

TROUT SHOP, INC.

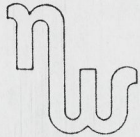
FINANCIAL STATEMENTS

SEPTEMBER 30, 1981

TROUT SHOP, INC.
SEPTEMBER 30, 1981

T A B L E O F C O N T E N T S

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Neil, Williamson & Co.

CERTIFIED PUBLIC ACCOUNTANTS

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WAYNE F. NEIL, JR., CPA
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(406) 587-9239

Board of Directors
Trout Shop, Inc.
Bozeman, Montana 59715

We have reviewed the accompanying balance sheets of Trout Shop, Inc. as of September 30, 1981 and 1980, and the related statements of income, retained earnings, and changes in financial position for the years then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Trout Shop, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review of the September 30, 1981 and 1980 financial statements, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Neil, Williamson & Co.
December 8, 1981

TROUT SHOP, INC.
BALANCE SHEETS
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and savings	\$ 133,000	\$ 121,498
Accounts receivable	300	300
Prepaid insurance	3,122	2,170
Inventory	67,650	62,641
Total Current Assets	204,072	186,609
PROPERTY AND EQUIPMENT, at cost, (Note 2):		
Furniture and fixtures	2,182	2,032
Boats and trailers	8,174	8,174
Transportation equipment	7,650	6,650
Total	18,006	16,856
Less - accumulated depreciation	14,627	13,237
Total Property and Equipment	3,379	3,619
TOTAL ASSETS	\$ 207,451	\$ 190,228
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 22,080	\$ 34,158
Payroll taxes payable	3,132	2,826
Income taxes payable	4,185	4,535
Bonuses payable	36,500	34,300
Total Current Liabilities	65,897	75,819
STOCKHOLDERS' EQUITY:		
Common stock, \$100 stated value		
500 shares authorized, 300 shares		
issued and outstanding	30,000	30,000
Paid-in capital	3,076	3,076
Retained earnings	108,478	81,333
Total Stockholders' Equity	141,554	114,409
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 207,451	\$ 190,228

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
STATEMENTS OF INCOME
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
SALES, net of refunds	\$ 586,868	\$ 525,051
COST OF SALES (Note 4)	335,694	302,736
GROSS PROFIT	251,174	222,315
OPERATING EXPENSES:		
Salaries	93,646	61,923
Officers' salaries	52,550	71,600
Payroll taxes	12,597	8,081
Rent (Note 3)	12,473	10,436
Bank and charge card costs	7,201	6,840
Insurance licenses and bond	6,505	7,536
Freight and postage	6,226	6,507
Utilities	4,280	3,288
Advertising	3,813	5,423
Vehicle costs	3,219	3,601
Supplies	3,037	3,506
Repairs	2,693	577
Casual labor	2,210	2,563
Dues and publications	1,766	1,296
Professional services	1,552	675
Depreciation (Note 2)	1,390	1,473
Interest	963	-0-
Travel	764	1,342
Telephone	715	1,349
Miscellaneous	696	358
Business taxes	627	699
Amortization	-0-	16
Total Operating Expenses	218,923	199,089
INCOME FROM OPERATIONS	32,251	23,226
OTHER INCOME	3,291	2,114
TOTAL	35,542	25,340
PROVISION FOR INCOME TAXES	8,397	5,919
NET INCOME	\$ 27,145	\$ 19,421

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
STATEMENTS OF RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	<u>1981</u>	<u>1980</u>
BALANCE, beginning of period	\$ 81,333	\$ 61,912
ADD:		
Net Income	<u>27,145</u>	<u>19,421</u>
BALANCE, end of period	<u>\$ 108,478</u>	<u>\$ 81,333</u>

The accompanying notes are an integral part of these financial statement.

TROUT SHOP, INC.
 STATEMENTS OF CHANGES IN FINANCIAL POSITION
 FOR THE FISCAL YEARS ENDED
 SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
SOURCE OF WORKING CAPITAL:		
Operations -		
Net income	\$ 27,145	\$ 19,421
Add expenses not requiring an outlay of working capital in the current period:		
Amortization	-0-	16
Depreciation	1,390	1,473
Working Capital Provided By Operations	28,535	20,910
APPLICATION OF WORKING CAPITAL:		
Purchase of equipment	1,150	-0-
INCREASE IN WORKING CAPITAL	\$ 27,385	\$ 20,910
INCREASE (DECREASE) IN WORKING CAPITAL, by major component:		
Cash	\$ 11,502	\$ 40,959
Other receivables	-0-	(1,384)
Prepaid insurance	952	502
Inventory	5,009	5,223
Accounts payable	12,078	(19,969)
Payroll taxes payable	(306)	1,332
Income taxes payable	350	(3,953)
Bonuses payable	(2,200)	(1,800)
INCREASE IN WORKING CAPITAL	\$ 27,385	\$ 20,910

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Assets and liabilities, and revenues and costs are recorded on the accrual basis for both financial and income tax reporting purposes.
- B. Merchandise inventories are recorded at the lower of cost (first-in, first-out) or market.
- C. Depreciation has been provided as described in Note 2.
- D. Property and equipment are recorded at historical cost.
- E. Investment and jobs tax credits, if any, are used to offset the current year's income tax liability.

