

# **Scrubbed Reporting - Southcott Threads LLC**

**Management Report**

2018-11-30

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**Scrubbed Reporting - Southcott Threads LLC**  
**Balance Sheet**  
as of November 2018

|  | Jun 2018       | Jul 2018       | Aug 2018       | Sep 2018       | Oct 2018       | Nov 2018       |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Assets</b>                            |                |                |                |                |                |                |
| <b>Current Assets</b>                    |                |                |                |                |                |                |
| <b>Cash</b>                              |                |                |                |                |                |                |
| Cash on hand                             | 37             | 157            | 157            | 437            | 437            | 437            |
| Checking (6426)                          | 135,742        | 98,343         | 100,031        | 49,085         | 57,580         | 62,519         |
| USD PayPal                               | 914            | 2,711          | 2,019          | 8,167          | 7,754          | 14,295         |
| Venmo                                    | 309            | 0              | 724            | 0              | 217            | 217            |
| <b>Total Cash</b>                        | <b>137,002</b> | <b>101,211</b> | <b>102,931</b> | <b>57,688</b>  | <b>65,987</b>  | <b>77,467</b>  |
| <b>Receivables</b>                       |                |                |                |                |                |                |
| <b>Total Cash</b>                        | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| <b>Inventories</b>                       |                |                |                |                |                |                |
| Finished Product                         | 130,479        | 156,614        | 131,682        | 123,090        | 126,811        | 125,743        |
| Raw Material                             | 50,421         | 44,072         | 31,161         | 47,765         | 46,888         | 52,242         |
| Work in Process (WIP)                    | 2,562          | 30             | 4,511          | 8,305          | 11,132         | 10,084         |
| <b>Total Inventories</b>                 | <b>183,461</b> | <b>200,717</b> | <b>167,354</b> | <b>179,159</b> | <b>184,831</b> | <b>188,069</b> |
| <b>Other Current Assets</b>              |                |                |                |                |                |                |
| Undeposited Funds (DEAR)                 | 1,237          | 4,329          | 3,799          | 1,385          | 10,197         | 11,854         |
| Vendor Credit                            | 1,021          | 1,021          | 1,021          | 1,021          | 1,021          | 1,021          |
| <b>Total Other Current Assets</b>        | <b>2,258</b>   | <b>5,350</b>   | <b>4,820</b>   | <b>2,406</b>   | <b>11,218</b>  | <b>12,875</b>  |
| <b>Total Current Assets</b>              | <b>322,721</b> | <b>307,278</b> | <b>275,105</b> | <b>239,254</b> | <b>262,036</b> | <b>278,412</b> |
| <b>Non-current Assets</b>                |                |                |                |                |                |                |
| <b>Property, Plant and Equipment</b>     |                |                |                |                |                |                |
| Furniture and Fixtures                   | 4,983          | 4,983          | 4,983          | 4,983          | 4,983          | 4,983          |
| Accumulated Depreciation                 | -1,326         | -1,375         | -1,424         | -1,473         | -1,522         | -1,522         |
| <b>Net Property, Plant and Equipment</b> | <b>3,608</b>   | <b>3,608</b>   | <b>3,559</b>   | <b>3,509</b>   | <b>3,460</b>   | <b>3,460</b>   |
| Security Deposits                        | 1,748          | 1,748          | 1,748          | 1,748          | 1,748          | 1,748          |
| <b>Total Non-current Assets</b>          | <b>5,405</b>   | <b>5,356</b>   | <b>5,307</b>   | <b>5,258</b>   | <b>5,209</b>   | <b>5,209</b>   |
| <b>Total Assets</b>                      | <b>328,126</b> | <b>312,634</b> | <b>280,412</b> | <b>244,512</b> | <b>267,245</b> | <b>283,621</b> |
| <b>Liabilities and Equity</b>            |                |                |                |                |                |                |
| <b>Liabilities</b>                       |                |                |                |                |                |                |
| <b>Current Liabilities</b>               |                |                |                |                |                |                |
| Accounts Payable (A/P)                   | 1,919          | 16,568         | 16,002         | 12,968         | 45,005         | 55,112         |
| Amex                                     | 43,864         | 34,167         | 53,010         | 63,825         | 61,019         | 61,019         |
| Customer Credits Outstanding             | 3,357          | 2,821          | 3,378          | 2,150          | -983           | -1,028         |
| Taxes Liabilities                        | 3,829          | 3,768          | 2,025          | 1,773          | 2,929          | 3,033          |
| <b>Total Current Liabilities</b>         | <b>52,970</b>  | <b>57,324</b>  | <b>74,415</b>  | <b>80,716</b>  | <b>107,971</b> | <b>118,137</b> |
| <b>Total Liabilities</b>                 | <b>52,970</b>  | <b>57,324</b>  | <b>74,415</b>  | <b>80,716</b>  | <b>107,971</b> | <b>118,137</b> |
| <b>Equity</b>                            |                |                |                |                |                |                |
| Amy Graham                               | 198,193        | 186,193        | 186,170        | 185,682        | 185,682        | 185,682        |
| Current Year Earnings                    | 29,125         | 21,703         | -3,712         | -44,622        | -78,276        | -73,619        |
| Retained Earnings                        | 84,156         | 84,156         | 84,156         | 84,156         | 84,156         | 84,156         |
| <b>Total Equity</b>                      | <b>311,474</b> | <b>292,052</b> | <b>266,615</b> | <b>225,216</b> | <b>191,562</b> | <b>196,219</b> |
| <b>Total Liabilities and Equity</b>      | <b>364,444</b> | <b>349,377</b> | <b>341,029</b> | <b>305,932</b> | <b>299,533</b> | <b>314,356</b> |

