

Special Kids, Inc.

RETURN OF ORGANIZATION EXEMPT FROM TAX
IRS Form 990

FOR TAX YEAR ENDED DECEMBER 31, 2006

H A Beasley & Company, PC
Certified Public Accountants
615-895-5675 HA@HABEASLEY.COM

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2006

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning , 2006, and ending , 20				
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; vertical-align: top; font-size: small;"> Please use IRS label or print or type. See Specific Instructions. </td> <td style="width: 65%;"> C Name of organization SPECIAL KIDS INC Number and street (or P.O. box if mail is not delivered to street address) Room/suite 202 ARNETTE STREET City or town, state or country, and ZIP + 4 MURFREESBORO TN 37130 </td> <td style="width: 20%;"> D Employer identification number 62-1718638 E Telephone number (615) 867-5090 F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶ </td> </tr> </table> <p style="font-size: x-small;">* Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).</p>	Please use IRS label or print or type. See Specific Instructions.	C Name of organization SPECIAL KIDS INC Number and street (or P.O. box if mail is not delivered to street address) Room/suite 202 ARNETTE STREET City or town, state or country, and ZIP + 4 MURFREESBORO TN 37130	D Employer identification number 62-1718638 E Telephone number (615) 867-5090 F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶
Please use IRS label or print or type. See Specific Instructions.	C Name of organization SPECIAL KIDS INC Number and street (or P.O. box if mail is not delivered to street address) Room/suite 202 ARNETTE STREET City or town, state or country, and ZIP + 4 MURFREESBORO TN 37130	D Employer identification number 62-1718638 E Telephone number (615) 867-5090 F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶		
G Website: ▶				
J Organization type (check only one) ▶ <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
K Check here ▶ <input type="checkbox"/> if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.				
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,431,396				
H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) If "Yes," enter number of affiliates ▶ H(c) Are all affiliates included? (If "No," attach a list. See instructions.) <input type="checkbox"/> Yes <input type="checkbox"/> No H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I Group Exemption Number ▶ M Check <input type="checkbox"/> if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).				

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

	1 Contributions, gifts, grants, and similar amounts received:			
	a Contributions to donor advised funds	1a		
	b Direct public support (not included on line 1a)	1b	678,319	
	c Indirect public support (not included on line 1a)	1c		
	d Government contributions (grants) (not included on line 1a)	1d		
	e Total (add lines 1a through 1d) (cash \$ 503,319 noncash \$ 175,000)	1e	678,319	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	745,265	
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4	7,812	
	5 Dividends and interest from securities	5		
	6a Gross rents	6a		
	b Less: rental expenses	6b		
	c Net rental income or (loss). Subtract line 6b from line 6a	6c		
	7 Other investment income (describe ▶)	7		
	8a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
		8a		
	b Less: cost or other basis and sales expenses	8b		
	c Gain or (loss) (attach schedule)	8c		
	d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d		
	9 Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>			
	a Gross revenue (not including \$ _____ of contributions reported on line 1b)	9a		
	b Less: direct expenses other than fundraising expenses	9b		
	c Net income or (loss) from special events. Subtract line 9b from line 9a	9c		
	10a Gross sales of inventory, less returns and allowances	10a		
	b Less: cost of goods sold	10b		
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c		
	11 Other revenue (from Part VII, line 103)	11		
	12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	1,431,396	
R E V E N U E	13 Program services (from line 44, column (B))	13	972,485	
	14 Management and general (from line 44, column (C))	14	110,105	
	15 Fundraising (from line 44, column (D))	15	159,609	
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses. Add lines 16 and 44, column (A)	17	1,242,199	
	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	189,197	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	650,133	
	20 Other changes in net assets or fund balances (attach explanation)	20		
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	839,330	
E X P E N S E S				
N E T A S S E T S				

