

Beau

Kenneth L. Lay
Balance Sheet Comparison
September 30, 1999

	<u>8/31/99</u>	<u>9/30/99</u>	<u>Variance</u>	
Current Assets	3,608,565	3,395,902	(212,663)	Add'l monies invested
Marketable Investments				
Common Stocks	76,220,612	71,591,417	(4,629,196)	ENE dec \$.812/share from prior mo., (-) sh to Exchange Fund, (+) Manu. Var Annuity
Executive Stock Options	90,734,843	87,594,948	(3,139,895)	ENE dec \$.812/share from prior month
Bonds	134,541	134,541	-	
Mutual Funds	1,674,925	7,548,359	5,873,435	Add. of GS Exchange Fund
Partnerships (Family)*	22,971,350	22,221,743	(749,607)	ENE & Windmill Decrease
Long Term Investments	23,605,802	25,209,288	1,603,486	Jester Apts, Blenheim Apts, Carson & Cyber Dialogue
Retirement Deferred Assets	13,242,196	12,991,208	(250,988)	
Personal Non Earning Assets	1,637,264	1,657,073	19,808	
Current Liabilities	(44,622,418)	(50,070,841)	(5,448,423)	Borrowings for new invest. & net expenses
Long Term Liabilities	(54,801,750)	(53,219,042)	1,582,708	Dec. in Deferred Tax Liab. due to decrease stock opt.
Business Liabilities	<u>(227,438)</u>	<u>(109,947)</u>	<u>117,491</u>	Payment of taxes with 1998 Form 1040
NET WORTH	<u>\$ 134,178,493</u>	<u>\$ 128,944,649</u>	<u>(5,233,844)</u>	

CONTINGENT LIABILITIES:

Ken has guaranteed an unsecured note in the amount of \$350,000 maturing on December 7, 1999 with an interest rate of 6.5% at Bank of America for his sister, Sharon Lay.

Ken and Linda have guaranteed a mortgage in the amount of \$900,000 maturing on January 1, 2014 with an interest rate of 6.88% at Bank of America for their daughter, Robyn Vermeil. This loan is collateralized by property appraised at \$965,000 as of December 9, 1998.

Ken has also guaranteed two unsecured notes in the amounts of \$185,000.00 maturing on May 27, 2000 and \$1,200,000 maturing on June 25, 2000-both with an interest rate of 30-Day LIBOR (Daily floating rate) at Bank of America for his sister, Sharon Lay.

* Value based on FMV of partnership assets. No discount for partnership interest is shown.

LAY-G39 0179

**GOVERNMENT
EXHIBIT
207**

Crim. No. H-04-25 (S-2)

October 18, 1999

Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: September 30, 1999

	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash on Hand:			
CASH ON HAND/SK	153.24	.0%	.0%
CASH ON HAND/PSTOKES	296.49	.0%	.0%
CASH ON HAND/MSTURGIS	186.82	.0%	.0%
Total Cash on Hand:	636.55	.0%	.0%
Checking Accounts:			
NATIONSBANK 0707	65,366.22	.0%	.0%
NATIONSBANK/CONTRIBUTIONS	211.39	.0%	.0%
NATIONSBANK/LPL PROPERTIES	-5,169.00	.0%	.0%
NATIONSBANK/STOKES	6,499.53	.0%	.0%
VECTRA BANK	13,729.34	.0%	.0%
UNITY 109-900	5,441.50	.0%	.0%
Total Checking Accounts:	86,078.98	.0%	.0%
Money Market Accounts:			
WASHINGTON DC ACCT	60,000.00	.0%	.0%
Total Money Market Accounts:	60,000.00	.0%	.0%
Brokerage Accounts:			
GOLDMAN SACHS/GS-61	272,618.15	.1%	.1%
GOLDMAN SACHS/GS-42	75,447.47	.0%	.0%
SANDERS MORRIS MMA/SMM-JT	91,780.49	.0%	.0%
SANDERS MORRIS MMA/SMM-KLL	21.77	.0%	.0%
PAINE WEBBER CYPRESS/PW-98	-2,961.51	.0%	.0%
CHARLES SCHWAB-CYPRESS/SCH	785.94	.0%	.0%
WATERHOUSE SEC-MMA/WSI	1,013.99	.0%	.0%
Total Brokerage Accounts:	438,706.30	.2%	.2%
Savings Accounts:			
ENRON CREDIT UNION/KLL	43.96	.0%	.0%
Total Savings Accounts:	43.96	.0%	.0%
Treasury Bills:			
SAVINGS BONDS	2,400.00	.0%	.0%
Total Treasury Bills:	2,400.00	.0%	.0%
Short-term Receivables:			
ACCT RECV-TDH	390,000.00	.2%	.2%
ACCT RECV-TDH (AVALON)	171,550.04	.1%	.1%
ACCT RECV-MKL	190,278.26	.1%	.1%
ACCT RECV-S. HOBBS	150,000.00	.1%	.1%
ACCT RECV-D. HOBBS	150,000.00	.1%	.1%

