

Megadiamond Industries, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEET

April 30, 1980

ASSETS

CURRENT ASSETS

Cash		\$ 30,633
Accounts receivable (note D)		
Trade	\$1,730,630	
Other	32,102	
	<u>1,762,732</u>	
Less allowance for doubtful receivables	138,355	1,624,377
Inventories (notes A, B and D)		
Finished products	1,157,882	
Work in process	564,279	
Raw materials	<u>1,065,488</u>	
Prepaid expenses and deposits	1,521,640	2,787,649
	<u>1,268,883</u>	<u>28,085</u>
Total current assets		4,470,744

PROPERTY, PLANT AND EQUIPMENT - AT COST
(notes A and D)

Buildings and improvements	458,991	
Machinery and equipment	770,882	
Furniture and fixtures	105,898	
Autos	<u>16,447</u>	
	<u>1,352,218</u>	
Less accumulated depreciation	509,632	
	<u>842,586</u>	
Land	46,240	
Equipment in construction	<u>112,365</u>	1,001,191

LEASED PROPERTY (notes C and E)

Capital leases, less accumulated amortization of \$49,325		240,125
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DEFERRED INCOME TAX BENEFIT (note A)

5,000

OTHER ASSETS (note A)

Patents, less accumulated amortization of \$14,000	32,171	
Organization expense, less accumulated amortization of \$4,850	<u>3,150</u>	<u>35,321</u>
		\$5,752,381
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LIABILITIES

CURRENT LIABILITIES

Bank overdraft		\$ 22,292
Notes payable - banks (note D)		1,238,818
Current portion of amount due stockholder (note G)		30,000
Current maturities of long-term debt (note D)		150,000
Current obligations under capital leases (notes C and E)		32,811
Accounts payable		1,004,913
Amount due former stockholder (note H)		46,470
Accrued liabilities		
Compensation and commissions	\$ 339,636	
Taxes, other than income	72,197	
Profit sharing	95,000	
Professional fees	68,721	
Other	<u>68,305</u>	643,859
Income taxes		<u>22,735</u>
Total current liabilities		3,191,898

LONG-TERM PORTION OF AMOUNT DUE STOCKHOLDER
(note G)

270,759

LONG-TERM DEBT, Less current maturities (note D)

245,000

NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES
(notes C and E)

220,945

COMMITMENTS AND CONTINGENCIES (notes E and F)

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STOCKHOLDERS' EQUITY

Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares	408,301	
Paid-in capital	927,309	
Retained earnings	<u>527,649</u>	
	1,863,259	
Less common shares held in treasury - at cost (note H)	<u>39,480</u>	<u>1,823,779</u>
		\$5,752,381
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The accompanying notes are an integral part of this statement.