

Scrubbed Reporting - Southcott Threads LLC

Management Report

2018-11-30

Contents

| | |
|---------------|---|
| BudgetSummary | 1 |
| TrialBalance | 2 |
| BalanceSheet | 3 |
| ProfitAndLost | 4 |

| | Jun 2018 | Jul 2018 | Aug 2018 | Sep 2018 | Oct 2018 | Nov 2018 | YTD |
|--|----------|----------|----------|----------|----------|----------|-----|
| Other Ordinary Income (471) | 0 | 0.25 | 0 | 196 | 0 | 0 | 0 |
| Sales (400) | 14663.9 | 26112.75 | 18708.93 | 15181.8 | 0 | 0 | 0 |
| Sales (DEAR) (1) | 321 | 532.25 | 6829.77 | 0 | 0 | 0 | 0 |
| Sales of Product Income - DEAR (408) | 1030 | 1390 | 3008.5 | 856 | 0 | 0 | 0 |
| Sales of Product Income - DEAR (DEAR) (58) | 0 | 0 | 0 | 6884.59 | 0 | 0 | 0 |

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

| | Jun 2018 | Jul 2018 | Aug 2018 | Sep 2018 | Oct 2018 | Nov 2018 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash | | | | | | |
| Cash on hand | 37 | 157 | 157 | 437 | 557 | 557 |
| Checking (6426) | 135,742 | 98,343 | 100,031 | 49,085 | 164,093 | 178,606 |
| USD PayPal | 914 | 2,711 | 2,019 | 8,167 | -1,364 | 7,342 |
| Venmo | 309 | 0 | 724 | 0 | 197 | 197 |
| Total Cash | 137,002 | 101,211 | 102,931 | 57,688 | 166,210 | 186,702 |
| Accounts Receivable | 36,318 | 36,742 | 60,618 | 61,420 | 34,533 | 24,190 |
| Inventories | | | | | | |
| Finished Product | 130,479 | 156,614 | 131,682 | 123,090 | 126,832 | 127,586 |
| Raw Material | 50,421 | 44,072 | 31,161 | 47,765 | 54,422 | 59,073 |
| Work in Process (WIP) | 2,562 | 30 | 4,511 | 8,305 | 11,220 | 8,202 |
| Total Inventories | 183,461 | 200,717 | 167,354 | 179,160 | 192,474 | 194,862 |
| Other Current Assets | | | | | | |
| Undeposited Funds (DEAR) | 1,237 | 4,329 | 3,799 | 1,385 | 9,265 | 12,360 |
| Vendor Credit | 1,021 | 1,021 | 1,021 | 1,021 | 1,021 | 1,021 |
| Total Other Current Assets | 2,258 | 5,350 | 4,820 | 2,406 | 10,286 | 13,381 |
| Total Current Assets | 359,038 | 344,020 | 335,722 | 300,675 | 400,775 | 419,134 |
| Non-current Assets | | | | | | |
| Property, Plant and Equipment | | | | | | |
| 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 |
| Net Property, Plant and Equipment | 3,608 | 3,608 | 3,559 | 3,509 | 3,460 | 3,460 |
| Security Deposits | 1,748 | 1,748 | 1,748 | 1,748 | 1,748 | 1,748 |
| Total Non-current Assets | 5,405 | 5,356 | 5,307 | 5,258 | 5,209 | 5,209 |
| Total Assets | 364,444 | 349,377 | 341,029 | 305,933 | 405,984 | 424,342 |
| Liabilities and Equity | | | | | | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable (A/P) | 1,919 | 16,568 | 16,002 | 12,968 | 34,138 | 44,245 |
| Amex | 43,864 | 34,167 | 53,010 | 63,825 | 80,295 | 80,295 |
| Customer Credits | 3,357 | 2,821 | 3,378 | 2,150 | -983 | -1,028 |
| Outstanding Taxes Liabilities | 3,829 | 3,768 | 2,025 | 1,773 | 2,087 | 2,293 |
| Total Current Liabilities | 52,970 | 57,324 | 74,415 | 80,716 | 115,537 | 125,805 |
| Total Liabilities | 52,970 | 57,324 | 74,415 | 80,716 | 115,537 | 125,805 |
| Equity | | | | | | |
| Amy Graham | 198,193 | 186,193 | 186,170 | 185,682 | 285,662 | 285,662 |
| Current Year Earnings | 29,125 | 21,703 | -3,712 | -44,622 | -79,371 | -71,281 |
| Retained Earnings | 84,156 | 84,156 | 84,156 | 84,156 | 84,156 | 84,156 |
| Total Equity | 311,474 | 292,052 | 266,615 | 225,216 | 290,447 | 298,537 |
| Total Liabilities and Equity | 364,444 | 349,377 | 341,029 | 305,933 | 405,984 | 424,342 |

