

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE:
MERCY CARE, INC.

§ CASE NO. 98-62942

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CHAPTER 7

DEBTOR(S)

TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION,
AND REPORT OF PROPOSED DISTRIBUTION

JASON R. SEARCY, Trustee of the estate of the above-named Debtor(s), certifies to the Court and United States Trustee, that the trustee has faithfully and properly fulfilled the duties of the office of the trustee, that the trustee has examined all proofs of claim as appropriate under the proposed distribution, and that the proposed distribution, attached hereto, is proper, and consistent with the law and rules of the court. The trustee applies for commissions and expenses set forth herein and states that they are reasonable and proper.

Therefore, the trustee requests that the Final Report, Application for Compensation, and Report of Proposed Distribution be approved.

Date: 11/14/00

J R S
Trustee

REVIEWED BY THE UNITED STATES TRUSTEE

I have reviewed the Trustee's Final Report, Application for Compensation, and Report of Proposed Distribution.

United States Trustee

Date: 12-18-00

By: BU

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**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

IN RE:
MERCY CARE, INC.

§ CASE NO. 98-62942

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CHAPTER 7

DEBTOR(S)

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION AND
APPLICATION TO CLOSE CASE AND DISCHARGE TRUSTEE**

The Trustee of the estate presents the following final report:

1. The Trustee applies for commission and expenses set forth in Schedule A and states: that they are reasonable and proper; that in the course of the performance of duties, the Trustee has advanced monies from personal funds for expenses, and that the Trustee has not ben reimbursed or indemnified.

2. The Trustee submits Form I as a summary of the assets and an estate property record. Any property scheduled under 11 U.S.C. §521 (1) and not administered shall be deemed abandoned pursuant to 11 U.S.C. §554 (e).

3. The Trustee has reduced all assets of this estate to cash or otherwise lawfully disposed of them and the estate is ready to be closed.

4. The Trustee submits Form II as the account of estate cash receipts and disbursements.

5. There is no agreement or understanding between the Trustee and any other person for a division of the compensation sought by this application except as permitted by the Bankruptcy Code.

6. The Trustee requests approval of this final Report.

7. The Trustee (has) (XXXXXXXX) examined each and every claim filed and noted his approval of claims filed, or he has filed objections to allowance or requests for reclassification.

8. The Trustee further requests that after final distribution of all monies have been made in accordance with the Trustee's Report of Final Distribution, and upon filing of a Supplemental Final Report and Account and certification by the U.S. Trustee, the trustee be discharged from office and that the case be closed.

I declare under penalty of perjury that this Report and attached Schedules are true and correct to the best of my knowledge and belief.

Dated: 11/14/06



JASON R. SEARCY, TRUSTEE

SCHEDULE A-1

FINAL ACCOUNT AS OF:

A.	RECEIPTS	\$588,993.73
B.	DISBURSEMENTS	
(1)	Secured Creditors	0.00
(2)	Administrative Expenses	5,221.66
(3)	Priority Creditors	0.00
(4)	Other	0.00
	TOTAL DISBURSEMENTS	<u>\$5,221.66</u>
C.	BALANCE ON HAND	\$583,772.07

TRUSTEE'S FINAL REPORT CASE SUMMARY

TRUSTEE: SEARCY

COMMENTS:

CASE NAME: MERCY CARE, INC.

