



Continuing Lotteries Information & Guide For Permit Holders

Effective 5 April 2012

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All care has been taken to ensure the accuracy of the information contained herein. The information contained in this guide is accurate at the time of publication however permit conditions and legislation are subject to change. In all cases it is the permit holder and beneficiary organisations responsibility to ensure compliance with permit conditions and other relevant and applicable legislation.

The information provided herein is intended as an information guide only and is not intended as a substitute for prescribed permit conditions or other requirements. Permit holders are not required to adopt recommended practices outlined in this guide rather they must ensure compliance with permit conditions and other prescribed requirements.

Permit Holder Information & Guide

Continuing Lotteries – What are they?

A continuing lottery is gaming conducted under the authority of a permit issued by the Gaming & Wagering Commission of Western Australia to an approved organisation for a period not exceeding twelve (12) months. Section 104(1) (b) of the *Gaming & Wagering Commission Act 1987* authorises the issue of Continuing Lottery permits

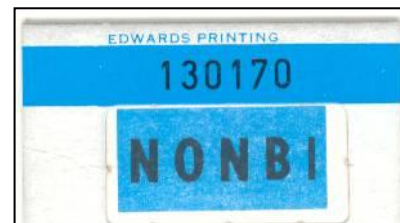
Continuing lotteries are used by charities, community groups and other approved organisations to raise funds for approved uses.

Continuing lotteries involve the sale of tickets that contain amounts, letters, figures or symbols which are exposed by removing, scratching or breaking open the ticket to determine whether a prize has been won. These types of tickets are often referred to as 'break open' bingo tickets.

It is a requirement that continuing lottery tickets be obtained from a supplier licensed by the Gaming & Wagering Commission. The supplier will require the purchaser to provide evidence that they hold a current continuing lottery permit prior to providing any tickets. Continuing lottery tickets are supplied by the box.

A box of tickets will contain a specified number of tickets which when sold should realise a known amount. This amount will be recorded by the permit holder as the gross proceeds from the sale of the tickets. Each box will also contain a specified number and mix of winning tickets. Winning tickets are typically presented to the permit holder or their representative and the prize value displayed on the ticket is paid to the person holding the ticket.

Continuing lottery tickets can only be sold at approved premises, these may include a wide variety of venues such as liquor licensed premises including hotels and taverns, sporting clubs and community organisations. An example of a continuing lottery ticket is shown below.



In order to win the player must form the word BINGO from the letters displayed after tearing off the back of the ticket.

Conditions attached to a continuing lottery permit

Section 8 of the *Gaming & Wagering Commission Act 1987* allows the Gaming & Wagering Commission to formulate and impose prohibitions or conditions to be applicable to, or in relation to, gaming.

Every continuing lottery permit has conditions that are attached to the permit. There are significant penalties that may be applied for failing to comply with permit conditions. The permit conditions define the minimum standard for records, controls and other aspects of the conduct of the permit. A complete list of the standard conditions attached to each and every continuing lottery permit is included at the end of this guide.

Role of the Permit Holder

While a permit is issued to an approved organisation section 51 (3)(a) of the *Gaming & Wagering Commission Act 1987* requires that an individual, appointed by and on behalf of that organisation, is primarily responsible for the conduct of the continuing lottery permit.

The permit holder has a number of key responsibilities relating to the conduct of the continuing lottery in particular ensuring that the continuing lottery is run in accordance with all legislative requirements and permit conditions.

Permit Holder Responsibilities

The permit holder is responsible for ensuring that the continuing lottery is conducted in accordance with legislative and other prescribed requirements or conditions. These requirements can be broadly split into the five following areas:

1. Maintaining accurate and adequate records of tickets purchased, gross receipts, prizes paid and other expenses,
2. Conducting monthly reconciliations of income and expenses,
3. Controlling the disbursement and use of funds,
4. Completing and submitting a financial return for the permit period, and
5. Maintaining any controls necessary to conduct the lottery in accordance with permit conditions.

