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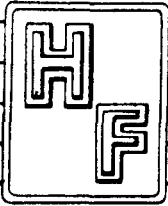
MAR 28 2005

ESTATE OF WILLIAM P. LEAR, DECEASED

CHARGE AND DISCHARGE STATEMENT

FOR THE FISCAL YEAR

MAY 1, 1988 TO APRIL 30, 1989



HOLLANDER, FREEDMAN, HARRISON & FINE

CERTIFIED PUBLIC ACCOUNTANTS

8383 WILSHIRE BOULEVARD, SUITE 610, BEVERLY HILLS, CALIFORNIA 90211

TELEPHONE (213) 655-4190 FAX (213) 651-2385

Mrs. Moya Olsen Lear, Executrix
of the Estate of William P. Lear, Deceased
P.O. Box 61000
Reno, Nevada, 89506-1060

Dear Mrs. Lear:

We have compiled the accompanying charge and discharge statement of the Estate of William P. Lear, Deceased, from May 1, 1988 through April 30, 1989, and the related supporting schedules for the period then ended on a cash basis, in a format for submission to the District Court, in accordance with standards established by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the District Court information that is the representation of the Executrix. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or other form of assurance on them.

These statements are presented in accordance with requirements of the District Court, which differ from generally accepted accounting principles. Accordingly, these statements are not designed for those who are not informed about such differences.

Hollander, Freedman, Harrison & Fine

Hollander, Freedman, Harrison & Fine
Certified Public Accountants

Beverly Hills, California
February 9, 1990

ESTATE OF WILLIAM P. LEAR, DECEASED

CHARGE AND DISCHARGE STATEMENT

FOR THE FISCAL YEAR

MAY 1, 1988 to APRIL 30, 1989

CHARGES:

Property on Hand, May 1, 1988 (Schedule A)	\$ 3,084,666.54
Interest Income (Schedule B)	83,461.53
Dividend Income (Schedule C)	10,871.43
Income from Oil Leases (Schedule D)	70,305.91
Partnership Distributions received (Schedule E)	5,250.00
Increase in amounts due to William P. Lear Family Trust B	60,017.00
Income from Royalties on Aircraft (Schedule F)	<u>874,000.00</u>
<u>Total Charges</u>	<u>\$ 4,188,572.41</u>

CREDITS:

Expenses of Administration (Schedule G)	\$ 44,900.18
Estate taxes paid by William P. Lear Family Trust B	60,000.00
Federal and California Income Taxes paid	267,399.00
Expenses of Operation of Oil Leases (Schedule H)	50,009.20
Reduction in Amounts due to Birr, Wilson Securities, Inc.	1,941.50
Amount paid to Moya Corp.	1,640.50
Property on Hand, April 30, 1989 (Schedule I)	<u>3,762,682.03</u>
<u>Total Credits</u>	<u>\$ 4,188,572.41</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

PROPERTY ON HAND MAY 1, 1988

Cash in Banks, etc. - per Schedule A-1	\$ 298,986.20
Securities - per Schedule A-2	964,336.15
Notes receivable - per Schedule A-3	8,500.00
Other Miscellaneous Propety per Schedule A-4	<u>1,812,844.19</u>
<u>Total Property on Hand May 1, 1988</u>	<u>\$ 3,084,666.54</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

CASH IN BANKS, ETC. MAY 1, 1988

Valley Bank of Nevada - Checking Account	\$ 243,119.31
Certificate of Deposit	52,873.31
Birr, Wilson Money Fund	<u>2,993.58</u>
<u>Total Cash in Banks, etc.</u>	<u>\$ 298,986.20</u>

SCHEDULE A-2

SECURITIES ON HAND MAY 1, 1988

(Estate's One-Half Community Share)

	<u>Number of Shares</u>	
Investment Portfolios - Government Plus	11,198.661	\$ 93,832.27(*)
Aerocar, Inc., Washington	10	-0-
First Commercial Title, Inc., Nevada	25	1,950.00
Tax Specialists, Inc., New	1,500	-0-
Incline Lake Corp.	1,250	12,500.00
Laser Technology	5	-0-
Nuveen Tax-Exempt Unit Trusts		<u>856,053.88</u>
<u>Securities on Hand, May 1, 1988 (at cost)</u>		<u>\$ 964,336.15</u>

(*)Market value approximately \$86,678.