NOTE 2 DEPRECIATION

	DEPRECIATION METHOD	USEFUL LIFE	EXPENSE		ACCUMULATED DEPRECIATION
			1981	1980	
Boats and trailers	Straight-line & Declining bal.	5-6 yrs.	\$ 528	\$ 736	\$ 6,864
Transportation equipment	Declining balance	7 yrs.	660	495	6,074
Equipment	Straight-line & Declining bal.	3-10 yrs.	<u>202</u>	<u>242</u>	<u>1,689</u>
TOTALS			<u>\$ 1,390</u>	<u>\$ 1,473</u>	<u>\$ 14,627</u>

TROUT SHOP, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

NOTE 3 RENT EXPENSE

The corporation has a rental agreement with Walen and Pat Lilly which calls for six monthly payments of \$175.00 each for the use of their property for the operation of the corporation's catalog business.

NOTE 4 COST OF SALES

The cost of sales were computed as follows:

	<u>1981</u>	<u>1980</u>
Beginning inventory	\$ 62,641	\$ 57,418
Purchases - merchandise	269,102	246,131
Purchases - licenses	39,507	37,176
Guide costs	13,245	8,001
Catalog costs	<u>18,849</u>	<u>16,651</u>
Total Available	403,344	365,377
Less - ending inventory	<u>67,650</u>	<u>62,641</u>
 COST OF SALES	 <u>\$ 335,694</u>	 <u>\$ 302,736</u>

TROUT SHOP, INC.
 PROFIT AND LOSS STATEMENT
 PERIOD ENDING 9/30/81
 SEE ACCOUNTANT'S REPORT

..... CURRENT YEAR TO DATE

ACTUAL %-OF-SALES ACTUAL %-OF-SALES

SALES INCOME			
302 SALES-MERCHANDISE		590,568.56CR	100.63%
303 SALES-LICENSES		145.55	.02%
304 SALES-GUIDE FEES		50.00	.01%
305 SALES-ART		397.60	.07%
350 SALES REFUNDS		3,107.26	.53%
 TOTAL SALES		 586,868.15CR	 100.00%*
 COST OF SALES			
402 PURCHASES-MERCHANDISE		246,683.58	42.03%
403 PURCHASES-LICENSES		39,507.10	6.73%
404 PURCHASES-ART WORK		17,409.57	2.97%
405 GUIDE EXPENSE		1,403.22	.24%
406 CATALOG COSTS		5,540.90	.94%
TOTAL COST OF SALES		310,544.37	52.92%*
 TOTAL GROSS PROFIT		 276,323.78CR	 47.08%*
 EXPENSES			
501 ADVERTISING		3,812.89	.65%
502 PROFESSIONAL SERVICES		1,552.00	.26%
503 DUES, PUBLICATIONS & DONATIONS		1,765.54	.30%
504 BANK CHARGES		311.62	.05%
505 BAD DEBTS AND NSF CHECKS		1,904.72	.32%
506 BANK-AMERICARD CHARGES		4,984.65	.85%
507 CASUAL LABOR		2,209.93	.38%
510 DEPRECIATION		1,390.00	.24%
512 FREIGHT AND POSTAGE		5,573.37	.95%
514 GAS AND OIL-AUTO		3,218.58	.55%
515 INSURANCE-LICENSES AND BONDS		6,505.39	1.11%
517 INTEREST		962.62	.16%
519 MISCELLANEOUS EXPENSE		551.87	.09%
520 OFFICE SUPPLIES		926.22	.16%
521 RENT		11,747.50	2.00%
522 RENT-EQUIPMENT		725.64	.12%
523 REPAIRS AND MAINTENANCE		2,693.04	.46%
525 SUPPLIES		2,110.89	.36%
526 TAXES-GENERAL		627.30	.11%
527 TAXES-PAYROLL		12,597.09	2.15%
529 TELEPHONE		715.45	.12%
530 TRAVEL AND ENTERTAINMENT		763.60	.13%
531 UTILITIES		4,290.21	.73%
532 WAGES		109,695.76	18.69%
533 CATALOG COSTS		3,307.89	.56%
534 UPS AND POSTAL SERVICE		652.00	.11%
535 LUNCHESES FOR GUIDE TRIPS-LOYD		4,552.10	.78%
536 CAR MOVERS		6,451.50	1.10%
537 GUIDE COST		837.97	.14%
TOTAL EXPENSES		197,428.01	33.64%*
 OTHER INCOME			