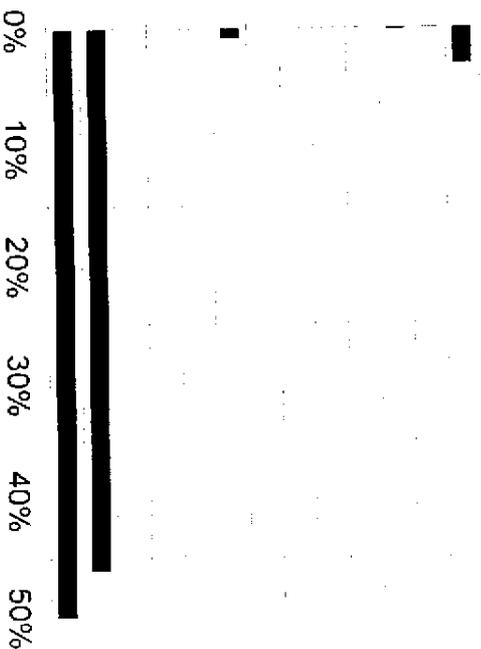
CASE NUMBER: 98-62942

DATE UST APPROVED: 12-18-00

ESTATE INCOME: \$588,993.73 100.00%

TOTAL RECEIPTS: 100.00%

ESTATE EXPENSES:	AMOUNT	PERCENT
TRUSTEE'S COMMISSION	17,981.78	3.05%
TRUSTEE'S EXPENSES	109.32	0.02%
FIRM'S PROFESSIONAL FEES	561.00	0.10%
FIRM'S PROFESSIONAL EXPENSES	42.65	0.01%
OTHER ATTORNEY FEES	0.00	0.00%
OTHER PROFESSIONAL FEES	0.00	0.00%
COURT COSTS	0.00	0.00%
ESTATE EXPENSES(TAXES, ETC)	4,618.01	0.78%
PRIOR CHAPTER COSTS	0.00	0.00%
SECURED CLAIMS PAID	0.00	0.00%
PRIORITY CLAIMS PAID	0.00	0.00%
UNSECURED CLAIMS PAID	271,322.89	46.07%
OTHER(RETURN TO DEBTOR, ETC)	294,358.08	49.98%



UNSECURED CLAIMS ALLOWED

250,108.75

UNSECURED CLAIMS PAID

271,322.89

PERCENT RECOVERED FOR UNSECURED

108.48%

Form 1

Individual Estate Property Record and Report
Asset Cases

Case Number: 98-62942 PARK Trustee: (631670) JASON R. SEARCY
 Case Name: MERCY CARE, INC. Filed (f) or Converted (c): 12/29/98 (f)
 Period Ending: 11/14/00 \$341(a) Meeting Date: 02/01/99
 Claims Bar Date: 05/06/99

Ref. #	Asset Description (Scheduled And Unscheduled (u) Property)	1	2 Petition/ Unscheduled Values	3 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	4 Property Abandoned OA=\$554(a) abandon. DA=\$554(c) abandon.	5 Sales/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1	MERCY CARE, INC. LOGO	1.00		0.00		0.00	FA
2	OFFICE EQUIPMENT, FURNISHINGS, AND SUPPLIES	1,000.00		0.00		0.00	FA
3	WORKERS' COMPENSATION REBATE	3,500.00		6,305.00		6,305.00	FA
4	PAYROLL ACCOUNT - 1ST STATE BANK ATHENS	0.05		0.05		0.05	FA
5	GENERAL ACCOUNT - 1ST STATE BANK ATHENS	557,298.91		558,464.22		558,464.22	FA
6	GENERAL ACCOUNT - 1ST STATE BANK ATHENS (u)	0.00		457.85		457.85	FA
7	IRS REFUND - 940EZ FOR 12-31-98 (u)	0.00		21.93		21.93	FA
9	CANCELED POLICIES - AON RISK SERVICES, INC. (u)	0.00		509.00		509.00	FA
10	GENERAL ACCOUNT - MALAKOFF BANK (u)	0.00		820.24		820.24	FA
11	REFUND - DIGESTIVE HEALTH ASSOCIATES (u)	0.00		132.00		132.00	FA
12	REFUNDS AND/OR CLMS PROCESSED - BLUE CROSS (u)	0.00		26.40		701.40	FA
13	Worker's Compensation tax surcharge/1991-96 rebat (u)	0.00		886.00		886.00	FA
Int	INTEREST (u)	Unknown		N/A		20,696.04	Unknown
13	Assets	Totals (Excluding unknown values)	\$567,799.96	\$567,622.69		\$588,993.73	\$0.00

Form I

**Individual Estate Property Record and Report
Asset Cases**

Case Number: 98-62942 PARK
Case Name: MERCY CARE, INC.
Period Ending: 11/14/00

Trustee: (631670) JASON R. SEARCY
Filed (f) or Converted (c): 12/29/98 (f)
\$341(a) Meeting Date: 02/01/99
Claims Bar Date: 05/06/99

1 Asset Description (Scheduled And Unscheduled (u) Property) Ref. #	2 Partition/ Unscheduled Values	3 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	4 Property Abandoned OA=\$554(a) abandon. DA=\$554(c) abandon.	5 Sale/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets

Major Activities Affecting Case Closing: Initial Projected Date Of Final Report (TFR): May 31, 2000
Current Projected Date Of Final Report (TFR): December 31, 2000

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-62942 PARK
Case Name: MERCY CARE, INC.
Taxpayer ID #: 75-2086447
Period Ending: 11/14/00

Trustee: JASON R. SEARCY (631670)
Bank Name: THE CHASE MANHATTAN BANK
Account: 312-7548958-65 - Money Market Account
Blanket Bond: N/A
Separate Bond: \$600,000.00

