

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: May 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:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

John Koskiewicz
PRINTED NAME OF RESPONSIBLE PARTY

Interim Chief Financial Officer
TITLE

May 20, 2013
DATE

PREPARER:


ORIGINAL SIGNATURE OF PREPARER

John Koskiewicz
PRINTED NAME OF PREPARER

Interim Chief Financial Officer
TITLE

May 20, 2013
DATE

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COMPARATIVE BALANCE SHEET

	Schedule			
	Amount	April	May	June
ASSETS				
1. UNRESTRICTED CASH	\$ 630,770	\$ 1,755,327	\$ 2,690,246	
2. RESTRICTED CASH	\$-	\$ -	\$ 1,276,278	
3. TOTAL CASH	\$ 630,770	\$ 1,755,327	\$ 3,966,524	
4. ACCOUNTS RECEIVABLE (NET)	\$ 1,261,163	\$ 1,122,799	\$ 126,066	
5. INVENTORY	\$ 28,750,065	\$ 26,020,479	\$ -	
6. NOTES RECEIVABLE	\$-	\$ -	\$ -	
7. PREPAID EXPENSES	\$ 165,862	\$ 165,089	\$ 22,635	
8. OTHER (ATTACH LIST)	\$-	\$ -	\$ -	
9. TOTAL CURRENT ASSETS	\$ 30,807,860	\$ 29,063,694	\$ 4,115,225	
10. PROPERTY, PLANT & EQUIPMENT	\$ 17,708,042	\$ 16,954,446	\$ -	
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	\$ (8,262,874)	\$ (8,783,126)	\$ -	
12. NET PROPERTY, PLANT & EQUIPMENT	\$ 9,445,168	\$ 8,171,320	\$ -	
13. DUE FROM INSIDERS	\$-	\$ -	\$ -	
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	\$ 6,018,847	\$ 5,775,828	\$ -	
15. OTHER (ATTACH LIST)	\$-	\$ -	\$ -	
16. TOTAL ASSETS	\$ 46,271,875	\$ 43,010,842	\$ 4,115,225	
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$ 77,394	\$ 46,374	
18. TAXES PAYABLE		\$ 204,984	\$ -	
19. NOTES PAYABLE		\$ -	\$ -	
20. PROFESSIONAL FEES		\$ 250,000	\$ 203,649	
21. SECURED DEBT		\$ -	\$ -	
22. OTHER (ATTACH LIST)		\$ 267,564	\$ -	
23. TOTAL POSTPETITION LIABILITIES	\$-	\$ 799,942	\$ 250,023	
PREPETITION LIABILITIES				
24. SECURED DEBT	\$ 44,675,842	\$ 41,272,833	\$ 11,538,138	
25. PRIORITY DEBT	\$ 63,429	\$ 63,429	\$ 63,429	
26. UNSECURED DEBT	\$ 2,533,676	\$ 2,643,324	\$ 2,537,327	
27. OTHER (ATTACH LIST)	\$-	\$ -	\$ -	
28. TOTAL PREPETITION LIABILITIES	\$ 47,272,947	\$ 43,979,586	\$ 14,138,894	
29. TOTAL LIABILITIES	\$ 47,272,947	\$ 44,779,528	\$ 14,388,917	
EQUITY				
30. PREPETITION OWNERS' EQUITY	\$ (1,011,072)	\$ (1,768,686)	\$ (10,273,692)	
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		\$ -		
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		\$ -		
33. TOTAL EQUITY	\$ (1,011,072)	\$ (1,768,686)	\$ (10,273,692)	
34. TOTAL LIABILITIES & OWNERS' EQUITY	\$ 46,261,875	\$ 43,010,842	\$ 4,115,225	

CASE NAME: In re HI-Way Equipment Company
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Monthly Operating Report
ACCRUAL BASIS-2

