

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. c-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR
ARRANGEMENT OF W.C. WOOD CORPORATION, LTD., W.C. WOOD
CORPORATION, INC. AND W.C. WOOD HOLDINGS, INC.
(together the "Applicants")

**FIFTH REPORT OF BDO DUNWOODY LIMITED IN ITS CAPACITY AS
MONITOR**

Dated August 27, 2009

INTRODUCTION

1. By Order of this Honourable Court dated May 19, 2009 (the "Initial Order"), W.C. Wood Corporation Ltd., the Canadian operating company ("Wood Canada"), and W.C. Wood Corporation, Inc., the United States operating company and parent of Wood Canada, ("Wood US") (together the "Companies"), obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, ("CCAA Proceedings").
2. On May 25, 2009, this Honourable Court issued an amendment to the Initial Order (the "Amended Initial Order") adding W.C. Wood Holdings, Inc. ("Wood Holdings") the parent of Wood US, to the CCAA Proceedings and approving a debtor in possession credit facility (the "DIP Facility") to be provided by the Applicants' current lenders (the "DIP Lenders") in order to finance the working capital requirements of the Companies.
3. On May 29, 2009, the Monitor filed petitions with the United States Bankruptcy Court (the "US Court") for each of the Applicants for the entry of an order recognizing the CCAA Proceedings as "foreign main proceedings," or in the alternative, "foreign non-main proceedings" pursuant to Chapter 15 of the United States Bankruptcy Code (the "Chapter 15 Proceedings").
4. On June 18, 2009, the US Court entered an Order recognizing the CCAA Proceedings as foreign main proceedings, giving the Initial Order and the Amended Initial Order full force and effect in the US, including,
 - (a) approving of the DIP Facility; and

- (b) extending the stay of proceedings against the Monitor, the Applicants and the Applicants' former, current or future officers and directors in the US.
- 5. By Order of this Honourable Court dated June 19, 2009 (the "June 19 Order"), revisions to the DIP Facility were approved and the stay period was extended until August 31, 2009.
- 6. By Order dated July 28, 2009, this Honourable Court approved of a sale of the interest of Wood US in the Mexican Business (as defined below) and revisions to the DIP Facility (the "Revised DIP Facility").
- 7. The purpose of this Report is to provide this Honourable Court with information in respect of the:
 - (a) companies' cash flow results relative to forecast;
 - (b) sale of the Mexican Business;
 - (c) refinancing of the Applicants and/or the marketing of the businesses and/or assets of the Applicants;
 - (d) companies' revised cash flow forecasts; and
 - (e) extension to the CCAA Proceedings.

CASH FLOW RESULTS RELATIVE TO FORECAST

- 8. Attached as Schedule "A" is a detailed schedule of the Companies' cash receipts and disbursements for the period from May 19, 2009 to August 15, 2009 with a comparison to the cash flow forecasts filed with this Honourable Court in connection with the commencement of the CCAA Proceedings and the revised cash flow forecasts prepared on July 1, 2009 included in the Third Report of the Monitor dated July 28, 2009 (the "Third Report"). A summary of the cash receipts and disbursements and DIP Facility loan balances for Wood Canada and Wood US for the period May 19 to August 15, 2009 is presented below.

Schedule of Actual Cash Flow Compared to Forecast				
May 19 to August 15				
	CANADA		US	
	Actual	Forecast	Actual	Forecast
	CADS '000		USDS '000	
Total Receipts	\$ 12,377	\$ 11,875	\$ 11,819	\$ 16,786
Total Disbursements	\$ 13,621	\$ 15,374	\$ 10,340	\$ 16,172
Cash Surplus (Deficit)	\$ (1,244)	\$ (3,499)	\$ 1,479	\$ 614
DIP Loan Balance	\$ 6,650	\$ 7,748	\$ 6,169	\$ 6,734

9. Overall net cash inflow exceeded forecast by \$2,255,000 in Canada and US\$865,000 in the US. The material components of these overall variances are outlined below.