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
02/17/99	{4, 5, 6}	First State Bank - Athens	Close out of all Debtor accounts	558,922.12		558,922.12
02/26/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	307.25		559,229.37
03/16/99	{3}	Dodson Group	Worker's Compensation Rebate due to Debtor	6,305.00		565,534.37
03/30/99	{7}	Internal Revenue Service	Refund from 940EZ for 12-31-98	21.93		565,556.30
03/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	955.20		566,511.50
04/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	931.99		567,443.49
05/26/99	{9}	Aon Risk Services, Inc. of Florida	Refund of cancelled policies	509.00		567,952.49
05/28/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	964.78		568,917.27
06/08/99	101	JASON R. SEARCY, P.C.	Order dated 5-27-99 - Surety bond reimbursement		1,075.00	567,842.27
06/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	920.92		568,763.19
07/06/99	{10}	Malakoff Bank	Balance of account funds	820.24		569,583.43
07/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	919.51		570,502.94
08/19/99	{11}	Digestive Health Associates of Texas, P.A.	Refund	132.00		570,634.94
9/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	921.40		571,556.34
9/09/99	{12}	Blue Cross Blue Shield of Texas	Refund of premium on claim	26.40		571,582.74
09/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	893.26		572,476.00
10/29/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	944.95		573,420.95
11/22/99	{12}	Blue Cross Blue Shield of Texas	Processed claim - Sue Tankersley	675.00		574,095.95
11/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	943.62		575,039.57
12/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	977.58		576,017.15
01/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	976.57		576,993.72
02/15/00	102	JASON R. SEARCY, P.C.	Reimbursement for surety bond - Order dated 5-27-99		1,075.00	575,918.72
02/29/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.1000%	914.36		576,833.08
03/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.1000%	977.95		577,811.03
Subtotals :				\$579,961.03	\$2,150.00	

{ Asset reference(s)

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-62942 PARK
 Case Name: MERCY CARE, INC.
 Taxpayer ID #: 75-2086447
 Period Ending: 11/14/00

Trustee: JASON R. SEARCY (631670)
 Bank Name: THE CHASE MANHATTAN BANK
 Account: 312-7548958-65 - Money Market Account
 Blanket Bond: N/A
 Separate Bond: \$600,000.00

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
04/25/00	103	INTERNAL REVENUE SERVICE	Form 1120 for 12-31-99; EIN #75-2086447; Order dated 4-7-2000		2,468.01	575,343.02
04/28/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.2000%	1,010.79		576,353.81
05/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,078.09		577,431.90
06/30/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,089.59		578,521.49
07/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,128.07		579,649.56
08/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,130.27		580,779.83
09/06/00	{13}	Dodson Goup Equity Mutual Insurance Company	Worker's compensation rebate	886.00		581,665.83
09/29/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,097.19		582,763.02
10/17/00	104	JASON R. SEARCY, P.C.	Attorneys fees - Order dated 10-4-00		561.00	582,202.02
10/17/00	105	JASON R. SEARCY, P.C.	Attorneys expenses - Order dated 10-4-00		42.65	582,159.37
10/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	1,136.00		583,295.37
11/4/00	Int	Interest Posting	Current Interest Rate is 2.3000%	476.70		583,772.07
11/4/00		To Account #312754895866	Transfer of estate funds		583,772.07	0.00

ACCOUNT TOTALS 588,993.73 588,993.73 \$0.00
 Less: Bank Transfers 0.00 583,772.07
Subtotal 588,993.73 5,221.66
 Less: Payments to Debtors 0.00
NET Receipts / Disbursements \$588,993.73 \$5,221.66

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-62942 PARK
 Case Name: MERCY CARE, INC.
 Taxpayer ID #: 75-2086447
 Period Ending: 11/14/00

Trustee: JASON R. SEARCY (631670)
 Bank Name: THE CHASE MANHATTAN BANK
 Account: 312-7548958-66 - Checking Account
 Blanket Bond: N/A
 Separate Bond: \$600,000.00

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
11/14/00		From Account #312754895865	Transfer of estate funds	583,772.07		583,772.07

ACCOUNT TOTALS
 Less: Bank Transfers 583,772.07 0.00 \$583,772.07
 Subtotal 583,772.07 0.00
 Less: Payments to Debtors 0.00 0.00
NET Receipts / Disbursements \$0.00 \$0.00

TOTAL - ALL ACCOUNTS		Net Receipts	Net Disbursements	Account Balances
MMA # 312-7548958-65		588,993.73	5,221.66	0.00
Checking # 312-7548958-66		0.00	0.00	583,772.07
		<u>\$588,993.73</u>	<u>\$5,221.66</u>	<u>\$583,772.07</u>

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE:

MERCY CARE, INC.

