



COPY

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

AZ Corp. Commission



01767695

DUE ON OR BEFORE 04/07/2006

FY05-06

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 on page 4 for proper format.

1. **-0887114-4**
UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
~~3941 E 29TH ST #603~~ *4002 E Grant Road*
TUCSON, AZ 85711 *12*

RECEIVED

DEC 19 2006

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

Business Phone: 520-795-3108 (Business phone is optional.)

State of Domicile: ARIZONA

Type of Corporation: NON-PROFIT

2. **Statutory Agent:** STEVEN ITKIN
Mailing Address: 6280 E PIMA #105
City, State, Zip: TUCSON, AZ 85712

Physical Address, If Different.

Physical Address:

City, State, Zip:

ACC USE ONLY *12/19/06*

Fee \$ 10

Penalty \$ _____

Reinstate \$ _____

Expedite \$ _____

Resubmit \$ _____

Use this box only if appointing a new Statutory Agent

If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below.

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

Printed Name of new Statutory Agent

3. **Secondary Address:**

(Foreign Corporations are **REQUIRED** to complete this section).

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. Barbers/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 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.

5a. Please examine the corporation's original Articles of Incorporation for the amount of **shares authorized**.

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

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the corporation's minutes for the number of **shares issued**.

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

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. YOU MUST LIST AT LEAST ONE.

Name: Steven Itkin Name: Pat Treeful

Title: President Title: Vice President

Address: 6280 East Pima, Suite 105 Address: 5055 East Broadway, C104

Tucson, AZ 85712 Tucson, AZ 85711

Date taking office: November 2006 Date taking office: November 2006

Name: Loretta Carlson Name: Sharon Garrison

Title: Secretary Title: Treasurer

Address: 2744 E Broadway Address: 402 North Dijon Court

Tucson, AZ 85716 Tucson, AZ 85748

Date taking office: July 2005 Date taking office: November 2006

8. DIRECTORS PLEASE TYPE OR PRINT CLEARLY. YOU MUST LIST AT LEAST ONE.

Name: Jane Latane Name: Gus Estrella

Address: 2872 South Stacy Drive Address: 6095 West Echo Crossing Road

Tucson, AZ 85713 Tucson, AZ 85735

Date taking office: January 2006 Date taking office: May 2006

Name: _____ Name: _____

Address: _____ Address: _____

Date taking office: _____ Date taking office: _____



*Understanding Disabilities
Creating Opportunities*

**United Cerebral Palsy
of Southern Arizona**

October 6, 2005

Arizona Corporation Commission
Annual Reports – Corporations Division
400 West Congress
Tucson, AZ 85701-1347

To Whom It May Concern:

This letter is formal notification to the Arizona Corporation Commission that United Cerebral Palsy of Southern Arizona will have a new business address effective December 1, 2005. Please change your records and send any future correspondence to

United Cerebral Palsy of Southern Arizona
4002 East Grant
Tucson, AZ 85712-2509

The Statutory Agent and the telephone/fax numbers will remain the same.

Cordially,

Brian McCracken
President, United Cerebral Palsy of
Southern Arizona

/s

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

**AUDITED FINANCIAL STATEMENTS
Years ended December 31, 2005 and 2004**



INDEPENDENT AUDITORS' REPORT

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, 2005 and 2004, and the related statements of activities, functional expenses and cash flows 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, 2005 and 2004, 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.

Devries CPAs of Arizona, P.C.
DEVRIES CPAS OF ARIZONA, P.C.

March 3, 2006

Integrity is the highest form of service.

MARIANNE E. DEVRIES, CPA

4349 EAST FIFTH STREET ♦ TUCSON, ARIZONA 85711-2025 ♦ (520) 298-6200 ♦ FAX (520) 298-7656
EMAIL: info@devriesaccounting.com ♦ WEBSITE: www.devriesaccounting.com

