

Sapphire Bookkeeping & Accounting Inc

18001 N 79th Ave Ste D66

Glendale, AZ 85308

602-714-7874

Client 2020-24

September 16, 2021

Pride Security LLC

20280 N 59th Ave Ste 115-132

Glendale, AZ 85308

(623) 910-2379

FEDERAL FORMS

Form 1120S	2020 U.S. S Corporation Income Tax Return
Schedule K-1	Shareholder's Income, Deductions, Credits, etc
Form 1125-A	Cost of Goods Sold
Form 1125-E	Compensation of Officers
Form 4562	Depreciation and Amortization
Form 7004	Automatic Extension of Time to File
Form 8879-S	IRS e-file Signature Authorization
	Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

ARIZONA FORMS

Form 120S	2020 Arizona S Corporation Income Tax Return
Schedule K-1 (Res)	Arizona Resident Shareholder K-1
Form 4562	Arizona Depreciation and Amortization
AZ-8879-S	E-file Signature Authorization
2020 Depr. Sch.	Arizona Depreciation Schedules
2021 Depr. Sch.	Arizona Depreciation Schedules

FEE SUMMARY

Preparation Fee	\$	650.00
Amount Due	\$	650.00

ORDINARY INCOME

Gross receipts less returns/allowance.....	784,295
Cost of goods sold (Form 1125-A).....	109,454
Gross Profit.....	674,841
Total income (loss).....	674,841

ORDINARY DEDUCTIONS

Compensation of officers.....	80,000
Salaries/wages (less employment cr.).....	112,884
Repairs and maintenance.....	8,727
Rents.....	12,456
Taxes and licenses.....	9,216
Interest.....	6,263
Other deductions.....	68,443
Total deductions.....	297,989
Ordinary business income (loss).....	376,852

REFUND OR AMOUNT DUE

Balance due.....	0
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SCHEDULE K - INCOME

Ordinary business income (loss).....	376,852
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SCHEDULE K - DEDUCTIONS

Charitable contributions.....	150
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SCHEDULE K - ITEMS AFFECTING BASIS

Nondeductible expenses.....	4,251
Property distributions.....	383,212

SCHEDULE K - OTHER INFORMATION

Income (loss) reconciliation.....	376,702
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SCHEDULE L - BALANCE SHEET

Beginning Assets.....	57,187
Beginning Liabilities & Equity.....	57,187
Ending Assets.....	44,021
Ending Liabilities & Equity.....	44,021

2020**Federal Balance Sheet Summary****Page 1****Pride Security LLC****80-0386765****ENDING ASSETS**

Cash.....		6,456
Loans to shareholders.....		30,147
Buildings and other assets.....	25,518	
Less: Accumulated depreciation.....	(18,100)	7,418
Total Assets.....		44,021

ENDING LIABILITIES & EQUITY

Other current liabilities.....		29,407
Long-term notes payable.....		13,614
Capital stock.....		1,000
Total Liabilities and Equity.....		44,021

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2020

Arizona Income Tax Summary

Page 1

Pride Security LLC

DISTRIBUTED INCOME

Total federal distributed income (loss).....	376,702
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INCOME SUBJECT TO TAXES

Arizona apportionment ratio.....	100.00%
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TAX AND CREDITS

Tax liability.....	0
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REFUND OR TAX TO PAY

Balance of tax due.....	0
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Refunded.....	0
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2020

General Information

Page 1

Pride Security LLC

80-0386765

Forms needed for this return

Federal: 1120S, Sch K-1, 1125-A, 1125-E, 4562, 7004, 8879-S
Arizona: 120S, Sch K-1 (Res), 4562, AZ-8879-S

Carryovers to 2021

None

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2020 Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

Pride Security LLC

80-0386765

Name of Shareholder

Shareholder's I.D. number

Roy Gartley

004-66-2884

1a. STOCK BASIS AT BEGINNING OF TAX YEAR

1b. BASIS FROM CAPITAL CONTRIBUTIONS MADE DURING THE YEAR

INCREASES:

2. Ordinary income
3. Net income from rental activities
4. Net portfolio income
5. Net gain under Section 1231
6. Other income
7. Tax-exempt interest income
8. Other tax-exempt income
9. Net gain on disposition of Section 179 assets
10. Oil and gas depletion in excess of basis
11. OTHER INCREASES:

376,852.

10,761.

387,613.

DECREASES:

13. Nondeductible expenses
14. Oil and gas depletion
15. Ordinary loss
16. Net loss from rental activities
17. Net portfolio loss
18. Net loss under Section 1231
19. Other loss
20. Charitable contributions
21. Section 179 expense deduction
22. Deductions related to portfolio income (loss)
23. Other deductions
24. Investment interest expense
25. Total foreign taxes
26. Section 59(e) expenses
27. Prior year loss in excess of basis
28. OTHER DECREASES:

4,251.

150.

29. Property distributions (including cash)

383,212.

30. TOTAL DECREASES (add lines 13 - 29)

387,613.

31. STOCK BASIS AT END OF TAX YEAR (Add lines 1a, 1b, and 12 and subtract line 30)

0.

32. DEBT BASIS AT BEGINNING OF TAX YEAR

0.

33. ADJUSTMENTS TO DEBT BASIS:

34. DEBT BASIS AT END OF TAX YEAR (Combine Line 32 and 33)

0.

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34)

0.

Form **8879-S****IRS e-file Signature Authorization for Form 1120-S**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

- ERO must obtain and retain completed Form 8879-S.
► Go to www.irs.gov/Form8879S for the latest information.

2020

For calendar year 2020, or tax year beginning _____, 2020, and ending _____, 20____.

Name of corporation

Pride Security LLC

Employer identification number

80-0386765

Part I Tax Return Information (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1120-S, line 1c).....	1	784,295.
2	Gross profit (Form 1120-S, line 3).....	2	674,841.
3	Ordinary business income (loss) (Form 1120-S, line 21).....	3	376,852.
4	Net rental real estate income (loss) (Form 1120-S, Schedule K, line 2).....	4	
5	Income (loss) reconciliation (Form 1120-S, Schedule K, line 18).....	5	376,702.

Part II Declaration and Signature Authorization of Officer (Be sure to get a copy of the corporation's return)

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2020 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize Sapphire Bookkeeping & Accounting Inc to enter my PIN 20207 as my signature
ERO firm name Don't enter all zeros
on the corporation's 2020 electronically filed income tax return.

☐ As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2020 electronically filed income tax return.

Officer's signature ► _____ Date ► 9/15/2021 Title ► President**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

86919592510

Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ► Tiffany Powell, MA, EA Date ► 9/15/2021

ERO Must Retain This Form – See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So

BAA For Paperwork Reduction Act Notice, see instructions.

Form **8879-S** (2020)

**Application for Automatic Extension of Time To File Certain
Business Income Tax, Information, and Other Returns**

OMB No. 1545-0233

► **File a separate application for each return.**► **Go to www.irs.gov/Form7004 for instructions and the latest information.****Print
or
Type**

Name

Pride Security LLC

Number, street, and room or suite no. (If P.O. box, see instructions.)

20280 N 59th Ave Ste 115-132

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).)

Glendale, AZ 85308

Identifying number

80-0386765**Note:** File request for extension by the due date of the return. See instructions before completing this form.**Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns.** See instructions.**1** Enter the form code for the return listed below that this application is for. **25**

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part**2** If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐**3** If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.**4** If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐**5 a** The application is for calendar year 20 20, or tax year beginning _____, 20 __, and ending _____, 20 __**b Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions – attach explanation.)**6** Tentative total tax. **6** 0.**7** Total payments and credits. See instructions. **7** 0.**8** Balance due. Subtract line 7 from line 6. See instructions. **8** 0.

For calendar year 2020 or tax year beginning , 2020, ending ,

A S election effective date 1/01/2020	TYPE OR PRINT Pride Security LLC 20280 N 59th Ave Ste 115-132 Glendale, AZ 85308	D Employer identification number 80-0386765
B Business activity code number (see instructions) 561600		E Date incorporated 1/06/2009
C Check if Schedule M-3 attached <input type="checkbox"/>		F Total assets (see instructions) \$ 44,021.

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If "Yes," attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year. ▶ 1

J Check if corporation: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales.	1 a	784,295.	
	b Returns and allowances.	1 b		
	c Balance. Subtract line 1b from line 1a.	1 c	784,295.	
	2 Cost of goods sold (attach Form 1125-A).	2	109,454.	
	3 Gross profit. Subtract line 2 from line 1c.	3	674,841.	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797).	4		
DEDUCTIONS	5 Other income (loss) (see instrs — att statement).	5		
	6 Total income (loss). Add lines 3 through 5. ▶	6	674,841.	
	7 Compensation of officers (see instructions — attach Form 1125-E).	7	80,000.	
	8 Salaries and wages (less employment credits).	8	112,884.	
	9 Repairs and maintenance.	9	8,727.	
	10 Bad debts.	10		
	11 Rents.	11	12,456.	
	12 Taxes and licenses.	12	9,216.	
	13 Interest (see instructions).	13	6,263.	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562).	14		
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising.	16		
TAX AND PAYMENTS	17 Pension, profit-sharing, etc., plans.	17		
	18 Employee benefit programs.	18		
	19 Other deductions (attach statement). See Statement 1	19	68,443.	
	20 Total deductions. Add lines 7 through 19. ▶	20	297,989.	
	21 Ordinary business income (loss). Subtract line 20 from line 6.	21	376,852.	
	22 a Excess net passive income or LIFO recapture tax (see instructions).	22 a		
	b Tax from Schedule D (Form 1120-S).	22 b		
	c Add lines 22a and 22b (see instructions for additional taxes).	22 c		
	23 a 2020 estimated tax payments and 2019 overpayment credited to 2020.	23 a		
	b Tax deposited with Form 7004.	23 b		
	c Credit for federal tax paid on fuels (attach Form 4136).	23 c		
	d Reserved for future use.	23 d		
	e Add lines 23a through 23d.	23 e		
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached. ▶ <input type="checkbox"/>	24		
	25 Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed.	25	0.	
	26 Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid.	26		
27 Enter amount from line 26: Credited to 2021 estimated tax ▶ Refunded ▶ 27				

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.

Signature of officer
Date

President
Title

May the IRS discuss this return with the preparer shown below? See instructions.
☒ Yes ☐ No

Paid Preparer Use Only	Print/Type preparer's name Tiffany Powell, MA, EA	Preparer's signature Tiffany Powell, MA, EA	Date	Check <input type="checkbox"/> if self-employed	PTIN P01237425
	Firm's name ▶ Sapphire Bookkeeping & Accounting Inc	Firm's EIN ▶ 27-3870600			
	Firm's address ▶ 18001 N 79th Ave Ste D66 Glendale, AZ 85308	Phone no. 602-714-7874			

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____						
2 See the instructions and enter the:						
a Business activity ▶ <u>Security Services</u> b Product or service... ▶ <u>Service</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation:						
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock.						
(ii) Total shares of non-restricted stock.						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year						
(ii) Total shares of stock outstanding if all instruments were executed						
6 Has this corporation filed, or is it required to file, Form 8918 , Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount If checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>						
8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. See instructions ▶ \$ _____						
9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions						X
10 Does the corporation satisfy one or more of the following? See instructions						X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.						
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense.						
c The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990.						
11 Does the corporation satisfy both of the following conditions?						X
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.						
b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.						

Schedule B Other Information (see instructions) (continued)		Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction. ▶ \$ _____		X
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.		X
14a	Did the corporation make any payments in 2020 that would require it to file Form(s) 1099?		X
b	If "Yes," did the corporation file or will it file required Form(s) 1099?		
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 15. ▶ \$ _____		X

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	376,852.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss) 3a		
	b Expenses from other rental activities (attach statement) 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a 3c		
	4 Interest income 4		
	5 Dividends: a Ordinary dividends 5a		
	b Qualified dividends 5b		
	6 Royalties 6		
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S)) 7		
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S)) 8a			
	b Collectibles (28%) gain (loss) 8b		
	c Unrecaptured section 1250 gain (attach statement) 8c		
	9 Net section 1231 gain (loss) (attach Form 4797) 9		
10 Other income (loss) (see instructions) Type ▶ 10			
Deductions	11 Section 179 deduction (attach Form 4562) 11		
	12a Charitable contributions See Statement 2 12a		150.
	b Investment interest expense 12b		
	c Section 59(e)(2) expenditures Type ▶ 12c		
d Other deductions (see instructions) Type ▶ 12d			
Credits	13a Low-income housing credit (section 42(j)(5)) 13a		
	b Low-income housing credit (other) 13b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 13c		
	d Other rental real estate credits (see instrs) Type ▶ 13d		
	e Other rental credits (see instructions) Type ▶ 13e		
	f Biofuel producer credit (attach Form 6478) 13f		
	g Other credits (see instructions) Type ▶ 13g		
Foreign Transactions	14a Name of country or U.S. possession ▶ _____ 14a		
	b Gross income from all sources 14b		
	c Gross income sourced at shareholder level 14c		
	Foreign gross income sourced at corporate level		
	d Reserved for future use 14d		
	e Foreign branch category 14e		
	f Passive category 14f		
	g General category 14g		
	h Other (attach statement) 14h		
	Deductions allocated and apportioned at shareholder level		
	i Interest expense 14i		
	j Other 14j		
	Deductions allocated and apportioned at corporate level to foreign source income		
	k Reserved for future use 14k		
	l Foreign branch category 14l		
	m Passive category 14m		
	n General category 14n		
	o Other (attach statement) 14o		
	Other information		
p Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued 14p			
q Reduction in taxes available for credit (attach statement) 14q			
r Other foreign tax information (attach statement)			

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	4,251.
	d Distributions (attach stmt if required) (see instrs)	16d	383,212.
	e Repayment of loans from shareholders	16e	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		See Statement 3
Reconciliation	18 Income (loss) reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p.	18	376,702.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		7,371.		6,456.
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders		42,159.		30,147.
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	43,870.		25,518.	
b	Less accumulated depreciation	36,213.	7,657.	18,100.	7,418.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
14	Other assets (attach stmt)				
15	Total assets		57,187.		44,021.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt) <i>See St. 4</i>		19,068.		29,407.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		37,119.		13,614.
21	Other liabilities (attach statement)				
22	Capital stock		1,000.		1,000.
23	Additional paid-in capital				
24	Retained earnings				
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		57,187.		44,021.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**Note:** The corporation may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books.....	383,212.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest. \$	
		Statement 5	10,761.
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a Depreciation..... \$		a Depreciation ... \$	
b Travel and entertainment \$	4,251.		
	4,251.	7 Add lines 5 and 6.....	10,761.
4 Add lines 1 through 3.....	387,463.	8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4.	376,702.

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year.....	0.			
2 Ordinary income from page 1, line 21.....	376,852.			
3 Other additions..... See Statement 6.....	10,761.			
4 Loss from page 1, line 21.....				
5 Other reductions..... See Statement 7.....	(4,401.)			
6 Combine lines 1 through 5.....	383,212.			
7 Distributions.....	383,212.			
8 Balance at end of tax year. Subtract line 7 from line 6...	0.			

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Cost of Goods Sold

- **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ► **Go to www.irs.gov/Form1125A for the latest information.**

OMB No. 1545-0123

Name Pride Security LLC		Employer identification number 80-0386765
1	Inventory at beginning of year.....	1
2	Purchases.....	2
3	Cost of labor.....	3 109,454.
4	Additional section 263A costs (attach schedule).....	4
5	Other costs (attach schedule).....	5
6	Total. Add lines 1 through 5.....	6 109,454.
7	Inventory at end of year.....	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions.....	8 109,454.
9 a Check all methods used for valuing closing inventory:		
(i) <input type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ► -----		
b Check if there was a writedown of subnormal goods..... ► <input type="checkbox"/>		
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)..... ► <input type="checkbox"/>		
d If the LIFO inventory method was used for this tax year, enter amount 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 entity? See instructions.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation.....		<input type="checkbox"/> Yes <input type="checkbox"/> No

BAA For Paperwork Reduction Act Notice, see instructions.Form **1125-A** (Rev. 11-2018)**CLIENT COPY**

Schedule K-1
(Form 1120-S)

Department of the Treasury
Internal Revenue Service

2020

For calendar year 2020, or tax year

beginning / / ending / /

☐ Final K-1

☐ Amended K-1

671120
OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc.
▶ See separate instructions.

Part I Information About the Corporation	
A	Corporation's employer identification number 80-0386765
B	Corporation's name, address, city, state, and ZIP code Pride Security LLC 20280 N 59th Ave Ste 115-132 Glendale, AZ 85308
C	IRS Center where corporation filed return e-file
Part II Information About the Shareholder	
D	Shareholder's identifying number 004-66-2884
E	Shareholder's name, address, city, state, and ZIP code Roy Gartley 20280 N 59th Ave Ste 115-132 Glendale, AZ 85308
F	Current year allocation percentage 100 %
G	Shareholder's number of shares Beginning of tax year 1,000 End of tax year 1,000
H	Loans from shareholder Beginning of tax year \$ End of tax year \$
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: 10px; top: 50px; font-weight: bold;">FOR IRS USE ONLY</div>	

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) 376,852.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
		C	4,251.
12	Other deductions		
A	150.	D	383,212.
		17	Other information
		AC	795,056.
		K*	STMT
		V*	STMT
18	<input type="checkbox"/> More than one activity for at-risk purposes*		
19	<input type="checkbox"/> More than one activity for passive activity purposes*		
*See attached statement for additional information.			

Box 17, Code K**Disposition of Assets with Prior Section 179 Expense**

Asset Description.....	2015 Mini Cooper	
Tax Year(s) Passed Through.....	2018	
Date Acquired.....		6/01/2018
Date Sold.....		7/31/2020
Sales Price.....		11,000.
Cost or other basis plus expense of sale.....		18,352.
Depreciation allowed or allowable.....		113.
Section 179 expense deduction previously reported.....		18,000.

Supplemental Information

Section 199A Ordinary Income and Section 1231 gain (loss) include ordinary gain (loss) and Section 1231 gain (loss) on the sale of assets with prior year Section 179 expense from Pride Security LLC.

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Statement A—QBI Pass-through Entity Reporting (Schedule K-1, Box 17, Code V)

Pass-through entity's name: Pride Security LLC	Pass-through entity's EIN: 80-0386765
Shareholder's name: Roy Gartley	Shareholder's identifying number: 004-66-2884

Shareholder's share of:	Pride Security LLC		
	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP
	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated
	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB

QBI or qualified PTP items subject to shareholder-specific determinations:

	Ordinary business income (loss)	387,613.		
	Rental income (loss)			
	Royalty income (loss)			
	Section 1231 gain (loss)			
	Other income (loss)			
	Section 179 deduction			
	Other deductions			
W-2 wages		302,338.		
UBIA of qualified property		25,518.		
Section 199A dividends				

Shareholder's share of:			
	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP
	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated
	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB

QBI or qualified PTP items subject to shareholder-specific determinations:

	Ordinary business income (loss)			
	Rental income (loss)			
	Royalty income (loss)			
	Section 1231 gain (loss)			
	Other income (loss)			
	Section 179 deduction			
	Other deductions			
W-2 wages				
UBIA of qualified property				

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2020Attachment
Sequence No. **179**

Name(s) shown on return

Pride Security LLC

Business or activity to which this form relates

Form 1120S

Identifying number

80-0386765

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 instructions)	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 (see instructions)	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 2019 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 don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

14	Special depreciation allowance for qualified 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	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2020	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		

Section B — Assets Placed in Service During 2020 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			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 30-year			30 yrs	MM	S/L	
d 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	
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	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDI0812L 07/07/20

Form **4562** (2020)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, 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 depreciation allowance for qualified listed 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:								
2015 Mini Co	6/01/18	100.0	18,352.	352.	5.0	200DB HY		
2014 BMW X3	4/13/19	100.0	25,518.	7,418.	5.0	200DB HY		
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	0.	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1						29	0.	

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) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't 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 **aren't** 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,' don't 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 2020 tax year (see instructions):					
43 Amortization of costs that began before your 2020 tax year				43	
44 Total. Add amounts in column (f). See the instructions for where to report.				44	

Pride Security LLC

80-0386765

Statement 1
Form 1120S, Line 19
Other Deductions

Auto and Truck Expense.....	\$	8,693.
Bank Charges.....		263.
Dues and Subscriptions.....		873.
Insurance.....		6,320.
Legal and Professional.....		27,326.
Meals.....		4,252.
Office Expense.....		11,282.
Outside Services.....		3,319.
Postage.....		420.
Telephone.....		3,393.
Travel.....		1,160.
Utilities.....		1,142.
Total	\$	<u>68,443.</u>

Statement 2
Form 1120S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 60% Limitation.....	Total	\$	150.
		\$	<u>150.</u>

Statement 3
Form 1120S, Schedule K, Line 17d
Other Items and Amounts

Gross Receipts for Section 448(c).....	\$	795,056.
--	----	----------

Disposition of Assets with Prior Section 179 Expense

Asset Description.....	2015 Mini Cooper	
Tax Year(s) Passed Through.....	2018	
Date Acquired.....		6/01/2018
Date Sold.....		7/31/2020
Sales Price.....		11,000.
Cost or other basis plus expense of sale.....		18,352.
Depreciation allowed or allowable.....		113.
Section 179 expense deduction previously reported.....		18,000.

Statement 4
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	Beginning	Ending
Credit Cards.....	\$ 19,068.	\$ 29,407.
Total	<u>\$ 19,068.</u>	<u>\$ 29,407.</u>

2020**Federal Statements****Page 2**

Pride Security LLC

80-0386765

Statement 5
Form 1120S, Schedule M-1, Line 5
Income On Books Not On Schedule K

Gain (Loss) on Disposition of Section 179 Assets.....	\$	10,761.
Total	\$	<u>10,761.</u>

Statement 6
Form 1120S, Schedule M-2, Column A, Line 3
Other Additions

Net Gain on Disposition of Section 179 Assets.....	\$	10,761.
Total	\$	<u>10,761.</u>

Statement 7
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Contributions.....	\$	150.
Disallowed Meals and Entertainment.....		4,251.
Total	\$	<u>4,401.</u>

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Do not mail this form to the Arizona Department of Revenue. The ERO must retain this document a minimum of four years.

Name of S corporation Pride Security LLC	Employer Identification Number (required) 80-0386765
Name and Title of Officer Roy Gartley, President	

PART 1 – PURPOSE

- To certify the truthfulness, correctness, and completeness of the S corporation's Arizona electronic income tax return.
- To authorize the Electronic Return Originator (ERO) to affirm that the S corporation wishes to use the officer's electronic signature to the S corporation's federal income tax return as the S corporation's signature to the Arizona electronic income tax return filed by the S corporation.

PART 2 – TAX RETURN INFORMATION FROM ARIZONA RETURN

1 Total Distributive Income (Loss) from Form 120S, line 1.	376,702.
2 Total Income Attributable to Arizona from Form 120S, line 10.	0.
Check box 3 or box 4:	
3 <input type="checkbox"/> REFUND: Enter the amount to be refunded from Form 120S, line 30.	
4 <input type="checkbox"/> AMOUNT OWED: Enter the total due from Form 120S, line 27.	

PART 3 – FINANCIAL INSTITUTION INFORMATION

Must be present when requesting direct debit.

TYPE OF ACCOUNT <input type="checkbox"/> Checking <input type="checkbox"/> Savings	ROUTING NUMBER _____
ACCOUNT NUMBER _____	
DIRECT DEBIT REQUEST DATE _____	DIRECT DEBIT PAYMENT AMOUNT \$ _____
<input type="checkbox"/> Foreign Account: See instructions below.	

Box 3 Checkbox – Refund: The S corporation is due a refund based on the information provided on its income tax return. If the S corporation is due a refund, we will send a check.

Box 4 Checkbox – Amount Owed: The S corporation owes taxes based on the information provided on its income tax return. The S corporation has elected to direct debit for payment. The payment will be withdrawn from the account on the date listed in the Financial Institution Information Section (Part 3).

Foreign Account Checkbox: Check the "Foreign Account" box if the S corporation's debit will ultimately come from a foreign account. If you check this box, do not enter the S corporation's bank account information, we will not direct debit the account. **If the S corporation owes tax and is required to pay by EFT, submit payment by ACH Credit to avoid penalty. If the S corporation owes tax and is NOT required to pay by EFT, submit payment by ACH Credit or complete Form 120V, mail it with a check to the Arizona Department of Revenue, PO Box 29085, Phoenix, AZ 85038-9085.**

PART 4 – DECLARATION AND SIGNATURE AUTHORIZATION (Sign only after completing Part 2)

Under penalties of perjury, I declare that I am an officer of the above S corporation and that I have examined a copy of the S corporation's electronic Arizona S corporation income tax return and accompanying schedules and statements for the 2020 tax year, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts of Total Distributive Income (Loss) and Total Income Attributable to Arizona listed above are the amounts shown on the copy of the S corporation's electronic Arizona S corporation income tax return.

If I have filed a balance due return, I understand that if the ADOR does not receive full and timely payment of the tax liability by the original due date of the income tax return, the S corporation will remain liable for the tax liability and all applicable interest and penalties. When electronically filing the S corporation's federal and state tax returns, I understand that if there is an error on the federal return, the state return will also be rejected.

I consent to the S corporation's Electronic Return Originator (ERO) or On-Line Service Provider (OLSP) sending an electronic Arizona income tax return and accompanying schedules and statements to Arizona Department of Revenue (ADOR), and I consent to my ERO or OLSP sending such information to ADOR through a transmitter. I consent to ADOR sending the S corporation's ERO, OLSP and/or transmitter an acknowledgement of receipt of transmission and an indication of whether or not the transmission of the return is accepted and, if the

return is rejected, the reason(s) for the rejection. If the processing of the return or refund is delayed, I authorize ADOR to disclose to the S corporation's ERO, OLSP and/or transmitter the reason(s) for the delay. If ADOR contacts the S corporation's ERO for a copy of the return, any accompanying documents or schedules to the return, and/or this authorization form, I authorize the S corporation's ERO to release copies of the requested documents to ADOR.

I authorize Sapphire Bookkeeping & Accounting
(ELECTRONIC RETURN ORIGINATOR)

to make the election that I want the officer's electronic signature to the S corporation's federal electronic income tax return to serve as the officer's signature to the S corporation's Arizona electronic S corporation income tax return for the 2020 tax year. I understand that when the S corporation's ERO makes the election that the officer's electronic signature to the S corporation's federal income tax return will serve as the officer's signature to the S corporation's Arizona S corporation income tax return, I will have signed the S corporation's Arizona income tax return and declared under penalties of perjury that to the best of my knowledge and belief the return is true, correct and complete.

P L S E I A G S N E	SIGNATURE of OFFICER _____	DATE _____

For the ☒ calendar year 2020 or ☐ fiscal year beginning _____ and ending _____.

Business Telephone Number (with area code) (623) 910-2379	Name Pride Security LLC	CHECK ONE: <input checked="" type="checkbox"/> Original <input type="checkbox"/> Amended
Business Activity Code (from federal Form 1120-S) 561600	Address - number and street or PO Box 20280 N 59th Ave Ste 115-132 City, Town or Post Office Glendale, AZ 85308	Employer Identification Number (EIN) 80-0386765
	State Glendale, AZ	ZIP Code 85308

(68) Check box if: **A** ☐ This is a first return **B** ☐ Name change **C** ☐ Address change**A** ARIZONA apportionment for multistate S corporations only (check one box):1 ☐ AIR CARRIER 2 ☐ STANDARD 3 ☐ SALES FACTOR ONLY**B** ☐ Check if Multistate Service Provider Election and Computation (Arizona Schedule MSP) is included.Indicate the year of the election cycle: ☐ Yr 1 ☐ Yr 2 ☐ Yr 3 ☐ Yr 4 ☐ Yr 5**C** Is this the S corporation's final Arizona return under this EIN? ☐ Yes ☒ NoIf "Yes", check one: 1 ☐ Dissolved 2 ☐ Withdrawn 3 ☐ Merged/Reorganized

List EIN of the successor corporation, if any: _____

D Does the S corporation conduct business within and without Arizona? ☐ Yes ☒ No**E** Will a composite return be filed on Form 140NR? ☐ Yes ☒ No**F** Total number of nonresident individual shareholders: _____**G** Total number of resident and part-year resident individual shareholders: _____ 1**H** Total number of entity shareholders: See instructions: _____**Nonprofit Medical Marijuana Dispensary (NMMD) only:** See instructions.**I** ☐ NMMD Registry Identification Number: _____**Check box if return filed under extension:****(82)** 82F ☒**REVENUE USE ONLY. DO NOT MARK IN THIS AREA.**
(88)**(81)** PM**(66)** RCVD

1 TOTAL DISTRIBUTIVE INCOME (LOSS) from federal Form 1120-S, Schedule K: 1 376,702.

Complete lines 2-12 only if the S corporation has excess net passive income or capital gains/built-in gains. An S corporation that is not required to complete lines 2-12 must complete lines 13-25 if the S corporation has a tax liability from the recapture of tax credits.

2 Excess net passive income: _____	2	
3 Capital gains/built-in gains: _____	3	0.
4 Total federal income subject to corporate income tax: Add lines 2 and 3. Enter the difference: _____	4	0.
100% AZ S corporations check box 4a <input checked="" type="checkbox"/> . Go to line 11. Multistate S corporations , continue to line 5.		
5 Nonapportionable or allocable income: Include schedule. Multistate S corporations only : _____	5	
6 Apportionable income: Subtract line 5 from line 4. Enter the difference. Multistate S corporations only : _____	6	
7 Arizona apportionment ratio from Schedule A or Schedule ACA: _____	7	
8 Income apportioned to Arizona: Line 6 multiplied by line 7. Multistate S corporations only : _____	8	
9 Other income allocated to Arizona: Include schedule. Multistate S corporations only : _____	9	
10 Total income attributable to Arizona: Add lines 8 and 9. Enter the total: _____	10	
11 Net income subject to Arizona corporate income tax: 100% Arizona S corporations: Enter amount from line 4. Multistate S corporations: Enter the amount from line 10: _____	11	0.
12 Enter tax: See instructions before completing this line : _____	12	0.
13 Tax from recapture of tax credits from Arizona Form 300, Part 2, line 22: _____	13	
14 Subtotal: Add lines 12 and 13. Enter the total: _____	14	
15 Nonrefundable tax credits from Arizona Form 300, Part 2, line 40: _____	15	
16 Enter form no. for each nonrefundable credit claimed: 161 <input type="checkbox"/> 162 <input type="checkbox"/> 163 <input type="checkbox"/> 164 <input type="checkbox"/>		
17 Tax liability: Subtract line 15 from line 14. Enter the difference: _____	17	0.
18 Refundable tax credits: Check box(es) and enter amount 181 <input type="checkbox"/> 308 182 <input type="checkbox"/> 349: _____	18	
19 Extension payment made with Form 120EXT or online: See instructions: _____	19	
20 Estimated tax payments: See instructions: _____	20	
21 Total payments: Add lines 18 through 20. Enter the total. For amended returns, see instructions: _____	21	0.
22 Balance of tax due: If line 17 is larger than line 21, subtract line 21 from line 17. Enter the difference. Skip line 23: _____	22	0.
23 Overpayment of tax: If line 21 is larger than line 17, subtract line 17 from line 21. Enter the difference: _____	23	
24 Penalty and interest: _____	24	
25 Estimated tax underpayment penalty. If Form 220 is included, check box 25A <input type="checkbox"/> : _____	25	0.
26 Information return penalty: See instructions: _____	26	
27 TOTAL DUE: See instructions: _____	27	
28 OVERPAYMENT: See instructions: _____	28	
29 Amount of line 28 to be applied to 2021 estimated tax: _____	29	
30 Amount to be refunded: Subtract line 29 from line 28. Enter the difference: _____	30	

80-0386765

IMPORTANT: Qualifying air carriers must use Arizona Schedule ACA. Qualifying multistate service providers must include Arizona Schedule MSP. If the **"SALES FACTOR ONLY"** box on page 1, line A, is checked, *complete only Section A3, Sales Factor, lines a through f.* See instructions.

COLUMN B
Total Everywhere
Round to nearest dollar.

COLUMN C
Ratio Within Arizona
 $A \div B$

Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value).

1 Inventories

2 Depreciable assets (do not include construction in progress)

3 Land

4 Other assets (describe):

5 Less: Nonbusiness property (if included in above totals)

6 Total of section a (the sum of lines 1 through 4 less line 5)

c Total owned and rented property (Total of section a plus section b).

Payroll Factor - STANDARD AIRPORTMENT ONE:
Total wages, salaries, commissions and other compensation to employees (per federal Form 1120S, or payroll reports).....

b Sales from services or from designated intangibles **for qualifying multistate service providers only** (see instructions; include Schedule MSP).....

d Total sales and other gross receipts.....

x2 OR x1

f Sales Factor Only (for Column A, multiply line d by line e; for Column B, enter the amount from line d; for Column C, divide Column A by Column B.) Skip line A4 and line A5.

SALES FACTOR ONLY Apportionment, enter the amount from Column C on page 1, line 7.....

A5 Average Appointment Ratio for STANDARD Appointment: Divide line A4, Column C, by four (4). Enter the result on page 1, line 7. (If one of the factors is "0" in both Column A and Column B, see instructions.)

B1 Date business began in Arizona or date income was first derived from Arizona sources: 1/06/2009

Number/Street: 20280 N 59th Ave Ste 115-132

City: Glendale

State: **AZ** ZIP Code: **85308**

B3 The taxpayer designates the individual listed below as the person to contact to schedule an audit of this return and authorizes the disclosure of confidential information to this individual. (See instructions, page 12.)

Name: Roy Gartley

Phone Number: (623) 910-2379
(Area Code)

Title: President

B4 List prior taxable years ending in MM/DD/YYYY format for which a federal examination has been finalized:

NOTE: A.R.S. § 43-327 requires the taxpayer, within ninety days after final determination, to report these changes under separate cover to the Arizona Department of Revenue or to file amended returns reporting these changes. (See instructions, page 2.)

B5 Indicate tax accounting method: ☒ Cash ☐ Accrual ☐ Other (Specify method.)

Name (as shown on page 1) Pride Security LLC	EIN 80-0386765
--	--------------------------

SCHEDULE C Shareholder Information

Complete Schedule C for all shareholders of the S corporation. If the S corporation has more than 8 shareholders, include additional schedules as necessary.

(a) Shareholder Name	(b) Street Address	(d) Shareholder Tax Identification Number	(e) Shareholder's Ownership Percentage	(f) Distributive Share of Income Page 1, Line 1	(g) Resident (R) Nonresident (N) Other Entity (O)
	(c) City, State ZIP				
1 Roy Gartley	20280 N 59th Ave Ste 11 Glendale, AZ 85308	004-66-2884	100.00000	376,702	R
2					
3					
4					
5					
6					
7					
8					
Include additional sheets as necessary					

Declaration	The following declaration must be signed by one or more of the following officers: president, treasurer, or any other principal officer.		
	Under penalties of perjury, I, the undersigned officer authorized to sign this return, declare that I have examined this return, including the accompanying schedules and statements, and to the best of my knowledge and belief, it is a true, correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.		
Please Sign Here	OFFICER'S SIGNATURE	DATE	<u>President</u> TITLE
	OFFICER'S PRINTED NAME		
Paid Preparer's Use Only	<u>Tiffany Powell, MA, EA</u> PAID PREPARER'S SIGNATURE	DATE	<u>P01237425</u> PAID PREPARER'S PTIN
	<u>Tiffany Powell, MA, EA</u> PAID PREPARER'S PRINTED NAME		
	<u>Sapphire Bookkeeping & Accounting Inc</u> FIRM'S NAME (OR PAID PREPARER'S NAME, IF SELF-EMPLOYED)		<u>27-3870600</u> FIRM'S EIN
	<u>18001 N 79th Ave Ste D66</u> FIRM'S STREET ADDRESS		<u>602-714-7874</u> FIRM'S TELEPHONE NUMBER
	<u>Glendale</u> CITY	<u>AZ</u> STATE	<u>85308</u> ZIP CODE

Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix, AZ 85038-9079

For the ☒ calendar year 2020 or ☐ fiscal year beginning _____ and ending _____.

CHECK ONE: ☒ Original ☐ Amended

Shareholder's Tax Identification Number 004-66-2884			S corporation's Employer Identification Number (EIN) 80-0386765		
Shareholder's Name Roy Gartley			S corporation's Name Pride Security LLC		
Shareholder's Address — number and street or rural route 20280 N 59th Ave Ste 115-132			S corporation's Address — number and street or rural route 20280 N 59th Ave Ste 115-132		
Shareholder's City, Town or Post Office Glendale	State AZ	ZIP Code 85308	S corporation's City, Town or Post Office Glendale	State AZ	ZIP Code 85308
Shareholder's percentage of stock ownership for the taxable year: 100 %			See Supplemental Info.		

Part 1 Net Capital Gain (Loss) From Investment in a Qualified Small Business – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net capital gain (loss) from investment in a qualified small business as determined by the Arizona Commerce Authority, the S corporation is not required to complete Part 1.

Pro Rata Share Items	Distributive Share Amount
1 Net capital gain (loss) from investment in a qualified small business 1	

Part 2 Net Capital Gain (Loss) From the Exchange of Legal Tender – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net capital gain (loss) from the exchange of legal tender, the S corporation is not required to complete Part 2.

Pro Rata Share Items	Distributive Share Amount
2 Net capital gain (loss) from the exchange of legal tender 2	

Part 3 Net Long-Term Capital Gain (Loss) Subtraction – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) includes net long-term capital gain (loss), complete lines 3 through line 5 (if applicable). If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net long-term capital gain (loss), the S corporation is not required to complete Part 3.

Pro Rata Share Items From federal Form 1120-S, Schedule K-1	(a) Distributive Share Amount	(b) Net long-term capital gain (loss) included in column (a) from assets acquired before January 1, 2012	(c) Net long-term capital gain (loss) included in column (a) from assets acquired after December 31, 2011
3 Net long-term capital gain (loss) 3			

ADDITIONAL INFORMATION:

4 Net long-term capital gain (loss) from investment in a qualified small business (amount already included in line 3, column (c)) 4			
5 Net long-term capital gain (loss) from the exchange of legal tender (amount already included in line 3, column (c)) 5			

Shareholder 1

Supplemental Information
Form 120S, Sch. K-1
Other Supplemental Information

Arizona depreciation expense..... \$ 2,408.

CLIENT COPY

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Arizona Form 4562**
Depreciation and Amortization
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2020Attachment
Sequence No. **179**

Name(s) shown on return

Pride Security LLC

Business or activity to which this form relates

Form **1120S**

Identifying number

80-0386765**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 instructions)	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 (see instructions)	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 2019 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 don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

14	Special depreciation allowance for qualified 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	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2020	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 2020 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			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 30-year			30 yrs	MM	S/L	
d 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	2,408.
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	2,408.
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	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ0812L 07/07/20

Form **4562** (2020)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No						24b If 'Yes,' is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 depreciation allowance for qualified listed 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:									
2015 Mini Co	6/01/18	100.0	18,352.	352.	5.0	200DB HY	34.		
2014 BMW X3	4/13/19	100.0	25,518.	7,418.	5.0	200DB HY	2,374.		
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	2,408.	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	0.	

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) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't 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												
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 **aren't** 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,' don't 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 2020 tax year (see instructions):					
43 Amortization of costs that began before your 2020 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report.					44