

THE SUPREME COURT HISTORICAL SOCIETY

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

JUNE 30, 2008

THE SUPREME COURT HISTORICAL SOCIETY

FINANCIAL STATEMENTS

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JUNE 30, 2008

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Trustees
The Supreme Court Historical Society
Washington, D.C.

We have audited the accompanying statement of financial position of The Supreme Court Historical Society as of June 30, 2008 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Society's 2007 financial statements and, in our report dated September 26, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Supreme Court Historical Society as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying 2008 schedule of gift shop revenue and expense is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Jones & McIntyre, PLLC

January 8, 2009

THE SUPREME COURT HISTORICAL SOCIETY

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2008 AND 2007

ASSETS		
	2008	2007
CURRENT ASSETS		
Cash and cash equivalents (Note 1)	\$ 1,657,494	\$ 1,131,914
Accounts receivable	2,820	3,208
Pledges receivable (Note 1)	116,017	100,000
Accrued interest receivable	39,836	65,642
Inventory (Note 1)	380,158	392,366
Total Current Assets	\$ 2,196,325	\$ 1,693,130
PROPERTY AND EQUIPMENT, at cost (Note 1)		
Headquarters land and building	\$ 2,519,978	\$ 2,519,978
Furniture and equipment	369,342	434,681
Gift Shop improvements	408,105	218,100
Total	\$ 3,297,425	\$ 3,172,759
Less, Accumulated depreciation	737,741	710,607
Property and Equipment, net	\$ 2,559,684	\$ 2,462,152
OTHER ASSETS		
Pledges receivable (Note 1)	\$ 110,000	\$ -
Debt securities (Note 1)	2,663,277	3,725,146
Corporate stocks (Note 1)	5,229,564	5,472,487
Collections (Notes 1 and 2)	-	-
Total Other Assets	\$ 8,002,841	\$ 9,197,633
TOTAL ASSETS	\$ 12,758,850	\$ 13,352,915
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 79,793	\$ 169,352
Deferred membership dues	162,535	165,560
Current portion of long-term debt (Note 10)	-	10,000
Total Current Liabilities	\$ 242,328	\$ 344,912
OTHER LIABILITIES		
Long-term debt (Note 10)	-	5,000
TOTAL LIABILITIES	\$ 242,328	\$ 349,912
NET ASSETS		
Unrestricted (Note 8)	\$ 7,818,663	\$ 8,716,879
Temporarily restricted (Note 4)	1,223,253	812,439
Permanently restricted (Note 7)	3,474,606	3,473,685
Total Net Assets	\$ 12,516,522	\$ 13,003,003
TOTAL LIABILITIES AND NET ASSETS	\$ 12,758,850	\$ 13,352,915

The accompanying notes are an integral part of these statements.

THE SUPREME COURT HISTORICAL SOCIETY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

