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Form **1120**Department of the Treasury  
Internal Revenue Service**U.S. Corporation Income Tax Return**For calendar year 2009 or tax year beginning Mar 1, 2009, ending Feb 28, 2010

▶ See separate instructions

OMB No 1545-0123

**2009**

<b>A Check if</b>		<b>Name</b>		<b>B Employer identification number</b>	
1 a Consolidated return (attach Form 951) <input type="checkbox"/>		Adagio Teas, Inc.		42-1598706	
b Life/nonlife consolidated return <input type="checkbox"/>		Number street and room or suite number If a P.O. box see instructions		<b>C Date incorporated</b>	
2 Personal holding co (attach Sch PH) <input type="checkbox"/>		141 Lanza Ave		03/18/2003	
3 Personal service corp (see instr) <input type="checkbox"/>		City or town state ZIP code		<b>D Total assets (see instructions)</b>	
4 Schedule M 3 attached <input type="checkbox"/>		Garfield NJ 07026		\$ 854,847	
<b>E Check if</b>		<b>(1) Initial return</b>		<b>(2) Final return</b>	
				<b>(3) Name change</b>	
				<b>(4) Address change</b>	
		1 a Gross receipts or sales <u>5,118,166.</u>		b Less returns & allowances <u></u>	
		c Balance ▶		1 c <u>5,118,166</u>	
		2 Cost of goods sold (Schedule A, line 8)		2 <u>2,555,386.</u>	
		3 Gross profit Subtract line 2 from line 1c		3 <u>2,562,780.</u>	
		4 Dividends (Schedule C, line 19)		4 <u></u>	
		5 Interest		5 <u>1</u>	
		6 Gross rents		6 <u></u>	
		7 Gross royalties		7 <u></u>	
		8 Capital gain net income (attach Schedule D (Form 1120))		8 <u></u>	
		9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)		9 <u></u>	
		10 Other income (see instructions — attach schedule)		10 <u></u>	
		11 <b>Total income</b> Add lines 3 through 10		11 <u>2,562,781.</u>	
		12 Compensation of officers (Schedule E, line 4)		12 <u>128,846.</u>	
		13 Salaries and wages (less employment credits)		13 <u>384,873.</u>	
		14 Repairs and maintenance		14 <u>83,666.</u>	
		15 Bad debts		15 <u></u>	
		16 Rents		16 <u>270,609.</u>	
		17 Taxes and licenses		17 <u>334,218.</u>	
		18 Interest		18 <u>10,807.</u>	
		19 Charitable contributions		19 <u></u>	
		20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)		20 <u>544,646.</u>	
		21 Depletion		21 <u></u>	
		22 Advertising		22 <u>205,380.</u>	
		23 Pension, profit-sharing, etc, plans		23 <u></u>	
		24 Employee benefit programs		24 <u>55,306.</u>	
		25 Domestic production activities deduction (attach Form 8903)		25 <u></u>	
		26 Other deductions (attach schedule) See Other Deductions Statement		26 <u>544,430.</u>	
		27 <b>Total deductions</b> Add lines 12 through 26		27 <u>2,562,781.</u>	
		28 Taxable income before net operating loss deduction and special deductions Subtract line 27 from line 11		28 <u>0.</u>	
		29 <b>Less:</b> a Net operating loss deduction (see instructions)		29 a <u></u>	
		b Special deductions (Schedule C, line 20)		29 b <u></u>	
		29 c <u></u>		29 c <u></u>	
		30 <b>Taxable income</b> Subtract line 29c from line 28 (see instructions)		30 <u>0.</u>	
		31 <b>Total tax</b> (Schedule J, line 10)		31 <u></u>	
		32 a 2008 overpayment credited to 2009		32 a <u></u>	
		b 2009 estimated tax payments		32 b <u></u>	
		c 2009 refund applied for on Form 4466		32 c <u></u>	
		d Bal ▶		32 d <u></u>	
		e Tax deposited with Form 7004		32 e <u>0.</u>	
		f Credits (1) Form 2439 (2) Form 4136		32 f <u></u>	
		g Refundable credits from Form 3800, line 19c, and Form 8827, line 8c		32 g <u></u>	
		33 Estimated tax penalty (see instructions) Check if Form 2220 is attached		33 <u></u>	
		34 <b>Amount owed</b> If line 32h is smaller than the total of lines 31 and 33, enter amount owed		34 <u></u>	
		35 <b>Overpayment.</b> If line 32h is larger than the total of lines 31 and 33, enter amount overpaid		35 <u>0.</u>	
		36 Enter amount from line 35 you want. Credited to 2010 estimated tax		36 <u></u>	
		Refunded ▶		36 <u></u>	

