

HAL-PC
STATEMENT OF REVENUES AND EXPENSES

| | 1 Month Ended September 30, 1999 | | 4 Months Ended September 30, 1999 | |
|-----------------------------------|-------------------------------------|--------|--------------------------------------|--------|
| | ===== | ===== | ===== | ===== |
| REVENUES | | | | |
| Interest income | (\$819.52) | -0.6% | \$18,155.21 | 2.9% |
| Presentation fees | 0.00 | 0.0% | 24,107.88 | 3.9% |
| Vendor fees | 575.00 | 0.4% | 1,682.50 | 0.3% |
| Internet services | 962.00 | 0.7% | 3,912.00 | 0.6% |
| Donations to HAL-PC | 0.00 | 0.0% | 586.02 | 0.1% |
| Donations to MCSE SIG | 100.00 | 0.1% | 1,915.71 | 0.3% |
| Donations to HAL - Events | 0.00 | 0.0% | 537.00 | 0.1% |
| Rental income | 300.00 | 0.2% | 1,200.00 | 0.2% |
| Ad Sales--National Ad Program | 9,362.00 | 7.0% | 34,912.00 | 5.7% |
| Advertising - Magazine | 9,745.00 | 7.3% | 44,161.00 | 7.2% |
| Annual dues | 32,721.63 | 24.4% | 145,178.31 | 23.6% |
| HALNet extend fees - Exempt | 0.00 | 0.0% | 5.00 | 0.0% |
| Internet setup fees - Exempt | 0.00 | 0.0% | 45.00 | 0.0% |
| HALNet monthly fees - Exempt | 109.90 | 0.1% | 259.80 | 0.0% |
| HTML class fees | 60.00 | 0.0% | 360.00 | 0.1% |
| Learning Center class fees | 1,115.00 | 0.8% | 8,830.00 | 1.4% |
| Self-Study class fees | 0.00 | 0.0% | 120.00 | 0.0% |
| HAL-PC Clear Lake class fees | 540.00 | 0.4% | 2,975.00 | 0.5% |
| Exempt pipeline sales | 0.00 | 0.0% | 550.00 | 0.1% |
| Taxable revenues | | | | |
| Cap sales | 44.34 | 0.0% | 392.14 | 0.1% |
| CD-ROM sales | 46.19 | 0.0% | 461.55 | 0.1% |
| Computer sales | 0.00 | 0.0% | 591.23 | 0.1% |
| Electronic parts sales | 567.63 | 0.4% | 3,774.63 | 0.6% |
| HALNet extend fees | 371.17 | 0.3% | 1,551.01 | 0.3% |
| HALNet setup fees | 3,241.72 | 2.4% | 19,243.73 | 3.1% |
| HALNet monthly fees | 74,017.16 | 55.3% | 295,741.12 | 48.0% |
| Pipeline sales | 498.63 | 0.4% | 998.63 | 0.2% |
| Learning Center manual sales | 77.60 | 0.1% | 91.60 | 0.0% |
| Phone line sales | 111.68 | 0.1% | 446.72 | 0.1% |
| Refreshment sales | 0.00 | 0.0% | 1,248.49 | 0.2% |
| Second E-mail account fees | 89.87 | 0.1% | 152.87 | 0.0% |
| Group purchase revenue | 0.00 | 0.0% | 1,522.40 | 0.2% |
| Study guide sales | 85.91 | 0.1% | 415.70 | 0.1% |
| ----- | | | | |
| TOTAL Sales Taxable For Sales Tax | 79,151.90 | 59.1% | 326,631.82 | 53.0% |
| ----- | | | | |
| TOTAL REVENUES | 133,922.91 | 100.0% | 616,124.25 | 100.0% |
| ----- | | | | |
| ***** NET REVENUES | 133,922.91 | 100.0% | 616,124.25 | 100.0% |
| ----- | | | | |

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HAL-PC
STATEMENT OF REVENUES AND EXPENSES

