This being the first consolidated annual statement, attention is called to a change in the method of itemizing. In previous annual statements, only the net worth of the Seattle and Dallas houses and of the various factories owned by the Company appeared under certain captions. In the within statement their entire assets and liabilities (including the Philadelphia house, opened October, 1920) are allocated under their appropriate classifications.
## SEARS, ROEBUCK AND CO.
CONSORTIATED BALANCE SHEET
December 31, 1920

### ASSETS

**FIXED ASSETS:**
- Real Estate, Buildings, Fixtures and Machinery: $27,820,192.56
- Good Will, Patents, Etc.: $80,000,000.00

**INVESTMENTS:**
- Capital Stock of Other Companies: $8,920,447.06

**CURRENT ASSETS:**
- Inventories: Raw Material, Goods in Process, Supplies and Merchandise: $105,071,243.38
- Accounts Receivable: $47,797,134.45
- Marketable Securities: $1,487,140.00
- Liberty Bonds: $7,400,080.87
- Cash in Banks and on Hand: $8,263,358.80

* Cost or Market, Whichever Is Lower.

**DEFERRED ASSETS:**
- Insurance, Interest, Etc., Paid in Advance and Other Deferred Charges

**TOTAL ASSETS:** $230,668,197.08

### LIABILITIES AND CAPITAL

**7% SERIAL GOLD NOTES DATED OCT. 15, 1920, MATURING OCT. 15, 1921-22-23:** $50,000,000.00

**CURRENT LIABILITIES:**
- Accounts Payable: $10,623,906.23
- Notes Payable: $44,560,164.89
- Accrued Taxes, Not Yet Due, Including Reserve for Federal Taxes: $627,040.27
- Preferred Dividend Payable January 1, 1921: $189,797.00
- Accrued Interest on 7% Gold Notes: $729,166.65

**TOTAL CURRENT LIABILITIES:** $106,680,074.04

**Reserves:** $8,428,749.00
- Preferred Capital Stock: $8,000,000.00
- Common Capital Stock: $105,000,000.00
- Surplus: $7,564,378.99

**TOTAL LIABILITIES AND CAPITAL:** $230,668,197.08

### SURPLUS ACCOUNT

- Balance December 31, 1919: $33,574,919.38
- Less 40% Stock Dividend July 15, 1920: $8,000,000.00
- Net Income for Year Ending December 31, 1920: $11,746,670.66

**DEDUCT:**
- Preferred Stock Dividend, 7%: $559,168.00
- Common Stock Dividend: $7,198,028.00
- Surplus Earnings for Year Ending Dec. 31, 1920: $3,989,454.66
## Sears, Roebuck and Co.
### Consolidated Income Account

**Year Ending December 31, 1920**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Sales</td>
<td>$264,696,069.11</td>
</tr>
<tr>
<td>Less Returns, Allowances, Discounts, Etc.</td>
<td>$20,788,186.81</td>
</tr>
<tr>
<td><strong>Net Sales</strong></td>
<td><strong>$243,907,882.30</strong></td>
</tr>
<tr>
<td>Sales by Factories and Other Income</td>
<td>$11,816,545.84</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
</tr>
<tr>
<td>Purchases, Including Difference in Inventories, Wages, General and Selling Expense, Advertising and All Administrative Charges</td>
<td>$229,436,224.16</td>
</tr>
<tr>
<td>Repairs on Plant and Equipment</td>
<td>$1,221,077.68</td>
</tr>
<tr>
<td>Depreciation on Plant</td>
<td>$1,172,879.50</td>
</tr>
<tr>
<td>Other Reserves</td>
<td>$120,232.84</td>
</tr>
<tr>
<td><strong>Net Profit from Operations</strong></td>
<td><strong>$12,394,003.96</strong></td>
</tr>
</tbody>
</table>

| DEDUCT:                                                                    |                         |
| Payment to Employees’ Savings and Profit Sharing Pension Fund              | $587,833.80             |
| **Net Income for Year**                                                    | **$11,746,167.66**      |

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To the President, Board of Directors and Stockholders of Sears, Roebuck and Co.:

We have made an audit of the books and accounts of Sears, Roebuck and Co. for the year ending December 31, 1920, and in accordance therewith certify that in our opinion the foregoing Consolidated Balance Sheet and Income Account are true exhibits of the condition of the Company as of December 31, 1920, and the results of its operations for the period.

THE AUDIT COMPANY OF NEW YORK,

A. W. DUNNING, President,
New York.

E. C. GOODMAN, Western Manager,
Chicago.

Chicago, January 22, 1921.
Stores and Factories Embraced in the Within Consolidated Balance Sheet and Income Account

CHICAGO—PHILADELPHIA—DALLAS—SEATTLE

Factories Entirely Owned

David Bradley Mfg. Works..................Bradley, Ill......................Farm Implements
Illinois Lumber Yards......................Cairo, Ill.........................Lumber—Portable Houses
E-Z-Est-Way Stove Works..................Kankakee, Ill.....................Gasoline and Oil Stoves
King Sewing Machine Co....................Buffalo, N. Y.....................Sewing Machines and Cream Separators
Norwood Sash & Door Co....................Cincinnati, Ohio.................Mill Work
Superior Cabinet Co........................Muskegon, Mich..................Phonograph and Sewing Machine Cabinets
Conley Camera Co.........................Rochester, Minn..................Cameras and Phonographs
Adler Mfg. Co................................Louisville, Ky....................Pianos and Organs
Sears-Roebuck Shoe Factories...............Springvale, Maine...............Shoes
                              / Freeport, Maine...............Shoes
Bent Piano Music & Phono. Co..............Chicago, Ill.....................Pianos and Phonographs
Illinois Wall Paper Mills...............Chicago, Ill......................Paper, Wall Paper and Shades
Illinois Paint Works.....................Chicago, Ill.......................Paints
Fulton Saw Works........................Chicago, Ill......................Saws and Small Tools
Tent and Trunk Factory....................Chicago, Ill......................Tents and Trunks
Wood & Fibre Box Factory................Chicago, Ill......................Packing Boxes