

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statement of Net Position
(Unaudited)**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 51,375,638	\$ 64,713,902
Investments - short term	171,317,779	240,010,109
Accounts and claims receivable, net	943,078	1,589,459
Due from other funds - Note 9	-	-
Merchandise inventories, net	240,868,361	217,628,296
Operating supplies	712,416	704,424
Prepaid expenses	1,697,067	2,223,090
	466,914,339	526,869,280
Total current assets		
Non-current assets:		
Non-depreciable capital assets:		
Land	-	322,973
Depreciable or amortizable capital assets:		
Building	2,303,472	10,837,326
Leasehold improvements	209,134	209,134
Machinery and equipment	44,006,469	45,084,347
Intangible - internally generated software	78,029,689	82,252,936
Intangible - right to use leases - Note 10	510,149,968	452,422,066
Intangible - right to use IT subscriptions - Note 11	21,533,803	20,835,288
Less: accumulated depreciation or amortization	376,255,890	317,920,756
Net depreciable or amortizable capital assets	279,976,645	293,720,340
Total non-current capital assets	279,976,645	294,043,313
Total assets	\$ 746,890,984	\$ 820,912,593
Total deferred outflows of resources - Notes 5, 6	\$ 157,675,444	\$ 193,316,974
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	\$ 308,967,170	\$ 322,484,332
Other accounts payable	47,926,721	27,487,035
Accrued expenses	28,248,981	26,739,483
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,656,084	4,767,807
Due to other funds - Note 9	9,816,477	6,019,139
Due to fiduciary funds - Note 9	4,331,463	4,023,696
Due to other governments - Note 9	1,294,966	1,183,798
Right to use liabilities - Note 10	63,073,841	63,474,715
Total current liabilities	468,315,703	456,180,005
Non-current liabilities:		
OPEB - Note 6	299,710,000	317,406,000
Self-insurance, workers' compensation - Note 7	46,220,064	42,229,790
Net pension liability - Note 5	526,724,463	537,784,715
Compensated absences - Note 1	28,385,848	26,266,236
Right to use liabilities - Note 10	177,365,748	176,885,959
Total non-current liabilities	1,078,406,123	1,100,572,700
Total liabilities	\$ 1,546,721,826	\$ 1,556,752,705
Total deferred inflows of resources - Notes 5, 6	\$ 172,955,452	\$ 206,690,667
<u>NET POSITION</u>		
Net investment in capital assets	\$ 39,537,056	\$ 53,682,639
Deficit	(854,647,906)	(802,896,444)
Total net position	\$ (815,110,850)	\$ (749,213,805)

The accompanying notes are an integral part of these statements.

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Twelve Months Ending June 30, 2025 and June 30, 2024
(Unaudited)

	2024-25	2023-24
Sales net of taxes	\$ 2,530,583,669	\$ 2,545,114,055
Cost of goods sold	(1,750,258,281)	(1,725,332,882)
Gross profit from sales	780,325,388	819,781,173
Operating (expenses):		
Wholesale	(34,720,956)	(29,046,701)
Retail	(466,905,840)	(414,824,412)
E-Commerce	(2,627,592)	(2,285,715)
Regulatory	(16,977,165)	(13,436,505)
Enterprise	(113,981,393)	(113,009,823)
Commonwealth provided services - Note 2	(23,873,065)	(19,541,691)
Total	(659,086,011)	(592,144,847)
Operating profit/(loss)	121,239,377	227,636,326
Other operating revenues (expenses):		
Enforcement fines	1,281,866	1,327,067
License fees	40,853,309	32,763,562
Miscellaneous income	2,316,285	2,337,900
Total	44,451,460	36,428,529
Total operating income/(loss)	165,690,837	264,064,855
Miscellaneous revenues (expenses):		
Interest income (expense)	6,323,941	11,023,171
Other	(500,896)	31,788
Total	5,823,045	11,054,959
Income/(Loss) before operating transfers	171,513,882	275,119,814
Operating transfers out:		
PSP enforcement - Note 3	(36,343,030)	(33,034,468)
Net Income/(Loss) from operations	135,170,852	242,085,346
Statutory Transfers:		
General fund - Note 4	(194,627,004)	(185,100,000)
Drug and alcohol programs - Note 4	(2,703,417)	(4,841,707)
Department of Agriculture - Note 4	(3,737,476)	-
Total	(201,067,897)	(189,941,707)
Change in net position	(65,897,045)	52,143,639
Total net position - beginning	(749,213,805)	(801,357,444)
Total net position - ending	\$ (815,110,850)	\$ (749,213,805)

The accompanying notes are an integral part of these statements.