Unaudited
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ESTATE OF WILLIAM P. LEAR, DECEASED
NOTES RECEIVABLE AS OF MAY 1, 1988

Unsecured note of July 8, 1983 of North Valley Homes, Inc. with principal payments of \$7,000 being due at the sale of each lot of Unit #1	\$ 7,000.00
Less: Community interest of surviving spouse	<u>3,500.00</u>
Estate's interest in note receivable	3,500.00
Unsecured demand note of June 23, 1983 of Leareno Development Co. bearing interest of 10% p.a. until paid	<u>5,000.00</u>
<u>Total Notes Receivable, May 1, 1988</u>	<u>\$ 8,500.00</u>

Unaudited
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ESTATE OF WILLIAM P. LEAR, DECEASED
OTHER MISCELLANEOUS PROPERTY ON HAND MAY 1, 1988

Oil and Gas Royalties: East and West Brorson Fields, Richland County, Montana, operated by Miami Oil Producers, Inc. (per appraisal)	\$ 110,295.00
Ella Lee Kerlick Lease, DeWitt County, Texas .68939% working interest	-0-
Stecker "A" Lease, Kansas 1.25% working interest	<u>2,970.00</u>
Total	113,265.00
Less: Community interest of surviving spouse	<u>56,632.50</u>
Estate's interest	56,632.50
Amount due from Moya Olsen Lear	2,126.34
Office equipment	486.35
Advances to Silver Lake Water Distribution Co.	111,251.00
Loans to William P. Lear Trust A (funds received from Canadair, Ltd., plus \$200)	1,634,698.00
Escrow deposit for Moya Boulevard improvements	<u>7,650.00</u>
<u>Total Miscellaneous Property as of</u> <u>May 1, 1988</u>	<u>\$ 1,812,844.19</u>

Unaudited
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SCHEDULE B

ESTATE OF WILLIAM P. LEAR, DECEASED

INTEREST INCOME

MAY 1, 1988 to APRIL 30, 1989

Nuveen Tax-Exempt Unit Trusts	\$ 55,783.55
Valley Bank of Nevada	26,758.14
Silver Lake Water Distribution Co.	133.36
Internal Revenue Service	<u>786.48</u>
<u>Total Interest Income</u>	<u>\$ 83,461.53</u>

SCHEDULE C

DIVIDEND INCOME

MAY 1, 1988 to APRIL 30, 1989

Investment Portfolios - Government Plus	\$ 9,039.28
CEF Money Market Fund	<u>1,832.15</u>
<u>Total Dividend Income</u>	<u>\$ 10,871.43</u>

Unaudited
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SCHEDULE D

ESTATE OF WILLIAM P. LEAR, DECEASED

INCOME FROM OIL LEASES

(Estate's One-Half Community Share)

MAY 1, 1988 to APRIL 30, 1989

Thomas Allison #1 Lease	\$ 32,461.89
Dynneson A #1 Lease	37,472.21
Ella Lee Kerlick Lease	235.74
Strecker "A" Lease	<u>136.07</u>
<u>Total Income from Oil Leases</u>	<u>\$ 70,305.91</u>

SCHEDULE E

PARTNERSHIP DISTRIBUTIONS RECEIVED

MAY 1, 1988 to APRIL 30, 1989

Capistrano Industrial Park, Ltd.,
San Juan Capistrano, California:

<u>Estate's share of Partnership Distributions Received</u>	<u>\$ 5,250.00</u>
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Unaudited
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ESTATE OF WILLIAM P. LEAR, DECEASED
INCOME FROM ROYALTIES ON AIRCRAFT
(Estate's One-Half Community Share)
MAY 1, 1988 to APRIL 30, 1989

Royalties paid by Canadair Limited arising from sales of Challenger Aircraft		\$ 1,035,000.00
Less: Canadian Withholding Tax	\$ 103,500.00	
Commissions	<u>57,500.00</u>	<u>161,000.00</u>
<u>Net Income from Royalties</u>		<u>\$ 874,000.00</u>

Unaudited
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ESTATE OF WILLIAM P. LEAR, DECEASED

EXPENSES OF ADMINISTRATION

MAY 1, 1988 to APRIL 30, 1989

1988

5/2	Hollander, Freedman, Harrison & Fine - accounting fees	\$ 3,520.00
5/16	Geraldine Della - office expense	350.00
6/7	Ronald J. Bath, Esq. - legal fees	2,353.18
6/14	Geraldine Della - office expense	350.00
7/7	Hill Cassas de Lipkau and Erwin - legal fees	21.00
7/7	Leareno Development Co. - reimbursement for accounting fees paid to GrantThornton	170.00
7/18	Hollander, Freedman, Harrison & Fine - accounting fees	5,970.00
7/18	Geraldine Della - office expense	350.00
8/15	Geraldine Della - office expense	350.00
8/15	Hill Cassas de Lipkau and Erwin - legal fees	50.00
9/9	Hollander, Freedman, Harrison & Fine	3,650.00
9/26	Geraldine Della - office expense	350.00
10/6	Geraldine Della - office expense	350.00
11/8	Leareno Development Co. - reimbursement for accounting fees paid to GrantThornton	450.00
11/8	Hollander, Freedman, Harrison & Fine - accounting fees	7,650.00
11/16	Geraldine Della - office expense	350.00
12/29	Hollander, Freedman, Harrison & Fine	4,915.00
12/22	Geraldine Della - office expense	350.00
12/29	GrantThornton - accounting fees	500.00