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	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
ACCT RECV-RRH (DICKY)	135,000.00	.1%	.1%
ACCT RECV-BJONES	128,390.28	.1%	.1%
ACCT RECV-JWALLS	4,200.62	.0%	.0%
ACCT RECV-JAL	22,878.89	.0%	.0%
ACCT RECV-E MCELROY	6,950.00	.0%	.0%
Total Short-term Receivables:	<u>1,349,248.09</u>	.6%	.6%
Notes Receivable:			
FAM PTRNS ANNUITY-2/KLL	730,081.17	.3%	.3%
FAM PTRNS ANNUITY-2/LPL	728,707.10	.3%	.3%
Total Notes Receivable:	<u>1,458,788.27</u>	.6%	.6%
TOTAL CURRENT ASSETS	<u>3,395,902.15</u>	1.5%	1.5%

MARKETABLE INVESTMENTS

Enron Corp.	\$ 49,556,154.98		
Common Stock	9,113,856.06		
Fayez Sarofim Mgmt.-Com	2,932,324.45		
Sanders Morris Mundy-Com	1,793,885.79		
Cypress Asset Mgmt.-Com.	2,703,565.99		
Goldman Sachs-Com	1,747,451.96		
Goldman Sachs-Internet	1,072,302.30		
Paine Webber Managed	2,671,875.00		
Vested Exec Stock Options:			
CPQ ESO 4-97 25000SH (98)	34,225.00	.0%	.0%
CPQ ESO 4-97 25000SH (99)	171,125.00	.1%	.1%
CPQ ESO 4-97 4370SH	64,916.35	.0%	.0%
CPQ ESO 4-98 2,424 SHS	20,446.44	.0%	.0%
ENE ESO 2-93 100,000 SHS	2,747,250.00	1.2%	1.2%
ENE ESO 2-94 168,000 SHS	4,084,500.00	1.8%	1.8%
ENE ESO 2-94 2,000,000 SHS	48,125,000.00	20.7%	20.9%
ENE ESO 12-94 180,560 SHS	4,660,705.00	2.0%	2.0%
ENE ESO 12-94 84,670 SHS	2,185,544.38	.9%	.9%
ENE ESO 12-95 162,512 SHS	3,575,670.28	1.5%	1.6%
ENE ESO 1-96 147,700 SHS	3,350,205.25	1.4%	1.5%
ENE ESO 12-96 88,965 SHS	1,735,039.91	.7%	.8%
ENE ESO 1-97 113,090 SHS	2,127,505.63	.9%	.9%
ENE ESO 1-97 595,000 SHS	11,526,637.50	5.0%	5.0%
ENE ESO 1-98 63,592 SHS	1,335,590.98	.6%	.6%
ENE ESO 12-98 147,663 SHS	1,850,586.55	.8%	.8%
Total Vested Exec Stock Options:	<u>87,594,948.27</u>	37.7%	38.0%
Corporate Bond-Convertibl:			
LAKEWOOD SPORT CONV/SMM-JT	52,250.00	.0%	.0%
LAKEWOOD SPORT-1/SMM-JT	52,250.00	.0%	.0%
LAKEWOOD SPRT CONV2/SMM-JT	30,041.00	.0%	.0%
Total Corporate Bond-Convertibl:	<u>134,541.00</u>	.1%	.1%

Mutual Funds:

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	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
GS 1999 EXCH FND/GS	5,890,507.00	2.5%	2.6%
TCW SELECT EQUITIES FUND	957,402.60	.4%	.4%
TCW MID CAP GRWTH/NB	700,449.77	.3%	.3%
Total Mutual Funds:	<u>7,548,359.37</u>	3.3%	3.3%
Partnerships-other:			
KLL & LPL INVESTMENT PTRNS	21,558,347.00	9.3%	9.4%
KLL & LPL FAMILY PTRNS	663,396.00	.3%	.3%
Total Partnerships-other:	<u>22,221,743.00</u>	9.6%	9.6%
TOTAL MARKETABLE INVESTMENTS	<u>189,091,008.17</u>	81.4%	82.0%
LONG-TERM INVESTMENTS			
Residence:			
REAL ESTATE/HUNTINGDON	9,391,172.71	4.0%	4.1%
REAL ESTATE/LOOSCAN	1,282,327.75	.6%	.6%
Total Residence:	<u>10,673,500.46</u>	4.6%	4.6%
Real Estate Other Homes:			
REAL ESTATE/ASPEN	2,863,697.02	1.2%	1.2%
REAL ESTATE/B-3431	447,544.79	.2%	.2%
REAL ESTATE/SPRING ST	726,846.45	.3%	.3%
PIRATES' COVE LOTS	299,742.66	.1%	.1%
REAL ESTATE/B-3429	695,917.34	.3%	.3%
REAL ESTATE/B-3433	827,400.90	.4%	.4%
REAL ESTATE/REBA	492,639.61	.2%	.2%
REAL ESTATE/CREEKSTONE LOT	1,679,069.25	.7%	.7%
REAL ESTATE/WESTGATE	283,195.50	.1%	.1%
REAL ESTATE/2514 AVALON	283,421.38	.1%	.1%
Total Real Estate Other Homes:	<u>8,599,474.90</u>	3.7%	3.7%
Real Estate Active Rental:			
REAL ESTATE/1741SR	147,309.00	.1%	.1%
REAL ESTATE/1852MAR	104,044.97	.0%	.0%
REAL ESTATE/1856MAR	167,250.00	.1%	.1%
REAL ESTATE/1918SR	242,622.73	.1%	.1%
REAL ESTATE/KINGS	190,000.00	.1%	.1%
REAL ESTATE/VIKING	60,000.00	.0%	.0%
Total Real Estate Active Rental:	<u>911,226.70</u>	.4%	.4%
Real Estate Passive:			
COLORADO OASIS LTD.	254,888.00 ↓	.1%	.1%
CREEKSTONE SOUTH RICE PTRS	300,000.00	.1%	.1%
LAKE CHARLES APTS., LTD.	240,000.00	.1%	.1%
JESTER APTS PARTNERS,LP	400,000.00	.2%	.2%
MILAND INVESTMENTS LLC	170,000.00	.1%	.1%

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J.T.FAM,SR. INVEST., LTD.	252,450.00	.1%	.1%
W.E. TRADE INVESTMENTS LTD	227,700.00	.1%	.1%
W.A.REHAUSENLOT INV LTD	100,980.00	.0%	.0%
Total Real Estate Passive:	<u>1,946,018.00</u>	.8%	.8%
Farming Interests:			
11 ACRES ILLINOIS	4,500.00	.0%	.0%
Total Farming Interests:	<u>4,500.00</u>	.0%	.0%
Other Investment-Passive:			
BLENHEIM APARTS, LTD.	225,000.00	.1%	.1%
CAPRICORN INVESTORS II LP	562,622.00	.2%	.2%
CAPRICORN INVESTORS III	15,000.00	.0%	.0%
CARSON PRIV CAP EUROPE LP	300,000.00	.1%	.1%
CORPORATE OPPT FUND/SMM-JT	225,000.00	.1%	.1%
KESTREL VENTURES, LLC	59,920.00	.0%	.0%
USA CAFE LLC/SMM-JT	30,526.00	.0%	.0%
CHAMPION L.L.C/SMM-JT	100,000.00	.0%	.0%
CON-EQUIP LLC/SMM-JT	100,000.00	.0%	.0%
Y2K ENERGY CO., LTD.	1,110,000.00	.5%	.5%
MV PTRNS-CYBER DIALOGUE	346,500.00	.1%	.2%
Total Other Investment-Passive:	<u>3,074,568.00</u>	1.3%	1.3%
TOTAL LONG-TERM INVESTMENTS	<u>25,209,288.06</u>	10.8%	10.9%
RETIREMENT/DEFERRED ASSETS			
IRA:			
FIDELITY MAGELLAN/KLL	58,189.46	.0%	.0%
Total IRA:	<u>58,189.46</u>	.0%	.0%
IRA/Spouse:			
FIDELITY MAGELLAN/LPL	58,262.50	.0%	.0%
Total IRA/Spouse:	<u>58,262.50</u>	.0%	.0%
Keogh Account:			
SCUDDER GRWTH & INC/KLL	344,813.15	.1%	.1%
SCUDDER INCOME/KLL	23,603.07	.0%	.0%
SCUDDER ST BOND/KLL	25,200.50	.0%	.0%
Total Keogh Account:	<u>393,616.72</u>	.2%	.2%
Retirement Plan:			
ENRON-RETIREMENT	2,961,560.00	1.3%	1.3%
ENRON SAVINGS RO/PW401K	3,341,214.56	1.4%	1.4%
ENRON SAVINGS 401(K)	748,367.76	.3%	.3%
ENRON ESOP	6,548.65	.0%	.0%
FID GROWTH CO 401(K)/KLL	15,308.01	.0%	.0%

