

Monthly Operating Report
ACCRUAL BASIS

CASE NAME: In re Hi-Way Equipment Company LLC
CASE NUMBER: 13-41498-rfn-11
JUDGE: Russell F. Nelms

UNITED STATES BANKRUPTCY COURT
 NORTHERN & EASTERN DISTRICTS OF TEXAS
 REGION 6
 MONTHLY OPERATING REPORT

MONTH ENDING: August 2013
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

Charles Reeves Interim Chief Restructuring Officer
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY TITLE

Charles Reeves Sep 20, 2013
PRINTED NAME OF RESPONSIBLE PARTY DATE

PREPARER:

Charles Reeves Interim Chief Restructuring Officer
ORIGINAL SIGNATURE OF PREPARER TITLE

Charles Reeves Sep 20, 2013
PRINTED NAME OF PREPARER DATE

CASE NAME: In re Hi-Way Equipment Company

Monthly Operating Report
ACCRUAL BASIS-1

CASE NUMBER: 13-41498-rfn-11

COMPARATIVE BALANCE SHEET

ASSETS	Schedule			
	Amount	Jun	Jul	Aug
1. UNRESTRICTED CASH	\$ 630,770	\$ 2,680,020	\$ 2,557,581	\$ 2,081,690
2. RESTRICTED CASH	\$-	\$ 144,108	\$ 153,643	-
3. TOTAL CASH	\$ 630,770	\$ 2,824,127	\$ 2,711,224	\$ 2,081,690
4. ACCOUNTS RECEIVABLE (NET)	\$ 1,261,163	\$ 117,235	\$ 23,232	\$ 16,596
5. INVENTORY	\$ 28,750,065	\$ -		
6. NOTES RECEIVABLE	\$-	\$ -		
7. PREPAID EXPENSES	\$ 165,862	\$ 1,177	\$ 1,177	\$ 1,177
8. OTHER (ATTACH LIST)	\$-			
9. TOTAL CURRENT ASSETS	\$ 30,807,860	\$ 2,942,539	\$ 2,735,632	\$ 2,099,463
10. PROPERTY, PLANT & EQUIPMENT	\$ 17,708,042	\$ -	\$ -	-
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	\$ (8,262,874)	\$ -	\$ -	-
12. NET PROPERTY, PLANT & EQUIPMENT	\$ 9,445,168	\$ -	\$ -	-
13. DUE FROM INSIDERS	\$-	\$ -	\$ -	-
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	\$ 6,018,847	\$ -	\$ -	-
15. OTHER (ATTACH LIST)	\$-			
16. TOTAL ASSETS	\$ 46,271,875	\$ 2,942,539	\$ 2,735,632	\$ 2,099,463
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$ 146,332	\$ 173,333	4,694.71
18. TAXES PAYABLE				
19. NOTES PAYABLE				
20. PROFESSIONAL FEES		\$ 284,116	\$ 203,187	83,697
21. SECURED DEBT				
22. OTHER (ATTACH LIST)		\$ -		
23. TOTAL POSTPETITION LIABILITIES	\$-	\$ 430,448	\$ 376,520	\$ 88,392
PREPETITION LIABILITIES				
24. SECURED DEBT	\$ 44,675,842	\$ 10,405,968	\$ 10,405,968	10,405,968
25. PRIORITY DEBT	\$ 63,429	\$ 63,429	\$ 63,429	\$ 58,734
26. UNSECURED DEBT	\$ 2,533,676	\$ 2,537,327	\$ 2,537,327	\$ 2,537,327
27. OTHER (ATTACH LIST)	\$-			
28. TOTAL PREPETITION LIABILITIES	\$ 47,272,947	\$ 13,006,724	\$ 13,006,724	\$ 13,002,029
29. TOTAL LIABILITIES	\$ 47,272,947	\$ 13,437,171	\$ 13,383,243	\$ 13,090,421
EQUITY				
30. PREPETITION OWNERS' EQUITY	\$ (1,011,072)	\$ (10,494,632)	\$ (10,647,610)	\$ (10,990,957)
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)				
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY	\$ (1,011,072)	\$ (10,494,632)	\$ (10,647,610)	\$ (10,990,957)
34. TOTAL LIABILITIES & OWNERS' EQUITY	\$ 46,261,875	\$ 2,942,539	\$ 2,735,633	\$ 2,099,463