Debtor

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Case No. 98-62942

Chapter 7

30721 10:18
EOD MAY 27 '99

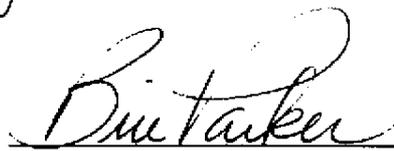
**ORDER GRANTING TRUSTEE'S MOTION
FOR REIMBURSEMENT OF PAYMENT OF SURETY BOND**

ON THIS DATE the Court considered the Trustee's Motion for Reimbursement of Payment of Surety Bond (the "Motion") filed by Jason R. Searcy, the duly-appointed Chapter 7 trustee in the above-referenced case. The Motion seeks reimbursement to the Trustee for sums expended by him for the payment of premiums for an additional surety bond, which is required in this case in order to provide protection of estate assets in an amount in excess of that provided by the Trustee's normal \$300,000 blanket bond. The Court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that good cause exists for the entry of the following order.

IT IS THEREFORE ORDERED that Jason R. Searcy is entitled to reimbursement of, and is authorized to immediately pay to himself, the amount of \$1,075.00 from the Chapter 7 bankruptcy estate of the above-referenced Debtor, for sums expended by him for the payment of premiums for the procurement of an additional surety bond for the protection of this bankruptcy estate.

IT IS FURTHER ORDERED that Jason R. Searcy is entitled to reimburse himself in the future for any additional or subsequent charges for required renewals and extensions of such surety bond procured for the protection of this bankruptcy estate during the pendency of this case.

SIGNED this the 27th day of May, 1999.



BILL PARKER
UNITED STATES BANKRUPTCY JUDGE

cc: Jason Searcy



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

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IN RE:

MERCY CARE, INC.

DEBTOR.

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CASE NO. TY-98-62942

CHAPTER 7

ORDER GRANTING MOTION FOR PAYMENT OF POST-PETITION
TAXES TO INTERNAL REVENUE SERVICE
FILED BY JASON R. SEARCY, TRUSTEE

On March 10, 2000, a Motion for Payment of Post-Petition Taxes to Internal Revenue Service (the "Motion") was filed by Jason R. Searcy, Trustee (the "Movant") in the above-referenced case. The Court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that it contained the appropriate twenty (20) day negative notice language, pursuant to Local Rule of Bankruptcy Procedure 9007, which directed any party opposed to the granting of the relief sought by the Motion to file a written response within twenty days or the Motion would be deemed by the Court to be unopposed. The Court finds that no objection or other written response to the Motion has been timely filed by any party. Due to the failure of any party to file a timely written response, the allegations contained in the Motion stand unopposed and, therefore, the Court finds that good cause exists for the entry of the following order.

IT IS THEREFORE ORDERED that the Motion for Payment of Post-Petition Taxes to Internal Revenue Service filed by Jason R. Searcy, Trustee on March 10, 2000 is hereby granted; and;

BE IT FURTHER ORDERED that Jason R. Searcy, Trustee for the estate of Mercy Care, Inc. is hereby authorized to pay to the Internal Revenue Service the amount of \$2,441.22 plus future

24

assessment of penalty and interest, for delayed payment of the Debtor's 1999 post-petition corporation tax assessment/obligation.

SIGNED this 17th day of April, 2000.



BILL PARKER
UNITED STATES BANKRUPTCY JUDGE

PREPARED IN THE LAW OFFICE OF:
JASON R. SEARCY, P.C.
P.O. BOX 3929
LONGVIEW, TEXAS 75606
(903) 757-3399
FAX (903) 757-9559

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE:

MERCY CARE, INC.

DEBTOR.

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CASE NO. TY-98-62942

CHAPTER 7

FILED
OCT 10 2000
CLERK U.S. BANKRUPTCY
BY [Signature] DEPUTY

EOD OCT -4 '00

**ORDER GRANTING APPLICATION OF COUNSEL FOR TRUSTEE,
JASON R. SEARCY, P.C., FOR COMPENSATION OF ATTORNEYS FEES
AND REIMBURSEMENT OF EXPENSES**

On September 7, 2000, the Application of Counsel for Trustee for Allowance of Compensation of Attorneys Fees and Reimbursement of Expenses ("Application") was filed by the law firm of Jason R. Searcy, P.C. ("Applicant") in the above-referenced case. The Court finds that the Application was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that it contained the appropriate twenty (20) day negative notice language, pursuant to Local Rule of Bankruptcy Procedure 9007, which directed any party opposed to the granting of the relief sought by the Application to file a written response within twenty days or the Application would be deemed by the Court to be unopposed. The Court finds that no objection or other written response to the Application has been timely filed by any party. Due to failure of any party to file a timely written response, and the Court's review of the Application as to whether services were reasonable and necessary, the allegations contained in the Motion stand unopposed and, therefore, the Court finds that good cause exists for the entry of the following order:

IT IS THEREFORE ORDERED that the Application of Counsel for Trustee for Compensation of Attorneys Fees and Reimbursement of Expenses filed by the law firm of Jason R. Searcy, P.C. is hereby GRANTED; and

BE IT FURTHER ORDERED that the law firm of Jason R. Searcy, P.C. be allowed its compensation in the sum of \$561.00 for legal services rendered; and the sum of \$42.65 for out-of-

pocket expenses incurred and that the same shall be paid from available estate funds upon the execution hereof.

