SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **2012-04-30** | Period of Report: **2011-12-31**
SEC Accession No. 0001214659-12-001901

(HTML Version on secdatabase.com)

FILER

Sibling Entertainment Group Holdings, Inc.

CIK:**1099728**| IRS No.: **760270334** | State of Incorp.:**TX** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **000-28311** | Film No.: **12793351**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
2180 SATELLITE BLVD.
SUITE 400
DULUTH GA 30097-4927

Business Address
2180 SATELLITE BLVD.
SUITE 400
DULUTH GA 30097-4927
(404) 551-5274

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

FORM 10-K

(Mark One)

☒ Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended **December 31, 2011**.

☐ Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ________ to ________ .

Commission file number: **000-28311**

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.

(Exact name of small business issuer as specified in its charter)

Texas	**76-027334**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification Number)**

1201 Peachtree St. NE, Bldg 400 Ste 200, Atlanta , GA 30361
(Address of Principal Executive Office) (Postal Code)

(404) 551-5274
(Issuer's telephone number, Including Area Code)

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

common stock ($0.0001 Par Value)

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.

Yes ☐ No ☒

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

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted in its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months or such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this Chapter) is contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K ☒.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☒

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

Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity as of the last business day of the registrant's most recently completed fiscal year (December 31, 2011) was approximately $4,295,635.

The number of shares outstanding of each of the registrant's classes of common stock as of December 31, 2011 was 71,593,931 shares of common stock and 9,879,854 shares of series common stock.

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.

TABLE of CONTENTS

PART I

ITEM 1. DESCRIPTION OF BUSINESS

General.

As used herein the terms “Company,” “we,” “our”, and “us” refer to Sibling Entertainment Group Holdings, Inc., a Texas corporation (formerly known as Sona Development Corporation) and its subsidiaries. We were incorporated under the laws of the State of Texas on December 28, 1988, as Houston Produce Corporation and we changed our name on May 14, 2007, to “Sibling Entertainment Group Holdings, Inc.” to align our corporate identity with our entry into the entertainment business through an intended acquisition of Sibling Entertainment Group, Inc. (“Sibling”), and its four wholly owned subsidiaries: Sibling Theatricals, Inc., Sibling Pictures, Inc., Sibling Music Corp., and Sibling Properties, Inc. and their subsidiaries including, among others, Dick Foster Productions, Inc., Adrenaline MMA, Inc., and Hats Holdings, Inc.

Although we were unable to complete this acquisition, during the first three quarters of 2010, we actively pursued opportunities in film, theater,, real estate, management, and music publishing. In September 2010, the Company determined that the funding required to continue the entertainment business was not available to the Company. During the fourth quarter of 2010, the Company exited the entertainment business and acquired Newco4Education, LLC (“N4E”) and thereby entered the education services and technology business.

As reported in our Form 8K filed January 6, 2011, the Company transferred all of the Company’s entertainment and theatricals assets to Debt Resolution, LLC and exited the entertainment and theatricals business and entered into Conversion Agreements with all but one of the 44 holders of our 13% Series AA Secured Convertible Debentures, whereby such holders converted the principal and accrued interest of the Series AA Secured Convertible Debentures and the related warrants into shares of Debt Resolution, LLC and 1,039,985 shares of the Company’s series common stock. The shares issued to the holders of the Series AA Secured Convertible Debentures are convertible into ten percent (10%) of the then outstanding common stock of the Company. The Company’s agreement with the holders of the Series AA Debentures included consent to the acquisition of Newco4Education, LLC and a release of claims against the Company.

As reported in our 8K filed January 6, 2011, on December 30, 2010, we acquired N4E for 8,839,869 shares of shares of the Company’s series common stock which are convertible into 85% of the then outstanding common stock of the Company.

EMO Business Plan

N4E was formed June 10, 2010, to leverage the business opportunities created from the growing popularity of charter schools and to improve educational opportunities for students across the United States through the development of innovative curricula, computer based education tools, and tools for improvement teacher performance. We intend to use the N4E business plan and methodologies to acquire educational management organizations and to manage and operate charter schools as one component of our business strategy to grow a large scale business that will manage and operate charter schools and develop and license curricula, computer based education services, and school operation and management tools throughout the United States. We have recruited a management team with experience in education and technology & internet based software.

Overview of Charter Schools

Charter schools are primary, or secondary, schools that are part of the public education system and provide an alternative to other public schools. Charter schools have the potential to facilitate education reforms and develop new and creative teaching methods that can be replicated in traditional public schools for the benefit of all children. Charter schools receive public money but operate with freedom from many of the local and state regulations that apply to traditional public schools. Charter schools allow parents, community leaders, educational entrepreneurs, and others the flexibility to innovate and provide students with increased educational options within the public school system. Charter schools are sponsored by local, state, or other organizations that monitor their quality while holding them accountable for academic results and responsible fiscal practices. Charter schools may hire their own staff, develop their own curriculum, and set their own educational programs and methods of operation, subject to the terms of their charter and subject to the oversight of a local school board and another sponsor. Charter schools are not allowed to charge tuition and are funded like other public schools, usually on a per student basis, at levels that are generally comparable but may be less that other public schools in the same district. Since the first enactment of charter school legislation in Minnesota in 1991, 41 states and the District of Columbia have adopted laws allowing charter schools. Maine is the most recent state to allow charter schools. According to the National Alliance for Public Charter Schools, there were 5,275 charter schools in the 2010-2011 school year, making up slightly more than 5 percent of all U.S. public schools. The most recent data shows about 3 percent of public school students attend charter schools.

