed prize money, and money from normal operations held in advance of its transfer to the Government of British Columbia. As a result of fluctuating cash flow requirements and to minimize market risk, the Corporation maintains a high degree of liquidity.

The carrying values of financial liabilities approximate their fair values due to the relatively short periods to maturity of these items, or because they are payable on demand. At the reporting date, these values are as follows:

	Carrying amount	
	2010	2009
Cheques issued in excess of funds on hand	\$ 5,635	\$ 7,820
Prizes payable	25,483	41,719
Accounts payable and accrued liabilities	44,095	51,906
Short-term financing	59,996	-
Due to Government of British Columbia	128,715	201,736
	\$ 263,924	\$ 303,181

The contractual maturities of financial liabilities are as follows:

March 31, 2010:				
	Carrying amount	Contractual cash flows	3 months or less	3-12 months
Cheques issued in excess of funds on hand	\$ 5,635	\$ (5,635)	\$ (5,635)	\$ -
Prizes payable	25,483	(25,483)	(19,112)	(6,371)
Accounts payable and accrued liabilities	44,095	(44,095)	(44,095)	-
Short-term financing	59,996	(59,996)	(59,996)	-
Due to Government of British Columbia	128,715	(128,715)	(128,715)	-
	\$ 263,924	\$ (263,924)	\$ (257,553)	\$ (6,371)

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Liquidity risk (continued)

The contractual maturities of financial liabilities were as follows:

March 31, 2009:				
	Carrying amount	Contractual cash flows	3 months or less	3-12 months
Cheques issued in excess of funds on hand	\$ 7,820	\$ (7,820)	\$ (7,820)	\$ –
Prizes payable	41,719	(41,719)	(27,279)	(14,440)
Accounts payable and accrued liabilities	51,906	(51,906)	(51,906)	–
Due to Government of British Columbia	201,736	(201,736)	(201,736)	–
	\$ 303,181	\$ (303,181)	\$ (288,741)	\$ (14,440)

Prizes payable are recorded based on the actual prize liability experienced for each online game and theoretical prize liabilities for instant ticket games. The present value of discounted future contractual and estimated contractual cash flows is presented above.

Market risk

Market risk is the risk that changes in market prices will affect the fair value or future cash flows of a financial instrument. Market risk is comprised of currency risk, interest rate risk and other market price risk.

Currency risk

The Corporation is exposed to currency risk (or foreign exchange risk) by settling certain obligations in foreign currencies (primarily U.S. dollars (USD)) and by holding bank accounts and investments in USD.

The Corporation limits its exposure by holding minimal USD investments and only maintaining required funds in USD bank accounts. Gains and losses due to foreign exchange rate fluctuations are also minimized by settling USD obligations as quickly as possible.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Market risk (continued)

Currency risk (continued)

The Corporation's exposure to currency risk, based on notional amounts, is as follows:

	March 31, 2010		March 31, 2009	
	CAD	USD*	CAD	USD*
Short-term investments	\$ 29,507	\$ 121	\$ 58,370	\$ 150
Cash held (including funds held in trust)	31,076	545	43,702	595
Accounts payable and accrued liabilities	(43,655)	(440)	(50,825)	(1,081)
Net exposure	\$ 16,928	\$ 226	\$ 51,247	\$ (336)

* Note: All USD balances are shown in Canadian dollar (CAD) equivalents.

Sensitivity analysis:

A one per cent increase in the CAD against the USD will decrease net income (with a foreign exchange loss) for any positive net exposure (for USD held). A one per cent increase in the CAD against the USD will increase net income (with a foreign exchange gain) for any negative net exposure (for USD owed). As at March 31, 2010, net income would have decreased by \$2 CAD (2009: increased by \$3 CAD). A one per cent decrease in the CAD would have had the equal, but opposite effect. This analysis assumes that all other variables, including interest rates, remain constant.

Interest rate risk

The Corporation is exposed to interest rate risk through its short-term financing agreement with the Province. Each time a loan is requested from the Province under this agreement, the terms are set by the Province. These terms are determined based on market conditions available at the time.

The Corporation mitigates this risk by borrowing from the Province for the minimum time necessary.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Market risk (continued)

Interest rate risk (continued)

The Corporation is also exposed to interest rate risk through the Corporation's line of credit which is subject to interest charged at its bank's prime interest rate plus 0.5% (2009: prime rate plus 0.5%) .

The Corporation mitigates this risk by minimizing the use of the overdraft facility.

The Corporation's interest-bearing assets are typically invested for a short period due to liquidity considerations. As a result, exposure to interest rate risk is minimized for these assets.

The Corporation's interest-bearing financial instruments at the reporting date are as follows:

	2010	2009
Short-term investments (fixed rate instruments)	\$ 29,628	\$ 58,520
Short-term financing (fixed rate instruments)	(59,996)	-

Sensitivity analysis:

The Corporation has designated its fixed-rate short-term investments as "held for trading". Therefore, changes in their fair values (due to changes in interest rates) are reported through net income. A one per cent change in interest rates at the reporting date would have increased (decreased) net income by the amounts shown below. This analysis assumes that all other variables, including foreign currency rates, remain constant.

		Net income		Net income	
		March 31, 2010		March 31, 2009	
		1% increase	1% decrease	1% increase	1% decrease
Short-term investments	\$	(296)	\$ 296	\$ (585)	\$ 585

The Corporation accounts for its short-term financing at amortized cost and therefore a change in the interest rate at the reporting date would not affect net income.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Market risk (continued)

Other market price risk

The Corporation offers the Sports Action brand of lottery products in the marketplace. The Corporation manages risks associated with these products by setting odds for each event within a short time frame before the actual event, by establishing sales liability thresholds by sport, by providing credit management controls, by posting conditions and prize structure statements on www.bcllc.com, and by limiting the aggregate amount of prizes that may be won on any given day for all Sports Action products. The Sports Action group also has the authority to suppress sales of any game at any time when liability risk is a concern.

Categories of financial instruments

The carrying amounts of financial assets and financial liabilities are equal to their fair values as shown at the reporting date:

	Carrying amount	
	2010	2009
Financial Assets		
Held for trading	\$ 57,531	\$ 100,433
Loans and receivables	30,106	47,042
Financial Liabilities		
Other financial liabilities	258,289	295,361

Basis for determining fair value

Investments in debt securities:

The fair value of these financial assets designated as "held for trading" is determined by reference to their quoted bid price at the reporting date.

Cash and cash floats:

The fair value of these financial assets designated as "held for trading" is based on face value of the cash.

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

23. Financial risk management (continued):

Categories of financial instruments (continued)

Basis for determining fair value (continued)

Trade and other receivables:

These financial assets are designated as loans and receivables. The carrying values of amortized cost approximate their fair values due to the relatively short periods to maturity of these items, or because they are receivable on demand.

Non-derivative financial liabilities:

These financial liabilities are designated as other financial liabilities. The carrying values of amortized cost approximate their fair values due to the relatively short periods to maturity of these items, or because they are payable on demand.

Fair value hierarchy

The following table summarizes the financial instruments measured at fair value on a recurring basis in the consolidated balance sheet as at March 31, 2010, classified using the fair value hierarchy described in note 3(a)(i):

	Level 1
<hr/>	
Financial Assets	
Cash	\$ 33,538
Short-term investments	29,628
Financial Liabilities	
Cheques issued in excess of funds on hand	5,635

BRITISH COLUMBIA LOTTERY CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2010
(in thousands of dollars)

24. Capital management:

The Corporation does not retain any earnings. Net income, after deducting contractual amounts due to the Government of Canada, is returned to the Province of British Columbia.