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FID OTC 401(K)/KLL	10,775.63	.0%	.0%
FID OVERSEAS 401(K)/KLL	17,635.19	.0%	.0%
FID MAGELLAN 401(K)/KLL	48,337.45	.0%	.0%
Total Retirement Plan:	<u>7,149,747.25</u>	3.1%	3.1%
Deferred Compensat'n Plan:			
ENRON DEFERRED COMP-85	3,178,450.76	1.4%	1.4%
ENRON DEFERRED COMP-94	746,385.52	.3%	.3%
ENRON PHANTOM STOCK DEF	433,813.82	.2%	.2%
ELI LILLY DEFERRED COMP	972,741.73	.4%	.4%
Total Deferred Compensat'n Plan:	<u>5,331,391.83</u>	2.3%	2.3%
TOTAL RETIREMENT/DEFERRED ASSETS	<u>12,991,207.76</u>	5.6%	5.6%
TOTAL WORKING ASSETS	<u>230,687,406.14</u>	99.3%	100.0%
PERSONAL/NON-EARNING ASSET			
Automobile(s):			
90 JEEP WRANGLER	6,825.00	.0%	
92 4WD JEEP CHEROKEE	11,750.00	.0%	
93 MERCEDES 600SL	63,975.00	.0%	
96 RANGE ROVER	43,525.00	.0%	
99 MERCEDES ML430	52,693.33	.0%	
97 SUBURBAN CHEVY	29,893.30	.0%	
00 MERCEDES S500V	98,701.59	.0%	
Total Automobile(s):	<u>307,363.22</u>	.1%	
Home Furnishings:			
HOME FURNISHINGS/HUNT	757,233.27	.3%	
HOME FURNISHINGS/LOOSCAN	42,025.59	.0%	
HOME FURNISHINGS/ASPEN	138,984.11	.1%	
HOME FURNISHINGS/B-3431	163,984.20	.1%	
HOME FURNISHINGS/B-3429	80,833.15	.0%	
HOME FURNISHINGS/B-3433	44,464.23	.0%	
Total Home Furnishings:	<u>1,227,524.55</u>	.5%	
Other Vehicles & Equip:			
BW 21' OUTRAGE BOAT	49,327.00	.0%	
DUFFY 18' ELECTRIC BOAT	14,131.25	.0%	
LYNN SAILBOAT	1,400.00	.0%	
HURRICANE 19'	22,695.14	.0%	
SPIRIT CANOE	406.43	.0%	
WATERWHEELER MK III	722.44	.0%	
SUPER SPORT BOAT 1997	33,502.74	.0%	
Total Other Vehicles & Equip:	<u>122,185.00</u>	.1%	
TOTAL PERSONAL/NON-EARNING ASSET	<u>1,657,072.77</u>	.7%	
TOTAL ASSETS	<u>232,344,478.91</u>	100.0%	

