

## Operational Highlights

- Nova Scotia had a \$0.7 million Scratch’N Win “Set for Life” ticket winner and a \$0.5 million Lotto Max winner.
- There were eleven Lotto Max \$50+ million plus MAXMILLION draws and one Lotto 6/49 jackpot over \$20 million.
- Four new Scratch’N Win tickets and two new Breakopen tickets were launched.
- The “Rake Up the Cash” video lottery contest launched, in addition to a new game “Wild Life Extreme”.
- Casino Nova Scotia promotions included “Festive Feast Buffet” and “Your Holiday Wishlist”. Entertainment included Jann Arden, Burton Cummings, Serena Ryder and a comedy event with Ken Jeong.

## Community Highlights

- *Support4Sport* provided \$1.0 million in dedicated profits for amateur sports in Nova Scotia and sponsored the Nova Scotia Sport Hall of Fame Induction Night and Canada’s Great Kitchen Party.
- *Support4Culture* provided \$0.8 million for initiatives such as the Creative Nova Scotia Gala and the Halifax POP Explosion.
- Responsible Gambling Awareness Week occurred, with activities aimed at reaching Nova Scotians with important educational messages about responsible gambling.
- NSGC supported three Monte Carlo nights as part of the *Support4Communities* Casino Nights program, helping raise more than \$37,000 for organizations in those host communities.

For more information visit: [www.gamingns.ca](http://www.gamingns.ca)



### **\$40.8 million was paid to the Province in the third quarter.**

This is \$3.8 million higher than the same quarter last year primarily due to higher ticket lottery revenue and the timing of contributions to responsible gambling programs.

Overall, revenue from gaming is higher than the same quarter last year due to increased ticket lottery sales from more frequent high dollar jackpots and new games.

Contributions and expenditures for responsible gambling and prevention programming initiatives totalled \$1.5 million.

## Consolidated Statement of Financial Position

As at December 31, 2018 (unaudited) (in thousands)

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 10,755	\$ 16,644
Cash – restricted	6,026	5,495
Trade and other receivables	1,421	1,087
Prepaid expenses	3,348	5,314
Inventories	4,004	2,772
	<u>25,554</u>	<u>31,312</u>
<b>Non-current assets</b>		
Property, plant and equipment	71,403	80,634
Cash – casino capital replacement reserve	7,519	6,517
Disputed HST assessments	67,460	59,627
Investment in Atlantic Lottery Corporation	18,879	14,175
Investment in Interprovincial Lottery Corporation	1	1
	<u>165,262</u>	<u>160,954</u>
	<u>\$ 190,816</u>	<u>\$ 192,266</u>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Bank indebtedness	\$ 148	\$ 84
Trade and other payables	20,825	26,527
Deferred revenue	638	736
Liabilities for unclaimed prizes	6,026	5,495
Due to Atlantic Gaming Equipment Limited	6,970	5,159
Other liabilities	1,309	1,291
Due to Province of Nova Scotia	111,525	105,958
	<u>147,441</u>	<u>145,250</u>
<b>Non-current liabilities</b>		
Due to Atlantic Gaming Equipment Limited	7,190	15,809
Other long term liabilities - asset retirement obligation	250	254
	<u>7,440</u>	<u>16,063</u>
<b>EQUITY</b>		
Casino capital replacement reserve	20,399	20,028
Retained earnings	15,536	10,925
	<u>35,935</u>	<u>30,953</u>
	<u>\$ 190,816</u>	<u>\$ 192,266</u>

**DID YOU  
KNOW?**

Nova Scotia Gaming Corporation is the Crown Corporation responsible for managing the business of gaming in the province. We help make Nova Scotia a better place by returning 100% of the profits to government programs and good causes that are important to Nova Scotians.