1. Maintaining Records

The importance of good, clear and complete records cannot be overstated. Good records provide an audit trail for regulators and provide the permit holder and beneficiary organisation with protection by allowing transparency of all activities related to the conduct of the lottery. Record keeping is a fundamental requirement of a continuing lottery permit and is often overlooked or inadequately addressed by inexperienced permit holders.

Through the use of an appropriate system of record keeping, review and reconciliation, permit holders should be able to identify trends and unexplained losses, and respond much more quickly than would otherwise be possible. In situations where proceeds from the sale of tickets may be missing or unaccounted for, a timely response by the permit holder will also limit further exposure to loss and may assist in the recovery of funds.

Ticket Purchases

All continuing lottery tickets must be purchased from a supplier licensed by the Gaming & Wagering Commission. In all cases ticket suppliers should supply an invoice for tickets purchased. The supplier can also supply a summary sheet detailing;

- A break down of tickets contained in each box.
- The expected gross proceeds (money received from sales),
- The amount that should be paid out by the organisation as prizes,
- The expected net profit per box (i.e. the gross proceeds less prizes paid and cost of tickets), and
- The cost of each box.

At the end of the permit period the supplier can provide a summary of all purchases made by an organisation in that period.

It is a condition of each continuing lottery permit that all payments other than prizes are made by cheque or electronic means (see permit condition 13 at the end of this guide). This includes purchases made from licensed suppliers.

Records maintained by the permit holder for ticket purchases should include all invoices, cheque stubs and bank statements and any summary information requested from the supplier. This information should be used when preparing the continuing lottery financial return.

In summary, the records maintained by the permit holder to verify and confirm ticket purchases should include;

- Supplier invoices,
- Cheque stubs and bank statements,
- Supplier receipts if issued, and
- Supplier endorsed or certified statements detailing all purchases for the permit periods.

It is also important that permit holders conduct a stock take of unsold tickets (i.e. tickets on hand) at the end of each permit period. This information should be recorded in the organisations books of account and will be transferred to the financial return when completed. In some cases it may not be necessary or practical to count all individual tickets on hand; rather an estimate of tickets remaining can be made, for example $\frac{1}{2}$ a box, $\frac{3}{4}$ of a box etc. If an estimate is used the permit holder should record the basis on which the estimate was made, for example visual inspection of contents of remaining boxes etc.

Part boxes of unsold tickets can have a significant and material impact on any subsequent audit so the permit holder should be as accurate as practicable when completing the stock take of tickets.

Gross Receipts

The principle aim of the continuing lottery is to raise funds through the sale of tickets. The sale of tickets will necessarily require that the permit holder and/or the beneficiary organisation have in place an appropriate system to account for and reconcile all the proceeds from the sale of tickets.

It is accepted that, due to the wide and diverse nature of organisations that conduct continuing lotteries and the level of resources and tools available to them, no one method of accounting for, and reconciling revenue will suit everyone. There are, however, a number of key principles and requirements that should be met by all organisations. These include;

- An appropriate system to identify and distinguish proceeds from the sale of continuing lottery tickets from any other revenues,
- An appropriate method of reconciling ticket sales with income received,
- Controls over the movement and transfer of funds from one person to another (this could include the issue of a receipt or signing of some form of acknowledgement), and
- Maintaining accurate and complete records of banking and other transactions involving the movement of lottery funds.

Receiving money is often an area that cannot be physically observed by the permit holder so other methods of control need to be applied. Perhaps the most effective is a physical reconciliation of tickets sold on the night against income received less prizes paid. The problem with this method is that it requires someone, generally the permit holder, to count opening stock and closing stock to obtain an accurate balance figure. The permit conditions require evidence of reconciliation once a month.

It is important to note again that all proceeds from the continuing lottery (i.e. gross proceeds from sales less prizes paid) should be banked. Money should not be taken from cash received to pay bills, wages or any other expenses. All expenses must be paid by cheque or electronic means. (see condition 13 at the end of this guide)

Where possible permit holders and organisations should incorporate a level of internal control that is possible, practical and workable for that organisation. It is appreciated that many continuing lotteries are conducted by volunteers and that internal controls such as segregating incompatible duties is not practicable. Permit holders should however be mindful of internal control principles and practices when developing procedures for the sale of tickets, payment of prizes and reconciliation of funds from continuing lotteries.