<b>Sign Here</b>	Under penalties of perjury I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Signature of officer	Date	
	President		

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶	Date	Check if self employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address and ZIP code	Mizzone & Associates 871 McBride Avenue West Paterson NJ 07424		EIN 20-3952743
	Phone no (973) 278-4601			

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

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Form 1120 (2009)

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COMPANIES HOUSE

FRIDAY

COMPANIES HOUSE

**U.S. Corporation Income Tax Return**  
For calendar year 2009 or tax year beginning Mar 1, 2009, ending Feb 28, 2010  
▶ See separate instructions.

OMB No 1545-0123  
**2009**

<b>A Check if</b> 1 a Consolidated return (attach Form 951) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co (attach Sch PH) <input type="checkbox"/> 3 Personal service corp (see instr) <input type="checkbox"/> 4 Schedule M 3 attached <input type="checkbox"/>	<b>Use IRS label. Otherwise, print or type</b>	Name <b>Adagio Teas, Inc.</b> Number, street, and room or suite number If a P.O. box, see instructions <b>141 Lanza Ave</b> City or town state ZIP code <b>Garfield NJ 07026</b>	<b>B Employer identification number</b> <b>42-1598706</b> <b>C Date incorporated</b> <b>03/18/2003</b> <b>D Total assets (see instructions)</b> <b>\$ 854,847.</b>
<b>E Check if</b> (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change			

<b>INCOME</b>	<b>1a</b> Gross receipts or sales <b>5,118,166</b> <b>b</b> Less returns & allowances <b>c</b> Balance ▶	<b>1c</b> <b>5,118,166.</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8)	<b>2</b> <b>2,555,386.</b>
	<b>3</b> Gross profit Subtract line 2 from line 1c	<b>3</b> <b>2,562,780.</b>
	<b>4</b> Dividends (Schedule C, line 19)	<b>4</b>
	<b>5</b> Interest	<b>5</b> <b>1.</b>
	<b>6</b> Gross rents	<b>6</b>
	<b>7</b> Gross royalties	<b>7</b>
	<b>8</b> Capital gain net income (attach Schedule D (Form 1120))	<b>8</b>
	<b>9</b> Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	<b>9</b>
	<b>10</b> Other income (see instructions — attach schedule)	<b>10</b>
	<b>11 Total income</b> Add lines 3 through 10 ▶	<b>11</b> <b>2,562,781.</b>
<b>DEDUCTIONS</b>	<b>12</b> Compensation of officers (Schedule E, line 4)	<b>12</b> <b>128,846</b>
	<b>13</b> Salaries and wages (less employment credits)	<b>13</b> <b>384,873.</b>
	<b>14</b> Repairs and maintenance	<b>14</b> <b>83,666</b>
	<b>15</b> Bad debts	<b>15</b>
	<b>16</b> Rents	<b>16</b> <b>270,609.</b>
	<b>17</b> Taxes and licenses	<b>17</b> <b>334,218</b>
	<b>18</b> Interest	<b>18</b> <b>10,807</b>
	<b>19</b> Charitable contributions	<b>19</b>
	<b>20</b> Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)	<b>20</b> <b>544,646</b>
	<b>21</b> Depletion	<b>21</b>
	<b>22</b> Advertising	<b>22</b> <b>205,380</b>
	<b>23</b> Pension, profit-sharing, etc, plans	<b>23</b>
	<b>24</b> Employee benefit programs	<b>24</b> <b>55,306.</b>
	<b>25</b> Domestic production activities deduction (attach Form 8903)	<b>25</b>
	<b>26</b> Other deductions (attach schedule) See Other Deductions Statement	<b>26</b> <b>544,430.</b>
	<b>27 Total deductions</b> Add lines 12 through 26 ▶	<b>27</b> <b>2,562,781.</b>
	<b>28</b> Taxable income before net operating loss deduction and special deductions Subtract line 27 from line 11	<b>28</b> <b>0.</b>
	<b>29 Less</b> a Net operating loss deduction (see instructions) <b>29a</b>	<b>29a</b>
	b Special deductions (Schedule C, line 20) <b>29b</b>	<b>29b</b>
	<b>29c</b>	<b>29c</b>
<b>TAX REFUNDABLE AND PAYMENTS</b>	<b>30 Taxable income</b> Subtract line 29c from line 28 (see instructions)	<b>30</b> <b>0.</b>
	<b>31 Total tax</b> (Schedule J, line 10)	<b>31</b>
	<b>32a</b> 2008 overpayment credited to 2009 <b>32a</b>	<b>32a</b>
	<b>b</b> 2009 estimated tax payments <b>32b</b>	<b>32b</b>
	<b>c</b> 2009 refund applied for on Form 4466 <b>32c</b>	<b>32c</b>
	<b>d</b> Tax deposited with Form 7004 <b>32d</b>	<b>32d</b> <b>0.</b>
	<b>e</b> Credits (1) Form 2439 (2) Form 4136 <b>32e</b>	<b>32e</b>
	<b>f</b> Refundable credits from Form 3800, line 19c, and Form 8827, line 8c <b>32f</b>	<b>32f</b>
	<b>g</b> Estimated tax penalty (see instructions) Check if Form 2220 is attached <b>32g</b>	<b>32g</b>
	<b>33</b> Amount owed If line 32h is smaller than the total of lines 31 and 33, enter amount owed ▶ <b>33</b>	<b>33</b>
	<b>34</b> Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid <b>34</b>	<b>34</b>
	<b>35</b> Enter amount from line 35 you want Credited to 2010 estimated tax <b>35</b>	<b>35</b> <b>0</b>
	<b>36</b> Enter amount from line 35 you want Refunded ▶ <b>36</b>	<b>36</b>

