

Return of Organization Exempt From Income Tax

2004

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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 2004 calendar year, or tax year beginning July 1, 2004, and ending June 30, 2005

- B Check if applicable:
- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

C Name of organization
Tapestry Folkdance Center

Number and street (or P.O. box if mail is not delivered to street address), Room/suite
3748 Minnehaha Avenue

City or town, state or country, and ZIP + 4
Minneapolis, MN 55406-2668

D Employer identification number
41-1459618

E Telephone number
(612) 722-2914

F Accounting method: Cash Accrual
 Other (specify) ▶

G Website: ▶ **www.tapestryfolkdance.org**

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no) 4947(a)(1) or 527

K Check here ▶ If the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **238,765**

M Check ▶ If the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

1		Contributions, gifts, grants, and similar amounts received:			
Revenue	a	Direct public support	1a	44,765	
	b	Indirect public support	1b	1,294	
	c	Government contributions (grants)	1c	0	
	d	Total (add lines 1a through 1c) (cash \$ 46,059 noncash \$ _____)	1d		46,059
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		179,972
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4		
	5	Dividends and interest from securities	5		81
	6a	Gross rents	6a		
	b	Less: rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
	7	Other investment income (describe ▶ _____)	7		
Expenses	8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
	b	Less: cost or other basis and sales expenses	8a		
	c	Gain or (loss) (attach schedule)	8b		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
	8d				
	9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>			
	a	Gross revenue (not including \$ 893 of contributions reported on line 1a)	9a	9,337	
	b	Less: direct expenses other than fundraising expenses	9b	3,578	
	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		5,759
	10a	Gross sales of inventory, less returns and allowances	10a	3,316	
b	Less: cost of goods sold	10b	987		
10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		2,329	
	11	Other revenue (from Part VII, line 103)	11		
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		234,200
	13	Program services (from line 44, column (B))	13		204,144
	14	Management and general (from line 44, column (C))	14		31,677
	15	Fundraising (from line 44, column (D))	15		8,735
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses (add lines 16 and 17, column (A))	17		244,556
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		(10,356)
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		491,379
	20	Other changes in net assets or fund balances (attach explanation)	20		
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		481,023

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25			
26	Other salaries and wages	26	60,810	36,217	20,049
27	Pension plan contributions	27			
28	Other employee benefits	28	1,991	1,195	602
29	Payroll taxes	29	5,047	2,968	1,705
30	Professional fundraising fees	30			
31	Accounting fees	31	2,760	0	2,760
32	Legal fees	32			
33	Supplies	33	1,070	367	486
34	Telephone	34	2,055	1,660	292
35	Postage and shipping	35	3,310	1,907	137
36	Occupancy	36	14,475	13,914	421
37	Equipment rental and maintenance	37	1,212	1,169	32
38	Printing and publications	38	3,859	2,236	108
39	Travel	39	433	411	22
40	Conferences, conventions, and meetings	40			
41	Interest	41	15,755	15,184	428
42	Depreciation, depletion, etc. (attach schedule)	42	22,812	21,900	684
43	Other expenses not covered above (itemize): a	43a			
	b Contractors (artist fees)	43b	101,320	101,320	0
	c Miscellaneous	43c	1,190	0	1,190
	d Insurance	43d	6,457	3,696	2,761
	e	43e			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	244,556	204,144	31,677

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions)

What is the organization's primary exempt purpose? **To create opportunities for participating in the joys of dance and music from around the world.**
 All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a Tapestry offers folk dancing events, which include instruction in folk dance, recreational dancing, performance of folk dance and music, and ethnic celebrations. In 2004-05 our attendance totalled 29,858. (Grants and allocations \$ _____)	200,061
b Tapestry is a resource for information about local and national folk dance teachers, musicians, performing groups, and events. Phone and electronic requests for information were estimated at 2,600 for the year. Our web site was accessed by an average of 1,963 unique visitors each month. (Grants and allocations \$ _____)	4,083
c (Grants and allocations \$ _____)	
d (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	204,144

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	59,153	45	73,561	
	46 Savings and temporary cash investments		46		
	47a Accounts receivable	2,760			
	b Less: allowance for doubtful accounts	0	1,695	47c	2,760
	48a Pledges receivable	25,186			
	b Less: allowance for doubtful accounts	0	35,078	48c	25,186
	49 Grants receivable		12,300	49	0
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a Other notes and loans receivable (attach schedule)				
	b Less: allowance for doubtful accounts			51c	
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges			53	
	54 Investments—securities (attach schedule) ▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54	
	55a Investments—land, buildings, and equipment: basis				
	b Less: accumulated depreciation (attach schedule)			55c	
56 Investments—other (attach schedule)			56		
57a Land, buildings, and equipment: basis	765,189				
b Less: accumulated depreciation (attach schedule)	127,759	660,242	57c	637,430	
58 Other assets (describe ▶ _____)			58		
59 Total assets (add lines 45 through 58) (must equal line 74)		768,468	59	738,937	
Liabilities	60 Accounts payable and accrued expenses	41,782	60	28,278	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a Tax-exempt bond liabilities (attach schedule)			64a	
	b Mortgages and other notes payable (attach schedule)		235,307	64b	229,636
	65 Other liabilities (describe ▶ _____)			65	
66 Total liabilities (add lines 60 through 65)		277,089	66	257,914	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67 Unrestricted	444,001	67	455,837	
	68 Temporarily restricted	47,378	68	25,186	
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19, column (B) must equal line 21)		491,379	73	481,023
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		768,468	74	738,937

