

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF GEORGIA  
ALBANY DIVISION

IN RE:	CASE NUMBER
Southwest Georgia Ethanol, LLC <i>dba</i> Southwest Georgia Ethanol, LLC, a FUEL Company	11-10145-JDW
DEBTOR.	JUDGE J.D. Walker
	CHAPTER 11

DEBTOR'S STANDARD MONTHLY OPERATING REPORT (BUSINESS)

FOR THE PERIOD  
FROM April 1 and ending April 30, 2011

Comes now the above-named debtor and files its Monthly Operating Reports in accordance with the Guidelines established by the United States Trustee and FRBP 2015.

/s/ Bryan E. Bates  
Bryan E. Bates  
MCKENNA LONG & ALDRIDGE LLP

Debtor's Address  
and Phone Number:

Attorney's Address  
and Phone Number:

4433 Lewis B Collins Road

303 Peachtree Street, Suite 5300

Pelham, GA 31779

Atlanta, Georgia 30308

229-522-2822 (phone)

404-527-4000 (phone)

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Note: The original Monthly Operating Report is to be filed with the court and a copy simultaneously provided to the United States Trustee Office. Monthly Operating Reports must be filed by the 20<sup>th</sup> day of the following month.

For assistance in preparing the Monthly Operating Report, refer to the following resources on the United States Trustee Program Website, [http://www.usdoj.gov/ust/r21/reg\\_info.htm](http://www.usdoj.gov/ust/r21/reg_info.htm)

- 1) Instructions for Preparations of Debtor's Chapter 11 Monthly Operating Report
- 2) Initial Filing Requirements
- 3) Frequently Asked Questions (FAQs) <http://www.usdoj.gov/ust/>

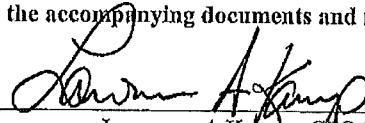
**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**  
**FOR THE PERIOD BEGINNING April 1, 2011 AND ENDING April 30, 2011**

Name of Debtor: Southwest Georgia Ethanol, LLC Case Number 10-10145-JDW  
 Date of Petition: February 1, 2011

	<u>CURRENT MONTH</u>	<u>CUMULATIVE PETITION TO DATE</u>
<b>1. FUNDS AT BEGINNING OF PERIOD</b>	<u>3,318,220 (a)</u>	<u>2,147,489 (b)</u>
<b>2. RECEIPTS:</b>		
A. Cash Sales	<u>16,260</u>	<u>40,034</u>
Minus: Cash Refunds	<u>(-)</u>	
Net Cash Sales	<u>16,260</u>	<u>40,034</u>
B. Accounts Receivable	<u>27,173,908</u>	<u>45,949,985</u>
C. Other Receipts (See MOR-3)	<u>1,314</u>	<u>8,805,780</u>
(If you receive rental income, you must attach a rent roll.)		
<b>3. TOTAL RECEIPTS (Lines 2A+2B+2C)</b>	<u>27,191,482</u>	<u>54,795,799</u>
<b>4. TOTAL FUNDS AVAILABLE FOR     OPERATIONS (Line 1 + Line 3)</b>	<u>30,509,702</u>	<u>56,943,288</u>
<b>5. DISBURSEMENTS</b>		
A. Advertising		
B. Bank Charges	<u>(998)</u>	<u>(1,008)</u>
C. Contract Labor	<u>(6,237)</u>	<u>(14,593)</u>
D. Fixed Asset Payments (not incl. in "N")		
E. Insurance	<u>(107,522)</u>	<u>(222,549)</u>
F. Inventory Payments (See Attach. 2)	<u>(22,060,158)</u>	<u>(68,141,264)</u>
G. Leases	<u>(353,099)</u>	<u>(366,686)</u>
H. Manufacturing Supplies	<u>(857,568)</u>	<u>(3,779,410)</u>
I. Office Supplies	<u>(1,342)</u>	<u>(5,935)</u>
J. Payroll - Net (See Attachment 4B)	<u>(435,000)</u>	<u>(920,784)</u>
K. Professional Fees (Accounting & Legal)	<u>(385,992)</u>	<u>(766,098)</u>
L. Rent		
M. Repairs & Maintenance	<u>(189,988)</u>	<u>(519,438)</u>
N. Secured Creditor Payments (See Attach. 2)	<u>(96,801)</u>	<u>(147,315)</u>
O. Taxes Paid - Payroll (See Attachment 4C)		
P. Taxes Paid - Sales & Use (See Attachment 4C)		
Q. Taxes Paid - Other (See Attachment 4C)		
R. Telephone - Computer Service	<u>(2,534)</u>	<u>(6,347)</u>
S. Travel & Entertainment	<u>(1,919)</u>	<u>(7,927)</u>
Y. U.S. Trustee Quarterly Fees	<u>(30,000)</u>	<u>(30,000)</u>
U. Utilities	<u>(1,749,587)</u>	<u>(3,895,581)</u>
V. Vehicle Expenses		
W. Other Operating Expenses (See MOR-3)		<u>(1,078,879)</u>
<b>6. TOTAL DISBURSEMENTS (Sum of 5A thru W)</b>	<u>(26,278,745)</u>	<u>(79,903,814)</u>
<b>7. ENDING BALANCE (Line 4 Minus Line 6)</b>	<u>4,230,956 (c)</u>	<u>4,230,956 (c)</u>

