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**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047  
**2011**  
Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the 2011 calendar year, or tax year beginning **JUL 1, 2011** and ending **JUN 30, 2012**

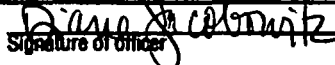

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>DANCEWAVE, INC.</b> Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>45 FOURTH AVENUE</b> City or town, state or country, and ZIP + 4 <b>BROOKLYN, NY 11217-1903</b> <b>F</b> Name and address of principal officer: <b>DIANE JACOBOWITZ</b> <b>SAME AS C ABOVE</b>	<b>D</b> Employer identification number <b>11-2726558</b> <b>E</b> Telephone number <b>718-522-4696</b> <b>G</b> Gross receipts \$ <b>625,367.</b> <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>L</b> Year of formation: <b>1985</b> <b>M</b> State of legal domicile: <b>NY</b>
<b>J</b> Website: ▶ <b>WWW.DANCEWAVE.ORG</b>		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		

**Part I Summary**

<b>1</b>	Briefly describe the organization's mission or most significant activities: <b>DANCEWAVE IS A NONPROFIT ARTS ORGANIZATION THAT TRANSFORMS THE LIVES OF NEW YORK CITY YOUTH</b>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	8
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	8
	6 Total number of volunteers (estimate if necessary)	6	7
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0.
<b>Revenue</b>		<b>Prior Year</b>	<b>Current Year</b>
8	Contributions and grants (Part VIII, line 1h)	475,230.	340,777.
9	Program service revenue (Part VIII, line 2g)	224,851.	260,621.
10	Investment income (Part VIII, column (A), lines 8, 9, and 7g)	0.	0.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 6e, 9c, 10d, and 11e)	38,398.	7,897.
12	<b>Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)</b>	<b>738,479.</b>	<b>609,295.</b>
<b>Expenses</b>			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-5)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	176,632.	215,858.
16a	Professional fundraising fees (Part IX, column (A), line 11a)	0.	0.
16b	<b>Total fundraising expenses (Part IX, column (B), line 25) ▶ 26,645.</b>		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	333,505.	347,317.
18	<b>Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)</b>	<b>510,137.</b>	<b>563,175.</b>
19	<b>Revenue less expenses. Subtract line 18 from line 12</b>	<b>228,342.</b>	<b>46,120.</b>
<b>Net Assets or Fund Balances</b>		<b>Beginning of Current Year</b>	<b>End of Year</b>
20	Total assets (Part X, line 16)	397,241.	506,240.
21	Total liabilities (Part X, line 26)	30,999.	93,878.
22	<b>Net assets or fund balances. Subtract line 21 from line 20</b>	<b>366,242.</b>	<b>412,362.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer  <b>DIANE JACOBOWITZ, EXECUTIVE DIRECTOR</b> Type or print name and title	Date <b>5/12/13</b>
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Ethan Kahn, CPA</b> Preparer's signature  Date <b>5/12/13</b> Check if self-employed <input checked="" type="checkbox"/> PTIN <b>P01324923</b> Firm's name <b>ETHAN KAHN, LLC</b> Firm's address <b>5417 18TH AVENUE</b> <b>BROOKLYN, NY 11204</b> Firm's EIN ▶ Phone no. <b>718-758-4410</b>	

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

JUN 26 2013  
 SCANNED

8 6/6

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission: DANCEWAVE IS A NONPROFIT ARTS ORGANIZATION THAT TRANSFORMS THE LIVES OF NYC YOUTH THROUGH UNIQUE EXPOSURE TO WORLD-CLASS, PRE-PROFESSIONAL PERFORMING ARTS TRAINING.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code ) (Expenses \$ 114,423. including grants of \$ ) (Revenue \$ ) SCHOOL DANCE CLASSES PROVIDES CLASSES FOR ALL AGES. ITS PURPOSE IS TO EXPOSE STUDENTS TO VARIOUS TECHNIQUES AND STYLES WITHIN A GENRE IN ORDER TO DEVELOP THE VERSATILITY REQUIRED OF PROFESSIONAL DANCERS. INGRAIN A SOPHISTICATED KNOWLEDGE OF DANCE HISTORY BY EXPOSING STUDENTS TO A WIDE SPECTRUM OF DANCE ARTISTS AT VARIOUS STAGES IN THEIR CAREERS. CREATE A NURTURING AND CHALLENGING ENVIRONMENT FOR EVERY CHILD AND TEEN WHO DEMONSTRATES A STRONG INCLINATION TO DEVELOP HIS OR HER TECHNIQUE AND PERFORMANCE SKILLS AND APPROACH STUDENTS AS ARTISTS IN THE MAKING.

4b (Code ) (Expenses \$ 92,307. including grants of \$ ) (Revenue \$ ) DANCEWAVE IN MOTION BRINGS DANCE RESIDENCIES TO NEW YORK CITY PUBLIC SCHOOLS FOR ALL AGES AND DANCE DISCIPLINES. WE BELIEVE THAT DANCE PROVIDES A FORUM FOR MEANINGFUL, POSITIVE EXCHANGE BETWEEN KIDS OF ALL BACKGROUNDS AND CULTURES. SINCE ITS INCEPTION IN 1995 BY DIANE JACOBOWITZ, ARTISTIC/EXECUTIVE DIRECTOR, DANCEWAVE HAS CREATED PROGRAMS THAT ARE CHALLENGING AND ARTISTICALLY SUBSTANTIAL, AND WHICH ADDRESS YOUNG PEOPLE'S NEEDS FOR INDIVIDUAL ACHIEVEMENT AND GROUP IDENTITY. OUR PRE-PROFESSIONAL DANCE EDUCATION AND PERFORMANCE TRAINING PROGRAMS OFFER YOUNG PEOPLE A RARE COMBINATION OF HIGH-LEVEL ARTISTIC INTEGRITY, EDUCATIONAL RIGOR, AND NURTURING SUPPORT.

4c (Code ) (Expenses \$ 76,614. including grants of \$ ) (Revenue \$ ) DANCEWAVE COMPANY DANCEWAVE'S ONGOING OBJECTIVE IS TO PROVIDE A LARGER CONSTITUENCY OF YOUTH AND VULNERABLE POPULATIONS THROUGHOUT NYC OPPORTUNITIES TO BENEFIT FROM LEARNING AND CREATING DANCE. WITH A STUDENT POPULATION THAT REFLECTS THE FULL RANGE OF NYC'S ECONOMIC AND CULTURAL FABRIC, DANCEWAVE OFFERS YOUNG PEOPLE FROM DIVERSE BACKGROUNDS THE OPPORTUNITY TO LEARN, CREATE, AND PERFORM DANCE TOGETHER. DANCEWAVE'S FACULTY CONSISTS OF PROFESSIONAL DANCERS WITH CAREERS IN LOCAL AND NATIONAL DANCE COMPANIES WHO PROVIDE RIGOROUS INSTRUCTION THAT HELPS YOUNG PEOPLE EXPLORE THEIR CREATIVITY, DEVELOP TECHNIQUE, BUILD SELF-DISCIPLINE, AND STRENGTHEN LEADERSHIP SKILLS.

4d Other program services (Describe in Schedule O.) (Expenses \$ 141,627. including grants of \$ ) (Revenue \$ )

4e Total program service expenses 424,971.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		X
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?		
<b>Note.</b> All Form 990 filers are required to complete Schedule O	X	



**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	X	
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?		X
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>8a</b>	a The governing body?	X	
<b>8b</b>	b Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		X
<b>10b</b>	b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>12b</b>	b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b>	c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
<b>13</b>	Did the organization have a written whistleblower policy?	X	
<b>14</b>	Did the organization have a written document retention and destruction policy?	X	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>15a</b>	a The organization's CEO, Executive Director, or top management official	X	
<b>15b</b>	b Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>16b</b>	b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **NY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website  Another's website  Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **DIANE JACOBOWITZ - DANCEWAVE INC - 718-522-4696**  
**45 FOURTH AVENUE, BROOKLYN, NY 11217**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DIANE JACOBOWITZ EXECUTIVE/ARTISITIC DIRECT	35.00	X		X				49,077.	0.	11,451.
(2) MELISSA SHURKIN DIRECTOR	5.00	X						0.	0.	0.
(3) HANNA EDWARDS SECRETARY	5.00	X		X				0.	0.	0.
(4) MONIQUE JN-MARIE DIRECTOR	5.00	X						0.	0.	0.
(5) JAMES A. ROTH DIRECTOR	5.00	X						0.	0.	0.
(6) DEBORAH BARTELY-CARTER DIRECTOR	5.00	X						0.	0.	0.
(7) KATHERINE RASMUSSEN DIRECTOR	5.00	X						0.	0.	0.
(8) SAUNDRA P. THOMAS DIRECTOR	5.00	X						0.	0.	0.

**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<b>1b Sub-total</b>							49,077.	0.	11,451.	
<b>c Total from continuation sheets to Part VII, Section A</b>							0.	0.	0.	
<b>d Total (add lines 1b and 1c)</b>							49,077.	0.	11,451.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c	31,805.			
	d Related organizations	1d				
	e Government grants (contributions)	1e	127,455.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	181,517.			
	g Noncash contributions included in lines 1a-1f: \$					
	<b>h Total. Add lines 1a-1f</b>		<b>340,777.</b>			
<b>Program Service Revenue</b>	2 a <b>TUITION FEE</b>	Business Code 711120	218,177.	218,177.		
	b <b>ADS CONCESSIONS, VIDEO</b>	711120	26,552.	26,552.		
	c <b>BOX OFFICE INCOME</b>	711120	15,892.	15,892.		
	d					
	e					
	f All other program service revenue					
	<b>g Total. Add lines 2a-2f</b>		<b>260,621.</b>			
<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts)					
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real	20,112.			
		(ii) Personal	0.			
		b Less: rental expenses				
		c Rental income or (loss)	20,112.			
	d Net rental income or (loss)		20,112.	20,112.		
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ 31,805. of contributions reported on line 1c). See Part IV, line 18	a	1,807.			
		b Less: direct expenses	b	16,072.		
c Net income or (loss) from fundraising events			<14,265.>		<14,265.>	
9 a Gross income from gaming activities. See Part IV, line 19	a	2,050.				
	b Less: direct expenses	b	0.			
	c Net income or (loss) from gaming activities		2,050.		2,050.	
10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
11 a						
	b					
	c					
	d All other revenue					
	e <b>Total. Add lines 11a-11d</b>					
<b>12 Total revenue. See instructions.</b>		<b>609,295.</b>	<b>280,733.</b>	<b>0.</b>	<b>&lt;12,215.&gt;</b>	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	51,732.	41,386.	10,346.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	131,053.	97,027.	13,527.	20,499.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	13,446.	7,267.	3,680.	2,499.
10 Payroll taxes	19,627.	10,608.	5,372.	3,647.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	14,608.		14,608.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	20,085.	6,211.	13,874.	
12 Advertising and promotion	23,854.	19,224.	4,630.	
13 Office expenses	19,909.	7,016.	12,893.	
14 Information technology				
15 Royalties				
16 Occupancy	32,184.	32,184.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>ARTISTIC FEES</b>	147,238.	147,238.		
b <b>FACILITY EXPENSES</b>	68,417.	36,424.	31,993.	
c <b>PRODUCTION</b>	21,022.	20,386.	636.	
d				
e All other expenses				
<b>25 Total functional expenses.</b> Add lines 1 through 24e	<b>563,175.</b>	<b>424,971.</b>	<b>111,559.</b>	<b>26,645.</b>
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing	284,157.	<b>1</b>	251,229.
	<b>2</b> Savings and temporary cash investments	40,920.	<b>2</b>	150,992.
	<b>3</b> Pledges and grants receivable, net	65,909.	<b>3</b>	90,841.
	<b>4</b> Accounts receivable, net		<b>4</b>	
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		<b>5</b>	
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		<b>6</b>	
	<b>7</b> Notes and loans receivable, net		<b>7</b>	
	<b>8</b> Inventories for sale or use		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges	1,755.	<b>9</b>	8,078.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b>		
	<b>b</b> Less: accumulated depreciation	<b>10b</b>	<b>10c</b>	
	<b>11</b> Investments - publicly traded securities		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11		<b>13</b>	
	<b>14</b> Intangible assets		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11	4,500.	<b>15</b>	5,100.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)	397,241.	<b>16</b>	506,240.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses	19,431.	<b>17</b>	10,030.
	<b>18</b> Grants payable		<b>18</b>	
	<b>19</b> Deferred revenue	11,568.	<b>19</b>	83,848.
	<b>20</b> Tax-exempt bond liabilities		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		<b>25</b>	
	<b>26 Total liabilities.</b> Add lines 17 through 25	30,999.	<b>26</b>	93,878.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	285,242.	<b>27</b>	374,862.
	<b>28</b> Temporarily restricted net assets	81,000.	<b>28</b>	37,500.
	<b>29</b> Permanently restricted net assets		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
<b>33</b> Total net assets or fund balances	366,242.	<b>33</b>	412,362.	
<b>34</b> Total liabilities and net assets/fund balances	397,241.	<b>34</b>	506,240.	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	609,295.
2	Total expenses (must equal Part IX, column (A), line 25)	2	563,175.
3	Revenue less expenses. Subtract line 2 from line 1	3	46,120.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	366,242.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	412,362.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

- 1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2011)



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 <b>Total.</b> Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 <b>Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a <b>33 1/3% support test - 2011.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>33 1/3% support test - 2010.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a <b>10% -facts-and-circumstances test - 2011.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>10% -facts-and-circumstances test - 2010.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	103,553.	87,590.	93,925.	445,207.	340,777.	1071052.
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	201,772.	357,393.	393,326.	283,381.	260,621.	1496493.
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5	305,325.	444,983.	487,251.	728,588.	601,398.	2567545.
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0.
<b>c</b> Add lines 7a and 7b						0.
<b>8 Public support</b> (Subtract line 7c from line 6)						2567545.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>9</b> Amounts from line 6	305,325.	444,983.	487,251.	728,588.	601,398.	2567545.
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,014.	616.	46.	38,654.	20,112.	62,442.
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b	3,014.	616.	46.	38,654.	20,112.	62,442.
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support</b> (Add lines 9, 10c, 11, and 12)	308,339.	445,599.	487,297.	767,242.	621,510.	2629987.

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	97.63 %
<b>16</b> Public support percentage from 2010 Schedule A, Part III, line 15	<b>16</b>	98.15 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	2.37 %
<b>18</b> Investment income percentage from 2010 Schedule A, Part III, line 17	<b>18</b>	1.85 %

**19a 33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2011**

Open to Public Inspection

Name of the organization **DANCEWAVE, INC.** Employer identification number **11-2726558**

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education)  Preservation of an historically important land area

Protection of natural habitat  Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	
b Total acreage restricted by conservation easements	
c Number of conservation easements on a certified historic structure included in (a)	
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

b Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with columns for Amount and rows for 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21?

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

Table with columns (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back and rows for 1a-1g: Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, End of year balance.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %, b Permanent endowment %, c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations, (ii) related organizations

Table with columns Yes, No and rows 3a(i), 3a(ii), 3b.

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Table with columns (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value and rows for 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 0.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include Financial derivatives, Closely-held equity interests, and Other (A-I).

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

Table with 3 columns: (a) Description of investment type, (b) Book value, (c) Method of valuation. Rows numbered 1 through 10.

Part IX Other Assets. See Form 990, Part X, line 15.

Table with 2 columns: (a) Description, (b) Book value. Rows numbered 1 through 10.

Part X Other Liabilities. See Form 990, Part X, line 25.

Table with 2 columns: (a) Description of liability, (b) Book value. Row 1 includes Federal income taxes, followed by rows 2 through 11.

Total. (Column (b) must equal Form 990, Part X, col (B) line 25.)

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	609,295.
2	Total expenses (Form 990, Part IX, column (A), line 25)	563,175.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	46,120.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV.)	
9	Total adjustments (net). Add lines 4 through 8	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	46,120.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	623,560.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	2a
b	Donated services and use of facilities	2b
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e 0.
3	Subtract line 2e from line 1	3 623,560.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b <14,265.>
c	Add lines 4a and 4b	4c <14,265.>
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5 609,295.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	577,440.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Other losses	2c
d	Other (Describe in Part XIV.)	2d 14,265.
e	Add lines 2a through 2d	2e 14,265.
3	Subtract line 2e from line 1	3 563,175.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c 0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5 563,175.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART X, LINE 2: EFFECTIVE DECEMBER 15, 2009, THE ORGANIZATION ADOPTED**

**ASC 740-10-50-15, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. THE STANDARD PRESCRIBES A MINIMUM RECOGNITION THRESHOLD AND MEASUREMENT METHODOLOGY THAT A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN IS REQUIRED TO MEET BEFORE BEING RECOGNIZED IN THE FINANCIAL STATEMENTS. IT ALSO PROVIDES GUIDANCE FOR DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, ACCOUNTING IN INTERIM PERIODS, DISCLOSURE, AND TRANSITION. THE CUMULATIVE EFFECT OF THIS CHANGE IN ACCOUNTING PRINCIPLE WAS IMMATERIAL.**

**Part XIV** Supplemental Information (continued)

IN ASSESSING THE REALIZABILITY OF TAX BENEFITS, MANAGEMENT CONSIDERS PROJECTED FUTURE INCOME, AND TAX PLANNING STRATEGIES IN MAKING THIS ASSESSMENT. DANCE WAVE CLASSIFIES INTEREST ON UNDERPAYMENTS OF INCOME TAX AS INTEREST EXPENSE, AND CLASSIFIES PENALTIES IN CONNECTION WITH UNDERPAYMENTS OF TAX AS OTHER EXPENSE. BASED UPON THE LEVEL OF HISTORICAL INCOME AND PROJECTIONS FOR FUTURE INCOME, MANAGEMENT BELIEVES IT IS MORE LIKELY THAN NOT THAT THE ORGANIZATION WILL REALIZE ALL TAX BENEFITS. DANCEWAVE DOES NOT EXPECT A SIGNIFICANT INCREASE OR DECREASE TO THE TOTAL AMOUNTS OF UNRECOGNIZED TAX POSITIONS DURING THE FISCAL YEAR ENDED JUNE 30, 2012. HOWEVER, DANCEWAVE IS UNDER REGULAR AUDIT BY TAX AUTHORITIES. DANCEWAVE BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR THE POSITIONS TAKEN ON ITS TAX RETURNS. NONETHELESS, THE AMOUNTS ULTIMATELY PAID, IF ANY, UPON RESOLUTION OF THE ISSUES RAISED BY THE TAXING AUTHORITIES MAY DIFFER MATERIALLY FROM THE AMOUNTS ACCRUED FOR EACH YEAR. THE ORGANIZATION FILES TAX RETURNS IN THE UNITED STATES AND NEW YORK STATE JURISDICTIONS. THE ORGANIZATION IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY THE INTERNAL REVENUE SERVICE OR NEW YORK STATE FOR RETURNS FILED BEFORE 2009.

## PART XI, LINE 8 - OTHER ADJUSTMENTS:

PRIOR PERIOD ADJUSTMENT TO VARIOUS INCOME AND EXPENSE BALANCES.

## PART XII, LINE 4B - OTHER ADJUSTMENTS:

SPECIAL EVENT EXPENSES OFFSET AGAINST SPECIAL EVENT REVENUE -14,265.

## PART XIII, LINE 2D - OTHER ADJUSTMENTS:

SPECIAL EVENT EXPENSES OFFSET AGAINST SPECIAL EVENT REVENUE 14,265.



**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		SPRING CELEBRATION (event type)	(event type)	NONE (total number)	
Revenue	1	Gross receipts	33,612.		33,612.
	2	Less. Charitable contributions	31,805.		31,805.
	3	Gross income (line 1 minus line 2)	1,807.		1,807.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses	16,072.		16,072.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			( 16,072 )
	11	Net income summary. Combine line 3, column (d), and line 10			<14,265.>

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d)			( )
	8	Net gaming income summary. Combine line 1, column d, and line 7			

9 Enter the state(s) in which the organization operates gaming activities: \_\_\_\_\_  
 a Is the organization licensed to operate gaming activities in each of these states?  Yes  No  
 b If "No," explain: \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
 b If "Yes," explain: \_\_\_\_\_



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2011**  
Open to Public  
Inspection

Name of the organization

**DANCEWAVE, INC.**

Employer identification number  
**11-2726558**

**FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:**

**THROUGH UNIQUE EXPOSURE TO WORLD-CLASS, PRE-PROFESSIONAL PERFORMING  
ARTS TRAINING.**

**FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:**

**EXPENSES \$71,987, REVENUE \$ \_\_\_\_\_ - SUMMER DANCE INTENSIVE - TWO  
WEEK SUMMER PROGRAM**

**EXPENSES \$69,640, REVENUE \$ \_\_\_\_\_ - KIDS CAFE FESTIVAL - CELEBRATES  
THE TALENTS OF NEW YORK CITY YOUTH IN A DANCE FESTIVAL CREATED BY AND  
FOR YOUNG PEOPLE FEATURING 250+ TALENTED HIGH SCHOOL AND COLLEGE  
DANCERS FROM ACROSS THE CITY.**

**EXPENSES \$ 141,627. INCLUDING GRANTS OF \$ 0. REVENUE \$ 0.**

**FORM 990, PART VI, SECTION A, LINE 3: THE ORGANIZATION DELEGATES DUTIES  
SUCH AS EXECUTING FINANCIAL OPERATIONS.**

**FORM 990, PART VI, SECTION B, LINE 11: THE BOARD OF DIRECTORS REVIEWS THE  
FORM 990 BEFORE IT IS FILED WITH THE IRS. ANY ISSUES THAT ARISE IN THE  
BOARD'S REVIEW ARE RESOLVED BEFORE THEY APPROVE THE 990 FOR FILING WITH THE  
IRS.**

**FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES AN  
ANNUAL RE-EXAMINATION OF CONFLICT WHEREBY THEY NEED TO SIGN A FORM  
VERIFYING THERE ARE NO CONFLICTS OR DISCLOSING THEM. THE ORGANIZATION THEN  
MONITORS THE DECISION MAKING PROCESS TO ENSURE IT IS NOT TAINTED BY  
POTENTIAL CONFLICT.**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2011)

132211  
01-23-12

Name of the organization

DANCEWAVE, INC.

Employer identification number

11-2726558

FORM 990, PART VI, SECTION B, LINE 15: THE DETERMINATION OF COMPENSATION IS MADE AT A MEETING OF THE BOARD OF DIRECTORS DURING THE FISCAL REVIEW OF THE YEAR. AT THAT TIME, THERE IS A DISCUSSION REGARDING THE COMPENSATION FOR THE DIRECTOR AND OTHER MANAGEMENT PERSONNEL OF THE ORGANIZATION.

FORM 990, PART VI, SECTION C, LINE 19: THE CONFLICT OF INTEREST POLICY IS GIVING TO A POTENTIAL BOARD MEMBER AT THE TIME THEY ARE TO BE VOTED.

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

*Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

**Electronic filing (e-file)** - You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).**

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>DANCEWAVE, INC.</b>	Employer identification number (EIN) or <input checked="" type="checkbox"/> <b>11-2726558</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>45 FOURTH AVENUE</b>	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>BROOKLYN, NY 11217-1903</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**DIANE JACOBOWITZ - DANCEWAVE INC**

- The books are in the care of ▶ **45 FOURTH AVENUE - BROOKLYN, NY 11217**  
 Telephone No. ▶ **718-522-4696** FAX No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

**1** I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **FEBRUARY 15, 2013**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2011**, and ending **JUN 30, 2012**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c</b> <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box  X

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).**

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions <b>DANCEWAVE, INC.</b>	Employer identification number (EIN) or <input checked="" type="checkbox"/> X <b>11-2726558</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>45 FOURTH AVENUE</b>	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>BROOKLYN, NY 11217-1903</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) **01**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	08	Form 8870	12

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

**DIANE JACOBOWITZ - DANCEWAVE INC**

• The books are in the care of **45 FOURTH AVENUE - BROOKLYN, NY 11217**  
Telephone No. **718-522-4696** FAX No.

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **MAY 15, 2013**.

5 For calendar year , or other tax year beginning **JUL 1, 2011**, and ending **JUN 30, 2012**.

6 If the tax year entered in line 5 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

7 State in detail why you need the extension  
**BOOKS AND RECORDS NECESSARY FOR FILING A COMPLETE RETURN WERE NOT AVAILABLE DUE TO THE HURRICANE DISASTER AND THIRD PARTY DOCUMENTATION NOT YET RECEIVED.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

**Signature and Verification must be completed for Part II only.**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **John Kab** Title **ACCOUNTANT** Date **2/11/13**

**DANCEWAVE, INC.**  
**(A NOT-FOR-PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**  
**(Together with Independent Auditors' Report)**

**FOR THE YEAR ENDED JUNE 30, 2012**

**DANCEWAVE, INC.**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**FINANCIAL STATEMENTS**  
**(Together with Independent Auditors' Report)**  
  
**FOR THE YEAR ENDED JUNE 30, 2012**

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ACCOUNTING & ADVISORY OFFICE OF  
**ETHAN KAHN CPA, LLC**  
A LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANT  
EMAIL  
ethankahn@ekahncpa.com  
WEBSITE  
www.ekahncpa.com

TELEPHONE  
(718) 758-4410  
ADDRESS  
5417 18<sup>th</sup> Ave.  
Brooklyn, N.Y 11204

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Dancewave, Inc.,

We have audited the accompanying statement of financial position of Dancewave, Inc., (a Not-for-Profit Organization) (the "Organization") as of June 30, 2012, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dancewave, Inc. as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
Ethan Kahn CPA, LLC

Brooklyn, NY  
February 6, 2013

---

EMAIL	TELEPHONE	WEBSITE	ADDRESS
ethankahn@ekahncpa.com	(718) 758-4410	www.ekahncpa.com	5417 18 <sup>th</sup> Ave. Brooklyn, N.Y

**DANCEWAVE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**AS OF JUNE 30, 2012**

**ASSETS**

Cash	\$ 251,229
Cash - reserve for capital campaign	150,992
Grants receivable	44,191
Pledges receivable	46,650
Prepaid expenses	8,078
Security deposit	5,100
<b>TOTAL ASSETS</b>	<b><u>\$ 506,240</u></b>

**LIABILITIES**

Accounts payable and accrued expenses	\$ 10,030
Deferred income	83,848
<b>TOTAL LIABILITIES</b>	<b><u>93,878</u></b>

**NET ASSETS**

Unrestricted net assets	374,862
Temporarily restricted net assets	37,500
<b>TOTAL NET ASSETS</b>	<b><u>412,362</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 506,240</u></b>

The accompanying notes are an integral part of these financial statements.

**DANCEWAVE, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE</b>			
Tuition fees	\$ 218,177	\$ -	\$ 218,177
Ads, concessions, video and performance fees	26,552	-	26,552
Government grants	36,100	-	36,100
Foundations	55,050	37,500	92,550
Corporations	74,225	-	74,225
Individuals	14,742	-	14,742
Rental income	20,112	-	20,112
Box office income	15,892	-	15,892
Contracted services income	91,355	-	91,355
Special events, net of costs of direct benefits to donors	33,855	-	33,855
Net assets released from restrictions	81,000	(81,000)	-
<b>TOTAL REVENUE</b>	<u>667,060</u>	<u>(43,500)</u>	<u>623,560</u>
<b>EXPENSES</b>			
Program Services			
D-wave in motion	92,307	-	92,307
Kids café festival	69,640	-	69,640
Dancewave company	76,614	-	76,614
Summer dance intensive	71,987	-	71,987
Dancewave School	114,423	-	114,423
Total Program Services	<u>424,971</u>	<u>-</u>	<u>424,971</u>
Supporting Services			
Management and general	111,560	-	111,560
Fundraising	40,909	-	40,909
Total Supporting Services	<u>152,469</u>	<u>-</u>	<u>152,469</u>
<b>TOTAL EXPENSES</b>	<u>577,440</u>	<u>-</u>	<u>577,440</u>
<b>CHANGE IN NET ASSETS</b>	<u>89,620</u>	<u>(43,500)</u>	<u>46,120</u>
<b>Net assets - beginning of year</b>	<u>285,242</u>	<u>81,000</u>	<u>366,242</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 374,862</u>	<u>\$ 37,500</u>	<u>\$ 412,362</u>

The accompanying notes are an integral part of these financial statements.

**DANCEWAVE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**(A-NOT-FOR-PROFIT ORGANIZATION)**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	Program Services						Supporting Services			Total
	D-Wave In Motion	Kids Café Festival	Dancewave Company	Summer Dance Intensive	Dancewave School	Total Program Services	Management and General	Fundraising	Supporting Services	
Compensation of director	\$ 15,520	\$ 2,587	\$ 10,346	\$ 2,587	\$ 10,348	\$ 41,386	\$ 10,347	\$ -	\$ 10,347	\$ 51,733
Other salaries and wages	19,476	9,741	8,956	12,088	46,765	97,026	13,527	20,498	34,025	131,051
Payroll taxes	3,575	3,575	3,575	3,575	3,575	17,875	8,052	6,146	15,198	33,073
<b>Total Personnel Costs</b>	<b>38,571</b>	<b>15,903</b>	<b>22,877</b>	<b>18,250</b>	<b>60,686</b>	<b>156,287</b>	<b>32,926</b>	<b>26,644</b>	<b>59,570</b>	<b>215,857</b>
Artistic and technical fees	29,448	29,448	29,448	29,448	29,448	147,240	-	-	-	147,240
Rent	6,437	6,437	6,437	6,437	6,437	32,185	-	-	-	32,185
Production	4,077	4,077	4,077	4,077	4,077	20,385	636	-	636	21,021
Costs of direct benefits to donors	-	-	-	-	-	-	-	1,807	1,807	1,807
Event expenses	7,285	7,285	7,285	7,285	7,285	36,425	-	14,265	14,265	14,265
Facility expense	1,403	1,403	1,403	1,403	1,403	7,015	31,893	-	31,893	68,418
Business expense	1,403	1,403	1,403	1,403	1,403	7,015	12,883	-	12,883	19,908
Professional fees	1,242	1,242	1,242	1,242	1,242	6,210	28,482	-	28,482	34,692
Publicity	3,845	3,845	3,845	3,845	3,845	19,224	4,630	-	4,630	23,854
<b>Total Expenses</b>	<b>92,307</b>	<b>69,640</b>	<b>76,614</b>	<b>71,987</b>	<b>114,423</b>	<b>424,971</b>	<b>111,550</b>	<b>42,716</b>	<b>154,276</b>	<b>579,247</b>
Less expenses deducted directly from revenue, costs of direct benefits to donors	-	-	-	-	-	-	-	(1,807)	(1,807)	(1,807)
<b>TOTAL EXPENSES</b>	<b>\$ 92,307</b>	<b>\$ 69,640</b>	<b>\$ 76,614</b>	<b>\$ 71,987</b>	<b>\$ 114,423</b>	<b>\$ 424,971</b>	<b>\$ 111,550</b>	<b>\$ 40,909</b>	<b>\$ 152,469</b>	<b>\$ 577,440</b>

The accompanying notes are an integral part of these financial statements

**DANCEWAVE, INC.**  
**STATEMENT OF CASH FLOWS**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 46,120
Changes in operating assets and liabilities:	
Increase in grant receivable	(27,191)
decrease in pledges receivable	2,259
Increase in prepaid expenses	(6,323)
Increase in security deposit	(600)
Decrease in accounts payable and accrued expenses	(9,401)
Increase in deferred income	72,280
Net Cash Provided by Operating Activities	77,144
Net increase in cash	77,144
Cash - beginning of year	325,077
<b>CASH - END OF YEAR</b>	<b>\$ 402,221</b>

**Supplemental Disclosures of Cash Flow Information:**

Cash paid during the year for:	
Interest	\$ -
Income taxes	\$ -
In-kind contributions:	\$ -

The accompanying notes are an integral part of these financial statements.

**DANCEWAVE, INC.**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 1—ORGANIZATION, NATURE OF ACTIVITIES AND TAX STATUS:**

Organization

The Dancewave, Inc. (the "Organization") mission is to transform the lives of NYC youth through unique exposure to world-class, pre-professional performing arts training. Dancewave began in 1995 with the creation of Kids Cafe Festival, a popular Brooklyn festival now focused on college dance opportunities. To expand our programs to a wider population of ethnically and economically diverse young people, Dancewave established a diverse roster of training programs; D-Wave in Motion an arts-in-education program; and after school dance program now known as The School of Dancewave; Summer Dance Intensive; and the Dancewave Company. In 2008 Dancewave moved to its first home on Fourth Avenue, where its programs have significantly grown. The School of Dancewave serves hundreds of children and has developed seven youth performance ensembles. D-Wave in Motion programs are provided in New York City public schools where the programs provide a bright future for the students.

Tax Status

Dancewave, Inc. was organized as a Not-For-Profit Corporation under the laws of the State of New York. The Organization has filed for and received an exemption from Federal income tax under section 501 (c) (3) of the Internal Revenue Code, and has been designated as an organization that is not a private foundation.

Income taxes

Effective December 15, 2009, the Organization adopted ASC 740-10-50-15, *Accounting for Uncertainty in Income Taxes*. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The cumulative effect of this change in accounting principle was immaterial. In assessing the realizability of tax benefits, management considers whether it is more likely than not that some portion or all of any tax position will not be realized. The ultimate realization of such tax positions is dependent upon the generation of future income. Management considers projected future income, and tax planning strategies in making this assessment. Dancewave classifies interest on underpayments of income tax as interest expense, and classifies penalties in connection with underpayments of tax as other expense. Based upon the level of historical income and projections for future income, management believes it is more likely than not that the Organization will realize all tax benefits.

Dancewave does not expect a significant increase or decrease to the total amounts of unrecognized tax positions during the fiscal year ended June 30, 2012. However, Dancewave is under regular audit by tax authorities. Dancewave believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. The organization files tax returns in the United States and New York State jurisdictions. The organization is no longer subject to income tax examinations by the Internal Revenue Service or New York State for returns filed before 2009.

**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Basis of Accounting

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported

**DANCEWAVE, INC.**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

**Financial Statement Net Asset Presentation**

The classification of the Organization's net assets and its support, revenues and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets - permanently restricted, temporarily restricted, and unrestricted - be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities and changes in net assets.

These three classes are defined as follows:

**Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization, rather remain in perpetuity.

**Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net asset. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

**Unrestricted** - The portion of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**Valuation of Investment in Securities at Fair Value-Definition and Hierarchy**

In accordance with Generally Accepted Accounting Principles in the United States of America, the Organization has adopted the standards surrounding *Fair Value Measurements*. Under these standards, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting principles establish a fair value hierarchy for inputs used in measuring fair value that maximize the use of observable inputs and minimize the use of unobservable inputs by requiring the most observable units to be used, when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about inputs market participants would use at the measurement date. The fair value hierarchy is categorized into three levels based on inputs as follows:

Level 1- Valuation based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2- Valuation based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3- Valuation based on inputs that are unobservable and significant to the overall fair value measurement

Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the standards, as follows:

**DANCEWAVE, INC.**  
**(A NOT-FOR-PROFIT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

- Market approach - Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- Cost approach - Amount that would be required to replace the service capacity of an asset (i.e. replacement cost), and
- Income approach - Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models and lattice models).

**Fair Value - Organization Status**

The Organization currently does not maintain investments; therefore, for fiscal 2012 the adoption of this pronouncement did not have an impact on the Organization's financial statements. The Organization's policy is to use Level 1 and Level 2 fair value hierarchy in the valuation of its securities.

**Subsequent Events**

Management has reviewed subsequent events and transactions that occurred on or after the statement of financial position date through the date the financial statements were available to be issued, February 6, 2013. The financial statements include all events and transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Aside from note 8 below, management has determined that there are no non-recognized subsequent events that require additional disclosure.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an original maturity date of three months or less at the time of purchase to be cash equivalents. For the fiscal year ending June 30, 2012 there were no cash equivalents. During fiscal year 2012 the Organization made considerable efforts to set aside unrestricted funds in the anticipation for a future capital project as reported on the accompanying statement of financial position as reserve for capital campaign. As such, cash as of June 30, 2012 exceeded its typical balance

**Grants and Contract Receivable**

Grants and contract receivable are recorded in accordance with accrual based accounting which is in accordance with generally accepted accounting principles. Dancewave uses the allowance method to determine uncollectible grants and contract receivable. The allowance is based on historical experience and management's analysis of the current status of amount receivable. Management has estimated that as of June 30, 2012, there is no allowance for doubtful accounts necessary. Receivables are collectible within the year.

**Property and Equipment**

Property and equipment, are recorded at cost, or at fair market value if free of cost, less accumulated depreciation, and are depreciated on the straight-line basis over the estimated useful lives of the assets. These amounts do not purport to represent replacement or realizable values. The Organization capitalizes all owned property and equipment having a useful life of greater than one year and a cost of more than \$5,000. On occasion, certain expenditures for property and equipment are included in the financial statements as expenses because the cost of these items was reimbursed by certain governmental funding sources and the contractual agreement specifies that title to these assets rests with the funding sources rather than the Organization. Expenditures for repairs and maintenance are expensed as incurred. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the applicable lease.

Costs related to planned major maintenance projects are expensed as incurred. The Organization reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the Organization recognizes an

**DANCEWAVE, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

impairment loss. No impairment losses were recognized for the year ended June 30, 2012.