The Corporation's policy is to maintain a structure which allows the Corporation to have sufficient liquidity to meet both operational demands and payments to the Province.

Invested funds represent temporary cash surplus balances resulting from unclaimed prize money, and money from ongoing operations held in advance of its transfer to the provincial government. As a result of fluctuating cash flow requirements and to minimize market risk, the Corporation maintains a high degree of liquidity.

The Corporation has a formal policy and guidelines in place for short-term investments that provides direction for the management of the Corporation's funds with respect to the allocation of responsibilities, investment objectives, asset allocation, allowable fund holdings and investment constraints, and performance standards.

Due to the Corporation's low risk tolerance, short-term horizon, and liquidity objectives, an asset mix has been established that outlines various policy range percentages for investments restricted to short-term pooled money market funds or bond investments.

The Board of Directors is responsible for the oversight of management including its policies related to financial and risk management issues.

There were no changes in the Corporation's approach to capital management during the year.

25. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

British Columbia Lottery Corporation

Schedule of Debts

March 31, 2010

SCHEDULE D

British Columbia Lottery Corporation

Schedule of Debts

For the Fiscal Year Ended March 31, 2010

Per Section 2 (2) of the Financial Information Act, the British Columbia Lottery Corporation has no long term debts as at March 31, 2010.

Per Financial Information Regulation, Schedule 1, section 4 (2):

The long term debt referred to in subsection (1) (a) is a debt secured by debt instruments such as debentures, mortgages and bonds.

British Columbia Lottery Corporation

Schedule of Guarantee and Indemnity Agreements

March 31, 2010

SCHEDULE E

LIST OF INDEMNITIES APPROVED BY RISK MANAGEMENT BRANCH

	FISCAL 2009/10	Risk Management Approval Date
1.	THOMPSON RIVERS UNIVERSITY and BCLC Educational Service Agreement	April 9, 2009
2.	LIGHTNING POKER INC. and BCLC Purchase and License Agreement	April 22, 2009
3.	CRANKWORX EVENTS INC. and BCLC Kokanee Crankworx Mountain Bike Festival Sponsorship Agreement	May 1, 2009
4.	SPORTSWORLD GROUP LIMITED and BCLC Vancouver 2010 Olympic Games Ticket Management Services	May 5, 2009
5.	GLOBAL SPECTRUM FACILITY MANAGEMENT and BCLC License Agreement	May 13, 2009
6.	SALESFORCE.COM, INC. and BCLC Professional Services Agreement	May 22, 2009
7.	SUN MEDIA CORPORATION and BCLC StreetPerfect License, Subscription and Service Agreement	May 27, 2009
8.	SHAW TELECOM GP/SHAW BUSINESS SOLUTIONS U.S. INC. and BCLC Business Solutions Services Agreement	June 10, 2009
9.	PACIFIC NATIONAL EXHIBITION and BCLC Sampling Agreement	June 16, 2009
10.	STRATACACHE and BCLC License, Maintenance and Services Agreement	June 16, 2009
11.	TELUS and BCLC Customer Agreement – Non-Regulated/Forborne Services	June 22, 2009
12.	CITY OF RICHMOND and BCLC Ozone Sponsorship Agreement	July 17, 2009
13.	2725312 CANADA INC. and BCLC Office Lease Agreement	July 17, 2009
14.	2725312 CANADA INC. and BCLC Warehouse Lease Agreement	July 17, 2009
15.	HER MAJESTY THE QUEEN in RIGHT OF THE PROVINCE OF BRITISH COLUMBIA and BCLC Short Term Financing Agreement	July 21, 2009
16.	NRT TECHNOLOGY CORP. and BCLC QuickJack Master Agreement	July 23, 2009
17.	IGT CANADA INC. and BCLC System Support Agreement	July 28, 2009
18.	CITY OF KAMLOOPS and BCLC License of Occupation	August 6, 2009
19.	STRATEGIA COMMUNICATIONS INC. and B.C. LOTTOTECH INTERNATIONAL INC. Master Software License Agreement	September 11, 2009
20.	COLLABNET INC. and BCLC Master License and Services Agreement	September 24, 2009
21.	TELUS and BCLC Call Centre Anywhere Services Agreement	October 6, 2009
22.	TALENT TECHNOLOGY CORPORATION and BCLC Hiredesk and Job Posting Service Agreement	October 8, 2009

23.	CANADIAN LOTTERY JURISDICTIONS and BCLC Memorandum of Understanding – blanket approval	October 9, 2009
24.	2725312 CANADA INC. and BCLC Lease Agreement – Willowbrook Shopping Centre	October 26, 2009
25.	SALESFORCE.COM SCHEDULE 'A' and BCLC Escrow Agreement	November 17, 2009
26.	LOBLAW PROPERTIES WEST INC. (SUPERSTORE) and BCLC Concession Agreements x 5	December 2, 2009
27.	FAIRCHILD DEVELOPMENTS LTD. and BCLC Aberdeen Centre lease	December 9, 2009
28.	STRATEGIA COMMUNICATIONS INC. and BCLC and B.C. LOTTOTECH INTERNATIONAL INC. Master License Agreement	December 15, 2009
29.	IKON OFFICE SOLUTIONS INC. and B.C. LOTTOTECH INTERNATIONAL INC. Master Maintenance and Sales Agreement	December 18, 2009
30.	INVESTORS GROUP TRUST CO. LTD. and BCLC Retail Lease	December 22, 2009
31.	KINGSTON DIGITAL, INC. and BCLC Kingston Co-Logo and Private Logo Program Terms of Service	December 24, 2009
32.	MOORE CANADA dba RR DONNELLEY and BCLC Printing Services Agreement	January 15, 2010
33.	INTERNATIONAL OLYMPIC COMMITTEE AND OLYMPIC BROADCASTING SERVICES VANCOUVER LTD. and BCLC Sponsor Filming Agreement	January 18, 2010
34.	NCC GROUP INC. and BCLC and B.C. LOTTOTECH INTERNATIONAL INC. Software Deposit Agreement – Escrow #1493-LEE	January 25, 2010
35.	APPLE INC. and BCLC iPhone Developer Program Enterprise License Agreement	February 8, 2010
36.	ORBIS HOLDINGS LIMITED and BCLC Amendment No. 1 to the Ticket Printing Services Agreement	February 12, 2010
37.	GTECH Printing Corporation and BCLC Software License Agreement	February 10, 2010
38.	HOME BOX OFFICE INC./KATALYST LICENSING PROMOTIONS INC. and BCLC Licensing Contract	March 1, 2010
39.	VANCOUVER INTERNATIONAL AIRPORT AUTHORITY and BCLC Proforma Lease	March 2, 2010
40.	GEOTRUST INC. and BCLC Domain Release Letter of Authorization	March 3, 2010
41.	CHERRY LANE SHOPPING CENTRE HOLDINGS and BCLC Lease Agreement	March 24, 2010