(WITH COMPARATIVE TOTALS FOR 2007)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2008 Total	2007 Total
SUPPORT AND REVENUE					
Membership income	\$ 330,574	\$ -	\$ -	\$ 330,574	\$ 350,428
Gifts and grants (Note 4)	603,669	923,839	921	1,528,429	1,356,059
Merchandise revenue	1,062,938			1,062,938	993,769
Annual meeting	62,750			62,750	54,275
Lecture ticket sales	9,753			9,753	8,835
Other income	912			912	752
Investment income (Note 1)	(619,972)	3,699		(616,273)	1,163,180
Net assets released from restrictions (Note 4)	516,724	(516,724)		-	-
Total Support and Revenue	\$ 1,967,348	\$ 410,814	\$ 921	\$ 2,379,083	\$ 3,927,298
EXPENSES					
Program services:					
Membership services/publications	\$ 434,120	\$ -	\$ -	\$ 434,120	\$ 310,659
Documentary History Project (Note 5)				-	225,149
Summer Institute	177,810			177,810	163,586
Lecture series	86,269			86,269	104,557
Gift shop	996,172			996,172	985,632
Other programs (Note 6)	477,309			477,309	395,037
Total Program Services	\$ 2,171,680	\$ -	\$ -	\$ 2,171,680	\$ 2,184,620
Supporting services:					
General and administrative	\$ 517,329	\$ -	\$ -	\$ 517,329	\$ 501,281
Fundraising	165,217	-	-	165,217	164,570
Total Supporting Services	\$ 682,546	\$ -	\$ -	\$ 682,546	\$ 665,851
Total Expenses	\$ 2,854,226	\$ -	\$ -	\$ 2,854,226	\$ 2,850,471
CHANGE IN NET ASSETS BEFORE COLLECTION ITEMS NOT CAPITALIZED	\$ (886,878)	\$ 410,814	\$ 921	\$ (475,143)	\$ 1,076,827
COLLECTION ITEMS PURCHASED BUT NOT CAPITALIZED (Note 2)	(11,338)	-	-	(11,338)	(23,025)
CHANGE IN NET ASSETS	\$ (898,216)	\$ 410,814	\$ 921	\$ (486,481)	\$ 1,053,802
NET ASSETS, BEGINNING OF YEAR	8,716,879	812,439	3,473,685	13,003,003	11,949,201
NET ASSETS, END OF YEAR	\$ 7,818,663	\$ 1,223,253	\$ 3,474,606	\$ 12,516,522	\$ 13,003,003

The accompanying notes are an integral part of this statement.

THE SUPREME COURT HISTORICAL SOCIETY

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2008

(WITH COMPARATIVE TOTALS FOR 2007)

	Membership Services/ Publications	Summer Institute	Lecture Series	Gift Shop	Other Programs	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	2008 Total Expenses	2007 Total Expenses
Salaries	\$ 184,937	\$ 14,121	\$ 23,190	\$ 290,271	\$ 109,726	\$ 622,245	\$ 132,379	\$ 114,851	\$ 247,230	\$ 869,475	\$ 995,081
Temporary help	-	-	-	-	-	-	-	-	-	-	2,770
Payroll taxes	13,333	1,013	1,757	22,518	7,718	46,339	9,847	8,418	18,265	64,604	72,440
Employee benefits	25,449	2,719	4,556	74,766	18,384	125,874	21,660	21,290	42,950	168,824	186,935
(Note 9)	145,470	-	2,636	27,032	3,623	178,761	4,263	3,209	7,472	186,233	175,851
Printing and copying	21,506	-	3,245	15,405	3,410	43,566	9,347	3,927	13,274	56,840	44,814
Postage and shipping	11,514	-	1,620	2,003	2,776	17,913	-	3,913	3,913	21,826	24,093
Mailing services	1,343	-	2,001	-	2,226	5,570	849	433	1,282	6,852	6,737
Photography	5,286	13,819	43,456	249	126,745	189,555	17,750	5,388	23,138	212,693	230,277
Meetings, conferences and travel	-	-	-	320	-	320	21,975	-	21,975	22,295	10,594
Repairs and maintenance	-	-	-	-	-	-	24,396	-	24,396	24,396	22,952
Insurance	1,862	-	-	6,670	368	8,900	8,543	993	9,536	18,436	19,868
Telephone	2,793	-	-	17,114	2,171	22,078	37,374	799	38,173	60,251	56,151
Office	-	-	-	-	-	-	14,992	-	14,992	14,992	11,240
Utilities	11,555	146,138	3,808	6,000	174,278	341,779	123,735	38	123,773	465,552	390,659
Professional services	-	-	-	9,813	-	9,813	84,774	-	84,774	94,587	93,038
Depreciation	9,072	-	-	-	22,411	31,483	-	1,958	1,958	33,441	5,315
Grants and awards	-	-	-	-	3,473	3,473	5,445	-	5,445	8,918	1,509
Other	-	-	-	27,304	-	27,304	-	-	27,304	27,304	24,040
Credit card discounts	-	-	-	496,707	-	496,707	-	-	-	496,707	476,107
Merchandise	-	-	-	-	-	-	-	-	-	-	-
Total Functional Expenses	\$ 434,120	\$ 177,810	\$ 86,269	\$ 996,172	\$ 477,309	\$ 2,171,680	\$ 517,329	\$ 165,217	\$ 682,546	\$ 2,854,226	\$ 2,850,471

The accompanying notes are an integral part of this statement.