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Signature of officer <b>President</b> Date	

<b>Paid Preparer's Use Only</b>	Preparer's signature <b>Mizzone &amp; Associates</b> Date <b>871 McBride Avenue</b> Firm's name (or yours if self-employed) address, and ZIP code <b>West Paterson NJ 07424</b>	Preparer's SSN or PTIN <b>P00637948</b> EIN <b>20-3952743</b> Phone no <b>(973) 278-4601</b>
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**Schedule A Cost of Goods Sold** (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	1,237,660
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) See Other Costs Statement	5	1,317,726
6	<b>Total</b> Add lines 1 through 5	6	2,555,386
7	Inventory at end of year	7	
8	<b>Cost of goods sold</b> Subtract line 7 from line 6. Enter here and on page 1, line 2	8	2,555,386

**9a** Check all methods used for valuing closing inventory:

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

**b** Check if there was a writedown of subnormal goods ☐**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐**d** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d** ☐**e** If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No**Schedule C Dividends and Special Deductions** (see instructions)

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

**Schedule E Compensation of Officers** (see instructions for page 1, line 12)**Note** Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
	Michael Cramer	121-62-1572	100.0%	40.0%	0.0%	109,615.
	Sofya Kreymerman	121-62-6705	100.0%	20.0%	0.0%	19,231.
			%	%	%	
			%	%	%	
			%	%	%	
2	<b>Total compensation of officers</b>					128,846.
3	<b>Compensation of officers claimed on Schedule A and elsewhere on return</b>					128,846.
4	<b>Subtract line 3 from line 2. Enter the result here and on page 1, line 12</b>					

Form 1120 (2009)

**Schedule J Tax Computation** (see instructions)

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	2
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)		
5b	Credit from Form 8834, line 29		
5c	General business credit (attach Form 3800)		
5d	Credit for prior year minimum tax (attach Form 8827)		
5e	Bond credits from Form 8912		
6	Total credits Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9	Other taxes <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 Check if from <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (att schedule)		9
10	Total tax Add lines 7 through 9 Enter here and on page 1, line 31		10

**Schedule K Other Information** (see instructions)

1	Check accounting method a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶	Yes	No
2	See the instructions and enter the		
a	Business activity code no ▶ 445299		
b	Business activity ▶ Beverage Sales		
c	Product or service ▶ Tea		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidary controlled group? If 'Yes,' enter name and EIN of the parent corporation ▶		X
4	At the end of the tax year		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If 'Yes,' complete Part I of Schedule G (Form 1120) (attach Schedule G)		X
b	Did any individual or estate own, directly 20% or more, or own directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If 'Yes,' complete Part II of Schedule G (Form 1120) (attach Schedule G)	X	
5	At the end of the tax year, did the corporation	Yes	No
a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership see instructions If 'Yes,' complete (i) through (iv)		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

**Schedule K** *Continued*

- b** Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more 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 (iv)