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 1

ASSETS

CURRENT ASSETS	
101 CASH ON HAND	400.00
102 SECURITY BANK-WEST YELLOWSTONE	21,216.36
104 SECURITY BANK OF BOZEMAN	8,432.33
105 ACCOUNTS RECEIVABLE	300.00
106 SECURITY BANK OF BOZEMAN-CD'S	1,523.53
107 SECURITY BANK-BZN-C.D.	20,000.00
108 FOSTER & MARSHAL	81,327.66
110 INVENTORY	67,650.00
111 PETTY CASH	100.00
120 PREPAID INSURANCE	3,122.23
TOTAL CURRENT ASSETS	204,072.11 *
FIXED ASSETS	
153 BOATS AND TRAILERS	8,174.00
154 TRUCKS AND AUTOS	7,650.00
155 FURNITURE AND FIXTURES	2,182.25
158 ALLOWANCE FOR DEPRECIATION	14,627.00CR
TOTAL FIXED ASSETS	3,379.25 *
TOTAL ASSETS	207,451.36 *

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

EQUITIES

CURRENT LIABILITIES		
205 ACCOUNTS PAYABLE	11,031.00CR	
207 RENT PAYABLE	1,050.00CR	
212 STATE WITHHOLDING PAYABLE	1,916.26CR	
213 STATE U.C.C. PAYABLE	898.15CR	
214 FUTA PAYABLE	317.36CR	
215 FEDERAL INCOME TAX PAYABLE	4,212.00	
TOTAL CURRENT LIABILITIES		11,000.77CR*
CAPITAL		
281 CAPITAL STOCK	30,000.00CR	
282 PAID-IN-CAPITAL	3,076.21CR	
283 RETAINED EARNINGS	81,332.59CR	
Y-T-D PROFIT -OR LOSS-	82,041.79CR	
TOTAL CAPITAL		196,450.59CR*
TOTAL LIABILITIES & EQUITY		207,451.36CR*
TOTAL LIABILITIES		.00 *

TROUT SHOP, INC.
PROFIT AND LOSS STATEMENT
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

 CURRENT YEAR TO DATE
	ACTUAL %-OF-SALES	ACTUAL %-OF-SALES
601- INTEREST INCOME		3,291.18CR .56%
999 SUSPENSE		145.16 .02%
TOTAL OTHER INCOME		3,146.02CR .54%*
TOTAL NET PROFIT -OR LOSS-		82,041.79CR 13.98%**

SCHEDULE OF DEPRECIATION

The Corp 1500, Inc

NAME

31-0350226

Furniture & Fixtures

Identification Number

Page No.

Item No.	DESCRIPTION	Date Acq.	Cost or Basis	Inv. Cr.	Add'l. 1st. Yr.	Salvage Value	Depreciable Basis	N/U	M	E	L	F	Acc. Dep. 19__	Depr. 1982	Accum. Depr.	Depr. 1981	Accum. Depr.	Depr. 19__	Accum. Depr.
	<i>NEON SIGN</i>	<i>6-2</i>	<i>137</i>				<i>137</i>						<i>137</i>		<i>137</i>	<i>0</i>	<i>137</i>		
	<i>TAPE RECORDER</i>	<i>1-3</i>	<i>50</i>				<i>50</i>						<i>50</i>		<i>50</i>	<i>0</i>	<i>50</i>		
	<i>DUPLICATOR</i>	<i>4-2</i>	<i>50</i>				<i>50</i>						<i>50</i>		<i>50</i>	<i>0</i>	<i>50</i>		
	<i>FAAXTER</i>	<i>6-2</i>	<i>100</i>				<i>100</i>						<i>100</i>		<i>100</i>	<i>0</i>	<i>100</i>		
	<i>CASH REGISTER</i>	<i>5-1</i>	<i>153</i>				<i>153</i>						<i>153</i>		<i>153</i>	<i>0</i>	<i>153</i>		
	<i>ELECTRIC STENOGRAPH</i>	<i>7-4</i>	<i>149</i>				<i>149</i>						<i>149</i>		<i>149</i>	<i>0</i>	<i>149</i>		
	<i>AIR CONDITION LIGHTING</i>	<i>6-77</i>	<i>719.07</i>	<i>77</i>			<i>720</i>	<i>4</i>	<i>7</i>				<i>383</i>	<i>95</i>	<i>483</i>	<i>168</i>	<i>551</i>		
	<i>TELEPHONE</i>	<i>2-78</i>	<i>295.00</i>	<i>20</i>			<i>275</i>	<i>4</i>	<i>5</i>				<i>147</i>	<i>59</i>	<i>206</i>	<i>36</i>	<i>249</i>		
	<i>PHOTO COPIER</i>	<i>5-79</i>	<i>388.48</i>	<i>23</i>			<i>365</i>	<i>4</i>	<i>2</i>				<i>61</i>	<i>88</i>	<i>149</i>	<i>88</i>	<i>237</i>		
	<i>Cash Register</i>	<i>6-81</i>	<i>150.00</i>				<i>150</i>	<i>1</i>	<i>5</i>				<i>125</i>	<i>242</i>	<i>1487</i>	<i>192</i>	<i>1679</i>		
			<i>2182.25</i>													<i>202</i>	<i>1689</i>		

SCHEDULE OF DEPRECIATION

The Boat Shop, Inc.

