

H. TRACY HALL, INC.

FINANCIAL STATEMENTS

AUGUST 31, 1973

46002757

Unaudited - No Opinion Expressed

Elmer  
Fox  
&  
Company

Certified Public Accountants

H. Tracy Hall, Inc.  
Provo, Utah

The accompanying balance sheet of H. Tracy Hall, Inc. as of August 31, 1973 and the related income statement for the year then ended were not audited by us and accordingly we do not express an opinion on them. The financial statements are for the internal use of management and therefore do not necessarily include all disclosures that might be required for a fair presentation in conformity with generally accepted accounting principles.

*Elmer Fox & Company*

ELMER FOK & COMPANY

Provo, Utah  
October 9, 1973

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## H. TRACY HALL, INC.

Exhibit A

## BALANCE SHEET

August 31, 1973

ASSETS

Current Assets		
Cash on Deposit	\$ 9,824.12	
Inventory	<u>32,681.91</u>	
Total Current Assets		\$ 42,506.03
Machinery and Equipment	21,302.02	
Less Accumulated Depreciation	<u>1,755.00</u>	
Undepreciated Balance		19,547.02
Other Assets		
Organization Expense	324.75	
Less Amortization	<u>59.54</u>	
Total Other Assets		<u>265.21</u>
Total Assets		<u>\$ 62,318.26</u>

## LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities		
Customer Deposit	\$ 885.00	
Loans from Shareholders	5,050.00	
Notes Payable - First Security Bank of Utah	40,000.00	
Debentures Payable	<u>2,500.00</u>	
Total Liabilities		\$ 48,435.00
Stockholders' Equity - Incorporated		
Capital Stock - 25,000 Shares Issued and Outstanding	25,000.00	
Retained Earnings (Deficit)	( <u>11,116.74</u> )	
Total Stockholders' Equity		<u>13,883.26</u>
Total Liabilities and Stockholders' Equity		<u>\$ 62,318.26</u>

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H. TRACY HALL, INC.

Exhibit B

INCOME STATEMENT

Year ended August 31, 1973

Interest Income		\$ 222.17
Expenses		
Salaries and Wages	\$ 2,600.00	
Insurance	348.42	
Payroll Taxes	218.40	
Freight and Express	132.28	
Supplies	3,027.02	
Utilities	588.63	
Interest Expense	388.98	
Advertising	44.49	
Travel and Entertainment	614.08	
Professional Fees	207.25	
Dues and Subscriptions	180.62	
Rent	840.00	
Other Taxes and Licenses	334.20	
Amortization Expense	59.54	
Depreciation	<u>1,755.00</u>	
Total Expenses		<u>11,338.91</u>
Net Loss		<u>(\$ 11,116.74)</u>

Unaudited - No Opinion Expressed

H. TRACY HALL, INC.  
 SCHEDULE OF DISTRIBUTIONS AND OTHER ITEMS  
 August 31, 1973

87-0293951

Social Security Number	No. of Shares	Stock Ownership Period Held From	To	Compensation	Time Devoted to Business	Part	Net Operating Loss	Investment Credit Property*
H. Tracy Hall 1711 No. Lambert Lane Provo, Utah 84601	6,750	9/5/72	8/31/73	\$ 2,400.00			(\$ 2,985.82)	\$ 2,030.51
Daniel and Sherlene Bartholomew "O" South, 731 Ulywood Road Winfield, Ill. 60170	1,750	9/5/72	8/31/73				( 758.92)	525.84
H. Tracy, Jr. and Elizabeth H. Hall 1117-C 6th Street Albany, California 94706	1,750	9/5/72	8/31/73				( 758.92)	545.84
David R. and Karen V. Hall 130 Washington St., P.O. Box 15 Rocky Hill, New Jersey 08553	1,750	9/5/72	8/31/73				( 758.92)	525.84
J. Martin and Elizabeth Neil 166 B Eatoncrest Drive Eatontown, New Jersey 97724	1,750	9/5/72	8/31/73				( 758.92)	525.84
Virginia Hall 1711 No. Lambert Lane Provo, Utah 84601	1,750	9/5/72	8/31/73				( 758.92)	525.84
Charlotte Hall 1711 No. Lambert Lane Provo, Utah 84601	1,750	9/5/72	8/31/73				( 758.92)	525.84
Nancy Hall 1711 No. Lambert Lane Provo, Utah 84601	1,750	9/5/72	8/31/73				( 758.92)	525.84
Ida-Rose L. Hall 1711 No. Lambert Lane Provo, Utah 84601	6,000	9/28/72	8/31/73				( 2,543.48)	1,800.65
<b>Totals</b>	<u>25,000</u>			<u>\$ 2,400.00</u>			<u>(\$ 10,841.74)</u>	<u>\$ 7,512.04</u>

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\*Life on all property is over 7 years