

Turnaround Partners, Inc.
Form 10QSB
August 14, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended June 30, 2007.

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
EXCHANGE ACT

For the transition period from _____ to _____

Commission file number 0-28606

TURNAROUND PARTNERS, INC.
(formerly EMERGE CAPITAL CORP.)
(Exact name of small business issuer as specified in its charter)

DELAWARE	22-3387630
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

109 North Post Oak Lane, Suite 422
Houston, TX 77024
(Address of principal executive offices, including area code)

713-621-2737
(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

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The number of shares outstanding of our common stock at July 31, 2007 was 59,292,955.

Transitional Small Business Disclosure Format (check one): Yes No

- 1 -

TURNAROUND PARTNERS, INC.
(formerly EMERGE CAPITAL CORP.)

FORM 10-QSB

INDEX

	Page Number
PART I - FINANCIAL INFORMATION	
Item 1. Financial Statements	
Condensed Consolidated Balance Sheet as of June 30, 2007 (Unaudited)	3 - 4
Condensed Consolidated Statements of Operations for the three months ended June 30, 2007 and 2006 (Unaudited)	5
Condensed Consolidated Statements of Operations for the six months ended June 30, 2007 and 2006 (Unaudited)	6
Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2007 and 2006 (Unaudited)	7
Notes to Condensed Consolidated Financial Statements (Unaudited)	8 - 14
Item 2. Management's Discussion and Analysis or Plan of Operation	14 - 19
Item 3. Controls and Procedures	20 -21
PART II - OTHER INFORMATION	
Item 1. Legal Proceedings	21
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	21
Item 3. Defaults Upon Senior Securities	21
Item 4. Submission of Matters to a Vote of Security Holders	21
Item 5. Other Information	21
Item 6. Exhibits	21
SIGNATURES	22

PART I - FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS**

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(formerly Emerge Capital Corp and Subsidiaries)
CONDENSED CONSOLIDATED BALANCE SHEET
June 30, 2007
(Unaudited)

ASSETS**CURRENT ASSETS**

Cash and cash equivalents	\$ 878,616
Restricted cash	98,452
Notes and accounts receivable	214,994
Investment in marketable securities	305,566
Due from affiliate	181,231
Prepaid expense and deferred financing costs	170,367
Total current assets	1,849,226

NONCURRENT ASSETS

Investment in real estate partnership and other investments	5,405,970
Fixed assets, net	60,371
Total noncurrent assets	5,466,341

TOTAL ASSETS	\$ 7,315,567
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LIABILITIES AND SHAREHOLDERS' DEFICIT**CURRENT LIABILITIES**

Accounts payable and accrued expenses	\$ 766,656
Convertible debentures--net of \$77,842 discount	1,937,187
Notes payable	137,081
Unearned income	64,167
Series C Preferred stock including associated paid in capital; liquidation preference of \$367,500, redeemable at \$1,500 per share at Company option, cumulative dividends of \$120 per share per year, non-voting, par value \$.01, 1,000 shares authorized, 245 shares issued and outstanding	217,003
Derivative liabilities	657,843
Total current liabilities	3,779,937
Convertible debentures--net of \$1,320,189 discount	4,904,811
Notes payable	134,981
Accrued interest payable	681,680
Total liabilities	9,501,409

COMMITMENTS AND CONTINGENCIES

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- 3 -

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(formerly Emerge Capital Corp and Subsidiaries)
CONDENSED CONSOLIDATED BALANCE SHEET

June 30, 2007

(Unaudited)

(Continued)

SHAREHOLDERS' DEFICIT

Preferred Stock, par value \$.01, 2,000,000 shares authorized:		
Series A Convertible Preferred Stock, noncumulative, \$.01 par value;		
400,000 shares authorized; none issued		-
Series B Convertible Preferred Stock, \$.01 par value; 100,000 shares authorized;		
6,666 shares issued and outstanding; no liquidation or redemption value		67
Series D Convertible Preferred Stock, 100,000 shares authorized;		
700 shares issued and outstanding; no liquidation or redemption value		7
Common stock, \$.001 par value; 900,000,000 shares authorized;		
56,870,579 shares issued and outstanding		56,870
Additional paid-in capital		1,012,698
Retained deficit		(3,255,484)
Total shareholders' deficit		(2,185,842)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	\$	7,315,567

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited)

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(Formerly Emerge Capital Corp. and subsidiaries)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,	
	2007	2006
REVENUE		
Discount income	\$ -	\$ 757
Consulting revenue (including \$889,804 from an affiliate in 2007)	1,062,292	271,750
Marketable securities loss	(36,811)	(406,788)
Fee income	35,000	83,300
Total revenue	1,060,481	(50,981)
General and administrative expenses (net of allocation to an affiliated entity--\$48,522 for 2007 and \$69,861 for 2006)		
	447,822	467,547
OPERATING INCOME (LOSS)	612,659	(518,528)
Other (income) expense:		
Net change in derivative liability	(38,904)	(167,785)
Interest expense	139,411	35,429
Interest expense-derivatives	262,281	97,218
Interest expense - Preferred Series C stock	6,617	-
Other income - net	18,216	(18,609)
Total other (income) expense	387,621	(53,747)
NET INCOME (LOSS)	225,038	(464,781)
Preferred dividends paid	-	6,024
INCOME (LOSS) AVAILABLE TO COMMON SHARES	\$ 225,038	\$ (470,805)
Basic income (loss) per share:	\$ 0.00	\$ (0.02)
Diluted income (loss) per share:	\$ 0.00	\$ (0.02)
Basic average shares outstanding	49,505,344	24,552,849
Diluted average shares outstanding	3,719,882,038	491,088,203

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited)

