

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:

Charles Reeves
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

Chief Restructuring Officer
TITLE

Charles Reeves
PRINTED NAME OF RESPONSIBLE PARTY

7/22/13
DATE

PREPARER:

John Koskiewicz
ORIGINAL SIGNATURE OF PREPARER

TITLE

John Koskiewicz
PRINTED NAME OF PREPARER

July 10, 2013
DATE

CASE NAME: In re Hi-Way Equipment Company

Monthly Operating Report
ACCRUAL BASIS-1

CASE NUMBER: 13-41498-rfn-11

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 INSTITUTION 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 18-Way Equipment Company
CASE NUMBER: 13-41498-rfn-11

Monthly Operating Report
ACCURAL BASIS-2

INCOME STATEMENT	APRIL	MAY	JUNE
REVENUES			
1. GROSS REVENUES	\$ 5,706,948	\$ 2,992,131	
2. LIAB. 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. OFFICE / 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. INVESTMENT 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)	

CASE NAME: In re 18-Way Equipment Company		Monthly Operating Report ACCRUAL BASIS-3			
CASE NUMBER: 13-41498-rfn-11					
CASH RECEIPTS AND DISBURSEMENTS	APRIL	MAY	JUNE	QUARTER	
1. CASH - BEGINNING OF MONTH	\$ 630,770	\$ 1,755,327			
RECEIPTS FROM OPERATIONS					
2. CASH SALES	\$ 4,117,000	\$ 1,540,699			
COLLECTION OF ACCOUNTS RECEIVABLE					
3. PREPAYMENT	\$ 982,390				
4. PAID UP DEBT	\$ -	\$ 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	\$ 5,099,456	\$ 5,451,416			
OPERATING DISBURSEMENTS					
12. NET PAYROLL	\$ 389,061	\$ 434,796			
13. PAYROLL TAXES PAID	\$ -	\$ 152,221			
14. SALES, USE & OTHER TAXES PAID	\$ 188,313	\$ 477,821			
15. DEPRECIATION / MAINTENANCE / LEASES	\$ 76,436	\$ 73,545			
16. UTILITIES	\$ 1,918	\$ 10,707			
17. INSURANCE	\$ 204,087	\$ 12,175			
18. INVENTORY PURCHASES	\$ 2,800,353	\$ 1,738,601			
19. VEHICLE EXPENSES	\$ 18,069	\$ 15,197			
20. TRAVEL	\$ 6,495	\$ -			
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	\$ 3,899,588	\$ 2,931,796			
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	\$ 3,974,899	\$ 3,240,219			
32. NET CASH FLOW	\$ 1,124,557	\$ 2,211,197			
33. CASH - END OF MONTH	\$ 1,755,327	\$ 3,966,524			

Monthly Operating Report
ACCURAL BASIS 4

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

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		54,414	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: <u>May, 2013</u>
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: <u>May 2013</u>			
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
FEDERAL					
1. WITHHOLDING	0		68,752	0	
2. FICA-EMPLOYEE	0		33,355	0	
3. FICA-EMPLOYER	0		33,355	0	
4. UNEMPLOYMENT	0		47	0	
5. INCOME	0			0	
6. OTHER (ATTACH LIST) <u>Medicare</u>	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
ACCURAL BASIS 5

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

MONTH: May 2013

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	TOTAL
A. BANK:		K OF AMERICA			
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	

Monthly Operating Report
ACCRAAL BASIS-6

CASE NAME: In re Hi-Way Equipment Company

CASE NUMBER: 13-41498-rfn-11

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	\$ -
Gardner Wynne Sewell LLP	5/31/13	\$ 179,255	\$ 179,255	\$ 179,255	\$ 184,115
Slipshot Services	5/2/13	Monthly fee and expense payment	\$ 36,460	\$ 36,460	\$ 9,703
	5				
6. TOTAL PAYMENTS TO PROFESSIONALS			\$ 306,423	\$ 381,734	\$ 193,818

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
CASE NUMBER: 13-41498-rfn-11

MONTH: May 2013

QUESTIONNAIRE

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

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?	✗	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	✓	
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