DATED this the 4th day of October, 2000.



BILL PARKER
UNITED STATES BANKRUPTCY JUDGE

Prepared in the law offices of:
JASON R. SEARCY, P.C.
P. O. Box 3929
Longview, TX 75606
903/757-3399
903/757-9559 FAX

SCHEDULE B

APPLICATION FOR COMPENSATION

COMPUTATION OF COMMISSIONS (cases filed after 10/22/95)

Total Receipts	<u>\$294,635.65</u>	25% of First \$5,000	\$ <u>1,250.00</u>
Less	(5,000.00)		
Balance	<u>289,635.65</u>	10% of next \$45,000	\$ <u>4,500.00</u>
Less	(45,000.00)		
Balance	<u>244,635.65</u>	5% of next \$950,000	\$ <u>12,231.78</u>
Less	(950,000.00)		
Balance	<u>0.00</u>	3% of Remaining Balance	\$ <u>0.00</u>

TOTAL COMMISSIONS \$ 17,981.78

UNREIMBURSED EXPENSES

Recording Fees	\$ <u>0.00</u>
Premium on Trustee's Bond	\$ <u>0.00</u>
Necessary Travel	\$ <u>0.00</u>
Paraprofessional	\$ <u>0.00</u>
Clerical and Stenographic	\$ <u>0.00</u>
Photocopy	\$ <u>95.00</u>
Supplies/Stationery	\$ <u>0.00</u>
Delivery Costs (actual)	\$ <u>14.32</u>
Distribution Expenses	\$ <u>0.00</u>
Long Distance Telephone Charges	\$ <u>0.00</u>
Parking and Toll	\$ <u>0.00</u>
Other Expenses - Intranet	\$ <u>0.00</u>
TOTAL UNREIMBURSED EXPENSES	\$ <u>109.32</u>

Records:

Trustee did not take possession of business or personal records of the debtor.

X

Notice given debtor on _____ to pick up business or personal records in hands of Trustee.

Surplus to Debtor & Interest on Claims

Trustee: JASON R. SEARCY (631670)

Case: 98-62942 MERCY CARE, INC.

Date of Proposed Payment: 11/14/00

Claim #	Claimant Name	Type	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Proposed Interest	Total Proposed Amount
1	JASON R. SEARCY	Admin Ch. 7	32,699.69	0.00	32,699.69	109.32		109.32
	JASON R. SEARCY, TRUSTEE	Admin Ch. 7	109.32	0.00	109.32	109.32		271,204.92
2	Ray & Edith Smith	Unsecured	250,000.00	0.00	250,000.00	108.75	21,204.92	117.97
	Pliney Bowers Credit Corp.	Unsecured	108.75	0.00	108.75	108.75	9.22	
100	JASON R. SEARCY, P.C.	Admin Ch. 7	2,150.00	2,150.00	0.00			
101	INTERNAL REVENUE SERVICE	Admin Ch. 7	2,468.01	2,468.01	0.00			
102	JASON R. SEARCY, P.C.	Admin Ch. 7	561.00	561.00	0.00			
103	JASON R. SEARCY, P.C.	Admin Ch. 7	42.65	42.65	0.00			
Total for Case 98-62942 :			\$288,139.42	\$5,221.66	\$282,917.76	\$250,216.07	\$21,214.14	\$271,432.21

CASE SUMMARY

\$583,772.07	Current Balance of All Bank Accounts [1]
\$0.00	Plus Additional Funds to be Received [2]
\$0.00	Plus Previously Paid Surplus to Debtor [3]
\$583,772.07	Total Funds Available for Disbursement [4]
(\$250,218.07)	Less Net Balance Due on Claims [5]
(\$32,699.69)	Less Calculated Compensation (Unpaid) [6]
\$300,854.31	Balance Available for Interest [7]
(\$21,214.14)	Less Calculated Interest (Unpaid) @ 4.5130% [8]
\$279,640.17	Balance Available to Debtor [9]
<u>\$14,717.91</u>	Plus Adjustment of Trustee Compensation [10]
\$294,358.08	Net Funds (Surplus) to Debtor [11]

TRUSTEE COMPENSATION

\$588,983.73	Gross Receipts [14]
\$0.00	Less Exemptions Paid to Debtor [15]
\$0.00	Less Non-Est Funds Paid to 3rd Party [16]
(\$294,358.08)	Less Surplus to Debtor [17]
\$294,635.65	Net Estate Value [18]
\$17,981.78	Adjusted Trustee Compensation [19]