THE SUPREME COURT HISTORICAL SOCIETY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (486,481)	\$ 1,053,802
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	94,587	93,038
Loss on disposal of equipment	3,969	-
Unrealized (gain)/loss on investments	917,663	(492,504)
(Increase) decrease in assets:		
Accounts receivable	388	134,733
Pledges receivable	(126,017)	(100,000)
Accrued interest receivable	25,806	(16,853)
Inventory	12,208	29,015
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(89,559)	72,227
Deferred membership dues	(3,025)	(3,827)
Net Cash Provided by Operating Activities	\$ 349,539	\$ 769,631
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	\$ (196,088)	\$ (93,246)
Investments - net	387,129	(1,473,846)
Net Cash Provided by (Used in) Investing Activities	\$ 191,041	\$ (1,567,092)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term debt - net	\$ (15,000)	\$ (10,000)
INCREASE (DECREASE) IN CASH	\$ 525,580	\$ (807,461)
CASH, BEGINNING OF YEAR	1,131,914	1,939,375
CASH, END OF YEAR	\$ 1,657,494	\$ 1,131,914

The accompanying notes are an integral part of these statements.

THE SUPREME COURT HISTORICAL SOCIETY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

Note 1. **Organization and Summary of Significant Accounting Policies:**

Organization:

The Supreme Court Historical Society (the Society) is a non-profit organization, incorporated in the District of Columbia in 1974. The Society is dedicated to the collection and preservation of the history of the Supreme Court of the United States. The Society seeks to accomplish its mission by supporting historical research, sponsoring lecture programs and educational seminars, publishing books and other materials which increase public awareness of the Court's contribution to our Nation's rich constitutional heritage, and collecting antiques and artifacts relating to the Court's history. The Society's members are located throughout the United States.

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Financial Statement Presentation:

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Contributions:

Unconditional promises to give are recorded as contribution revenue and contribution receivable in the year the promise is made. Pledges receivable are reported as a current asset if due within one year, or as other assets if greater than one year. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support, increasing their respective net asset class. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Bad Debts:

The Society reviews the estimated collectability of accounts and pledges receivable based on historical loss experience and existing economic conditions. The Society considers accounts receivable and pledges receivable at June 30, 2008 and 2007, to be fully collectible, and, as such, no allowance for doubtful accounts has been provided in these financial statements.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2008

Note 1. **Organization and Summary of Significant Accounting Policies: (Continued)**

Revenue Recognition:

Deferred membership dues are recognized ratably over the membership term.

Property and Equipment:

Property and equipment is capitalized at cost and depreciated using the straight-line method, based on estimated useful lives as follows:

Headquarters building	40 years
Furniture and equipment	5-10 years
Gift Shop improvements	30 years

Donated equipment is reported at fair value at the date of the gift. The Society's policy is to capitalize expenditures of \$500 or more.

Inventory:

Inventory consists of items held for sale at the gift shop (located inside the Supreme Court building) and is stated at the lower of cost or market. Charges to cost of sales or the related program expenses are made upon sale or gratuitous distribution of those items.

Membership Services:

Costs associated with the publication of the quarterly newsletter, the annual report, and three issues of the Journal of Supreme Court History, are charged directly as a program expense.

Income Tax Status:

The Society is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Society has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Investments:

Investments in debt securities and corporate stocks are carried at fair value, which is based on quoted market prices.

Realized and unrealized gains and losses are reflected as part of total investment income. Interest and dividend income is recognized when earned.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2008

Note 1. Organization and Summary of Significant Accounting Policies: (Continued)

Investments: (Concluded)

Investment income consists of the following as of June 30,:

	2008	2007
Interest and dividend income	\$ 238,301	\$ 316,141
Realized gains	63,089	354,534
Unrealized gains/(losses)	(917,663)	492,505
Total	\$ (616,273)	\$ 1,163,180

Cash:

Cash in checking accounts, money market accounts, certificates of deposit and highly liquid investments are considered to be cash equivalents.

Included in cash at June 30, 2008 was \$97,577 restricted for use of the Musicale program. Included in cash at June 30, 2007 was \$22,080 restricted for use of the Supreme Court Fellows and \$77,663 restricted for use of the Musicale program.

The Society maintains its cash balances at several banks located in the Washington, D.C. area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation. The Society's demand deposits with financial institutions at times exceeded federally insured limits. The Society has not experienced any losses in such accounts, and management believes the Society is not exposed to any unusual credit risks.

Functional Expenses:

The Society allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2008

Note 1. Organization and Summary of Significant Accounting Policies: (Concluded)

Reclassifications:

Certain reclassifications have been made to the June 30, 2007 financial statements to make them comparable with the June 30, 2008 financial statements.

Collections:

The collections, which were acquired through purchases and contributions since the Society's inception, are not recognized as assets on the statement of financial position. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired, or as temporarily or permanently restricted net assets if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected on the financial statements. Proceeds from deaccessions are reflected as increases in the appropriate net asset classes.

Note 2. Collections:

The Society's collections are made up of artifacts of historical significance and art objects that are held for educational and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sales to be used to acquire other items for collections.

The cost of all items purchased and the proceeds of deaccessions of items are reported as program revenue and expense. During the year ended June 30, 2008 and 2007, purchased acquisitions held for display amounted to \$11,338 and \$23,025, respectively. There were no proceeds from deaccessions.

Note 3. Donated Services and Facilities:

The value of space occupied by the gift shop and the contributed time of volunteers are not reflected in these statements since they are not susceptible to objective measurement or valuation.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2008

Note 4. Temporarily Restricted Net Assets:

As described in Note 1, temporarily restricted net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by time elapsing on the restrictions.

Changes in Temporarily Restricted Net Assets are as follows:

	Balance June 30, 2007	Additions	Transfers/ Releases	Balance June 30, 2008
Portraits	\$ 17,770	\$ 76,050	\$ 78,050	\$ 15,770
Acquisitions	137,914	5,000	-	142,914
Summer Institute	20,000	135,000	155,000	-
Griswold Lecture	8,000			8,000
DC Public Schools	-	25,000	25,000	-
Supreme Court Fellows	22,941	5,054	27,995	-
Gift Shop Renovation	517,640	324,939	190,005	652,574
Brandeis	6,932	5,000	9,601	2,331
Musicale	77,708	34,675	13,849	98,534
Frank Jones Reenactment Fund	-	298,450	-	298,450
Other	<u>3,534</u>	<u>18,370</u>	<u>17,224</u>	<u>4,680</u>
Total	<u>\$ 812,439</u>	<u>\$ 927,538</u>	<u>\$ 516,724</u>	<u>\$ 1,223,253</u>

Note 5. Documentary History Project:

The Documentary History Project is a historical research project which seeks to collect and annotate a history of the Supreme Court's first decade of operation and to publish that historical record in eight volumes. The project was completed December 31, 2006.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2008

Note 6. Other Programs:

For the years ended June 30, 2008 and 2007, expenses incurred under Other Programs include the following projects:

	2008	2007
Court Support	\$ 17,164	\$ 15,130
Annual Meeting	70,848	74,928
Senate Dinner	---	52,111
Court Watching Book	---	5,687
DC Public Schools	58,440	72,117
Website	16,405	11,136
Other Projects	46,649	48,905
Oliver Wendell Holmes Project	24,203	---
Musicale	23,808	21,955
Oral History	---	7,500
Brandeis	9,600	7,023
Supreme Court Fellows	51,566	28,833
St. Louis Program	35,479	---
New York City Program	38,390	49,712
Scalia Portrait	84,757	---
Total	\$ 477,309	\$ 395,037

Note 7. Permanently Restricted Net Assets:

The Society has devoted its efforts to building an endowment fund which will enable the Society to establish new programs to perpetuate the history of the Supreme Court. Endowment funds represent funds that are subject to restrictions of gift instruments requiring in perpetuity that the principal be invested and income only be used.

As of June 30, the Society maintained the following endowments:

	2008	2007
General Endowments	\$ 2,384,541	\$ 2,384,541
The Elizabeth Hughes Gossett Memorial Fund	44,834	44,834
The Edward Tamm Memorial Fund	5,000	5,000
The Leon Silverman Endowment Fund	301,959	301,038
Opperman House Building Fund	738,272	738,272
Total	\$ 3,474,606	\$ 3,473,685

Income from the Elizabeth Hughes Gossett Memorial Fund and the general endowments may be used for the general operating purposes of the Society. Income from the Edward Tamm Memorial Fund is awarded as a prize in a writing competition at Georgetown University Law School. Income from the Leon Silverman Endowment Fund supports the annual lecture series. Income from the Opperman House Building Fund supports the general maintenance and repairs of the building.

THE SUPREME COURT HISTORICAL SOCIETY
NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

JUNE 30, 2008

Note 8. Designated Unrestricted Net Assets:

The Board of Directors has designated the following unrestricted net assets for specific purposes:

	2008	2007
John Marshall Quasi Endowment Fund	\$ 2,598,490	\$ 2,598,490
Quasi-Endowment Fund	205,000	205,000
Acquisitions Committee	10,000	10,000
Total	\$ 2,813,490	\$ 2,813,490

Note 9. Pension Plan:

The Society established a 403(b) tax deferred annuity plan covering employees who have completed six months of service and attained age 21. The plan allows employee contributions pursuant to salary reduction agreements. The Society contributes \$2,000 annually or 6% of salary, whichever is greater for each eligible employee. Pension expense under this plan was \$44,972 and \$51,364, respectively, for the years ended June 30, 2008 and 2007.

Note 10. Long-Term Debt:

The Society received a \$50,000 advance to pay for the printing of the book *The Supreme Court: An Illustrated History*. The advance is interest free and will be repaid in semiannual payments of \$5,000. The outstanding balance at June 30, 2008 and 2007 was \$0 and \$15,000, respectively.

Note 11. Commitment:

The Society is committed under a contract for the construction of a new gift shop facility in the approximate amount of \$1,471,005. The Society is obligated to make payments under the contract at specified intervals based on the percentage of completion as verified by the Society's architect. Construction is scheduled to begin in fiscal year 2009 and the gift shop is expected to be completed in 2010.

Note 12. Risks and Uncertainties:

The Society invests in various investment securities, which are exposed to risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could have a material effect on the amounts reported in the financial statements.

Note 13. Subsequent Event:

As of November 30, 2008, the Society's marketable investment securities have declined by approximately 16 percent, or approximately \$1,425,000.

SUPPLEMENTARY INFORMATION

THE SUPREME COURT HISTORICAL SOCIETY
SCHEDULES OF GIFT SHOP REVENUE AND EXPENSE
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Sales of Merchandise	\$ 1,062,938	\$ 993,769
Cost of Sales	<u>496,707</u>	<u>476,107</u>
Gross Profit	<u>\$ 566,231</u>	<u>\$ 517,662</u>
Gross profit/sales	53.27%	52.09%
Salaries	\$ 290,271	\$ 296,316
Employee benefits	74,766	71,745
Printing and copying	27,032	36,775
Credit card discounts	27,304	24,040
Payroll taxes	22,518	26,850
Postage and shipping	15,405	15,349
Office supplies	17,114	15,498
Telephone	6,670	5,292
Depreciation	9,813	8,223
Mailing services	2,003	1,914
Professional services	6,000	6,928
Travel	249	185
Temporary help	-	410
Repairs and maintenance	<u>320</u>	<u>-</u>
Total Expenses	<u>\$ 499,465</u>	<u>\$ 509,525</u>
Merchandise Revenue, Net	<u>\$ 66,766</u>	<u>\$ 8,137</u>
Net revenue/sales	6.28%	0.82%

The accompanying notes are an integral part of these schedules.