

STATE OF MARYLAND

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

Enterprise Funds

for the year ended June 30, 1997

(Expressed in Thousands)

	Economic Development		Maryland State Lottery Agency	State Use Industries	Total
	Insurance Programs	Loan Programs			
Operating revenues:					
Lottery ticket sales			\$1,043,583		\$1,043,583
Charges for services and sales	\$ 8,950	\$ 3,609		\$28,346	40,905
Interest and other investment income	5,756	227,152			232,908
Other.....	31	6,414			6,445
Total operating revenues	14,737	237,175	1,043,583	28,346	1,323,841
Operating expenses:					
Prizes and claims			551,707		551,707
Commissions and bonuses			57,091		57,091
Cost of sales and services				23,406	23,406
Operation and maintenance of facilities		9,637			9,637
General and administrative	2,230	12,019	39,407	3,577	57,233
Interest.....		170,952			170,952
Depreciation and amortization	16	1,259	770	806	2,851
Provision for insurance and loan losses	27,207	14,658			41,865
Other.....		24,791			24,791
Total operating expenses	29,453	233,316	648,975	27,789	939,533
Operating income (loss)	(14,716)	3,859	394,608	557	384,308
Non-operating revenues (expenses):					
Investment income.....		737			737
Interest expense			(435)		(435)
Other.....		3,706		(1)	3,705
Income (loss) before transfers	(14,716)	8,302	394,173	556	388,315
Operating transfers in		41,966			41,966
Operating transfers out.....	(1,369)	(4,818)	(392,653)		(398,840)
Net income (loss).....	(16,085)	45,450	1,520	556	31,441
Add: Depreciation of assets acquired from contributed capital.....				248	248
Increase (decrease) in retained earnings.....	(16,085)	45,450	1,520	804	31,689
Retained earnings, July 1, 1996	48,017	256,188	2,719	14,120	321,044
Cumulative effect of accounting change for investments.....		38,697			38,697
Retained earnings, June 30, 1997.....	\$ 31,932	\$340,335	\$ 4,239	\$14,924	\$ 391,430

The accompanying notes to the general purpose financial statements are an integral part of these financial statements.