SELECTED REPORT OPTIONS

- Ignore Trustee Compensation Claims and Recalculate
- Ignore Interest Claims and Recalculate
- Exclude Admin. Claims from Interest Calculation

SCHEDULE C

EXPENSES OF ADMINISTRATION

	(1) Amount Claimed	(2) Amount Allowed	(3) Previously Paid	(4) Due
1. 11 U.S.C. Sec. 507(a) (1) <u>Court Costs and Fees</u>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
2. 11 U.S.C. Sec. 503(b) (1) (A) <u>Preservation of Estate</u>				
A. Transportation	0.00	0.00	0.00	0.00
B. Storage	0.00	0.00	0.00	0.00
C. Wages	0.00	0.00	0.00	0.00
D. Estates share FICA	0.00	0.00	0.00	0.00
E. Insurance	0.00	0.00	0.00	0.00
F. Upkeep	0.00	0.00	0.00	0.00
G. Other (itemize)	0.00	0.00	0.00	0.00
3. 11 U.S.C. Sec. 503(b) (2) <u>Post-Petition taxes and related penalties</u> Order dated 4-17-2000	2,468.01	2,468.01	2,468.01	0.00
4. 11 U.S.C. Sec. 503(b) (2) <u>Compensation and Reimbursement</u>				
A. Compensation of Trustee	17,981.78	17,981.78	0.00	17,981.78
B. Expenses of Trustee	2,259.32	2,259.32	2,150.00	109.32
C. Compensation of Attorney to Trustee	561.00	561.00	561.00	0.00
D. Expenses of Attorney to Trustee	42.65	42.65	42.65	0.00
5. Court Special Charges (Excess Notices)	0.00	0.00	0.00	0.00
6. U.S. Trustee fees	0.00	0.00	0.00	0.00
7. Other (itemize)	0.00	0.00	0.00	0.00
Totals:	<u>\$23,312.76</u>	<u>\$23,312.76</u>	<u>\$ 5,221.66</u>	<u>\$18,091.10</u>

SCHEDULE D

SECURED CLAIMS

<u>Claim No.</u>	<u>Amount Claimed</u>	<u>Amount Not Determined</u>	<u>Amount Allowed</u>	<u>Previously Paid</u>	<u>Due</u>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

IDENTIFICATION OF SECURED PARTIES AFFECTED:

<u>Claim No.</u>	<u>Name of Creditor</u>	<u>Claim No.</u>	<u>Name of Creditor</u>
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SCHEDULE E

PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES IN THE
FOLLOWING ORDER OF PRIORITY

	(1) Amount Claimed	(2) Amount Allowed	(3) Amount Paid	(4) Due
1. For Credit extended Sec. 364(e)(1)	\$0.00	\$0.00	\$0.00	\$0.00
2. Claims for failure of "adequate protection" Sec. 307(a)(b)	0.00	0.00	0.00	0.00
3. "Gap Claims" Sec. 507(a)(2)	0.00	0.00	0.00	0.00
4. Wages, etc. Sec. 507(a)(3)	0.00	0.00	0.00	0.00
5. Contributions to benefit plans Sec. 507(a)(4)	0.00	0.00	0.00	0.00
6. Consumer deposits Sec. 507(a)(6)	0.00	0.00	0.00	0.00
7. Taxes Sec. 507(a)(7)	0.00	0.00	0.00	0.00
8. Depository Institutions Sec. 507(a)(8)	0.00	0.00	0.00	0.00
9. Other: No Basis	0.00	0.00	0.00	0.00
Totals:	0.00	0.00	0.00	0.00

PARTIES AFFECTED:

Claim No.	Name of Creditor	Claim No.	Name of Creditor
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FILED UNSECURED CLAIMS TOTAL: \$ 565,680.97

SUBORDINATED UNSECURED CLAIMS: \$ 0.00

Claims Register

Trustee: JASON R. SEARCY (631670)

Case: 98-62942 MERCY CARE, INC.