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
ASSETS		
Cash and cash equivalents	\$ 339,312	\$ 222,739
Contracts receivable, net of allowance for doubtful accounts of \$30,450 and \$7,000, respectively - Notes 5 and 7	319,801	363,676
Bequest receivable	2,207	2,207
Other receivable	2,034	0
Prepaid expenses	11,177	13,826
Property and equipment - Notes 3, 5 and 6	755,523	35,929
Deposits	<u>3,160</u>	<u>9,941</u>
	<u>\$ 1,433,214</u>	<u>\$ 648,318</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable	\$ 12,282	\$ 18,892
Accrued expenses	145,381	158,482
Client trust funds	4,900	5,539
Construction contract payable - Note 6	76,755	0
Long-term debt - Note 6	<u>453,345</u>	<u>0</u>
	692,663	182,913
Net assets:		
Unrestricted	515,128	429,476
Expended for property and equipment	<u>225,423</u>	<u>35,929</u>
	<u>740,551</u>	<u>465,405</u>
	<u>\$ 1,433,214</u>	<u>\$ 648,318</u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.

STATEMENTS OF ACTIVITIES

Years ended December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
Unrestricted net assets:		
Revenues and other support:		
Government contracts	\$ 2,891,831	\$ 2,487,547
Program service revenue	25,161	3,615
Contributions	289,774	267,181
Other grants	15,165	91,568
Special events	0	7,403
Other income	6,853	2,451
	<u>3,228,784</u>	<u>2,859,765</u>
Releases from restrictions	0	720
Total revenues and other support	<u>3,228,784</u>	<u>2,860,485</u>
Expenses and loss:		
Functional expenses:		
DES programs	2,337,657	2,271,623
Other programs	272,696	100,808
Fundraising	39,371	42,482
General and administrative	248,198	240,730
Total functional expenses	<u>2,897,922</u>	<u>2,655,643</u>
Unallocated payments to affiliated organizations	20,084	18,740
Provision for doubtful accounts	32,868	0
Loss on disposal of property and equipment	2,764	0
Total expenses and loss	<u>2,953,638</u>	<u>2,674,383</u>
Increase in unrestricted net assets	275,146	186,102
(Decrease) in temporarily restricted net assets -		
Releases from restrictions	<u>0</u>	<u>(720)</u>
Net increase in net assets	275,146	185,382
Net assets, beginning of year	<u>465,405</u>	<u>280,023</u>
Net assets, end of year	<u>\$ 740,551</u>	<u>\$ 465,405</u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2005

	<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	\$ 1,941,867	\$ 143,119	\$ 11,738	\$ 115,731	\$ 2,212,455
Payroll taxes	163,005	11,966	981	8,817	184,769
Employee benefits	90,241	4,448	318	7,800	102,807
	<u>2,195,113</u>	<u>159,533</u>	<u>13,037</u>	<u>132,348</u>	<u>2,500,031</u>
Professional fees	4,225	57,701	266	16,354	78,546
Computer consulting				36,466	36,466
Employee recruitment	128	139	473	2,102	2,842
Insurance	16,372	5,116	1,279	2,814	25,581
Rent	23,005	7,189	1,798	4,868	36,860
Occupancy	12,942	4,044	1,011	2,224	20,221
Repairs and maintenance	2,655	792	196	5,398	9,041
Employee expenses	11,927	588	43	1,030	13,588
Office expense	11,274	15,662	881	1,938	29,755
Telephone	9,357	2,546	437	2,627	14,967
Printing	379	116	29	233	757
Conferences	2,071	627	157	521	3,376
Training	38	202	3	253	496
Travel	40,694	6,092		380	47,166
Materials and supplies	3,253	11,029	217	5,560	20,059
Fundraising materials			19,215		19,215
Dues and subscriptions	902	282	69	2,417	3,670
Other expenses	3,322	1,038	260	571	5,191
Interest expense				9,573	9,573
Depreciation				20,521	20,521
	<u>\$ 2,337,657</u>	<u>\$ 272,696</u>	<u>\$ 39,371</u>	<u>\$ 248,198</u>	<u>\$ 2,897,922</u>

*Attendant care, respite, habilitation and independent living programs.

