

MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF NET POSITION
For the Second Quarter Ending December 31, 2022

ASSETS

Current Assets:

Cash	\$38,323,871.76
Retailer accounts receivable	15,663,109.16
Prepaid insurance	253,489.77
Other current assets	2,489,259.31
Total current assets	<u>56,729,730.00</u>

Noncurrent assets:

Capital assets, net of depreciation	1,202,515.68
Lease assets, net	1,641,698.07
Total noncurrent assets	<u>2,844,213.75</u>

Total assets	<u><u>59,573,943.75</u></u>
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LIABILITIES

Current liabilities:

Due to State of MS Lottery Proceeds Fund	10,501,678.23
Prizes payable	43,860,686.14
Accounts payable	852,670.04
Accrued liabilities	746,383.09
Unearned revenues	768,312.50
Lease liability	200,147.27
Total current liabilities	<u>56,929,877.27</u>

Noncurrent liabilities:

Lease liability	1,520,548.01
Total noncurrent liabilities	<u>1,520,548.01</u>

Total liabilities	<u>58,450,425.28</u>
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NET POSITION

Investment in capital assets	1,123,518.47
Total net position	<u>1,123,518.47</u>

Total liabilities and net position	<u><u>\$59,573,943.75</u></u>
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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2022

	October	%	November	%	December	%	2nd Qtr Oct.1-Dec. 31, 2022	%
OPERATING REVENUES								
Instant ticket sales	\$25,959,834.00	67.34%	\$26,168,793.00	56.11%	\$28,603,469.00	70.83%	\$80,732,096.00	64.29%
Draw style game sales	12,591,294.00	32.66%	20,471,172.00	43.89%	11,780,348.50	29.17%	44,842,814.50	35.71%
Gross ticket sales	38,551,128.00	100.00%	46,639,965.00	100.00%	40,383,817.50	100.00%	125,574,910.50	100.00%
Less tickets provided as prizes	(379,559.00)	(0.98%)	(477,692.00)	(1.02%)	(377,940.00)	(0.94%)	(1,235,191.00)	(0.98%)
Net ticket sales	38,171,569.00	99.02%	46,162,273.00	98.98%	40,005,877.50	99.06%	124,339,719.50	99.02%
OPERATING PRIZE EXPENSE								
Net prizes	24,501,341.58	63.56%	28,511,863.29	61.13%	25,336,276.00	62.74%	78,349,480.87	62.39%
GROSS PROFIT ON SALE OF TICKETS	13,670,227.42	35.46%	17,650,409.71	37.84%	14,669,601.50	36.33%	45,990,238.63	36.62%
OTHER ADMINISTRATIVE OPERATING EXPENSES								
Retailer commissions	2,312,889.93	6.00%	2,798,158.44	6.00%	2,422,869.15	6.00%	7,533,917.52	6.00%
Gaming vendor fees	1,115,554.29	2.89%	1,269,327.13	2.72%	1,200,581.97	2.97%	3,585,463.39	2.86%
Contractor Fees	5,675.00	0.01%	9,218.75	0.02%	5,675.00	0.01%	20,568.75	0.02%
Advertising	247,401.57	0.64%	221,430.92	0.47%	228,162.78	0.56%	696,995.27	0.56%
Other gaming expense	76,140.04	0.20%	57,914.73	0.12%	(18,898.56)	(0.05%)	115,156.21	0.09%
Salaries and benefits	454,388.73	1.18%	476,351.68	1.02%	339,770.14	0.84%	1,270,510.55	1.01%
Retailer merchandising and marketing	11,136.47	0.03%	50,505.45	0.11%	24,223.35	0.06%	85,865.27	0.07%
Rent, utilities, and maintenance	32,635.57	0.08%	33,138.71	0.07%	31,357.06	0.08%	97,131.34	0.08%
Depreciation	33,877.52	0.09%	37,456.23	0.08%	33,946.33	0.08%	105,280.08	0.08%
Professional fees	33,261.42	0.09%	56,974.55	0.12%	37,066.42	0.09%	127,302.39	0.10%
General, administrative, and other operating	75,260.22	0.20%	77,692.03	0.17%	87,717.67	0.22%	240,669.92	0.19%
Total other administrative operating expenses	4,398,220.76	11.41%	5,088,168.62	10.91%	4,392,471.31	10.88%	13,878,860.69	11.05%
OTHER OPERATING REVENUE	180,461.00	0.47%	144,407.00	0.31%	181,003.04	0.45%	505,871.04	0.40%
TOTAL OPERATING INCOME	9,452,467.66	24.52%	12,706,648.09	27.24%	10,458,133.23	25.90%	32,617,248.98	25.97%
NONOPERATING REVENUES (EXPENSES)								
Other revenue		0.00%		0.00%	16,936.20	0.04%	16,936.20	0.01%
Interest revenue	93,165.22	0.24%	105,603.15	0.23%	131,013.02	0.32%	329,781.39	0.26%
Interest expense								
Proceeds to State of Mississippi	(9,579,510.40)	(24.85%)	(12,849,707.47)	(27.55%)	(10,501,678.23)	(26.00%)	(32,930,896.10)	(26.22%)
Total nonoperating revenues (expenses)	(9,486,345.18)	(24.61%)	(12,744,104.32)	(27.32%)	(10,353,729.01)	(25.64%)	(32,584,178.51)	(25.95%)
CHANGE IN NET POSITION	(33,877.52)	(0.09%)	(37,456.23)	(0.08%)	104,404.22	0.26%	33,070.47	0.03%
NET POSITION								
Net Position, Beginning of Year	1,090,448.00	2.83%	1,056,570.48	2.27%	1,019,114.25	2.52%	1,090,448.00	0.87%
Net position, End of Year	\$1,056,570.48	2.74%	\$1,019,114.25	2.19%	\$1,123,518.47	2.78%	\$1,123,518.47	0.89%