British Columbia Lottery Corporation

Schedule of Payments to Suppliers of Goods and Services

March 31, 2010

SCHEDULE F

British Columbia Lottery Corporation

Schedule of Payments to Suppliers of Goods and Services

For the Fiscal Year Ended March 31, 2010

Vendor	Amount
0704601 BC Ltd	\$ 30,430
0711380 BC Ltd	58,204
0720962 BC Ltd	44,715
0733244 BC Ltd	2,632,614
0757745 BC Ltd	35,239
0767958 BC Ltd & Raghda Hafez	64,584
0771168 BC Ltd	54,780
0772421 BC Ltd	35,797
0773754 BC Ltd	187,034
0776688 BC Ltd	45,865
0777284 BC Ltd	26,341
0779237 BC Ltd	35,606
0808878 BC Ltd	36,455
0827050 BC Ltd	25,811
0833613 BC Ltd	35,638
0842881 BC Ltd	70,790
0847964 BC Ltd	27,369
1161726 Holdings Ltd	107,362
2010 World Masters	78,750
243045 Alberta Ltd	3,845,040
338089 BC Ltd	69,400
338186 BC Ltd	27,607
361720 BC Ltd	45,732
372831 BC Ltd	130,554
377815 BC Ltd	40,386
3M Canada Company	63,194
427967 BC Ltd	6,929,780
436319 BC Ltd	30,949
451357 BC Ltd	53,577
492354 BC Ltd	28,319
528822 BC Ltd & Sam Ghally	105,998
545958 BC Ltd	31,581
561040 BC Ltd	41,015
571028 BC Ltd	30,434
571603 BC Ltd	30,969
585 Holdings Ltd	2,739,497
585562 BC Ltd	42,130
614540 BC Ltd	26,421
632166 BC Ltd & Ashok Ahuja	56,161
65252 BC Ltd	35,852
657816 BC Ltd	28,404
672012 BC Ltd	32,534
698073 BC Ltd	49,310
7-Eleven Canada Inc	2,235,153

Vendor	Amount
A & P Thun Holdings Ltd	35,756
A In Holdings Corporation	41,316
Aardvark Applications	45,325
Abbotsford Racquets Club Inc	39,520
Abdul Emami/Keshm Convenience Store Ltd	69,576
Abdul Malik Mawji Lottery Sales	134,132
AC Coin & Slot Service Company	326,552
Adecco Employment Services Ltd	34,622
Advanced Audio Concepts	36,953
Advanced Electrical Systems Ltd	671,325
Advantageaction Photography	34,118
Advantec Telecom	117,491
ADVS Systems Ltd	66,340
Air Canada	210,806
Air Canada Vacations	112,500
Ajilon Consulting	176,030
Alberni Valley Gaming Association	2,497,499
Alice Raboin	37,356
Al-Meg Ltd	52,070
American Express Incentive Services	38,391
ANAF #5	32,375
ANAF #12	30,976
ANAF #45	27,707
ANAF #100	41,040
ANAF #298	32,085
ANAF #302	31,903
Anu Garg	39,827
Aquent Inc	50,633
Aramark General Motors Place	31,749
Ardenta Ltd	348,233
Aristocrat Technologies Canada	6,931,337
Artesia Investments Ltd	32,987
Artitalia Group Inc	2,114,116
Associated Lock & Supply	41,603
Atlantic Lottery Corporation	125,580
Atronics Americas LLC	45,317
AV Strategies Ltd	49,369
Avantis Pub Ltd	35,752
Axway Inc	62,020
B-11 Holdings Ltd	25,559
Baba Khanga Enterprises Ltd	31,652
Bally Technologies, Inc	4,188,651
Barca Enterprises Ltd	2,034,293
Barley Mill Pub Ltd	26,065
Barriere Motor Inn 1983 Ltd	26,736
Bazaar & Novelty	977,860
BC Direct Mail Works Inc	95,822
BC Hydro	328,882
BC Lions Football Club Inc	139,742
BC Pavilion Corporation	26,250
bclMC Realty Corporation	48,476
BCLC Richmond Social Club	31,763
Bell Canada	45,025
Bell Conferencing Inc	52,797

Vendor	Amount
Bell Irving Grauer Enterprise	31,846
Bell West Inc	32,767
Bentall LP itf Sun Life Assurance	1,803,097
Bentall Retail Services LP	42,966
Beta Enterprises Ltd	31,022
Betware	1,688,880
Betware Solutions Canada Ltd	1,491,608
Beverly Levia	81,111
BeyondTrust Software Inc	32,678
Bharatkumar Patel	58,926
Bills News & Confectionery Ltd	29,960
Bingo Esquimalt 319968 BC Ltd	1,190,935
Bird Of Paradise Pub Inc	26,849
Birdbud Enterprises Ltd	28,300
Blair Mackay Mynett Valuations	58,711
Bluberi Gaming Technologies	104,123
Blue Dot Centre Inc	69,569
Boa Investments Ltd	27,302
Bong Chung	52,651
Boxmaster	52,534
BPYA 1118 Holdings Ltd	27,484
Brentwood Town Centre LTC	154,110
Brewster's Sports Pub (2004) Ltd	26,633
British Bazaar Company Limited	799,948
Brooks Marketing Resources Inc	102,749
Bruce Enterprises	28,407
BT Counterpane Internet	92,639
BTV+	558,491
Buffy's Pub	28,089
Bulkley Drugs Ltd	26,800
Buy Low Foods Ltd	58,459
C & D Jammer Holdings Ltd	36,633
Cadillac Fairview Corporation Ltd	34,776
Canada Safeway Ltd	514,594
Canadian Business For Social Responsibility	29,033
Canadian Millenium Entertainment Ltd	47,584
CanSupply.com Inc	37,155
Capital West	52,500
Carter Pontiac Buick	159,388
Cascades Casino	28,760
Cathie's Ticket Centre Ltd & Catherine Codd	83,978
CDA Industries Inc	177,552
Cee Joy Holdings Ltd	63,309
Centennial Food Service	40,424
Central City LTC #K401	90,880
Cesar Robaina Inc	88,566
CG Partners Ltd	31,500
Chad Management Group	25,504
Chai Wah Lee	55,294
Champlain Square LTC	31,806
Chang Luck Enterprises Ltd	38,395
Charisma Entertainment Group Ltd	34,211
Charter Telecom Inc	221,486
Cheng Bock Seet	49,175

Vendor	Amount
Chilli Bowl Lanes Ltd	30,177
Chilliwack Bingo Association	2,501,640
Christian Interiors Ltd	98,271
Christie's Carriage House Pub Ltd	26,089
City of Kamloops	342,515
City of Richmond	163,553
Civic Enterprises Ltd	41,909
CK & JK Enterprises	28,860
Clare Investments Ltd	29,051
Claudia Esquivel	67,559
Coast Plaza At Stanley Park	31,721
CollabNet, Inc	51,313
Colliers International ITF Vanprop Investments Ltd	27,182
Community Gaming Management Association	2,154,476
Connex Technologies Inc	168,216
Coopers Market Ltd	140,819
Copperside Foods	80,256
Corona Management Corporation	29,297
Corporate Couriers Ltd	42,035
Corporate Express Canada Inc	197,641
Cossette Communication Group	2,142,232
Cottonwood Mall LTC	76,239
Counter Concepts Consulting	90,458
Country Rose Pub (1985) Ltd	36,747
Creative Display Ltd	26,102
Crystal Group Inc	37,200
Cummins-Allison ULC	187,871
Cut & Run Holdings Ltd	36,789
Dalgleish Construction Ltd	266,799
Data Business Forms	4,803,425
Dave Pacific Inv & Xiwu Zhu	67,033
Dave's Sports Bar Inc	41,488
David Bewsey	43,500
David Nyeste	36,141
Dawson Co-Operative Union	39,635
DDB Canada	977,260
Debbie Wright	62,944
Deelor Sales & Marketing	62,088
Dell Lanes Ltd	26,592
Deloitte & Touche LLP	576,572
Delta Burnaby Hotel	38,304
Derek's Lottery	138,758
DHL Express (Canada) Ltd	31,042
Diane Gail Hldgs Ltd	56,618
DK & HP Enterprises Inc	51,143
DNA Holdings Ltd & David Archibald	107,014
Dominion Catering Ltd	35,497
Donald Rink & Judith Rink	58,901
Donna Worthington & Mel Worthington	123,081
Doreen Lynn Bohnke	43,539
Dorita's Ticket Centre Inc	65,181
DRB Enterprises Ltd	31,571
DTM Systems Corporation	6,553,133
Du Monde Digital Trades Canada	39,172