Accounts Receivable Collections

10. Collections from customers exceeded forecast by \$146,000 in Canada, and were below forecast by US\$3,090,000 in the US. The majority of the variance in the US is due to the forecast being overly optimistic. In addition, actual sales to date in the US have been significantly lower than forecast.

Payroll

11. Payroll has exceeded forecast by \$553,000 in Canada and was below forecast by US\$285,000 in the US. The negative variance in Canada is due to higher than anticipated hours as sales have exceeded forecast by \$1,570,000 for the period. The positive variance in the US is due to several weeks of plant shutdowns as raw material purchases were deferred due to a lack of loan availability.

Material purchases

12. Payments for materials were below forecast by \$2,034,000 in Canada and US\$3,613,000 in the US. The majority of the variances are due to timing differences or material purchases which have not been required. The variance in the US also reflects the lower than forecast sales and lack of loan availability.

Production Risk Payments

13. Production risk payments represent non-refundable deposits paid to key suppliers to order materials requiring long term lead times. Payments are applied towards the total purchase price as suppliers manufacture materials specifically for the Companies. Production risk payments were below forecast by \$208,000 in Canada and \$304,000 in the US.

Overhead Costs

14. Overhead costs were below forecast by \$129,000 in Canada and \$1,052,000 in the US. The majority of the variances are due to higher than expected freight costs which were more than offset by positive variances related to warranty, rebates and variable marketing which were not required to be paid.

UPDATE ON SALE OF THE MEXICAN BUSINESS

15. Wood US is the majority shareholder of the Applicants' Mexican operating company, Wood Mexico W.C. Wood S.A. de C.V. ("Wood Mexico"), and the service company, which provides contract employees to Wood Mexico, W.C. Wood Servicios S.A. de C.V. (collectively the "Mexican Business"). The minority ownership interest of the Mexican Business is held by Wood Mexico Holdings, LLC, which is a wholly owned subsidiary of Wood US.
16. The Third Report set out details of the Mexican Business, the efforts taken to market it for sale, and the Share Purchase Agreement and the Commercial Supply Agreement that were approved by the July 28 Order.
17. On July 31, 2009, it was learned that the purchaser's financing had not been approved and the sale did not close. Since that date the purchaser has not been able to obtain sufficient financing to complete the sale. The Companies' management ("Management") advise that there have been no other expressions of interest received to date.

EFFORTS TO REFINANCE

18. Since the commencement of the CCAA Proceedings, Management has been in discussions with a number of third party lenders regarding replacement financing. To date, Management advise that their refinancing efforts have not been successful.

MARKETING OF THE APPLICANTS' BUSINESSES OR ASSETS

Sale of Ohio Real Property

19. As reported in the Monitor's Second Report dated June 16, 2009 (the "Second Report") on June 8, 2009, with the approval of the Monitor and the DIP Lenders, Wood US entered into a realty listing agreement with a commercial realty broker to sell the Companies' Ohio real property in a sale/leaseback transaction. The property is listed for US\$8.8 million.
20. Since the listing commenced the realtor has prepared key marketing documents and a web site has been set up for the property. An offering memorandum has been completed and a sales teaser was sent to a list of 300 top North American industrial, single-tenant, net leased buyers. To date, financial statements and the offering memorandum has been sent to six parties who have executed confidentiality agreements.
21. The Monitor has been advised that a term sheet was received from one party, which was conditional on Wood US successfully exiting from the CCAA Proceedings and a guaranteed lease term of at least two years.

Sale of Guelph Property

22. Management signed a listing agreement with a commercial realty broker on July 14, 2009 to list the Companies' Guelph real property. The property was listed at a price of CAD\$4 million. The realtor has prepared marketing materials and advertised the property. Marketing materials were prepared and a sales teaser has been sent to approximately 2000 investors during the week ending August 15, 2009. To date, no serious interest has been identified.