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information (See page 28 of the instructions.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.		<input checked="" type="checkbox"/>
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		<input checked="" type="checkbox"/>
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		<input checked="" type="checkbox"/>
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions 81a 0		
b	Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	<input checked="" type="checkbox"/>	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b 50,300		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments, and similar amounts from members. 85c		
d	Section 162(e) lobbying and political expenditures. 85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12. 86a		
b	Gross receipts, included on line 12, for public use of club facilities 86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders 87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<input checked="" type="checkbox"/>
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under section 4911 _____; section 4912 _____, section 4955 _____		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		<input checked="" type="checkbox"/>
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 _____		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization _____		
90a	List the states with which a copy of this return is filed Minnesota		
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions) 90b 3		
91	The books are in care of Tapestry Folkdance Center Telephone no (612) 722-2914 Located at 3748 Minnehaha Avenue, Minneapolis, MN ZIP + 4 55406-2668		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Workshops and dances					161,132
b Dance group rehearsals					18,840
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	81	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			01	5,759	
102 Gross profit or (loss) from sales of inventory			03	2,329	
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				8,169	179,972
105 Total (add line 104, columns (B), (D), and (E))					188,141

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	These events expose people to folk dance arts and education.
93b	Dance education and performance are provided by these groups.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

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

Signature of officer: *Theresa Mish* Date: 1/21/06

Theresa Mish, President

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: 1/18/06 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: Beth L. Hennessy, RR2, Box 178, Lanesboro, MN 55949-9653

Preparer's SSN or PTIN (See Gen. Inst. W): 309-66-8684

EIN: Phone no: (507) 875-2290

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		✓
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	✓
b Lending of money or other extension of credit?	2b	✓
c Furnishing of goods, services, or facilities?	2c	✓
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	✓
e Transfer of any part of its income or assets?	2e	✓
3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	✓
b Do you have a section 403(b) annuity plan for your employees?	3b	✓
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a	✓
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b	✓

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	128,016	39,415	61,524	58,558	287,513
16 Membership fees received	203,833	224,614	188,524	169,662	786,633
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	18	17	1,164	3,630	4,827
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	331,865	264,046	251,212	231,850	1,078,973
24 Line 23 minus line 17	128,032	39,432	62,688	62,188	292,340
25 Enter 1% of line 23	3,319	2,640	2,512	2,318	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2003) 18,081 (2002) 3,730 (2001) 1,935 (2000) 1,660					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2003) Not applicable (2002) Not applicable (2001) Not applicable (2000) Not applicable					
c Add Amounts from column (e) for lines: 15 287,513 16 0 17 786,633 20 0 21 0					27c 1,074,146
d Add Line 27a total, 25,406 and line 27b total 0					27d 25,406
e Public support (line 27c total minus line 27d total)					27e 1,048,740
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)					27f 1,078,973
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 97.2 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 0.004 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain (if you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain (if you need more space, attach a separate statement)		
34a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group. Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	If the amount on line 40 is—		
	The lobbying nontaxable amount is—		
	Not over \$500,000	20% of the amount on line 40	} 41
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41).	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(a))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		✓	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		✓	
c Media advertisements		✓	
d Mailings to members, legislators, or the public		✓	
e Publications, or published or broadcast statements		✓	
f Grants to other organizations for lobbying purposes		✓	
g Direct contact with legislators, their staffs, government officials, or a legislative body		✓	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		✓	
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

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Part I, Line 9.

Special Events and Activities	Gross Receipts	Contributions	Gross Revenue	Direct Expenses	Net Income
Bowling	\$ 1,053	\$ 218	\$ 835	\$ 481	\$ 354
Pineapple Ball & Auction	\$ 8,608	\$ 675	\$ 7,933	\$ 2,783	\$ 5,150
Coupon Book & Media Sale	\$ 569	\$ -	\$ 569	\$ 314	\$ 255
TOTAL	\$ 10,230	\$ 893	\$ 9,337	\$ 3,578	\$ 5,759

Part I, Line 10.c.

Sale Item	Gross Sales	Cost of Goods Sold*	Gross Profit
Concessions	\$ 3,238	\$ 987	\$ 2,250
T-Shirts, etc.	\$ 184	\$ 105	\$ 79
TOTAL	\$ 3,422	\$ 1,092	\$ 2,329

* The cost of all sale items are booked at the time of purchase.