Vendor	Amount
Dueck Chevrolet Cadillac	51,131
Duffy's Pub Inc	31,818
Duncan Dabber Bingo Society	4,479,666
Dunsmuir Holdings (New Westminster) Ltd	39,806
Eclipse Production and Design	51,481
Edgewater Casino Inc	42,854,133
EE Sook Kim	51,295
Effective Data Solutions	41,254
E-Gads LLC	1,703,787
EIH Resorts Ltd	39,443
Elaine & David Ent Ltd	33,508
Eldorado Operations Ltd	34,535
Elfrieda Fawkes	87,196
Enterprise Entertainment Ltd	3,056,803
Environics Analytics	173,203
eQube Technology and Software	924,327
Ernst & Young	117,351
Esther De Amicis	40,745
Esther Enterprises Ltd	41,936
Evergreen Mall LTC	31,319
Express News & Smokes	31,478
Falls Hotel Inc	28,274
Farwest Convenience Services Corporation	35,737
Federal Express Canada Ltd	88,586
Fernie Hotel & Pub	47,562
Fire Fighters 314 Holding Society	32,090
Fireside Pub Ltd	29,853
FJP Bleue Coyote Hospitality Ltd	26,439
FJP Donegal's Hospitality Ltd	45,390
FJP Gun Hospitality Ltd	37,229
Fleetwood Town Pantry	28,703
Fleishman Hillard Canada	61,021
Forsythe International Inc	85,926
Forsythe Technology Canada	63,835
Fort Hill Company	32,679
Four Mile Pub Ltd	25,556
Fox & Hounds Pub Ltd	39,811
Francesca Simpatico	56,318
Fraser Market	30,219
Fraser River RV Park & Brownsville Pub	36,275
Friendly Mike's Holdings Ltd	87,993
Frog Hollow Management (1976) Ltd	44,745
Fulton & Company LLP	43,752
Future Shop Ltd	27,479
Gail Paterkowski & Darius Paterkowski	63,960
Galaxy Gaming	340,436
Galway Developments Ltd	41,132
Gaming Laboratories International	348,321
Gaming Partners International	52,919
Gaming Standards Association	47,798
Garden City Advertising Co Ltd	26,880
Garden City News	28,752
Gartner Canada	25,515
Gateway Casinos & Entertainment Inc	184,004,831

Vendor	Amount
Gateway Newstands	32,071
Gemaco Inc	1,221,877
Genesis Integration Inc	509,479
Genesis Recycling Ltd	59,869
Gerald Finnen & Pat Kraushar	55,300
GestureTek	32,209
GFS British Columbia	263,977
Gilligans Pub Co Ltd	50,447
Gina Swatez	70,596
Glenis Whiteley & Denis Whiteley	38,847
Glenmore Printing Ltd	1,179,115
Gloria Jean Davies	38,799
GMJ Pub & Liquor Corporation	28,684
Goldwing Investments (Saskatoon) Ltd	8,350,576
Good Time Bingo Hall Inc	575,692
Gowlings	63,833
Grand & Toy	68,922
Grand Forks Petro Canada	33,804
Grand Pub & Grill Ltd	32,600
Grand Union Holdings Ltd	52,022
Great Canadian Casinos Inc	178,955,765
Great Canadian Gaming Entertainment Centres Ltd	5,056,376
Great West Life Assurance Company	1,502,559
Green Acres Enterprises Ltd	33,291
Greg Design	46,607
Greg Warren Archibald	59,257
Gremallen Enterprises Ltd	46,113
Griffiths Gibson & Ramsay	36,929
Grizzly Sports Pub & Grill Ltd	25,783
Grosvenor Hospitality Management Ltd	38,791
Groundswell Group Inc	45,104
GTech Corporation	307,979
Guildford Station Pub Ltd	41,779
Guildford Town Centre	245,340
Hai Miao & Yun Zhi Li	126,721
Hale Investments Ltd	28,544
Haney Place Mall LTC	47,505
Han's Can Drm Holding Co Ltd	43,363
HAPP	72,758
Harbans Dhanje/081439 BC Ltd	36,514
Harbour City Bingo Society	1,315,923
Hassan Pourrouholamin	56,620
Hastings Entertainment Inc	6,684,009
Hastings Lottery Centre	43,751
Haymaker Creative Ltd	65,100
HBN Enterprises Inc	25,687
Heather Johnson	83,639
Heenan Blaikie LLP	76,846
Helen's Grocery	26,746
Heritage Office Furnishing Ltd	108,663
Hewlett Packard (Canada) Company	610,781
Hey Solutions Inc	31,773
Hi Spirit Entertainment Ltd	104,793
Hillside Centre LTC	118,770

Vendor	Amount
Hilton Vancouver Airport	63,507
Hilton Vancouver Metrotown	636,000
HJH Holdings Ltd	33,436
HNR Enterprises Ltd	31,803
Honeywell Ltd	179,139
Hot Shot Trucking (1990) Ltd	28,606
Hotel Victoria Ltd	26,503
HPF Engineering Ltd	94,067
Hudson's Bay Company	48,959
Humrainie Ali	46,814
Hunter James & Associates Inc	99,073
Hunter Litigation Chambers	497,796
Hunter's Holdings Ltd	34,356
Hutch Hotels Ltd	36,457
Hye Sook Kim & Sung Pil Kim	37,474
Hyon Ah Han	55,965
Hyung Min Lee & Hye Yoon Lee	58,331
IBM Canada Ltd	3,284,395
ICBC	170,333
Identica	138,491
IGT Canada	20,675,116
Ikon Office Solutions	136,507
Image Engine Design Inc	533,270
Image Group Inc	31,991
Imperial Parking Ltd	92,719
Inderjit K Chahal	47,473
Infoglide Software Corporation	375,940
Infor Global Solutions	27,780
Innotas	31,772
Integrity-Paahi Solutions Inc	195,662
International Game Technology	14,261,001
International Playing Card Company	652,745
International Visual Corporation	228,769
Inventa Sales & Promotions	1,688,918
IOSecure Internet Operations Inc	396,613
IPSA International	30,365
Ipsos Reid Corporation	474,478
Ipsos-Asi, Ltd	153,563
Isitt & Associates - Consultants	27,979
ITECH Consulting Inc	62,843
Ivanhoe Cambridge II Inc	141,141
iView Systems	329,114
Jamlen Holdings Ltd	36,056
Jamshid Maleki	36,201
Jane E Huff	53,712
Janet Koch	68,781
Janey Roh	60,548
Jaswal Food Store Ltd	39,928
Jeannette Hildahl	81,290
Jeannette Major & John Major	41,612
Jim Pattison Lease	2,497,215
Jimmy Mac's Neighbourhood Pub Ltd	48,757
JJK Entertainment Ltd	37,869
Jocks N' Jills Pub Ltd	47,426