Claim Number	Date Filed	Claim Type	Claimant Name / (Category, Priority)	Amount Filed	Amount Allowed
	12/29/98	Admin Ch. 7	JASON R. SEARCY 446 FOREST SQUARE P.O. BOX 3929 LONGVIEW, 75605 (FEES-TRUSTEE (CH7), 200)	\$17,981.78	\$17,981.78
	11/14/00	Admin Ch. 7	JASON R. SEARCY, TRUSTEE P.O. BOX 3929 LONGVIEW, TX 75606-3929 (EXP.-TRUSTEE (CH7), 200)	\$109.32	\$109.32
1	05/05/99	Unsecured	Ray & Edith Smith c/o Fred Head P.O. Box F.H. Athens, TX 75751 (UNSECURED TIMELY FILED, 610)	\$250,000.00	\$250,000.00
1A	11/14/00	Unsecured	Ray & Edith Smith (UNSEC. INTEREST, 640)	\$21,204.92	\$21,204.92
		Claim Memo:	Interest at T-Bill rate for 12/29/98 - 4.513%		
2	01/22/99	Unsecured	Pitney Bowes Credit Corp. 27 Waterview Dr. Shelton, CT 06484-5151 (UNSECURED TIMELY FILED, 610)	\$108.75	\$108.75
2A	11/14/00	Unsecured	Pitney Bowes Credit Corp. (UNSEC. INTEREST, 640)	\$9.22	\$9.22
		Claim Memo:	Interest at T-Bill rate for 12/29/98 - 4.513%		
100	03/02/99	Admin Ch. 7	JASON R. SEARCY, P.C. P.O. BOX 3929 LONGVIEW, TX 75606 (TRUSTEE BOND, 200)	\$2,150.00	\$2,150.00
		Claim Memo:	Order dated 5-27-99 - reimbursement for surety bond payment		
101	03/08/00	Admin Ch. 7	INTERNAL REVENUE SERVICE 1100 COMMERCE ST., RM 9A20 CODE 5027 DAL DALLAS, TX 75242 (FEDERAL INCOME TAX, 200)	\$2,468.01	\$2,468.01
		Claim Memo:	Order dated 4-17-2000		

(*) Denotes objection to Amount Filed

Claims Register

Trustee: JASON R. SEARCY (631670)

Case: 98-62942 MERCY CARE, INC.

Claim Number	Date Filed	Claim Type	Claimant Name / (Category, Priority)	Amount Filed	Amount Allowed
102	09/06/00	Admin Ch. 7	JASON R. SEARCY, P.C. P.O. BOX 3929 LONGVIEW, TX 75606 (TRUSTEE'S FIRM LEGAL FEES (CH 7), 200)	\$561.00	\$561.00
			Claim Memo: Order dated 10-4-2000		
103	09/06/00	Admin Ch. 7	JASON R. SEARCY, P.C. P.O. BOX 3929 LONGVIEW, TX 75606 (TRUSTEE'S FIRM LEGAL EXPENSES (CH 7), 200)	\$42.65	\$42.65
			Claim Memo: Order dated 10-4-2000		
104	11/14/00	Unsecured	Mercy Care, Inc., Attn: Howard Hardy c/o William F. Kemp 1601 Rio Grande St., Suite 441 Austin, TX 78767-0369 (UNSEC. SURPLUS TO DEBTOR, 650)	\$294,358.08	\$294,358.08
Case Total:				\$588,993.73	\$588,993.73

(*) Denotes objection to Amount Filed

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE:)	CASE NO. 98-62942
MERCY CARE, INC.)	
)	
)	
DEBTOR(S))	CHAPTER 7

TRUSTEE'S REPORT OF PROPOSED FINAL DISTRIBUTIONS

The undersigned Trustee of the estate hereby submits to the Court and to the United States Trustee this Report of Proposed Final Distributions.

1. The Court has entered orders which have become final, and which dispose of all objections to claims, all objections to the Trustee's Final Report, all applications for compensation, and all other matters which must be determined by the Court before final distribution can be made.

2. The Trustee proposes to make final distribution of the funds of the estate as follows, and will make such distribution unless written objection thereto is made, filed and served on the Trustee and on the United States Trustee.

1.	BALANCE ON HAND		\$583,772.07
2.	ADMINISTRATIVE EXPENSES TO BE PAID	\$ 18,091.10	
3.	SECURED CLAIMS TO BE PAID	0.00	
4.	PRIORITY CLAIMS TO BE PAID	0.00	
5.	UNSECURED CLAIMS TO BE PAID	565,680.97	
6.	OTHER DISTRIBUTIONS TO BE PAID	0.00	
7.	TOTAL DISTRIBUTIONS TO BE MADE (SUM OF LINES 2 THROUGH 6)		\$583,772.07
8.	ZERO BALANCE AFTER ALL DISTRIBUTIONS (LINE 1 LESS LINE 7)		- 0 -

(SEE ATTACHED SCHEDULE OF PAYEES AND AMOUNTS)

Date: 11/14/00



JASON R. SEARCY, TRUSTEE

Claims Proposed Distribution
Trustee: JASON R. SEARCY (631670)

Case: 98-62942 MERCY CARE, INC.