Sale of Non-core Businesses

23. Since the Second Report, the Companies have retained an investment advisor to manage a sales process to sell two of Wood Canada's non-core businesses. These businesses consist of a self contained manufacturing and sales operation for its dehumidifier products (the "Dehumidifier Business") and a manufacturing and sales operation of a commercial freezer product line (the "Coldtech Business"), which is complementary to the Companies' current freezer manufacturing operation. These businesses represented approximately 10% of the Companies' sales revenues in 2008. The results of the sales processes are described below.

Dehumidifier Business

24. The teaser for the Dehumidifier business was sent to prospective targets during the week ended July 18. A confidential information memorandum was prepared

and sent to parties who signed a confidentiality agreement. Management advise that twelve parties have made enquiries, and five confidentiality agreements have been signed. To date, two parties have attended at the Guelph facility. Management advise that one of the parties has expressed serious interest.

Coldtech Business

25. Initially, the Management decided to defer the sales process for the Coldtech Business as they believed this business would be more attractive to a purchaser of the core business operations. Recently however, Management decided to proceed with a separate process for the Coldtech business as well as including the Coldtech Business in the Consolidated Sales Process (defined below). A confidential information memorandum has been drafted and is expected to be released shortly.

Sale of Core Business

26. On July 19, 2009 the Companies retained an investment advisor to manage a sales process (the “Consolidated Sales Process”) for the core business operations. Originally, the process had been anticipated to take place over eight to twelve weeks. However, as a result of the failure to complete the sale of the Mexican Business and the resulting constraints on the Companies’ cash flow, all efforts have been made to condense the process over a four to six week period. The investment advisor advises that a sales teaser was sent out to approximately 100 identified parties. A confidential information memorandum was completed and sent out to approximately 40 parties who had signed a confidentiality agreement. An electronic data room was prepared on CD and sent to interested parties and Management prepared an 18 month business plan which was sent out to interested parties on August 21, 2009. To date, seven parties have submitted inquiries and discussions with management are being held. The investment advisor advises that expressions of interest have been requested by August 31, and following a review with Management, selected parties will be invited to conduct site visits and face to face meetings with Management.

Liquidation Proposals

27. In order to establish a liquidation value of the Companies, six liquidators were asked to inspect the Companies’ inventory and equipment in Canada and the US and submit proposals. Three proposals have been received to date.

REVISED CASH FLOW FORECASTS

28. As a result of the failure to close the sale of the Mexican Business, the Companies’ cash forecasts projected a shortfall of approximately US\$2 million in funding required by Wood US. As a result, the ability of Wood US to continue to

- operate during the Consolidated Sales Process was uncertain. The DIP Lenders requested that Management prepare revised cash flow forecasts to include only minimum critical purchases so that they could determine whether they would continue to support Wood US during a condensed four to six week period to conduct the Consolidated Sales Process and at a level that would comply with the Revised DIP Facility.
29. A revised cash flow forecast for the period August 1 to September 30, 2009 was submitted by Management to the Monitor on August 7, 2009 (the “Revised Cash Forecast”). The Revised Cash Forecast included approximately US\$660,000 in the US and approximately CDN\$637,000 in Canada which would be spent towards orders of steel and compressors, which required long lead times. The majority of these materials would not be received to be used by the Companies to manufacture finished goods until the period subsequent to the end of the Revised Cash Forecast. Management advised that these materials were necessary in order to maximize value for a going concern sale. It was assumed that the funding shortfall in the Revised Cash Forecast for Wood US would be met by making intercompany payments from Wood Canada totaling US\$905,000. At the same time, the loan balances were anticipated to increase by approximately \$1.7 million in Wood Canada and approximately US\$790,000 in Wood US.
 30. Since the CCAA Proceedings commenced there have been intercompany shipments of finished goods among Wood Canada, Wood US and Wood Mexico. As at August 15, 2009, Wood Canada has received approximately \$900,000 more in finished goods inventory than they have shipped to Wood US. At the same time, Wood Mexico has received approximately \$300,000 more in finished goods than they have shipped to Wood Canada, and Wood US has received approximately \$440,000 more in finished goods than they have shipped to Wood Mexico. Therefore Wood Canada has received a net benefit of approximately \$600,000 from Wood US. Management assumed that settling intercompany accounts was the same as paying for purchases from third party suppliers.
 31. The Monitor discussed the assumptions of the Revised Cash Forecast with the DIP Lenders. The DIP Lenders advised that although they were willing to support the Companies to allow for a condensed sales process to continue, they were not willing to fund the settlement of intercompany accounts, the benefits of long term purchases were uncertain, the increased risks associated with projected increases in the loan balances were not acceptable, and therefore they would not support the Revised Cash Forecast.
 32. Following these discussions with the DIP Lenders, the Monitor prepared an alternative critical cash forecast scenario (the “Critical Cash Forecast Scenario”) which eliminated the intercompany payments from Wood Canada to Wood US, as well as payments certain other expenses. . The Critical Cash Forecast Scenario showed that operations could continue during a condensed sales process, and the Companies would be in compliance with the Revised DIP Facility without significant increases in the loan balances. The Monitor sent the Revised Cash