I declare under penalty of perjury that this statement and the accompanying documents and reports are true and correct to the best of my knowledge and belief.

This 20th day of May, 2011.

  
 Lawrence A. Kamp - CFO SWGE

- (a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.
- (b) This figure will not change from month to month. It is always the amount of funds on hand as of the date of the petition.
- (c) These two amounts will always be the same if form is completed correctly.

**MONTHLY SCHEDULE OF RECEIPTS AND DISBURSEMENTS (cont'd)**

**Detail of Other Receipts and Other Disbursements**

**OTHER RECEIPTS:**

Describe Each Item of Other Receipt and List Amount of Receipt. Write totals on Page MOR-2, Line 2C.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
WestLB DIP Loan		\$8,700,000
McKenna Long & Aldridge		50,000
Morgan Keegan		50,000
Chata Biosystems, Inc.		2,747
Schnitzer Southeast	\$1,254	4,180
United States Treasury		107
Sheraton West Des Moines	60	60
<b>TOTAL OTHER RECEIPTS</b>	<b>\$1,314</b>	<b>\$8,807,094</b>

“Other Receipts” includes Loans from Insiders and other sources (i.e. Officer/Owner, related parties directors, related corporations, etc.). Please describe below:

<u>Loan Amount</u>	<u>Source of Funds</u>	<u>Purpose</u>	<u>Repayment Schedule</u>

**OTHER DISBURSEMENTS:**

Describe Each Item of Other Disbursement and List Amount of Disbursement. Write totals on Page MOR-2, Line 5W.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
City of Camilla (Natural Gas Deposit)		\$728,879
Georgia Power		\$350,000
<b>TOTAL OTHER DISBURSEMENTS</b>	<b>\$</b>	<b>\$1,078,879</b>

**NOTE: Attach a current Balance Sheet and Income (Profit & Loss) Statement.**

Line 5K, MOR-2, Payments to Professionals: Bank Group Professionals	\$ 80,761
Committee	38,056
Debtor	267,174

Departmental Income Stmt  
 Consolidated Southwest Georgia Ethanol, LLC Profit and Loss Statement  
 For the Seven Months Ending April 30, 2011

