

RETAIL FINANCIAL SERVICES
 2301 COUNTRY CLUB DR SUITE A
 STEVENS POINT, WI 54481-8033

TO: ANY HARDWARE, INC
 NO NAME ROAD
 ANYWHERE, USA

FINANCIAL REPORTS & TWO YEAR
 COMPARISONS AS OF 05/31/12

TWO YEAR COMPARISONS AS OF 05/31/12

MONTH OF MAY

	2012	2011	CHANGE	PERCENT
SALES :	727,848.41	764,086.60	36,238.19-	4.74-
MARGIN :	290,769.17	305,358.79	14,589.62-	
MARGIN-ADJ :	7,627.66	6,865.61	762.05	
GROSS PROFIT :	298,396.83	312,224.40	13,827.57-	
EXPENSES :	227,395.53	200,517.38	26,878.15	13.40
OTHER INCOME :	7,714.73	8,651.27	936.54-	
NET PROFIT :	78,716.03	120,358.29	41,642.26-	34.60-

YEAR TO DATE

	2012	2011	CHANGE	PERCENT
SALES :	2,574,350.14	2,480,275.24	94,074.90	3.79
MARGIN :	1,024,373.94	986,989.94	37,384.00	
MARGIN-ADJ :	38,138.28	34,328.00	3,810.28	
GROSS PROFIT :	1,062,512.22	1,021,317.94	41,194.28	
EXPENSES :	1,048,911.71	997,085.11	51,826.60	5.20
OTHER INCOME :	27,052.57	26,017.75	1,034.82	
NET PROFIT :	40,653.08	50,250.58	9,597.50-	19.10-

NET SALES FOR MAY WERE \$727,848.41, DOWN \$36,238.19 OR 4.74% FROM LAST MAY.

YEAR-TO-DATE SALES TOTAL \$2,574,350.14, UP \$94,074.90 OR 3.79% FROM YTD SALES ON THIS DATE LAST YEAR.

MAY EXPENSES TOTALLED \$227,395.53, UP \$26,878.15 OR 13.40% FROM EXPENSES FOR LAST MAY.

YEAR-TO-DATE EXPENSES TOTALLED \$1,048,911.71, UP \$51,826.60 OR 5.20% FROM YTD EXPENSES AT THIS TIME LAST YEAR.

MAY PRODUCED AN ESTIMATED NET PROFIT OF \$78,716.03, COMPARED TO AN ESTIMATED NET PROFIT OF \$120,358.29 FOR MAY OF LAST YEAR.

THE ESTIMATED YTD PROFIT IS \$40,653.08, COMPARED TO AN ESTIMATED YTD PROFIT OF \$50,250.58 ON THIS DATE LAST YEAR.



RETAIL FINANCIAL SERVICES

Provided by the Midwest Hardware Association

To: The Board of Directors
Any Hardware, Inc.
Anywhere, USA

ACCOUNTANTS' COMPILATION REPORT

We have compiled the accompanying Balance Sheet-income tax basis of Any Hardware, Inc. as of May 31, 2012, the related Income Summary-income tax basis for the periods then ended, and the statement of cash flows date ending May 31, 2012. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting. The financial statements have been prepared on the accounting basis used by the Company for Federal income tax purposes, which is a comprehensive basis of accounting other than accounting principles generally accepted.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Respectfully submitted,

Midwest Hardware Association, Inc.

