

South Carolina Education Lottery
Statement of Net Position
November 30, 2016

Assets

Current Assets		
Cash	\$	32,698,298
Accounts Receivable		40,211,277
Allowance for Doubtful Accounts		(1,310,427)
Inventory - Instant Tickets		2,290,635
Prepaid Expenses		733,887
Total Current Assets		\$ 74,623,671
Long-Term Assets		
Deferred outflows-pension expense		1,025,093
Reserve Accounts - MUSL		5,101,549
Intellectual property		555,815
Accumulated amortization		(306,656)
Total intellectual property		\$ 249,159
Property and Equipment		
Furniture, Fixtures & Equipment		1,006,046
Data Processing Equipment		1,902,457
Draw Equipment		335,417
Vehicles		246,103
Leaseholds		1,315,694
Accumulated Depreciation		(4,396,444)
Total Property & Equipment		\$ 409,273
Total Long-term Assets		\$ 6,785,073
Total Assets		\$ 81,408,744

Liabilities

Current Liabilities		
Prizes Payable	\$	31,749,463
Accounts Payable		1,824,787
Payable to MUSL		1,543,902
Accrued Expenses		1,309,146
Accrued Compensated Absences		468,328
Deferred Revenue		455,041
Total Current Liabilities		\$ 37,350,667
Long-term Liabilities		
Accrued Compensated Absences		325,585
Deferred inflows-pension expense		421,716
Net pension liability		13,605,100
Total Long-term Liabilities		\$ 14,352,401
Total Liabilities		\$ 51,703,068

Net Position

Invested in capital assets, net of related debt	\$	658,432
Restricted - Fidelity Funds		501,575
Restricted for Education Lottery Account		28,545,669
Total Net Position		\$ 29,705,676

South Carolina Education Lottery
Statement of Revenue, Expenses, and Changes in Net Position
For the Five Months Ending November 30, 2016

	FY17	FY16	FY17	FY16
	Current Month Amount	Current Month Amount	Year - to - Date Amount	Year - to - Date Amount
Revenue				
Revenue - Instant games	\$ 91,386,064	\$ 89,867,331	\$ 446,586,306	\$ 440,690,742
Revenue - Pick 3	15,119,295	14,218,962	74,428,692	69,913,918
Revenue - Pick 4	7,779,788	7,571,752	37,646,426	36,517,571
Revenue - Powerball	8,332,372	4,531,666	36,897,227	29,114,228
Revenue - Palmetto Cash 5	1,514,618	1,483,485	7,721,121	7,553,088
Revenue - Mega Millions	2,305,156	2,885,856	16,806,573	14,073,399
Revenue - Lucky For Life	1,110,684	1,378,206	5,945,336	7,299,558
Revenue - Terminal games	36,161,913	32,069,926	179,445,375	164,471,762
Total game revenue	127,547,977	121,937,257	626,031,681	605,162,504
Permit fees	43,335	41,850	175,230	217,485
Reserve for bond fees	1,725	1,725	11,475	31,575
Retailer telephone fees	230,730	229,995	1,270,050	1,266,714
Miscellaneous revenue	6,679	7,455	26,756	28,589
Total revenue	127,830,446	122,218,282	627,515,191	606,706,866
Direct costs				
Commissions and incentives				
Retailer commissions	8,928,075	8,535,485	43,818,989	42,358,760
Retailer incentives	41,554	123,550	366,612	400,659
Total commissions and incentives	8,969,629	8,659,035	44,185,601	42,759,419
Prize expense				
Instant games	67,228,249	65,324,109	324,028,090	318,364,994
Terminal games	17,893,105	16,539,577	86,074,213	79,765,156
Total prize expense	85,121,354	81,863,686	410,102,303	398,130,150
Instant and terminal game direct costs				
Instant game costs	609,777	676,565	3,210,258	3,271,286
Terminal game costs	708,631	704,852	3,577,666	3,748,642
Total instant and terminal game direct costs	1,318,408	1,381,417	6,787,924	7,019,928
Total direct costs	95,409,392	91,904,139	461,075,827	447,909,497
Gross profit	32,421,054	30,314,143	166,439,364	158,797,369
Operating expenses				
Advertising - Lottery	611,351	687,871	3,582,099	3,618,497
Security & credit checks	16,727	20,093	120,568	114,948
Salaries	626,266	576,741	3,094,286	2,955,250
Draw talent / Contract employment	5,806	2,275	23,388	15,395
Overtime	515	189	1,466	1,474
Per diem - Commissioners	-	-	280	210
Employee benefits	206,937	144,880	1,023,776	969,431
Advertising for employment	618	-	1,037	419
Auditing & financial	12,759	19,800	64,332	99,762
Consultants	-	-	45,225	-
Depreciation & amortization	21,967	19,993	109,742	98,303
Dues & memberships	1,708	1,747	10,050	8,503
Education & training	2,995	70	8,945	18,309
Employee recognition	803	2,717	5,500	4,831
Insurance	21,813	22,057	112,846	99,935
Lease - Office space	51,099	51,044	255,451	255,345
Lease - Vehicles	246	6,326	(86)	13,920
Legal	14,131	1,320	47,856	5,006
Maintenance & repairs	11,502	9,215	24,935	25,582
Licenses & warranties	8,556	371	30,293	11,645
Miscellaneous expense	3,277	2,647	14,918	12,982
Postage & freight	151	111	9,754	17,836
Printing	6,465	5,741	33,447	21,889
Promotion - Retailers	5,913	5,559	46,018	9,003
Rent - Equipment	(1,927)	48	1,018	1,018
Security services	38,890	52,764	191,245	261,768
Services - Payroll	1,745	1,256	8,704	6,506
Supplies - Office	480	4,483	10,280	17,777
Supplies - Data processing	402	584	10,862	15,875
Telecommunications services	16,506	8,789	46,814	34,650
Telephone	9,145	8,422	46,567	47,211
Travel - Commissioners	-	-	1,042	578
Travel - Field service reps vehicle mileage	20,996	22,748	120,413	131,939
Travel - Staff & others	455	336	13,460	11,010
Utilities	(1,271)	16,500	11,021	20,265
Total operating expenses	1,717,024	1,696,696	9,127,552	8,927,073
Non-operating income (expense)				
Interest income	80	49	375	286
Gain (Loss) on asset disposal	-	-	44	70
Interest expense	-	-	(35)	-
Total non-operating income (expense)	80	49	384	356
Change in net position before amount remitted to Education Lottery Account	30,704,110	28,617,497	157,312,196	149,870,653
Remitted to the Education Lottery Account	27,374,746	27,748,934	159,840,793	148,314,896
Change in net position	3,329,364	868,563	(2,528,597)	1,555,757
Net position - beginning of period	26,376,312	27,414,060	32,234,273	26,726,867
Net position - end of period	\$ 29,705,676	\$ 28,282,623	\$ 29,705,676	\$ 28,282,623

South Carolina Education Lottery
Statement of Net Proceeds Due to the Education Lottery Account
For the Five Months Ending November 30, 2016

	Current Month	Year to Date
Change in net position before amount remitted to Education Lottery Account	\$ 30,704,110	\$ 157,312,196
Amount invested in capital assets, net of related debt		
Property, equipment & intellectual property	-	(15,450)
Accumulated depreciation & amortization	21,967	109,742
Net property, equipment & intellectual property	21,967	94,292
Capital assets, net of related debt	21,967	94,292
Restricted fidelity fund cash	(3,075)	(12,000)
Remitted to and due to the the Education Lottery Account	\$ 30,723,001	\$ 157,394,488

12/16/2016