Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
THE WINE ENTHUSIAST, INC 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1994

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

THE WINE ENTHUSIAST, INC

333 N BEDFORD ROAD
SUITE 100
MOUNT KISCO, NY 10549

2b Employer Identification Number (EIN)
13-3210603

2c Sponsor's telephone number
800-356-8466

2d Business code (see instructions)
454110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2012	HEIDI MOORE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
THE WINE ENTHUSIAST, INC

333 N BEDFORD ROAD
SUITE 100
MOUNT KISCO, NY 10549

3b Administrator's EIN
13-3210603

3c Administrator's telephone number
800-356-8466

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	127
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	95
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	35
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	130
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	130
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	100
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2F 2G 2J 2E 2K 3D 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE WINE ENTHUSIAST, INC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE WINE ENTHUSIAST, INC

D Employer Identification Number (EIN)
13-3210603

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LINCOLN FINANCIAL ADVISORS
395 W PASSIAC ST
4TH FLOOR
ROCHELLE PARK, NJ 07662

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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395 W PASSIAC ST
4TH FLOOR
ROCHELLE PARK, NJ 07662

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 63	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 15 60 50	RECORD KEEPER	3795	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY INVESTMENTS 4500 MAIN STREET KANSAS CITY, MO 64111	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET NEW YORK, NY 10281	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO C/O BFDS, INC. 30 DAN ROAD CANTON, MA 02021-2809	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LINCOLN FINANCIAL ADVISORS	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY INVESTMENTS 4500 MAIN STREET KANSAS CITY, MO 64111	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LINCOLN FINANCIAL ADVISORS	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET NEW YORK, NY 10281	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LINCOLN FINANCIAL ADVISORS	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO C/O BFDS, INC. 30 DAN ROAD CANTON, MA 02021-2809	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE WINE ENTHUSIAST, INC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE WINE ENTHUSIAST, INC

D Employer Identification Number (EIN)
13-3210603

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	4698	8775
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	302999	341283
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	123748	106341
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	3392497	3398800
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	3823942	3855199
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	3823942	3855199

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
(B) Participants	2a(1)(B)	370171	
(C) Others (including rollovers)	2a(1)(C)	4464	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		374635
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	34	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	6415	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		6449
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	42273	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		42273
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	**(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-76194
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		347163
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	295476	
	(2) To insurance carriers for the provision of benefits	2e(2)		
	(3) Other	2e(3)		
	(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		295476
f	Corrective distributions (see instructions)	2f		16635
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		
i	Administrative expenses: **(1)** Professional fees	2i(1)		
	(2) Contract administrator fees	2i(2)	3795	
	(3) Investment advisory and management fees	2i(3)		
	(4) Other	2i(4)		
	(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		3795
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		315906
	Net Income and Reconciliation			
k	Net income (loss). Subtract line **2j** from line **2d**	2k		31257
l	Transfers of assets:			
	(1) To this plan	2l(1)		
	(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CITRON COOPERMAN & COMPANY, LLP **(2)** EIN: 22-2428965

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**	X		198673
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		400000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE WINE ENTHUSIAST, INC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE WINE ENTHUSIAST, INC

D Employer Identification Number (EIN)
13-3210603

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

THE WINE ENTHUSIAST, INC. 401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

YEARS ENDED DECEMBER 31, 2011 AND 2010

THE WINE ENTHUSIAST, INC. 401(k) PLAN
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Contents

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
The Wine Enthusiast, Inc. 401(k) Plan

We were engaged to audit the accompanying statements of net assets available for benefits of The Wine Enthusiast, Inc. 401(k) Plan (the "Plan") as of December 31, 2011 and 2010, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedules of (1) Schedule H, line 4a- Delinquent Participant Contributions, and (2) Schedule H, line 4i- Assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by OFI Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule of assets (held at end of year). We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purposes of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

September 5, 2012

THE WINE ENTHUSIAST, INC. 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	2011	2010
Assets:		
Investments, at fair value:		
Money market fund	$ 341,283	$ 302,999
Mutual funds	3,398,800	3,392,497
Total investments, at fair value	3,740,083	3,695,496
Receivables:		
Employee contributions	8,775	4,698
Notes receivable from participants	106,341	123,748
Total receivables	115,116	128,446
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,855,199	$ 3,823,942

See accompanying notes to financial statements.

THE WINE ENTHUSIAST, INC. 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Additions to net assets attributed to:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	$ (76,605)	$ 371,093
Interest and dividends	42,718	40,976
Net investment income (loss)	(33,887)	412,069
Interest income on notes receivable from participants	6,415	3,857
Contributions:		
Participants	370,171	320,274
Rollovers	4,464	-
Total contributions	374,635	320,274
Total additions	347,163	736,200
Deductions from net assets attributed to:		
Benefits paid to participants	312,111	183,096
Investment management fees	3,795	4,700
Total deductions	315,906	187,796
Net increase	31,257	548,404
Net assets available for benefits - beginning	3,823,942	3,275,538
NET ASSETS AVAILABLE FOR BENEFITS - ENDING	$ 3,855,199	$ 3,823,942

See accompanying notes to financial statements.

1. DESCRIPTION OF PLAN

The following description of The Wine Enthusiast, Inc. 401(k) Plan (the "Plan") provides only general information. For a more complete description of the Plan's provisions, refer to the agreement governing the Plan (the "Plan Agreement").

General

The Plan is a defined contribution plan established January 1, 1994, covering eligible employees of The Wine Enthusiast, Inc. (the "Company"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility

There is no age requirement to be eligible to participate in the Plan, however, an employee must have completed at least six consecutive months of service.

Contributions

Participants may contribute up to 100% of their annual compensation, as defined in the Plan, and subject to limits specified under the Internal Revenue Code ("IRC") Sections 401(k), 404 and 415. Participants who have attained age 50 before the end of the plan year are eligible to make catchup contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the plan. The Plan currently offers various mutual funds as investment options for participants. The Company, at its sole discretion, may make matching contributions on behalf of the participants. The amount of the matching contributions, if any, will be determined each year by the Company. No matching contributions were made for the years ending December 31, 2011 and 2010.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution, if any, and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 6%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through weekly payroll deductions.

If a participant fails to make a payment when the loans are due under the terms of the loan, that participant will be in default. In the event of default, the loan shall become due and payable immediately and interest will continue to accrue until the entire loan balance is repaid. The Plan will take all reasonable actions to collect the balance owed on the loan. Under certain circumstances, the loan in default could be considered a distribution from the Plan and could be considered income to the participant. In any event, failure to repay a loan will reduce the benefit a participant would otherwise be entitled to from the Plan.

1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service.

Participant Distributions

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the participant's vested interest in his or her account or annual installments over a period of not more than their assumed life expectancy as determined at the time of distribution. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

Forfeitures are used to reduce employer contributions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

Recently Adopted Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, *Improving Disclosures about Fair Value Measurements.* This update amends FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures,* to require new disclosures for significant transfers in and out of Level 1 and Level 2 fair value measurements, disaggregation regarding classes of assets and liabilities, valuation techniques, and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for Level 2 or Level 3. These disclosures are effective for reporting periods beginning after December 15, 2009. Additional new disclosures regarding the purchases, sales, issuances, and settlements in the rollforward of activity in Level 3 fair value measurements are effective for fiscal years beginning after December 15, 2010. The Plan adopted certain of the relevant disclosure provisions of ASU 2010-06 on January 1, 2010, and certain other provisions on January 1, 2011. The adoption of this standard did not have a material effect on the Plan's financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is 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. See Note 9 for discussion of fair value measurements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition (Continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the plan's gains and losses on investments bought and sold, as well as held during the year.

Fair Value Measurements

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Under the new standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Other

Substantially all administrative expenses are paid by the Company.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through September 5, 2012, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

4. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are entitled to the entire amount of their employer contributions.

5. TAX STATUS

Effective August 22, 2008, the Company amended and restated the Plan Agreement. The Plan Agreement that was adopted is a prototype plan that is intended to operate as a qualified tax-exempt plan under the appropriate sections of the IRC. The Plan's third party administrator has provided the Company a copy of a letter from the Internal Revenue Service ("IRS") dated March 31, 2008, in which the IRS determined and informed the third party administrator that the prototype plan, as designed, was in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) of the IRC and is exempt from federal income taxes under Section 501(a) of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Although the Plan has been amended since the third party administrator received the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

6. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investment options consist of shares of mutual funds managed by the Trustee. Accordingly, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to $3,795 and $4,700 for the years ended December 31, 2011 and 2010, respectively.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Additionally, virtually all administrative expenses are paid directly by the Company.

7. PROHIBITED TRANSACTIONS

During 2011 and 2010, the Sponsor failed to deposit $198,673 and $116,826, respectively, of participant deferrals within the required time frame as stated by the DOL. The DOL considers late deposits to be prohibited transactions. The Sponsor intends to correct this error in accordance with the DOL's Voluntary Fiduciary Correction Program ("VFCP"). The Sponsor will remit $119 and $21 in lost earnings for 2011 and 2010, respectively, on the late participant deferrals to the Plan.

8. INFORMATION CERTIFIED BY THE PLAN TRUSTEE

The following tables summarize investment and other asset information regarding the Plan as of December 31, 2011 and 2010, and for the years then ended, included in the Plan's financial statements and supplemental schedule, that was prepared by, or derived from, information prepared by the Trustee, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the Trustee that such information is complete and accurate.

	2011	2010
Individual investments representing 5% or more of net assets available for benefits:		
Oppenheimer Capital Appreciation A	$ 1,005,802	$ 1,121,538
Oppenheimer Rising Dividends Fund A	806,279	561,206
Oppenheimer International Growth Fund A	443,468	462,995
Oppenheimer Main Street Small & Med. Cap Fund A	362,132	-
Oppenheimer Global Strategic Income Fund A	326,474	307,800
Oppenheimer Main Street Small Cap Fund A	-	346,078
Oppenheimer Main Street Select Fund A	-	177,002
Other mutual funds - less than 5% individually	454,645	415,878
Total mutual funds	$ 3,398,800	$ 3,392,497
Money market funds representing 5% or more of net assets available for benefits:		
Oppenheimer Cash Reserves A	$ 341,283	$ 302,999
Notes receivable from participants	$ 106,341	$ 123,748
Net appreciation (depreciation) in fair value of investments	$ (76,605)	$ 371,093
Interest and dividends	$ 42,718	$ 40,976
Interest on notes receivable from participants	$ 6,415	$ 3,857

9. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the tables below. The valuation techniques are as follows:

(a) *Market approach.* Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

(b) *Cost approach.* Amount that would be required to replace the service capacity of an asset (replacement cost); and

(c) *Income approach.* Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following tables summarize the Plan's assets measured at fair value on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2011 and 2010:

	December 31, 2011				
Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total	Valuation Technique
Mutual funds:					
International funds	$ 443,468	$ -	$ -	$ 443,468	(a)
Real estate funds	95,996	-	-	95,996	(a)
Capital appreciation funds	1,543,368	-	-	1,543,368	(a)
Equity income funds	91,994	-	-	91,994	(a)
Total return funds	1,223,974	-	-	1,223,974	(a)
Total mutual funds	3,398,800	-	-	3,398,800	(a)
Money market fund	341,283	-	-	341,283	(a)
	$ 3,740,083	$ -	$ -	$ 3,740,083	

9. FAIR VALUE MEASUREMENTS (CONTINUED)

	December 31, 2010				
Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total	Valuation Technique
Mutual funds:					
International funds	$ 462,995	$ -	$ -	$ 462,995	(a)
Real estate funds	82,474	-	-	82,474	(a)
Capital appreciation funds	1,819,405	-	-	1,819,405	(a)
Equity income funds	79,559	-	-	79,559	(a)
Total return funds	948,064	-	-	948,064	(a)
Total mutual funds	3,392,497	-	-	3,392,497	(a)
Money market fund	302,999	-	-	302,999	(a)
	$ 3,695,496	$ -	$ -	$ 3,695,496	

During the years ended December 31, 2011 and 2010, there were no transfers between levels of the fair value hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Money Market Funds: the carrying value approximates fair value because the investments are liquid in nature.

Mutual Funds: are valued at quoted market prices, which represent the net asset value of the securities held in such funds.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

SUPPLEMENTAL INFORMATION

THE WINE ENTHUSIAST INC. 401(k) PLAN
SCHEDULE H, LINE 4a - DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2011
EIN: 13-3210603
PLAN NUMBER: 001

Year	Check here if Late Participant Loan Repayments are Included:	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Corrected of Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
2010	✔	$ -	$ -	$ 116,826	$ -
2011	✔	$ -	$ -	$ 198,673	$ -

See accompanying notes to financial statements.

THE WINE ENTHUSIAST INC. 401(k) PLAN
SCHEDULE H, LINE 4i - ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011
EIN: 13-3210603
PLAN NUMBER: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
*	Oppenheimer Cash Reserves A	Money Market Fund	**	$ 341,283
*	Oppenheimer Capital Appreciation A	Mutual Fund	**	1,005,802
*	Oppenheimer Rising Dividends Fund A	Mutual Fund	**	806,279
*	Oppenheimer International Growth Fund A	Mutual Fund	**	443,468
*	Oppenheimer Main Street Small & Med. Cap Fund A	Mutual Fund	**	362,132
*	Oppenheimer Global Strategic Income Fund A	Mutual Fund	**	326,474
*	Oppenheimer Small & Mid-Cap Value Fund A	Mutual Fund	**	175,434
*	Oppenheimer Real Estate Fund Class A	Mutual Fund	**	95,996
*	American Century Equity Income Fund	Mutual Fund	**	91,994
*	Pimco Total Return Fund A	Mutual Fund	**	91,221
*	Participant loans	Participant loans (bearing interest at 6.00%)	$ -0-	106,341
				$ 3,846,424

* A party-in-interest as defined by ERISA.
** The cost of participant-directed investments is not required to be disclosed.

See accompanying notes to financial statements.

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: THE WINE ENTHUSIAST, INC. 401(K) PLAN

Plan Number: 710595

Broker Dealer: Lincoln Financial Advisors

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus	Formula used to determine 12b-1 Compensation to Broker Dealer
TWEAX	American Century Equity Income Fund	25 basis points	25 basis points
PTTAX	PIMCO Total Return Fund A	20 basis points	25 basis points
QVSCX	Oppenheimer Small- & Mid- Cap Value Fd A	12.17 dollars per fund position	25 basis points
OREAX	Oppenheimer Real Estate Fund Class A	12.17 dollars per fund position	25 basis points
OPTFX	Oppenheimer Capital Appreciation A	12.17 dollars per fund position	25 basis points
OPSIX	Oppenheimer Global Strategic Income A	12.17 dollars per fund position	25 basis points
OPPEX	Oppenheimer Capital Income Fund A	12.17 dollars per fund position	25 basis points
OPMSX	Oppenheimer Main St Small & Mid-Cap A	12.17 dollars per fund position	25 basis points
OPCHX	Oppenheimer Champion Income Fund A	12.17 dollars per fund position	25 basis points
OMSOX	Oppenheimer Main Street Select Fd A	12.17 dollars per fund position	25 basis points
OIGAX	Oppenheimer Intl Growth Fund A	12.17 dollars per fund position	25 basis points
OARDX	Oppenheimer Rising Dividends Fund A	12.17 dollars per fund position	25 basis points
CRSXX	Oppenheimer Cash Reserves A	12.17 dollars per fund position	19 basis points

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e)
Formula Description - Additional Fee Notes

Plan Name: THE WINE ENTHUSIAST, INC. 401(K) PLAN

Plan Number: 710595

Broker Dealer: Lincoln Financial Advisors

Oppenheimer Funds

OppenheimerFunds payments to the Broker Dealer:
-Flex A NAV and Flex A Turnkey: 25bps upfront, 25bps trail on all purchases
-Large Case A shares: 25bps upfront for 1st 6 months, 25bps trail on all purchases
-A at NAV: 25 bps trail on all purchases

THE WINE ENTHUSIAST, INC. 401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

YEARS ENDED DECEMBER 31, 2011 AND 2010

THE WINE ENTHUSIAST, INC. 401(k) PLAN
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
The Wine Enthusiast, Inc. 401(k) Plan

We were engaged to audit the accompanying statements of net assets available for benefits of The Wine Enthusiast, Inc. 401(k) Plan (the "Plan") as of December 31, 2011 and 2010, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedules of (1) Schedule H, line 4a- Delinquent Participant Contributions, and (2) Schedule H, line 4i- Assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by OFI Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule of assets (held at end of year). We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purposes of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

September 5, 2012

THE WINE ENTHUSIAST, INC. 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	2011	2010
Assets:		
Investments, at fair value:		
Money market fund	$ 341,283	$ 302,999
Mutual funds	3,398,800	3,392,497
Total investments, at fair value	3,740,083	3,695,496
Receivables:		
Employee contributions	8,775	4,698
Notes receivable from participants	106,341	123,748
Total receivables	115,116	128,446
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,855,199	$ 3,823,942

See accompanying notes to financial statements.

THE WINE ENTHUSIAST, INC. 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Additions to net assets attributed to:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	$ (76,605)	$ 371,093
Interest and dividends	42,718	40,976
Net investment income (loss)	(33,887)	412,069
Interest income on notes receivable from participants	6,415	3,857
Contributions:		
Participants	370,171	320,274
Rollovers	4,464	-
Total contributions	374,635	320,274
Total additions	347,163	736,200
Deductions from net assets attributed to:		
Benefits paid to participants	312,111	183,096
Investment management fees	3,795	4,700
Total deductions	315,906	187,796
Net increase	31,257	548,404
Net assets available for benefits - beginning	3,823,942	3,275,538
NET ASSETS AVAILABLE FOR BENEFITS - ENDING	$ 3,855,199	$ 3,823,942

See accompanying notes to financial statements.

1. DESCRIPTION OF PLAN

The following description of The Wine Enthusiast, Inc. 401(k) Plan (the "Plan") provides only general information. For a more complete description of the Plan's provisions, refer to the agreement governing the Plan (the "Plan Agreement").

General

The Plan is a defined contribution plan established January 1, 1994, covering eligible employees of The Wine Enthusiast, Inc. (the "Company"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility

There is no age requirement to be eligible to participate in the Plan, however, an employee must have completed at least six consecutive months of service.

Contributions

Participants may contribute up to 100% of their annual compensation, as defined in the Plan, and subject to limits specified under the Internal Revenue Code ("IRC") Sections 401(k), 404 and 415. Participants who have attained age 50 before the end of the plan year are eligible to make catchup contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the plan. The Plan currently offers various mutual funds as investment options for participants. The Company, at its sole discretion, may make matching contributions on behalf of the participants. The amount of the matching contributions, if any, will be determined each year by the Company. No matching contributions were made for the years ending December 31, 2011 and 2010.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution, if any, and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 6%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through weekly payroll deductions.

If a participant fails to make a payment when the loans are due under the terms of the loan, that participant will be in default. In the event of default, the loan shall become due and payable immediately and interest will continue to accrue until the entire loan balance is repaid. The Plan will take all reasonable actions to collect the balance owed on the loan. Under certain circumstances, the loan in default could be considered a distribution from the Plan and could be considered income to the participant. In any event, failure to repay a loan will reduce the benefit a participant would otherwise be entitled to from the Plan.

1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service.

Participant Distributions

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the participant's vested interest in his or her account or annual installments over a period of not more than their assumed life expectancy as determined at the time of distribution. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

Forfeitures are used to reduce employer contributions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

Recently Adopted Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, *Improving Disclosures about Fair Value Measurements.* This update amends FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures,* to require new disclosures for significant transfers in and out of Level 1 and Level 2 fair value measurements, disaggregation regarding classes of assets and liabilities, valuation techniques, and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for Level 2 or Level 3. These disclosures are effective for reporting periods beginning after December 15, 2009. Additional new disclosures regarding the purchases, sales, issuances, and settlements in the rollforward of activity in Level 3 fair value measurements are effective for fiscal years beginning after December 15, 2010. The Plan adopted certain of the relevant disclosure provisions of ASU 2010-06 on January 1, 2010, and certain other provisions on January 1, 2011. The adoption of this standard did not have a material effect on the Plan's financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is 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. See Note 9 for discussion of fair value measurements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition (Continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the plan's gains and losses on investments bought and sold, as well as held during the year.

Fair Value Measurements

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Under the new standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Other

Substantially all administrative expenses are paid by the Company.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through September 5, 2012, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

4. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are entitled to the entire amount of their employer contributions.

5. TAX STATUS

Effective August 22, 2008, the Company amended and restated the Plan Agreement. The Plan Agreement that was adopted is a prototype plan that is intended to operate as a qualified tax-exempt plan under the appropriate sections of the IRC. The Plan's third party administrator has provided the Company a copy of a letter from the Internal Revenue Service ("IRS") dated March 31, 2008, in which the IRS determined and informed the third party administrator that the prototype plan, as designed, was in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) of the IRC and is exempt from federal income taxes under Section 501(a) of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Although the Plan has been amended since the third party administrator received the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

6. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investment options consist of shares of mutual funds managed by the Trustee. Accordingly, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to $3,795 and $4,700 for the years ended December 31, 2011 and 2010, respectively.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Additionally, virtually all administrative expenses are paid directly by the Company.

7. PROHIBITED TRANSACTIONS

During 2011 and 2010, the Sponsor failed to deposit $198,673 and $116,826, respectively, of participant deferrals within the required time frame as stated by the DOL. The DOL considers late deposits to be prohibited transactions. The Sponsor intends to correct this error in accordance with the DOL's Voluntary Fiduciary Correction Program ("VFCP"). The Sponsor will remit $119 and $21 in lost earnings for 2011 and 2010, respectively, on the late participant deferrals to the Plan.

8. INFORMATION CERTIFIED BY THE PLAN TRUSTEE

The following tables summarize investment and other asset information regarding the Plan as of December 31, 2011 and 2010, and for the years then ended, included in the Plan's financial statements and supplemental schedule, that was prepared by, or derived from, information prepared by the Trustee, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the Trustee that such information is complete and accurate.

	2011	2010
Individual investments representing 5% or more of net assets available for benefits:		
Oppenheimer Capital Appreciation A	$ 1,005,802	$ 1,121,538
Oppenheimer Rising Dividends Fund A	806,279	561,206
Oppenheimer International Growth Fund A	443,468	462,995
Oppenheimer Main Street Small & Med. Cap Fund A	362,132	-
Oppenheimer Global Strategic Income Fund A	326,474	307,800
Oppenheimer Main Street Small Cap Fund A	-	346,078
Oppenheimer Main Street Select Fund A	-	177,002
Other mutual funds - less than 5% individually	454,645	415,878
Total mutual funds	$ 3,398,800	$ 3,392,497
Money market funds representing 5% or more of net assets available for benefits:		
Oppenheimer Cash Reserves A	$ 341,283	$ 302,999
Notes receivable from participants	$ 106,341	$ 123,748
Net appreciation (depreciation) in fair value of investments	$ (76,605)	$ 371,093
Interest and dividends	$ 42,718	$ 40,976
Interest on notes receivable from participants	$ 6,415	$ 3,857

9. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the tables below. The valuation techniques are as follows:

(a) *Market approach.* Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

(b) *Cost approach.* Amount that would be required to replace the service capacity of an asset (replacement cost); and

(c) *Income approach.* Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following tables summarize the Plan's assets measured at fair value on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2011 and 2010:

	December 31, 2011				
Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total	Valuation Technique
Mutual funds:					
International funds	$ 443,468	$ -	$ -	$ 443,468	(a)
Real estate funds	95,996	-	-	95,996	(a)
Capital appreciation funds	1,543,368	-	-	1,543,368	(a)
Equity income funds	91,994	-	-	91,994	(a)
Total return funds	1,223,974	-	-	1,223,974	(a)
Total mutual funds	3,398,800	-	-	3,398,800	(a)
Money market fund	341,283	-	-	341,283	(a)
	$ 3,740,083	$ -	$ -	$ 3,740,083	