Forecast and the Critical Cash Forecast Scenario to the DIP Lenders for their review. The Monitor included a note to remind the DIP Lenders that if materials requiring long lead order times were not purchased, there was a risk to future sales and collections. The Monitor did not recommend either scenario but intended to indicate that there may be a further compromised scenario that might satisfy both Management and the DIP Lenders.

33. At the time of preparing this report, Management and the DIP Lenders have not agreed on a weekly cash forecast which would cover the requested extension of the CCAA Proceedings to September 30, 2009 (see below). Attached as Schedule “B” is a revised cash flow forecast prepared by the Monitor (the “Second Revised Cash Forecast”), which uses the Revised Cash Forecast as a starting point. The following amendments have been made:
- (a) loan balances have been updated to actual balances as at August 21, 2009;
 - (b) material purchases requiring long lead times have been eliminated;
 - (c) accounts receivable collections have been reduced in Wood Canada to reflect reduced sales;
 - (d) professional fees, steel and freight costs have been increased in Wood Canada to reflect historical variances; and
 - (e) payments for intercompany purchases have been eliminated.
34. The impact of these changes would see the loan balances increase from \$6,149,055 to \$6,754,222 for Wood Canada and from \$5,923,621 to \$7,089,525 for Wood US during the forecast period. We have presented the Second Revised Cash Forecast to Management and to the DIP Lenders for their review and will advise this Honourable Court as to their comments at the hearing scheduled for August 28, 2009.

EXTENSION TO CCAA PROCEEDINGS

35. The stay provided by the June 19 Order expires on August 31, 2009.
36. The investment advisor managing the Consolidated Sales Process believes that within the next two to four weeks they expect to be in position to determine whether an offer from a going concern purchaser is likely.
37. The Revised DIP Facility expires on September 30, 2009. The DIP Lenders are supportive of the Companies continuing the Consolidated Sales Process as long as

the risk to their collateral is minimized by continuing operations on a limited basis.

38. The best outcome for the DIP Lenders and the Companies' employees and unsecured creditors would be a going concern sale of the Companies.
39. A continuation of the CCAA Proceedings and the Chapter 15 Proceedings for a thirty day period would allow the Companies to continue to operate and allow for the possibility of a going concern sale.

RECOMMENDATION

40. The Monitor respectfully recommends that this Honourable Court grant an Order extending the stay period until September 30, 2009, subject to Management and the DIP Lenders agreeing to a funding arrangement.

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Dated August 27, 2009

BDO DUNWOODY LIMITED,
in its capacity as Court-Appointed Monitor of
W.C. WOOD CORPORATION, LTD.,
W.C. WOOD CORPORATION, INC. and
W.C. WOOD HOLDINGS, INC.
And not in its personal capacity

Per:



Blair Davidson
President

FIFTH REPORT OF BDO DUNWOODY LIMITED - SCHEDULE "A"

WC WOOD - CANADA

Schedule of Actual Cash flow Compared to Forecast
For the Period May 19 to August 15