Vendor	Amount
John B Pub Ltd	32,980
John Shelton	82,182
John Stuart Sports	53,348
Jolly Coachman Pub Ltd	46,903
Jolly Mac's Holding Corporation	95,834
Joyceway Food Market	28,754
Judy Watson	59,475
Jung Hie Mun	83,908
JW Grocery Ltd	73,636
K & P Bath Ltd	34,574
K.D. Engineering Company	49,485
Kamaljit Dhillon	43,673
Kamloops 2011 Western Canada Summer Games Society	105,180
Kamloops Computer Centre Inc	393,096
Karen Mckinlay	64,834
Karim Gilani	69,603
Karimali Amarshi	61,637
Kathleen A. Wieland	74,907
Kathy L Groeger	35,114
Kelowna Sooper Foods Inc	37,849
Kennedy's Pub Ltd	83,919
Keswick Properties Ltd	44,429
Keystone Management Solutions	30,975
Ki Rak Enterprises Ltd	38,123
Kikumbia Pharmaceuticals Ltd	35,733
Kildala Grocery (1999) Ltd	48,773
King Consulting Inc	263,865
Kirby's Kiosk	26,168
Kodiak Entertainment	809,959
KOIOS Systems	52,454
Kom-Lynn Associates Ltd	41,703
Konami Gaming Inc	5,124,477
KPMG Inc, Trustee	150,986
KPMG LLP	1,019,957
Kwang U Han	65,171
Kwick Pick Groceries Ltd	54,177
Ladkeen Canada Ltd	28,447
Lakeview Lottery Ticket Sales	36,711
Landlubber Pub Ltd	25,550
Lang's Ventures Inc	6,442,221
Lansdowne LTC #1	93,956
Lansdowne LTC #2	85,284
Lansdowne Lumber Marketing Ltd	34,739
Larry Wyers	47,183
Lazlin Enterprises Ltd	137,862
Lefevre Enterprises Ltd	37,127
Lida Sanaie & Ali Sanaie	88,879
Lightning Poker Inc	613,402
Linda Mason	64,322
Lisa Graham	67,087
Livingston International Inc	255,789
LJ Sports Bar & Grill Ltd	52,051
LJD Properties Ltd	34,735
Loblaw Properties Limited	249,989

Vendor	Amount
LogRhythm Inc	290,111
Loto Quebec	416,938
Lucky Dollar Bingo Management Ltd	2,741,672
Lucky Locker	39,382
Lucky Lottery Centre & Michael Chan	68,078
Lucky's	36,515
Lucky's Ventures	3,393,806
Mackenzie Ticket Centre	55,049
MacKinnon Architecture	75,590
Maclaren Mccann	39,851
Maclaren Momentum	638,804
Mac's Convenience Store Inc	791,764
Mail-O-Matic Services Ltd	341,085
Mainstream Global Ent. Inc	466,699
Maple Ridge Lanes 1981 Ltd	29,294
Mapleland Assets Mgmt Inc	109,753
Marketplace IGA #1 LTC	43,579
Marketplace IGA #10 LTC	34,746
Mark's Work Wearhouse	38,270
Marsh Canada Ltd	433,108
Martlen Enterprises Ltd	311,052
Mary Fakhimi-Akbari & Ellie Kharazmi	80,630
Maxam Design International	42,152
Mayfair Shopping Centre	118,507
McCarthy Tetrault LLP	877,722
Mckinney Holdings Ltd	26,233
Mcperson & Dempsey Ltd	36,312
Medeco	299,496
Media Buying Services Ltd	523,069
MediQuest Technologies Inc	73,729
Mel Worthington	61,842
Mercer	262,340
Mertin Chevrolet Cadillac Pontiac	48,043
Metafore Corporation	3,680,890
Metropolis #3 LTC	135,053
Meyers Norris Penny LLP	28,325
Micro Com Systems Ltd	67,983
Mid Island Consumer Services Cooperative	82,282
Midlyn HR Communications	28,765
Miller's Landing Pub Ltd	58,790
Minister of Finance (BC)	4,712,910
Ministry of Labour & Citizens' Services	45,640
Mission City Elks Club #30	27,413
Mixer Shack	31,331
Mohawk Stop N Shop	31,256
Moneris Solutions Corporation	35,272
Moore Canada	47,188
Morguard Investments Ltd	51,519
Moving Products	527,961
Mr G Stores Ltd	124,287
MRK Construction Ltd	55,367
MSLI, GP	521,889
MSR Holdings Inc & Shelina Ramji	103,903
Murrayville Town Pub Inc	29,992

Vendor	Amount
MVCC Video Communications Corp	35,716
Nadine Holdings Ltd	27,981
Nakazdli Development Corp	27,104
Nanaimo North Town Centre	48,254
Nanaimo Queens Hotel Ltd	38,259
Nashco Consulting Ltd	45,739
Nasrin Mazdapour	53,137
Nathen Printing Services	37,268
National Public Relations Inc	48,503
NCR Canada Ltd	90,773
Net Shift Media Inc	44,888
New World Gaming Partners Ltd	26,058
Newton Arms Pub Inc	30,059
Nexcen Enterprises Ltd	51,097
Nisa Ent Ltd/Kamil & Shamim Tharani	74,911
Noritake Co, Inc	50,073
Norman Asselstine	39,890
Northhills Shopping Centre Ltd	105,130
NRG Research Group	119,398
NRT Technology Corporation	1,191,477
O.C. Tanner Manufacturing Ltd	142,694
Oaklane Enterprises Ltd	45,146
Oakridge Centre (Vanc) Holdings Inc	176,478
Oakway Holdings Ltd	39,514
Oliver Wyman Ltd	1,177,420
Ontario Lottery & Gaming Corporation	334,183
OPB Realty (Brentwood) Inc	26,154
OPB Realty (Lougheed) Inc	41,374
Open Solutions Canada	65,894
Oracle Corporation Canada Inc	706,055
Orangeville Raceway Ltd	15,826,955
Otter Farm & Home Co-Operative Gas Bar	75,316
Overwaitea Food Group Food Stores	506,367
Overwaitea Food Group-Gas Bars	66,226
P.O.S. West Ltd	40,950
Pacific Centre Leaseholds Ltd	78,619
Pacific Coastcom Comm. Inc	30,975
Pacific National Exhibition	42,551
Pacific Newspaper Group Inc	889,077
Pacific Print Management Ltd	49,704
Packing House Neighbourhood Pub Ltd	30,898
Pakasia Enterprises Ltd	36,975
Pan Pacific Holdings Ltd	48,334
Panasonic Canada	221,692
Paragon BC ULC	43,739
Paragon Electrical Installations	38,045
Paragon Surfacing	40,950
Pardeep Enterprises Ltd	54,376
Park Royal Shopping Centre	45,894
Parker Place Convenience Centre	44,453
Pattison Sign Group	81,287
PDF Construction Management Ltd	88,730
Pemberton Station Cold Beer & Wine	27,967
Penticton Convention Centre Inc	31,425

Vendor	Amount
Peregrine Industries Ltd	296,444
Peritas Solutions Ltd	66,491
Peter Low	103,302
Petro Canada	64,645
Pharmx Rexall Drug Stores (BC) Ltd	134,987
PHH Vehicle Management Service	28,826
Phoenix Advertising Group Inc	70,759
Playtime Community Gaming Centres Inc	11,616,046
Playtime Peardonville Ventures Ltd	3,324,808
Plaza 33 Tickets	37,868
Pollard Banknote Ltd Partners	8,309,631
Popeye's Smoke Shop	42,406
Postage by Phone	120,817
Powell River Town Centre Ltd	57,965
Prairie Properties Ltd	32,459
Presto Print Ltd	28,999
Prettell Holdings Ltd	26,458
PricewaterhouseCoopers LLP	49,961
Prismtech Graphics Ltd	1,148,983
Priti Vakil	79,012
Procyon Telemanagement Inc	30,017
Progressive Gaming Consulting Inc	493,836
Promo Plus Advertising Inc	539,253
Pyong-Wha An	97,797
Quad li Enterprises Ltd	27,988
Quadra Village Foods Ltd	25,527
Queens Plus One Lotto Inc	92,606
Quest Software	192,455
Quick Stop Submarine	35,395
Quova Inc	65,349
R & E Projects Ltd	31,732
Rainbow Ticket Center & Impressions	34,084
Rajesh Sharma	41,272
Ramada Lodge Hotel	32,204
Ray's Lottery Centre	33,124
RBC Dexia Investor Services Trade	11,573,102
RBC Life Insurance Company	63,501
RCL #2	25,591
RCL #6	33,613
RCL #7	36,003
RCL #8	27,815
RCL #62	25,755
RCL #88	36,511
RCL #118	25,518
RCL #137	26,253
RCL #148	27,980
RCL #160	39,056
RCL #172	38,424
RCL #179 Grandview	37,531
RCL #229	29,338
RCL #263	27,169
RCL #292-Trafalgar/Propatria	29,742
Real Cdn Superstore #1517 LTC	78,366
Real Cdn Superstore #1521 LTC	113,162