% shown as a percentage of gross ticket sales

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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2022

	2nd Qtr Oct.1-Dec. 31, 2022	%	YTD	%
OPERATING REVENUES				
Instant ticket sales	\$80,732,096.00	64.29%	\$152,889,553.00	65.64%
Draw style game sales	44,842,814.50	35.71%	80,031,533.50	34.36%
Gross ticket sales	125,574,910.50	100.00%	232,921,086.50	100.00%
Less tickets provided as prizes	(1,235,191.00)	(0.98%)	(2,628,009.00)	(1.13%)
Net ticket sales	124,339,719.50	99.02%	230,293,077.50	98.87%
OPERATING PRIZE EXPENSE				
Net prizes	78,349,480.87	62.39%	144,364,294.07	61.98%
GROSS PROFIT ON SALE OF TICKETS	45,990,238.63	36.62%	85,928,783.43	36.89%
OTHER ADMINISTRATIVE OPERATING EXPENSES				
Retailer commissions	7,533,917.52	6.00%	13,974,304.50	6.00%
Gaming vendor fees	3,585,463.39	2.86%	6,692,839.58	2.87%
Contractor Fees	20,568.75	0.02%	37,593.75	0.02%
Advertising	696,995.27	0.56%	1,498,484.39	0.64%
Other gaming expense	115,156.21	0.09%	227,932.57	0.10%
Salaries and benefits	1,270,510.55	1.01%	2,577,713.34	1.11%
Retailer merchandising and marketing	85,865.27	0.07%	102,178.45	0.04%
Rent, utilities, and maintenance	97,131.34	0.08%	194,453.45	0.08%
Depreciation	105,280.08	0.08%	206,912.64	0.09%
Professional fees	127,302.39	0.10%	281,357.29	0.12%
General, administrative, and other operating	240,669.92	0.19%	495,705.11	0.21%
Total other administrative operating expenses	13,878,860.69	11.05%	26,289,475.07	11.29%
OTHER OPERATING REVENUE	505,871.04	0.40%	978,003.04	0.42%
TOTAL OPERATING INCOME	32,617,248.98	25.97%	60,617,311.40	26.02%
NONOPERATING REVENUES (EXPENSES)				
Other revenue	16,936.20	0.01%	16,936.20	0.01%
Interest revenue	329,781.39	0.26%	517,725.35	0.22%
Interest expense				
Proceeds to State of Mississippi	(32,930,896.10)	(26.22%)	(61,220,535.04)	(26.28%)
Total nonoperating revenues (expenses)	(32,584,178.51)	(25.95%)	(60,685,873.49)	(26.05%)
CHANGE IN NET POSITION	33,070.47	0.03%	(68,562.09)	(0.03%)
NET POSITION				
Net Position, Beginning of Year	1,090,448.00	0.87%	1,192,080.56	0.51%
Net position, End of Year	\$1,123,518.47	0.89%	\$1,123,518.47	0.48%

% shown as a percentage of gross ticket sales

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MISSISSIPPI LOTTERY CORPORATION
 PRIZE EXPENSE % CALCULATION
 For the Second Quarter Ending December 31, 2022

	2nd Qtr			
	Oct.1-Dec. 31, 2022	%	YTD	%
OPERATING REVENUES				
Instant ticket sales	\$80,732,096.00	64.29%	\$152,889,553.00	65.64%
Draw ticket sales	\$44,842,814.50	35.71%	\$80,031,533.50	34.36%
Gross ticket revenue	<u>125,574,910.50</u>	<u>100.00%</u>	<u>232,921,086.50</u>	<u>100.00%</u>
TOTAL PRIZES				
Prize Expense	78,349,480.87	62.39%	144,364,294.07	61.98%
Tickets provided as prizes	1,235,191.00	0.98%	2,628,009.00	1.13%
Total Prizes	<u>79,584,671.87</u>	<u>63.38%</u>	<u>146,992,303.07</u>	<u>63.11%</u>

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