We completed an audit of the financial statements of the Rhode Island Lottery (Lottery) for the fiscal year ended June 30, 2021. The Lottery paid $301.8 million to the State’s General Fund for the fiscal year ended June 30, 2021. The amounts paid to the General Fund represent the Lottery’s net income after payment of prize awards, commissions, and operating expenses.

The total amount transferred to the State increased $17.9 million over the previous fiscal year ended June 30, 2020. While increased, the fiscal 2021 transfer to the State was less than amounts transferred in fiscal 2019 prior to the pandemic.

The Lottery’s gross profit from gaming operations before operating expenses totaled $314.8 million for the fiscal year ended June 30, 2021. Video lottery accounted for $209.2 million or 66.4% of total gross profit.

Net video lottery revenue decreased by approximately 2.3% compared to the prior year. On-line revenue increased by 16.4% and instant ticket revenue increased 19.5% over prior year amounts. The Lottery’s operating expenses totaled approximately $14.6 million for the year ended June 30, 2021.

Net revenue from table games totaled $79.5 million for the year ended June 30, 2021. After commissions paid to the facilities and the towns, and related operating expenses, the State’s share of net revenue from table games amounted to $12.2 million.

Sportsbook gross profit totaled $19.1 million, after commissions, payouts, and marketing expenses. Sportsbook revenue increased 76.3% in fiscal 2021 with the resumption of sporting events and more patrons using the mobile Sportsbook application.

We concluded that the Lottery’s financial statements for the year ended June 30, 2021 were fairly presented in accordance with accounting principles generally accepted in the United States of America.

The Lottery disclosed the continuing impacts on revenue due to the global pandemic and increasing competition from gaming activities in neighboring states.