NAME

81-0350226

Boats & Trailers

Identification Number

Page No.

Item No.	DESCRIPTION	Date Acq.	Cost or Basis	Inv. Cr.	Add'l. 1st. Yr.	Salvage Value	Depreciable Basis	%	M	E	L	F	Acc. Dep. 19__	Depr. 1982	Accum. Depr.	Depr. 1981	Accum. Depr.	Depr. 19__	Accum. Depr.
	<i>Boat</i>	<i>78</i>	<i>190</i>										<i>190</i>		<i>190</i>	<i>0</i>	<i>190</i>		
	<i>Boat</i>	<i>82</i>	<i>365</i>										<i>365</i>		<i>365</i>	<i>0</i>	<i>365</i>		
	<i>Boat & TRAILER</i>	<i>89</i>	<i>77</i>										<i>775</i>		<i>775</i>	<i>0</i>	<i>775</i>		
	<i>Boat TRAILER</i>	<i>74</i>	<i>161</i>										<i>161</i>		<i>161</i>	<i>0</i>	<i>161</i>		
	<i>Boat - McGraw</i>	<i>75</i>	<i>525</i>	<i>59</i>	<i>117</i>								<i>471</i>	<i>33</i>	<i>504</i>	<i>24</i>	<i>528</i>		
	<i>TRAILER</i>	<i>75</i>	<i>245</i>	<i>22</i>	<i>49</i>								<i>196</i>	<i>14</i>	<i>210</i>	<i>10</i>	<i>220</i>		
	<i>Boat - McGraw</i>	<i>75</i>	<i>600</i>	<i>62</i>	<i>130</i>								<i>321</i>	<i>37</i>	<i>558</i>	<i>27</i>	<i>585</i>		
	<i>7 Boats & TRAILER</i>	<i>1/76</i>	<i>3174</i>	<i>200</i>									<i>1324</i>	<i>193</i>	<i>1517</i>	<i>138</i>	<i>1655</i>		
	<i>Boat - H. B. B. B.</i>	<i>11/76</i>	<i>611</i>	<i>66</i>	<i>120</i>								<i>419</i>	<i>52</i>	<i>471</i>	<i>37</i>	<i>508</i>		
	<i>Boat TRAILER</i>	<i>6/77</i>	<i>321</i>	<i>37</i>	<i>60</i>								<i>189</i>	<i>32</i>	<i>221</i>	<i>23</i>	<i>244</i>		
	<i>Boat TRAILER - H. B. B. B.</i>	<i>11/78</i>	<i>2300</i>	<i>230</i>	<i>460</i>								<i>986</i>	<i>375</i>	<i>1361</i>	<i>269</i>	<i>1630</i>		
			<i>2174</i>										<i>560</i>	<i>736</i>	<i>6366</i>	<i>538</i>	<i>6864</i>		
	<i>Autos</i>																		
	<i>75 CHEV TRUCK</i>	<i>12/75</i>	<i>6250</i>	<i>665</i>									<i>499</i>	<i>495</i>	<i>3414</i>	<i>354</i>	<i>5768</i>		
	<i>Auto</i>	<i>11/80</i>	<i>1000</i>	<i>33</i>												<i>306</i>	<i>306</i>		
			<i>7650</i>													<i>660</i>	<i>6074</i>		

SCHEDULE OF DEPRECIATION

THE "CITY" STORE, INC.

NAME

31-0350026

Identification Number

Page No.

FURNITURE & FIXTURES

Item No.	DESCRIPTION	Date Acq.	Cost or Basis	Inv. Cr.	Add'l. 1st. Yr.	Salvage Value	Depreciable Basis	%	M	E	T	L	F	Acc. Dep. 19__	Depr. 19__	Accum. Depr.	Depr. 1981	Accum. Depr.	Depr. 19__	Accu. De
	NEON SIGN	6-2	137				137							137		137	0	137		
	TAP RECORDER	1-3	50				50							50		50	0	50		
	INDICATOR	4-2	50				50							50		50	0	50		
	FOFFER	6	100				100							100		100	0	100		
	CASH REGISTER	1-1	123				123							123		123	0	123		
	ELECTRIC SYSTEMS	7-4	149				149							149		149	0	149		
	AIR CONDITIONING	6-7	719.07	72			720	47						383	95	483	68	551		
	THERMISTOR	2-1	295.00	20			275	45						147	59	206	56	262		
	PHOTO COPIER	5-19	383.48	25			358	4						161	88	149	88	237		
	Cash Register	6-21	2032.25 150.00				1882.25	1						125	242	1487	142	1629		
			2182.25														202	1689		



Neil, Williamson & Co.

