

**United States Bankruptcy Court
Middle District of Alabama**

In re Small Loans, Inc.
Debtor

Case No. 11-12254

Chapter 11 Case

MONTHLY OPERATING REPORT (NON-SMALL BUSINESS ENTITY)

Month: November

Date Filed: 2012-12-17

Line of Business: Consumer Lending

NAICS Code: 522291

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

S. Gregory Hays - Chapter 11 Trustee

PRINTED NAME OF RESPONSIBLE PARTY

QUESTIONNAIRE: (All questions to be answered on behalf of the debtor.)

	YES	NO
1. IS THE BUSINESS STILL OPERATING ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. DID YOU PAY YOUR EMPLOYEES ON TIME?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS IN TO THE DIP ACCOUNT THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. ARE YOU CURRENT ON YOUR CHAPTER 11 QUARTERLY FEE PAYMENT ?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONAL THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT(S)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- | | | |
|---|--------------------------|-------------------------------------|
| 14. HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 15. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 16. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17. HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 18. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

TAXES *(Exhibit A)*

- | | | |
|---|--------------------------|-------------------------------------|
| DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|-------------------------------------|

INCOME *(Exhibit B)*

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS.

TOTAL INCOME	<u>\$18,771.00</u>
---------------------	--------------------

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month	<u>\$220,955.00</u>
Cash on Hand at end of Month	<u>\$207,587.00</u>

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU.	TOTAL	<u>\$207,587.00</u>
---	--------------	---------------------

EXPENSES *(Exhibit C)*

PLEASE SEPARATELY LIST ALL EXPENSES PAID FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT.

TOTAL EXPENSES	<u>\$32,139.00</u>
-----------------------	--------------------

CASH PROFIT

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B)	<u>\$18,771.00</u>
EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C)	<u>\$32,139.00</u>

(Subtract Line C from Line B)	CASH PROFIT FOR THE MONTH	<u>(\$13,368.00)</u>
-------------------------------	----------------------------------	----------------------

UNPAID BILLS *(Exhibit D)*

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE.

TOTAL PAYABLES \$0.00 _____

MONEY OWED TO YOU *(Exhibit E)*

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE.

TOTAL RECEIVABLES \$23,750.00 _____

BANKING INFORMATION *(Exhibit F)*

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED?

24

NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT?

0

PROFESSIONAL FEES*BANKRUPTCY RELATED*

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$0.00

TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$0.00

NON-BANKRUPTCY RELATED:

PROFESSIONAL FEES PAID NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$0.00

TOTAL PROFESSIONAL FEES PAID NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$0.00

ADDITIONAL INFORMATION

PLEASE ATTACH THE BANKRUPTCY ADMINISTRATOR'S BALANCE SHEET, MONTHLY SALARY PAYMENTS TO OWNER(S) SCHEDULE (IF APPLICABLE) AND THE MONTHLY RENTAL INCOME WORKSHEET (IF APPLICABLE). ALSO ATTACH ANY FINANCIAL REPORTS (INCOME STATEMENT, STATEMENT OF CASH FLOWS, AND STATEMENT OF SHAREHOLDERS/PARTNER'S EQUITY) WHICH YOU PREPARE INTERNALLY.

Additional Information - Ch 11 Monthly Operating Report

form revised 10 18 2011

Small Loans Inc.

Case # 11-12254

BALANCE SHEET

For the period ending: 11/25/12

ASSETS

1. Cash

Pre-petition bank accounts	\$7,987.00	
DIP General/business account	\$199,429.00	
DIP Payroll account	\$171.00	
DIP Tax account	\$0.00	
Other (including Cash on Hand)	\$0.00	
Sub-total Cash		<u>\$207,587.00</u>

2. Securities

3. Accounts Receivable

Pre-petition	\$0.00	
Post-petition:		
Customer finance receivables, net	\$0.00	
Other receivables	\$23,750.00	
Sub-total Accounts Receivable		<u>\$23,750.00</u>

4. Office Supplies and Equipment

\$0.00

5. Inventory (Fair Market Value)

\$0.00

6. Other Current Assets (rent/utility deposits)

\$0.00

7. Prepaid Insurance

\$0.00

8. Long Term Assets (including real property, heavy equipment, vehicles, etc.)

\$0.00

9. TOTAL ASSETS

\$231,337.00

LIABILITIES

(include both pre- and post-petition debts)

1. Accounts Payable

Pre-petition	\$75,865.00	
Post-petition	\$0.00	
Sub-total Accounts Payable		<u>\$75,865.00</u>

2. Short Term Notes Payable

Pre-petition	\$0.00	
Post-petition	\$0.00	
Sub-total Short Term Notes Payable		<u>\$0.00</u>

3. Long Term Notes Payable

Pre-petition	\$0.00	
Post-petition	\$0.00	
Sub-total Long Term Notes Payable		<u>\$0.00</u>

4. Taxes Payable

Pre-petition	\$0.00	
Post-petition	\$0.00	
Sub-total Taxes Payable		<u>\$0.00</u>

5. Other Liabilities

\$2,046.00

Intercompany debt to Parent Co.