	Actual	Budget	Difference	Actual	Budget	Difference
	Month			YTD		
	04/30/11			04/30/11		
<i>Volume Summary</i>						
Ground Corn	3,077,166	2,810,000	(267,166)	20,205,296	18,232,803	(1,972,493)
Ethanol Production	8,807,988	8,190,000	617,988	56,412,844	52,615,786	3,797,058
Yield	2.86	2.91		2.79	2.89	
Ethanol Gallons Sold	8,644,006	8,190,000	454,006	55,568,096	52,350,422	3,217,674
DDG Tons Sold	27,389	23,000	4,389	168,474	142,393	26,081
WDG Tons Sold	4,920	6,000	(1,080)	42,846	53,920	(11,074)
CO2 Tons Sold	8,062	-	8,062	56,709	-	56,709
<b>Revenue:</b>						
-Ethanol	\$24,010,846	\$15,806,000	\$8,204,846	\$139,510,972	\$108,983,000	\$30,547,972
-DDG	\$5,734,955	\$3,648,000	\$2,086,955	\$31,932,538	\$24,610,000	\$7,322,538
-WDG	\$953,610	\$280,000	\$673,610	\$2,995,873	\$2,403,000	\$592,873
-CO2	\$104,805	\$108,000	(\$3,195)	\$737,215	\$756,000	(\$18,785)
-Drying Income			\$0	\$8,080		\$8,080
<b>Total Revenue</b>	<b>\$30,204,016</b>	<b>\$19,822,000</b>	<b>\$10,382,016</b>	<b>\$175,184,657</b>	<b>\$136,732,000</b>	<b>\$38,452,657</b>
<b>COS:</b>						
-Corn	\$25,176,771	\$14,915,000	(\$10,261,771)	\$141,181,780	\$98,874,000	(\$44,287,780)
-Chemicals & Additives	\$782,355	\$552,900	(\$229,455)	\$4,855,398	\$3,738,200	(\$1,117,198)
-Natural Gas	\$1,387,749	\$1,366,000	(\$21,749)	\$8,959,847	\$9,121,000	\$161,153
-Denaturant	\$543,398	\$324,000	(\$219,398)	\$2,810,599	\$2,317,000	(\$493,599)
-Electricity	\$340,000	\$263,000	(\$77,000)	\$2,287,055	\$1,803,000	(\$484,055)
-Transportation	\$316,012	\$317,500	\$1,488	\$2,168,001	\$2,428,100	\$268,099
-Direct Labor	\$228,550	\$281,106	\$62,556	\$1,568,826	\$1,578,511	\$7,686
-Overhead	\$31	\$3,000	\$2,969	\$4,052	\$36,000	\$31,948
-Sales Commissions	\$117,383	\$100,000	(\$17,383)	\$570,773	\$700,000	\$129,227
<b>Total COS</b>	<b>\$28,872,249</b>	<b>\$18,132,506</b>	<b>(\$10,739,743)</b>	<b>\$164,386,331</b>	<b>\$118,591,811</b>	<b>(\$45,794,520)</b>
<b>Gross Margin</b>	<b>\$1,331,767</b>	<b>\$1,689,494</b>	<b>(\$357,727)</b>	<b>\$10,798,325</b>	<b>\$18,140,189</b>	<b>(\$7,341,863)</b>
<b>Controllable Expenses:</b>						
Salaries & Benefits	\$156,054	\$287,751	\$111,697	\$1,177,841	\$1,774,465	\$596,624
Supplies	\$22,706	\$47,200	\$24,494	\$261,017	\$330,400	\$69,383
Gas & Oil	\$5,798	\$4,300	(\$1,498)	\$29,631	\$30,100	\$469
Travel & Entertainment	\$4,018	\$18,750	\$14,732	\$58,040	\$71,250	\$15,210
Communications	\$18,319	\$18,400	\$82	\$130,675	\$128,800	(\$1,875)
Professional Fees	\$378,183	\$80,000	(\$316,183)	\$1,859,349	\$571,500	(\$1,287,849)
Repairs & Maintenance	\$94,789	\$129,225	\$34,438	\$1,411,377	\$1,341,575	(\$69,802)
Other	\$262,325	\$249,200	(\$13,125)	\$1,846,285	\$1,784,200	(\$62,085)
<b>Total Controllable Expenses</b>	<b>\$930,191</b>	<b>\$794,826</b>	<b>(\$135,365)</b>	<b>\$6,772,215</b>	<b>\$6,032,200</b>	<b>(\$739,924)</b>
<b>Net Margin</b>	<b>\$401,576</b>	<b>\$894,668</b>	<b>(\$493,092)</b>	<b>\$4,026,111</b>	<b>\$12,107,988</b>	<b>(\$8,081,877)</b>
<b>Other Income and Expense</b>						
Other Expenses						
Other Income	\$162,006	(\$0)	(\$162,006)	\$303,351	(\$0)	(\$303,351)
<b>Total Other Income and Expense</b>	<b>\$162,006</b>	<b>(\$0)</b>	<b>(\$162,006)</b>	<b>\$303,351</b>	<b>(\$0)</b>	<b>(\$303,351)</b>
<b>EBITDA</b>	<b>\$239,570</b>	<b>\$894,668</b>	<b>(\$655,098)</b>	<b>\$3,722,760</b>	<b>\$12,107,988</b>	<b>(\$8,385,139)</b>
Interest Expense (net of Interest Income)	\$834,716	\$744,500	(\$90,216)	\$9,933,841	\$5,211,500	(\$4,722,341)
Depreciation	\$726,541	\$731,953	\$5,412	\$5,107,754	\$5,123,668	\$15,914
<b>Total ITDA</b>	<b>\$1,561,257</b>	<b>\$1,476,453</b>	<b>(\$84,805)</b>	<b>\$15,041,595</b>	<b>\$10,335,168</b>	<b>(\$4,706,427)</b>
<b>Net Income (Loss)</b>	<b>(\$1,324,688)</b>	<b>(\$581,785)</b>	<b>(\$739,903)</b>	<b>(\$11,318,835)</b>	<b>\$1,772,731</b>	<b>(\$13,091,566)</b>