Prizes Paid

Depending on the type of ticket/s the organisation offers for sale, individual payouts can range from \$0.50 cents to \$250. Typically the prizes offered per box consist of a large number of small prizes (i.e. \$0.50 cents to \$2) and a small number of the larger prizes.

Permit holders and other persons nominated by the permit holder are responsible for paying prizes and need to ensure there are sufficient funds on hand to pay out winning prizes.

Often winners of low value prizes will request the value of the prize in tickets instead of cash. This type of transaction needs to be treated the same as a normal ticket purchase. It is important that the permit holder records this type of transaction as a sale. Whilst winning tickets can be exchanged for new tickets, in effect what is happening is that winning tickets are being presented, prizes paid and new tickets sold. An example of this situation is shown in *section 2. – Conducting reconciliations of income and expense (see page 9)*

Selling Expense

If an organisation has its tickets sold at a hotel or tavern then that establishment may charge a fee for selling the tickets.

The selling fee (which must not exceed 10% of gross proceeds) cannot be deducted until the permit holder's organisation receives a minimum of 15% of the face value of all tickets sold. Selling expenses should not be deducted from proceeds; they must always be paid by cheque or electronic means as required by the permit conditions. (condition 13)

A selling expense cannot be claimed if the organisation is selling the tickets on behalf of a sub organisation. An example of this would include the ABC Sportsman's Club selling the tickets on behalf of the ABC Bowling Club.

2. Conducting monthly reconciliations of income and expenses.

As a condition attached to all continuing lottery permits the permit holder is required to conduct monthly reconciliations of income and expenses with the number of boxes of tickets sold and record the reconciliation in the books of account (see condition 17 attached at the end of this guide). The primary purpose of the reconciliation is to confirm that the amount banked is consistent with the amount expected to be banked.

The reconciliation essentially consists of the following three major parts:

- Recording and verifying gross receipts from ticket sales;
- Recording and verifying all expenses paid including prizes paid and cost of tickets; and
- Confirming that the amount banked into the nominated bank account is consistent with the amount expected to be banked from the number of boxes sold.

Reconciliations are extremely important. Reconciliations can be used by the permit holder to identify any losses or other unwanted activity that may be occurring. Through the use of regular reconciliations the permit holder can maintain control of the permit and react quickly should action be required.

To assist organisations, it is recommended that, where possible, transactions are recorded on a daily basis. In order to complete an accurate reconciliation the permit holder or their representative will need to know the opening number of tickets on hand and the closing number of tickets on hand. The following examples are intended to illustrate how daily transactions and the reconciliations can be recorded.

An example of typical daily transactions that may be recorded by an organisation such as a club or other community based organisation selling continuing lottery tickets follows. The example has been kept as simple as possible and is used for illustration only. As part of this example the organisation starts with a confirmed opening stock of 50 x \$0.50 cent continuing lottery tickets.

Example:

- (a) *On a given day an organisation sells 20 tickets for \$0.50 each (with an opening stock of 50 tickets).*
- (b) *One winning ticket with a face value of \$1.00 is presented and paid in cash.*
- (c) *One winning ticket with a face value of \$1.00 is exchanged for two additional \$0.50 cent tickets.*

The daily recording of transactions is as follows.

Initial Sales	\$10.00	<ul style="list-style-type: none"> • 20 tickets initially sold at \$0.50 cents each (a) • Two new tickets issued in exchange for a \$1.00 winning ticket should be recorded as a sale (c)
Additional Sales	<u>\$ 1.00</u>	
Total Sales	\$11.00	
Less Cash Prizes	\$ 1.00	<ul style="list-style-type: none"> • Prizes paid out in cash (b)
Less Other Prizes	<u>\$ 1.00</u>	<ul style="list-style-type: none"> • Prize value paid out in tickets (c)
Total Prizes	\$ 2.00	
Gross Profit (Banking)	\$ 9.00	Gross Profit is the total sales less total prizes and is the amount that should be banked.

