



Arkansas
Scholarship Lottery

Office of the Arkansas Lottery
Report from the Director
August 20, 2015

Comparative Income Statements

Fiscal Year Ended June 30, 2015 Compared to June 30, 2014

GAAP Basis Income Statement	Year Ended June 30, 2015	Year Ended June 30, 2014	Favorable/ (Unfavorable)	Percentage Variance
Revenues				
Instant Tickets	\$ 335,000,613	\$ 322,415,276	\$ 12,585,337	3.9%
Online Tickets	73,662,767	87,657,850	(13,995,083)	-16.0%
Retailer App / Fidelity and Other	571,296	564,842	6,454	1.1%
Total Revenues	409,234,676	410,637,968	(1,403,292)	-0.3%
Operating Expense				
Instant Game Prizes	241,758,220	229,462,196	(12,296,024)	-5.4%
On-Line Game Prizes	38,708,574	45,487,903	6,779,329	14.9%
Retailer Commissions	23,253,196	23,046,410	(206,786)	-0.9%
Gaming Contract Costs	20,617,527	20,511,439	(106,088)	-0.5%
Marketing and Advertising	5,032,317	4,472,456	(559,861)	-12.5%
General and Administrative	7,204,779	7,600,139	395,360	5.2%
Other Agencies Services	579,960	890,636	310,676	34.9%
Total Operating Expenses	337,154,573	331,471,179	(5,683,394)	-1.7%
Operating Income	72,080,103	79,166,789	(7,086,686)	-9.0%
Interest Income	224,546	252,614	(28,068)	-11.1%
Other Non Operating Income	-	461,047	(461,047)	-100.0
Income Before Transfers	\$ 72,304,649	\$ 79,880,450	\$ (7,575,801)	-9.5%
Net Proceeds	\$ 72,450,246	\$ 81,488,844	\$ (9,038,598)	-11.1%

Comparative Income Statements

For July 2015 and July 2014

GAAP Basis Income				Favorable/	Percentage
Statement		July 2015	July 2014	(Unfavorable)	Variance
Revenues					
	Instant Tickets	\$ 25,802,808	\$ 25,741,338	\$ 61,470	0.2%
	Online Tickets	5,820,477	5,141,214	679,263	13.2%
	Retailer App / Fidelity and Other	42,366	42,515	(149)	-0.4%
	Total Revenues	31,665,651	30,925,067	740,584	2.4%
Operating Expense					
	Instant Game Prizes	18,842,430	17,845,447	(996,983)	-5.6%
	On-Line Game Prizes	3,055,199	2,697,035	(358,164)	-13.3%
	Retailer Commissions	1,812,793	1,728,431	(84,362)	-4.9%
	Gaming Contract Costs	1,419,943	1,531,888	111,945	7.3%
	Marketing and Advertising	221,681	52,713	(168,968)	-320.5%
	General and Administrative	485,499	702,013	216,514	30.8%
	Other Agencies Services	53,800	74,000	20,200	27.3%
	Total Operating Expenses	25,891,345	24,631,527	(1,259,818)	-5.1%
	Operating Income	5,774,306	6,293,540	(519,234)	-8.3%
	Interest Income	22,819	26,315	(3,496)	-13.3%
	Other Non Operating Income	-	-	-	-
	Income Before Transfers	\$ 5,797,125	\$ 6,319,855	\$ (522,730)	-8.3%
	Net Proceeds	\$ 5,784,683	\$ 5,928,448	\$ (143,765)	-2.4%
Note – Net Proceeds does not includes unclaimed prizes.					

Comparative Income Statements

For July 2015 Actual Versus Budget

GAAP Basis Income		July 2015	July 2015	Favorable/	Percentage
Statement		Actual	Budget	(Unfavorable)	Variance
Revenues					
	Instant Tickets	\$ 25,802,808	\$ 25,622,143	\$ 180,665	0.7%
	Online Tickets	5,820,477	6,026,114	(205,637)	-3.4%
	Retailer App / Fidelity and Other	42,366	43,048	(682)	-1.6%
	Total Revenues	31,665,651	31,691,305	(25,654)	-0.1%
Operating Expense					
	Instant Game Prizes	18,842,430	18,085,753	(756,677)	-4.2%
	On-Line Game Prizes	3,055,199	2,975,555	(79,644)	-2.7%
	Retailer Commissions	1,812,793	1,800,448	(12,345)	-0.7%
	Gaming Contract Costs	1,419,943	1,484,089	64,146	4.3%
	Marketing and Advertising	221,681	416,660	194,979	46.8%
	General and Administrative	485,499	570,849	85,350	15.0%
	Other Agencies Services	53,800	52,500	(1,300)	-2.5%
	Total Operating Expenses	25,891,345	25,385,854	(505,491)	-2.0%
	Operating Income	5,774,306	6,305,451	(531,145)	-8.4%
	Interest Income	22,819	16,405	6,414	39.1%
	Other Non Operating Income	-	-	-	-
	Income Before Transfers	\$ 5,797,125	\$ 6,321,856	\$ (524,731)	-8.3%
	Net Proceeds	\$ 5,784,683	\$ 5,898,027	\$ (113,344)	-1.9%
Note – Net Proceeds does not includes unclaimed prizes.					

ADHE Transfer Analysis

	2016	2016 Unclaimed	Total	2016	Over/Under	Cumulative
Month	Net Proceeds	Prizes	Transfer	Budget	Budget	Balance
July,2015	\$ 5,784,683	\$ 121,937	\$ 5,906,620	\$ 6,321,857	\$ (415,237)	\$ (415,237)
August						
September						
October						
November						
December						
January, 2016						
February						
March						
April						
May						
June						
Sub total	5,784,683	121,937	5,906,620	6,321,857		(415,237)
Reserve for GPW						
Total	\$ 5,784,683	\$ 121,937	\$ 5,906,620	\$ 6,321,857		\$ (415,237)