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2004

	<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	\$ 1,716,481	\$ 57,613	\$ 31,787	\$ 180,787	\$ 1,986,668
Payroll taxes	156,772	5,262	2,903	16,512	181,449
Employee benefits	145,216	4,874	2,689	15,296	168,075
	<u>2,018,469</u>	<u>67,749</u>	<u>37,379</u>	<u>212,595</u>	<u>2,336,192</u>
Professional fees	58,197	26,541	1,502	7,659	93,899
Employee recruitment	2,891	97	54	304	3,346
Insurance	16,589	557	307	1,747	19,200
Rent	32,887	1,104	609	3,464	38,064
Occupancy	10,096	339	187	1,063	11,685
Repairs and maintenance	11,840	397	219	1,248	13,704
Employee expenses	10,368	348	192	1,092	12,000
Office expense	19,246	646	356	2,027	22,275
Telephone	11,157	374	207	1,175	12,913
Printing	4,083	137	76	430	4,726
Conferences	5,631	189	104	593	6,517
Training	4,900	164	91	516	5,671
Travel	29,453	989	545	3,102	34,089
Materials and supplies	10,404	349	193	1,096	12,042
Dues and subscriptions	533				533
Other expenses	9,828	330	182	1,035	11,375
Interest expense	222		4	23	249
Depreciation	14,829	498	275	1,561	17,163
	<u>\$ 2,271,623</u>	<u>\$ 100,808</u>	<u>\$ 42,482</u>	<u>\$ 240,730</u>	<u>\$ 2,655,643</u>

*Attendant care, respite, habilitation and independent living programs.

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Increase in net assets	\$ 275,146	\$ 185,382
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	20,521	17,163
Loss on disposal of property and equipment	2,764	0
(Increase) decrease in operating assets:		
Contracts receivable	43,875	(106,927)
Bequest receivable	0	(2,207)
Other receivable	(2,034)	0
Prepaid expenses	2,649	7,466
Deposits	6,781	(953)
Increase (decrease) in operating liabilities:		
Accounts payable	(6,610)	7,641
Accrued expenses	(13,101)	38,649
Net cash provided by operating activities	<u>329,991</u>	<u>146,214</u>
Cash flows (used in) investing activities -		
Purchases of property and equipment	(212,779)	(5,268)
Cash flows provided by (used in) custodial activities -		
Increase (decrease) in client trust funds	<u>(639)</u>	<u>5,157</u>
Net increase in cash and cash equivalents	116,573	146,103
Cash and cash equivalents, beginning of year	<u>222,739</u>	<u>76,636</u>
Cash and cash equivalents, end of year	\$ <u><u>339,312</u></u>	\$ <u><u>222,739</u></u>
<u>Supplemental cash flow information:</u>		
Interest paid during the year	\$ <u><u>7,631</u></u>	\$ <u><u>249</u></u>
No cash paid for income taxes in 2005 or 2004.		
<u>Noncash financing and investing activities:</u>		
Property and equipment purchased with proceeds of long-term debt and construction contract payable	\$ <u><u>530,100</u></u>	\$ <u><u>0</u></u>

See Accompanying Notes.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
NOTES TO FINANCIAL STATEMENTS - continued
December 31, 2005 and 2004

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. Income from certain activities not directly related to UCP's tax-exempt purpose, however, may be 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).

Property and equipment

Purchased property and equipment are carried at cost. Donated property 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 with a useful life of more than one year.

Functional expenses

Directly identifiable expenses are charged to program, solicitation and administrative services. Expenses related to more than one function are charged to programs and supporting services on the basis of management's estimate of time and utilization. Administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of UCP.

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 – Property and equipment

Property and equipment at December 31, 2005 and 2004 follows:

	2005	2004
Land	\$ 122,000	\$ 0
Building	597,997	0
Leasehold improvements	0	4,870
Software	4,250	0
Furniture and fixtures	7,023	5,270
Equipment	115,913	103,334
	<u>847,183</u>	<u>113,474</u>
Less accumulated depreciation	(91,660)	(77,545)
	<u>\$ 755,523</u>	<u>\$ 35,929</u>

NOTE 4 – Operating leases

During 2005 and 2004, UCP had operating leases for equipment, software and office space. The lease for office space expired in 2005 and was not renewed as UCP purchased office facilities. Rental expense for the leases totaled \$36,860 and \$38,064 for the years ended December 31, 2005 and 2004, respectively.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.
NOTES TO FINANCIAL STATEMENTS - continued
December 31, 2005 and 2004

NOTE 4 - Operating leases

Future minimum lease payments on the remaining leases follow:

2006	\$	4,449
2007		3,420
2008		3,420
2009		3,420
	\$	<u>14,709</u>

NOTE 5 - Line of credit

UCP has a \$100,000 revolving line of credit. Advances under the line of credit bear interest at variable rates; the interest rate at December 31, 2005 was 10.5%. No borrowings were outstanding at December 31, 2005 and 2004. Equipment and accounts receivable have been pledged as security on advances made under the line of credit.