It is important to note that all movement out of tickets should be recorded as a sale. This includes when winning tickets are exchanged for new tickets. The total prize value in cash and tickets paid out should also be recorded as prizes paid, not just prizes paid in cash. If a permit holder fails to record or account for transaction involving the exchange of winning tickets for additional tickets they will not be able to reconcile sales to the number of boxes purchased. Similarly if all prize values paid are not recorded or accounted for the gross profit will be overstated and the permit holder will be unable to reconcile gross profit (estimated banking) to actual banking figures

To illustrate this point further we can break the example down by transaction to confirm the banking figure.

	Tickets on Hand	Prizes Paid	Cash on Hand
Opening Bal	50	\$0	\$0
Transaction (a)	30	\$0	\$10.00
Transaction (b)	30	\$1.00	\$9.00
Transaction (c)	28	\$1.00 (cash value)	\$9.00
Closing Bal	28	\$2.00	\$9.00

Tickets on hand have reduced by 22 (\$11.00 in value- the value of prizes paid + cash on hand), prizes paid is \$2.00 (\$1.00 in cash, \$1.00 in tickets to that value) and cash on hand is \$9.00. Whilst permit holders are not required to record transactions on a daily basis it is essential that systems in place take into account transactions that do not necessarily involve receiving and payment of cash. Failure to recognise 'non cash transactions' will result in significant errors at any reconciliation.

Record of gross receipts from ticket sales.

All income from ticket sales for the month is to be recorded. An example of a typical month follows:

Type of ticket	Number of boxes sold in the month	Gross receipts per box	Total gross receipts per type of ticket
AB	2	\$600.00	\$1,200.00
BF	1	\$636.00	\$ 636.00
AD	1.5	\$600.00	\$ 900.00
Total			\$2,736.00

NB: not all types of tickets have the same gross receipts per box.

Details of all expenses paid including prizes paid and cost of tickets.

Using the above example, the details of prizes paid are calculated as follows.

1. Prizes Paid

Type of ticket	Number of boxes sold in the month	Amount of Prizes paid per box	Total paid in Prizes per type of ticket
AB	2	\$380.00	\$760.00
BF	1	\$384.00	\$384.00
AD	1.5	\$420.00	\$630.00
Total			\$1,774.00

NB: not all types of tickets have the same prizes paid per box.

The amount banked to the nominated bank account.

As discussed earlier, the primary purpose of the reconciliation is to confirm that the actual banking is consistent with the expected banking based on ticket sales. By using the deposit book record of the amount banked during the month the permit holder can compare what they should have banked (based on sales) with actual banking. The permit holder should bank on a regular basis.

Date of deposit	Deposit reference	Amount of deposit
7 Jan 2003	172058	\$220.00
14 Jan 2003	176951	\$225.00
21 Jan 2003	181187	\$256.00
28 Jan 2003	185362	\$261.00
Total		\$962.00

3. Completing and submitting a financial return

The permit holder is responsible for ensuring that a financial return for the permit period is completed and submitted to the Gaming & Wagering Commission. There are significant penalties that may be applied if a financial return is not received by the due date or if information contained on the return is not accurate or is misleading in any way.

In order to complete the financial return the permit holder will have maintained sufficient records and information to address each item on the return. Specifically the permit holder will require details of ticket purchases which will be provided by the ticket supplier, a balance of unsold tickets on hand at the end of the permit period, the opening balance of unsold tickets at the start of the permit period, the value of tickets sold, the value of prizes paid during the permit period, the cost of tickets purchased from licensed suppliers, details of any other expenses, details of disbursements (including invoices and receipts) and use of funds from the lottery, and details of all continuing lottery banking for the full permit period.

As well as requiring this information to complete the financial return the permit holder will be asked to produce all of this information if the lottery is audited by inspectors from the Gaming & Wagering Commission.