	Period to Date		
	Cumulative		Variance
	Actual	Forecast	\$
Receipts			
AR Collections	11,680,782	11,616,267	64,515
Non Operating Sources	165,186	-	165,186
Intercompany In-Out – settlement for Prof Fees	81,026	11,111	69,915
Change in Interco	-	(277,778)	-
Equity/LT Debt Funding	530,856	525,000	5,856
Total Receipts	12,457,850	11,874,600	305,472
Disbursements			
Payroll	4,286,673	3,733,422	(553,251)
Material Purchases			
Steel	956,531	864,000	(92,531)
Compressor	1,020,852	1,085,417	64,565
Paint	124,599	225,000	100,401
Plastic	505,529	585,000	79,471
Foams	423,728	562,500	138,772
CardBoard	208,308	114,000	(94,308)
All Other Vendors	2,369,707	4,207,309	1,837,602
Total Material Purchases	5,609,253	7,643,226	2,033,973
Production Risk Payments			
Arcelor	118,965	109,000	(9,965)
Compressor	38,979	257,250	218,271
Other	-	-	-
Total Production Risk Payments	157,944	366,250	208,306
Overhead Costs			
Utilities	305,584	235,585	(69,999)
Real Estate, Property taxes and Insurance	119,192	158,410	39,218
Maintenance	85,969	156,602	70,633
Manufacturing Supplies	38,160	64,249	26,090
Scrap	-	26,000	26,000
Warranty	254,836	266,714	11,877
Variable Marketing	129,083	339,261	210,178
Royalties - pd qtrly	17,229	38,733	21,504
Freight	1,141,452	635,841	(505,612)
Rebate	-	300,000	300,000
Total Overhead Costs	2,091,505	2,221,394	129,889
Administrative			
Travel	12,839	50,251	37,412
Professional Fees under Administration Charge*	279,132	202,500	(76,632)
Professional Fees and Advisors	354,282	410,208	55,925
Marketing	-	101,689	101,689
PST/GST/QST	464,125	-	(464,125)
Other SGA	214,942	177,108	(37,834)
Interest expense	150,390	167,703	17,313
Total Administrative	1,475,710	1,109,459	(366,251)
Float - pre filing disbursements	-	300,000	300,000
Total Disbursements	13,621,085	15,073,751	1,452,666
Net Cash Flow	\$ (1,163,235)	\$ (3,499,150)	\$ 2,335,915

FIFTH REPORT OF BDO DUNWOODY LIMITED - SCHEDULE "A"

WC WOOD - US
 Schedule of Actual Cash flow Compared to Forecast
 For the Period May 19 to August 15

	Period to Date		
	Cumulative		Variance
	Actual	Forecast	\$
Receipts			
AR Collections	\$ 10,752,771	\$ 13,843,111	\$ (3,090,340)
Non-Oper Sources	566,273	48,000	518,273
Discounts	-	-	-
Intercompany IN & OUT	-	205,000	(205,000)
Change in Intercompany Est. Prof Fees	-	(10,000)	10,000
Equity/LT Debt Funding	500,000	2,700,000	(2,200,000)
Total Receipts	11,819,044	16,786,111	(4,967,067)
Disbursements			
Payroll	2,846,090	3,131,444	285,354
Material Purchases			
Steel	457,015	436,671	(20,344)
Compressor	80,148	964,511	884,363
Paint	122,192	410,000	287,808
Plastic	338,126	585,000	246,874
Foams	401,777	603,000	201,223
CardBoard	211,482	280,000	68,518
All Other Vendors	2,500,989	4,445,425	1,944,436
Total Material Purchases	4,111,729	7,724,607	3,612,878
Production Risk Payments			
Arcelor	105,424	417,582	312,158
Compressor	43,110	34,710	(8,400)
Other	-	-	-
Total Production Risk Payments	148,534	452,292	303,758
Overhead Costs			
Utilities	188,825	226,100	37,275
Real Estate and Property taxes, Insurance	112,605	113,100	495
Maintenance	59,282	63,939	4,657
Manufacturing Supplies	21,553	55,388	33,835
Scrap	-	10,760	10,760
Warranty	274,421	806,068	531,647
Variable Marketing	215,803	428,124	212,322
Royalties - pd qrtly	225,651	507,971	282,320
Freight	879,720	694,689	(185,031)
Rebate	271,449	395,000	123,551
Total Overhead Costs	2,249,308	3,301,139	1,051,831
Administrative			
Travel	17,774	103,467	85,693
Professional Fees under Administration Charge*	299,925	271,000	(28,925)
Professional Fees and Advisors	309,899	397,792	87,893
Marketing	10,589	203,665	193,096
Other SGA	173,738	178,263	4,525
Interest expense	172,692	208,560	35,868
Total Administrative	964,597	1,362,748	378,151
Float - Pre filing disbursements	-	200,000	200,000
Total Disbursements	10,340,257	16,172,230	5,831,972
Net Cash Flow	\$ 1,478,787	\$ 613,882	\$ 864,905

