

**The Flowery Gold Mines Company of Nevada**  
**Consolidated Financial Statements**  
**September 30, 2020 and 2019**

**The Flowery Gold Mines Company of Nevada**

Table of Contents

September 30, 2020

---

	Page
<b>Accountants' Compilation Report</b>	1
<b>Consolidated Financial Statements</b>	
• Consolidated Balance Sheets	2
• Consolidated Statements of Comprehensive Income (Loss)	3
• Consolidated Statements of Stockholders' Equity	4
• Consolidated Statements of Cash Flows	5
• Notes to Consolidated Financial Statements	6

**Cupit, Milligan,  
Ogden & Williams**  
*Certified Public Accountants*

**Shareholders**

*Edward R. Cupit, CPA (1943 - 2010)  
Ronald A. Milligan, CPA  
Thomas M. Ogden, CPA  
Melvin L. Williams, CPA*

---

**Accountants' Compilation Report**

**To the Board of Directors,  
The Flowery Gold Mines Company of Nevada**

Management is responsible for the accompanying consolidated financial statements of The Flowery Gold Mines Company of Nevada (a Nevada corporation) and subsidiary, which comprise the consolidated balance sheets as of September 30, 2020 and 2019, and the related consolidated statements of comprehensive income (loss), stockholders' equity, and cash flows for each of the years in the three-year period ended September 30, 2020, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

*Cupit, Milligan, Ogden & Williams*

Reno, Nevada  
January 24, 2021

**The Flowery Gold Mines Company of Nevada**  
Consolidated Balance Sheets  
September 30, 2020 and 2019  
(See Accountants' Compilation Report)

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
<i>Current Assets</i>		
Cash	\$ 17,803	\$ 13,711
Prepaid expense	2,303	2,288
<i>Total Current Assets</i>	<u>20,106</u>	<u>15,999</u>
<i>Net Property, Plant and Equipment</i>	<u>45,695</u>	<u>46,971</u>
<i>Other Assets</i>		
Equity investments	456,078	497,066
Investment in gold at cost	5,717	5,717
Deposits	50	50
<i>Total Other Assets</i>	<u>461,845</u>	<u>502,833</u>
<b>Total Assets</b>	<u><u>\$ 527,646</u></u>	<u><u>\$ 565,803</u></u>
<b>Liabilities and Stockholders' Equity</b>		
<i>Current Liabilities</i>		
Deferred revenue	\$ 1,000	\$ 1,000
<i>Total Current Liabilities</i>	<u>1,000</u>	<u>1,000</u>
<i>Noncurrent Liabilities</i>		
Deferred income taxes	33,390	40,917
<i>Total Noncurrent Liabilities</i>	<u>33,390</u>	<u>40,917</u>
<i>Total Liabilities</i>	<u>34,390</u>	<u>41,917</u>
<i>Stockholders' Equity</i>		
Common stock, par value \$0.10; 10,000,000 shares authorized, 7,733,523 shares issued, and 7,591,533 shares outstanding	773,352	773,352
Paid-in capital	51,798	51,798
Stock discount	(325,153)	(325,153)
Treasury stock at cost, 141,990 shares	(4,681)	(4,681)
(Accumulated deficit) Retained earnings	(2,060)	28,570
<i>Total Stockholders' Equity</i>	<u>493,256</u>	<u>523,886</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u><u>\$ 527,646</u></u>	<u><u>\$ 565,803</u></u>

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

**The Flowery Gold Mines Company of Nevada**

Consolidated Statements of Comprehensive Income (Loss)