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22 a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a				
22 b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25 a	Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	25a				
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)	25b				
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c				
26	Salaries and wages of employees not included on lines 25a, b, and c	26	859,599	695,044	84,538	80,017
27	Pension plan contributions not included on lines 25a, b, and c	27				
28	Employee benefits not included on lines 25a - 27	28	40,124	28,783	11,341	
29	Payroll taxes	29	66,664	54,313	6,151	6,200
30	Professional fundraising fees	30				
31	Accounting fees	31	9,357	8,305	182	870
32	Legal fees	32				
33	Supplies	33	20,882	18,586	354	1,942
34	Telephone	34	10,999	7,402	2,574	1,023
35	Postage and shipping	35	4,496	4,008	70	418
36	Occupancy	36				
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39	3,133	2,678	455	
40	Conferences, conventions, and meetings	40	44,103	43,073	1,030	
41	Interest	41	481	325	156	
42	Depreciation, depletion, etc. (attach schedule)	42	18,345	16,260	385	1,700
43	Other expenses not covered above (itemize): STM167					
a	INSURANCE	43a	18,495	15,457	1,318	1,720
b	BANQUET AND MARATHON	43b	63,667			63,667
c	CONTRACT SERVICE PROVIDE	43c	27,078	27,078		
d	FAMILY SUPPORT	43d	6,044	6,044		
e	OTHER EXPENSES	43e	35,283	31,737	1,494	2,052
f	BAD DEBT EXPENSE	43f	9,500	9,500		
g	CONSULTING	43g	3,949	3,892	57	
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	1,242,199	972,485	110,105	159,609

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;
 (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ PROVIDE SKILLED CARE All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a See SERVICES (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	972,552
b (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
c (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
d (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	972,552

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A)		(B)
		Beginning of year		End of year
A s s e t s	45 Cash - non-interest-bearing	137,257	45	148,165
	46 Savings and temporary cash investments	118,530	46	170,728
	47 a Accounts receivable	92,542		
	b Less: allowance for doubtful accounts		47c	92,542
	48 a Pledges receivable			
	b Less: allowance for doubtful accounts		48c	
	49 Grants receivable		49	
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51 a Other notes and loans receivable (attach schedule)			
	b Less: allowance for doubtful accounts		51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	12,141	53	11,606
	54 a Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a	
	b Investments - other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
55 a Investments - land, buildings, and equipment: basis				
b Less: accumulated depreciation (attach schedule)		55c		
56 Investments - other (attach schedule)	1,500	56		
57 a Land, buildings, and equipment: basis	573,629			
b Less: accumulated depreciation (attach schedule)	116,108	57c	457,521	
58 Other assets, including program-related investments (describe)		58		
59 Total assets (must equal line 74). Add lines 45 through 58	658,098	59	880,562	
L i a b i l i t i e s	60 Accounts payable and accrued expenses	7,965	60	41,232
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe)		65	
66 Total liabilities. Add lines 60 through 65	7,965	66	41,232	
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67 Unrestricted	650,133	67	839,330	
68 Temporarily restricted	0	68	0	
69 Permanently restricted	0	69	0	
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
70 Capital stock, trust principal, or current funds		70		
71 Paid-in or capital surplus, or land, building, and equipment fund		71		
72 Retained earnings, endowment, accumulated income, or other funds		72		
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	650,133	73	839,330	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	658,098	74	880,562	

N
e
t
A
s
s
e
t
B
a
l
a
n
c
e
s

Part V-A Current Officers, Directors, Trustees, and Key Employees <small>(continued)</small>		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 15		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) ▶	75b	X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." ▶	75c	X
If "Yes," attach a statement that includes the information described in the instructions.			
d	Does the organization have a written conflict of interest policy? ▶	75d	X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information <small>(See the instructions.)</small>		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change ▶	76	X
77	Were any changes made in the organizing or governing documents not reported to the IRS? ▶ If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? ▶	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year? ▶	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement ▶	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? ▶	80a	X
b	If "Yes," enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81 a	Enter direct and indirect political expenditures. (See line 81 instructions.) ▶ 81a		
b	Did the organization file Form 1120-POL for this year? ▶	81b	

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b 175,000		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		X
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		X
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ _____		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed ▶ _____		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)	90b	
91 a	The books are in care of ▶ % CHRIS TRUELOVE Telephone no. ▶ 615-890-1003 Located at ▶ 202 ARNETTE STREET MURFREESBORO TN ZIP + 4 ▶ 37130		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b	X
	If "Yes," enter the name of the foreign country ▶ _____		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
 If "Yes," enter the name of the foreign country ▶ _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here ▶
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a INSURANCE PROVIDERS				685,355	
b PATIENT SERVICE FEES				59,910	
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments				7,812	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				753,077	
105 Total (add line 104, columns (B), (D), and (E)) ▶					753,077

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

▼ 93A WE PROVIDE SEVERAL TYPES OF THERAPY FOR SPECIAL NEEDS CHILDREN 93B WE ALSO PROVIDE NURSING DAYCARE FOR SPECIAL NEEDS CHILDREN

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

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 officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: *Chris Truelove* Date: _____
 Type or print name and title: Executive Director

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: 05-15-2007 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. X): _____
 Firm's name (or yours if self-employed) address, and ZIP + 4: H A BEASLEY AND COMPANY CPAS PC EIN: _____
237 W NORTHFIELD, SUITE 102 Phone no.: _____
MURFREESBORO, TN 37129 615-895-5675

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information -- (See separate instructions.)