\$15,077,066.00

6. TOTAL LIABILITIES

\$15,154,977.00

EQUITY (Total Assets Less Total Liabilities)

(\$14,923,640.00)

7. TOTAL LIABILITIES & EQUITY

\$231,337.00

Additional Information

Case 11-12254

Doc 667

Filed 12/17/12

Entered 12/17/12 15:05:28

Balance Sheet/AP Pymts/

Debt Schedule Rent Roll

STATEMENT OF PAYMENTS MADE TO LESSORS

1	Payee: NONE	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
2	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
3	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
4	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
5	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
6	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
7	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	
8	Payee: _____	_____	_____
	Amount paid this period:	_____	Check #: _____
Y N	Amount included in Expenses		
Y N	Adequate protection payment		
	Stated adequate protection payment amount	_____	

TOTAL PAYMENTS MADE TO SECURED CREDITORS AND LESSORS \$0.00

Monthly Salary Payment to Owner(s)

Debtor(s)	Stated Amount	Amount Paid	Transaction Number	Amount Past Due
NONE				
TOTAL				

Monthly Rental Income Worksheet

for the month ending _____

Property Description	Written Contract*	Contract Expiration Date	Contracted Monthly Rental Payment	Rental Amount Past Due	Rental Amount Received this Month	Mortgage Amount Paid by Debtor(s) **
NONE						
Monthly Totals						

* (N) No Contract, (L) Lease or (DF) Debtor Financed under a Rent to Own, Bond for Title or similar contract

** Per Order for Adequate Protection or Use of Cash Collateral

SMALL LOANS, INC.
 INCOME STATEMENT
 FOR THE MONTH ENDED NOVEMBER 25, 2012

OPERATING INCOME	
OTHER INCOME	0.00
TOTAL INCOME	0.00
OPERATING EXPENSES	
ACCOUNTING	0.00
AUTO EXPENSES	0.00
COMPUTER MAINTENANCE	0.00
CREDIT REPORTS	0.00
DEPRECIATION	0.00
INSURANCE - GENERAL	0.00
INSURANCE - GROUP	0.00
LEGAL/ATTORNEY COSTS	0.00
MISCELLANEOUS	29,261.73
OFFICE EXPENSE	291.00
POSTAGE	0.00
RECORDING FEES	0.00
RENT	0.00
REPAIRS & MAINTENANCE	80.00
REGULAR PAY	0.00
OVERTIME PAY	0.00
TEMPORARY HELP	0.00
SUPPLIES	0.00
PAYROLL TAXES	132.28
PROPERTY TAXES	875.22
TELEPHONE	0.00
UTILITIES	2,668.19
TOTAL OPERATING EXPENSES	33,308.42
NET PROFIT (LOSS)	(33,308.42)

SMALL LOANS INC.
Statement of Cash Flows

For the Month Ended
November 25, 2012

Cash flows from operating activities	
Net income	\$ (33,308)
Adjustments to reconcile net income to net cash provided by operating activities:	
Provision for credit losses	-
Depreciation	-
Change in assets and liabilities:	
Other receivables/assets	49,534
Accounts payable and other accrued liabilities	(2,579)
Due from affiliates	(27,014)
Loss (Gain) on the sale of property and equipment	-
<hr/>	
Net cash used in operating activities	(13,368)
<hr/>	
Cash flows from investing activities	
Net change in finance receivables	-
Purchase of property and equipment	-
Proceeds from sale of property and equipment	-
<hr/>	
Net cash provided by investing activities	-
<hr/>	
Cash flows from financing activities	
Net proceeds (repayments) on:	
Borrowing	-
<hr/>	
Net cash provided by financing activities	-
<hr/>	
Net change in cash and cash equivalents	(13,368)
Cash and cash equivalents, beginning of period	220,955
Cash and cash equivalents, end of period	\$ 207,587

EXHIBIT A

TAXES

IF ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS EXIST, ATTACH A WRITTEN EXPLANATION, INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF FUNDS FOR THE PAYMENTS (S).

Small Loans Inc.
Case # 11-12254

NONE

EXHIBIT B

SUMMARY OF CASH ON HAND

ATTACH A LIST OF ALL INCOME RECEIVED FOR THE REPORTING PERIOD FROM CASH AND CREDIT TRANSACTIONS.

The U.S. Bankruptcy Administrator (MDAL) will not waive this requirement.

Small Loans Inc.
Case # 11-12254

Total Cash at 10/25/12	220,955
Total Cash at 11/25/12	<u>207,587</u>
Change	(13,368)
Inflows from loan repayments	-
Outflows for new loans	<u>-</u>
Net inflow (outflow) from lending	-
Other inflows	18,771
Outflow for expenses	(7,139)
Other outflows	<u>(25,000)</u>
Net cash profit	<u>(13,368)</u>

Monthly Operating Report - Exhibit C

EXHIBIT C

EXPENSES

ATTACH A LIST OF ALL EXPENSES PAID FROM THE DEBTOR'S BANK ACCOUNTS FOR THE REPORTING PERIOD. INCLUDE THE DATE PAID, THE PAYEE, THE PURPOSE AND THE AMOUNT.