INCOME STATEMENT	APRIL	MAY	JUNE
REVENUES			
1. GROSS REVENUES	\$ 5,706,948	\$ 2,992,131	
2. LESS: RETURNS & DISCOUNTS		\$ -	
3. NET REVENUE	\$ 5,706,948	\$ 2,992,131	
COST OF GOODS SOLD			
4. MATERIAL	\$ 4,937,667	\$ 2,799,444	
5. DIRECT LABOR	\$ -	\$ -	
6. DIRECT OVERHEAD	\$ -	\$ -	
7. TOTAL COST OF GOODS SOLD	\$ 4,937,667	\$ 2,799,444	
8. GROSS PROFIT	\$ 769,281	\$ 192,687	
OPERATING EXPENSES			
9. OFFICER / INSIDER COMPENSATION	\$ -	\$ -	
10. SELLING & MARKETING	\$ -	\$ -	
11. GENERAL & ADMINISTRATIVE	\$ 463,826	\$ 157,070	
12. RENT & LEASE	\$ 150,176	\$ 94,024	
13. OTHER (ATTACH LIST)	\$ 825,474	\$ 277,078	
14. TOTAL OPERATING EXPENSES	\$ 1,439,476	\$ 528,172	
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	\$ (670,195)	\$ (335,485)	
OTHER INCOME & EXPENSES			
16. NON-OPERATING INCOME (ATTACH LIST)	\$ -	\$ -	
17. NON-OPERATING EXPENSE (ATTACH LIST)	\$ -	\$ 8,919,281	
18. INTEREST EXPENSE	\$ -	\$ -	
19. DEPRECIATION / DEPLETION	\$ -	\$ -	
20. AMORTIZATION	\$ -	\$ -	
21. OTHER (ATTACH LIST)	\$ (1,373)	\$ -	
22. NET OTHER INCOME & EXPENSES	\$ 1,373	\$ (8,919,281)	
REORGANIZATION EXPENSES			
23. PROFESSIONAL FEES	\$ 325,311	\$ 250,241	
24. U.S. TRUSTEE FEES	\$ -	\$ -	
25. OTHER (ATTACH LIST)	\$ -	\$ -	
26. TOTAL REORGANIZATION EXPENSES	\$ 325,311	\$ 250,241	
27. INCOME TAX	\$ -	\$ -	
28. NET PROFIT (LOSS)	\$ (994,133)	\$ (9,505,007)	

CASH RECEIPTS AND DISBURSEMENTS		APRIL	MAY	JUNE	QUARTER
1. CASH - BEGINNING OF MONTH	\$	621,943	\$ 1,755,327		
RECEIPTS FROM OPERATIONS					
2. CASH SALES	\$	4,117,066	\$ 1,540,699		
COLLECTION OF ACCOUNTS RECEIVABLE					
3. PREPETITION	\$	982,390			
4. POSTPETITION	\$	-	\$ 461,489		
5. TOTAL OPERATING RECEIPTS	\$	5,099,456	\$ 2,002,188		
NON-OPERATING RECEIPTS					
6. LOANS & ADVANCES (ATTACH LIST)	\$	-	\$ -		
7. SALE OF ASSETS	\$	-	\$ 3,449,228		
8. OTHER (ATTACH LIST)	\$	-	\$ -		
9. TOTAL NON-OPERATING RECEIPTS	\$	-	\$ 3,449,228		
10. TOTAL RECEIPTS	\$	5,099,456	\$ 5,451,416		
11. TOTAL CASH AVAILABLE	\$	5,721,399	\$ 7,206,743		
OPERATING DISBURSEMENTS					
12. NET PAYROLL	\$	586,061	\$ 434,795		
13. PAYROLL TAXES PAID	\$	-	\$ 152,221		
14. SALES, USE & OTHER TAXES PAID	\$	188,315	\$ 477,821		
15. SECURED / RENTAL / LEASES	\$	76,436	\$ 73,545		
16. UTILITIES	\$	1,918	\$ 10,707		
17. INSURANCE	\$	204,087	\$ 12,175		
18. INVENTORY PURCHASES	\$	2,793,526	\$ 1,738,601		
19. VEHICLE EXPENSES	\$	18,069	\$ 15,197		
20. TRAVEL	\$	6,405	\$ -		
21. ENTERTAINMENT	\$	-	\$ -		
22. REPAIRS & MAINTENANCE	\$	8,811	\$ 8,688		
23. SUPPLIES	\$	821	\$ 3,781		
24. ADVERTISING	\$	-	\$ -		
25. OTHER (ATTACH LIST)	\$	6,312	\$ 6,265		
26. TOTAL OPERATING DISBURSEMENTS	\$	3,890,761	\$ 2,933,796		
REORGANIZATION EXPENSES					
27. PROFESSIONAL FEES	\$	75,311	\$ 306,423		
28. U.S. TRUSTEE FEES	\$	-	\$ -		
29. OTHER (ATTACH LIST)	\$	-	\$ -		
30. TOTAL REORGANIZATION EXPENSES	\$	75,311	\$ 306,423		
31. TOTAL DISBURSEMENTS	\$	3,966,072	\$ 3,240,219		
32. NET CASH FLOW					
33. CASH - END OF MONTH	\$	1,755,327	\$ 3,966,524		