CERTIFIED PUBLIC ACCOUNTANTS

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WAYNE F. NEIL, JR., CPA
MICHAEL L. EIDE, CPA
JAN B. STAKER, CPA

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The Trout Shop
West Yellowstone, Montana

The accompanying balance sheet of The Trout Shop as of September 30, 1981, and the related statement of income, for the period then ended have been compiled by us.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures, the statement of changes in financial position, and the statement of retained earnings required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Neil, Williamson & Co.
November 11, 1981

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 1

ASSETS

CURRENT ASSETS

101 CASH ON HAND	400.00	
102 SECURITY BANK-WEST YELLOWSTONE	21,216.36	
104 SECURITY BANK OF BOZEMAN	2,432.33	
105 ACCOUNTS RECEIVABLE	300.00	
106 SECURITY BANK OF BOZEMAN-CD'S	1,523.53	
107 SECURITY BANK-BZN-C.D.	20,000.00	
108 FOSTER & MARSHAL	81,327.66	
110 INVENTORY	67,650.00	
111 PETTY CASH	100.00	
120 PREPAID INSURANCE	3,122.23	
TOTAL CURRENT ASSETS		204,072.11 *

FIXED ASSETS

153 BOATS AND TRAILERS	9,174.00	
154 TRUCKS AND AUTOS	7,650.00	
155 FURNITURE AND FIXTURES	2,182.25	
158 ALLOWANCE FOR DEPRECIATION	14,627.00CR	
TOTAL FIXED ASSETS		3,379.25 *

TOTAL ASSETS

207,451.36 *

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

EQUITIES

CURRENT LIABILITIES

205 ACCOUNTS PAYABLE	11,031.00CR	} prepaid
207 RENT PAYABLE	1,050.00CR	
212 STATE WITHHOLDING PAYABLE	1,916.26CR	
213 STATE U.C.C. PAYABLE	298.15CR	
214 FUTA PAYABLE	317.36CR	
215 FEDERAL INCOME TAX PAYABLE	4,212.00	
TOTAL CURRENT LIABILITIES		11,000.77CR*

CAPITAL

281 CAPITAL STOCK	30,000.00CR	
282 PAID-IN-CAPITAL	3,076.21CR	
283 RETAINED EARNINGS	81,332.59CR	
Y-T-D PROFIT -OR LOSS-	82,041.79CR	
TOTAL CAPITAL		196,450.59CR*

TOTAL LIABILITIES & EQUITY 207,451.36CR*

TOTAL LIABILITIES .00 *

TROUT SHOP, INC.
 PROFIT AND LOSS STATEMENT
 PERIOD ENDING 9/30/81
 SEE ACCOUNTANT'S REPORT

PAGE 1

..... CURRENT YEAR TO DATE

ACTUAL %-OF-SALES ACTUAL %-OF-SALES

SALES INCOME		
302 SALES-MERCHANDISE	590,568.56CR	100.63%
303 SALES-LICENSES	145.55	.02%
304 SALES-GUIDE FEES	50.00	.01%
305 SALES-ART	397.60	.07%
350 SALES REFUNDS	3,107.26	.53%
 TOTAL SALES	 536,868.15CR	 100.00%**
 COST OF SALES		
402 PURCHASES-MERCHANDISE	246,693.58	42.03%
403 PURCHASES-LICENSES	39,507.10	6.73%
404 PURCHASES-ART WORK	17,409.57	2.97%
405 GUIDE EXPENSE	1,403.22	.24%
406 CATALOG COSTS	5,540.90	.94%
TOTAL COST OF SALES	310,544.37	52.92%**
 TOTAL GROSS PROFIT	 226,323.78CR	 47.08%**
 EXPENSES		
501 ADVERTISING	3,812.89	.65%
502 PROFESSIONAL SERVICES	1,552.00	.26%
503 DUES, PUBLICATIONS & DONATIONS	1,765.54	.30%
504 BANK CHARGES	311.62	.05%
505 BAD DEBTS AND NSF CHECKS	1,904.72	.32%
506 BANK-AMERICARD CHARGES	4,984.65	.85%
507 CASUAL LABOR	2,209.93	.38%
510 DEPRECIATION	1,390.00	.24%
512 FREIGHT AND POSTAGE	3,573.37	.65%
514 GAS AND OIL-AUTO	3,218.55	.55%
515 INSURANCE-LICENSES AND BONDS	6,505.39	1.11%
517 INTEREST	962.62	.16%
519 MISCELLANEOUS EXPENSE	551.37	.09%
520 OFFICE SUPPLIES	926.27	.16%
521 RENT	11,747.50	2.00%
522 RENT-EQUIPMENT	725.64	.12%
523 REPAIRS AND MAINTENANCE	2,693.04	.46%
525 SUPPLIES	2,110.89	.36%
526 TAXES-GENERAL	627.30	.11%
527 TAXES-PAYROLL	12,597.09	2.15%
529 TELEPHONE	715.45	.12%
530 TRAVEL AND ENTERTAINMENT	753.60	.13%
531 UTILITIES	4,230.21	.73%
532 WAGES	109,695.76	18.69%
533 CATALOG COSTS	3,307.89	.55%
534 UPS AND POSTAL SERVICE	652.00	.11%
535 LUNCHES FOR GUIDE TRIPS-LOYD	4,552.10	.78%
536 CAR MOVERS	6,451.50	1.10%
537 GUIDE COST	837.97	.14%
TOTAL EXPENSES	197,428.01	33.64%**
 OTHER INCOME		