For the Years Ended September 30, 2020, 2019, and 2018

(See Accountants' Compilation Report)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Revenue</b>			
Rents	\$ 12,000	\$ 12,000	\$ 12,000
Stock maintenance fees	2,500	2,500	2,500
Stock transfer fees	100	-	50
<i>Total Revenue</i>	<u>14,600</u>	<u>14,500</u>	<u>14,550</u>
<b>Operating and General Expense</b>			
Building maintenance and utilities	5,436	8,886	4,827
Legal and accounting	5,346	5,245	6,283
Insurance	2,288	2,154	1,982
Property taxes	2,272	2,173	2,162
Office expenses	1,837	2,935	3,045
Telephone	1,604	1,544	1,464
Depreciation	1,276	3,917	4,992
Water	938	937	895
Fees and licenses	924	927	985
Miscellaneous	-	78	-
<i>Total Operating and General Expense</i>	<u>21,921</u>	<u>28,796</u>	<u>26,635</u>
<b>Operating Loss</b>	<u>(7,321)</u>	<u>(14,296)</u>	<u>(12,085)</u>
<b>Other Income (Loss)</b>			
Royalties	10,952	13,361	11,579
Unrealized losses on equity securities	(40,988)	(17,400)	-
<i>Total Other Income (Loss)</i>	<u>(30,036)</u>	<u>(4,039)</u>	<u>11,579</u>
<b>Loss Before Taxes</b>	(37,357)	(18,335)	(506)
<b>Income Tax Benefit (Provision)</b>	<u>6,727</u>	<u>3,232</u>	<u>(12,176)</u>
<b>Net Loss</b>	<u>(30,630)</u>	<u>(15,103)</u>	<u>(12,682)</u>
<b>Loss Per Share</b>	<u>\$ (0.0040)</u>	<u>\$ (0.0020)</u>	<u>\$ (0.0017)</u>
<b>Other comprehensive income, net of deferred tax</b>			
Unrealized holding gains arising during the period	<u>-</u>	<u>-</u>	<u>19,744</u>
<b>Total comprehensive (loss) income</b>	<u>\$ (30,630)</u>	<u>\$ (15,103)</u>	<u>\$ 7,062</u>

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

**The Flowery Gold Mines Company of Nevada**  
Consolidated Statements of Stockholders' Equity  
For the Years Ended September 30, 2020, 2019, and 2018  
(See Accountants' Compilation Report)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Capital Stock</b>			
\$0.10 par value; 10,000,000 shares authorized, 7,733,523 shares issued; and 7,591,533 shares outstanding	\$ 773,352	\$ 773,352	\$ 773,352
<b>Paid-in Capital</b>	51,798	51,798	51,798
<b>Stock Discount</b>			
Balance at beginning of year	(325,153)	(325,153)	(326,023)
Issuance of treasury stock at below cost	-	-	870
Balance at end of year	(325,153)	(325,153)	(325,153)
<b>Treasury Stock</b>			
Balance at beginning of year	(4,681)	(4,681)	(3,799)
Purchase of treasury stock	-	-	(1,212)
Issuance of treasury stock at below cost	-	-	330
Balance at end of year	(4,681)	(4,681)	(4,681)
<b>(Accumulated Deficit) Retained Earnings</b>			
Balance at beginning of year	28,570	(102,697)	(99,632)
Reclassification under ASU 2016-01	-	146,370	-
Net loss	(30,630)	(15,103)	(12,682)
Reclassification adjustment for tax effects caused by the Tax Cuts and Jobs Act	-	-	9,617
Balance at end of year	(2,060)	28,570	(102,697)
<b>Accumulated Other Comprehensive Income</b>			
Balance at beginning of year	-	146,370	136,243
Reclassification under ASU 2016-01	-	(146,370)	-
Unrealized holding gains, net of deferred tax	-	-	19,744
Reclassification adjustment for tax effects caused by the Tax Cuts and Jobs Act	-	-	(9,617)
Balance at end of year	-	-	146,370
<b>Total Stockholders' Equity</b>	<u>\$ 493,256</u>	<u>\$ 523,886</u>	<u>\$ 538,989</u>