FIFTH REPORT OF BDO DUNWOODY LIMITED - SCHEDULE "B"

WC WOOD - CANADA 6 Wk Cash Flow Forecast	Week Ending					
	1 29-Aug	2 05-Sep	3 12-Sep	4 19-Sep	5 26-Sep	6 03-Oct
Receipts						
A/R Collections	993,883	765,000	940,864	1,135,291	1,059,405	1,135,291
Interco Settlement of Prof Fees	11,111	11,111	11,111	11,111	11,111	11,111
	<u>1,004,994</u>	<u>776,111</u>	<u>951,975</u>	<u>1,146,402</u>	<u>1,070,516</u>	<u>1,090,847</u>
Disbursements						
Payroll Wages	198,231	198,231	198,231	198,231	198,231	198,231
Payroll Taxes		77,000		65,000		77,000
Benefits-Health +	45,857	45,857	45,857	45,857	45,857	45,857
Employee subtotal	<u>244,088</u>	<u>321,088</u>	<u>244,088</u>	<u>309,088</u>	<u>244,088</u>	<u>321,088</u>
Material Disbursements						
<u>Inventory Purchases</u>						
Dofasco - Steel	55,000	55,000	55,000	55,000	55,000	55,000
Compressor	-	-	79,056	-	-	68,358
PPG - Paint	40,000	-	-	40,000	-	-
Sturgis - Plastic	45,000	45,000	45,000	45,000	45,000	45,000
Huntsman - Foams	85,000	-	85,000	-	85,000	-
Norampak - CardBoard	15,000	15,000	15,000	15,000	15,000	15,000
All Other Vendors	290,456	256,706	256,706	256,706	256,706	256,706
Material subtotal	<u>530,456</u>	<u>371,706</u>	<u>535,762</u>	<u>411,706</u>	<u>456,706</u>	<u>440,064</u>
<u>Factory and Channel Costs</u>						
Utilities	56,000	60,000			64,400	60,000
Real Estate taxes and Insurance				15,000		60,000
Maintenance	12,592	10,673	10,673	10,673	10,673	10,673
Manufacturing Supplies	5,229	5,083	5,083	5,083	5,083	5,083
Warranty	75,000	-	-	-	75,000	-
Variable Marketing	-	-	-	-	-	33,360
Royalties				17,000		
Freight	147,186	150,718	89,971	105,849	105,849	105,849
GST, PST & QST		115,000				115,000
Subtotal Factory and Channel Costs	<u>296,006</u>	<u>341,475</u>	<u>105,728</u>	<u>153,606</u>	<u>261,006</u>	<u>389,966</u>
<u>Other Critical</u>						
Travel	3,146	3,146	3,146	3,146	3,146	3,146
Professional Fees	61,000	53,000	53,000	53,000	53,000	53,000
Other SGA	30,345	30,345	30,345	30,345	30,345	30,345
Interest expense	70,534					70,822
Subtotal Other Critical Costs	<u>165,024</u>	<u>86,491</u>	<u>86,491</u>	<u>86,491</u>	<u>86,491</u>	<u>157,312</u>
Total Uses	<u>1,235,575</u>	<u>1,120,759</u>	<u>972,068</u>	<u>960,890</u>	<u>1,048,290</u>	<u>1,308,430</u>
Loan Balance- beginning	6,149,055	6,379,636	6,724,284	6,744,377	6,558,864	6,536,638
Receipts	1,004,994	776,111	951,975	1,146,402	1,070,516	1,090,847
Disbursements	1,235,575	1,120,759	972,068	960,890	1,048,290	1,308,430
Net Cash Flow/(Deficit)	<u>(230,581)</u>	<u>(344,648)</u>	<u>(20,093)</u>	<u>185,512</u>	<u>22,226</u>	<u>(217,583)</u>
Loan Balance- Ending	6,379,636	6,724,284	6,744,377	6,558,864	6,536,638	6,754,222