OMB No. 1545-0047

2006

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

SPECIAL KIDS INC

Employer identification number

62-1718638

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE	NONE			
NONE MURFREESB TN 37130	0	0	0	0

Total number of other employees paid over \$50,000 ▶

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
NONE MURFREESBO TN 37130	NONE	

Total number of others receiving over \$50,000 for professional services ▶

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	X
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	X
d Enter the total number of donor advised funds owned at the end of the tax year ▶ _____		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ _____		
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ _____		
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ _____		

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ► _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) **more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) **no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	440,477	448,213	279,974	167,999	1,336,663
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	649,278	740,163	665,669	589,601	2,644,711
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	5,492	1,067	97	1,348	8,004
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	1,095,247	1,189,443	945,740	758,948	3,989,378
24 Line 23 minus line 17	445,969	449,280	280,071	169,347	1,344,667
25 Enter 1% of line 23	10,952	11,894	9,457	7,589	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 0
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:					
(2005) _____ (2004) _____ (2003) _____ (2002) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:					
(2005) _____ (2004) _____ (2003) _____ (2002) _____					
c Add: Amounts from column (e) for lines: 15 1,336,663 16 0 17 2,644,711 20 0 21 0					27c 3,981,374
d Add: Line 27a total and line 27b total					27d
e Public support (line 27c total minus line 27d total)					27e 3,981,374
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f 3,989,378
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 99.80%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 0.20%
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 9 of the instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			

34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table-		
	If the amount on line 40 is-		
	The lobbying nontaxable amount is-		
	Not over \$500,000 20% of the amount on line 40	41	
	Over \$500,000 but not over \$1,000,000 . . . \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 . . \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000 . \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			0
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 13 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

- (i) Cash
- (ii) Other assets

b Other transactions:

- (i) Sales or exchanges of assets with a noncharitable exempt organization
- (ii) Purchases of assets from a noncharitable exempt organization
- (iii) Rental of facilities, equipment, or other assets
- (iv) Reimbursement arrangements
- (v) Loans or loan guarantees
- (vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service

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

Attachment
Sequence No. **67**

Name(s) shown on return SPECIAL KIDS INC	Business or activity to which this form relates PROGRAM SERVICES - 1	Identifying number 62-1718638
--	--	---

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	
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	
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 instructions)		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	16,907

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
19a	3-year property					
b	5-year property STATEMENT # 50					1,438
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

20a	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 instr.	22	18,345
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:								
		%				S/L-		
		%				S/L-		
		%				S/L-		
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.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6	Vehicle 7	Vehicle 8	Vehicle 9	Vehicle 10	Vehicle 11	Vehicle 12
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												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
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	68
44 Total. Add amounts in column (f). See the instructions for where to report				44	68

Statement of Program Service Accomplishments

2006 01

Name(s) as shown on return

Your Social Security Number

SPECIAL KIDS INC

62-1718638

FORM 990, PART III (a)

Grants and Allocations \$0
Program Service Expenses \$972552
Includes Foreign Grants NO

Explanation

PROVIDE MEDICAL, RESPITE, THERAPY AND NURSING CARE FOR "SPECIAL NEEDS" KIDS WITH SEVERE MEDICAL NEEDS AND/OR MENTAL HANDICAPS