Vendor	Amount
Real Cdn Superstore #1523 LTC	64,734
Real Cdn Superstore #1553 LTC	64,249
Real Cdn Superstore #1554 LTC	59,123
Real Cdn Superstore #1558 LTC	44,726
Real Cdn Superstore #1563 LTC	52,225
Real Cnd Superstore #1524 LTC	65,936
Receiver General for Canada	34,422,839
Resource Enterprises Canada Ltd	38,483
Responsible Gambling Council	41,500
Revenue Services of BC	809,605
RH Strategies LLC	28,280
Riley's Pub Ltd	50,219
River Rock Casino Resort	98,981
Riverside Energy Services	30,658
Rock'N Firkin Pub Inc	31,474
Rogers	28,685
Ronald James Fuson	27,519
RPM Lucky Store	35,803
Rupert Square Lottery Centre 1997	55,201
Rupinder Nijjar	58,396
Ruth E Barker	39,884
S.I. Systems Ltd	2,231,332
Sabrina Ng	54,875
Sahali Mall LTC	48,575
Saima Hasan	29,905
Salesforce.Com Inc	1,521,730
Sand-L Enterprises Ltd	220,117
SAP Canada Inc	620,416
Sapphire Sound	41,422
Sapphire Technologies Canada	405,984
Save On Foods	526,162
Sawmill Pub & Restaurant Inc	42,130
SBM Ltd	29,531
SCD & Shari Stuyt	74,420
Schnurr Power Corporation	164,241
Scientific Games Products	338,778
Scotland Holdings	69,945
SD-35 Ventures Ltd	66,117
Searchwest Inc	62,738
Sebastian Goh	43,083
Seihong Park	81,985
Seiko Enterprises	32,147
SEM Casino Ltd Partnership	4,856,041
Semiahmoo Mall LTC	70,767
Service-now.com	179,104
Serving For Success Consulting Ltd	28,834
Setters Neighbourhood Pub Ltd	28,085
Shara Fortune Lotto Centre/Shara Cody	62,424
Sharie Assels	49,565
Sharma Investments Corporation	25,781
Sharon A Clovis	67,922
Sharon Link	77,210
Sharp's Audio-Visual Ltd	171,007
Shaw Business Solutions	33,127

Vendor	Amount
Shaw Cablesystems G.P.	143,725
Sheffield & Sons #02	28,396
Sheffield & Sons #43	75,151
Sheffield & Sons Tobacconists	62,901
Sheffield & Sons Tobacconists #30	39,340
Sheffield Express #05	66,120
Shelbourne Investment Corporation	26,399
Sherry Hutchinson	63,885
Shireen Hasan	45,898
Shoppers Drug Mart Inc	1,400,998
Shuffle Master Inc	4,217,923
Signature Editions Millwork Inc	235,085
Six Mile Pub Ltd	29,300
SL Enterprise & Serge Laprise	103,110
Smoke & Pop Stop	31,807
Softchoice Corporation	657,766
Source Office Furniture & Systems (Kamloops) Ltd.	37,526
Spartan Swim Club	51,087
Sportsworld Group Ltd	824,460
SRS Packaging Services	41,878
Stantec Consulting Ltd	51,456
Stratacache Canada Inc	112,159
Strategia Communications Inc	233,585
Strategos	27,753
Sue's Grocery	35,749
Sun Jong Yoo & Sun Hwa Yoo	45,373
Sung Hee Hahn	36,444
Sunlinks Marketing Ltd	517,307
Sunny's Clyde Inn Inc	26,373
Sunsal Services/Catherine Anne Morrison	82,161
Supremex Inc	45,752
Surrey CC Properties Inc	61,110
Susan Woo	62,821
Suthakaran Nadarajah/Kansas Ent Ltd	61,264
Suzanne Shahinfar	57,961
Swan Market	28,658
System Resale Solutions	65,175
T & T Supermarket	48,686
Tai's Pioneer Enterprises Ltd	50,693
Tanelle Holdings Ltd	51,307
Tanna J Neitch	70,241
Tasha Cox	56,736
TBWA Vancouver	16,699,692
TCS John Huxley Canada Ltd	2,567,394
Technical Systems Testing North America Inc	246,790
Ted Fitzgerald & Deloris Fitzgerald	60,553
Teknion Furniture Systems Co.	348,326
TEKsystems Canada Inc	987,365
Telus Services Inc	70,496
Telus Advanced Communications	5,820,831
Telus Communications Inc	1,911,179
Telus Mobility	786,337
Terasen Gas	152,212
Teresa Ferguson & Evelyn Ferguson	132,601

Vendor	Amount
Teresa Prince	93,584
Terrim Properties Ltd	1,454,313
The Bank of Nova Scotia	94,300
The Brick Warehouse	75,065
The Creative Department	26,723
The Fort Nelson Hotel Ltd	26,660
The Great Canadian Coaster Co.	237,951
The Inkwell (1981) Ltd	36,666
The News Room	40,181
The Pioneers Pub Ltd	64,252
The Pumpjack Pub Ltd	42,502
The Purple Onion	26,709
The Sauder School of Business	475,664
The Witch Of Endor Pub	43,462
Thomas Sheldon	41,355
Thorpe's Ticket Wicket	31,744
Thrifty Foods	412,333
TIBCO Software Inc	2,682,414
Tiger Ent & Charlie Yoo & Sujun Yoo	139,611
Tiny Enterprises Ltd	26,611
TJ Ridley Investments Ltd	94,313
TK Stuart Ltd	39,756
Tony Leong	92,468
TOPS Telecom	25,871
Totalline Transport Inc	25,655
Tracy Lim	74,757
Trail Ticket Centre	32,764
Trane British Columbia	260,691
Transcontinental Printing Inc	30,469
Treasure Cove Casino Inc	14,375,500
Trimseal Plastics Ltd	38,572
Tripwire Inc	744,896
Tsawwassen International Services Ltd	76,896
Tsawwassen Lottery Centre	52,969
Tsawwassen Quay Market Corporation	66,426
Twin River Plumbing & Heating	242,788
Twymar Holdings Ltd	30,143
Unicco Facility Services	187,777
Valid Manufacturing Ltd	410,351
Valley Racquets Centre Inc	46,865
Van J Holdings Ltd	115,979
Vancouver Arena Limited Partnership	87,258
Vancouver Canadians Baseball Club	27,633
Vancouver Canucks Ltd	1,568,828
Vancouver International Airport Authority	113,532
Van-Kam Freightways Ltd	198,193
VANOC	611,935
Vanry & Associates	154,493
Versailles Stk & Lobster House 1983 Ltd	50,182
W & B Tickets & Jack Butcher	108,053
Walmart #3042 LTC	55,693
Walmart #5853 LTC	40,034
Wal-Mart Canada Corporation	83,322
Wawryk Holdings Ltd	26,218