# Budget Summary

| Account      | Nov-18 | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Gross Profit | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Gross Profit | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Total        | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Expenses     |        |        |        |        |        |        |        |        |        |        |        |        |
| Total        | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Expenses     |        |        |        |        |        |        |        |        |        |        |        |        |
| Net Profit   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Net Profit   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |



## Trial Balance

| Account Type | Account                | Debit   | Credit   | YTD Debit | YTD Credit |
|--------------|------------------------|---------|----------|-----------|------------|
| Revenue      | Other Ordinary         | -       | 0.00     | -         | 272.04     |
|              | Income (471)           |         |          |           |            |
| Revenue      | Sales (400)            | -       | 10335.90 | -         | 658505.81  |
| Revenue      | Sales (DEAR) (1)       | -       | 110.00   | -         | 9813.30    |
| Revenue      | Sales of Product       | -       | 1080.00  | -         | 37641.25   |
|              | Income - DEAR (408)    |         |          |           |            |
| Revenue      | Sales of Product       | -       | 0.00     | -         | 8900.09    |
|              | Income - DEAR          |         |          |           |            |
|              | (DEAR) (58)            |         |          |           |            |
| Expenses     | Accounting (625)       | 0.00    | -        | 11975.00  | -          |
| Expenses     | Bad Debts (690)        | 0.00    | -        | 823.04    | -          |
| Expenses     | Bank Charges (626)     | 0.00    | -        | 175.17    | -          |
| Expenses     | Charitable Donation    | 0.00    | -        | 678.00    | -          |
|              | (601)                  |         |          |           |            |
| Expenses     | Commissions (602)      | 0.00    | -        | 57619.26  | -          |
| Expenses     | Computer and           | 0.00    | -        | 2384.99   | -          |
|              | Internet (627)         |         |          |           |            |
| Expenses     | Consulting (629)       | 0.00    | -        | 48225.00  | -          |
| Expenses     | Cost of Goods Sold     | 0.00    | -        | 153865.98 | -          |
|              | (500)                  |         |          |           |            |
| Expenses     | Cost of Goods Sold -   | 5043.43 | -        | 129523.08 | -          |
|              | DEAR (501)             |         |          |           |            |
| Expenses     | Cost of Goods Sold -   | 0.00    | -        | 11347.13  | -          |
|              | Variance (513)         |         |          |           |            |
| Expenses     | Depreciation (700)     | 0.00    | -        | 491.30    | -          |
| Expenses     | Dues and               | 0.00    | -        | 3465.17   | -          |
|              | Subscriptions (676)    |         |          |           |            |
| Expenses     | Freight In (606)       | 122.50  | -        | -         | 228.15     |
| Expenses     | Freight Out (504)      | 0.00    | -        | 16387.39  | -          |
| Expenses     | Gifts (607)            | 0.00    | -        | 108.25    | -          |
| Expenses     | Insurance (634)        | 0.00    | -        | 1745.11   | -          |
| Expenses     | Inventory Shrinkage -  | -       | 62.25    | 15823.23  | -          |
|              | DEAR (DEAR) (84)       |         |          |           |            |
| Expenses     | Legal and              | 0.00    | -        | 1970.00   | -          |
|              | Professional Fees      |         |          |           |            |
|              | (630)                  |         |          |           |            |
| Expenses     | Marketing (610)        | 0.00    | -        | 75654.33  | -          |
| Expenses     | Meals and              | 0.00    | -        | 3934.15   | -          |
|              | Entertainment (611)    |         |          |           |            |
| Expenses     | Miscellaneous (701)    | 0.00    | -        | 282.20    | -          |
| Expenses     | Office Supplies (631)  | 0.00    | -        | 9604.05   | -          |
| Expenses     | Other General and      | 0.00    | -        | 42.29     | -          |
|              | Admin Expenses         |         |          |           |            |
|              | (628)                  |         |          |           |            |
| Expenses     | Payment Difference     | 0.00    | -        | 0.87      | -          |
|              | (722)                  |         |          |           |            |
| Expenses     | PayPal Fees (615)      | 0.00    | -        | 14168.98  | -          |
| Expenses     | Product Development    | 886.55  | -        | 74592.85  | -          |
|              | (DEAR) (97)            |         |          |           |            |
| Expenses     | Production (DEAR)      | -       | 2428.80  | -         | 2902.11    |
|              | (98)                   |         |          |           |            |
| Expenses     | Promotional (617)      | 0.00    | -        | 20045.25  | -          |
| Expenses     | Purchase Discounts     | 0.00    | -        | -         | 8000.00    |
|              | (514)                  |         |          |           |            |
| Expenses     | Rent Expense (687)     | 0.00    | -        | 16483.17  | -          |
| Expenses     | Repair and             | 0.00    | -        | 124.49    | -          |
|              | Maintenance (664)      |         |          |           |            |
| Expenses     | Shopify fees (618)     | 0.00    | -        | 1926.99   | -          |
| Expenses     | Show Fees (619)        | 0.00    | -        | 32894.47  | -          |
| Expenses     | Software Subscription  | 0.00    | -        | 522.82    | -          |
|              | (621)                  |         |          |           |            |
| Expenses     | Stationery and         | 0.00    | -        | 227.18    | -          |
|              | Printing (656)         |         |          |           |            |
| Expenses     | Subcontractors (623)   | 0.00    | -        | 16403.01  | -          |
| Expenses     | Supplies & Materials - | 0.00    | -        | -         | 5489.90    |
|              | COGS (512)             |         |          |           |            |