TROUT SHIP, INC.
PROFIT AND LOSS STATEMENT
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

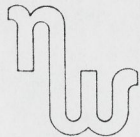
 CURRENT YEAR TO DATE	
	ACTUAL	%-OF-SALES	ACTUAL	%-OF-SALES
601- INTEREST INCOME			3,291.18CR	.56%
999 SUSPENSE			145.16	.02%
TOTAL OTHER INCOME			3,146.02CR	.54%*
TOTAL NET PROFIT -OR LOSS-			82,041.79CR	13.98%**

TROUT SHOP, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 1981

TROUT SHOP, INC.
SEPTEMBER 30, 1981

T A B L E O F C O N T E N T S

<u>FINANCIAL INFORMATION:</u>	<u>PAGE NUMBER</u>
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Balance Sheets.....	2
Statements of Income.....	3
Statements of Retained Earnings.....	4
Statements of Changes in Financial Position.....	5
Notes to Financial Statements.....	6-7



Neil, Williamson & Co.

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN H. WILLIAMSON, CPA
WAYNE F. NEIL, JR., CPA
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1609 W. BABCOCK • P.O. BOX 1941
BOZEMAN, MONTANA 59715
(406) 587-9239

Board of Directors
Trout Shop, Inc.
Bozeman, Montana 59715

We have reviewed the accompanying balance sheets of Trout Shop, Inc. as of September 30, 1981 and 1980, and the related statements of income, retained earnings, and changes in financial position for the years then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Trout Shop, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review of the September 30, 1981 and 1980 financial statements, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Neil, Williamson & Co.
December 8, 1981

TROUT SHOP, INC.
BALANCE SHEETS
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and savings	\$ 133,000	\$ 121,498
Accounts receivable	300	300
Prepaid insurance	3,122	2,170
Inventory	67,650	62,641
Total Current Assets	204,072	186,609
PROPERTY AND EQUIPMENT, at cost, (Note 2):		
Furniture and fixtures	2,182	2,032
Boats and trailers	8,174	8,174
Transportation equipment	7,650	6,650
Total	18,006	16,856
Less - accumulated depreciation	14,627	13,237
Total Property and Equipment	3,379	3,619
TOTAL ASSETS	\$ 207,451	\$ 190,228
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 22,080	\$ 34,158
Payroll taxes payable	3,132	2,826
Income taxes payable	4,185	4,535
Bonuses payable	36,500	34,300
Total Current Liabilities	65,897	75,819
STOCKHOLDERS' EQUITY:		
Common stock, \$100 stated value		
500 shares authorized, 300 shares		
issued and outstanding	30,000	30,000
Paid-in capital	3,076	3,076
Retained earnings	108,478	81,333
Total Stockholders' Equity	141,554	114,409
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 207,451	\$ 190,228

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
STATEMENTS OF INCOME
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
SALES, net of refunds	\$ 586,868	\$ 525,051
COST OF SALES (Note 4)	335,694	302,736
GROSS PROFIT	251,174	222,315
OPERATING EXPENSES:		
Salaries	93,646	61,923
Officers' salaries	52,550	71,600
Payroll taxes	12,597	8,081
Rent (Note 3)	12,473	10,436
Bank and charge card costs	7,201	6,840
Insurance licenses and bond	6,505	7,536
Freight and postage	6,226	6,507
Utilities	4,280	3,288
Advertising	3,813	5,423
Vehicle costs	3,219	3,601
Supplies	3,037	3,506
Repairs	2,693	577
Casual labor	2,210	2,563
Dues and publications	1,766	1,296
Professional services	1,552	675
Depreciation (Note 2)	1,390	1,473
Interest	963	-0-
Travel	764	1,342
Telephone	715	1,349
Miscellaneous	696	358
Business taxes	627	699
Amortization	-0-	16
Total Operating Expenses	218,923	199,089
INCOME FROM OPERATIONS	32,251	23,226
OTHER INCOME	3,291	2,114
TOTAL	35,542	25,340
PROVISION FOR INCOME TAXES	8,397	5,919
NET INCOME	\$ 27,145	\$ 19,421

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
STATEMENTS OF RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	<u>1981</u>	<u>1980</u>
BALANCE, beginning of period	\$ 81,333	\$ 61,912
ADD:		
Net Income	<u>27,145</u>	<u>19,421</u>
BALANCE, end of period	\$ <u>108,478</u>	\$ <u>81,333</u>

The accompanying notes are an integral part of these financial statement.