FIFTH REPORT OF BDO DUNWOODY LIMITED - SCHEDULE "B"

W.C. Wood (USA)

6 Wk Cash Flow Forecast

	Week Ending					
	1	2	3	4	5	6
	29-Aug	05-Sep	12-Sep	19-Sep	26-Sep	03-Oct
Receipts						
A/R collections	763,892	824,353	648,820	809,753	912,368	1,048,214
Interco Settlement of Prof Fees	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
	753,892	814,353	638,820	799,753	902,368	1,038,214
Disbursements						
Payroll						
Wages	134,248	134,248	55,000	134,248	55,000	134,248
Taxes	84,576	115,576	20,000	84,576	20,000	84,576
Benefits	-	25,000	35,000	-	35,000	-
Other employee costs	42,000	25,000	-	-	-	-
Employee expenses	3,000	3,000	3,000	3,000	3,000	3,000
	263,823	302,823	113,000	221,823	113,000	221,823
Material						
Steel - ArcelorMittal (Dofasco)	33,654	32,579	44,663	43,369	46,369	47,182
Compressors	66,439	13,950	137,830	69,264	66,456	-
Paint - PPG	-	30,000	-	30,000	-	30,000
Plastic components - Sturgis	20,000	50,000	50,000	20,000	50,000	50,000
Foam - Huntsman	75,000	-	-	75,000	-	-
Shipping material - Norampac	20,000	20,000	20,000	20,000	20,000	20,000
Mexico Newco	-	-	-	-	-	-
All other vendors	52,219	482,441	30,543	371,337	446,145	263,271
	267,312	628,970	283,036	628,970	628,970	410,453
Factory and channel costs						
Utilities	70,000	-	-	-	80,500	-
Real Estate Taxes and Insurance	-	32,000	7,500	-	3,000	32,000
Maintenance	4,500	3,750	3,750	3,750	3,750	3,750
Manufacturing Supplies	4,350	4,350	4,350	4,350	4,350	4,350
Warranty	61,180	111,180	61,180	61,180	61,180	61,180
Variable Marketing	-	-	-	-	-	-
Royalty	-	-	125,000	-	-	-
Freight	79,153	87,068	36,517	85,922	38,665	85,922
Rebates	-	-	70,000	-	-	100,000
	219,183	238,348	308,297	155,202	191,445	287,202
SG&A						
Travel	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	40,000	75,000	40,000	40,000	40,000	50,000
Marketing	2,404	2,123	2,123	2,123	2,123	2,123
Other SGA	25,000	25,000	25,000	25,000	25,000	25,000
Interest expense	73,843	-	-	-	-	77,759
	146,248	107,123	72,123	72,123	72,123	159,883
Total Uses	896,566	1,277,264	776,456	1,078,119	1,005,538	1,079,362
Loan Balance- beginning	5,923,621	6,066,295	6,529,206	6,666,843	6,945,208	7,048,378
Receipts	753,892	814,353	638,820	799,753	902,368	1,038,214
Disbursements	896,566	1,277,264	776,456	1,078,119	1,005,538	1,079,362
Net Cash Flow/(Deficit)	(142,674)	(462,911)	(137,636)	(278,365)	(103,170)	(41,147)
Loan Balance- Ending	6,066,295	6,529,206	6,666,843	6,945,208	7,048,378	7,089,525