

SALSBURY CORPORATION

1161 EAST FLORENCE AVENUE
LOS ANGELES

E. F. SALSBURY

May 28, 1942.

Colonel Roscoe Turner
Roscoe Turner Aeronautical Corp.
Indianapolis, Indiana.

Dear Roscoe:

I was glad to receive your letter
of the 18th.

I am sorry that it is impossible
at the present time to deliver any of our
machines without a priority rating. It is
impossible for us to obtain motors, tires,
bearings, etc. without high priorities.
However, if it becomes possible to supply a
couple of machines for you I will certainly
let you know.

Yes, our stock is still frozen.
In fact, it appears that it will be frozen
for some time as our position has not improved
during the past year or two. I am enclosing
a copy of a recent balance sheet and you will
note from this balance sheet that our deficit
account has reached a fairly substantial figure.
This will have to be materially reduced, if not
eliminated before the stock can be taken out
of escrow. In the meantime it may be possible
for me to take care of the cash end of our
bargain. In any event, I will keep you posted
when any drastic changes develop.

Kindest regards.

Sincerely yours,

Foster

EFS:k
Encl.

SALSBURY CORPORATION
Balance Sheet as of December 31, 1941

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		29,569.77
Notes Payable	6,225.94	
Accounts Payable	17,019.38	
Taxes Payable or Accrued	<u>6,324.45</u>	
CURRENT DEFERRED		44,491.72
Installment Accounts	826.74	
Federal Taxes	1,417.42	
Notes Payable	<u>42,247.56</u>	
TOTAL LIABILITIES		74,061.49
RESERVES		5,003.08
Customer's Deposits	4,955.08	
Contingent Reserve	<u>48.00</u>	
SUBSCRIPTIONS TO CAPITAL STOCK		2,500.00
CAPITAL AND SURPLUS		64,503.91
Capital Stock	170,685.00	
Preferred Stock	34,475.00	
Common Stock	<u>136,210.00</u>	
Surplus-Deficit	106,181.09	
Balance as of December 31, 1940	81,605.26	
Profit and Loss 1941	<u>24,575.83</u>	
TOTAL LIABILITIES AND CAPITAL		<u><u>146,068.48</u></u>

SALSBURY CORPORATION

Balance Sheet as of December 31, 1941

ASSETS

CURRENT ASSETS			41,779.10
Cash On Hand and In Banks	759.39		
Notes and Accounts Receivable	8,426.94		
Notes Receivable	1,919.96		
Accounts Receivable	<u>7,571.58</u>		
Total	9,291.54		
Less: Reserve for Bad Debts	<u>864.60</u>		
Inventories		32,592.77	
Raw Materials and Finished Parts	30,345.60		
New and Used Motor Glides	1,808.48		
Material Purchase Deposits	33.83		
Other	<u>404.86</u>		
	<u>Cost</u>	<u>Deprn' Reserve</u>	<u>Net Book Value</u>
EQUIPMENT			10,558.63
Office Furniture and Fixtures	2,724.81	1,057.12	1,667.69
Transportation Equipment	927.08	337.71	589.37
Factory Equipment	8,495.91	1,727.91	6,768.00
Patterns, Dies, Jigs, Etc.	10,258.15	8,724.58	1,533.57
Total	<u>22,405.95</u>	<u>11,847.32</u>	
DEFERRED AND OTHER ASSETS			93,730.75
Unexpired Insurance		421.72	
Leasehold Improvements, Net		704.62	
Other Prepaid Items		1,571.54	
Patent Development	129,515.46		
Less: Reserve for Amortization	<u>38,482.59</u>	<u>91,032.87</u>	
TOTAL ASSETS			<u>146,068.48</u>