TROUT SHOP, INC.
STATEMENTS OF CHANGES IN FINANCIAL POSITION
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

	1981	1980
SOURCE OF WORKING CAPITAL:		
Operations -		
Net income	\$ 27,145	\$ 19,421
Add expenses not requiring an outlay of working capital in the current period:		
Amortization	-0-	16
Depreciation	1,390	1,473
Working Capital Provided By Operations	28,535	20,910
APPLICATION OF WORKING CAPITAL:		
Purchase of equipment	1,150	-0-
INCREASE IN WORKING CAPITAL	\$ 27,385	\$ 20,910
INCREASE (DECREASE) IN WORKING CAPITAL, by major component:		
Cash	\$ 11,502	\$ 40,959
Other receivables	-0-	(1,384)
Prepaid insurance	952	502
Inventory	5,009	5,223
Accounts payable	12,078	(19,969)
Payroll taxes payable	(306)	1,332
Income taxes payable	350	(3,953)
Bonuses payable	(2,200)	(1,800)
INCREASE IN WORKING CAPITAL	\$ 27,385	\$ 20,910

The accompanying notes are an integral part of these financial statements.

TROUT SHOP, INC.
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Assets and liabilities, and revenues and costs are recorded on the accrual basis for both financial and income tax reporting purposes.
- B. Merchandise inventories are recorded at the lower of cost (first-in, first-out) or market.
- C. Depreciation has been provided as described in Note 2.
- D. Property and equipment are recorded at historical cost.
- E. Investment and jobs tax credits, if any, are used to offset the current year's income tax liability.

NOTE 2 DEPRECIATION

	DEPRECIATION METHOD	USEFUL LIFE	EXPENSE		ACCUMULATED DEPRECIATION
			1981	1980	
Boats and trailers	Straight-line & Declining bal.	5-6 yrs.	\$ 528	\$ 736	\$ 6,864
Transportation equipment	Declining balance	7 yrs.	660	495	6,074
Equipment	Straight-line & Declining bal.	3-10 yrs.	<u>202</u>	<u>242</u>	<u>1,689</u>
TOTALS			<u>\$ 1,390</u>	<u>\$ 1,473</u>	<u>\$ 14,627</u>

TROUT SHOP, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1981 AND 1980

(SEE ACCOUNTANTS' REVIEW REPORT)

NOTE 3 RENT EXPENSE

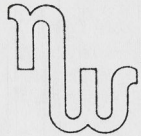
The corporation has a rental agreement with Walen and Pat Lilly which calls for six monthly payments of \$175.00 each for the use of their property for the operation of the corporation's catalog business.

NOTE 4 COST OF SALES

The cost of sales were computed as follows:

	<u>1981</u>	<u>1980</u>
Beginning inventory	\$ 62,641	\$ 57,418
Purchases - merchandise	269,102	246,131
Purchases - licenses	39,507	37,176
Guide costs	13,245	8,001
Catalog costs	<u>18,849</u>	<u>16,651</u>
Total Available	403,344	365,377
Less - ending inventory	<u>67,650</u>	<u>62,641</u>
 COST OF SALES	 <u>\$ 335,694</u>	 <u>\$ 302,736</u>

THE TROUT SHOP
FINANCIAL STATEMENTS
SEPTEMBER 30, 1981



Neil, Williamson & Co.

CERTIFIED PUBLIC ACCOUNTANTS _____

STEVEN H. WILLIAMSON, CPA
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MICHAEL L. EIDE, CPA
JAN B. STAKER, CPA

1609 W. BABCOCK • P.O. BOX 1941
BOZEMAN, MONTANA 59715
(406) 587-9239

The Trout Shop
West Yellowstone, Montana

The accompanying balance sheet of The Trout Shop as of September 30, 1981, and the related statement of income, for the period then ended have been compiled by us.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures, the statement of changes in financial position, and the statement of retained earnings required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Neil, Williamson & Co.
November 11, 1981

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

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ASSETS

CURRENT ASSETS

101 CASH ON HAND	400.00	
102 SECURITY BANK-WEST YELLOWSTONE	21,216.36	
104 SECURITY BANK OF BOZEMAN	8,432.33	
105 ACCOUNTS RECEIVABLE	300.00	
106 SECURITY BANK OF BOZEMAN-CD'S	1,523.53	
107 SECURITY BANK-BZN-C.D.	20,000.00	
108 FOSTER & MARSHAL	81,327.66	
110 INVENTORY	67,650.00	
111 PETTY CASH	100.00	
120 PREPAID INSURANCE	3,122.23	
TOTAL CURRENT ASSETS		204,072.11 *