Monthly Operating Report
ACCRUAL BASIS-3

Monthly Operating Report
ACCUAL BASIS-4

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ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. 0-30		976,383	42,949	
2. 31-60		244,564	41,828	
3. 61-90		54414	6,566	
4. 91+		(278,927.82)	34,722	
5. TOTAL ACCOUNTS RECEIVABLE		996,433.18	126,065	
6. AMOUNT CONSIDERED UNCOLLECTIBLE			34,722	
7. ACCOUNTS RECEIVABLE (NET)		996,433.18	91,343	

AGING OF POSTPETITION TAXES AND PAYABLES						MONTH: May, 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	46,374					

STATUS OF POSTPETITION TAXES					MONTH: May 2013
FEDERAL	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
1. WITHHOLDING	0		68,752	0	
2. FICA-EMPLOYEE	0		33,355	0	
3. FICA-EMPLOYER	0		33355	0	
4. UNEMPLOYMENT	0		47	0	
5. INCOME	0			0	
6. OTHER (ATTACH LIST)	0		15,601	0	
7. TOTAL FEDERAL TAXES	0		151,110	0	
STATE AND LOCAL					
8. WITHHOLDING	0				
9. SALES	0				
10. EXCISE	0				
11. UNEMPLOYMENT	0				
12. REAL PROPERTY	0		1,110	0	
13. PERSONAL PROPERTY	0				
14. OTHER (ATTACH LIST)	0				
15. TOTAL STATE & LOCAL	0		1,110	0	
16. TOTAL TAXES	0		152,220	0	

Monthly Operating Report
ACCRUAL BASIS-5

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MONTH: May 2013

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	
A. BANK:	K OF AMERICA				TOTAL
B. ACCOUNT NUMBER:	488025935895				
C. PURPOSE (TYPE):	ING ACCOUNT				
1. BALANCE PER BANK STATEMENT	\$ 3,966,524				\$ 3,966,524
2. ADD: TOTAL DEPOSITS NOT CREDITED	0				
3. SUBTRACT: OUTSTANDING CHECKS	\$ 6,080				\$ 6,080
4. OTHER RECONCILING ITEMS	0				
5. MONTH END BALANCE PER BOOKS	\$ 3,960,444				\$ 3,960,444
6. NUMBER OF LAST CHECK WRITTEN	37536				

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	

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Monthly Operating Report
 ACCRUAL BASIS-6

Month May 2013

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	\$ 47,849	\$ 88,070	\$ -
John Koskiewicz	5/29/13	Weekly fee and expense payment	\$ 42,859	\$ 77,949	\$ -
Gardere Wynne Sewell LLP	5/31/13	\$ 179,255	\$ 179,255	\$ 179,255	\$ 44,115
Upshot Services	5/2/13	Monthly fee and expense payment	\$ 36,460	\$ 36,460	\$ -
	5				
6. TOTAL PAYMENTS TO PROFESSIONALS			\$ 306,423	\$ 381,734	\$ 44,115

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

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MONTH: May 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"/>	<input type="checkbox"/>
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. ARE ANY WAGE PAYMENTS PAST DUE?	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	<input checked="" type="checkbox"/>	<input 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
Workers Comp	Service Liody's Ins.	May 2013	Monthly
Healthcare	Blue Cross Blue She	May and June 2013	Monthly
Property&Casualty	Sentry Insurance	May 2013	Monthly