

6.040 Accounting records.

1. Each licensee, in such manner as the Chair may approve or require, shall keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is taxable or subject to fees under chapters 463 and 464 of NRS. Each licensee that keeps permanent records in a computerized fashion shall provide the audit division, or the tax and license division, upon request, with a detailed index to the computer record that is indexed by casino department and date.

2. Each nonrestricted licensee, and each licensee listed in subsections 2 through 8 of Regulation 4.030, shall keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including:

(a) Detailed records identifying revenues, expenses, assets, liabilities, and equity for each establishment;

(b) Detailed records of all markers, IOU's, returned checks, hold checks, or other similar credit instruments;

(c) Individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by table for each table game, and to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop for each type of table game, either by each shift or other accounting period approved by the Chair, and individual and statistical game records reflecting similar information for all other games;

(d) Slot analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages;

(e) For Group I licensees, the records required either by the minimum standards for internal control systems or by the licensee's system of internal control;

(f) For Group II licensees, the records required by the internal control procedures applicable to such licensees;

(g) Journal entries prepared by the licensee and its independent accountant; and

(h) Any other records that the Chair specifically requires be maintained.

3. [No change]

4. [No change]

5. [No change]

6.050 Records of ownership.

1. [No change]

2. [No change]

3. [No change]

4. Each limited liability company licensee shall keep on the premises of its gaming establishment, or provide to the audit division or the tax and license division, upon request, the following documents pertaining to the limited liability company:

(a) A copy of the articles of organization and any amendments;

- (b) A copy of any operating agreement if adopted and any amendments;
- (b) A list of all current and former officers, managers, and managing members;
- (c) A list of all members listing each member's name, address, the interest held by the member, and the date the interest was acquired;
- (d) A record of all transfers of any interests in the limited liability company;
- (e) A record of amounts paid to the limited liability company for issuance of any interest in the limited liability company and any other capital contributions, as applicable; and
- (f) A copy of any meeting minutes or member written consents, if conducted.

6.080 Audited financial statements.

1. Each Group I or Group II licensee and each operator shall prepare financial statements covering all financial activities of the licensee's establishment or the operator's business for each business year.

2. Each nonrestricted licensee having gross revenue at or above certain amounts ascertained by the Board pursuant to NRS 463.159(3) during the 12 months ended December 31st each year, and each operator, shall engage an independent accountant who shall audit the licensee's or operator's, as applicable, financial statements in accordance with generally accepted auditing standards. The Board shall post such amounts on its website no later than the December 15th preceding the year such amounts shall be effective.

3. [No change]

4. [No change]

5. Unless the Chair approves otherwise in writing, the financial statements required by subsections 2 and 3 must be presented on a comparative basis. Consolidated financial statements may be filed by commonly owned or operated establishments, but the consolidated financial statements must include consolidating financial information or consolidating schedules presenting separate financial statements for each establishment. The independent accountant shall express an opinion on the consolidated financial statements as a whole and shall subject the accompanying consolidating financial information to the auditing procedures applied in the audit of the consolidated financial statements.

6. Each licensee and operator shall submit to the Board one copy of its audited or reviewed financial statements not later than 120 days after the last day of the licensee's or operator's business year. Unless the Chair approves otherwise in writing, in the event of a license or operator approval termination, change in business entity, or a change in the percentage of ownership of more than 20 percent, the licensee, former licensee, or operator shall, not later than 120 days after the event, submit to the Board one copy of audited or reviewed financial statements covering the period since the period covered by the previous financial statement. If a license or approval termination, change in business entity, or a change in the percentage of ownership of more than 20 percent occurs within 120 days after the end of a business year for which a financial statement has not been submitted, the licensee or operator may submit financial statements covering both the business year and the final period of business.

7. If a licensee or operator changes its business year, the licensee or operator, as applicable, shall prepare and submit to the Board audited or reviewed financial statements covering the "stub" period from the end of the previous business year to the beginning of the new business year not later than 120 days after the end of the stub period or incorporate the financial results of the stub period in the financial statements for the new business year.

8. [No change]

9. The Chair may request additional information and documents from the licensee or the operator, as applicable, or the licensee's or operator's independent accountant, through the licensee or operator, as applicable, regarding the financial statements or the services performed by the accountant. Failure to submit the requested information or documents is an unsuitable method of operation.

10. Upon written request and good cause shown, the Chair may waive one or more of the requirements of this section. If a waiver is granted, the Chair may impose alternative requirements.