

Total expenses for all 21 games as follows:

Prizes	\$136,638.39	
Advertising	14,642.53	
Rent	19,800.00	
Equipment	6,297.16	
Wages	1,816.50	
Miscellaneous	5,292.19	
		<u>\$ 184,486.77</u>

N.B.—The heading "Miscellaneous" includes expenses for cartage of prizes and equipment, Brink's service, insurance, decorating stage and various sundry items.

Summary

Total gross receipts.....	\$ 232,648.24
Total expenses	\$ 184,486.77
Total net receipts.....	\$ 48,161.47

(3) Net proceeds

- (i) The disposition of the net proceeds is shown and set out in attached sheets marked A, B, C and D.
- (ii) See above-mentioned attached sheets.
- (iii) The margin of the net proceeds has decreased for the reasons set out in (c) and (d) below.
- (c) The competition of bingo games sponsored by other organizations has made it necessary, in order to attract large attendances, to provide more expensive prizes (both major prizes and consolation prizes) and has also made it necessary to increase the amount of advertising done, thus increasing the cost. In addition this competition has resulted in increased rent being charged for the premises in which the bingo games are conducted.
- (d) See (c) above.
- (e) There is no independent or outside audit in connection with each game but complete records are kept by the Club officials and are available for inspection at any time. In addition every possible check is maintained over receipts and expenditures. The net proceeds are deposited in the Club's Service Account. The books of the Club are audited annually by a firm of chartered accountants.

3. Operation of Games

The admission price per person is \$1.00 which covers for twenty games including a special game where a particularly valuable prize is offered. In addition to the regular twenty games there are five special games for which a special sheet is sold at a cost of 25c. This special sheet entitles the holder to participate in the five special games. Additional extra or special sheets may be purchased at a price of 25c. each. Attached is a memorandum marked E headed "Instructions re Bingo" which sets out the rules for the operation of the games.

The total cost price of prizes for an evening averages \$6,506.00. The retail value is substantially higher since the Club is able to buy the prizes at a discount. The average cost of a prize for an ordinary game is \$52.00 and for