Midwest Hardware Association, Inc.
June 28, 2012

ANY HARDWARE, INC
 NO NAME ROAD ANYWHERE, USA

INCOME SUMMARY FOR THE MONTH OF 05/31/12

INCOME SUMMARY FOR THE PERIOD 01/01/12 TO 05/31/12

	MONTH	PCT OF NET SALES	LAST YEAR	INCREASE DECREASE	PCT DIFF	THIS YEAR	PCT OF NET SALES	LAST YEAR	INCREASE DECREASE	PCT DIFF
SALES										
CASH SALES	598,443.93	82.22	631,343.28	32,899.35-	5.21-	2025,964.98	78.70	1923,078.16	102,886.82	5.35
CHARGE SALES	135,637.07	18.64	139,187.55	3,550.48-	2.55-	574,759.42	22.33	581,087.62	6,328.20-	1.09-
GROSS SALES	734,081.00		770,530.83			2600,724.40		2504,165.78		
RETURNS	313.28	.04	50.06	263.22	525.81	1,003.92-	.04-	3,065.00-	2,061.08	67.25
DISCOUNTS	5,919.31	.81	6,394.17	474.86-	7.43-	27,378.18	1.06	26,955.54	422.64	1.57
NET SALES	727,848.41	100.00	764,086.60	36,238.19-	4.74-	2574,350.14	100.00	2480,275.24	94,074.90	3.79
COST OF GOODS SOLD										
BEGINNING INVENTORY	2057,109.73		1883,625.29			1977,631.85		1805,467.38		
PURCHASES	377,912.95	51.92	376,046.10	1,866.85	.50	1541,717.54	59.89	1462,080.35	79,637.19	5.45
FREIGHT IN	9,352.46	1.28	7,090.70	2,261.76	31.90	37,922.71	1.47	33,771.85	4,150.86	12.29
TOTAL AVAILABLE FOR SALE	2444,375.14		2266,762.09			3557,272.10		3301,319.58		
ENDING INVENTORY	2007,295.90		1808,034.28			2007,295.90		1808,034.28		
COST OF GOODS SOLD	437,079.24	60.05	458,727.81	21,648.57-	4.72-	1549,976.20	60.21	1493,285.30	56,690.90	3.80
GROSS MARGIN ON SALES	290,769.17	39.95	305,358.79	14,589.62-	4.78-	1024,373.94	39.79	986,989.94	37,384.00	3.79
PURCHASE REBATE	7,627.66	1.05	6,865.61	762.05	11.10	38,138.28	1.48	34,328.00	3,810.28	11.10
GROSS PROFIT	298,396.83	41.00	312,224.40	13,827.57-	4.43-	1062,512.22	41.27	1021,317.94	41,194.28	4.03
EXPENSES										
PAYROLL AND EMPLOYEE EXPENSE										
SALARIES-OWNERS	15,437.50	2.12	15,437.50			84,906.25	3.30	84,906.25		
SALARIES-EMPLOYEES	97,121.71	13.34	94,094.78	3,026.93	3.22	452,937.52	17.59	439,144.67	13,792.85	3.14
INCENTIVE BONUSES						2,960.00	.11	1,230.00	1,730.00	140.65
TAXES-PAYROLL	5,982.36	.82	6,132.69	150.33-	2.45-	41,550.00	1.61	40,730.68	819.32	2.01
INSURANCE-EMPLOYEES	14,361.84	1.97	11,805.64	2,556.20	21.65	75,990.37	2.95	67,642.89	8,347.48	12.34
BENEFIT PLANS	503.20	.07	593.73	90.53-	15.25-	2,987.36	.12	3,325.02	337.66-	10.16-
TOTAL	133,406.61	18.33	128,064.34	5,342.27	4.17	661,331.50	25.69	636,979.51	24,351.99	3.82
OCCUPANCY EXPENSE										
RENT	6,886.26	.95	6,597.51	288.75	4.38	34,352.17	1.33	32,987.55	1,364.62	4.14
REPAIRS & MAINTENANCE	560.80	.08	1,231.79	670.99-	54.47-	10,699.61	.42	7,181.08	3,518.53	49.00
UTILITIES	7,111.58	.98	5,565.78	1,545.80	27.77	43,916.83	1.71	49,762.51	5,845.68-	11.75-
TAXES-REAL ESTATE	7,080.16	.97	6,974.65	105.51	1.51	35,400.80	1.38	34,873.25	527.55	1.51
DEPRECIATION-BUILDING	2,976.93	.41	2,976.93			14,884.65	.58	14,884.65		
TOTAL	24,615.73	3.38	23,346.66	1,269.07	5.44	139,254.06	5.41	139,689.04	434.98-	.31-
OTHER EXPENSES										
ADVERTISING	26904.17	3.69	22205.30	4698.87	7.70	85651.41	3.33	79769.01	5882.40	141.62
DONATIONS	692.18	.10	34.00	658.18		2,419.77	.09	689.77	1,730.00	250.81
STORE & SHOP SUPPLIES	5,473.14	.75	2,037.88	3,435.26	168.57	19,066.70	.74	10,274.52	8,792.18	85.57
ADMINISTRATIVE EXPENSE			7,319.40-	7,319.40	100.00	9,000.00-	.35-	18,298.50-	9,298.50	50.82
OFFICE SUPPLIES & POSTAGE	973.68	.13	499.35	474.33	94.99	6,826.06	.27	6,240.36	585.70	9.39
COMPUTER MAINTENANCE	2,839.39	.39	2,686.49	152.90	5.69	13,818.42	.54	12,179.65	1,638.77	13.45
TELEPHONE	1,310.67	.18	2,514.79	1,204.12-	47.88-	6,658.02	.26	7,189.19	531.17-	7.39-
DELIVERY	1,602.34	.22	2,371.66	769.32-	32.44-	7,438.28	.29	7,734.49	296.21-	3.83-
RENTAL REPAIRS			20.44	20.44-	100.00-	608.29	.02	519.03	89.26	17.20
EQUIPMENT REPAIRS	136.10	.02		136.10	100.00	1,611.76	.06	1,164.27	447.49	38.44
SUNDRY EXPENSE	1,311.20	.18	534.34	776.86	145.39	3,722.81	.14	2,109.23	1,613.58	76.50
SERVICES	2,273.25	.31	2,909.91	636.66-	21.88-	18,570.55	.72	24,461.49	5,890.94-	24.08-
TAXES-PERSONAL PROPERTY	608.03	.08	685.79	77.76-	11.34-	3,040.15	.12	3,428.95	388.80-	11.34-
USE TAX	450.73	.06	293.82	156.91	53.40	1,338.01	.05	951.11	386.90	40.68
INTEREST	7,676.96	1.05	4,078.77	3,598.19	88.22	21,138.59	.82	19,138.38	2,000.21	10.45

SEE ACCOUNTANTS COMPILATION REPORT

	MONTH	PCT OF NET SALES	LAST YEAR	INCREASE DECREASE	PCT DIFF	THIS YEAR	PCT OF NET SALES	LAST YEAR	INCREASE DECREASE	PCT DIFF
CREDIT CARD DISCOUNTS	5,880.95	.81	6,241.70	360.75-	5.78-	26,056.63	1.01	23,997.44	2,059.19	8.58
INSURANCE-GENERAL	2,961.42	.41	3,258.89	297.47-	9.13-	7,622.05	.30	8,049.45	427.40-	5.31-
LEGAL & ACCOUNTING	3,112.20	.43	1,506.20	1,606.00	106.63	9,905.85	.38	7,958.40	1,947.45	24.47
DUES, SUBSCRIPTIONS	1,919.27	.26	1,987.82	68.55-	3.45-	10,225.63	.40	12,005.45	1,779.82-	14.83-
EMPLOYEE EDUCATION EXPENSE	71.00	.01	49.00	22.00	44.90	245.00	.01	388.00	143.00-	36.86-
TRAVEL & ENTERTAINMENT	875.84	.12	660.68	215.16	32.57	1,397.50	.05	1,026.64	370.86	36.12
BAD DEBTS	67.10	.01		67.10	100.00	335.30	.01	195.48	139.82	71.53
DEPRECIATION	1,840.62	.25	1,840.62			9,203.10	.36	9,203.10		
AMORTIZATION EXPENSE	392.95	.05	8.33	384.62		426.27	.02	41.65	384.62	923.46
TOTAL	69,373.19	9.53	49,106.38	20,266.81	41.27	248,326.15	9.65	220,416.56	27,909.59	12.66
TOTAL OPERATING EXPENSES	227,395.53	31.24	200,517.38	26,878.15	13.40	1048,911.71	40.74	997,085.11	51,826.60	5.20
OPERATING PROFIT OR LOSS	71,001.30	9.75	111,707.02	40,705.72-	36.44-	13,600.51	.53	24,232.83	10,632.32-	43.88-
OTHER INCOME										
PURCHASE DISCOUNTS	491.30	.07	781.61	290.31-	37.14-	978.68	.04	985.00	6.32-	.64-
OTHER INCOME	1,438.45	.20	451.84	986.61	218.35	2,398.71	.09	791.67	1,607.04	202.99
RENTAL INCOME	3,499.00	.48	3,823.00	324.00-	8.48-	9,733.50	.38	9,689.00	44.50	.46
CASH OVER OR SHORT	45.80-	.01-	41.26	87.06-		103.56-		378.91-	275.35	72.67
RENT INCOME-DEPT OF TRANSPORT			450.00	450.00-	100.00-			2,250.00	2,250.00-	100.00-
COMMISSIONS	141.74	.02	140.53	1.21	.86	495.60	.02	504.88	9.28-	1.84-
UPS SHIPPING	79.54-	.01-	158.05	237.59-		2,458.06	.10	1,809.60	648.46	35.83
INTEREST & DIVIDENDS	258.98	.04	220.20	38.78	17.61	1,428.04	.06	1,532.94	104.90-	6.84-
RUG DR RENTALS	2,010.60	.28	2,584.78	574.18-	22.21-	9,663.54	.38	8,833.57	829.97	9.40
TOTAL OTHER INCOME	7,714.73	1.06	8,651.27	936.54-	10.83-	27,052.57	1.05	26,017.75	1,034.82	3.98
NET PROFIT OR LOSS	78,716.03	10.81	120,358.29	41,642.26-	34.60-	40,653.08	1.58	50,250.58	9,597.50-	19.10-

SEE ACCOUNTANTS COMPILATION REPORT

ANY HARDWARE, INC
 NO NAME ROAD ANYWHERE, USA

BALANCE SHEET AS OF 05/31/12

05/31/11

ASSETS

CURRENT ASSETS

CASH ON HAND	6,380.00	6,380.00
CHECKING ACCOUNT	6,364.78	12,027.64
SECONDAREY CHECKING ACCOUNT	114.96	88,039.46
SAVINGS ACCOUNT	21,873.00	17,863.44
ACCOUNTS RECEIVABLE	18,823.01	10,550.05
MANUFACTURERS COUPONS	321.15-	337.04
MERCHANDISE INVENTORY	2,007,295.90	1,808,034.28
REBATE RECEIVABLE	84,555.00	84,555.00
PREPAID INSURANCE	3,874.99	6,065.43
PREPAID TAXES	565.15	480.00
NSF CHECKS HELD	320.56	2.94

TOTAL CURRENT ASSETS	2,149,846.20	2,034,335.28
OTHER ASSETS AND INVESTMENTS		

NOTES RECEIVABLE	63,375.85	78,525.30
STOCKS & BONDS	532,800.00	510,900.00
UNAMORTIZED LOAN FEE	1,033.52	1,133.48
GOODWILL	163,297.00	163,297.00

TOTAL OTHER ASSETS AND INVESTMENTS	760,506.37	753,855.78
------------------------------------	------------	------------

FIXED ASSETS

LAND	150,362.00	150,362.00
BUILDINGS	1,675,995.64	1,675,995.64
FIXTURES & EQUIPMENT	1,087,105.32	1,069,237.67
OFFICE FURNITURE & EQUIPMENT	95,137.29	95,137.29
RENTAL EQUIPMENT	53,009.30	54,087.31
DELIVERY EQUIPMENT	127,813.93	110,515.90
TOTAL	3,189,423.48	3,155,335.81
ACCUMULATED DEPRECIATION	2,199,723.58-	2,126,988.85-

TOTAL FIXED ASSETS	989,699.90	1,028,346.96
--------------------	------------	--------------

TOTAL ASSETS	3,900,052.47	3,816,538.02
--------------	--------------	--------------

LIABILITIES AND OWNERS EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE-MDSE	303,988.05	354,917.16
401K DEDUCTIONS		3,542.76
GIFT CARDS PAYABLE	120.00	180.00
GIFT CERTIFICATES	200.00	
NOTE DUE BANK	75,000.00	
DONATIONS PAYABLE	771.50	343.44
ACCRUED INCOME TAXES	410.00	
ACCRUED OTHER TAXES	68,379.25	67,631.66
ACCRUED EXPENSES	15,612.51	13,423.03
PAYROLL ACCRUAL	35,549.52	31,081.20
SALES TAX PAYABLE	38,293.58	40,214.87

TOTAL CURRENT LIABILITIES	538,324.41	511,334.12
---------------------------	------------	------------

LONG TERM DEBT

NOTES PAYABLE PARTNERS	328,750.50	297,354.51
NOTE PAYABLE FRIEND	314,743.85	314,743.85
LONG TERM NOTES	11,291.69	
CONSTRUCTION LOAN	510,631.10	534,497.59

TOTAL LONG TERM DEBT	1,165,417.14	1,146,595.95
----------------------	--------------	--------------

TOTAL LIABILITIES	1,703,741.55	1,657,930.07
-------------------	--------------	--------------

OWNERS EQUITY

OWNERS EQUITY	2,102,264.22	2,060,298.10
DEFERRED REBATE INCOME	53,393.62	48,059.27
TOTAL	2,155,657.84	2,108,357.37
CURRENT PERIOD PROFIT OR LOSS	40,653.08	50,250.58

NET EQUITY	2,196,310.92	2,158,607.95
------------	--------------	--------------

TOTAL LIABILITIES AND EQUITY	3,900,052.47	3,816,538.02
------------------------------	--------------	--------------

SEE ACCOUNTANTS COMPILATION REPORT

ANY HARDWARE, INC

STATEMENT OF CASH FLOW - MONTH ENDED 05/31/12

CASH WAS PROVIDED BY (USED FOR) OPERATIONS :	MONTH	YEAR TO DATE
NET INCOME OR LOSS(-)	78,716.03	40,653.08
NONCASH ITEMS INCLUDED IN NET INCOME :		
DEPRECIATION	4,817.55	24,087.75
AMORTIZATION	392.95	426.27
CHANGE IN ACCOUNTS RECEIVABLE	16,693.17-	20,363.82-
CHANGE IN MANUFACTURERS COUPONS	802.29	321.15
CHANGE IN INVENTORY	49,813.83	29,664.05-
CHANGE IN ACCRUED INTEREST RECEIVABLE	-	4,104.15
CHANGE IN PREPAID INSURANCE	167.85-	1,627.29
CHANGE IN PREPAID TAXES	35.15-	565.15-
CHANGE IN NSF CHECKS HELD	30.42-	138.98-
CHANGE IN ACCOUNTS PAYABLE-MDSE	78,420.87-	94,190.31
CHANGE IN GIFT CARDS PAYABLE	190.00-	90.00
CHANGE IN DONATIONS PAYABLE	131.00	771.50
CHANGE IN ACCRUED PAYROLL TAXES	-	4,362.25-
CHANGE IN ACCRUED OTHER TAXES	3,354.41-	23,878.91-
CHANGE IN ACCRUED EXPENSES	3,198.66-	12,262.79-
CHANGE IN PAYROLL ACCRUAL	11,010.66	10,557.57-
CHANGE IN SALES TAX PAYABLE	9,797.22	13,538.52
NET CASH PROVIDED OR USED(-) BY OPERATIONS	53,391.00	78,016.50
INVESTING ACTIVITIES :		
CHANGE IN NOTES RECEIVABLE	-	15,149.45
CHANGE IN STOCKS & BONDS	-	21,900.00-
CHANGE IN UNAMORTIZED LOAN FEE	8.33	41.65
CHANGE IN PROPERTY AND EQUIPMENT	579.19-	19,526.31-
CHANGE IN AMORTIZABLE ASSETS	392.95-	426.27-
NET CASH PROVIDED BY OR USED FOR(-) INVESTING ACTIVITIES	963.81-	26,661.48-
FINANCING ACTIVITIES :		
CHANGE IN NOTE DUE BANK	65,000.00-	45,000.00
CHANGE IN OWNERS EQUITY	7,074.03-	148,488.80-
CHANGE IN DEFERRED REBATE INCOME	7,627.66-	53,393.62
CHANGE IN NOTES PAYABLE PARTNERS	2,485.22-	2,216.05-
CHANGE IN LONG TERM NOTES	276.05-	3,837.51-
CHANGE IN CONSTRUCTION LOAN	4,332.98-	6,786.92-
NET CASH PROVIDED BY OR USED FOR(-) FINANCING ACTIVITIES	86,795.94-	62,935.66-
NET INCREASE OR DECREASE(-) IN CASH	34,368.75-	11,580.64-
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	69,101.49	46,313.38
CASH AND CASH EQUIVALENTS, END OF PERIOD	34,732.74	34,732.74

SEE ACCOUNTANTS COMPILATION REPORT