Next Year's Depreciation

2006

Name		FEIN					
SPECIAL KIDS INC		62-1718638					
Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
PRG	1	BUILDING	19980301	253,225	SL	40	6,331
PRG	1	OFFICE SUPPLIES	19970821	303	SL	7	
PRG	1	EQUIPMENT AND FURNISHING	19980301	14,490	SL	7	
PRG	1	OFFICE FURNITURE	20000601	699	SL	7	49
PRG	1	SOFTWARE	19980617	1,995	SL	5	
PRG	1	SOFTWARE UPGRADES	19990601	957	SL	5	
PRG	1	SOFTWARE	20000608	1,693	SL	5	
MGT	1	LAND	19970101		NDA	5	
PRG	1	LASERJET 2200	20010404	897	SL	5	
PRG	1	50KW EMERGENCY GENERATOR	20010426	16,877	SL	5	
PRG	1	DELL COMPUTER	20011015	1,505	SL	5	
PRG	1	DELL COMPUTER	20011218	1,402	SL	5	
PRG	1	DELL COMPUTERS	20020201	1,784	SL	5	178
PRG	1	COMPUTER	20030630	1,284	SL	5	257
PRG	1	CLIMBING WALL	20030508	1,307	SL	5	261
PRG	1	TREADMILL	20040123	4,905	SL	5	981
PRG	1	COMPUTER SERVER	20040212	1,988	SL	5	398
PRG	1	BARRELL ROLL	20040625	1,284	SL	5	257
PRG	1	VITAL SIGN MONITOR	20040901	2,009	SL	5	402
PRG	1	LOBBY PLAY ISLAND	20040601	929	SL	5	186
PRG	1	GAIT TRAINER	20041008	705	SL	5	141
PRG	1	MOBILE STORAGE	20040601	536	SL	5	107
PRG	1	STACK CHAIRS	20040622	285	SL	5	57
PRG	1	PRESCHOOL KIT	20040701	267	SL	5	53
PRG	1	SPORT EQUIP	20040119	286	SL	5	57
PRG	1	GRANT COMPUTER	20050131	5,292	SL	5	1,058
PRG	1	GRANT COMPUTER	20050131	3,183	SL	5	637
PRG	1	GRANT COMPUTER	20050131	1,772	SL	5	354
PRG	1	GRANT COMPUTER EQUIP,	20050131	1,184	SL	5	237
PRG	1	HOOFBEATS EQUIP	20050207	570	SL	5	114
PRG	1	DIGITAL CAMERA HOOFBEATS	20050214	406	SL	5	81
PRG	1	COMPUTER	20050418	652	SL	5	130
PRG	1	COMPUTER	20050517	1,741	SL	5	348
PRG	1	COMPUTER EQUIP	20050517	925	SL	5	185
PRG	1	8 SIDED LOFT	20050620	3,444	SL	5	689
PRG	1	COMPUTER	20050729	649	SL	5	130
PRG	1	COMPUTER	20050818	1,881	SL	5	376
PRG	1	ACS CART	20050822	1,957	SL	5	391
PRG	1	GRANT EQUIP	20050822	417	SL	5	83
PRG	1	GRANT SOFTWARE	20050927	384	SL	5	77
PRG	1	QB SOFTWARE	20050520	342	AMT	5	68
PRG	1	PREDATORS GRANT EQUIPMEN	20060701	8,081	SL	5	1,616
PRG	1	GRANT SOFTWARE	20060321	6,295	SL	5	1,259
PRG	1	202 ARNETTE STREET	20061018		NDA	30	
		TOTAL					17,548

Depreciation Detail Listing

PROGRAM SERVICES - J

For your records only

2006

PAGE 1

* Item was disposed
of during current year.

Name(s) as shown on return

Social security number/EIN

SPECIAL KIDS INC

62-1718630

No.	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
1	BUILDING	19980301	253,225		100.00		253,225	40	S/L MM	2.5	6,331	56,875			6,331
2	OFFICE SUPPLIES	19970821	303		100.00		303	7		0		303			
3	EQUIPMENT AND FURNISH	19980301	14,490		100.00		14,490	7		0		14,490			
4	OFFICE FURNITURE	20000601	699		100.00		699	7	S/L HY	14.285	100	650			100
5	SOFTWARE	19980617	1,995		100.00		1,995	5		0		1,995			
6	SOFTWARE UPGRADES	19990601	957		100.00		957	5		0		957			
7	SOFTWARE	20000608	1,693		100.00		1,693	5		0		1,693			
9	LASERJET 2200	20010404	897		100.00		897	5	S/L HY	20	91	897			91
10	50KW EMERGENCY GENER	20010426	16,877		100.00		16,877	5	S/L HY	20	1,689	16,877			1,689
11	DELL COMPUTER	20011015	1,505		100.00		1,505	5	S/L HY	20	150	1,505			150
12	DELL COMPUTER	20011218	1,402		100.00		1,402	5	S/L HY	20	142	1,402			142
13	DELL COMPUTERS	20020201	1,784		100.00		1,784	5	S/L HY	20	357	1,606			357
14	COMPUTER	20030630	1,284		100.00		1,284	5	S/L HY	20	257	642			257
15	CLIMBING WALL	20030508	1,307		100.00		1,307	5	S/L HY	20	261	935			261
16	TREADMILL	20040123	4,905		100.00		4,905	5	S/L HY	20	981	2,453			981
17	COMPUTER SERVER	20040212	1,988		100.00		1,988	5	S/L HY	20	398	995			398
18	BARRELL ROLL	20040625	1,284		100.00		1,284	5	S/L HY	20	257	642			257
19	VITAL SIGN MONITOR	20040901	2,009		100.00		2,009	5	S/L HY	20	402	1,005			402
20	LOBBY PLAY ISLAND	20040601	929		100.00		929	5	S/L HY	20	186	465			186
21	GAIT TRAINER	20041008	705		100.00		705	5	S/L HY	20	141	282			141
22	MOBILE STORAGE	20040601	536		100.00		536	5	S/L HY	20	107	268			107
23	STACK CHAIRS	20040622	285		100.00		285	5	S/L HY	20	57	143			57
24	PRESCHOOL KIT	20040701	267		100.00		267	5	S/L HY	20	53	133			53
25	SPORT EQUIP	20040119	286		100.00		286	5	S/L HY	20	57	143			57
26	GRANT COMPUTER	20050131	5,292		100.00		5,292	5	S/L HY	20	1,058	1,587			1,058
27	GRANT COMPUTER	20050131	3,183		100.00		3,183	5	S/L HY	20	637	955			637
28	GRANT COMPUTER	20050131	1,772		100.00		1,772	5	S/L HY	20	354	531			354
29	GRANT COMPUTER EQUIP	20050131	1,184		100.00		1,184	5	S/L HY	20	237	355			237
30	HOOFBEATS EQUIP	20050207	570		100.00		570	5	S/L HY	20	114	171			114
31	DIGITAL CAMERA HOOFBE	20050214	406		100.00		406	5	S/L HY	20	81	122			81