Instructions for completing a continuing lottery financial return

The continuing lottery financial return provides the Commission with an overview of the gaming activity and confirmation that all funds have been accounted for and used in accordance with permit conditions. It is important that the permit holder have a good understanding of how to complete a return and what information is required. Whilst not the only criteria, in many cases organisations are selected for audit based on the information contained in the financial returns.

Before completing a financial return the permit holder will need certain information at hand. Information required will include;

- Details of stock/inventory counts to confirm both the opening and closing number of boxes of tickets on hand,
- Details of tickets purchases, this would usually be in the form of original invoices or a statement from the licensed supplier covering the entire permit period. This information will contain a break down of gross revenue, prizes paid, cost of tickets and net profit for each type of ticket purchased,
- Details of any other expenses such as freight or hotel selling expenses. Again these should be supported by documentary evidence,
- Details of actual banking, and
- Details of disbursement of funds.

Table 1 of the financial return that follows is completed using information compiled at stock counts and from records maintained relating to ticket sales, prizes paid and purchases. This information will detail ticket type, supplier name and gross receipts. Monthly reconciliations that have been completed over the permit period will be extremely useful in compiling this table.

Table 2 is completed using records of sales and prizes paid to calculate gross profit. Other expenses are extracted from records including freight invoice and receipts, minutes of committee meetings, cheque stubs and bank statements.

Table 3 is completed by extracting actual banking information from ledgers, bank statements, computer records etc. It should be noted that if the permit is subject to audit the auditor will require original banking records such as bank statements or stamped deposit books. Computer or other ledgers and records generated by the organisation will not suffice.

Table 4 is a list of how funds were disbursed. Again records should be maintained to verify payment and receipt of funds generated from the continuing lottery.

Any deficiency must be reported to the Commission as soon as practicable after it is discovered. *The following completed financial return is an extension of the working example in the section "Conducting monthly reconciliations of income and expenses" on page 10.*

CONTINUING LOTTERY financial return

Gaming & Wagering Commission Act 1987

Activity:
Permit No: /
Issue:
For the Period Ending:
Date Due:
File No:
Return Id:

Table 1.

Type Of Ticket (Prefix Code)	Purchased From	A No. Of Tickets In One Box	B Price Per Ticket	C No. Unsold Boxes B/Fwd From Previous Permit	D No. Of Boxes Purchased This Permit	E (= C + D - F) No. Of Boxes Sold This Permit	F No. Of Unsold Boxes C/Fwd	(= A X B X E) Gross Receipts \$
AB	Licensed Supplier	2400	0.25	0	2	2	0	1,200
BF	Licensed Supplier	2544	0.25	0	1	1	0	636
AD	Licensed Supplier	3000	0.20	0	2	1.5	0.5	900

Table 2.

Expenses		Total / Gross / Net Profit	
Cost of Tickets (inc Stamp Duty & Freight)	\$ 456.67	Total Gross Receipts (As above)	\$ 2,736.00
Selling Expenses (See Note Below)	\$	Less Prizes Paid	\$ 1,774.00
		= Gross Profit	\$ 962.00
		Less Total Expenses (A)	\$ 456.67
Total Expenses (A)	\$ 456.67	= Net Profit	\$ 505.33

Note: Selling expenses (if any) paid to Hotel or Tavern (max 10%) Club or Charity must receive minimum of 15% before selling expenses

Activity:
 Permit No: /
 Issue:
 For the Period Ending:
Date Due:
 File No:
 Return Id:

Details of monthly deposits of the proceeds from the continuing Lottery permit banked with -

(Name and branch of financial institution)

Month	Amount	Month	Amount	Month	Amount	Month	Amount	Total Amount Banked
Jan 03	\$ 962.00		\$		\$		\$	\$
	\$		\$		\$		\$	\$
	\$		\$		\$		\$	\$
Total Banking for the permit period.								\$ 962.00

Purchases/Expenses/Donations	Amount	Purchases/Expenses/Donations	Amount	Purchases/Expenses/Donations	Amount
Bowling Club Affiliation Fees	\$ 349.33		\$		\$
Dart boards	\$ 120.00		\$		\$
	\$		\$		\$
	\$		\$		\$

We the undersigned do solemnly declare that –

- (1) the information shown in this return is true and correct;
- (2) the net profits have been used for the purpose stated in the application for permit.