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

**The Flowery Gold Mines Company of Nevada**  
Consolidated Statements of Cash Flows  
For the Years Ended September 30, 2020, 2019, and 2018  
(See Accountants' Compilation Report)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities</b>			
Net Loss	\$ (30,630)	\$ (15,103)	\$ (12,682)
<i>Adjustments to reconcile net loss to net cash provided by operating activities</i>			
Depreciation	1,276	3,917	4,992
Unrealized losses on equity investments	40,988	17,400	-
Deferred income taxes	(7,527)	(4,032)	11,376
Stock compensation	-	-	1,200
Changes in operating assets and liabilities			
Prepaid expense	(15)	(134)	(172)
Deferred revenue	-	1,000	-
<b>Net Cash Provided by Operating Activities</b>	<u>4,092</u>	<u>3,048</u>	<u>4,714</u>
<b>Cash Flows from Financing Activities</b>			
Purchase of treasury stock	-	-	(1,212)
<b>Net Cash Used by Financing Activities</b>	<u>-</u>	<u>-</u>	<u>(1,212)</u>
<b>Net Increase in Cash</b>	4,092	3,048	3,502
<b>Cash, Beginning of Year</b>	<u>13,711</u>	<u>10,663</u>	<u>7,161</u>
<b>Cash, End of Year</b>	<u>\$ 17,803</u>	<u>\$ 13,711</u>	<u>\$ 10,663</u>
<b>Supplemental Disclosure of Cash Flow Information</b>			
<i>Cash paid during the year for</i>			
Income taxes	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ 800</u>
<b>Supplemental Disclosure of Noncash Investing Activities</b>			
Unrealized holding (losses) gains arising during period	<u>\$ (40,988)</u>	<u>\$ (17,400)</u>	<u>\$ 24,993</u>
Deferred tax (expense) benefit charged to other comprehensive income (loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,249)</u>

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

## The Flowery Gold Mines Company of Nevada

Notes to Consolidated Financial Statements

September 30, 2020

---

### 1. Summary of Significant Accounting Policies

This summary of significant accounting policies of The Flowery Gold Mines Company of Nevada (the Company) is presented to assist in understanding the Company's consolidated financial statements. The consolidated financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the consolidated financial statements.

#### Nature of Activity

The Company was incorporated in the State of Nevada on January 2, 1958, with authorized capital of 10,000,000 shares of common stock with a \$0.10 par value. The Company's principal line of business is holding land and mineral assets. The principal revenue source currently consists of rental income and royalties from equity securities. The Company's properties are located in the western United States.

#### Consolidation Principles

The consolidated financial statements include the accounts of the Company and its subsidiary, Securities Registrar and Transfer Corporation. All material intercompany accounts and transactions have been eliminated.

#### Estimates

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Subsequent Events

In preparing these consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through January 24, 2021, the date the consolidated financial statements were available to be issued.

#### Property, Plant and Equipment

Property, plant and equipment are capitalized at cost. It is the Company's policy to capitalize expenditures for these items in excess of \$500 with a useful life greater than one year. Equipment is depreciated using double-declining balance method over useful lives of five to seven years and the building and improvements are depreciated using straight-line method over thirty-one and one-half years.

#### Fair Value of Financial Instruments

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1*     *Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;*
- Level 2*     *Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and*
- Level 3*     *Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).*

## **1. Summary of Significant Accounting Policies (continued)**

### Fair Value of Financial Instruments (continued)

The Company holds equity investments in publicly traded securities. Equity investments with active markets are classified within Level 1 of the fair value hierarchy as their fair value is determined using quoted prices. Equity securities with limited market activities are classified within Level 2 of the fair value hierarchy, and their fair value is determined using the most recent trading price in open market before the fiscal year end.

### Valuation of Placer Gold

The Company holds Placer Gold as a long-term investment. Placer Gold is carried at lower of cost or market on the balance sheet.

### Income Taxes

Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

### Treasury Stock

Treasury stock is carried on the books using the cost method.