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(formerly Emerge Capital Corp and Subsidiaries)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Six months ended June 30,	
	2007	2006
REVENUE		
Discount income	\$ -	\$ 10,425
Consulting revenue (including \$889,804 from an affiliate in 2007)	1,276,159	443,000
Marketable securities gain	(15,311)	257,827
Fee income	52,500	103,300
Total revenue	1,313,348	814,552
General and administrative expenses (net of allocation to an affiliated entity--\$149,721 for 2007 and \$136,404 for 2006)	863,309	847,040
OPERATING INCOME (LOSS)	450,039	(32,488)
Other (income) expense:		
Gain on sale of subsidiary	-	(3,042,406)
Net change in derivative liability	227,064	14,868
Debt extinguishment	(450,650)	(94,365)
Interest expense	279,979	66,813
Interest expense-derivatives	570,151	178,709
Interest expense - Preferred Series C stock	13,233	13,818
Other income - net	(17,605)	(40,884)
Total other (income) expense	622,172	(2,903,447)
Income (loss) before income tax	(172,133)	2,870,959
INCOME TAX PROVISION		
Deferred income tax benefit	-	-
Total income tax provision	-	-
INCOME (LOSS) FROM CONTINUING OPERATIONS	(172,133)	2,870,959
LOSS FROM DISCONTINUED OPERATIONS	-	4,687
NET INCOME (LOSS)	(172,133)	2,866,272
Preferred dividends paid	-	4,554
INCOME (LOSS) AVAILABLE TO COMMON SHARES	\$ (172,133)	\$ 2,861,718
Basic income (loss) per share:		
Income (loss) from continuing operations	(0.00)	0.12
Loss from discontinued operations	-	-
	\$ (0.00)	\$ 0.12
Diluted income (loss) per share:		

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Income (loss) from continuing operations	(0.00)	0.01
Loss from discontinued operations	-	-
	\$ (0.00)	\$ 0.01
Basic average shares outstanding	41,787,323	24,140,374
Diluted average shares outstanding	3,712,164,018	490,675,728

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited)

- 6 -

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(formerly Emerge Capital Corp and Subsidiaries)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	2007	2006 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (172,133)	\$ 2,866,272
Adjustment to reconcile net income (loss) to net cash used in operating activities		
used in operating activities	(387,284)	(3,090,445)
Net cash used in operating activities	(559,417)	(224,173)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(3,091)	(14,018)
Cash received for sale of subsidiary	-	93,396
Preferential return from partnership	446,250	-
Proceeds from sale of investments	-	14,819
Net cash provided by investing activities	443,159	94,197
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	(60,467)	(26,769)
Dividends paid on preferred stock	-	(4,554)
Net cash used in financing activities	(60,467)	(31,323)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(176,725)	(161,299)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,153,793	378,399
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 977,068	\$ 217,100
SUPPLEMENTAL INFORMATION		
Interest paid	\$ 11,480	\$ 11,181
Taxes paid	\$ -	\$ 9,882
Increase in investments	\$ 889,804	\$ -
Conversion of debentures to common stock:		
Increase in par value	\$ 26,231	\$ 1,125
Increase in paid in capital	\$ 254,318	\$ 52,875
Redemption and purchase of preferred stock:		

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Decrease in accounts receivable	\$	6,000	\$	15,000
Increase in notes payable	\$	-	\$	240,000
Decrease in paid-in capital	\$	-	\$	243,498
Common stock issued for services:				
Increase in prepaids	\$	-	\$	80,423
Increase in common stock	\$	1,192	\$	1,750
Increase in paid-in-capital	\$	14,308	\$	137,250
Sale of subsidiary:				
Assets sold	\$	-	\$	2,906,001
Liabilities assumed by buyer	\$	-	\$	5,855,011

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited)

TURNAROUND PARTNERS, INC. AND SUBSIDIARIES
(formerly EMERGE CAPITAL CORP. AMD SUBSIDIARIES)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 - Basis of Presentation

Our unaudited Condensed Consolidated Balance Sheet as of June 30, 2007, the unaudited Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2007 and June 30, 2006, and the unaudited Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2007 and June 30, 2006 have not been audited. These statements have been prepared on a basis that is consistent with the accounting principles applied in our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006. In our opinion, these unaudited condensed consolidated financial statements include all normal and recurring adjustments necessary for a fair presentation of Turnaround Partners, Inc. and subsidiaries (formerly Emerge Capital Corp and subsidiaries ("Emerge")). The results for the three and six months are not necessarily indicative of the results expected for the year.

As used herein, the "Company", "management", "we", "our" refers to Turnaround Partners, Inc. or Turnaround Partners, Inc. together with its subsidiaries. The Company's fiscal year ends on December 31st.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted in accordance with the published rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") for interim financial statements. The unaudited Condensed Consolidated Financial Statements and the notes thereto in this report should be read in conjunction with the audited Consolidated Financial Statements and notes thereto included in our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006 (the "10-KSB").

On August 31, 2005, NuWave Technologies, Inc. ("NuWave" or "the Company") entered into a merger agreement (the "Agreement") with Corporate Strategies, Inc. ("Corporate Strategies") and the shareholders of Corporate Strategies ("Shareholders"). The Company was subsequently renamed Turnaround Partners, Inc. The transaction was accounted for as a reverse acquisition since control of the merged group passed to the shareholders of the acquired company (Corporate Strategies).

Pursuant to the terms of the Agreement, the Company issued one (1) share of its common stock

("Common Stock"), par value \$0.001 per share, to each holder of Corporate Strategies Class A common stock in exchange for two (2) shares of Corporate Strategies Class A common stock, par value \$0.001 per share. Second, the Company issued one (1) share of the Company's Series C preferred stock ("Series C Preferred"), par value \$0.01 per share, to each holder of Corporate Strategies Series A preferred stock for one (1) share of Corporate Strategies Series A preferred stock, par value \$0.001 per share.

