

Official Form 1 (4/07)

**United States Bankruptcy Court
Southern District of Texas**

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Tuttle, Sullivan & Company, Inc.	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all): 76-0392172	Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): 650 North Sam Houston Parkway East Suite 200 Houston, TX	Street Address of Joint Debtor (No. and Street, City, and State):
ZIP Code 77060	ZIP Code
County of Residence or of the Principal Place of Business: Harris	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):	Mailing Address of Joint Debtor (if different from street address):
ZIP Code	ZIP Code

Location of Principal Assets of Business Debtor (if different from street address above):

Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
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Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.	Check one box: Chapter 11 Debtors <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
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Statistical/Administrative Information

Debtor estimates that funds will be available for distribution to unsecured creditors.
 Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors

1-49	50-99	100-199	200-999	1000-5,000	5001-10,000	10,001-25,000	25,001-50,000	100,001-100,000	OVER 100,000
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Estimated Assets

<input type="checkbox"/> \$0 to \$10,000	<input type="checkbox"/> \$10,001 to \$100,000	<input checked="" type="checkbox"/> \$100,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$100 million	<input type="checkbox"/> More than \$100 million
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Estimated Liabilities

<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input checked="" type="checkbox"/> \$100,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$100 million	<input type="checkbox"/> More than \$100 million
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THIS SPACE IS FOR COURT USE ONLY

Voluntary Petition <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): Tuttle, Sullivan & Company, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)			
Location Where Filed: - None -	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: - None -	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
<p style="text-align:center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align:center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p>		
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue			
(Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Statement by a Debtor Who Resides as a Tenant of Residential Property			
(Check all applicable boxes)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			

(Name of landlord that obtained judgment)			

(Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			

Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):

Tuttle, Sullivan & Company, Inc.

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.


X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signature of Attorney

X  _____
Signature of Attorney for Debtor(s)

Edward L. Rothberg 17313990
Printed Name of Attorney for Debtor(s)

Weycer, Kaplan, Pulaski & Zuber, P.C.
Firm Name

**11 East Greenway Plaza
Suite 1400
Houston, TX 77046-1104**
Address

**Email: erothberg@wkpz.com
713.961.9045 Fax: 713.961.5341**
Telephone Number

8/8/07
Date

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X  _____
Signature of Authorized Individual

Edward B. Tuttle
Printed Name of Authorized Individual

President
Title of Authorized Individual

8/8/07
Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X _____

Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF
TUTTLE, SULLIVAN & COMPANY, INC.**

A special meeting of the Board of Directors of Tuttle, Sullivan & Company, Inc. (the "Corporation") was held on August 8, 2007, at 4:00 p.m. o'clock p.m. (Central).

Present at the meeting were Edward B. Tuttle, President and sole Director, and Edward Rothberg with the firm of Weycer, Kaplan, Pulaski & Zuber, P.C.

The purpose of the meeting concerned the financial condition of the Corporation. The board of directors received and reviewed reports furnished to them concerning the financial condition of the Corporation. The prospect of reorganizing under the provisions of Chapter 11 of the United States Bankruptcy Code was discussed. Following extensive discussions, and upon motion duly made, seconded and carried, the following resolutions were passed by the quorum present:

WHEREAS, the Board having received and reviewed reports furnished it concerning the financial condition of the Corporation; and

WHEREAS, it appearing, in the business judgment of the Board that the Corporation should be reorganized under the supervision of the United States Bankruptcy Court, it is hereby:

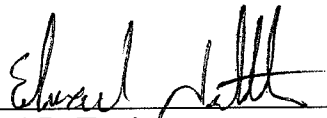
RESOLVED, that the Corporation, at the earliest opportunity, seek reorganization by initiating a case under the provisions of Chapter 11 of the Bankruptcy Code;

RESOLVED FURTHER, that Edward B. Tuttle, President of the Corporation, is hereby authorized and directed to prepare or cause to be prepared all documents, petitions, pleadings and other instruments necessary, or in the sole discretion of the President appropriate, to cause the initiation and prosecution of a case under the Bankruptcy Code;

RESOLVED FURTHER, that the Corporation is authorized and directed to employ and retain the firms of Weycer, Kaplan, Pulaski & Zuber, P.C. to

represent the Corporation in its case under the Bankruptcy Code upon such retainer and compensation agreement as may seem in the sole discretion of the President to be appropriate.

There being no further business to come before the meeting, it was, upon motion duly made, seconded and unanimously carried, adjourned.



Edward B. Tuttle,
Director and President

**WAIVER OF NOTICE OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF
TUTTLE, SULLIVAN & COMPANY, INC.**

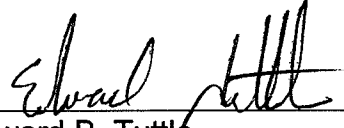
The undersigned, being the Director and President of the Corporation, hereby agrees and consents that a special meeting of the Corporation be held on the date and time, and at the place designated hereunder, and does (in agreement with all other necessary parties) hereby waive all notice whatsoever of such meeting.

Any required consent by members of the Board of Directors to hold a special meeting has been given.

I further agree and consent that any and all lawful business may be transacted at such meeting, as may be deemed advisable. Any business transaction at such meeting shall be as valid and legal and of the same force and effect as if such meeting were held after notice.

DATED: August 8, 2007
TIME: 4:00 p.m.
PLACE: Eleven East Greenway Plaza, Suite 1400
Houston, Texas 77046

TUTTLE, SULLIVAN & COMPANY, INC.

By:  _____
Edward B. Tuttle
Director and President

BRIEF LIST OF ASSETS

Description	Amount
Bank Accounts	79.20
Receivables	99,140.26
Office Equipment	11,160.00
TOTAL:	110,379.46

Attached are the most recent Creditor List (Vendor Balance Summary), Balance Sheet, Statement of Operations (Profit & Loss Statement) and Federal Income Tax Return.

Tuttle, Sullivan & Company, Inc.

Vendor Balance Summary

All Transactions

		<u>7/31/07</u>
Internal Revenue Service		257,386.27
Kytrena Tuttle		59,636.34
Canam, Inc.	% Jonathan Pravecek 713.457.2222	52,881.26
	Williams, Cohen & Gray, Inc.	
	8300 Bissonnet St. #640	
	Houston, TX 77074	
American Express	Acct No 373272632713008	23,000.00
Avnet	P O Box 847722	22,973.27
	Dallas, TX 75284-7722	
Dell Account	P O Box 676021	17,148.24
	Dallas, TX 75267-6021	
Scan Source	PO Box 890222	12,638.25
	Charlotte, NC 28289-0222	
Ned Tuttle		9,345.54
Barracuda Networks, Inc.	385 Ravendale Dr	5,459.60
	Mountain View, CA 94043	
Tech Data	P O Box 730238	2,387.93
	Dallas, TX 75373-0238	
BlueCross BlueShield of Texas	P O Box 1186	1,902.97
	Chicago, IL 60690-1186	
Chamberlain, Hrdlicka, White	1200 Smith St #1400	1,368.50
	Houston, TX 77002-4310	
Kevin Corbin		1,364.33
Mathews Alexander		1,347.83
JAC Solutions	7710-T Cherry Park Dr. PMG#217	278.40
	Houston, TX 77095	
Compsee, Inc.	400 N Main St	146.82
	Mt. Gilead, NC 27306	
Derrel Fuston		129.50
TOTAL		<u>469,395.05</u>

Employees - mileage reimb.

Balance Sheet
As of July 31, 2007

Jul 31, 07

ASSETS

Current Assets

Checking/Savings

Compass Bank 328.19

AmegyBank 9,524.74

Total Checking/Savings 9,852.93

Accounts Receivable

Receivables 110,924.04

Total Accounts Receivable 110,924.04

Total Current Assets 120,776.97

Fixed Assets

Office Equipment 14,846.00

Office Equip - Acc Dep -3,686.00

Total Fixed Assets 11,160.00

TOTAL ASSETS 131,936.97

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Payables 120,026.90

Payables - Kytrena 59,636.34

A/P - Ned 9,345.54

Total Accounts Payable 189,008.78

Other Current Liabilities

Sales Tax 8,727.84

Payroll Liabilities

SUI

Company 17.91

Total SUI 17.91

Medicare

Employee Mcare 262.25

Company 262.25

Total Medicare 524.50

FICA

Employee Fica 1,121.41

Company 1,121.41

Total FICA 2,242.82

Federal Withholding 2,846.00

SEP-IRA Liability 9,046.34

Total Payroll Liabilities 14,677.57 **

Balance Sheet
As of July 31, 2007

	<u>Jul 31, 07</u>
Total Other Current Liabilities	23,405.41
Total Current Liabilities	212,414.19
Long Term Liabilities	
IBM payable - Phone System	9,792.29
Total Long Term Liabilities	<u>9,792.29</u>
Total Liabilities	222,206.48
Equity	
Capital Stock	2,000.00
Retained Earnings	-146,489.55
Net Income	54,220.04
Total Equity	<u>-90,269.51</u>
TOTAL LIABILITIES & EQUITY	<u><u>131,936.97</u></u>

**** Does not include approximately \$273,000 in payroll tax liabilities, primarily incurred in 1998 and 1999**

Tuttle, Sullivan & Company, Inc.
Profit & Loss

January through July 2007

	<u>Jan - Jul 07</u>
Ordinary Income/Expense	
Income	
Professional Fees	
Professional - Non-Taxable	237,312.50
Professional - Taxable	199,368.75
Professional Fees - Other	0.00
Total Professional Fees	<u>436,681.25</u>
Software Income	
VAI Revenue	105,900.00
Software Income - Other	74,720.28
Total Software Income	<u>180,620.28</u>
Hardware Income	
Bar Code & RF Sales	610.00
PC - PC Sales	25,809.17
Hardware Income - Other	67,393.22
Total Hardware Income	<u>93,812.39</u>
Other Income	
IBM Maintenance	8,299.48
Commissions	616.39
Supplies	1,316.94
Reimbursed Expenses	-716.78
Miscellaneous	14,678.35
Training Seminars	-900.00
Total Other Income	<u>23,294.38</u>
Total Income	734,408.30
Cost of Goods Sold	
COGS-Software	57,627.84
COGS- Hardware	
COGS-Bar Code & RF	516.20
COGS-PC's	14,942.43
COGS- Hardware - Other	68,038.83
Total COGS- Hardware	<u>83,497.46</u>
COGS-Misc	
COGS-Supplies	1,426.13
Commissions Paid	10,226.42
Total COGS-Misc	<u>11,652.55</u>
Contract Work	44,120.40
Total COGS	<u>196,898.25</u>
Gross Profit	537,510.05
Expense	

Accrual Basis

Profit & Loss

January through July 2007

	<u>Jan - Jul 07</u>
RSA fee	261.00
Advertising	6,270.69
A/R Adjustments	-507.44
Auto	6,407.32
Bank Service Charge	228.00
Computer Lease	2,069.48
Dues and Subscriptions	4,913.01
Insurance	
Liability	352.02
Hospitalization	16,351.59
Total Insurance	<u>16,703.61</u>
Interest Expense	5,474.67
Internet Development Expense	508.63
Misc Exp	1,064.91
Office Supplies	1,292.30
Postage	640.01
Legal	1,543.50
Payroll Expenses	
Gross Wages	323,734.88
Bonus - Officers	0.00
Bonus - Employees	1,800.00
Payroll Expenses - Other	1,655.53
Total Payroll Expenses	<u>327,190.41</u>
Payroll Taxes	
SUI	3,082.59
Medicare	4,458.17
FUTA	504.00
FICA	19,062.62
Total Payroll Taxes	<u>27,107.38</u>
Rent	35,919.37
Selling Expenses	
Seminar Expense	2,550.00
Credit Card Charges	34.75
Telemarketing Expense	560.00
Total Selling Expenses	<u>3,144.75</u>
Shipping	1,296.07
Software Exp	48.66
T&E	
Lodging	832.63
Travel	1,872.00
Meals	828.40
Total T&E	<u>3,533.03</u>
Taxes	
Property	107.92

Accrual Basis

Profit & Loss

January through July 2007

	<u>Jan - Jul 07</u>
Fed	18,030.01
Penalties	2,689.27
Total Taxes	<u>20,827.20</u>
Telephone	17,353.45
Total Expense	<u>483,290.01</u>
Net Ordinary Income	<u>54,220.04</u>
Net Income	<u><u>54,220.04</u></u>

INSTRUCTIONS FOR FILING
2006 U.S. CORPORATION INCOME TAX RETURN

July 10, 2007

SIGNATURE:

An authorized officer of the corporation should sign and date the return at the bottom of the first page.

FILING:

File your 2006 Form 1120/1120-A, U.S. Corporation Income Tax Return, (or Form 1120-H, U.S. Income Tax Return for Homeowners Associations) with:

Internal Revenue Service Center
Ogden, UT 84201-0012

File your 2006 Form 1120/1120-A/1120-H on or before: March 15, 2007

The IRS may treat tax returns and estimated tax payments that are lost in the mail as not filed on time, unless you send them by registered or certified mail. To avoid the risk of your tax return being lost, mail it via (1) certified U.S. mail, return receipt requested, or (2) one of the private delivery services listed in the IRS instructions under "When to File." Save the receipt, and you will be presumed to have timely filed your return - even if it is not received by the IRS.

TAX DUE OR REFUND, OVERPAYMENT, ESTIMATED TAXES:

No tax is due with your Federal income tax return.

Form 1120

Department of the Treasury Internal Revenue Service (77)

U.S. Corporation Income Tax Return

For calendar year 2006 or tax year beginning 2006, ending 2006

OMB No. 1545-0123

2006

See separate instructions.

- A Check if: 1 Consolidated return (attach Form 851) 2 Personal holding company (attach Schedule PH) 3 Personal service corp (see instructions) 4 Schedule M-3 required (attach Sch M-3)

Name: Tuttle, Sullivan & Company, Inc. Number, street, and room or suite number: 650 North Belt Suite 200 City or town: Houston state: TX ZIP code: 77060

B Employer identification number: 76-0392172 C Date incorporated: 02/22/1993 D Total assets (see instructions): \$ 59,221.

- E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

Table with 11 columns (1a-11c, 12-29c, 30-36) and rows for INCOME, DEDUCTIONS, TAX AND PAYMENTS. Includes line items like Gross receipts or sales, Total income, Deductions, and Taxable income.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only

Preparer's signature, Date, Check if self-employed, Firm's Name (Self-Prepared), EIN, Phone no.

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	391,611.
3	Cost of labor	3	101,133.
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule). . . See Other Costs Statement	5	4,981.
6	Total. Add lines 1 through 5	6	497,725.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2.	8	497,725.

9a Check all methods used for valuing closing inventory:

- (i) Cost
- (ii) Lower of cost or market
- (iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation Yes No

Schedule C Dividends and Special Deductions (see instructions)

	(a) Dividends received	(b) Percentage	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations		
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs	80	
8	Dividends from wholly owned foreign subsidiaries	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from affiliated group members	100	
12	Dividends from certain FSCs	100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15	Foreign dividend gross-up		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities		
19	Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b		

Schedule E Compensation of Officers (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
	Payroll Expenses: Bonus - Officers	454-21-6975	100.0 %	100.0 %	%	92,850.
			%	%	%	
			%	%	%	
			%	%	%	
2	Total compensation of officers					92,850.
3	Compensation of officers claimed on Schedule A and elsewhere on return					
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12					92,850.

Schedule J Tax Computation (see instructions)		
1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>
2	Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>
3	Alternative minimum tax (attach Form 4626)	
4	Add lines 2 and 3	
5 a	Foreign tax credit (attach Form 1118)	
5 b	Qualified electric vehicle credit (attach Form 8834)	
5 c	General business credit. Check applicable box(es): <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 8835, Section B <input type="checkbox"/> Form 8844	
5 d	Credit for prior year minimum tax (attach Form 8827)	
5 e	Bond credits from: <input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912	
6	Total credits. Add lines 5a through 5e	
7	Subtract line 6 from line 4	
8	Personal holding company tax (attach Schedule PH (Form 1120))	
9	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (att schedule)	
10	Total tax. Add lines 7 through 9. Enter here and on page 1, line 31	

Schedule K Other Information (see instructions)		Yes	No	Yes	No
1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____				
2	See the instructions and enter the: a Business activity code no. ▶ <u>541511</u> b Business activity ▶ <u>Computer Consulting</u> c Product or service ▶ <u>Custom programming</u>				
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.		X		
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If 'Yes,' enter name and EIN of the parent corporation ▶ _____		X		
5	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter % owned ▶ <u>100.00</u> See Ques 5 Stmt	X			
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If 'Yes,' file Form 5452, Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		X		
7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation? If 'Yes,' enter: (a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____				X
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.				
9	Enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶ \$ _____				
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>1</u>				
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ <input type="checkbox"/> If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1502-21T(b)(3) must be attached or the election will not be valid.				
12	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶ \$ <u>58,886</u>				
13	Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000? If 'Yes,' the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ \$ _____				X

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		48,070.		-12,211.
2a	Trade notes and accounts receivable	45,562.		62,263.	
b	Less allowance for bad debts		45,562.		62,263.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach schedule)				
7	Loans to shareholders				-4,000.
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets	29,286.		40,446.	
b	Less accumulated depreciation	29,286.	0.	29,286.	11,160.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	15,000.			
b	Less accumulated amortization	15,000.	0.		
14	Other assets (attach schedule) . . . Ln 14 Stmt		1,024.		2,009.
15	Total assets		94,656.		59,221.
Liabilities and Shareholders' Equity					
16	Accounts payable		106,778.		162,022.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach sch) . . Ln 18 Stmt		19,540.		29,587.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				11,803.
21	Other liabilities (attach schedule)				
22	Capital stock: a Preferred stock				
	b Common stock	2,000.	2,000.	2,000.	2,000.
23	Additional paid-in capital		-50,569.		-50,573.
24	Retained earnings — Approp (att sch)				
25	Retained earnings — Unappropriated		16,907.		-95,618.
26	Adjmnt to shareholders' equity (att sch)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity		94,656.		59,221.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return
 Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more — see instructions

1	Net income (loss) per books	-112,525.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books	0.		Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains			_____	
4	Income subject to tax not recorded on books this year (itemize):			_____	
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation . . . \$ _____		a	Depreciation . \$ _____	
b	Charitable contributions . \$ _____		b	Charitable contribns \$ _____	
c	Travel & entertainment . \$ _____ 3,977.			_____	
	_____			_____	
	_____			_____	
	_____			_____	
	_____			_____	
6	Add lines 1 through 5	-108,548.	9	Add lines 7 and 8	
			10	Income (page 1, line 28) — line 6 less line 9	-108,548.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	16,907.	5	Distributions a Cash	
2	Net income (loss) per books	-112,525.		b Stock c Property	
3	Other increases (itemize):		6	Other decreases (itemize):	
	_____			_____	
	_____			_____	
	_____		7	Add lines 5 and 6	
4	Add lines 1, 2, and 3	-95,618.	8	Balance at end of year (line 4 less line 7)	-95,618.

Form **4562**

**Depreciation and Amortization
(Including Information on Listed Property)**

2006

Department of the Treasury
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Attachment
Sequence No. **67**

Name(s) shown on return

Tuttle, Sullivan & Company, Inc.

Identifying number

76-0392172

Business or activity to which this form relates

Form 1120 Line 20

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$108,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$430,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2005 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2007. Add lines 9 and 10, less line 12. ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	0.

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2006.	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

Section B – Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C – Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	0.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?		Yes	No	24b If 'Yes,' is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles).												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2006 tax year (see instructions):					
43 Amortization of costs that began before your 2006 tax year.					43
44 Total. Add amounts in column (f). See instructions for where to report					44

Form 1120, Page 1, Line 10

Other Income Statement

Other Income:Miscellaneous	7,865.
Other Income:Reimbursed Expenses	8,566.
Other Income:Supplies	2,117.
Other Income:Commissions	2,382.
Total	20,930.

Form 1120, Page 1, Line 26

Other Deductions Statement

Meals and entertainment (50%)	3,977.
T&E:Travel	19,350.
T&E:Lodging	8,727.
Software Exp	1,092.
Shipping	3,501.
Selling Expenses:Credit Card Charges	55.
Selling Expenses:Seminars Expense	7,663.
Selling Expenses:Other	560.
Misc Employee Benefits	13,792.
Misc Exp	2,369.
Internet Development Expense	387.
Insurance:Hospitalization	45,865.
Insurance:Other	78.
Educations/Seminars	4,273.
Computer Lease	6,070.
Bank Service Charge	6.
Auto	32,340.
Outside Svcs	4,400.
Insurance:Liability	1,433.
Telephone	27,654.
Legal	457.
Postage	1,123.
Office Supplies	3,281.
Dues and Subscriptions	20,389.
Total	208,842.

Form 1120, Page 2, Sch A, Line 5

Other Costs Statement

COGS-Misc:COGS - Discounts	4,981.
Total	4,981.

Form 1120, Page 4, Schedule L, Line 6

Ln 6 Stmt

Other Current Assets:	Beginning of tax year	End of tax year
Compass Bank - CD		
Prepaid Expense		

Form 1120, Page 4, Schedule L, Line 6
Ln 6 Stmt

Continued

Other Current Assets:	Beginning of tax year	End of tax year
Inventory		

Total

Form 1120, Page 4, Schedule L, Line 14
Ln 14 Stmt

Other Assets:	Beginning of tax year	End of tax year
Inventory Asset	1,024.	2,009.

Total

1,024. 2,009.

Form 1120, Page 4, Schedule L, Line 18
Ln 18 Stmt

Other Current Liabilities:	Beginning of tax year	End of tax year
Deposit for Work	8,742.	31,066.
Payroll Liabilities:SUI:Company		18.
IRS Tax Payable		
Payroll Liabilities:Other		
Sales Tax	5,439.	1,019.
Payroll Liabilities:Federal Withholding	3,223.	3,437.
Payroll Liabilities:FICA:Company	735.	883.
Payroll Liabilities:FICA:Employee Fica	735.	883.
Payroll Liabilities:Medicare:Company	333.	335.
Payroll Liabilities:Medicare:Employee Mcare	333.	335.
American Express		-8,389.

Total

19,540. 29,587.

Form 1120, Sch K, Corporation Ownership Information
Ques 5 Stmt

Name	ID No.
Edward Tuttle	454-21-6975