X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

- 6** During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316 )  
If "Yes," file **Form 5452**, Corporate Report of Nondividend Distributions  
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary

X

- 7** At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of the corporation's stock entitled to vote or (b) the total value of all classes of the corporation's stock?  
For rules of attribution see section 318. If "Yes," enter

X

(i) Percentage owned ▶ \_\_\_\_\_ and (ii) Owner's country ▶ \_\_\_\_\_

(c) The corporation may have to file **Form 5472**, Information Return of a 25% Foreign Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ \_\_\_\_\_

- 8** 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

**9** Enter the amount of tax exempt interest received or accrued during the tax year ▶ \$ \_\_\_\_\_

**10** Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ \_\_\_\_\_

- 11** If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ☐  
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.

**12** Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a) ▶ \$ \_\_\_\_\_

- 13** Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000?

X

If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 5. Instead, enter the total amount of cash distributions and the book value property distributions (other than cash) made during the tax year ▶ \$ \_\_\_\_\_

Form 1120 (2009)

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		36,319.		67,318.
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 schedule) Ln 6 Stmt		170,124		
7	Loans to shareholders		333,319.		393,789.
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets	444,468.		1,103,285.	
b	Less accumulated depreciation	278,142.	166,326.	709,545.	393,740.
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 schedule)				
15	Total assets		706,088		854,847.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach sch) Ln 18 Stmt		250,000.		295,396.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock a Preferred stock				
b	Common stock	1,000	1,000	1,000.	1,000.
23	Additional paid in capital		254,749		254,749.
24	Retained earnings -- Approp (att sch)				
25	Retained earnings -- Unappropriated		200,339		303,702.
26	Adjmnt to shareholders' equity (att sch)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity		706,088.		854,847.

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

1	Net income (loss) per books	103,363.	7	Income recorded on books this year not included on this return (itemize)	
2	Federal income tax per books			Tax exempt interest \$	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize)				
5	Expenses recorded on books this year not deducted on this return (itemize)		8	Deductions on this return not charged against book income this year (itemize)	
a	Depreciation \$		a	Depreciation \$	113,250.
b	Charitable contributions \$		b	Charitable contributions \$	
c	Travel & entertainment \$	8,677.			
See Ln 5 Stmt		1,210.			113,250.
		9,887.	9	Add lines 7 and 8	113,250.
6	Add lines 1 through 5	113,250.	10	Income (page 1, line 28) — line 6 less line 9	0.

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

1	Balance at beginning of year	200,339.	5	Distributions a Cash	
2	Net income (loss) per books	103,363	b	Stock c Property	
3	Other increases (itemize)		6	Other decreases (itemize)	
			7	Add lines 5 and 6	
4	Add lines 1, 2, and 3	303,702.	8	Balance at end of year (line 4 less line 7)	303,702.

Department of the Treasury  
Internal Revenue Service

- ▶ Attach to Form 1120
- ▶ See Instructions

2009

Adagio Teas, Inc.

42-1598706

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax exempt organization that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

[illegible]

Complete columns (i) through (v) below for any individual or estate that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions)

[illegible]

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

▶ See separate instructions ▶ Attach to your tax return

OMB No 1545 0172

**2009**Attachment  
Sequence No **67**

Name(s) shown on return

Adagio Teas, Inc.

Business or activity to which this form relates

Identifying number  
42-1598706

Form 1120 Line 20

**Part I Election To Expense Certain Property Under Section 179**

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

1	Maximum amount See the instructions for a higher limit for certain businesses	1	\$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	674,066
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	\$800,000.
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter 0	4	0.
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	250,000

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	Warehouse Equipment	589,812.	124,444
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	124,444.
9	Tentative deduction Enter the smaller of line 5 or line 8	9	124,444.
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	125,556
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	237,688
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	237,688.
13	Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12	13	12,312

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 depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	248,664.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

**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 2009	17	410.
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 2009 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		895	5.0 yrs	HY	200 DB	179
c 7-year property		247,768.	7.0 yrs	HY	200 DB	35,396.
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	

**Section C — Assets Placed in Service During 2009 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	22,309.
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	544,646
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

FDZ0812 07/07/09

Form 4562 (2009)



**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?					<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	10,960.				
26 Property used more than 50% in a qualified business use													
SUV Truck	10/01/05	100.00	47,784.	22,784.	5.00	200 DB-MQ	2,423						
Mercedes SUV 2008	04/10/08	100.00	50,787.	12,893.	5.00	200 DB-HY	4,126						
See Additional Listed Property Statement							4,800						
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	22,309.				
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29					