Vendor	Amount
WebTrends Inc	162,804
Wenwood Holdings Ltd	35,879
Wesco Distribution	758,134
West Pacific Consulting Group	68,009
Western Canada Lottery Corporation	72,912
Western Management	43,903
Westgate Hospitality Inc	33,006
Whiski Jack's Cold Beer & Liquor Store	71,601
Whistle Stop Holdings Ltd	30,161
Whistler Blackcomb	32,288
Wilhelm Holdings Ltd	54,596
William Geen	54,339
Williams Moving & Storage Ltd	65,830
Wilson International Products	25,834
Windsors Pit Stop LTC/Karen Lynn Windsor	56,204
Winning Circle	25,732
WMS Gaming	16,363,046
Woods Sports Pub Inc	55,356
Workers Compensation Board	230,868
Xerox Canada Ltd	150,727
Xiaoli Zhang	47,829
Yen Tran	30,155
Ying May Gao	27,915
Yiu Kee Leung	39,267
Young Electric Sign Company	164,625
Yuh Ping Lin	53,220
Yummie's Land & Smoke Shop	43,514
Yun Meng	38,526
Zellers #264 LTC	43,150
Zulfikar Alibhai	34,143
Subtotal of suppliers exceeding \$25,000	813,160,578
Consolidated total of suppliers receiving \$25,000 or less	32,883,194
Total payments to suppliers of goods and services:	<u>\$ 846,043,772</u>

Note:

There were no payments to suppliers for grants and contributions in fiscal 2009/10.

BCLC has a process to assess and approve vendors in cooperation with the Gaming Policy Enforcement Branch.

British Columbia Lottery Corporation

Schedule of Remuneration and Expenses

March 31, 2010

SCHEDULE G

Schedule showing the remuneration and expenses

paid to or on behalf of each Member of the Board

For the Fiscal Year Ended March 31, 2010

Name	Position	Remuneration	Expenses
BROWN, TRUDI	Member, Board	\$ 13,875	\$ 4,538
GILLESPIE, DAVID	Member, Board	20,531	4,209
GRAUER, CYNTHIA	Member, Board	13,250	669
GRAY, WALTER	Member, Board	12,813	2,767
KEITH, MORAY	Member, Board	13,938	724
MCDONNELL, NEIL	Member, Board	15,455	1,107
MCLERNON, JOHN	Chair	30,750	910
RILEY, MICHAEL	Member, Board	23,479	2,550
WILLMS, ARTHUR	Vice Chair	17,000	923
Total: Elected officials, employees appointed by Cabinet and members of the Board of Directors		\$ 161,090	\$ 18,398

Schedule showing the remuneration and expenses
paid to or on behalf of each employee

For the Fiscal Year Ended March 31, 2010

Remuneration for all employees includes salaries, wages, vacation payouts, bonuses, perquisite allowances and other taxable benefits. Remuneration does not include amounts paid under severance agreements. Expenses include costs for travel and accommodation, professional development, employee relocation and membership dues.

Name	Remuneration	Expenses
ADAMS, CAMERON	\$ 108,943	\$ 3,413
AFFLECK, MAUREEN	106,259	726
AHONEN, CRISTINA	85,286	12,530
AIELLO, JOE	136,975	17,387
ALI, INTKHAB	97,034	27,306
AMEN, DENNIS	76,027	696
ANDERSON, NIGEL	145,682	4,531
ANTON, CHRIS	86,991	7,318
AUJLA, GURMIT	106,839	8,405
AUSTIN, SANDRA	87,864	10,470
BAILEY, ROD	148,055	11,185
BAINS, BALBINDER	75,896	12,721
BAINS, DAWN	76,290	-
BAKHTIAR, SANAM	154,393	6,603
BAMRA, BALJINDER	92,780	6,800
BARAN, CORY	101,262	16,097
BARRETT, MARK	93,270	1,933
BARRETT, TONI	75,076	2,572
BATH, KULDEEP	136,966	5,921
BECKER, MICHAELA	91,121	3,079
BEEBE, DAN	95,219	2,665
BEHRNS, KYM	118,430	3,455
BELICKA, JOHN	80,694	2,078
BENTLEY, MARY MARGARET	95,724	1,373
BEVERIDGE, SHIRLEY	97,623	4,067
BIGLOW, GORDON	139,711	6,570
BLANCHFIELD, DANIEL	76,490	10,558
BOARD, GORDON	107,663	4,377
BOHM, MONICA	141,491	4,269
BOLEN, KEITH	120,541	5,465
BOOGEMANS, SCOTT	117,389	12,138
BRAY, PHILIP STEEN	78,671	2,629

Name	Remuneration	Expenses
BREAKEY, DANIEL	86,677	11,804
BRENNEN, PATRICK	82,199	1,161
BRUNO, MARCELLO	85,926	2,667
BUECKERT, WENDY	99,925	9,980
BYRNE, DENNY	104,474	3,927
CHAN, NICHOLAS	76,857	4,724
CHANG, DANNY	82,710	372
CHAPMAN, JONATHAN	102,685	9,643
CHARLTON, PETER	154,394	4,437
CHOW, DON	83,893	824
COBB, DEBBIE	110,746	15,921
CONNOR, GRAHAM	75,194	892
COX, VICTOR	100,012	8,475
CROSS, CORINNE	80,292	2,156
D'ANGELO, ELISA	101,087	3,043
DAVIES, KAREN	91,665	2,667
DAVIS, PATRICK	137,875	18,267
DE IURE, SERGE	157,627	18,015
DEGRAAF, JURIE	79,537	-
DEMMERY, ELLEN	83,252	1,868
DEMUTH, BILL	98,665	2,599
DIMOPOULOS, GEORGE	77,608	1,033
DIOQUINO, ROLLY	79,481	7,148
DOLDER, AVA	106,392	4,967
DOLINSKI, SUSAN	140,447	8,443
DOVER, ROB	81,930	3,268
DRAKE, TODD	87,629	1,680
DUGUID, CRAIG	87,522	2,573
DWYER, PETER	99,572	8,948
ELIESEN, SARA	76,896	213
FAYE, TROY	90,212	19,489
FENSTER, RICHARD	86,550	7,120
FILIPIG LARRY	78,211	-
FINNEY, LORNE	95,481	5,287
FLEGEL, MARK	81,806	326
FORD, EMILY	77,408	4,760
FORTIER, DONNA	92,863	-
FRASER, ANDREW	97,352	8,943
FRASER, RICHARD	104,487	12,118
FRIESEN, GORDON	88,228	13,856
FRITZ, SANDRA	107,509	3,874
FULLER, LISA	101,870	13,773
GARVEY, RHONDA	147,523	12,134
GASS, KEVIN	237,297	31,218
GEDDES, KAREN	93,706	279
GEHRMANN, MIKE	106,070	1,224
GILBERT, KAREN	100,002	3,864
GORE, DAVID	77,698	1,033