The U.S. Bankruptcy Administrator (MDAL) will not waive this requirement.

SMALL LOANS INC.
Case # 11-12254

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Amount Paid
Company: MONEVAL									
Acct / Sub:	1006		2001						
100607	CK	10/29/2012	SMAL01 SMALL LOANS, INC.	02-13	206172	VO		10/29/2012	200.63
100608	CK	10/29/2012	CLER54 CLERK OF COURT (BANKRU	02-13	206177	VO	11-12254	10/29/2012	4,875.00
100609	CK	11/2/2012	DOTH01 DOTHAN UTILITIES	02-13	206184	VO	155505-18627	10/31/2012	1,009.41
100609	CK	11/2/2012	DOTH01 DOTHAN UTILITIES	02-13	206185	VO	155505-18628	10/31/2012	41.15
100610	CK	11/2/2012	TEND01 TENDER LAWN CARE	02-13	206186	VO	7937777	Check Total 10/31/2012	1,050.56 80.00
100611	CK	11/5/2012	BREW05 CITY OF BREWTON UTILITIES	02-13	206215	VO	42 908	11/5/2012	37.20
100611	VC	11/9/2012	BREW05 CITY OF BREWTON UTILITIES	02-13	206215	VO	42 908	11/5/2012	-37.20
100612	CK	11/9/2012	ALEX18 CITY OF ALEX CITY (UTILITIES	02-13	206273	VO	017333-000	Check Total 11/8/2012	0.00 43.05
100613	CK	11/9/2012	BALD09 BALDWIN COUNTY REVENUE	02-13	206254	VO	104403	11/5/2012	88.40
100614	CK	11/9/2012	BURN10 JOSH BURNS	02-13	206251	VO	2012-111050	11/5/2012	93.24
100615	CK	11/9/2012	CREW05 DEBORAH B. CREWS	02-13	206249	VO	2012-15663	11/5/2012	114.75
100616	CK	11/9/2012	HARR17 LINDA HARRIS, REVENUE CO	02-13	206252	VO	0000219300	11/5/2012	63.75
100617	CK	11/9/2012	HOUS12 HOUSTON CO REVENUE	02-13	206253	VO	52315	11/5/2012	121.44
100618	CK	11/9/2012	LITT04 TIM LITTLE	02-13	206255	VO	023509	11/5/2012	95.72
100619	CK	11/9/2012	MELT01 FONDE MELTON-REVENUE CC	02-13	206256	VO	22905	11/5/2012	86.92
100620	CK	11/9/2012	WIGG09 JOY WIGGINS	02-13	206250	VO	2012-16696	11/5/2012	211.00
100621	ZC	11/9/2012	BREW05 CITY OF BREWTON UTILITIES	02-13	206215	VO	42 908	11/5/2012	37.20
100621	ZC	11/9/2012	BREW05 CITY OF BREWTON UTILITIES	02-13	206282	AD		11/9/2012	-37.20
100622	CK	11/16/2012	MONT14 CITY OF MONTGOMERY	02-13	206314	VO	OCT 2012	Check Total 11/16/2012	0.00 14.30
Sub Total:									7,138.76

EFT	TRANSFERS TO BANK ACCOUNT OF PARENT CO.	<u>25,000.00</u>
Total		32,138.76

EXHIBIT D

UNPAID BILLS

ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) INCURRED SINCE THE BANKRUPTCY FILING DATE BUT HAVE NOT BEEN PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, THE NAME OF THE CREDITOR, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE.

The U.S. Bankruptcy Administrator (MDAL) will not waive this requirement.

Small Loans Inc.

Case # 11-12254

date incurred	Creditor	Amount	Purpose	Due
none				

TOTAL

EXHIBIT E

MONEY OWED TO DEBTOR

ATTACH A LIST OF ALL AMOUNTS OWED TO THE DEBTOR BY CUSTOMERS FOR WORK COMPLETED OR MERCHANDISE SOLD. THE LIST MUST INCLUDE THE NAME OF THE CUSTOMER, THE AMOUNT OWED AND WHEN PAYMENT IS DUE.

The U.S. Bankruptcy Administrator (MDAL) will not waive this requirement.

Small Loans Inc.

Case # 11-12254

Customer Finance receivables, net (1)	-
Commissions on insurance products sold	23,750
Insurance claims	-
	23,750

(1) net of unearned interest, fees, insurance commissions and the allowance for loan losses

Customer finance receivables, net (1)	-
Unearned insurance commissions	-
Allowance for loan losses	-
Accrued interest receivable	-
Customer finance receivables, gross	-

Aging of Customer finance receivables, gross

Total	Current	1 - 30 days	31 - 60 days	61 - 90 days	91 - 180 days	Over 180 days
-	-	-	-	-	-	-