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Month Ending June 30, 2025 and June 30, 2024
(Unaudited)

	2024-25	2023-24
Sales net of taxes	\$ 196,640,693	\$ 205,416,542
Cost of goods sold	(133,423,392)	(136,851,035)
Gross profit from sales	63,217,301	68,565,507
Operating (expenses):		
Wholesale	(3,470,225)	(799,038)
Retail	(44,701,786)	(31,472,057)
E-Commerce	(93,033)	(91,750)
Regulatory	(1,551,351)	26,646
Enterprise	(13,934,233)	(8,233,086)
Commonwealth provided services - Note 2	(1,989,147)	(2,213,784)
Total	(65,739,775)	(42,783,069)
Operating profit/(loss)	(2,522,474)	25,782,438
Other operating revenues (expenses):		
Enforcement fines	94,474	341,871
License fees	2,875,270	2,422,379
Miscellaneous income	516,206	166,726
Total	3,485,950	2,930,976
Total operating income/(loss)	963,476	28,713,414
Miscellaneous revenues (expenses):		
Interest income (expense)	200,160	624,593
Other	1,486	14,780
Total	201,646	639,373
Income/(Loss) before operating transfers	1,165,122	29,352,787
Operating transfers out:		
PSP enforcement - Note 3	(2,485,898)	(2,372,458)
Net Income/(Loss) from operations	(1,320,776)	26,980,329
Statutory Transfers:		
General fund - Note 4	(9,527,004)	-
Drug and alcohol programs - Note 4	(2,703,417)	(4,841,707)
Department of Agriculture - Note 4	(737,476)	-
Total	(12,967,897)	(4,841,707)
Change in net position	(14,288,673)	22,138,622
Total net position - beginning	(800,822,177)	(771,352,427)
Total net position - ending	\$ (815,110,850)	\$ (749,213,805)

The accompanying notes are an integral part of these statements.

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statement of Cash Flows
For The Twelve Months Ending June 30, 2025 and June 30, 2024
(Unaudited)**

	<u>FY24</u>	<u>FY23</u>
Cash flows from operating activities:		
Receipts from customers	\$ 2,575,681,510	\$ 2,585,340,988
Payments to suppliers	<u>(2,356,687,600)</u>	<u>(2,369,848,556)</u>
Net cash provided by/(used for) operating activities	218,993,910	215,492,432
Cash flows from noncapital financing activities:		
PSP expenses	(36,343,030)	(33,034,468)
General fund transfer	(194,627,004)	(185,100,000)
DDAP transfer	-	(9,574,016)
Department of Agriculture transfer	<u>(3,737,476)</u>	<u>-</u>
Net cash used for noncapital financing activities	(234,707,510)	(227,708,484)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(5,787,202)	(17,299,446)
Proceeds from capital assets	-	14,780
Right to use lease principal	(66,853,733)	(64,855,182)
Right to use lease interest	<u>(5,874,273)</u>	<u>(5,199,009)</u>
Net cash used for capital and related financing activities	(78,515,208)	(87,338,857)
Cash flows from investing activities:		
Purchase of investments	(1,664,842,466)	(1,670,521,425)
Proceeds from sale and maturities of investments	1,733,534,796	1,772,295,321
Investment income	<u>12,198,214</u>	<u>16,222,180</u>
Net cash provided by/(used for) investing activities	80,890,544	117,996,076
Net increase/(decrease) in cash	(13,338,264)	18,441,167
Cash - July 1	64,713,902	46,272,735
Cash - June 30	<u>\$ 51,375,638</u>	<u>\$ 64,713,902</u>
Reconciliation of operating income/(loss) to net cash provided by/(used for) operating activities:		
Operating income/(loss)	\$ 165,690,837	\$ 264,064,855
Depreciation	86,285,622	83,077,143
Change in assets and liabilities		
Accounts receivable	646,381	3,798,404
Inventory	(23,248,057)	(5,504,897)
Due from other funds	-	-
Other operating net assets	526,023	(241,063)
Deferred outflows - pension and OPEB related	35,641,530	67,767,554
Accounts payable and accrued liabilities	8,432,022	(5,098,905)
Due to other funds	1,093,921	(56,103,326)
Due to pension trust funds	307,767	375,292
Net pension liability	(11,060,252)	(31,379,615)
Due to other governments	111,168	145,784
Other post-employment benefit obligations	(17,696,000)	(98,608,000)
Self-insurance liabilities	3,878,551	(1,093,576)
Compensated Absences	2,119,612	1,781,541
Deferred inflows - pension and OPEB related	<u>(33,735,215)</u>	<u>(7,488,759)</u>
Total adjustments	53,303,073	(48,572,423)
Net cash provided by operating activities:	<u>\$ 218,993,910</u>	<u>\$ 215,492,432</u>

Noncash investing, capital and financing activities:

A \$2,703,417 Department of Drug and Alcohol Programs (DDAP) liability was accrued in June 2025 for the FY 24-25 statutory obligation. Additionally, a \$6,002,694 obligation remains to be withdrawn at June 30, 2025.

The accompanying notes are an integral part of these statements.