

## **LBA Financial Audit Report Summary:**

### **Sweepstakes Commission Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2001**

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The New Hampshire Sweepstakes Commission (the Commission) was established in 1964 by Chapter 284:21-a of the New Hampshire Revised Statutes Annotated and became the first modern state-run lottery program to benefit public education. The Commission has three members appointed by the Governor and an executive director who is appointed by the Commission. The Commission operates both instant and on-line games for the purpose of funding state aid to education. The Commission is a member of two joint lottery ventures, the Tri-State Lotto Commission and the Multi-State Lottery Association, and offers the Megabucks and Powerball games among others. The Commission also licenses and taxes charitable organizations which hold Bingo games and the manufacture, distribution and retail sale of Lucky 7 tickets.

During fiscal year 2001, the Commission had total sales of \$196.2 million, a 3% increase from 2000. The majority of sales, as in past years, continued to be from instant "scratch" tickets, accounting for 71% of fiscal year 2001 sales. Net profit contributed toward public education totaled \$59.3 million, exceeding by \$3.3 million the Commission's estimated share of state aid to education.

We audited the general purpose financial statements of the Commission as of and for the years ended June 30, 2001 and 2000 and issued our unqualified report thereon dated November 30, 2001. A copy of the Commission's comprehensive annual financial report may be obtained from the New Hampshire Sweepstakes Commission, P.O. Box 1208, Concord, New Hampshire, 03302-1208.

A management letter dated November 30, 2001 describing certain internal control, compliance, and other management matters has been issued under a separate cover.