

MEGADIAFOND CORPORATION  
STATEMENT OF EARNINGS  
FOR THE MONTH ENDING APRIL 30, 1977

	JUN TO APR	FOR APRIL
REVENUES:		
SALES: MI	23,016	2,581
FIXED COST REIMBURSEMENT MI	111,870	10,170
REIMBURSEMENT ADJUSTMENT MI	24,692	2,515
OTHER INCOME	1,725	621
ROYALTY INCOME	17,425	1,503
INTEREST INCOME	5,527	717
RESEARCH INCOME	( 2,441)	( 2,520)
TOTAL REVENUES	181,815	15,588
LESS COST OF GOODS SOLD	132,982	12,722
GROSS MARGIN	48,833	2,866
ADMINISTRATIVE EXPENSES:		
OFFICERS SALARY	176	176
OFFICE PAYROLL	9,835	768
PAYROLL SURCHARGES OFC	1,287	34
DEPRECIATION EXPENSE OFC	1,826	166
INTEREST EXPENSE	498	46
TRAVEL EXPENSES	3,519	42
TELEPHONE	980	94
REAL PROPERTY TAXES OFC	119	( 16)
PROFESSIONAL EXPENSE	8,039	214
RESEARCH AND DEVELOPMENT	1,372	105
OFFICE EXPENSE	3,461	253
INSURANCE EXPENSE	126	0
POSTAGE OFC	364	( 29)
OTHER ADMINISTRATIVE EXPENSE	63	18
RENT EXPENSE-OFFICE	2,090	190
PERSONAL PROPERTY TAX OFC	117	10
CORPORATION TAX	609	0
TOTAL ADMINISTRATIVE EXPENSES	34,486	2,075
NET INCOME (LOSS) BEFORE TAX	14,346	790

MEGADIAMOND CORPORATION  
 STATEMENT OF FINANCIAL POSITION  
 APRIL 30, 1977

## ASSETS

## CURRENT ASSETS:

CASH ON DEPOSIT	( 22,842)
ACCOUNTS RECEIVABLE OTHER	18,121
ACCOUNTS RECEIVABLE <i>25,000 Re. - 10,000 Inc. Bal. Reflected</i>	90,479
ALLOWANCE FOR BAD DEBT	( 22,869)
INTEREST RECEIVABLE	1,149
PRE-PAID EXPENSE	719
PRE-PAID REAL PROPERTY TAX	492
INVENTORIES: WORK IN PROCESS	8,892
INVENTORIES: RAW MATERIALS	10,015
REIMBURSAL LABOR	657
TOTAL CURRENT ASSETS	84,815

## FIXED ASSETS:

INVESTMENTS	57,500
LAND	0,240
MACHINES AND EQUIPMENT	113,537
LESS RESERVE FOR DEP. MACHINES	( 53,438)
OSCILLOSCOPE	4,985
AUTO	9,772
LESS RESERVE FOR DEP. AUTO	( 2,879)
OFFICE FURNITURE AND FIXTURES	6,935
LESS RESERVE FOR DEP. FURNITURE	( 2,725)
TOTAL FIXED ASSETS	119,928

## OTHER ASSETS:

NOTES RECEIVABLE	51,220
PATENTS	31,521
TOTAL OTHER ASSETS	82,741

NET TOTAL FIXED ASSETS

292,670

TOTAL ASSETS

287,486

REGAIONARD CORPORATION  
 STATEMENT OF FINANCIAL POSITION CONTINUED  
 APRIL 30, 1977

LIABILITIES AND STOCKHOLDERS EQUITY

CURRENT LIABILITIES:	
ACCOUNTS PAYABLE	503
PENSION LIABILITY	101
SALARY PAYABLE-OFFICERS	9,583
INTEREST PAYABLE	498
ROYALTIES PAYABLE-RC	119
ROYALTIES PAYABLE-RH	239
ACCRUED STATE INCOME TAXES	( 122)
ACCRUED FICA WITHHOLDING-EMPLOYEES	( 0)
ACCRUED FEDERAL INCOME TAXES	0
TOTAL CURRENT LIABILITIES	10,923
LONG TERM LIABILITIES:	
NOTES PAYABLE	6,289
TOTAL LONG TERM LIABILITIES	6,289
TOTAL LIABILITIES	17,213
STOCKHOLDERS EQUITY:	
CAPITAL STOCK-COMMON	53,220
PAID-IN SURPLUS	236,633
RETAINED EARNINGS	( 19,780)
TOTAL STOCKHOLDERS EQUITY	270,273
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	287,486