

ASPYRA INC
Form 10KSB/A
August 31, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-KSB/A

Amendment No. 1

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2005.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____

Commission file number 0-12551

ASPYRA, INC. formerly known as CREATIVE COMPUTER APPLICATIONS, INC.

(Name of Small Business Issuer in Its Charter)

California
(State or Other Jurisdiction of)

95-3353465
(I.R.S. Employer)

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Incorporation or Organization)

Identification No.)

26115-A Mureau Road
Calabasas, California
(Address of Principal Executive Offices)

91302
(Zip Code)

Issuer's Telephone Number, Including Area Code:

(818) 880-6700

Securities registered under Section 12(b) of the Exchange Act: **None**

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, no par value

(Title of class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act.

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 small business issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of small business issuer's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

Indicate by check mark whether the small business issuer is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Issuer's revenues for its most recent fiscal year ended December 31, 2005 were \$ 7,205,757

As of March 30, 2006, the aggregate market value of the voting and non-voting common equity held by non-affiliates of the Company was approximately \$12,745,265

As of March 30, 2006, the Company had 8,489,400 shares of its common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Fiscal 2005 Definitive Proxy Statement, which will be filed within 120 days of the end of the Company's fiscal year, are hereby incorporated by reference into Items 10, 11, 12 of Part III of this report.

Transitional Small Business Disclosure Format (check one):

Yes No

Explanatory Note

Aspyra, Inc. is filing this Amendment No. 1 to its Annual Report on Form 10-KSB to revise the information provided under Item 8A. Controls and Procedures. The only items filed herewith are Item 8A, the signature page, the consent of our independent registered public accounting firm and the certifications required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended and 18 U.S.C. Section 1350. With the exception of the foregoing, no other information in the Annual Report on Form 10-KSB for the year ended December 31, 2005 has been supplemented, updated or amended.

Item 8A. Controls and Procedures

Attached as exhibits to this Annual Report on Form 10-KSB are certifications of ASPYRA's Chief Executive Officer and Chief Financial Officer, which are required in accordance with Rule 13a-14 of the Securities Exchange Act of 1934, as amended (the Exchange Act). This Controls and Procedures section includes information concerning the controls and controls evaluation referred to in the certifications. This section should be read in conjunction with the certifications for a more complete understanding of the topics presented.

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e), as of the end of the period covered by this Form 10-KSB. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2005, our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act (i) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and (ii) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fiscal quarter ended December 31, 2005, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the small business issuer caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ASPYRA, INC.

Dated: August 31, 2006

By:

/S/ Steven M. Besbeck
Steven M. Besbeck,
President, and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the small business issuer and in the capacities and on the dates indicated.

Signatures	Title	Date
/S/ Steven M. Besbeck Steven M. Besbeck	Chairman, President, and Chief Executive Officer (principal executive officer)	August 31, 2006
/S/ Bruce M. Miller Bruce M. Miller	Chief Technology Officer	August 31, 2006
/S/ James R. Helms James R. Helms	Chief Operations Officer	August 31, 2006
/S/ Anahita Villafane Anahita Villafane	Chief Financial Officer and Secretary (principal accounting and financial officer)	August 31, 2006
/S/ William W. Peterson William W. Peterson	Chief Sales and Marketing Officer	August 31, 2006
/S/ Samuel G. Elliott Samuel G. Elliott	Chief International Officer	August 31, 2006
/S/ Lawrence S. Schmid Lawrence S. Schmid	Director	August 31, 2006
/S/ Robert S. Fogerson, Jr. Robert S. Fogerson, Jr.	Director	August 31, 2006
/S/ Norman R. Cohen, Norman R. Cohen	Director	August 31, 2006
/S/ Bradford G. Peters, Bradford G. Peters	Director	August 31, 2006
/S/ C. Ian Sym-Smith, C. Ian Sym-Smith	Director	August 31, 2006

Exhibit Index

The following documents are filed as exhibits to this registration statement:

- 2.1 (1) Agreement and Plan of Reorganization, dated August 16, 2005, by and among Creative Computer Applications, Inc., StorCOMM, Inc. and Xymed.com, Inc.
- 2.1.1 (1) Agreement and Plan of Reorganization Side Letter, dated October 20, 2005, by and among Creative Computer Applications, Inc., StorCOMM, Inc. and Xymed.com, Inc.
- 2.2 (2) Asset Purchase Agreement.
- 3.1 (3) Restated Articles of Incorporation, as Amended.
- 3.2 (1) Form of Amendment to the Restated Articles of Incorporation.
- 3.3 (3) By-Laws, as amended.
- 4.1 (3) Specimen Share Certificate.
- 4.2 (4) Specimen Warrant Certificate.
- 4.3 (4) Form of Underwriter's Warrant.
- 4.4 (3) 1982 Non-Qualified Stock Option Plan.
- 4.5 (4) 1982 Incentive Stock Option Plan, as amended.
- 4.6 (2) 1992 Incentive Stock Option Plan.
- 4.7 (5) 1992 Non-Qualified Stock Option Plan.
- 4.8 (6) 1997 Stock Option Plan.
- 4.9 (2) Warrant Agreement and Warrant Certificate between Creative Computer Applications, Inc. and Western States Pharmacy Consultants, Ltd.
- 4.10 (2) Warrant Agreement and Warrant Certificate between Creative Computer Applications, Inc. and James L.D. Roser.
- 4.11 (2) Warrant Agreement and Warrant Certificate between Creative Computer Applications, Inc. and The Roser Partnership.
- 4.12 (2) Warrant Agreement and Warrant Certificate between Creative Computer Applications, Inc. and Epigen, Inc.
- 4.13 (7) Registration Rights Agreement.
- 4.14 (1) Form of Warrant.
- 4.15 (1) Registration Rights Agreement, dated August 18, 2005.
- 4.16 (1) 2005 Equity Incentive Plan.
- 10.1 (4) Warrant Agreement.
- 10.2 (4) The Company's product warranties.
- 10.3 (4) Bruce Miller Employment Agreement.
- 10.4 (4) Steven M. Besbeck Employment Agreement.
- 10.5 (3) 14% Subordinated Convertible Debenture due December 21, 1987.
- 10.6 (3) Form of 1983 Warrants.
- 10.7 (3) Form of 1982 Warrant.
- 10.8 (4) Original Equipment Manufacturer Contracts.
- 10.9 (4) Michael Miller Consulting Agreement.
- 10.10 (4) Boehringer Mannheim (Canada) Joint Marketing Agreement.
- 10.12 (8) Lease for Premises at 26664 Agoura Road, Calabasas, California.
- 10.13 (8) SAC Shareholders' Agreement.
- 10.14 (7) Lease for Premises at 26115-A Mureau Road, Calabasas, California.
- 10.15 (7) Mission Park Agreement.
- 10.16 (9) Change in Control Agreements, by and between Creative Computer Applications, Inc. and Steven M. Besbeck, dated February 7, 2005.
- 10.17 (9) Change in Control Agreements, by and between Creative Computer Applications, Inc. and Bruce M. Miller, dated February 7, 2005.
- 10.18 (9) Change in Control Agreements, by and between Creative Computer Applications, Inc. and James R. Helms, dated February 7, 2005.

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- 10.19 (10) Employment Agreement, by and between Creative Computer Applications, Inc. and Samuel G. Elliott, dated October 1, 2005.
- 10.20 (10) Employment Agreement, by and between Creative Computer Applications, Inc. and William W. Peterson, dated October 1, 2005.
- 10.21 (10) Shareholder Support Agreement, by and among StorCOMM, Inc., Steven M. Besbeck, Bruce M. Miller and James R. Helms, dated September 29, 2005.
- 10.22 (10) Stockholder Support Agreement, by and among Creative Computer Applications, Inc., Xymed.com, Inc., Giving Productively, Inc. and TITAB, LLC, dated September 29, 2005.
- 10.23 (1) Common Stock and Warrant Purchase Agreement, dated August 18, 2005.
- 10.24 (10) Option Agreement Side Letter, by and between Creative Computer Applications, Inc. and StorCOMM, Inc., dated October 20, 2005.
- 10.25 (10) Promissory Note dated September 29, 2005.
- 14.1 ** Code of Ethics.
- 21.1 (10) Subsidiaries of the Registrant.
- 23.1 * Consent of BDO Seidman, LLP.
- 31.1 * Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 * Certification of Chief Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 * Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 * Certification of Chief Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

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- (1) Included as an Annex to the joint proxy statement/prospectus that is part of the Company's Registration Statement on Form S-4, originally filed on October 3, 2005, SEC File No. 333-128795.
 - (2) Previously filed as an exhibit to the Company's Form 8-K dated October 21, 1992.
 - (3) Previously filed as an exhibit to the Company's Registration Statement on Form S-18 dated September 22, 1983, SEC File No. 2-85265.
 - (4) Previously filed as an exhibit to the Company's Registration Statement on Form S-1 dated October 1, 1985 SEC File No. 2-99878.
 - (5) Previously filed as an addendum to the Company's Proxy Statement and Notice of Annual Meeting of Shareholders dated April 10, 1992.
 - (6) Previously filed as an exhibit to the Company's Proxy Statement and Notice of Annual Meeting of Shareholders dated March 24, 1997.
 - (7) Previously filed as an exhibit to the Company's Form 10-K for the year ended August 31, 1992.
 - (8) Previously filed as an exhibit to the Company's Form 10-K for the year ended August 31, 1986.
 - (9) Form of Change in Control Agreement previously filed as an exhibit to the Company's Form 8-K dated February 9, 2005.
 - (10) Previously filed as an exhibit to the Company's Registration Statement on Form S-4, originally filed on October 3, 2005 (SEC File No. 333-128795).
Executive compensation plans and arrangements.
- * Filed herewith.
 - ** Previously filed with the Company's Annual Report on Form 10-KSB, for the year ended December 31, 2005, as originally filed on April 17, 2006.