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| | 1 Month Ended September 30, 1999 ===== | | 4 Months Ended September 30, 1999 ===== | |
|--------------------------------|--|-------|---|-------|
| Cost of Goods Sold | | | | |
| Cap sales cost | 0.00 | 0.0% | 385.00 | 0.1% |
| CD-ROM sales cost | 0.00 | 0.0% | 1,713.00 | 0.3% |
| Learning Center manuals cost | 310.00 | 0.2% | 310.00 | 0.1% |
| Group purchase sales cost | 2,478.00 | 1.9% | 4,268.00 | 0.7% |
| Electronic parts sales cost | 302.50 | 0.2% | 6,225.00 | 1.0% |
| Study guide sales cost | 0.00 | 0.0% | (279.64) | -0.0% |
| Pipeline sales cost | 1,049.50 | 0.8% | 2,055.18 | 0.3% |
| Refreshment sales cost | 132.23 | 0.1% | 491.37 | 0.1% |
| | ----- | | ----- | |
| TOTAL Cost of Goods Sold | 4,272.23 | 3.2% | 15,167.91 | 2.5% |
| | ----- | | ----- | |
| ***** ADJUSTED NET REVENUES | 129,650.68 | 96.8% | 600,956.34 | 97.5% |
| | ----- | | ----- | |
| EXPENSES | | | | |
| Accounting | 3,500.13 | 2.6% | 12,691.50 | 2.1% |
| Ad Sales--Other UserGrps Share | 5,817.00 | 4.3% | 23,985.00 | 3.9% |
| Advertising | 5,345.00 | 4.0% | 28,147.50 | 4.6% |
| Audio visual | 5,810.80 | 4.3% | 33,071.66 | 5.4% |
| Bad debts | (6,341.55) | -4.7% | (6,341.55) | -1.0% |
| Bank charges | 232.03 | 0.2% | 1,960.71 | 0.3% |
| Credit card expense | 2,814.08 | 2.1% | 10,485.25 | 1.7% |
| Decorations, chairs & tables | 202.50 | 0.2% | 2,214.08 | 0.4% |
| Delivery service | 142.00 | 0.1% | 769.84 | 0.1% |
| Amortization expense leasehold | 1,834.19 | 1.4% | 7,336.76 | 1.2% |
| Electrical | 7,893.32 | 5.9% | 9,963.42 | 1.6% |
| Electronic parts | 690.45 | 0.5% | 8,264.42 | 1.3% |
| Employee payroll | 14,406.83 | 10.8% | 54,800.58 | 8.9% |
| Entertainment and meals | 0.00 | 0.0% | 938.95 | 0.2% |
| Equipment rental | 15.00 | 0.0% | 391.50 | 0.1% |
| First aid services | 120.00 | 0.1% | 460.00 | 0.1% |
| Food - Volunteer Development | 609.29 | 0.5% | 3,629.49 | 0.6% |
| Freight | 132.00 | 0.1% | 775.64 | 0.1% |
| Insurance - Other | 0.00 | 0.0% | 2,739.00 | 0.4% |
| Interest expense | 0.00 | 0.0% | 14.61 | 0.0% |
| Licenses and fees | 6,920.00 | 5.2% | 26,068.85 | 4.2% |
| Management fees | 8,000.00 | 6.0% | 40,000.00 | 6.5% |
| Manuals | 130.57 | 0.1% | 1,843.82 | 0.3% |
| Maintenance | 363.80 | 0.3% | 518.15 | 0.1% |
| Miscellaneous | 15.97 | 0.0% | 43.60 | 0.0% |
| Mileage | 3.84 | 0.0% | 3.84 | 0.0% |
| MCSE expenses | 0.00 | 0.0% | 1,066.71 | 0.2% |
| Monthly retainer | 500.00 | 0.4% | 2,000.00 | 0.3% |

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|--|-------------------------------------|--------|--------------------------------------|-------|
| | ===== | ===== | ===== | ===== |
| NPC fee expense | 22.00 | 0.0% | 104.25 | 0.0% |
| Office supplies and expense | 847.51 | 0.6% | 2,280.84 | 0.4% |
| Parking | 16.00 | 0.0% | 26.00 | 0.0% |
| Payroll taxes | 1,108.34 | 0.8% | 4,235.76 | 0.7% |
| Penalties | 15.75 | 0.0% | 652.75 | 0.1% |
| Photography | 0.00 | 0.0% | 94.00 | 0.0% |
| Postage | 2,199.10 | 1.6% | 7,805.99 | 1.3% |
| Printing | 18,083.37 | 13.5% | 84,530.00 | 13.7% |
| Professional services rendered | 4,500.00 | 3.4% | 15,000.00 | 2.4% |
| Promotions | 0.00 | 0.0% | 50.00 | 0.0% |
| Rent | 12,617.56 | 9.4% | 54,059.64 | 8.8% |
| Repairs | 0.00 | 0.0% | 312.66 | 0.1% |
| Security and patrol | 100.00 | 0.1% | 1,098.15 | 0.2% |
| Small tools and equipment | 628.77 | 0.5% | 1,330.44 | 0.2% |
| Software purchases | 45.00 | 0.0% | 485.40 | 0.1% |
| Spares | 0.00 | 0.0% | 2,010.00 | 0.3% |
| Supplies | 542.98 | 0.4% | 1,577.84 | 0.3% |
| Teaching | 0.00 | 0.0% | 255.00 | 0.0% |
| Telephone | 36,062.75 | 26.9% | 123,804.96 | 20.1% |
| Travel | 0.00 | 0.0% | 9,402.02 | 1.5% |
| Vehicle allowance | 250.00 | 0.2% | 1,000.00 | 0.2% |
| | ----- | | ----- | |
| TOTAL EXPENSES | 136,196.38 | 101.7% | 577,959.03 | 93.8% |
| | ----- | | ----- | |
| ***** OPERATING REVENUES | (6,545.70) | -4.9% | 22,997.31 | 3.7% |
| | ----- | | ----- | |
| Other Income & Expenses | | | | |
| A/P discounts | 30.42 | 0.0% | 104.10 | 0.0% |
| Finance charges | (74.48) | -0.1% | 329.96 | 0.1% |
| Budgeted equipment purchases | (4,754.17) | -3.5% | (29,414.51) | -4.8% |
| | ----- | | ----- | |
| TOTAL Other Income & Expenses | (4,798.23) | -3.6% | (28,980.45) | -4.7% |
| | ----- | | ----- | |
| ***** REVENUES OVER (UNDER) EXPENSES | (11,343.93) | -8.5% | (5,983.14) | -1.0% |
| | ----- | | ----- | |
| ***** NET REVENUES OVER (UNDER) EXPENSES | (\$11,343.93) | -8.5% | (\$5,983.14) | -1.0% |
| | ===== | | ===== | |

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