CASE NAME: In re HI-Way Equipment Company

Monthly Operating Report
ACCRUAL BASIS-2

CASE NUMBER: 13-41498-rfn-11

INCOME STATEMENT	Jul	Aug	Sep
REVENUES			
1. GROSS REVENUES			\$ -
2. LESS: RETURNS & DISCOUNTS		\$ -	
3. NET REVENUE	\$ -	\$ -	\$ -
COST OF GOODS SOLD			
4. MATERIAL			\$ -
5. DIRECT LABOR	\$ -	\$ -	\$ -
6. DIRECT OVERHEAD	\$ -	\$ -	\$ -
7. TOTAL COST OF GOODS SOLD	\$ -	\$ -	\$ -
8. GROSS PROFIT	\$ -	\$ -	\$ -
OPERATING EXPENSES			
9. OFFICER / INSIDER COMPENSATION	\$ -	\$ -	\$ -
10. SELLING & MARKETING	\$ -	\$ -	\$ -
11. GENERAL & ADMINISTRATIVE	\$ 9,701	\$ 8,149	
12. RENT & LEASE			
13. OTHER (ATTACH LIST)	\$ 1,363	\$ 1,625	
14. TOTAL OPERATING EXPENSES	\$ 11,064	\$ 9,774	
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	\$ (11,064)	\$ (9,774)	\$ -
OTHER INCOME & EXPENSES			
16. NON-OPERATING INCOME (ATTACH LIST)	\$ -	\$ -	
17. NON-OPERATING EXPENSE (ATTACH LIST)	\$ 90,000	\$ 300,888	
18. INTEREST EXPENSE	\$ -	\$ -	
19. DEPRECIATION / DEPLETION	\$ -	\$ -	
20. AMORTIZATION	\$ -	\$ -	
21. OTHER (ATTACH LIST)		\$ -	
22. NET OTHER INCOME & EXPENSES	\$ (90,000)	\$ (300,888)	\$ -
REORGANIZATION EXPENSES			
23. PROFESSIONAL FEES	\$ 38,265	\$ 32,685	
24. U.S. TRUSTEE FEES	\$ 13,650	\$ -	
25. OTHER (ATTACH LIST)	\$ -	\$ -	
26. TOTAL REORGANIZATION EXPENSES	\$ 51,915	\$ 32,685	\$ -
27. INCOME TAX	\$ -		
28. NET PROFIT (LOSS)	\$ (152,979)	\$ (343,347)	\$ -

CASE NAME: In re Hi-Way Equipment Company

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ACCRUAL BASIS-3

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CASH RECEIPTS AND DISBURSEMENTS	JUL	AUG	SEP	QUARTER
1. CASH - BEGINNING OF MONTH	\$ 2,824,127	\$ 2,711,224		\$ 2,824,127
RECEIPTS FROM OPERATIONS				
2. CASH SALES	\$ -		\$ -	\$ -
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				\$ -
4. POSTPETITION	\$ 4,003	6,636		\$ 10,639
5. TOTAL OPERATING RECEIPTS	\$ 4,003	\$ 6,636	\$ -	\$ 10,639
NON-OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)	\$ -	\$ -		\$ -
7. SALE OF ASSETS	\$ -		\$ -	\$ -
8. OTHER (ATTACH LIST)	\$ 42,732	6,933.86		\$ 49,666
9. TOTAL NON-OPERATING RECEIPTS	\$ 42,732	\$ 6,934	\$ -	\$ 49,666
10. TOTAL RECEIPTS	\$ 46,735	\$ 13,570	\$ -	\$ 60,305
11. TOTAL CASH AVAILABLE	\$ 2,870,863	\$ 2,724,793	\$ -	\$ 2,884,432
OPERATING DISBURSEMENTS				
12. NET PAYROLL	\$ 9,701	8,148.89		\$ 17,850
13. PAYROLL TAXES PAID	\$ -			\$ -
14. SALES, USE & OTHER TAXES PAID	\$ 207	4,694.71		\$ 4,902
15. SECURED / RENTAL / LEASES	\$ 15,524	476,459.51		\$ 491,984
16. UTILITIES				\$ -
17. INSURANCE	\$ 35			\$ 35
18. INVENTORY PURCHASES			\$ -	\$ -
19. VEHICLE EXPENSES			\$ -	\$ -
20. TRAVEL		\$ -	\$ -	\$ -
21. ENTERTAINMENT	\$ -	\$ -	\$ -	\$ -
22. REPAIRS & MAINTENANCE			\$ -	\$ -
23. SUPPLIES	674.52			\$ 675
24. ADVERTISING	\$ -	\$ -	\$ -	\$ -
25. OTHER (ATTACH LIST)	\$ 653	1,625.12		\$ 2,278
26. TOTAL OPERATING DISBURSEMENTS	\$ 26,795	\$ 490,928	\$ -	\$ 517,723
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES	\$ 119,194	\$ 152,175		\$ 271,369
28. U.S. TRUSTEE FEES	\$ 13,650	\$ -		\$ 13,650
29. OTHER (ATTACH LIST)	\$ -	\$ -		\$ -
30. TOTAL REORGANIZATION EXPENSES	\$ 132,844	\$ 152,175	\$ -	\$ 285,019
31. TOTAL DISBURSEMENTS	\$ 159,639	\$ 643,103	\$ -	\$ 802,742
32. NET CASH FLOW				
33. CASH - END OF MONTH	2,711,223.60	\$ 2,081,690	\$ -	\$ 2,081,690

