

South Carolina Education Lottery
Statement of Net Assets
November 30, 2011

		Assets
Current Assets		
Cash	\$ 22,843,015	
Accounts Receivable	30,208,455	
Allowance for Doubtful Accounts	(264,729)	
Inventory - Instant Tickets	1,957,016	
Prepaid Expenses	<u>727,387</u>	
Total Current Assets		<u>\$ 55,471,142</u>
Long-Term Assets		
Reserve Accounts - MUSL		5,540,028
Property and Equipment		
Furniture, Fixtures & Equipment	910,090	
Data Processing Equipment	1,451,787	
Draw Equipment	285,578	
Vehicles	47,826	
Leaseholds	1,315,694	
Accumulated Depreciation	<u>(3,573,767)</u>	
Total Property & Equipment		<u>437,209</u>
Total Long-term Assets		<u>5,977,237</u>
 Total Assets		 <u><u>\$ 61,448,379</u></u>
		 Liabilities
Current Liabilities		
Payable to the SC State Treasurer for the Education Lottery Account	\$ 34,628,928	
Payable to the SC State Treasurer for Prizes Payable	21,760,859	
Accounts Payable	1,069,021	
Payable to MUSL	1,124,745	
Accrued Expenses	895,951	
Accrued Compensated Absences	550,561	
Deferred Revenue	<u>403,714</u>	
Total Current Liabilities		<u>\$ 60,433,779</u>
Long-term Liabilities		
Accrued Compensated Absences	<u>94,695</u>	
Total Long-term Liabilities		<u>94,695</u>
 Total Liabilities		 <u><u>\$ 60,528,474</u></u>
		 Net Assets
Invested in capital assets, net of related debt	\$ 437,209	
Restricted - Fidelity Funds	<u>482,697</u>	
Total Net Assets		<u><u>\$ 919,905</u></u>

South Carolina Education Lottery
Statement of Revenue, Expenses, and Changes in Net Assets
For the Five Months Ending November 30, 2011

	Current Month		Year to Date	
	Amount	Percent	Amount	Percent
Revenues				
Revenue - Instant Games	\$ 58,098,745	67.18%	\$ 291,164,100	66.98%
Revenue - Pick 3	10,792,817	12.48%	54,752,454	12.60%
Revenue - Pick 4	5,368,967	6.21%	26,878,943	6.18%
Revenue - Powerball	7,602,734	8.79%	38,019,098	8.75%
Revenue - Palmetto Cash 5	1,817,440	2.10%	9,337,654	2.15%
Revenue - Mega Millions	2,800,237	3.24%	14,563,138	3.35%
Total Game Revenues	<u>86,480,940</u>	100.00%	<u>434,715,386</u>	100.00%
Contra Revenue - AR Writeoffs	(128)	0.00%	(802)	0.00%
Permit Fees	33,075	0.04%	257,850	0.06%
Reserve for Bond	5,475	0.01%	16,125	0.00%
Retailer Telephone Fees	221,160	0.26%	1,224,675	0.28%
Miscellaneous Revenue	13,365	0.02%	83,038	0.02%
Total Revenues	<u>86,753,887</u>	100.32%	<u>436,296,271</u>	100.36%
Direct Costs				
Commissions and Incentives				
Retailer Commissions	6,053,873	7.00%	30,428,098	7.00%
Retailer Incentives	33,427	0.04%	231,894	0.05%
Total Commissions and Incentives	<u>6,087,300</u>	7.04%	<u>30,659,992</u>	7.05%
Prize Expense				
Instant Games	40,885,337	47.28%	206,994,142	47.62%
On-line Games	13,249,673	15.32%	66,966,091	15.40%
Total Prize Expense	<u>54,135,010</u>	62.60%	<u>273,960,233</u>	63.02%
Instant and On-line Direct Costs				
Instant Game Costs	491,073	0.57%	3,273,880	0.75%
On-line Game Costs	737,534	0.85%	3,649,654	0.84%
Total Instant and On-line Direct Costs	<u>1,228,607</u>	1.42%	<u>6,923,534</u>	1.59%
Total Direct Costs	<u>61,450,918</u>	71.06%	<u>311,543,759</u>	71.67%
Gross Profit	<u>25,302,969</u>	29.26%	<u>124,752,513</u>	28.70%
Operating Expenses				
Advertising - Lottery	738,561	0.85%	3,402,673	0.78%
Security & Credit Checks	12,495	0.01%	121,530	0.03%
Salaries	609,837	0.71%	3,038,957	0.70%
Draw Talent	5,237	0.01%	16,637	0.00%
Per Diem	280	0.00%	525	0.00%
Employee Benefits	174,821	0.20%	886,798	0.20%
Advertising Employment	419	0.00%	1,646	0.00%
Auditing & Financial	8,103	0.01%	67,762	0.02%
Consultants	350	0.00%	(23,442)	-0.01%
Depreciation	22,291	0.03%	113,101	0.03%
Dues & Memberships	325	0.00%	19,953	0.00%
Education & Training	757	0.00%	16,339	0.00%
Employee Recognition	-	0.00%	2,705	0.00%
Insurance	21,118	0.02%	112,085	0.03%
Lease - Office Space	57,520	0.07%	287,572	0.07%
Lease - Vehicles	8,519	0.01%	31,973	0.01%
Legal	332	0.00%	13,020	0.00%
Maintenance & Repairs	6,194	0.01%	32,354	0.01%
Licenses & Warranties	-	0.00%	307	0.00%
Miscellaneous Expense	1,717	0.00%	16,262	0.00%
Postage & Freight	891	0.00%	11,569	0.00%
Printing	1,890	0.00%	9,545	0.00%
Promotion - Retailers	419	0.00%	2,513	0.00%
Rent - Equipment	738	0.00%	(1,258)	0.00%
Security Services	48,896	0.06%	244,491	0.06%
Services - Payroll	1,711	0.00%	8,776	0.00%
Supplies - Office	1,637	0.00%	21,551	0.00%
Supplies - Data Processing	1,056	0.00%	17,376	0.00%
Telecommunications Services	5,107	0.01%	25,211	0.01%
Telephone	16,120	0.02%	63,827	0.01%
Travel - Commissioners	507	0.00%	899	0.00%
Travel - Field Service Reps Vehicle Mileage	19,356	0.02%	122,546	0.03%
Travel - Others	399	0.00%	12,499	0.00%
Utilities	2,738	0.00%	11,297	0.00%
Total Operating Expenses	<u>1,770,342</u>	2.05%	<u>8,709,600</u>	2.00%
Non-Operating Income (Expense)				
Interest Income	1,451	0.00%	7,302	0.00%
Total Non-Operating Income (Expense)	<u>1,451</u>	0.00%	<u>7,302</u>	0.00%
Change in Net Assets before transfers to and				
due to the Education Lottery Account	23,534,079	27.21%	116,050,215	26.70%
Expensed to and due to the Education Lottery Account	<u>23,553,473</u>	27.24%	<u>116,139,576</u>	26.72%
Change in Net Assets	(19,394)	-0.02%	(89,361)	-0.02%
Net Assets - Beginning of Period	939,299	1.09%	1,009,266	0.23%
Net Assets - End of Period	<u>\$ 919,905</u>	1.06%	<u>\$ 919,905</u>	0.21%

South Carolina Education Lottery
Statement of Net Proceeds Due to the Education Lottery Account
For the Five Months Ending November 30, 2011

	Current Month	Year to Date
Change in Net Assets subject to transfer	\$ 23,534,079	\$ 116,050,215
Amount invested in capital assets, net of related debt		
Property & Equipment	-	(10,152)
Accumulated Depreciation	22,291	113,101
Net Property & Equipment	22,291	102,949
Capital Assets, Net of Related Debt	22,291	102,949
Restricted Fidelity Fund Cash	(2,897)	(13,588)
Transfers to and due to the the Education Lottery Account	\$ 23,553,473	\$ 116,139,576

12/7/2011