Southwest Georgia Ethanol  
SWGE

For the Seven Months Ending April 30, 2011

	04/30/11	03/31/11	02/28/11	01/31/11	12/31/10	11/30/10	10/31/10
	YTD	YTD	YTD	YTD	YTD	YTD	YTD
<b>ASSETS</b>							
Cash & Equivalents	\$5,652,878.83	\$4,742,162.72	\$4,296,884.68	\$425,860.63	(\$185,960.64)	\$2,503,314.22	\$1,284,391.08
Accounts Receivable	8,880,181.03	6,844,328.87	8,984,456.57	6,176,739.34	6,511,757.01	8,798,362.34	8,535,625.94
Inventory	12,304,115.13	15,700,496.07	11,970,694.57	12,229,993.99	9,856,788.57	11,025,368.02	9,075,962.04
Other Current Assets	149,089.40	164,941.40	180,793.40	196,645.40	157,497.40	173,349.40	172,131.40
Fixed Assets, net	142,526,580.61	143,253,121.37	143,980,635.90	144,708,474.73	145,420,441.61	146,145,383.10	146,869,295.68
Intangibles & Other Assets	(325,500.96)	(275,500.96)	(225,500.96)	(410,070.96)	(420,967.96)	3,057,451.04	3,033,086.04
Intercompany (DTDF)	(546,585.05)	(375,528.05)	(484,528.05)	(234,527.05)	(291,742.05)	(301,144.89)	(172,830.89)
<b>Total Assets</b>	<b>168,640,758.99</b>	<b>170,054,021.42</b>	<b>168,703,436.11</b>	<b>163,093,116.08</b>	<b>161,047,813.94</b>	<b>171,402,083.23</b>	<b>168,797,661.29</b>
<b>LIABILITIES &amp; EQUITY</b>							
<b>LIABILITIES</b>							
Accounts Payable	7,069,324.44	7,961,985.82	7,581,670.25	6,913,174.58	3,454,642.31	3,254,643.45	1,757,154.86
Accrued Expenses	6,290,156.63	5,455,459.69	6,845,508.94	4,960,142.70	5,449,993.98	10,519,391.48	8,943,940.54
Other Current Liabilities	21,099,991.00	21,099,991.00	21,099,991.00	21,099,991.00	21,099,991.00	20,034,129.00	20,034,129.00
Long Term Debt	112,864,167.57	112,897,778.01	108,637,401.23	103,670,623.76	103,889,781.19	103,947,214.06	104,214,514.37
Deferred Revenue							411,422.60
<b>Total Liabilities</b>	<b>147,323,639.64</b>	<b>147,415,214.52</b>	<b>144,164,571.42</b>	<b>136,643,932.04</b>	<b>133,894,408.48</b>	<b>137,755,377.99</b>	<b>135,361,161.37</b>
<b>EQUITY</b>							
Capital	69,611,826.68	69,611,826.68	69,611,826.68	69,611,826.68	69,611,826.68	69,611,826.68	69,611,826.68
Retained Earnings	(36,975,871.94)	(36,975,871.94)	(36,975,871.94)	(36,975,871.94)	(36,975,871.94)	(36,975,871.94)	(36,975,871.94)
YTD P&L	(11,318,835.39)	(9,997,147.84)	(8,097,090.05)	(6,186,770.70)	(5,482,549.28)	1,010,750.50	800,545.18
<b>Total Equity</b>	<b>21,317,119.35</b>	<b>22,638,806.90</b>	<b>24,538,864.69</b>	<b>26,449,184.04</b>	<b>27,153,405.46</b>	<b>33,646,705.24</b>	<b>33,436,499.92</b>
<b>Total Liabilities &amp; Equity</b>	<b>168,640,758.99</b>	<b>170,054,021.42</b>	<b>168,703,436.11</b>	<b>163,093,116.08</b>	<b>161,047,813.94</b>	<b>171,402,083.23</b>	<b>168,797,661.29</b>