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 Income (471) | - | 0.00 | - | 272.04 |
| Revenue | Sales (400) | - | 14663.90 | - | 663007.81 |
| Revenue | Sales (DEAR) (1) | - | 321.00 | - | 10024.30 |
| Revenue | Sales of Product Income - DEAR (408) | - | 1030.00 | - | 37591.25 |
| Revenue | Sales of Product Income - DEAR (DEAR) (58) | - | 0.00 | - | 8900.09 |
| Expenses | Accounting (625) | 0.00 | - | 11975.00 | - |
| Expenses | Bad Debts (690) | 12.99 | - | 836.03 | - |
| Expenses | Bank Charges (626) | 0.00 | - | 174.97 | - |
| Expenses | Charitable Donation (601) | 0.00 | - | 678.00 | - |
| Expenses | Commissions (602) | 0.00 | - | 57965.16 | - |
| Expenses | Computer and Internet (627) | 0.00 | - | 2384.99 | - |
| Expenses | Consulting (629) | 0.00 | - | 48225.00 | - |
| Expenses | Cost of Goods Sold (500) | 0.00 | - | 153865.98 | - |
| Expenses | Cost of Goods Sold - DEAR (501) | 8922.86 | - | 133381.68 | - |
| Expenses | Cost of Goods Sold - Variance (513) | 0.00 | - | 11347.13 | - |
| Expenses | Depreciation (700) | 0.00 | - | 491.30 | - |
| Expenses | Dues and Subscriptions (676) | 0.00 | - | 3915.17 | - |
| Expenses | Freight In (606) | - | 11.00 | - | 181.25 |
| 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 - DEAR (DEAR) (84) | - | 132.23 | 15753.25 | - |
| Expenses | Legal and Professional Fees (630) | 0.00 | - | 1970.00 | - |
| Expenses | Marketing (610) | 0.00 | - | 75654.33 | - |
| Expenses | Meals and Entertainment (611) | 0.00 | - | 4099.17 | - |
| Expenses | Miscellaneous (701) | 0.00 | - | 282.20 | - |
| Expenses | Office Supplies (631) | 0.00 | - | 9604.05 | - |
| Expenses | Other General and Admin Expenses (628) | 0.00 | - | 82.29 | - |
| Expenses | Payment Difference (722) | 0.00 | - | 0.87 | - |
| Expenses | PayPal Fees (615) | 191.59 | - | 14819.00 | - |
| Expenses | Product Development (DEAR) (97) | 882.34 | - | 74588.64 | - |
| Expenses | Production (DEAR) (98) | - | 5249.60 | - | 5722.91 |
| Expenses | Promotional (617) | 0.00 | - | 20045.25 | - |
| Expenses | Purchase Discounts (514) | 0.00 | - | - | 8000.00 |
| Expenses | Rent Expense (687) | 0.00 | - | 16483.17 | - |
| Expenses | Repair and Maintenance (664) | 0.00 | - | 124.49 | - |
| Expenses | Shopify fees (618) | 0.00 | - | 1945.94 | - |
| Expenses | Show Fees (619) | 0.00 | - | 32355.72 | - |
| Expenses | Software Subscription (621) | 0.00 | - | 522.82 | - |
| Expenses | Stationery and Printing (656) | 0.00 | - | 227.18 | - |
| Expenses | Subcontractors (623) | 0.00 | - | 16543.01 | - |
| Expenses | Supplies & Materials - COGS (512) | 0.00 | - | - | 5489.90 |

| | | | | | |
|-------------|--|----------|----------|------------|------------|
| 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 | - | 10042.42 | - |
| 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) | - | 10343.38 | 24189.66 | - |
| Assets | Accumulated Depreciation (154) | 0.00 | - | - | 1522.29 |
| Assets | Amex (108) | 0.00 | - | - | 67088.00 |
| Assets | Cash on hand (106) | 0.00 | - | 556.50 | - |
| Assets | Checking (6426) (107) | 14513.81 | - | 178606.34 | - |
| Assets | Finished Product - Dear (141) | 0.00 | - | 125428.78 | - |
| Assets | Finished Product - DEAR (DEAR) (92) | 931.47 | - | 29964.18 | - |
| Assets | Furniture and Fixtures (153) | 0.00 | - | 4982.63 | - |
| Assets | Inventory Asset (DEAR) (60) | - | 177.22 | - | 27806.71 |
| Assets | Raw Material (142) | 0.00 | - | 42335.00 | - |
| Assets | Raw Material (DEAR) (90) | 4650.94 | - | 16738.39 | - |
| Assets | Security Deposits (131) | 0.00 | - | 1748.46 | - |
| Assets | Undeposited Funds (DEAR) (4) | 3094.53 | - | 12359.74 | - |
| Assets | USD PayPal (104) | 8706.37 | - | 7342.20 | - |
| Assets | Vendor Credit (113) | 0.00 | - | 1021.11 | - |
| Assets | Venmo (xxxx) | 0.00 | - | 196.50 | - |
| Assets | Work in Process (WIP) (DEAR) (116) | - | 3017.85 | 8201.91 | - |
| Liabilities | Accounts Payable (A/P) (200) | - | 10107.26 | - | 44244.87 |
| 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) | - | 206.01 | - | 6928.83 |
| Liabilities | Texas Comptroller of Public Accounts (222) | - | 0.00 | 4635.73 | - |
| Equity | Amy Graham (301) | - | 0.00 | - | 257956.32 |
| Equity | Opening Balance Equity (302) | - | 0.00 | 2294.11 | - |
| Equity | Retained Earnings (320) | - | 0.00 | - | 84155.89 |
| | Total | 45259.45 | 45259.45 | 1272590.52 | 1272590.52 |

Balance Sheet

| Section | Account | Amount | YTD |
|---------------------------|------------------------------|-----------|------|
| Cash and Cash Equivalents | Cash on hand | 556.50 | 0.00 |
| Cash and Cash Equivalents | Checking (6426) | 178606.34 | 0.00 |
| Cash and Cash Equivalents | USD PayPal | 7342.20 | 0.00 |
| Cash and Cash Equivalents | Venmo | 196.50 | 0.00 |
| Inventories | Finished Product | 127586.25 | 0.00 |
| Inventories | Raw Material | 59073.39 | 0.00 |
| Inventories | Work in Process (WIP) | 8201.91 | 0.00 |
| Other Current Assets | Undeposited Funds (DEAR) | 12359.74 | 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) | 44244.87 | 0.00 |
| Current Liabilities | Amex | 80294.69 | 0.00 |
| Current Liabilities | Customer Credits Outstanding | -1027.63 | 0.00 |
| Current Liabilities | Taxes Liabilities | 2293.10 | 0.00 |
| Equity | Amy Graham | 285662.21 | 0.00 |
| Equity | Current Year Earnings | -71280.73 | 0.00 |
| Equity | Retained Earnings | 84155.89 | 0.00 |

Profit and Lost

| Section | Account | Amount | YTD |
|-------------------------------------|---------------------|----------|-----|
| Revenue | Sales | 16014.90 | |
| Less Cost of Sales | Cost of Goods Sold | 8790.63 | |
| Less Cost of Sales | Production | -5260.60 | |
| General and Administrative expenses | Bad Debts | 12.99 | |
| General and Administrative expenses | Taxes | 235.05 | |
| General and Administrative expenses | Wages | 3072.50 | |
| Sales and Marketing expenses | PayPal Fees | 191.59 | |
| Sales and Marketing expenses | Product Development | 882.34 | |