Case Balance: \$583,772.07 Total Proposed Payment: \$583,772.07 Remaining Balance: \$0.00

Claim #	Claimant Name	Type	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Remaining Funds
	JASON R. SEARCY FEES-TRUSTEE (CH7)	Admin Ch. 7	17,981.78	17,981.78	0.00	17,981.78	17,981.78	565,790.29
	JASON R. SEARCY, TRUSTEE EXP.-TRUSTEE (CH7)	Admin Ch. 7	109.32	109.32	0.00	109.32	109.32	565,680.97
100	JASON R. SEARCY, P.C. TRUSTEE BOND Claim Memo: Order dated 5-27-99 - reimbursement for surety bond payment	Admin Ch. 7	2,150.00	2,150.00	2,150.00	0.00	0.00	565,680.97
101	INTERNAL REVENUE SERVICE FEDERAL INCOME TAX Claim Memo: Order dated 4-17-2000	Admin Ch. 7	2,468.01	2,468.01	2,468.01	0.00	0.00	565,680.97
102	JASON R. SEARCY, P.C. TRUSTEE'S FIRM LEGAL FEES (CH 7) Claim Memo: Order dated 10-4-2000	Admin Ch. 7	561.00	561.00	561.00	0.00	0.00	565,680.97
103	JASON R. SEARCY, P.C. TRUSTEE'S FIRM LEGAL EXPENSES (CH 7) Claim Memo: Order dated 10-4-2000	Admin Ch. 7	42.65	42.65	42.65	0.00	0.00	565,680.97
1	Ray & Edith Smith	Unsecured	250,000.00	250,000.00	0.00	250,000.00	250,000.00	315,680.97
2	Pitney Bowes Credit Corp.	Unsecured	108.75	108.75	0.00	108.75	108.75	315,572.22
1A	Ray & Edith Smith Claim Memo: Interest at T-Bill rate for 12/29/98 - 4.513%	Unsecured	21,204.92	21,204.92	0.00	21,204.92	21,204.92	294,367.30
2A	Pitney Bowes Credit Corp. Claim Memo: Interest at T-Bill rate for 12/29/98 - 4.513%	Unsecured	9.22	9.22	0.00	9.22	9.22	294,358.08
104	Mercy Care, Inc., Attn: Howard Hardy	Unsecured	294,358.08	294,358.08	0.00	294,358.08	294,358.08	0.00
Total for Case 98-62942 :			\$588,993.73	\$588,993.73	\$5,221.66	\$583,772.07	\$583,772.07	\$0.00

CASE SUMMARY

	Amount Filed	Amount Allowed	Paid to Date	Proposed Payment
Total Administrative Claims :	\$23,312.76	\$23,312.76	\$5,221.66	\$18,091.10
Total Priority Claims :	\$0.00	\$0.00	\$0.00	\$0.00
Total Secured Claims :	\$0.00	\$0.00	\$0.00	\$0.00
Total Unsecured Claims :	\$565,680.97	\$565,680.97	\$0.00	\$565,680.97

(*) Denotes objection to Amount Filed

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE. MERCY CARE, INC. / BANKRUPTCY CASE: 98-62942
/
/ CHAPTER 7

**NOTICE OF THE FILING OF FINAL REPORT OF TRUSTEE.
APPLICATION FOR COMPENSATION AND PROPOSED DISTRIBUTIONS**

NOTICE IS GIVEN that the Trustee's Final Report and Account, report of Proposed Final Distribution and Applications for Compensation have been filed. These documents are available for public inspection at the office of the Bankruptcy Clerk, 200 E. Ferguson, Tyler, Texas 75702, or at the trustee's office whose name and address is as follows:

JASON SEARCY P O BOX 3929 LONGVIEW, TX 75606

The following Applications for Compensation have been filed:

<u>Applicants</u>	<u>Fees Requested</u>	<u>Expenses Requested</u>
<u>JASON SEARCY</u> Trustee	<u>17981.78</u>	<u>109.32</u>
<u>JASON SEARCY</u> Attorney for Trustee	<u> </u>	<u> </u>
<u>U. S. Bankruptcy Court</u>	<u>0.00</u>	<u> </u>

The trustee's account shows:

Total Receipts	Total Disbursements	Balance
<u>\$ 588993.73</u>	<u>\$ 5221.66</u>	<u>\$ 583772.07</u>

In addition to the commissions and fees that may be allowed by the Court, liens and priority claims which must be paid in advance of general creditors have been allowed in the total amount of \$ 0.00; general unsecured claims have been allowed in the amount of \$ 250108.75.
The debtor has/has not been discharged.

Written objections to the Final Report, Application for Compensation and/or proposed Distributions must be filed with the Clerk of the Court and served on the trustee at the above mentioned address within 30 days from the date of this notice. If no objections are filed, the Court may consider the Report and Applications without hearing. If objections are filed, a hearing will be held on _____

at _____

Date: _____ **JAMES D. TOKOPH**, Clerk of Court

By: _____
Deputy Clerk