Monthly Operating Report
ACCURAL BASIS-4

CASE NAME: In re Hi-Way Equipment Company
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ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. 0-30			0	0
2. 31-60			0	0
3. 61-90			0	0
4. 91+			0	0
5. TOTAL ACCOUNTS RECEIVABLE			0	0
6. AMOUNT CONSIDERED UNCOLLECTIBLE			0	0
7. ACCOUNTS RECEIVABLE (NET)			0	0

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: August 2013		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL	0				
2. STATE	0				
3. LOCAL	0				
4. OTHER (ATTACH LIST)	0				
5. TOTAL TAXES PAYABLE	0				
6. ACCOUNTS PAYABLE	0				

STATUS OF POSTPETITION TAXES		MONTH: August 2013		
FEDERAL	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
1. WITHHOLDING	0			0
2. FICA-EMPLOYEE	0			0
3. FICA-EMPLOYER	0			0
4. UNEMPLOYMENT	0			0
5. INCOME	0			0
6. OTHER (ATTACH LIST)	0			0
7. TOTAL FEDERAL TAXES	0			0
STATE AND LOCAL				
8. WITHHOLDING	0			0
9. SALES	0			0
10. EXCISE	0			0
11. UNEMPLOYMENT	0			0
12. REAL PROPERTY	0			0
13. PERSONAL PROPERTY	0			0
14. OTHER (ATTACH LIST)	0			0
15. TOTAL STATE & LOCAL	0			0
16. TOTAL TAXES	0			0

Monthly Operating Report
 ACCRUAL BASIS-5

CASE NAME: In re Hi-Way Equipment Company L
 CASE NUMBER: 13-41498-rfn-11

MONTH: August 2013

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	
A. BANK:		WELLS FARGO BANK OF AMERICA			
B. ACCOUNT NUMBER:		488025935895			TOTAL
C. PURPOSE (TYPE):		SAVING ACCOUNT			
1. BALANCE PER BANK STATEMENT		2,081,690.14			2,081,690.14
2. ADD: TOTAL DEPOSITS NOT CREDITED		0			
3. SUBTRACT: OUTSTANDING CHECKS		0			0
4. OTHER RECONCILING ITEMS		0			
5. MONTH END BALANCE PER BOOKS		2,081,690.14			2,081,690.14
6. NUMBER OF LAST CHECK WRITTEN		38088			

INVESTMENT ACCOUNTS				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11.	TOTAL INVESTMENTS			

CASH	
12.	CURRENCY ON HAND
13.	TOTAL CASH - END OF MONTH

CASE NAME: In re Hi-Way Equipment Company

Monthly Operating Report
ACCRUAL BASIS-6

CASE NUMBER: 13-41498-rfn-11

Month Aug-13

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS

NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
None			
	2		
	3		
	4		
	5		
6. TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS

NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
Charles Reeves	5/1/13	Weekly fee and expense payment	\$ 9,100	126,811.23	\$ 1,750
John Koskiewicz	5/29/13	Weekly fee and expense payment	\$ -	104,052.00	\$ -
Gardere Wynne Sewell LLP	5/31/13	\$ 179,255	\$ 136,652	435,101.60	\$ 54,179
Upshot Services	5/2/13	Monthly fee and expense payment	\$ 12,757	58,749.83	\$ 11,636
	5				
6. TOTAL PAYMENTS TO PROFESSIONALS			\$ 158,509	\$ 724,715	\$ 67,565

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
	1		
	2		
	3		
	4		
	5		
6. TOTAL			

Monthly Operating Report
ACCURAL BASIS-7

CASE NAME: In re Hi-Way Equipment Company L
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MONTH: August 2013

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		<input checked="" type="checkbox"/>
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		<input checked="" type="checkbox"/>
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		<input checked="" type="checkbox"/>
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		<input checked="" type="checkbox"/>
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		<input checked="" type="checkbox"/>
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		<input checked="" type="checkbox"/>
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		<input checked="" type="checkbox"/>
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		<input checked="" type="checkbox"/>
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		<input checked="" type="checkbox"/>
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		<input checked="" type="checkbox"/>
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?	<input checked="" type="checkbox"/>	
12. ARE ANY WAGE PAYMENTS PAST DUE?		<input checked="" type="checkbox"/>

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.
On May 10, 2013, the Debtor sold substantially all of its assets to Asco Equipment. Lienholders of certain assets were paid portions of the proceeds relating to liens held against those assets.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?		<input checked="" type="checkbox"/>
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	<input checked="" type="checkbox"/>	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY