



STATE OF ARIZONA
CORPORATION COMMISSION
CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE

Arizona Corporation Commission



DUE ON OR BEFORE 04/07/2002

FY01-02

FILING FEE \$10.00

The following information is required by A.R.S. §§10-1622 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. §§10-121.A. & 10-3121.A. **YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM.** Make changes or corrections where necessary. Information for the report should reflect the current status of the corporation. See instructions for proper format. **REFER TO THE INSTRUCTIONS ON PAGE 4.**

1. -0887114-4

RECEIVED

MAY 6 2002

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.

XXXXXX XXXXXXXXXX XXXXX

3941 E. 29th Street, Ste 603

XXXXXXXXXXXXXXXXXXXX

Tucson, AZ 85711

Business Phone: _____

State of Domicile: ARIZONA

Type of Corporation: NON-PROFIT

RECEIVED

2. Arizona Statutory Agent: STEVEN ITKIN

Street Address: 6280 E PIMA #105

TUCSON, AZ 85712

JUN 2 1 2002

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

City, State, Zip:

Use this box only if appointing a new Statutory Agent

ACC USE ONLY

Fee \$ _____

Penalty \$ _____

Reinstate \$ _____

Expedite \$ _____

Resubmit \$ _____

I, (individual) or We, (corporation or limited liability company) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law.

Signature of new Statutory Agent

3. Secondary Address:

4. Check the one category below which best describes the CHARACTER OF BUSINESS of your corporation.

BUSINESS CORPORATIONS

- | | |
|---|--|
| <input type="checkbox"/> 1. Accounting | <input type="checkbox"/> 20. Manufacturing |
| <input type="checkbox"/> 2. Advertising | <input type="checkbox"/> 21. Mining |
| <input type="checkbox"/> 3. Aerospace | <input type="checkbox"/> 22. News Media |
| <input type="checkbox"/> 4. Agriculture | <input type="checkbox"/> 23. Pharmaceutical |
| <input type="checkbox"/> 5. Architecture | <input type="checkbox"/> 24. Publishing/Printing |
| <input type="checkbox"/> 6. Banking/Finance | <input type="checkbox"/> 25. Ranching/Livestock |
| <input type="checkbox"/> 7. Barbera/Cosmetology | <input type="checkbox"/> 26. Real Estate |
| <input type="checkbox"/> 8. Construction | <input type="checkbox"/> 27. Restaurant/Bar |
| <input type="checkbox"/> 9. Contractor | <input type="checkbox"/> 28. Retail Sales |
| <input type="checkbox"/> 10. Credit/Collection | <input type="checkbox"/> 29. Science/Research |
| <input type="checkbox"/> 11. Education | <input type="checkbox"/> 30. Sports/Sporting Events |
| <input type="checkbox"/> 12. Engineering | <input type="checkbox"/> 31. Technology(Computers) |
| <input type="checkbox"/> 13. Entertainment | <input type="checkbox"/> 32. Technology(General) |
| <input type="checkbox"/> 14. General Consulting | <input type="checkbox"/> 33. Television/Radio |
| <input type="checkbox"/> 15. Health Care | <input type="checkbox"/> 34. Tourism/Convention Services |
| <input type="checkbox"/> 16. Hotel/Motel | <input type="checkbox"/> 35. Transportation |
| <input type="checkbox"/> 17. Import/Export | <input type="checkbox"/> 36. Utilities |
| <input type="checkbox"/> 18. Insurance | <input type="checkbox"/> 37. Veterinary Medicine/Animal Care |
| <input type="checkbox"/> 19. Legal Services | <input type="checkbox"/> 38. Other _____ |

NON-PROFIT CORPORATIONS

- | |
|--|
| <input type="checkbox"/> 1. Charitable |
| <input type="checkbox"/> 2. Benevolent |
| <input type="checkbox"/> 3. Educational |
| <input type="checkbox"/> 4. Civic |
| <input type="checkbox"/> 5. Political |
| <input type="checkbox"/> 6. Religious |
| <input type="checkbox"/> 7. Social |
| <input type="checkbox"/> 8. Literary |
| <input type="checkbox"/> 9. Cultural |
| <input type="checkbox"/> 10. Athletic |
| <input type="checkbox"/> 11. Science/Research |
| <input checked="" type="checkbox"/> 12. Hospital/Health Care |
| <input type="checkbox"/> 13. Agricultural |
| <input type="checkbox"/> 14. Animal Husbandry |
| <input type="checkbox"/> 15. Homeowner's Association |
| <input type="checkbox"/> 16. Professional, commercial |
| <input type="checkbox"/> 17. Industrial or trade association |
| <input type="checkbox"/> 17. Other _____ |

5. CAPITALIZATION: ~~Business Corporations and Business Trusts are REQUIRED to complete this section.~~

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the trust estate.

Number of Shares/Certificates Authorized	Class	Series Within Class (if any)

Number of Shares/Certificates Issued	Class	Series Within Class (if any)

6. SHAREHOLDERS: ~~Business Corporations and Business Trusts are REQUIRED to complete this section.~~

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% beneficial interest in the corporation.

Name: _____ Name: _____

NONE ☒

Name: _____ Name: _____

7. OFFICERS PLEASE TYPE OR PRINT CLEARLY.

Name: Ronald Ricards

Name: Henry Fortino

Title: President

Title: Treasurer

Address: 500 E Speedway

Address: 6840 N Oracle Rd. #150

Tucson, AZ 85712

Tucson, AZ 85704

Date taking office: 1/1/02

Date taking office: 1/1/02

Name: Brain McCracken

Name: Steve Itkin

Title: Vice President

Title: Secretary

Address: 2548 N Geronimo

Address: 6230 E. Pima St., Ste 105

Tucson, AZ 85705

Tucson, AZ 85712

Date taking office: 1/1/02

Date taking office: 1/1/02

8. DIRECTORS PLEASE TYPE OR PRINT CLEARLY.

Name: Lori Lustig

Name: Barbara Kincaid

Address: 7090 N Oracle Rd, Ste 178

Address: PO Box 31261

Tucson, AZ 85704

Tucson, AZ 85749

Date taking office: 1/1/02

Date taking office: 1/1/02

Name: Mary Hare

Name: Shaunna Schelin-Kowalewski

Address: 2702 N Golden West Ave.

Address: 75 N Wilnot

Tucson, AZ 85749

Tucson, AZ 85711

Date taking office: 1/1/02

Date taking office: 1/1/02

RECEIVED

APR - 8 2002

Requested by: (Name & Address)

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

Mary S Dreher Acct'g Mgr
8 United Cerebral Palsy of Southern Arizona
3941 E 29th St #603
Tucson, AZ 85711

RE: Corporation Name UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.

File Number: -0887114-4 Fiscal Year End: 12/2001

Enclosed find check # 8893 in the amount of \$ 10.00
to pay the annual registration fee for the above referenced corporation.

***** FOR OFFICE USE ONLY *****

Ly 4/10

A SIX-MONTH EXTENSION IS HEREBY GRANTED TO THE ABOVE-
NAMED CORPORATION PURSUANT TO A.R.S. §§ 10-1622.C & 10-11622.C.
A PROFIT CORPORATION'S FAILURE TO FILE THE ANNUAL REPORT BY
THIS DATE WILL RESULT IN A PENALTY OF 20% PER MONTH
CALCULATED FROM THE ORIGINAL DATE DUE. 4-7-2002

EXTENSION GRANTED TO: 10-7-2002

BY: *SL*
ANNUAL REPORT SECTION



AR:0038

APR 9 - 2002

**UNITED CEREBRAL PALSY
OF SOUTHERN ARIZONA, INC.**

AUDITED FINANCIAL STATEMENTS
Years ended December 31, 2001 and 2000

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
INDEX TO AUDITED FINANCIAL STATEMENTS
Years ended December 31, 2001 and 2000

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Cerebral Palsy of Southern Arizona, Inc. ✓
Tucson, Arizona

We have audited the accompanying statements of financial position of United Cerebral Palsy of Southern Arizona, Inc. as of December 31, 2001 and 2000, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of United Cerebral Palsy of Southern Arizona, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Cerebral Palsy of Southern Arizona, Inc. as of December 31, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Girvin, DeVries & Associates, P.C.

GIRVIN, DEVRIES & ASSOCIATES, P.C.

March 29, 2002

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and cash equivalents	\$ 126,577	\$ 200
Accounts receivable, net of allowance for doubtful accounts of \$8,855 and \$3,855, respectively	242,954	261,839
Prepaid expenses	5,665	5,238
Furniture and equipment, net of accumulated depreciation of \$18,092 and \$9,609, respectively.	36,350	31,778
Deposits	<u>9,186</u>	<u>5,133</u>
	<u>\$ 420,732</u>	<u>\$ 304,188</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 11,747	\$ 13,690
Bank overdraft	0	3,484
Accrued payroll and related expenses	99,552	62,993
Client trust fund	405	200
Deferred revenue	34,016	0
Loan guarantee to Business Development Finance Corp - Note 4	<u>7,500</u>	<u>7,500</u>
	153,220	87,867
Net assets:		
Unrestricted net assets	252,466	206,321
Temporarily restricted net assets - Note 6	<u>15,046</u>	<u>10,000</u>
	<u>267,512</u>	<u>216,321</u>
	<u>\$ 420,732</u>	<u>\$ 304,188</u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2001

	<u>Unrestricted net assets</u>	<u>Temporarily restricted net assets</u>	<u>Total</u>
Revenues and other support:			
Contributions	\$ 88,083	\$ 5,084	\$ 93,167
In-kind	4,000		4,000
Government contracts	1,854,684		1,854,684
Other grants	6,508		6,508
Program service revenue	17,659		17,659
	<u>1,970,934</u>	<u>5,084</u>	<u>1,976,018</u>
 Fundraising events	 43,237	 10,000	 53,237
Other income	2,930		2,930
	<u>2,017,101</u>	<u>15,084</u>	<u>2,032,185</u>
 Releases from restrictions	 10,038	 (10,038)	 0
Total revenues and other support	<u>2,027,139</u>	<u>5,046</u>	<u>2,032,185</u>
 Expenses:			
DES programs	1,627,458		1,627,458
Other programs	141,871		141,871
Fundraising	93,647		93,647
General and administrative	89,074		89,074
	<u>1,952,050</u>		<u>1,952,050</u>
Direct cost of special events	28,944		28,944
Total expenses	<u>1,980,994</u>	<u>0</u>	<u>1,980,994</u>
 Increase in net assets	 46,145	 5,046	 51,191
 Net assets, beginning of year	 <u>206,321</u>	 <u>10,000</u>	 <u>216,321</u>
 Net assets, end of year	 <u>\$ 252,466</u>	 <u>\$ 15,046</u>	 <u>\$ 267,512</u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2000

	<u>Unrestricted net assets</u>	<u>Temporarily restricted net assets</u>	<u>Total</u>
Revenues and other support:			
Contributions	\$ 64,687		\$ 64,687
Government contracts	1,483,764		1,483,764
Program service revenue	5,200		5,200
	<u>1,553,651</u>		<u>1,553,651</u>
 Fundraising events	85,779	\$ 10,000	95,779
Other income	6,304		6,304
	<u>1,645,734</u>	<u>10,000</u>	<u>1,655,734</u>
 Releases from restrictions	15,100	(15,100)	0
Total revenues and other support	<u>1,660,834</u>	<u>(5,100)</u>	<u>1,655,734</u>
 Expenses:			
DES programs	1,436,413		1,436,413
Other programs	25,487		25,487
Fundraising	65,457		65,457
General and administrative	99,386		99,386
	<u>1,626,743</u>		<u>1,626,743</u>
Direct cost of special events	39,199		39,199
Total expenses	<u>1,665,942</u>	<u>0</u>	<u>1,665,942</u>
 (Decrease) in net assets	(5,108)	(5,100)	(10,208)
 Net assets, beginning of year	<u>211,429</u>	<u>15,100</u>	<u>226,529</u>
 Net assets, end of year	<u>\$ 206,321</u>	<u>\$ 10,000</u>	<u>\$ 216,321</u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.

STATEMENTS OF CASH FLOWS

Years ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 51,191	\$ (10,208)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,932	6,704
Loss on disposal of assets	0	2,005
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	18,885	(137,497)
(Increase) in prepaid expenses	(427)	(2,461)
(Increase) in deposits	(4,053)	(3,283)
Increase (decrease) in accounts payable	(1,943)	5,514
Increase (decrease) in bank overdraft	(3,484)	3,484
Increase (decrease) in accrued payroll	36,559	(18,255)
Increase (decrease) in client trust funds	205	(483)
Increase in deferred revenue	34,016	0
Net cash provided by (used in) operating activities	<u>139,881</u>	<u>(154,480)</u>
 Cash flows (used in) investing activities -		
Purchases of equipment	<u>(13,504)</u>	<u>(32,911)</u>
 Net increase (decrease) in cash and cash equivalents	126,377	(187,391)
 Cash and cash equivalents, beginning of year	<u>200</u>	<u>- 187,591</u>
 Cash and cash equivalents, end of year	\$ <u><u>126,577</u></u>	\$ <u><u>200</u></u>
 Supplemental cash flow information:		
Interest paid during the year	\$ <u><u>164</u></u>	\$ <u><u>156</u></u>
No cash paid for income taxes.		

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2001

	<u>DES</u> <u>programs*</u>	<u>Other</u> <u>programs</u>	<u>Fundraising</u>	<u>General and</u> <u>administrative</u>	<u>Total</u>
Salaries	\$ 1,255,274	\$ 56,015	\$ 51,911	\$ 63,054	\$ 1,426,254
Payroll taxes	101,347	4,387	4,074	5,370	115,178
Employee benefits	87,230	5,319	5,319	8,511	106,379
	<u>1,443,851</u>	<u>65,721</u>	<u>61,304</u>	<u>76,935</u>	<u>1,647,811</u>
Advertising	1,640		809	163	2,612
Insurance	3,514	220	220	439	4,393
Professional fees	13,511	44,967	2,649	712	61,839
Rent	24,013	1,501	1,501	3,001	30,016
Repairs and maintenance	12,780	1,857	799	1,597	17,033
Employee expenses	12,943				12,943
Office expense	16,942	18,646	4,097	2,060	41,745
Telephone	8,727	330	759	1,054	10,870
Conferences			171	585	756
Materials and supplies	10,201	6,371	453	474	17,499
Dues and subscriptions		595	9,562		10,157
Travel	59,192	547	3,442	256	63,437
Utilities	3,981	249	249	497	4,976
Printing	1,600	200	6,655	191	8,646
Other expenses	6,267	47	194	94	6,602
Interest expense	164				164
Training	987	173	336	123	1,619
Depreciation	7,145	447	447	893	8,932
	<u>\$ 1,627,458</u>	<u>\$ 141,871</u>	<u>\$ 93,647</u>	<u>\$ 89,074</u>	<u>\$ 1,952,050</u>

*Attended care, habilitation and independent living programs.

See Accompanying Notes

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2000

	<u>DES programs*</u>	<u>Other programs</u>	<u>Fundraising</u>	<u>General and administrative</u>	<u>Total</u>
Salaries	\$ 1,039,279	\$ 15,219	\$ 39,211	\$ 53,478	\$ 1,147,187
Payroll taxes	94,938	1,140	3,539	4,193	103,810
Employee benefits	<u>67,392</u>	<u>452</u>	<u>4,648</u>	<u>11,959</u>	<u>84,451</u>
	1,201,609	16,811	47,398	69,630	1,335,448
Advertising	21,862			284	22,146
Insurance	3,696	93	234	655	4,678
Professional fees	22,850	3,264	3,264	3,924	33,302
Rent	17,881	2,554	2,554	2,555	25,544
Repairs and maintenance	7,191	1,027	1,027	1,028	10,273
Employee expenses	9,433				9,433
Office expense	9,349	597	786	2,839	13,571
Telephone	7,949	681	1,706	1,195	11,531
Conferences				1,399	1,399
Materials and supplies	4,190		481	2,568	7,239
Dues and subscriptions	7,341		1,049	2,097	10,487
Travel	100,439			3,001	103,440
Utilities	3,223	460	460	461	4,604
Printing			6,498		6,498
Other expenses	839			4,248	5,087
Interest expense				156	156
Loss on disposal of assets				2,005	2,005
Training	13,198				13,198
Depreciation	<u>5,363</u>			<u>1,341</u>	<u>6,704</u>
	<u>\$ 1,436,413</u>	<u>\$ 25,487</u>	<u>\$ 65,457</u>	<u>\$ 99,386</u>	<u>\$ 1,626,743</u>

*Attended care, habilitation and independent living programs.

See Accompanying Notes

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2001 and 2000

NOTE 1 – Organization and purpose

United Cerebral Palsy of Southern Arizona, Inc. (UCP) is a nonprofit organization incorporated in Arizona. UCP provides attendant, respite, habilitation and independent living care services for individuals with cerebral palsy and other disabilities. UCP's most significant revenue source is government contracts.

NOTE 2 – Summary of significant accounting policies

Basis of accounting

The financial statements of UCP have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial statement presentation

UCP is required under generally accepted accounting principles to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents includes all cash balances and highly liquid investments with an original maturity of three months or less. UCP maintains its cash in bank deposit accounts which, for short periods of time, may exceed federally insured limits.

Donated goods, services and facilities

Donated goods and space are valued at their fair market value. Donated services are recognized in the financial statements at their fair market value if the following criteria are met:

- The services require specialized skills and the services are provided by individuals possessing those skills.
- The services would typically need to be purchased if not donated.

Although UCP utilizes the services of many outside volunteers, the fair value of these services is not recognized in the accompanying financial statements since they do not meet the criteria for recognition under generally accepted accounting principles.

Contributions/restricted revenue

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
NOTES TO FINANCIAL STATEMENTS – continued
December 31, 2001 and 2000

NOTE 2 – Summary of significant accounting policies – continued

Income tax status

UCP is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to UCP's tax-exempt purpose is subject to taxation as unrelated business income. In addition, UCP qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1).