9. FAIR VALUE MEASUREMENTS (CONTINUED)

	December 31, 2010				
Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total	Valuation Technique
Mutual funds:					
International funds	$ 462,995	$ -	$ -	$ 462,995	(a)
Real estate funds	82,474	-	-	82,474	(a)
Capital appreciation funds	1,819,405	-	-	1,819,405	(a)
Equity income funds	79,559	-	-	79,559	(a)
Total return funds	948,064	-	-	948,064	(a)
Total mutual funds	3,392,497	-	-	3,392,497	(a)
Money market fund	302,999	-	-	302,999	(a)
	$ 3,695,496	$ -	$ -	$ 3,695,496	

During the years ended December 31, 2011 and 2010, there were no transfers between levels of the fair value hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Money Market Funds: the carrying value approximates fair value because the investments are liquid in nature.

Mutual Funds: are valued at quoted market prices, which represent the net asset value of the securities held in such funds.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

SUPPLEMENTAL INFORMATION

THE WINE ENTHUSIAST INC. 401(k) PLAN
SCHEDULE H, LINE 4a - DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2011
EIN: 13-3210603
PLAN NUMBER: 001

Year	Check here if Late Participant Loan Repayments are Included:	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Corrected of Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
2010	✔	$ -	$ -	$ 116,826	$ -
2011	✔	$ -	$ -	$ 198,673	$ -

See accompanying notes to financial statements.

THE WINE ENTHUSIAST INC. 401(k) PLAN
SCHEDULE H, LINE 4i - ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011
EIN: 13-3210603
PLAN NUMBER: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
*	Oppenheimer Cash Reserves A	Money Market Fund	**	$ 341,283
*	Oppenheimer Capital Appreciation A	Mutual Fund	**	1,005,802
*	Oppenheimer Rising Dividends Fund A	Mutual Fund	**	806,279
*	Oppenheimer International Growth Fund A	Mutual Fund	**	443,468
*	Oppenheimer Main Street Small & Med. Cap Fund A	Mutual Fund	**	362,132
*	Oppenheimer Global Strategic Income Fund A	Mutual Fund	**	326,474
*	Oppenheimer Small & Mid-Cap Value Fund A	Mutual Fund	**	175,434
*	Oppenheimer Real Estate Fund Class A	Mutual Fund	**	95,996
*	American Century Equity Income Fund	Mutual Fund	**	91,994
*	Pimco Total Return Fund A	Mutual Fund	**	91,221
*	Participant loans	Participant loans (bearing interest at 6.00%)	$ -0-	106,341
				$ 3,846,424

* A party-in-interest as defined by ERISA.
** The cost of participant-directed investments is not required to be disclosed.

See accompanying notes to financial statements.

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PlanName1 **EIN:** 13-3210603

Plan Sponsor's Name THE WINE ENTHUSIAST, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Oppenheimer	OPPENHEIMER Rising Dividends Fund A	0	806,279
*	Oppenheimer	Oppenheimer Global Strategic Income A	0	326,474
*	Oppenheimer	Oppenheimer Capital Appreciation Fund A	0	1,005,802
*	Oppenheimer	Oppenheimer Cash Reserves A	0	341,283
*	Oppenheimer	Oppenheimer International Growth Fund A	0	443,468
*	Oppenheimer	Oppenheimer Main Street Small & Mid CapA	0	362,132
*	Oppenheimer	Oppenheimer Real Estate Fund A	0	95,996

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name THE WINE ENTHUSIAST, INC 401(K) PLAN **EIN:** 13-3210603
Plan Sponsor's Name THE WINE ENTHUSIAST, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Oppenheimer	Oppenheimer Small & Mid Cap Value Fund A	0	175,434
*	PIMCO	PIMCO Total Return Fund A	0	91,221
*	American	American Century Equity Income Fund	0	91,994
	Participants Loan Account	Various Rates and Maturities	0	106,341
*	A party-in-interest as	defined by ERISA.	0	0