|             |  |          |          |            |            |
|-------------|--|----------|----------|------------|------------|
| Expenses    | Supplies and Materials - COGS (DEAR) (32)  | 0.00     | -        | 5489.90    | -          |
| Expenses    | Suspense (721)                             | 0.00     | -        | 54.44      | -          |
| Expenses    | Taxes (674)                                | 235.05   | -        | 4865.16    | -          |
| Expenses    | Telephone (689)                            | 0.00     | -        | 592.87     | -          |
| Expenses    | Travel (684)                               | 0.00     | -        | 10012.42   | -          |
| Expenses    | Travel Meals (685)                         | 0.00     | -        | 2653.43    | -          |
| Expenses    | Utilities (644)                            | 0.00     | -        | 779.21     | -          |
| Expenses    | Wages (686)                                | 3072.50  | -        | 53685.88   | -          |
| Expenses    | Website (683)                              | 0.00     | -        | 3724.43    | -          |
| Assets      | Accounts Receivable (A/R) (120)            | -        | 1553.00  | 30735.05   | -          |
| Assets      | Accumulated Depreciation (154)             | 0.00     | -        | -          | 1522.29    |
| Assets      | Amex (108)                                 | 0.00     | -        | -          | 47812.80   |
| Assets      | Cash on hand (106)                         | 0.00     | -        | 436.50     | -          |
| Assets      | Checking (6426) (107)                      | 4938.90  | -        | 62519.20   | -          |
| Assets      | Finished Product - Dear (141)              | 0.00     | -        | 125428.78  | -          |
| Assets      | Finished Product - DEAR (DEAR) (92)        | -        | 890.86   | 28141.16   | -          |
| Assets      | Furniture and Fixtures (153)               | 0.00     | -        | 4982.63    | -          |
| Assets      | Inventory Asset (DEAR) (60)                | -        | 177.22   | -          | 27826.85   |
| Assets      | Raw Material (142)                         | 0.00     | -        | 42335.00   | -          |
| Assets      | Raw Material (DEAR) (90)                   | 5353.88  | -        | 9906.95    | -          |
| Assets      | Security Deposits (131)                    | 0.00     | -        | 1748.46    | -          |
| Assets      | Undeposited Funds (DEAR) (4)               | 1657.21  | -        | 11854.32   | -          |
| Assets      | USD PayPal (104)                           | 6541.40  | -        | 14295.13   | -          |
| Assets      | Vendor Credit (113)                        | 0.00     | -        | 1021.11    | -          |
| Assets      | Venmo (xxxx)                               | 0.00     | -        | 216.50     | -          |
| Assets      | Work in Process (WIP) (DEAR) (116)         | -        | 1047.52  | 10084.24   | -          |
| Liabilities | Accounts Payable (A/P) (200)               | -        | 10107.26 | -          | 55112.47   |
| Liabilities | Amex (DEAR) (99)                           | -        | 0.00     | -          | 13206.69   |
| Liabilities | Customer Credit Clearing (103)             | -        | 0.00     | -          | 428.12     |
| Liabilities | Customer Credits (DEAR) (125)              | -        | 0.00     | -          | 63.25      |
| Liabilities | Customer Credits Outstanding - DEAR (201)  | 45.00    | -        | 1519.00    | -          |
| Liabilities | Notes Payable (203)                        | -        | 0.00     | -          | 30000.00   |
| Liabilities | Sales Tax (220)                            | -        | 103.61   | -          | 6812.06    |
| Liabilities | Texas Comptroller of Public Accounts (222) | -        | 0.00     | 3779.31    | -          |
| Equity      | Amy Graham (301)                           | -        | 0.00     | -          | 157976.32  |
| Equity      | Opening Balance Equity (302)               | -        | 0.00     | 2294.11    | -          |
| Equity      | Retained Earnings (320)                    | -        | 0.00     | -          | 84155.89   |
|             | Total                                      | 27896.42 | 27896.42 | 1156669.39 | 1156669.39 |