1989

1/13	Geraldine Della - office expense	350.00
1/31	Bank charges	26.00
2/14	Hollander, Freedman, Harrison & Fine - accounting fees	6,850.00
2/14	Geraldine Della - office expense	350.00
3/20	Geraldine Della - office expense	350.00
4/14	Leareno Development Co. - reimbursement for accounting fees paid to GrantThornton	700.00
4/14	Geraldine Della - office expense	350.00
4/27	Hollander, Freedman, Harrison & Fine	3,875.00

Total Expenses of Administration\$ 44,900.18

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SCHEDULE H

ESTATE OF WILLIAM P. LEAR, DECEASED
EXPENSES OF OPERATION OF OIL LEASES
MAY 1, 1988 to APRIL 30, 1989
(Estate's One-Half Community Share)

Thomas Allison #1 Lease	\$ 29,290.80
Dynneson A #1 Lease	20,659.11
Ella Lee Kerlick Lease	59.29
Strecker "A" Lease	<u>-0-</u>
<u>Total Expenses of Operation of Oil Leases</u>	<u>\$ 50,009.20</u>

SCHEDULE I

PROPERTY ON HAND APRIL 30, 1989
MAY 1, 1988 to APRIL 30, 1989

Cash in Banks, etc. - per Schedule I-1	\$ 1,004,280.08
Securities - per Schedule I-2	925,067.72
Notes receivable - per Schedule I-3	12,666.68
Other Miscellaneous Property per Schedule I-4	<u>1,820,667.55</u>
<u>Total Property on Hand April 30, 1989</u>	<u>\$ 3,762,682.03</u>

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ESTATE OF WILLIAM P. LEAR, DECEASED

CASH IN BANKS, ETC. APRIL 30, 1989

Valley Bank of Nevada - Checking Account	\$ 844,326.29
Certificate of Deposit	56,281.73
Manufacturers Hanover Trust Co. 9.75% Certificate of deposit, due 9/29/89	100,000.00
CEF Money Market Portfolio	<u>3,672.06</u>
<u>Total Cash in Banks, etc.</u>	<u>\$ 1,004,280.08</u>

SCHEDULE I-2

SECURITIES ON HAND APRIL 30, 1989

(Estate's One-Half Community Share)

	<u>Number of Shares</u>	
Investment Portfolios - Government Plus	12,413.044	\$ 102,871.55(*)
Aerocar, Inc., Washington	10	-0-
First Commercial Title, Inc., Nevada	25	1,950.00
Tax Specialists, Inc., New	1,500	-0-
Incline Lake Corp.	1,250	12,500.00
Laser Technology	5	-0-
Nuveen Tax-Exempt Unit Trusts		<u>807,746.17</u>
<u>Securities on Hand, April 30, 1989 (at cost)</u>		<u>\$ 925,067.72</u>

(*)Market value approximately \$90,615.

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ESTATE OF WILLIAM P. LEAR, DECEASED
NOTES RECEIVABLE AS OF APRIL 30, 1989

Unsecured note of July 8, 1983 of North Valley Homes, Inc. with principal payments of \$7,000 being due at the sale of each lot of Unit #1	\$ 7,000.00
Less: Community interest of surviving spouse	<u>3,500.00</u>
Estate's interest in note receivable	3,500.00
Unsecured demand note of June 23, 1983 of Leareno Development Co. bearing interest of 10% p.a. until paid	<u>5,000.00</u>
Unsecured Note of Silver Lake Water Distribution Co., dated November 15, 1988, due December 15, 1990, in the original amount of \$5,000.00, payable at the rate of \$241.67 per month, including interest at 8% p.a. Balance as of April 30, 1989	<u>4,166.68</u>
<u>Total Notes Receivable, April 30, 1989</u>	<u>\$ 12,666.68</u>

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ESTATE OF WILLIAM P. LEAR, DECEASED
OTHER MISCELLANEOUS PROPERTY ON HAND APRIL 30, 1989

Oil and Gas Royalties: East and West Brorson Fields, Richland County, Montana, operated by Miami Oil Producers, Inc. (per appraisal)	\$ 110,295.00
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Total	113,265.00
Less: Community interest of surviving spouse	<u>56,632.50</u>
Estate's interest	56,632.50
Amount due from Miami Oil Producers, Inc.	7,035.13
Amount due from Moya Olsen Lear	2,914.57
Office equipment	486.35
Advances to Silver Lake Water Distribution Co.	111,251.00
Loans to William P. Lear Trust A (funds received from Canadair, Ltd., plus \$200)	1,634,698.00
Escrow deposit for Moya Boulevard improvements	<u>7,650.00</u>
<u>Total Miscellaneous Property as of</u> <u>April 30, 1989</u>	<u><u>\$ 1,820,667.55</u></u>

Unaudited
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