Part II, Line 42.

Tapestry depreciates its sound equipment (tape players, mixer, amplifier, microphones), office equipment (computers and printers) and furniture (chairs and admission tables) over a 5-year period, taking 20% of the original value each year. Tapestry depreciates its land and building over a 30-year period, taking 3.33% of the original value each year.

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Part IV, Line 54.

Company	Fair Market Value on 06/30/2004
Washington Real Estate	\$521
TOTAL	\$521

Part IV, Line 57.b.

Item	Cost	Accumulated depreciation	Book value
Safe	\$ 479	\$ 479	\$ -
Yamaha P2350 Power Amplifier and MC802 Mixing Console	\$ 1,840	\$ 1,840	\$ -
Yamaha 100 Amplifier/Mixer	\$ 650	\$ 650	\$ -
Audio-technica ATM63HE Microphone	\$ 151	\$ 151	\$ -
Theater lights	\$ 591	\$ 591	\$ -
Folding chairs	\$ 214	\$ 214	\$ -
Sony Cassette Tape Deck Model TCWR565	\$ 252	\$ 252	\$ -
Sound Console	\$ 300	\$ 300	\$ -
8 Shure SM57LC Microphones and 1 Shure SM58LC Microphone	\$ 795	\$ 795	\$ -
8 Atlas MSX-10CE Microphone Stands & 8 PB21XE Extendable-Length Booms	\$ 639	\$ 639	\$ -
ATEC Pentium Computer & SunView Energy	\$ 1,101	\$ 1,101	\$ -
Admission desk	\$ 1,200	\$ 1,200	\$ -
Admission desk	\$ 1,200	\$ 1,200	\$ -
Center loudspeaker in main hall	\$ 1,223	\$ 1,223	\$ -
Speakers in main hall	\$ 2,139	\$ 2,139	\$ -
TOTAL Equipment	\$ 12,773	\$ 12,773	\$ -
Building, Land, and Renovations - 3748	\$ 752,416	\$ 114,986	\$ 637,430
TOTAL	\$ 765,190	\$ 140,533	\$ 637,430

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Part IV, Line 64.b.

Mortgages Payable

Tapestry Folkdance Center has a bank note, secured by the building, that is payable in monthly installments of \$1,785, including interest at 6.0%. A balloon payment of \$211,560 is due May 27, 2008. The outstanding balance at June 30, 2005 was \$229,636.

The future scheduled maturities of long-term debt are as follows:

Years ending June 30:

2006	\$6,200
2007	\$6,800
2008	<u>\$216,607</u>
	\$229,636

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Part V.

List of Officers, Directors, Trustees, and Key Employees

(A) Name and Address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense allowance and other allowances
Melissa Mathews 898 Raymond Ave. St. Paul, MN 55114	Current Executive Director 30 hours/week	\$4,680	\$75 health benefits	\$0
Palmer Van Beest 1320 James Ave. St. Paul, MN 55105	Former Executive Director 36 hours/week	\$11,466	\$703 health benefits, \$2,448 reduced salary to 403(b)	\$0
Robert Anholt 1604 River Terrace Minneapolis, MN 55414	Member, Board of Directors 2 hours/week	\$0	\$0	\$0
Barbara Beltrand 515 Saratoga St. S. St Paul, MN 55116-1545	Treasurer, Board of Directors 2 hours/week	\$0	\$0	\$0
Scott Cooper P.O. Box 491082 Blaine, MN 55449	Secretary, Board of Directors 2 hours/week	\$0	\$0	\$0
Bob Dorff 6122 Cedar Lake Rd St Louis Park MN 55416	Member, Board of Directors 2 hours/week	\$0	\$0	\$0
Rebecca G Heyns 4917 Knox Av N Minneapolis MN 55430	Vice-President, Board of Directors 2 hours/week	\$0	\$0	\$0
Theresa Mish 445 Wacouta St. #307 St. Paul MN 55101	President, Board of Directors 2 hours/week	\$0	\$0	\$0
Jan Morse, '07 518 SE 7th St Minneapolis MN 55414	Member, Board of Directors 2 hours/week	\$0	\$0	\$0
Jeff Nye 1945 Ewing Ave S Minneapolis, MN 55416	Member, Board of Directors 2 hours/week	\$0	\$0	\$0
Susan Roeder, '07 1718 Yorkshire Av St Paul MN 55116-2459	Member, Board of Directors 2 hours/week	\$0	\$0	\$0
Bob Walser 2308 Fremont Ave S Minneapolis, MN 55405	Member, Board of Directors 2 hours/week	\$0	\$0	\$0

Schedule A (Form 990) - 2004
Tapestry Folkdance Center
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Part III, 2d.

Tapestry pays compensation to a key employee: the Executive Director is a salaried position.

Part III, 4.

Tapestry offers all employees the opportunity to set up a salary-reduction 403(b) plan. Tapestry does not contribute any additional funds to these plans.