## Balance Sheet

| Section                   | Account                      | Amount    | YTD  |
|---------------------------|------------------------------|-----------|------|
| Cash and Cash Equivalents | Cash on hand                 | 436.50    | 0.00 |
| Cash and Cash Equivalents | Checking (6426)              | 62519.20  | 0.00 |
| Cash and Cash Equivalents | USD PayPal                   | 14295.13  | 0.00 |
| Cash and Cash Equivalents | Venmo                        | 216.50    | 0.00 |
| Inventories               | Finished Product             | 125743.09 | 0.00 |
| Inventories               | Raw Material                 | 52241.95  | 0.00 |
| Inventories               | Work in Process (WIP)        | 10084.24  | 0.00 |
| Other Current Assets      | Undeposited Funds (DEAR)     | 11854.32  | 0.00 |
| Other Current Assets      | Vendor Credit                | 1021.11   | 0.00 |
| Non-Current Assets        | Accumulated Depreciation     | -1522.29  | 0.00 |
| Non-Current Assets        | Furniture and Fixtures       | 4982.63   | 0.00 |
| Non-Current Assets        | Security Deposits            | 1748.46   | 0.00 |
| Current Liabilities       | Accounts Payable (A/P)       | 55112.47  | 0.00 |
| Current Liabilities       | Amex                         | 61019.49  | 0.00 |
| Current Liabilities       | Customer Credits Outstanding | -1027.63  | 0.00 |
| Current Liabilities       | Taxes Liabilities            | 3032.75   | 0.00 |
| Equity                    | Amy Graham                   | 185682.21 | 0.00 |
| Equity                    | Current Year Earnings        | -73619.29 | 0.00 |
| Equity                    | Retained Earnings            | 84155.89  | 0.00 |

## Profit and Lost

| Section                             | Account             | Amount   | YTD |
|-------------------------------------|---------------------|----------|-----|
| Revenue                             | Sales               | 11525.90 |     |
| Less Cost of Sales                  | Cost of Goods Sold  | 4981.18  |     |
| Less Cost of Sales                  | Production          | -2306.30 |     |
| General and Administrative expenses | Taxes               | 235.05   |     |
| General and Administrative expenses | Wages               | 3072.50  |     |
| Sales and Marketing expenses        | Product Development | 886.55   |     |