The Company issued and delivered shares of its Series B convertible Preferred stock ("Series B Preferred") to each holder of Corporate Strategies Class B common stock so that effectively upon conversion of the Series B Preferred into common shares, the common shares issued upon conversion shall be equal to ninety-five percent (95%) of the issued and outstanding stock of the Company (calculated on a fully diluted basis as of the date of the Merger, following the issuance of all the Merger Consideration (as such term is defined in the Agreement) and after giving effect to such conversion, but not including any shares of Common Stock issuable upon conversion of any then outstanding Company convertible debentures). Therefore, the Merger Consideration for the Common Stock, Series C Preferred and Series B Preferred was the Corporate Strategies Class A common, Series A preferred and Class B common, respectively. The number of shares issued to the Shareholders in connection with the Merger was based upon a determination by the Company's Board of Directors (the "Board").

The terms of the Series B Preferred were subsequently modified. In connection with the Kipling purchase, 93,334 shares of Series B Preferred were exchanged for a like number of Series D Preferred, which were subsequently reduced to 700 shares of Series D Preferred. The remaining 6,666 shares of Series B Preferred are convertible into 4,195,445 shares of common stock. Each share of the Series D may be convertible, at the option of the holder, at any time and from time to time after December 31, 2006 through December 31, 2010, into that number of shares of Common Stock equal to the greater of (a) one tenth of one percent (0.1%) of the total number of shares of Common Stock issued and outstanding as of the last day of the fiscal quarter immediately preceding such date of conversion, calculated on a fully diluted basis after giving effect to the conversion of such share(s) of Series D and (b) One Hundred Thousand (100,000) shares of Common Stock. Each share of Series D Preferred Stock held by the Holders which has not been converted on or before December 31, 2010 into shares of Common Stock shall be convertible, at the option of the Holder of such share, at any time and from time to time after December 31, 2010 into one tenth of one percent (0.1%) of the total number of shares of Common Stock issued and outstanding on December 31, 2010, calculated on a fully diluted basis after giving effect to the conversion of such share(s) of Series D Preferred Stock. The shares of Common Stock received upon conversion shall be fully paid and non-assessable shares of Common Stock.

The Series B and D Convertible Preferred Stockholders and the holders of the common stock vote together and the Preferred Stock shall be counted on an "as converted" basis, thereby giving the Preferred Shareholders control of the Company.

In November 2006, we migrated from a Delaware corporation to a Nevada corporation and changed the name of the Company to Turnaround Partners, Inc.

We primarily provide business restructuring, turnaround execution and business development advisory services for emerging and re-emerging public and private companies. The Company also actively trades securities and options with available cash. Many of these transactions contain a considerable amount of risk. Under our consulting agreements, we do not take positions in securities of our clients that at any one time would cause us to have an ownership interest in them of over 4.99%. We also have a limited partnership interest in a hotel in West Palm Beach, Florida.

Lehigh Acquisition Corp. ("Lehigh") was a subsidiary of NuWave and is treated as if it was acquired August 31, 2005, the date of the merger. Lehigh was sold on February 3, 2006. The interim financial statements include the operations of Lehigh through February 3, 2006 as discontinued operations.

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of the Company and its subsidiaries. All significant inter-company balances and transactions have been eliminated.

On May 31, 2006, we filed an S-8 with the Securities and Exchange Commission for the Emerge Capital Corp. 2005 Stock Incentive Plan (the "Plan"). The document was submitted to register 10,000,000 shares of common stock. The purpose of the Plan is to promote the long-term growth and profitability of the Company by (a) providing key people with incentives to improve shareholder value and to contribute to the growth and financial success of the Company, and (b) enabling the Company to attract, retain and reward the best-available persons. This document is herein incorporated by reference.

On September 30, 2006, we completed a stock purchase agreement (the "Agreement") with Kipling Holdings, Inc. ("Kipling") and Timothy J. Connolly, to acquire 100% of the total issued and outstanding capital stock of Kipling Holdings, Inc. ("Kipling"), a Delaware corporation.

The accompanying unaudited condensed consolidated financial statements for prior years contain certain reclassifications to conform with current year presentation.

Change in Accounting Principle for Registration Payment Arrangements.

In December 2006, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position on No. EITF 00-19-2, Accounting for Registration Payment Arrangements ("FSP EITF 00-19-2"). FSP EITF 00-19-2 provides that the contingent obligation to make future payments or otherwise transfer consideration under a registration payment arrangement should be separately recognized and measured in accordance with Statement of Financial Accounting Standards ("FAS") No. 5, Accounting for Contingencies, which provides that loss contingencies should be recognized as liabilities if they are probable and can be reasonably estimated. Subsequent to the adoption of FSP EITF 00-19-2, any changes in the carrying amount of the contingent liability will result in a gain or loss that will be recognized in the consolidated statement of operations in the period the changes occur. The guidance in FSP EITF 00-19-2 is effective immediately for registration payment arrangements and the financial instruments subject to those arrangements that are entered into or modified subsequent to the date of issuance of FSP EITF 00-19-2. For registration payment arrangements and financial instruments subject to those arrangement that were entered into prior to the issuance of FSP EITF 00-19-2, this guidance is effective for our consolidated financial statements issued for the year beginning January 1, 2007, and interim periods within that year.

On January 1, 2007, we adopted the provisions of FSP EITF 00-19-2 to account for our registration payment arrangements. As of January 1, 2007 and March 31, 2007, management determined that it was not probable that we would have any payment obligation under our registration payment arrangements; therefore, no accrual for contingent obligation is required under the provisions of FSP EITF 00-19-2. According to the provisions of FSP EITF 00-19-2, the effect of this new method of accounting for registration payment arrangements is accounted for prospectively.

Note 2 - Income (Loss) Per Common Share

In accordance with the Financial Accounting Standards Board (the "FASB") Statement of Financial Accounting Standards No. 128 ("SFAS 128"), "Earnings per Share", basic earnings per share are computed based on the weighted average shares of common stock outstanding during the periods. Diluted earnings per share are computed based on the weighted average shares of common stock plus the assumed issuance of common stock for all potentially dilutive securities.