**Section B – Information on Use of Vehicles**

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

	(a) 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 (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

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

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
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.)		
<b>Note.</b> 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 2009 tax year (see instructions)					
43 Amortization of costs that began before your 2009 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

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

OMB No 1545 1854

Department of the Treasury  
Internal Revenue ServiceFor calendar year 2009 or tax year beginning Mar 1, 2009 ending Feb 28, 2010

▶ See instructions Do not send to the IRS Keep for your records

**2009**

Name of corporation

ADAGIO TEAS, INC

Employer identification number

42-1598706

**Part I Tax Return Information (Whole dollars only)**

1	Total income (Form 1120, line 11)	1	2,562,781.
2	Taxable income (Form 1120, line 30)	2	0.
3	Total tax (Form 1120, line 31)	3	
4	Amount owed (Form 1120, line 34)	4	
5	Overpayment (Form 1120, line 35)	5	0.

**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 2009 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) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) 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 \_\_\_\_\_ to enter my PIN \_\_\_\_\_ as my signature  
ERO firm name do not enter all zeros  
on the corporation's 2009 electronically filed income tax return

☒ As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2009 electronically filed income tax return

Officer's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_ Title ▶ **PRESIDENT**

**Part III Certification and Authentication**

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

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2009 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 ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**ERO Must Retain This Form – See Instructions  
Do Not Submit This Form to the IRS Unless Requested To Do So**

**BAA For Paperwork Reduction Act Notice, see instructions**

Form **8879-C** (2009)

Form 1120, Page 1, Line 26  
**Other Deductions Statement**

Meals and entertainment (50%)	8,678.
Travel	66,369.
Utilities	26,684.
Insurance	31,830.
Accounting	53,225.
Automobile Expense	11,274.
Bank & CC Fees	99,231.
Dues and Subscriptions	75.
Equipment Rental	1,222.
Miscellaneous	140,640.
Supplies:Office	54,014.
Telephone	51,119.
Other Expenses	69.
<b>Total</b>	<b>544,430.</b>

Form 1120, Page 2, Schedule A, Line 5  
**Other Costs Statement**

Packaging	186,705.
Outside Services	361,275.
Cost of Goods Sold:Freight	60,272.
Postage and Delivery	709,474.
<b>Total</b>	<b>1,317,726.</b>

Form 1120, Page 5, Schedule L, Line 6  
**Ln 6 Stmt**

<b>Other Current Assets:</b>	Beginning of tax year	End of tax year
Equipment Deposits	170,124	
<b>Total</b>	<b>170,124.</b>	

Form 1120, Page 5, Schedule L, Line 18  
**Ln 18 Stmt**

<b>Other Current Liabilities:</b>	Beginning of tax year	End of tax year
Credit Line Payable	250,000	250,000
Credit Cards Payable		45,396
<b>Total</b>	<b>250,000.</b>	<b>295,396</b>

Form 1120, Page 4, Schedule M-1, Line 5  
**Ln 5 Stmt**

Officers'/key man life insurance premiums	1,210
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Form 1120, Page 4, Schedule M-1, Line 5  
Ln 5 Stmt

Continued

Total	<u>1,210</u>
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Form 4562, line 26

**Additional Listed Property Statement**

(a) Type of property	(b) Date placed in service	(c) Business/ investmt use %	(d) Cost or other basis	(e) Basis for deprecia- tion	(f) Re covery period	(g) Method/ Con- vention	(h) Deprecia- tion deduction	(i) Elected section 179 cost
BMW	06/08/08	100.00	36,044	25,084	5.00	200 DB-HY	4,800.	
Audi A6	12/16/09	100.00	52,295.	41,335	5.00	200 DB-HY	0.	

Total	<u>4,800.</u>
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**Supporting Statement of:**

Form 1120, p1-2/Line 14

Description	Amount
Repairs Building Repairs	65,745.
Repairs.Computer Repairs	1,203
Repairs Equipment Repairs	16,718
Total	<u>83,666.</u>

**Supporting Statement of.**

Form 1120, p1-2/Line 17D

Description	Amount
Taxes Local	982.
Total	<u>982.</u>

**Supporting Statement of:**

Form 1120, p3-5/Line 1(d)

Description	Amount
Chase - Money Market	500.
Chase Bank	10,001.
Citibank:Citibank IMMA	1.
Citibank.Other	56,816.
Total	<u>67,318.</u>