In addition, certain agreements provide that some property and equipment either owned by or on loan to the Organization must be utilized by the organization to continue owning and/or using these assets.

**Deferred Income**

Revenues are recognized when services are performed or otherwise earned in accordance with their respective funding contracted agreements. Cash received in excess of revenue recognized is recorded as deferred income.

**In-kind donations**

During fiscal year 2012 the organization received food and gifts for auction at their special event. The donors assessed the fair value of these items which amounted to approximately \$16,000 which has been reported in the accompanying statement of activities and net assets within special events revenue. These items have been transferred at their donated cost. See note 8 below that incorporates donated services.

**Contributions**

Contributions are recognized when earned and classified as either unrestricted, temporarily restricted or permanently restricted support.

**Revenue Recognition**

Dancewave receives a considerable portion of its revenues from \_\_\_\_\_ for contracted services and student tuition fees, amounting to \$127,455 and \$218,177, respectively. These contracts are for services provided for their respective programs. The remainder of the revenue is derived from fundraising efforts and general contributions. See note 8 below for additional information regarding future plans of the Organization that will likely affect unrestricted and temporarily restricted revenue.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Financial Statement Presentation**

Certain line items in the June 30, 2011 presentation have been reclassified to conform to the June 30, 2012 presentation.

**NOTE 3— GRANTS AND PLEDGES RECEIVABLE:**

As of June 30, 2012 the Organization had outstanding receivables amounting to \$90,841 is as follows:

**DANCEWAVE, INC.**  
**(A NOT- FOR-PROFIT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 4—TEMPORARILY RESTRICTED NET ASSETS:**

Temporarily restricted net assets are available for various programs and activities sponsored by Dancewave. Once the program or activity takes place, the purpose restriction is satisfied and the net assets are reclassified from temporarily restricted net assets to unrestricted net assets as reflected in the accompanying statement of activities and net assets. Below is a summary of the restricted activity.

	Balance 6/30/11	Additions	Releases / Expenditures	Balance 6/30/12
<b>Purpose Restricted:</b>				
Demitasse café free summer series	\$ 1,000	\$ -	\$ 1,000	\$ -
Aberdeen trip	5,000	-	5,000	-
CRM database - Elser Enterprises	-	10,000	-	10,000
<b>Total Purpose restricted</b>	<b>6,000</b>	<b>10,000</b>	<b>6,000</b>	<b>10,000</b>
<b>Time Restricted:</b>				
Two year Grants	75,000	27,500	75,000	25,500
<b>Total</b>	<b>\$ 81,000</b>	<b>\$ 37,500</b>	<b>\$ 81,000</b>	<b>\$ 37,500</b>

**NOTE 5—COMMITMENTS AND CONTINGENCIES:**

- A. The Organization has contractual relationships with certain governmental funding sources that provide the right to examine the books and records of the Organization involving transactions relating to these contracts. The accompanying financial statements make no provision for possible disallowances except as discussed throughout the accompanying notes. Although such possible disallowances could be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.
- B. The Organization is obligated, pursuant to lease agreements, to approximate future minimum annual lease payments for the years ended after June 30, 2012. As of the date of this report, the Organization has been involved in negotiations for the purchase of a building and will determine the need for renewing all current lease agreements based on the respective outcome. Management intends to maintain the current sight as well as the new site throughout the construction process. Should this become a reality, the future annual payments will increase respectively.

Future annual principal payments are currently as follows.

<u>Real Property</u>	
2013	\$ 62,834
2014	32,819
Thereafter	-
	<b>\$ 95,653</b>

Rent expense for the year ended June 30, 2012 amounted to \$91,940 of which approximately \$32,000 has been included in rent expense representing month to month agreements and \$59,000 for the main office space, included in facility expense in the accompanying statement of functional expenses

**DANCEWAVE, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6—CONCENTRATIONS:**

- A. Financial instruments that potentially would subject the Organization to a concentration of credit risk would include cash accounts that exceed the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000. This threshold currently remains in effect until December 31, 2013. The Organization had concentrations in cash balances as of June 30, 2012 as the cash balance has exceeded the insured limit.
- B. The Organization earned approximately 20% of its revenue from contracted services provided through government grants. The Organization receives approximately 35% of its revenue from performances and teachings provided by the organization. The Organization receives approximately 27% of its revenue from foundations and corporations.
- C. Accounts receivable from foundations and corporations constituted 71% of total accounts receivable.
- D. The Organization focuses on a population interested in the art of dance and services individuals primarily located within the New York City area.

**NOTE 7—RISKS AND UNCERTAINTIES:**

- A. Pursuant to the Organization's contractual relationships with New York State and other funding sources, outside agencies have the right to examine the books and records of the Organization involving transactions relating to these contracts.
- B. There are various risks related to damage, destruction, theft, torts, injuries and natural disasters for which the Organization maintains commercial insurance as a vehicle for protection.

**NOTE 8—OTHER MATTERS:**

During fiscal 2012 the Organization initiated efforts towards a capital campaign, to facilitate the goal of moving into a larger leased area. Management has been successful in negotiating allotments to be provided by various government and nongovernmental entities, towards this endeavor. As of June 30, 2012, the Organization was allocated approximately \$390,000 by New York City Department of Cultural Affairs and New York City Council members towards the construction of a new space located at 182 Fourth Avenue, Brooklyn, NY 11217. These funds are being used by the Department of Cultural Affairs to manage the proposed construction. During fiscal 2013 this amount increased to approximately \$500,000 and the Organization has participated in various contracts to facilitate this project.