I the undersigned declare that I have independently verified the figures in this return against the documentation and accounting records and that the information shown in this return is true and correct.

 Permit Holder's Signature

 Date

 Signature of Person Compiling Return

 Date

Alternative Office Bearer's or Auditor's Signature

4. Controlling the disbursement and use of funds

All continuing lottery permits are granted after an application has been lodged with the Gaming & Wagering Commission. As part of the application the nominated permit holder and/or the beneficiary organisation is required to specify what the funds generated from the conduct of the permit will be used for. Once an application has been approved the use stated on the form will become the approved use of funds and all net profit from the lottery must be used or applied for that purpose only.

It should be noted that funds will not be approved for any use that is considered to be private gain, commercial undertaking or that is in any other way inappropriate.

Permit condition 18 of the conditions attached to a continuing lottery permit states that the net proceeds from the lottery shall be used only for the purpose stated in the application for the permit. Significant penalties for the permit holder and/or the beneficiary organisation may be imposed should any breach of permit conditions be detected.

Where funds generated by the conduct of a continuing lottery are spent, disbursed or used in any manner, the permit holder should ensure that invoices, receipts and other supporting documentation is maintained and held. This information will be required when completing the permit financial return and will also be requested should the permit be subject to an audit by inspectors from the department. All payments (other than prizes) must be made by cheque or electronic means (Condition 13).

5. Maintaining controls necessary to conduct the lottery in accordance with conditions.

The permit holder has primary responsibility for the conduct of the continuing lottery. As such the permit holder should take all reasonable steps to ensure that the lottery is conducted in accordance with the permit conditions and that appropriate controls are in place over the receipt, payment and banking of cash.

It is important that the permit holder be fully aware of, and has a good understanding of the requirements of all the permit conditions. Key points and conditions that every continuing lottery permit holder should always remember and consider include;

- **Any deficiency in banking or other unexplained loss should be reported to the Commission as soon as practicable after it is discovered.**
- No person under the age of 12 years shall be permitted to purchase or sell continuing lottery tickets.
- Where tickets are sold at a hotel or tavern, subject to the beneficiary organisation receiving a minimum of 15% of the total face value of tickets sold a selling commission not exceeding 10% of gross proceeds may be paid to the licensee.
- Evidence must be produced to indicate that a minimum of 15% has been disbursed to the beneficiary organisation.

Where the permit has been granted to a hotel or tavern based community and sporting organisation;

- Funds shall not be disbursed unless approved by the management committee at a committee meeting;
- The committee shall meet at least once every quarter and minutes of the meeting shall be kept; and
- A quorum shall consist of half the committee plus one.
- **The organisation is required to keep the minutes of the meeting/s authorising disbursement of funds.**

Further Information

Further information relating to continuing lottery permits and all the requirements can be obtained by contacting the Department of Local Government, Sport and Cultural Industries on 6551 4888.

Will my permit be subject to audit?

All continuing lottery permits are subject to audit at some point in time.

The Department of Local Government, Sport and Cultural Industries has inspectors that conduct audits, inspections and reviews of all types of permitted gaming activity in Western Australia. The Department will select a sample of continuing lottery permits for audit each year. Permits that are not initially selected for audit in any particular year may still be subject to inspection or review.

What can I expect if my permit is subject to an audit?

It is likely that all continuing lottery permits will be subject to some form of audit. The audit may be conducted at the premises where the tickets are sold, at a place of the permit holders choosing or as a desk audit at the Department's Perth office. If the audit is conducted as a desk audit the permit holder will receive a letter requesting information that will be required. This information should then be forwarded to the Department. All requested information will be returned on completion of the audit.