### Comprehensive Income

Pursuant to Accounting Standards Codification (ASC) 220, *Comprehensive Income*, the Company reports any material components of comprehensive income in its consolidated financial statements.

### Unrealized Gains (Losses) on Investments on Equity Investments

In January 2016, the FASB issued ASU No. 2016-01, "*Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*" ("ASU 2016-01"). Under ASU 2016-01, investments in equity securities with readily determinable fair values are all measured at fair value with changes reported in net income. An alternative to fair value measurement is provided for investments in equity securities that do not have readily determinable fair values. Those investments may be recorded at cost, adjusted through earnings for observable price changes and any subsequent impairment. ASU 2016-01 is effective for fiscal years beginning after December 15, 2017. The Company has adopted ASU 2016-01 effective October 1, 2018 and reclassified its unrealized gains on equity investments of \$146,370 from accumulated other comprehensive income to retained earnings.

### Certain Income Tax Effects within Accumulated Other Comprehensive Income

In February 2018, the FASB issued ASU No. 2018-02, "*Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*" ("ASU 2018-02"). ASU 2018-02 addresses the income tax accounting treatment of the stranded tax effects within other comprehensive income. The ASU allows for an entity to reclassify the stranded tax effects resulting from the Tax Cuts and Jobs Act from accumulated other comprehensive income to retained earnings. ASU 2018-02 is effective for the Company on January 1, 2019 with early adoption permitted. The Company has early adopted ASU 2018-02 as of October 1, 2017 and reclassified its stranded tax credit of \$9,617 within accumulated other comprehensive income to accumulated deficit at September 30, 2018.

## 2. Property, Plant and Equipment

The following table reflects a summary of property, plant and equipment as of September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Equipment	\$ 22,291	\$ 22,291
Building and improvements	127,863	127,863
Land	<u>25,417</u>	<u>25,417</u>
 Total Property, Plant and Equipment	 175,571	 175,571
 Less accumulated depreciation	 <u>(129,876)</u>	 <u>(128,600)</u>
 Net Property, Plant and Equipment	 <u>\$ 45,695</u>	 <u>\$ 46,971</u>

Depreciation expense for the years ended September 30, 2020, 2019, and 2018 amounted to \$1,276, \$3,917, and \$4,992, respectively.

### Mining Claims and Properties Owned

At September 30, 2020, The Flowery Gold Mines Company of Nevada was the owner of the following mining, royalty, and property interests:

- A three percent (3%) royalty interest in net smelter returns up to \$50,000 from the Eldorado patented claim, Battle Mountain Mining District, Lander County, Nevada.
- A three percent (3%) gross royalty on placer gold production from placer mining rights formerly owned by Tenabo Gold Placers Limited Partnership from the Tenabo Gold Placers property in the Bullion Mining District, Lander County, Nevada.
- Tenabo real property (Town lot), Lander County, Nevada.

## 3. Securities Registrar and Transfer Corporation

Effective February 1, 1990, the Company purchased all of the outstanding shares of Securities Registrar and Transfer Corporation and quit-claimed its office building at 117 Crescent Street, Greenville, California to the wholly owned subsidiary.

The following tables represent the summary of Securities Registrar and Transfer Corporation's financial position at September 30, 2020 and 2019 and its results of operations for the years ended September 30, 2020, 2019, and 2018:

	<u>Balance Sheets</u>	
	<u>2020</u>	<u>2019</u>
Total Assets	\$ 54,591	\$ 54,328
Total Liabilities	<u>(62,000)</u>	<u>(60,000)</u>
 Net Deficit	 <u>\$ (7,409)</u>	 <u>\$ (5,672)</u>

**3. Securities Registrar and Transfer Corporation (continued)**

	<u>Statements of Operations</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Revenue	\$ 14,600	\$ 14,500	\$ 14,550
Total Expense	<u>(16,337)</u>	<u>(21,165)</u>	<u>(19,380)</u>
Net Loss	<u>\$ (1,737)</u>	<u>\$ (6,665)</u>	<u>\$ (4,830)</u>