## Consolidated Statement of Net and Comprehensive Income

For the third quarter ended December 31, 2018 (unaudited) (in thousands)



	2018						2017							
	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date
Revenues	\$ 21,272	\$ 66,889	\$ 32,246	\$ -	\$ -	\$ 120,407	\$ 351,658	\$ 21,507	\$ 61,952	\$ 33,940	\$ -	\$ -	\$ 117,399	\$ 337,341
Expenses	17,862	50,481	10,451	395	905	80,094	237,813	18,016	49,142	10,502	444	754	78,858	226,770
Net profit	3,410	16,408	21,795	(395)	(905)	40,313	113,845	3,491	12,810	23,438	(444)	(754)	38,541	110,571
Contributions	-	-	-	(1,120)	(2,139)	(3,259)	(11,570)	-	-	-	(3,132)	(2,269)	(5,401)	(11,440)
Net Income	3,410	16,408	21,795	(1,515)	(3,044)	37,054	102,275	3,491	12,810	23,438	(3,576)	(3,023)	33,140	99,131
Win Tax	3,707	-	-	-	-	3,707	11,901	3,816	-	-	-	-	3,816	11,887
Payment to Province	\$ 7,117	\$ 16,408	\$ 21,795	\$ (1,515)	\$ (3,044)	\$ 40,761	\$ 114,176	\$ 7,307	\$ 12,810	\$ 23,438	\$ (3,576)	\$ (3,023)	\$ 36,956	\$ 111,018

## Consolidated Statement of Changes in Equity

For the third quarter ended December 31, 2018  
(unaudited) (in thousands)

	2018		2017	
	3rd Quarter	Year to date	3rd Quarter	Year to date
Casino Capital Replacement Reserve				
Casino Capital Replacement Reserve, beginning of period	\$ 19,218	\$ 16,723	\$ 18,700	\$ 15,975
Change in reserve	1,181	3,676	1,328	4,053
Casino Capital Replacement Reserve, end of period	20,399	20,399	20,028	20,028
Retained Earnings				
Retained earnings, beginning of period	14,356	11,970	9,731	7,346
Net and comprehensive income	40,761	114,176	36,956	111,018
Change in investment in Atlantic Lottery Corporation	1,180	3,566	1,194	3,579
Payment to Province	(40,761)	(114,176)	(36,956)	(111,018)
Retained earnings, end of period	15,536	15,536	10,925	10,925
Equity, end of period	\$ 35,935	\$ 35,935	\$ 30,953	\$ 30,953

## Consolidated Statement of Cash Flows

For the third quarter ended December 31, 2018 (unaudited) (in thousands)

	<u>2018</u>	<u>2017</u>
<b>Operating</b>		
Net and comprehensive income	\$ 40,761	\$ 36,956
Allocation of income to Province	(40,761)	(36,956)
Depreciation	2,122	2,208
Loss on disposal of capital assets	22	-
Net transfers of property, plant and equipment	53	(74)
Net changes in non-cash working capital	<u>(6,555)</u>	<u>4,403</u>
	<u>(4,358)</u>	<u>6,537</u>
<b>Financing</b>		
Decrease in obligation to Atlantic Gaming Equipment Limited	<u>(1,736)</u>	<u>(1,670)</u>
	<u>(1,736)</u>	<u>(1,670)</u>
<b>Investing</b>		
Purchases of capital assets, net additions	(457)	(3,705)
Change in investment of Atlantic Lottery Corporation	(883)	(882)
Increase in Casino Capital Replacement Reserve, net of cash	<u>424</u>	<u>3,765</u>
	<u>(916)</u>	<u>(822)</u>
Net (decrease)/increase in cash & cash equivalents	(7,010)	4,045
Cash & cash equivalents, beginning of quarter	<u>17,617</u>	<u>12,515</u>
Cash & cash equivalents, end of quarter	<u>\$ 10,607</u>	<u>\$ 16,560</u>

**DID YOU  
KNOW?**

Proceeds from the sale of designated lottery products fund the *Support4Sport* program. *Support4Sport* is the largest source of funding for amateur sports in the province and has helped raise over \$38 million since it was introduced in 2006.