

Southwest Supply, Inc.
Balance Sheet
April 2006

	Forecast	Actual	Variance	% Variance
Assets				
Current Assets				
Cash and cash equivalents	\$(209,845)	\$1,210	\$211,055	100.58
Accounts receivable	266,160	271,564	5,404	2.03
AR 2	311,455		(311,455)	(100.00)
Inventory	185,795	189,743	3,948	2.12
Prepaid expense	17,368	18,212	844	4.86
Total	570,933	480,729	(90,204)	(15.80)
Property and Equipment				
Land	58,000	58,000	0	0.00
Buildings and improvements	320,000	312,876	(7,124)	(2.23)
Equipment	301,525	301,525	0	0.00
Office equipment	179,965	179,965	0	0.00
Autos	65,210	65,210	0	0.00
Accumulated depreciation	(216,340)	(201,581)	14,759	6.82
Total	708,360	715,995	7,635	1.08
Other Assets				
Other receivables	12,100	12,100	0	0.00
Total	12,100	12,100		0.00
Total	\$1,291,393	\$1,208,824	\$(82,569)	(6.39)
Liabilities & Equity				
Current Liabilities				
Accounts payables	\$173,590	\$207,632	\$(34,042)	(19.61)
Line of credit	100,000	53,720	46,280	46.28
Withheld and accrued taxes	8,147	8,954	(807)	(9.91)
Current portion of LTD	6,764	13,002	(6,238)	(92.22)
Total	288,501	283,308	5,193	1.80
Long Term Liabilities				
Note payable	181,681	173,479	8,202	4.51
Total	181,681	173,479	8,202	4.51

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Balance Sheet
April 2006

	Forecast	Actual	Variance	% Variance
Liabilities & Equity				
Stockholders' Equity				
Common stock	\$125,000	\$125,000	0	0.00
Retained Earnings	696,211	627,037	\$69,174	9.94
Total	821,211	752,037	69,174	8.42
Total	\$1,291,393	\$1,208,824	\$82,569	6.39

Southwest Supply, Inc.
Statement of Operations
April 2006

	Forecast	Actual	Variance	% Variance
Revenue				
Sales	\$240,751	\$243,975	\$3,224	1.34
Returns and allowances	(12,351)	(11,765)	586	4.74
Total	228,400	232,210	3,810	1.67
Cost of Sales				
Purchases	59,384	63,996	(4,612)	(7.77)
Direct Labor	31,474	35,432	(3,958)	(12.58)
Supplies	11,329	13,875	(2,546)	(22.47)
Total	102,187	113,303	(11,116)	(10.88)
Gross Profit	126,213	118,907	(7,306)	(5.79)
Operating Expenses				
Administrative wages and salaries	34,813	31,765	3,048	8.76
Depreciation	10,000	6,310	3,690	36.90
Insurance	1,446	1,754	(308)	(21.30)
Miscellaneous expense	862	675	187	21.69
Officer's compensation	15,183	15,200	(17)	(0.11)
Payroll taxes	8,147	8,765	(618)	(7.59)
Rent	4,363	4,363	0	0.00
Repairs and maintenance	249	635	(386)	(155.02)
Telephone	1,012	1,387	(375)	(37.06)
Travel and entertainment	2,820	2,425	395	14.01
Utilities	2,508	1,865	643	25.64
Total	81,403	75,144	6,259	7.69
Income(Loss) from Operations	44,810	43,763	(1,047)	(2.34)
Other Income(Expense)				
Interest expense	(1,339)	(1,387)	(48)	(3.58)
Total	(1,339)	(1,387)	(48)	(3.58)
Income(Loss) Before Taxes	43,471	42,376	(1,095)	(2.52)
Provision for Taxes				
Income tax 1	4,347		4,347	100.00
Total	4,347		4,347	100.00
Net Income	\$39,124	\$42,376	\$3,252	8.31