Furniture and equipment

Purchased furniture and equipment are carried at cost. Donated furniture and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. UCP capitalizes all expenditures for property and equipment in excess of \$500.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTE 3 – Operating leases

UCP has operating leases for equipment and office space. Rental expense for these leases totaled \$30,016 and \$25,554 for the years ended December 31, 2001 and 2000, respectively. Future minimum lease payments are as follows:

2002	\$ 38,755
2003	38,755
2004	38,511
2005	30,780
2006	1,029
	<u>\$ 147,830</u>

NOTE 4 – Loan guarantee to Business Development Finance Corporation

During 1999, the Board of Directors voted to guarantee a loan on behalf of a client's business in the amount of \$7,500 from the Business Development Finance Corporation. The business has subsequently experienced financial difficulty and the loan payments have not been made. The loan may be called due and then UCP will likely be obligated to pay the \$7,500. The Board is exploring fundraising options to cover this debt.

NOTE 5 – Line of credit

At December 31, 2001 and 2000, UCP had a line of credit available in the amount of \$50,000 and \$25,000 respectively. No borrowings were outstanding as of December 31, 2001 and 2000.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
NOTES TO FINANCIAL STATEMENTS - continued
December 31, 2001 and 2000

NOTE 6 - Temporarily restricted net assets

Temporarily restricted net assets at December 31, 2001 and 2000 are restricted for the following purposes:

	<u>2001</u>	<u>2000</u>
Casino Night	\$ 10,000	\$ 10,000
Conductive education	<u>5,046</u>	<u>0</u>
	<u>\$ 15,046</u>	<u>\$ 10,000</u>

9. FINANCIAL DISCLOSURE (A.R.S. §§10-1622.B & 10-11622.A.9)

0387114-4

Nonprofit corporations must attach a financial statement (balance sheet including assets, liabilities and equity). All other forms of corporations are exempt from filing a financial disclosure.

9A. MEMBERS (A.R.S. § 10-11622.A.6) Nonprofit Corporations Only

This corporation **does** ☐ **does not** ☒ have members.

10. CERTIFICATE OF DISCLOSURE (A.R.S. §§10-1622.A.8 & 10-11622.A.7)

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and person controlling or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been: [Underlined portion pertains to profit corporations only]

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven year period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate?
3. Or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period immediately preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked:

YES ☐

NO ☒

If "YES", the following information must be submitted as an attachment to this report for each person subject to one or more of the actions stated in Items 1. through 3. above.

- | | |
|---|---|
| 1. Full name and prior names used. | 5. Date and location of birth. |
| 2. Full birth name. | 6. Social Security Number |
| 3. Present home address. | 7. The nature and description of each conviction or judicial action; the date and location; the court and public agency involved, and the file or cause number of the case. |
| 4. Prior addresses (for immediate preceding 7 year period). | |

11. STATEMENT OF BANKRUPTCY (A.R.S. §§10-202.D.2 & 10-3202.02)

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and person controlling or holding more than 20% of the issued and outstanding common shares or 20% of any other proprietary, beneficial or membership interest in the corporation served in such capacity or held a 20% interest in any other corporation during the bankruptcy, receivership, or charter revocation of the other corporation? [Underlined portion pertains to profit corporations only]

One box must be marked:

YES ☐

NO ☒

Chapter _____ Date Filed _____ Case Number _____

If "YES", the following information must be submitted as an attachment to this report for each person subject to the statement above:

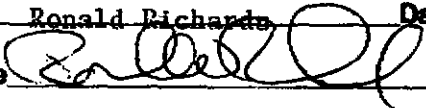
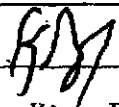
- 1) The names and addresses of each corporation and the person or persons involved. 2) The state in which each corporation was incorporated b) transacted business. 3) The dates of corporate operation.

12. SIGNATURES

CAUTION: Annual Reports must be signed by a duly authorized officer. Annual Reports submitted with incorrect signatures will be rejected.

I DECLARE, UNDER PENALTY OF LAW, THAT ALL CORPORATE INCOME TAX RETURNS REQUIRED BY TITLE 43 OF THE ARIZONA REVISED STATUTES HAVE BEEN FILED WITH THE ARIZONA DEPARTMENT OF REVENUE.

I further declare under penalty of law that I (we) have examined this report and the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name <u>Ronald Richards</u>	Date _____	Name <u>Brian McCracken</u>	Date <u>4/22/02</u>
Signature 		Signature 	
Title <u>President</u>		Title <u>Vice-President</u>	

(Signature(s) must be duly authorized corporate officer(s) listed in section 7 of this report.)