The computations for basic and diluted net income (loss) per share consist of the following:

- 10 -

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	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
Income (loss) from continuing operations	\$ 225,038	\$ (470,805)	\$ (172,133)	\$ 2,866,405
Less effect of derivatives, preferred stock and convertible debenture	369,405	(35,138)	626,544	166,025
Adjusted income (loss) from continuing operations	594,443	(505,943)	454,411	3,032,430
Loss from discontinued operations	-	-	-	(4,687)
Net income (loss)	\$ 594,443	\$ (505,943)	\$ 454,411	\$ 3,027,743
Basic weighted average shares	49,505,344	24,552,849	41,787,323	24,140,374
Effect of dilutive securities:				
Series B and D preferred stock	2,613,268,536	12,319,034	2,613,268,536	12,319,034
Convertible debentures	1,057,108,158	454,216,320	1,057,108,158	454,216,320
Diluted weighted average shares	3,719,882,038	491,088,203	3,712,164,018	490,675,728
Income (loss) per share:				
Basic:				
Income (loss) from continuing operations	\$ 0.00	\$ (0.02)	\$ (0.00)	\$ 0.12
Income (loss) from discontinued operations	-	-	-	(0.00)
Net income (loss)	\$ 0.00	\$ (0.02)	\$ (0.00)	\$ 0.12
Diluted:				
Income (loss) from continuing operations	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ 0.01
Income (loss) from discontinued operations	-	-	-	-
Net income (loss)	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ 0.01

Note 3 - Convertible Debentures - Derivative Financial Instruments

The due date for the original issuance of certain of these debentures has been reached and mandatory conversion to equity is called for under the terms of these debentures. The company has not exercised this right as of the date of this filing.

The Convertible Debentures issued from 2003 through 2005 have been accounted for in accordance with SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities", and the Emerging Issues Task Force ("EITF") Abstract No. 00-19 ("EITF 00-19"), "Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock".

The Company identified the following instruments with embedded derivatives requiring evaluation and accounting under the relevant guidance applicable to financial derivatives:

- Cornell Debenture issued 5/6/04 in the face amount of \$400,000
- Cornell Debenture issued 6/24/04 in the face amount of \$500,000
- Cornell Debenture issued 9/28/04 in the face amount of \$400,000
- Cornell Debenture issued 4/6/05 in the face amount of \$400,000
- Holland et. al. Debentures issued 12/8/03 in the face amount of \$135,000
- Holland et. al. Debentures issued 12/22/03 in the face amount of \$250,000
 - Saporito Debenture issued 1/29/04 in the face amount of \$100,000
 - Viola Debenture issued 10/12/04 in the face amount of \$100,000
- Highgate House Funds Debenture issued 12/02/05 in the face amount of \$6,225,000

These embedded derivatives have been bifurcated from their respective host debt contracts and accounted for as derivative liabilities in accordance with EITF 00-19 and SFAS No. 133.

The embedded derivatives are marked-to-market each reporting period with changes in fair value recorded to the Company's income statement as "Net change in derivative liability". The Company has utilized a third party to fair value the embedded derivatives using a layered discounted probability-weighted cash flow approach. This valuation was prepared by the third party valuation firm that developed the original model that the Company used to value its derivatives.

The fair value of the derivative liabilities are subject to the changes in the trading value of the Company's common stock, as well as other factors. As a result, our financial statements may fluctuate from quarter-to-quarter based on factors, such as the price of our stock at the balance sheet date and the amount of shares converted by debenture holders. Consequently, our financial position and results of operations may vary from quarter-to-quarter based on conditions other than our operating revenues and expenses.

On February 3, 2006, as part of the sale of Lehigh, the Cornell Debentures for \$250,000 issued May 5, 2005 and \$150,000 issued July 20, 2005 were cancelled. The resulting gain on extinguishment of \$94,365 has been included in other income for the six months ended June 30, 2006.

We recorded a gain on extinguishment of debt in the amount of \$450,650 for the six months ended June 30, 2007.

The significant assumptions utilized in valuing the embedded derivatives for the notes as of June 30, 2007 include:

- The stock price would increase at the cost of equity with a short-term volatility of 200%
- Registration default would occur only 5% of the time

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- Other forms of default would occur 2.5% of the time, increasing .3% per quarter
- Alternative financing would be available starting at 0%, increasing 5% per quarter to a maximum of 50%
 - Common Shares outstanding would increase 5% per quarter
- Exercise pricing reset events would occur 5% of the time generating a weighted average conversion price of \$0.4754 for the Highgate Note only

- 12 -

Note 4 - Segment Reporting

Our company has two business segments: business services (which consist of turnaround execution services, management restructuring services, and business development services) and a hotel investment through our wholly owned subsidiary, Kipling Holdings, Inc.

We primarily provide business restructuring, turnaround execution and business development advisory services for emerging and re-emerging public companies.

The Company's operations are conducted in the United States.

	Business Services	Hotel Investment
Six months ended June 30, 2007		
Revenue	\$ 1,313,348	\$ -
Income (loss) before income tax	333,447	(505,580)
Segment assets	2,745,211	4,570,356
Six months ended June 30, 2006		
Revenue	\$ 814,552	\$ -
Income before income tax	2,870,959	-
Segment assets	2,257,624	-

Note 5 - Investment in Unconsolidated Entities

Through our wholly-owned subsidiary, Kipling Holdings, Inc, we own a 35% limited partnership interest in a partnership that owns a Hilton hotel in West Palm Beach, Florida. Because we do not control the partnership entity, we carry our investment in unconsolidated entities at cost, plus our equity in net earnings or losses, less distributions received since the date of acquisition and any adjustment for impairment. Our equity in net earnings or losses is adjusted for the straight-line depreciation, over the lower of 25 years or the remaining life of the venture, of the difference between our cost and our proportionate share of the underlying net assets at the date of acquisition. We periodically review our investment in unconsolidated entities for other than temporary declines in fair value. Any decline that is not expected to be recovered in the next 12 months is considered other than temporary and an impairment is recorded as a reduction in the carrying value of the investment. Estimated fair values are based on our projections of cash flows. Since we are a limited partner, we do not make management decisions in this partnership and are subject to the decisions made by the general partner of this unconsolidated entity. This could include a sale of the property at a time and price that may not be in our best interest. While we expect the General Partner will act in good faith at all times, we could incur a loss on this investment if a sale or foreclosure of the real estate occurs at a price that does not fully recover our equity investment.

Note 6 - Sale of Lehigh Acquisition Corp.

In February 2006, the Company sold its wholly-owned subsidiary, Lehigh, to Cornell Capital Partners, LP ("Cornell") for total proceeds of \$5,948,407 including the assumption of \$4,881,274 promissory notes, \$400,000 of convertible debentures, \$573,737 of accrued expense and interest and cash of \$93,396. The transaction resulted in a gain of \$3,042,406.

Note 7. - Income Taxes

The gain from sale of the subsidiary discussed in Note 6 is a non-taxable transaction under the Internal Revenue Code.

- 13 -

Note 8 - Repurchase of Preferred Stock

On February 21, 2006, the Company agreed to repurchase 272,278 shares of the Company's Series C preferred stock for a promissory note of \$240,000. The note bears interest at 8% and is payable in monthly installments of approximately \$4,800 until paid in full.

On March 31, 2006, the Company redeemed ten shares of Series C preferred stock for \$15,000. For the first six months of 2007, the Company redeemed four shares of Series C preferred stock for \$6,000.

Note 9 - Series C Preferred Stock

We have 245 shares of Series C preferred stock outstanding. The stock has a liquidation preference of \$367,500 and is redeemable at \$1,500 per share at the Company's option. Dividends are cumulative and accrue at the rate of \$120 per share per year. Although the Series C stock is redeemable at the option of the Company, the holder of these shares is our Chief Executive Officer ("CEO"). Since these shares are held by our CEO, who effectively has control of the redemption, we have classified our Series C preferred stock, and associated paid in capital, as a current liability in accordance with EITF Topic No. D-98 "Classification and Measurement of Redeemable Securities".

Note 10 - Common Stock

During the first 6 months of this year, we have issued 27,423,075 new shares of common stock. Conversions of our secured convertible debentures accounted for 26,230,768 shares while the remaining 1,192,307 were issued to two separate companies for consulting services.

Note 11 - Related Party Transactions

We realized \$889,804 for the three and six months ended June 30, 2007 for consulting services provided to an affiliated company for the acquisition of a Canadian subsidiary. This amount represents a one time fee only.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

FORWARD-LOOKING STATEMENTS AND ASSOCIATED RISKS

This Quarterly Report on Form 10-QSB, and the accompanying M,D&A, contains forward-looking statements. Statements contained in this report about Turnaround Partners, Inc.'s (formerly Emerge Capital Corp.) future outlook, prospects, strategies and plans, and about industry conditions and demand for our financial services are forward-looking. All statements that express belief, expectation, estimates or intentions, as well as those that are not statements of historical fact, are forward looking. The words "proposed," "anticipates," "anticipated," "will," "would," "should," "estimates" and similar expressions are intended to identify forward-looking statements. Forward-looking statements represent our reasonable belief and are based on our current expectations and assumptions with respect to future events. While we believe our expectations and assumptions are reasonable, they involve risks and uncertainties beyond our control that could cause the actual results or outcome to differ materially from the expected results or outcome reflected in our forward-looking statements. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this quarterly report may not occur. Such risks and uncertainties include, without limitation, our continuing success in securing consulting agreements, conditions in the capital and equity markets that provide opportunities for our restructuring and turnaround services, our success in trading marketable securities, our ability to maintain contracts that are critical to our operations, actual customer demand for our financing and related services, collection of accounts and notes receivable, the success of our investment in our partnership that owns a hotel in West Palm Beach, Florida and our ability to obtain and maintain normal terms with our vendors and service providers during the periods covered by the forward-looking statements.

The forward-looking statements contained in this report speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or any other reason. All forward-looking statements attributable to Turnaround Partners, Inc. or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in our annual report filed on Form 10-KSB and in our future periodic reports filed with the SEC. The following M,D&A should be read in conjunction with the unaudited Condensed Consolidated Financial Statements of the Company, and the related notes thereto included elsewhere herein, and in conjunction with our audited financial statements, together with footnotes and the M,D&A, in our 2006 annual report filed on Form 10-KSB with the SEC.

OVERVIEW

On August 31, 2005, NuWave Technologies, Inc. ("NuWave" or "the Company") entered into a merger agreement (the "Agreement") with Corporate Strategies, Inc. ("Corporate Strategies") and the shareholders of Corporate Strategies ("Shareholders"). The Company was subsequently renamed Turnaround Partners, Inc. The transaction was accounted for as a reverse acquisition since control of the merged group passed to the shareholders of the acquired company (Corporate Strategies).

- 14 -

Pursuant to the terms of the Agreement, the Company issued one (1) share of its common stock ("Common Stock"), par value \$0.001 per share, to each holder of Corporate Strategies Class A common stock in exchange for two (2) shares of Corporate Strategies Class A common stock, par value \$0.001 per share. Second, the Company issued one (1) share of the Company's Series C preferred stock ("Series C Preferred"), par value \$0.01 per share, to each holder of Corporate Strategies Series A preferred stock for one (1) share of Corporate Strategies Series A preferred stock, par value \$0.001 per share.

The Company issued and delivered shares of its Series B convertible Preferred stock ("Series B Preferred") to each holder of Corporate Strategies Class B common stock so that effectively upon conversion of the Series B Preferred into common shares, the common shares issued upon conversion shall be equal to ninety-five percent (95%) of the issued and outstanding stock of the Company (calculated on a fully diluted basis as of the date of the Merger, following the issuance of all the Merger Consideration (as such term is defined in the Agreement) and after giving effect to such conversion, but not including any shares of Common Stock issuable upon conversion of any then outstanding Company convertible debentures). Therefore, the Merger Consideration for the Common Stock, Series C Preferred and Series B Preferred was the Corporate Strategies Class A common, Series A preferred and Class B common, respectively. The number of shares issued to the Shareholders in connection with the Merger was based upon a determination by the Company's Board of Directors (the "Board").

The terms of the Series B Preferred were subsequently modified. In connection with the Kipling purchase, 93,334 shares of Series B Preferred were exchanged for a like number of Series D Preferred, which were subsequently reduced to 700 shares of Series D Preferred. The remaining 6,666 shares of Series B Preferred are convertible into 4,195,445 shares of common stock. Each share of the Series D may be convertible, at the option of the holder, at any time and from time to time after December 31, 2006 through December 31, 2010, into that number of shares of Common Stock equal to the greater of (a) one tenth of one percent (0.1%) of the total number of shares of Common Stock issued and outstanding as of the last day of the fiscal quarter immediately preceding such date of conversion, calculated on a fully diluted basis after giving effect to the conversion of such share(s) of Series D and (b) One Hundred Thousand (100,000) shares of Common Stock. Each share of Series D Preferred Stock held by the Holders which has not been converted on or before December 31, 2010 into shares of Common Stock shall be convertible, at the option of the Holder of such share, at any time and from time to time after December 31, 2010 into one tenth of one percent (0.1%) of the total number of shares of Common Stock issued and outstanding on December 31, 2010, calculated on a fully diluted basis after giving effect to the conversion of such share(s) of Series D Preferred Stock. The shares of Common Stock received upon conversion shall be fully paid and non-assessable shares of Common Stock.

The Series B and D Convertible Preferred Stockholders and the holders of the common stock vote together and the Preferred Stock shall be counted on an "as converted" basis, thereby giving the Preferred Shareholders control of the Company.

In November 2006, we migrated from a Delaware corporation to a Nevada corporation and changed the name of the Company to Turnaround Partners, Inc.

Lehigh Acquisition Corp. ("Lehigh") was a subsidiary of NuWave and is treated as if it was acquired August 31, 2005, the date of the merger. Lehigh was sold on February 3, 2006. The interim financial statements include the operations of Lehigh from January 1, 2006 through February 3, 2006 as discontinued operations.

We primarily provide business restructuring, turnaround execution and business development advisory services for emerging and re-emerging public and private companies. The Company also actively trades securities and options with available cash. Many of these transactions contain a considerable amount of risk. Under our consulting agreements, we do not take positions in securities of our clients that at any one time would cause us to have an ownership interest in them of over 4.99%.

Through our wholly-owned subsidiary, Kipling Holdings, Inc, we own a 35% limited partnership interest in a partnership that owns a Hilton hotel in West Palm Beach, Florida. Because we do not control the partnership entity, we carry our investment in unconsolidated entities at cost, plus our equity in net earnings or losses, less distributions received since the date of acquisition and any adjustment for impairment. Our equity in net earnings or losses is adjusted for the straight-line depreciation, over the lower of 25 years or the remaining life of the venture, of the difference between our cost and our proportionate share of the underlying net assets at the date of acquisition. We periodically review our investment in unconsolidated entities for other than temporary declines in fair value. Any decline that is not expected to be recovered in the next 12 months is considered other than temporary and an impairment is recorded as a reduction in the carrying value of the investment. Estimated fair values are based on our projections of cash flows. Since we are a limited partner, we do not make management decisions in this partnership and are subject to the decisions made by the general partner of this unconsolidated entity. This could include a sale of the property at a time and price that may not be in our best interest. While we expect the General Partner will act in good faith at all times, we could incur a loss on this investment if a sale or foreclosure of the real estate occurs at a price that does not fully recover our equity investment.

- 15 -

Recent Accounting Pronouncements

In February 2007, the FASB issued FASB Statement No. 159, *Establishing the Fair Value Option for Financial Assets and Liabilities* ("SFAS 159"), to permit all entities to choose to elect to measure eligible financial instruments at fair value. SFAS 159 applies to fiscal years beginning after November 15, 2007, with early adoption permitted for an entity that has also elected to apply the provisions of SFAS 157, *Fair Value Measurements*. An entity is prohibited from retrospectively applying SFAS 159, unless it chooses early adoption. Management is currently evaluating the impact of SFAS 159 on the consolidated financial statements.

RESULTS OF OPERATIONS

Three Months Ended June 30, 2007 and June 30, 2006

Revenue

Our total revenue for the three months ended June 30, 2007 was \$1,060,481 as opposed to negative revenue of \$50,981 for the same period ending June 30, 2006.

We earned \$1,062,292 in consulting revenue for the three months ended June 30, 2007 versus \$271,750 for the three months ended June 30, 2006. Consulting revenues are generally one-time fees related to specific events, or contracts for services rendered over a period of time. During the quarter ended June 30, 2007, we had ongoing consulting agreements with two customers compared to five during the same period 2006. The majority of our consulting revenue (\$889,804) was a one time fee for services provided to an affiliated company for the acquisition of a Canadian subsidiary.

Trading in marketable securities generated a loss \$36,811 for the quarter ended June 30, 2007 compared to a loss of \$406,788 for the same period in 2006. Marketable securities losses included unrealized gains (losses) of (\$179,510) and (\$588,506), respectively for the quarters ended June 30, 2007 and 2006 and realized gains (losses) of \$142,699 and \$181,718, respectively for the quarters ended June 30, 2007 and 2006.

Our fee income for the three months ended June 30, 2007 was \$35,000 and \$83,300 for the quarter ended June 30, 2006. Fee income is generated through the realization of placement fees from clients for financing transactions that occurred during the comparable quarters.

General and Administrative Expenses

General and administrative ("G&A") expenses for the quarter ended June 30, 2007 were \$447,822 compared to \$467,547 for the period ended June 30, 2006, a decrease of approximately \$20,000. For the three months ended March 31, 2007, general and administrative expenses were primarily comprised of salaries and benefits (\$218,575) and professional fees (\$156,318). The remaining general and administrative expenses were comprised of travel, advertising, rent and other ordinary expenses necessary for our operations. For the three months ended March 31, 2006 general and administrative expenses were primarily comprised of salaries and benefits (\$181,842), professional fees (\$165,234), travel, entertainment and business development (\$28,834) and other ordinary expenses necessary for our operations. Our company shares office space and certain administrative functions and staff with an affiliated company to whom we allocate costs for these shared functions based on an estimate of time usage.

Salaries and benefits increased by approximately \$37,000 to \$218,575 in 2007 as compared to the same period in 2006, primarily representing the hiring of a part-time chief financial officer in July 2006.

Other income and expense

We recorded derivative income of \$38,904 for the three months ended June 30, 2007 versus \$167,785 for the same period ended June 30, 2006. These amounts represent the change in the fair value of the net derivative liability for the quarters.

Interest expense increased by approximately \$269,000 for the three months ended June 30, 2007 as compared to the same period ended June 30, 2006. The increase is a primarily a result of amortization to derivatives on our convertible debentures.

Six Months Ended June 30, 2007 and June 30, 2006

Our total revenue for the six months ended June 30, 2007 was \$1,313,348 as opposed to total revenue of \$814,552 for the same period ending June 30, 2006.

For the six months ended June 30, 2006, we recorded discount income of \$10,425. We did not realize any discount income for the same period ending June 30, 2007. We do not anticipate generating any significant new business in this area.

We earned \$1,276,159 in consulting revenue for the six months ended June 30, 2007 versus \$443,000 for the six months ended June 30, 2006. Consulting revenues are generally one-time fees related to specific events, or contracts for services rendered over a period of time. During the six months ended June 30, 2007, we had ongoing consulting agreements with three customers compared to five during the same period 2006. The majority of our consulting revenue (\$889,804) was a one time fee for services provided to an affiliated company for the acquisition of a Canadian subsidiary.

Trading in marketable securities generated a loss of \$15,311 for the six months ended June 30, 2007 compared to income of \$257,827 for the same period in 2006. Marketable securities losses included unrealized gains (losses) of \$176,562 and \$(17,408), respectively for the six months ended June 30, 2007 and 2006 and realized gains (losses) of \$(191,873) and \$275,235, respectively for the six months ended June 30, 2007 and 2006.

Our fee income was for the six months ended June 30, 2007 was \$52,500 versus \$103,300 for the six months ended June 30, 2006. Fee income is generated through the realization of placement fees from clients for financing transaction that occurred during the comparable six months.

General and Administrative Expenses

General and administrative (“G&A”) expenses for the six months ended June 30, 2007 were \$863,309 compared to \$847,040 for the six months ended June 30, 2006. For the six months ended June 30, 2007, general and administrative expenses were primarily comprised of salaries and benefits (\$455,658) and professional fees (\$299,134). The remaining general and administrative expenses were comprised of travel, advertising, rent and other ordinary expenses necessary for our operations. For the six months ended June 30, 2006 general and administrative expenses were primarily comprised of salaries and benefits (\$328,382), professional fees (\$299,702) and other ordinary expenses necessary for our operations. Our company shares office space and certain administrative functions and staff with an affiliated company to whom we allocate costs for these shared functions based on an estimate of time usage.

Salaries and benefits increased by approximately \$127,000 to \$455,658 in 2007 as compared to the same period in 2006, primarily representing the hiring of a part-time chief financial officer in July 2006 and a due diligence principal in January 2007.

Other income and expense

We recorded derivative expense of \$227,064 for the six months ended June 30, 2007 versus \$14,868 for the same period ended June 30, 2006. These amounts represent the change in the fair value of the net derivative liabilities for the first six months of the year.

Gain on sale of subsidiary of \$3,042,406 represents the gain on the sale of Lehigh in February 2006.

We recorded a gain on debt extinguishment in the amount of \$450,650 in the first six months of 2007 versus a gain of \$94,365 in the first six months of 2006.

Interest expense increased by approximately \$604,000 for the six months ended June 30, 2007 as compared to the same period ended June 30, 2006. The increase is a primarily a result of the amortization of discounts related to derivatives on our convertible debentures.

Discontinued Operations

During February 2006, the Company sold the shares of its wholly-owned subsidiary Lehigh. The loss from discontinued operations was \$4,687, for the six months ended June 30, 2006, net of applicable income tax.

LIQUIDITY AND CAPITAL RESOURCES

Operating activities

We recorded a net loss for the six months ended June 30, 2007 of \$172,133 versus net income of \$2,866,272 for the six months ended June 30, 2006. Net cash used in operating activities was \$559,417 for the six months ended June 30, 2007. Non-cash derivative interest expense and net change in derivative liability amounted to a charge of \$797,215. We recorded a gain on debt extinguishment in the amount of \$450,650. An increase in the value of our marketable securities amounted to \$151,715.

At June 30, 2007, the Company had a working capital deficit of \$1,930,711 including \$98,452 of restricted cash. Our working capital deficit includes liabilities for the fair value of derivatives of \$657,843, which will only be realized on the conversion of the derivatives, or settlement of the debentures. The Company at its option can force conversion of certain of convertible debentures into the Company's common stock at maturity date.

Investing activities

We received proceeds from a preferential return from our investment in the partnership that owns a hotel in West Palm Beach, Florida in the amount of \$446,250.

Under our consulting agreements, we normally do not take positions in securities of our clients that at any one time would cause us to have an ownership interest in them of over 4.99%. Because of this restriction, we could be hindered in our ability to generate necessary cash for our operations.

Financing activities

For the six months ended June 30, 2007, we repaid approximately \$60,000 on note payables.

We have 245 shares of Series C preferred stock outstanding. The stock has a liquidation preference of \$367,500 and is redeemable at \$1,500 per share at the Company's option. Dividends are cumulative and accrue at the rate of \$120 per share per year. Although the Series C stock is redeemable at the option of the Company, the holder of these shares is our Chairman of the Board of Directors. Since these shares are held by our Chairman, who effectively has control of the redemption, we have classified our Series C preferred stock, and associated paid in capital, as a current liability in accordance with with EITF Topic No. D-98 "Classification and Measurement of Redeemable Securities".

Our cash flows for the periods are summarized below:

	Six months ended June 30, 2007	Six months ended June 30, 2006
Net cash used in operating activities	\$ (559,417)	\$ (224,173)
Net cash provided by investing activities	443,159	94,197
Net cash used in financing activities	(60,467)	(31,323)

Our cash decreased by \$176,725 since December 31, 2006.

Management believes the Company may not have adequate working capital and cash to be provided from operating activities to fund future levels of operations. We anticipate that our company will grow. As our business grows we believe that we may have to raise additional capital in the private debt and/or public equity markets to fund our investments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company leases its office space under an operating lease. Rental expense under operating leases for continuing operations aggregated \$35,429 for the six months ended June 30, 2007.

Future minimum payments under non-cancellable operating leases for continuing operations with initial or remaining terms of one year or more consist of the following at June 30, 2007:

	Operating Leases
2007	36,796
2008	74,032
2009	74,032
2010	8,058
Total minimum lease payments	\$ 191,551

ITEM 3. CONTROLS AND PROCEDURES

(A) Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, accumulated and communicated to the Company's management, including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the Company's management carried out an evaluation, under the supervision and with the participation of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of the Company's system of disclosure controls and procedures pursuant to the Securities and Exchange Act, Rule 13a-15(e) and 15d-15(e) under the Exchange Act). Based on the material weaknesses described herein the Company's CEO and CFO have concluded that the Company's disclosure controls and procedures were not effective, as of the date of that evaluation, for the purposes of recording, processing, summarizing and timely reporting of material information required to be disclosed in reports filed by the Company under the Exchange Act. Because of our size, the Company shares its accounting staff with an affiliated company and is comprised of its part-time Chief Financial Officer, controller and data entry clerk. The controller and data entry clerk are considered contract employees whom also work for an affiliated company as contract employees. Our CFO is also an employee of an affiliate. Because of the structure of our staff, we have a failure to maintain effective controls over the selection, application and monitoring of our accounting policies to assure that certain complex equity transactions are accounted for in accordance with generally accepted accounting principles.

(B) Changes in Internal Controls over Financial Reporting

In connection with the evaluation of the Company's internal controls during the Company's last fiscal quarter covered by this report, the Company's CEO and CFO have determined that there were no changes to the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially effect, the Company's internal controls over financial reporting.

Material Weaknesses Identified

In connection with the audit of our consolidated financial statements for the fiscal year ended December 31, 2006, our independent registered public accounting firm informed us that we have significant deficiencies constituting material weaknesses. As defined by the Public Company Accounting Oversight Board Auditing Standard No. 2, a material weakness is a significant control deficiency or a combination of significant control deficiencies that result in there being more than a remote likelihood that a material misstatement in the annual or interim financial statements will not be prevented or detected. The material weaknesses identified by the auditor during the December 31, 2005 and 2006 audit were the lack of segregation of duties necessary to maintain proper checks and balances between functions and the lack of procedures to properly account for non-routine transactions and preparation of certain financial statement disclosures in accordance with U.S. GAAP. The absence of qualified full time accounting personnel was a contributing factor to the problems identified by the auditor. The specific circumstances giving rise to the weaknesses include utilizing the services of contract accountants on a part time basis in the absence of internal accounting personnel.

Further, based on the material weaknesses described herein, we concluded that our disclosure controls and procedures were not effective at June 30, 2007, the end of this reporting period.

Remediation Plan regarding the Material Weaknesses

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The Company has taken the following steps to address the specific problems identified by the auditors:

- 1 We have hired a part-time Chief Financial Officer and a contract part-time bookkeeper to allow us to properly implement segregation of duties necessary to maintain checks and balances between accounting and executive functions.
- 2 All non-routine transactions will be reviewed by our part-time Chief Financial Officer and contract controller before they are completed.

- 20 -

3 We will emphasize enhancement of the segregation of duties based on the limited resources that we have, and, where practical, we will continue to assess the cost versus benefit of adding additional resources that would mitigate the situation. Our part-time Chief Financial Officer will monitor our accounting policies to ensure proper accounting for financial derivatives and other unusual transactions on an ongoing basis.

The Company continues its efforts to remediate control weaknesses and further improve and strengthen its internal control over financial reporting under the direction of the CEO and the CFO.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company from time to time may be involved in various lawsuits and actions by third parties arising in the ordinary course of business. Unless noted elsewhere in this filing, management is not aware of any additional pending litigation, claims or assessments that could have a material adverse effect on the Company's business, financial condition and results of operations.

ITEM 2. UNREGISTERED SALES (REPURCHASES) OF EQUITY SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) Documents filed as a part of this report:

Exhibit 31.1: Officer's Certification Pursuant to Section 302

Exhibit 32.1: Certificate pursuant to 18 U.S.C. Section 1350 as adopted to Section 906 of the Sarbanes -Oxley Act of 2002

(B) Current Reports filed on Form 8-K:

On January 5, 2007, the Company filed a Current Report on Form 8-K disclosing that we had completed our reincorporation from Delaware to the state of Nevada.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Company has caused this Quarterly Report on Form 10-QSB to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 14, 2007

Turnaround Partners, Inc.

(Registrant)

/s/ Timothy J Connolly

Timothy J. Connolly
Chief Executive Officer

Date: August 14, 2007

Turnaround Partners, Inc.

(Registrant)

/s/ Wm Chris Mathers

Wm Chris Mathers
Chief Financial Officer

- 22 -