FIXED ASSETS

153 BOATS AND TRAILERS	8,174.00	
154 TRUCKS AND AUTOS	7,650.00	
155 FURNITURE AND FIXTURES	2,182.25	
168 ALLOWANCE FOR DEPRECIATION	14,627.00CR	
TOTAL FIXED ASSETS		3,379.25 *

TOTAL ASSETS

207,451.36 *

TROUT SHOP, INC.
BALANCE SHEET
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

EQUITIES

CURRENT LIABILITIES		
205 ACCOUNTS PAYABLE	11,031.00CR	
207 RENT PAYABLE	1,050.00CR	
212 STATE WITHHOLDING PAYABLE	1,916.26CR	
213 STATE U.C.C. PAYABLE	898.15CR	
214 FUTA PAYABLE	317.36CR	
215 FEDERAL INCOME TAX PAYABLE	4,212.00	
TOTAL CURRENT LIABILITIES		11,000.77CR*
CAPITAL		
281 CAPITAL STOCK	30,000.00CR	
282 PAID-IN-CAPITAL	3,076.21CR	
283 RETAINED EARNINGS	81,332.59CR	
Y-T-D PROFIT -OR LOSS-	82,041.79CR	
TOTAL CAPITAL		196,450.59CR*
TOTAL LIABILITIES & EQUITY		207,451.36CR*
TOTAL LIABILITIES		.00 *

TROUT SHOP, INC.
 PROFIT AND LOSS STATEMENT
 PERIOD ENDING 9/30/81
 SEE ACCOUNTANT'S REPORT

PAGE 1

..... CURRENT YEAR TO DATE

	ACTUAL	%-OF-SALES	ACTUAL	%-OF-SALES
SALES INCOME				
302 SALES-MERCHANDISE	590,568.56		CR 100.63%	
303 SALES-LICENSES	145.55			.02%
304 SALES-GUIDE FEES	50.00			.01%
305 SALES-ART	397.60			.07%
350 SALES REFUNDS	3,107.26			.53%
TOTAL SALES	586,868.15		CR 100.00%**	
COST OF SALES				
402 PURCHASES-MERCHANDISE	246,683.58			42.03%
403 PURCHASES-LICENSES	39,507.10			6.73%
404 PURCHASES-ART WORK	17,409.57			2.97%
405 GUIDE EXPENSE	1,403.22			.24%
406 CATALOG COSTS	5,540.90			.94%
TOTAL COST OF SALES	310,544.37			52.92%*
TOTAL GROSS PROFIT	276,323.78		CR 47.08%**	
EXPENSES				
501 ADVERTISING	3,812.89			.65%
502 PROFESSIONAL SERVICES	1,552.00			.26%
503 DUES, PUBLICATIONS & DONATIONS	1,765.54			.30%
504 BANK CHARGES	311.62			.05%
505 BAD DEBTS AND NSF CHECKS	1,904.72			.32%
506 BANK-AMERICARD CHARGES	4,984.65			.85%
507 CASUAL LABOR	2,209.93			.38%
510 DEPRECIATION	1,390.00			.24%
512 FREIGHT AND POSTAGE	5,573.97			.95%
514 GAS AND OIL-AUTO	3,218.59			.55%
515 INSURANCE-LICENSES AND BONDS	6,505.39			1.11%
517 INTEREST	962.62			.16%
519 MISCELLANEOUS EXPENSE	551.87			.09%
520 OFFICE SUPPLIES	926.28			.16%
521 RENT	11,747.50			2.00%
522 RENT-EQUIPMENT	725.64			.12%
523 REPAIRS AND MAINTENANCE	2,693.04			.46%
525 SUPPLIES	2,110.89			.36%
526 TAXES-GENERAL	627.30			.11%
527 TAXES-PAYROLL	12,597.09			2.15%
529 TELEPHONE	715.45			.12%
530 TRAVEL AND ENTERTAINMENT	763.60			.13%
531 UTILITIES	4,290.21			.73%
532 WAGES	109,695.76			18.69%
533 CATALOG COSTS	3,307.89			.56%
534 UPS AND POSTAL SERVICE	652.00			.11%
535 LUNCHES FOR GUIDE TRIPS-LOYD	(4,552.10)			.78%
536 CAR MOVERS	(6,451.50)			1.10%
537 GUIDE COST	837.97			.14%
TOTAL EXPENSES	197,428.01			33.64%**
OTHER INCOME				

TROUT SHOP, INC.
PROFIT AND LOSS STATEMENT
PERIOD ENDING 9/30/81
SEE ACCOUNTANT'S REPORT

PAGE 2

 CURRENT YEAR TO DATE	
	ACTUAL	%-OF-SALES	ACTUAL	%-OF-SALES
601- INTEREST INCOME			3,291.18CR	.56%
999 SUSPENSE			145.16	.02%
TOTAL OTHER INCOME			3,146.02CR	.54%*
TOTAL NET PROFIT -OR LOSS-			82,041.79CR	13.98%**