* Item was disposed
of during current year.

Depreciation Detail Listing

PROGRAM SERVICES - 1

For your records only

2006

PAGE 2

Name(s) as shown on return

SPECIAL KIDS INC

Social security number/EIN

62-1718638

No	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr.	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
32	COMPUTER	20050418	652		100.00		652	5	S/L HY	20	130	195			130
33	COMPUTER	20050517	1,741		100.00		1,741	5	S/L HY	20	348	522			348
34	COMPUTER EQUIP	20050517	925		100.00		925	5	S/L HY	20	185	278			185
35	8 SIDED LOFT	20050620	3,444		100.00		3,444	5	S/L HY	20	689	1,033			689
36	COMPUTER	20050729	649		100.00		649	5	S/L HY	20	130	195			130
37	COMPUTER	20050818	1,881		100.00		1,881	5	S/L HY	20	376	564			376
38	ACS CART	20050822	1,957		100.00		1,957	5	S/L HY	20	391	587			391
39	GRANT EQUIP	20050822	417		100.00		417	5	S/L HY	20	83	125			83
40	GRANT SOFTWARE	20050927	384		100.00		384	5	S/L HY	20	77	115			77
41	QB SOFTWARE	20050520	342		100.00		342	5	AMT	20	68	114			68
42	PREDATORS GRANT EQUIP	20060701	8,081		100.00		8,081	5	S/L HY	10	808	808			808
43	GRANT SOFTWARE	20060321	6,295		100.00		6,295	5	S/L HY	10	630	630			630
44	202 ARNETTE STREET	20061018	175,000	175,000	100.00			0		30	0				
Totals			525,787	175,000			350,787				18,413	116,243			18,413

Federal Supporting Statements

2006 PG 01

Name(s) as shown on return

FEIN

SPECIAL KIDS INC

62-1718638

FORM 990, SCH FOR PART II, LINE 42
DEPRECIATION AND DEPLETION SCHEDULE

Statement #108

Description	Total	Program Services	Management & General	Fundraising
DEPRECIATION & AMORT	18,345	16,260	385	1,700
TOTAL	18,345	16,260	385	1,700

FORM 990, SCH FOR PART IV, LINE 56
INVESTMENTS OTHER SCHEDULE

PG 01
Statement #115

Description	C/F	Beg of Year	End of Year
INVESTMENT	F	1,500	
TOTAL		1,500	

FORM 990, SCH FOR PART IV, LINE 57
LAND ETC. SCHEDULE

PG 01
Statement #116

Category or Item	Basis	Accumulated Depreciation	End of Year
LAND, BUILDING, EQUIP.	573,629	116,108	457,521
TOTAL	573,629	116,108	457,521

FORM 4562 - LINE 19B

PG01
STATEMENT # 50

BASIS	RP	CV	METHOD	DEDUCTION
8,081	5	HY	S/L	808
6,295	5	HY	S/L	630
TOTALS				1,438