**4. Investments**

At September 30, 2020, the equity securities portfolio was comprised of items with readily determinable fair values. In accordance with the provisions of ASC 321, *Investments – Equity Securities Topic*, those equity securities are reported as an asset at their fair value. Following adoption of ASU 2016-01, unrealized gains and losses arising during the year are recorded in net income for the years ended September 30, 2020 and 2019. Prior to the adoption of ASU 2016-01, unrealized gains and losses on equity securities were reported within other comprehensive income (loss) until realized.

The portion of unrealized gains and losses for the years ended September 30 that relate to equity securities still held at the year-end are as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net gains and (losses) recognized during the year on equity securities	\$ (40,988)	\$ (17,400)	\$ 24,993
Less: Net gains and (losses) recognized during the year on equity securities sold during the year	<u>-</u>	<u>-</u>	<u>-</u>
Unrealized gains and (losses) recognized during the year on equity securities still held at year-end	<u>\$ (40,988)</u>	<u>\$ (17,400)</u>	<u>\$ 24,993</u>

**The Flowery Gold Mines Company of Nevada**  
Notes to Consolidated Financial Statements  
September 30, 2020

**5. Fair Value Measurements**

The Company's equity securities are classified according to the fair value hierarchy established by ASC 820, *Fair Value Measurements and Disclosures*. The following tables reflect the estimated fair values of equity securities held at September 30, 2020, 2019 and 2018 according to their classification in the fair value hierarchy and the change in fair values during the respective years:

<b>2020</b>						
	Level 1	Level 2	Level 3	Total	Change in Fair Values in Current Period Earnings	Change in Fair Values in Other Comprehensive Income
Equity Securities	\$ 72,860	\$ 383,218	\$ -	\$ 456,078	\$ (40,988)	\$ -
<b>2019</b>						
	Level 1	Level 2	Level 3	Total	Change in Fair Values in Current Period Earnings	Change in Fair Values in Other Comprehensive Income
Equity Securities	\$ 131,950	\$ 365,116	\$ -	\$ 497,066	\$ (17,400)	\$ -
<b>2018</b>						
	Level 1	Level 2	Level 3	Total	Change in Fair Values in Current Period Earnings	Change in Fair Values in Other Comprehensive Income
Equity Securities	\$ 514,465	\$ -	\$ -	\$ 514,465	\$ -	\$ 24,993

Transfers between level 1 and level 2 occurred during the year ended September 30, 2019 due to the reduced trading activities in the market for the securities. The Company considers any transfer between fair value hierarchy levels to have occurred at the end of the reporting period.

**6. Placer Gold Investment**

As of September 30, 2020, the Company held 27.66 ounces of Placer Gold, carried at \$5,717 historical cost on the consolidated balance sheet. Fair market value of the Placer Gold was \$52,216 at September 30, 2020 and \$40,746 at September 30, 2019.

**7. Contingent Liabilities**

The Company is not aware of any contingent liabilities, nor is there any litigation in progress, pending or threatened against the Company as of September 30, 2020.

## 8. Treasury Stock

No shares of treasury stock were acquired during the years ended September 30, 2020 and 2019. During the year ended September 30, 2018, the Company acquired 10,100 shares as treasury stock for \$1,212 and issued 10,000 shares of treasury stock for stock compensation of \$1,200.

The Company held 141,990 shares of treasury stock at a cumulative cost of \$4,681 at September 30, 2020.