Name	Remuneration	Expenses
GORMLEY, OWEN	89,795	2,548
GOUDY, KATHRYN	86,917	2,421
GOY, JACQUETTA	86,486	7,384
GRAHAM, MARIA DEL ROCIO	79,819	830
GRAHAM, RANDY	98,242	15,523
GRANOUX, ARNAUD	82,707	1,219
GRAY, JANICE	82,483	2,796
GRAYDON, MICHAEL	299,988	21,242
GUTKNECHT, MARK	112,732	3,279
HALL, ANDREA	81,125	465
HALLINAN, DAVID	107,361	13,381
HARCOTT, BRENDA	132,258	9,526
HARCOTT, DOUG	158,845	14,570
HARTLEY, STEPHEN	100,352	1,369
HAVERSTOCK, JAMES	78,719	3,731
HAWRYLUK, SYLVIA	88,924	8,990
HAYDEN, KATHLEEN	89,134	5,487
HEINTZ, TODD	112,149	5,415
HENNING, WENDY	101,854	6,277
HINAM, LESLIE	94,351	7,068
HINITT, ROB	75,334	7,734
HODGKIN, BRYON	107,093	4,473
HUGHES, DAVID	94,900	9,144
HUGHES, LYNETTE	212,094	24,160
HUGHSTON, ELAINE	146,913	4,594
HUI, SAM	130,862	2,912
HUM, MARIA	77,178	5,458
HUMPHRIES, PHILIP	75,553	5,183
HUNTER, RICHARD	79,995	770
IANDIORIO, GINA	96,833	24,437
IBBOTT, TAMARA	91,613	4,445
IRVINE, TARA	79,044	4,770
JAMES, CRAIG	84,128	12,172
JANG, DARREN	80,383	2,252
JONES, SYDNEY	92,339	7,895
KAILLY SMITH, CINDY	97,226	7,624
KANERVA, LESLIE	113,207	3,305
KARLOVCEC, JOHN	80,950	3,898
KJELSON, ROBERTA	97,308	5,624
KLASSEN, LORNE	83,130	-
KLETTKE, DONALD	75,789	1,739
KLOTZ, DAVID	104,038	4,356
KONDRUK, WAYNE	76,815	434
KUROMI, MICHAEL	77,351	3,801
LACEY, DON	144,718	6,648
LADELL, CONSTANCE	156,639	12,593
LALLI, JUGDEEP	77,261	5,559
LESTER, ALISON	90,117	1,789

Name	Remuneration	Expenses
LIGHTBODY, JIM	258,658	9,516
LINNEY, LYLE	96,456	2,726
LUDWAR, JULIA	87,541	1,365
LYNCH, PATRICK	78,090	1,416
MA, DAVID	93,784	2,181
MADU, ANNE	75,926	296
MAGRI, MONICA	79,474	3,525
MALVAR BAAH, DARLENE	88,860	3,786
MARRIE, STEPHANIE	80,761	657
MARYSCHAK, TOM	82,751	12,994
MATTHEWS, DAVID	75,238	1,836
MAUTE, MAYA	80,803	1,437
MAXFIELD LINCOLN	81,216	-
MCCURDY, HEATHER	109,497	10,259
MCDELL, DIANA	98,931	6,380
MCDONALD, WILLIE	86,714	18,428
MCGARVIE, CASSANDRA	85,182	851
MCKERCHAR, DEAN	85,282	1,877
MCNAUGHTON, SHAWN	77,808	11,354
MESTON, KENT	103,516	15,737
MILFORD, VINCENT	78,137	3,896
MILLS, MICHAEL	76,196	5,495
MLAZGAR, JOHN	105,287	3,761
MONTAGLIANI, DOMENIC	75,299	2,703
MOODY, TOM	76,371	1,231
MOONIE, ROBERT	97,925	7,821
MORAN, MARK	94,164	14,071
MORIN, GINA	83,259	9,078
MORRISON, DOUG	107,329	15,076
MULVANEY, DINAH	92,503	3,283
NELSON, SALLY	97,166	471
NESSMAN, BETTY	78,099	2,024
NGUYEN, TIM	75,495	2,265
NIELSON, CHARLENE	103,371	5,398
NISBET, PHILLIPPA	76,062	2,427
NORMAN, COLIN	76,532	3,434
NORMAN, ERNIE	78,694	823
NORMAN, SCOTT	258,267	40,029
PALUMBO, RAY	83,568	199
PAOLINI, GREG	94,339	9,857
PAREI, WILL	135,004	12,227
PARKER, DONALD	78,252	34,860
PASCHEN, JEANNETTE	75,744	1,130
PIEPER, GARTH	109,252	6,409
PODORIESZACH, EILEEN	94,932	3,403
POLACEK, LUKE	122,800	10,136
PORTERFIELD, WAYNE	86,723	14,491
POWELL, THOMAS	125,085	10,754

Name	Remuneration	Expenses
RAMSAY, MICHELLE	95,132	3,354
REMILLARD, MARGE	83,538	12,152
RIDDELL, JOHN	88,631	1,038
ROLLO, MATTHEW	80,726	923
ROMANCHOOK, MITCHELL	78,737	4,381
SALVIATI, ROB	87,054	6,853
SANDNER, MARK	79,749	5,680
SAWULA, RON	103,808	5,425
SCHIEWE, DARRYL	234,315	23,881
SCOTT, CHRIS	78,469	920
SEVERSON, CARL	95,324	16,661
SILCOX, PAUL	80,782	1,075
SIMPSON, MICHELLE	93,014	675
SIRIANNI, JUSTIN	90,706	1,688
SIU, JOSE	79,106	2,422
SMITH, JEANNIE	77,237	230
SMITH, PAUL	146,012	21,580
SOMERS, SANDRA	81,238	1,035
SOOTHERAN, DAVE	91,819	4,002
STEARNS, RHONDA	79,426	6,574
STEVENS, ROBERT	75,705	-
STEWART, LAURIE	94,167	2,685
STOCKMAN, PAULA	77,491	4,740
STRACKER, PAMELA	92,184	7,000
STREIFEL, GORDON	109,757	2,719
STURGEON, DONNA	75,721	3,768
SWEENEY, KEVIN	86,340	6,763
TAI, TOM	91,491	5,920
TANIS, TRUDY	79,974	5,788
TARABEY, TIM	130,670	5,981
TATEISHI, DARRYL	90,476	10,519
TEASLEY, SUSAN	79,508	3,288
THIBAUT, RICHARD	82,196	8,119
THIESSEN, PAUL	83,441	13,272
THOMA, DIETER	96,975	12,843
TOOLE, DEBORAH	238,444	12,851
TOWNS, TERRY	209,380	16,892
TRPIN, MILAN	86,427	4,287
TURKENBURG, ALICE	83,522	178
TURNER, TRICIA	91,285	4,574
VERES, JULIAN	81,382	-
WAITHE, MIKE	85,036	12,976
WALDEN, MARSHA	237,266	4,483
WALKER, GREG	101,200	29,084
WATSON, MARGARET	132,676	2,593
WEEKS, GORDON	84,639	-
WHITE, WILLIAM	102,760	5,330
WHITING, CHERYL	103,618	1,273

Name	Remuneration	Expenses
WHITTAM, SARAH JANE	145,094	10,208
WILLIAMSON, ANDREW	90,873	8,028
WILLIAMSON, JERRY	116,410	15,018
WILLIAMSON, TOM	221,399	41,480
WOLFRAM, MICHAEL	165,437	20,108
WONG, KENNY KAM	84,455	-
WRIGHT, CHRIS	94,722	13,658
YAHOLKOSKI, STAN	75,940	1,894
Subtotal: Listing of remuneration and expenses for all employees with remuneration exceeding \$75,000	23,638,379	1,583,879
Consolidated total: Remuneration and expenses of other employees with remuneration of \$75,000 or less	37,479,048	1,295,573
Total	\$ 61,117,427	\$ 2,879,453

Statement of Severance Agreements

For the Fiscal Year Ended March 31, 2010

There were twelve severance agreements made between the British Columbia Lottery Corporation and its non-unionized employees during 2009/10.

These agreements represent from less than one to fourteen and a half months compensation.*

* "Compensation" means salary based on length of service.