NOTE 6 - Long-term debt

In 2005, UCP purchased a new building financing the acquisition as well as the construction contract for building renovations with a financial institution. The balance of the mortgage at December 31, 2005 was \$453,345 and the construction contract payable was \$76,755, for a total of \$530,100. Subsequent to year-end, the final construction draw was disbursed by the lender resulting in a total loan of \$532,500.

The mortgage is payable in monthly principal and interest payments of \$4,297 including interest at an initial rate of 7.342% with the final payment due September 2025. The initial interest rate will fluctuate based upon changes in the lender's LIBOR rate. The mortgage is secured by a deed of trust on land and buildings.

Principal repayments follow:

2006	\$	13,073
2007		14,065
2008		15,134
2009		16,283
2010		17,519
Thereafter		454,026
	\$	<u>530,100</u>

NOTE 7 - Concentrations

During 2005, UCP received substantially all of its revenues from contracts with the State of Arizona, Pima Health Systems and Public Partnerships, LLC. Prior to 2005, contract revenue and the related receivables were substantially related to the contract with the State of Arizona. At December 31, 2005, amounts due from the State of Arizona, Pima Health Systems and Public Partnerships, LLC totaled 66%, 13% and 21% of contract receivables, respectively.

UNITED CEREBRAL PALSY OF SOUTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS - continued

December 31, 2005 and 2004

NOTE 8 - 403(b) plan

In 2005, UCP adopted a 403(b) defined contribution plan that became effective January 1, 2006. Employees working 20 hours or more per week are eligible to participate in the plan after 90 days of employment. The plan permits employees to make elective deferrals up to the maximum amount permitted by law. After one year of service, participants who are at least 18 years of age will receive a matching contribution from UCP up to 2% of compensation. Employer contributions become 100% vested upon attainment of retirement age, death, disability or termination of employment.

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

Nonprofit corporations **must attach** a financial statement (e.g. income/expense statement, balance sheet including assets, liabilities). All other forms of corporations are exempt from filing a financial disclosure.

9A. MEMBERS (A.R.S. § 10-11622.A.6)

Only Nonprofit Corporations must answer this question.

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/or 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 business 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, RECEIVERSHIP or CHARTER REVOCATION (A.R.S. §§10-202.D.2, 10-3202.D.2, 10-1623 & 10-11623)

A) Has the corporation filed a petition for bankruptcy or appointed a receiver?

One box **must** be marked: **YES** ☐ **NO** ☒

B) Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity OR held or controlled over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in any other corporation which has been placed in bankruptcy, receivership or had its charter revoked, or administratively or judicially dissolved by any state or jurisdiction?

[Underlined portion pertains to business corporations only]

One box **must** be marked: **YES** ☐ **NO** ☒

If "YES" to A and/or B, 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. (e.g. officer, director, trustee or major stockholder)
2. The state in which each corporation was a) incorporated b) transacted business.
3. The dates of corporate operation.
4. If any involved person (listed in #1) has been involved in any other bankruptcy proceeding within the past year, the name and address of each corporation.
5. Date, Case number and Court where the bankruptcy was filed or receiver appointed.
6. Name and address of court appointed receiver.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they 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 Steven Itkin

Date 12/15/06

Name Loretta Carlson

Date 12/15/06

Signature [Signature]

Signature [Signature]

Title Board President

Title Board Secretary

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

Annual Report Instruction Sheet - READ ME! PLEASE FOLLOW THESE DIRECTIONS!