## 9. Income Taxes

The income tax benefit (provision) consisted of the following for the years ended September 30, 2020, 2019 and 2018:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Federal income taxes - deferred	\$ 7,527	\$ 4,032	\$ (11,376)
State income taxes	<u>(800)</u>	<u>(800)</u>	<u>(800)</u>
Income tax benefit (provision)	<u>\$ 6,727</u>	<u>\$ 3,232</u>	<u>\$ (12,176)</u>

The components of net deferred income tax (liabilities) assets consisted of the following at September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Deferred tax assets		
Net operating loss carryforward	\$ 19,073	\$ 17,880
Net operating loss carryforward - subsidiary	12,595	12,067
Valuation allowance	<u>(10,832)</u>	<u>(10,718)</u>
Total deferred tax asset	<u>20,836</u>	<u>19,229</u>
Deferred tax liabilities		
Investment in pass-through entities	27,558	24,871
Net unrealized gain on securities	<u>26,668</u>	<u>35,275</u>
Total deferred tax liabilities	<u>54,226</u>	<u>60,146</u>
Net deferred tax liabilities	<u>\$ (33,390)</u>	<u>\$ (40,917)</u>

At September 30, 2020, the Company had a Federal net operating loss carryforward of \$90,822. The net operating loss generated before 2018 tax year may be used over a twenty year period and will start to expire in the 2033 tax year. Federal net operating loss generated in the 2018 tax year and thereafter may be carried forward indefinitely. At September 30, 2020, the Company's wholly owned subsidiary had a Federal net operating loss carryforward of \$49,179, of which \$9,165 is expected to be utilized to reduce future taxable income.

**9. Income Taxes (continued)**

The Company and its wholly owned subsidiary file separate income tax returns in the United States, and the subsidiary files income tax returns in the state of California. These tax returns are subject to examination by taxation authorities provided the years remain open under the relevant statutes of limitations, which may result in the payment of income taxes and/or a decrease in the net operating losses available for carryforward. The Company is no longer subject to income tax examinations by US federal and state of California tax authorities for tax years prior to 2016. While the Company believes that its tax filings do not include uncertain tax positions, the results of potential examinations or the effect of changes in tax law cannot be ascertained at this time. The Company currently has no tax years under examination.

2017 Tax Cuts and Jobs Act

On December 22, 2017, the U.S. enacted the 2017 Tax Cuts and Jobs Act. Among the many provisions included in the tax reform is a provision to change the U.S. federal corporate income tax rate to 21%, effective January 1, 2018. Prior to the 2017 Tax Cuts and Job Act, the values of the Company's deferred tax assets and liabilities were recorded at an estimated effective income tax rate of 15%, which represented their future benefit or expense to the Company. As a result of the tax reform, those deferred balances were re-measured at the new effective income tax rate of 21% and a tax expense of \$11,329 was recorded for the year ended September 30, 2018. The effects of the rate change were determined using management's best estimate of temporary book-to-tax differences.

**10. Loss per Share**

The loss per share, net of tax, for the years ended September 30 were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Loss - Numerator	\$ (30,630)	\$ (15,103)	\$ (12,682)
Shares - Denominator	<u>7,591,533</u>	<u>7,591,533</u>	<u>7,591,533</u>
Loss per Share	<u>\$ (0.0040)</u>	<u>\$ (0.0020)</u>	<u>\$ (0.0017)</u>

**11. Related Party Transactions**

The Company's wholly owned subsidiary receives rents from two other entities that share key management personnel with the Company. The amount of rental income from such entities amounted to \$12,000 for the each of the years ended September 30, 2020, 2019, and 2018.

From time to time, the Company's wholly owned subsidiary charges stock maintenance fees to other entities that share key management personnel with the Company. The amount of stock maintenance fees earned from such entities amounted to \$2,500 for each of the years ended September 30, 2020, 2019, and 2018, respectively.

The Company utilizes bookkeeping and other administrative services provided by an employee of an entity that shares key management personnel with the Company. The expenses incurred for such services, included in office expenses on the accompanying consolidated financial statements, amounted to \$1,500, \$2,400, and \$2,400 for the years ended September 30, 2020, 2019, and 2018, respectively.