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	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Credit Cards:			
AMER. EXPRESS/RL	-26,018.06	.0%	.0%
AMERICAN EXPRESS	-41,495.95	.0%	.0%
MASTERCARD 5551	4,117.11	.0%	.0%
NEIMAN MARCUS 13 14	-46,658.66	.0%	.0%
NEIMAN MARCUS 7487	-213.57	.0%	.0%
VISA GOLD 4151	5,244.87	.0%	.0%
Total Credit Cards:	<u>-105,024.26</u>	.0%	.0%
Notes Payable:			
CHASE BANK LOC	7,167,000.00	3.1%	3.1%
COMPASS BANK LOC	5,489,871.12	2.4%	2.4%
ENRON CORP LOAN	2,000,000.00	.9%	.9%
NATIONSBANK \$37.5M NON PUR	27,059,999.56	11.6%	11.7%
PAINE WEBBER-LOC/PW-94	6,889,319.35	3.0%	3.0%
ACCT PAYABLE (ST)-ENRON	41,506.11	.0%	.0%
Total Notes Payable:	<u>48,647,696.14</u>	20.9%	21.1%
Security Deposits:			
SEC DEPOSIT/Z-1918SR	1,550.20	.0%	.0%
SEC DEPOSIT/Z-1856MAR	125.00	.0%	.0%
SEC DEPOSIT/Z-MCDUF	150.00	.0%	.0%
Total Security Deposits:	<u>1,825.20</u>	.0%	.0%
Margin Acct Liability:			
GOLDMAN SACHS MARG-FS/GS	1,526,343.64	.7%	.7%
Total Margin Acct Liability:	<u>1,526,343.64</u>	.7%	.7%
TOTAL CURRENT LIABILITIES	<u>50,070,840.72</u>	21.6%	21.7%
LONG-TERM LIABILITIES			
Home Mortgage:			
NATIONSBANK/LOOSCAN	627,389.98	.3%	.3%
NATIONSBANK/HUNTINGDON	4,430,695.70	1.9%	1.9%
NATIONSBANK/HUNT #2 LIEN	497,135.57	.2%	.2%
NATIONSBANK/HUNT #3 LIEN	498,025.80	.2%	.2%
Total Home Mortgage:	<u>6,053,247.05</u>	2.6%	2.6%
Other Real Estate Mtge:			
NATIONSBANK/ASPEN	1,537,822.79	.7%	.7%
CITICORP MORTGAGE/B-3431	220,228.89	.1%	.1%
NATIONSBANK/LOTS	105,000.00	.0%	.0%

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NATIONSBANK/B-3429	247,767.96	.1%	.1%
NATIONSBANK/B-3433	533,821.35	.2%	.2%
NATIONSBANK/REBA	324,822.16	.1%	.1%
NATIONSBANK/2514 AVALON	225,000.00	.1%	.1%
NATIONSBANK/CREEKSTONE LOT	1,200,000.00	.5%	.5%
Total Other Real Estate Mtge:	<u>4,394,463.15</u>	1.9%	1.9%
 Investment Liabilities:			
NATIONSBANK/WESTGATE LOT	191,250.00	.1%	.1%
Total Investment Liabilities:	<u>191,250.00</u>	.1%	.1%
 Deferred Tax Liabilities:			
DEF TAX LIAB-STK OPT ONLY	42,580,081.60	18.3%	18.5%
Total Deferred Tax Liabilities:	<u>42,580,081.60</u>	18.3%	18.5%
TOTAL LONG-TERM LIABILITIES	<u>53,219,041.80</u>	22.9%	23.1%
 BUSINESS LIABILITIES			
Employer Taxes/Bus:			
FICA WITHHELD-EE (TX)	25,018.47	.0%	.0%
FICA WITHHELD-LPL EE(TX)	2,868.66	.0%	.0%
FIT WITHHELD-EE (TX)	48,945.82	.0%	0%
FIT WITHHELD-LPL EE(TX)	4,680.00	.0%	.0%
SIT WITHHELD-EE (MO)	355.20	.0%	0%
SIT WITHHELD-EE (HH-CO)	190.20	.0%	.0%
Total Employer Taxes/Bus:	<u>82,058.35</u>	.0%	.0%
 Accrued FICA Tax/Business:			
FICA PAYABLE-ER (TX)	25,020.34	.0%	.0%
FICA PAYABLE-LPL ER(TX)	2,868.66	.0%	.0%
Total Accrued FICA Tax/Business:	<u>27,889.00</u>	.0%	.0%
TOTAL BUSINESS LIABILITIES	<u>109,947.35</u>	.0%	.0%
TOTAL LIABILITIES	<u>103,399,829.87</u>	44.5%	44.8%
 <u>NET WORTH</u>			
TOTAL NET WORTH	<u>128,944,649.04</u>	55.5%	55.9%
TOTAL LIABILITIES AND NET WORTH:	<u>232,344,478.91</u>	100.0%	