This is the instruction sheet for the annual reporting process for all corporations doing business in Arizona. Every corporation must submit an annual report once a year. This annual report must be correctly filled out and submitted by the assigned due date or the corporation may be administratively dissolved or have its authority revoked by the State of Arizona. This is the only notice you will receive. According to A.R.S. §10-1622.F, penalties accrue on business corporation annual reports which are submitted late (after the due date). Corporations must use the annual report form prescribed by the Corporation Commission. **No other format is allowed.**

Please verify the business address and statutory agent and agent address information on page one. Strike out incorrect information. Correct information should be legibly written above or to the side of struck, incorrect information. Complete the remainder of the form - use the corporation's original articles of incorporation, amendment documents and corporate minutes as guides for the stock questions. **IMPORTANT:** The entirety of this document is public record, including addresses cited. ***Use black or blue ink.**

- ☐ **Section 1.** All corporations must state their name, address, zip code, domicile state, and type (e.g., nonprofit, business, sole, professional, business trust). Please list a business phone number.
- ☐ **Section 2.** All corporations must state the name and address of the current Statutory Agent for the corporation. Correct information about the Statutory Agent is vital to the legitimate authority and status of the corporation. The statutory agent must provide both a physical and mailing address. If statutory agent has a P.O. Box, then they must provide a physical description of their street address/location. New Statutory Agents must consent to their appointment by signing the appropriate line. A corporation must amend their records at the Commission anytime the Statutory Agent is changed or whenever the Agent's designated mailing address changes. Do not sign in the space provided, unless you are appointing a new agent.
- ☐ **Section 3.** Foreign (out-of-state/country) corporations must state their known place of business in this state and in the jurisdiction in which they are incorporated. List the primary address in Section 1, and the secondary address in Section 3.
- ☐ **Section 4.** All corporations must check the category that best describes the character of their corporation in the applicable business or nonprofit corporation area.
- ☐ **Section 5.** All business corporations must indicate the number of shares which they have authorized and issued, the class and series. All business trusts must indicate the number of transferable certificates held by trustees.
- ☐ **Section 6.** All business corporations must indicate the list of applicable shareholders.
- ☐ **Section 7.** Please list all principal officers. All corporations must have at least **one** duly authorized officer, with address.
- ☐ **Section 8.** Please list all directors. All corporations must have at least **one** director per A.R.S. §§10-803.A & 10-3803.A.
- ☐ **Section 9.** All Nonprofit corporations must file a financial disclosure statement. Nonprofit corporations meet their obligation by **attaching** one of the following documents: 1) Their most recent copy of Page 2, Form 99 filed with the Arizona Department of Revenue; OR 2) A copy of the corporation's Charitable Organization Financial Statement as filed with the Arizona Secretary of State pursuant to A.R.S. §44-6552; OR 3) A copy of the corporation's Treasurer's Report/Financial Statement prepared for the current fiscal year; OR 4) A copy of the financial statement prepared for the corporation's members; OR 5) A statement that the corporation conducted no business in Arizona in the past year. All other types of corporations are exempt from filing a financial disclosure. **All Nonprofit Corporations** must also indicate whether or not the corporation has members.
- ☐ **Section 10.** All corporations must check either YES or NO in the Certificate of Disclosure. Those who check the "YES" box must supply the attachment required as explained in section 10.
- ☐ **Section 11.** All corporations must check either YES or NO in the Statement of Bankruptcy, Receivership or Charter Revocation (both A and B). Those who check the "YES" box must supply the attachment required as explained in section 11.
- ☐ **Section 12.** All corporations must read the declarations in this section. If they have complied, and if they have completed the Annual Report, then the applicable officer(s) listed in section 7 **must** acknowledge by signing and dating the report. The signer(s) shall be at least one duly authorized officer.
- ☐ **Sign, Date & Mail the Check and Annual Report.** Business corporations must send **\$45**, Nonprofit corporations **\$10**. Credit cards are **not** accepted. Business/profit corporations are subject to penalties if their report is submitted after its assigned due date. Contact the Annual Report section at **602-542-3285 (Phoenix)** or **520-628-6560 (Tucson)** or by FAX at **602-542-0082** for the penalty amount due.

MAKE CHECK PAYABLE TO:
MAIL OR DELIVER TO:

ARIZONA CORPORATION COMMISSION
c/o Annual Reports - Corporations Division
1300 West Washington
Phoenix, AZ 85007-2929

Seek professional advice from your accountant, attorney, or other knowledgeable source if you need help with any section. The Commission's web site (www.cc.state.az.us) has more general information about annual reports and reporting requirements. The Annual Reports Section of the Corporations Division cannot give legal or tax advice, but you may call them with your other questions regarding this form at (602) 542-3285.