The objective of a continuing lottery audit is to confirm that the permit has been conducted in accordance with the conditions and any other relevant and applicable legislation. Depending on the nature and extent of the permit the auditor may wish to sight original documents to substantiate banking, gross sales, prizes paid, net profit, ticket purchases and the use and disbursement of funds.

Attachment – Permit Conditions

GAMING & WAGERING COMMISSION ACT 1987

(Section 104)

PERMIT TO CONDUCT CONTINUING LOTTERY

Holder:

Permit No:

Pursuant to the Gaming & Wagering Commission Act 1987, the Gaming & Wagering Commission grants a permit to conduct a Continuing Lottery to:

subject to the conditions listed below.

Conditions

1. Valid from
2. Premises:
3. This permit is not valid on Christmas Day, Good Friday and on the morning of Anzac day.
4. If the permit is conducted on premises licensed under the Liquor Control Act 1988 or by a person who holds a licence or permit under that Act, any restrictions or conditions applying to the Liquor Licence or permit on that premises shall apply.
5. The permit holder shall lodge a financial return for the period of the continuing lottery permit within 14 days after the expiry of the permit. In addition lodge any interim financial returns that the Gaming & Wagering Commission may require by notice in writing, in accordance with section 57 of the Gaming & Wagering Commission Act 1987.
6. Tickets must be obtained from a licensed supplier of gaming equipment.
7. No person under the age of 12 years shall be permitted to purchase or sell continuing lottery tickets.
8. Tickets shall only be sold at the premises specified in the permit.
9. Tickets shall not be sold by means of a vending machine other than at a hotel, tavern or club licensed under the Liquor Control Act 1988t.
10. Where tickets are sold by means of a vending machine, each ticket vending machine shall:
 - (a) be identified by a number permanently fixed on the machine;
 - (b) unless in a club, have –
 - (i) the cash tray locked and independent from any other part of the machine;
 - (ii) a notice clearly displayed on it specifying the organisation for the benefit of which and the purposes to which proceeds of the lottery are to be applied.
11. The organisation on behalf of which the lottery is conducted shall receive a minimum of 15% of the total face value of tickets sold.

12. Where tickets are sold at a hotel or tavern, subject to the beneficiary organisation receiving a minimum of 15% of the total face value of tickets sold a selling commission not exceeding 10% of gross proceeds may be paid to the licensee.
13. All payments (other than prizes) shall be by cheque or electronic means.
14. The permit holder shall keep, or cause to be kept, accurate and adequate records of tickets purchased and gross receipts together with receipts or other proof of payment for all expenses (other than prizes). Such records shall be kept for a period of 12 months and be made available for inspection by an Authorised Officer of the Gaming & Wagering Commission or a Police Officer upon request.
15. The permit holder shall furnish the Gaming and Wagering Commission with all such information (including copies of documents) relating to the subject of the permit including but not limited to information relating to the disbursement of moneys (particularly the purpose or purposes to which they were applied) constituting the gross receipts from the gaming or lottery the subject of the permit as the Gaming and Wagering Commission may from time to time require.
16. The permit holder shall keep a copy of the "Continuing Lottery Financial Return" for a period of 12 months.
17. The permit holder shall conduct monthly reconciliation's of income and expenses with the number of boxes of tickets sold and record the reconciliation in the books of account.
18. Net proceeds from the lottery shall be used only for the purpose stated in the application for the permit.
19. The permit shall be retained on the premises and produced to an Authorised Officer of the Gaming & Wagering Commission or a Police Officer upon request.
20. Where the permit has been granted to a hotel or tavern based community and sporting organisation;
 - funds shall not be disbursed unless approved by the management committee at a committee meeting;
 - the committee shall meet at least once every quarter and minutes of the meeting shall be kept; and
 - a quorum shall consist of half the committee plus one.

Further condition/s and Special Notes

W A R N I N G

FAILURE TO COMPLY WITH THE CONDITIONS OF THIS PERMIT MAY RESULT IN A PENALTY OF A FINE UP TO \$2,500.

Director Licensing and Industry Services
Department of Local Government, Sport and Cultural Industries