Plan of Operation

We believe our mission is to utilize advanced technology and education management techniques to enhance and accelerate the delivery of 21st century learning using multiple teaching and learning modalities on a global basis. We intend to accomplish this mission by accessing funds from the public capital markets and melding them into a unified strategy that will help to accelerate the improvement of K-12 education across the globe. Our desired result will be better educated children, a sustainable and cost effective teaching model for K-12 education, and reduced dependence on governmental funding.

To accomplish this mission we intend to form two separate operating subsidiaries:

The Teaching Alliance

In late 2011 we decided to form The Teaching Alliance, which will be based in Atlanta, Georgia. The Teaching Alliance will be the education management organization (EMO) for the Company, housing acquired school management businesses. Management sees tremendous opportunities in the school management area, particularly within the charter school area nationally, and with private school and tutoring operations internationally. The Teaching Alliance intends to acquire existing EMOs. Management believes that economies of scale will be recognized via repeatable best practices combined with improved administrative, and learning technologies. With this approach Management intends to reduce spending on outdated processes, content, and technologies. We expect to improve operating margins by replacing outmoded approaches with a more cost effective learning approach, and use of better quality administrative tools and processes, while increasing the quality of the education experience.

Education Innovation

In 2011, after surveying providers of technology in the educational arena, we decided to form Education Innovation, Inc., to hold our technology operations, and decided that it will be based in Atlanta, Georgia, with an application support center in Phoenix, Arizona. This business unit will provide applications and content to facilitate teaching and learning and improve efficiencies within school administration.

Management believes that the use of technology in the teaching process, generally known as "technology enhanced learning," is expanding rapidly, and we intend to be a key player, by facilitating the distribution of existing solutions, as well as providing certain proprietary solutions. Our first efforts will focus on aggregating teaching materials, both conventional and technology based, so that educators working in the traditional classroom, in blended learning environments, and in online environments can readily access proven materials as they construct the curriculum needed in their particular situation. Many teaching professionals have lessons they have authored, and we would like to empower and motivate them to distribute the materials to others.

Education Innovation will initially, and for the balance of FY2012, have two primary technology based offerings. The first is a "Learning Exchange" application called The Schoolhouse Warehouse™, a cloud based application which creates a solution for the rapid, low cost, global distribution of high quality educational content. Fully mobile content will be available. The Schoolhouse Warehouse™ approach will provide courses, curricula, and learning materials to students in any learning environment from home schooling to private, or public schools. We also intend for these materials to be incorporated for use with any SCORM (***Sharable Content Object Reference Model*** *is a standard for e-learning software*) compliant Learning Management System (LMS).

The Schoolhouse Warehouse™ will provide global access and exposure to content that is developed by individual educators, learning content and application developers, as well as large commercial providers. User ratings and reviews of each piece of content will help drive choice and promote competition to improve educational content. Private authors as well as corporate developers will be compensated via an online "app store" approach, similar to the Apple™, Intel™, or Android™ app stores, except that it is solely focused on the vertical market of educational materials. The Company is targeting a late Q2 of 2012 release date.

The second offering will be a proprietary Learning Management System (LMS) called The Learning Resource, primarily aimed at the K-12 marketplace. The Learning Resource will be integrated with Education Innovation's proprietary product offerings, and can be integrated easily with all offerings found in The Schoolhouse Warehouse app store. Management believes that this will assist administrators and teachers in building curriculum, including required and recommended learning materials delivered to students as course assignments. We expect to have these offerings available in late FY2012.

We intend that The Learning Resource will have the ability to administer online testing, assessment, and grading. The Learning Resource design will manage content provided by the Schoolhouse Warehouse™, or other curriculum, as well as classroom events, and/or teacher developed courses/assignments. It provides user interface portals, and custom reporting applications that are specific to administrators, teachers, students, and parents. The target delivery schedule for the LMS is late Q2 of 2012.

Government Regulation Impacting this Industry

Federal and State Education Programs.

The charter schools we seek to manage will receive funds from federal and state programs to be used for specific educational purposes. If, on behalf of those schools, we fail to comply with the requirements of the various programs, we could be required to repay the funds and those schools could be determined ineligible for receipt of future federal funds. We intend to develop and implement policies and procedures that are intended to comply with the regulations and requirements of these programs. For example, Title I of the Elementary and Secondary Education Act of 1965 supports educationally disadvantaged children in areas of high poverty, Title II, Part A, provides funding for the professional development of teachers, Title II, Part D, provides funding for technology programs, Title VII, provides funding for bilingual education programs, Title V, provides funding for innovative education programs, and the Public Charter School Program, provides start-up funding for charter schools. Although we contemplate that we will receive federal and state funds indirectly through local school boards and charter boards, our receipt of these funds will likely subject us to extensive governmental regulation and scrutiny.

We could lose all or part of the funds we intend to receive if we fail to comply with applicable statutes or regulations, if the federal or state authorities reduce the funding for the programs, or if the charter schools we intend to manage are determined to be ineligible to receive funds under such programs. To the extent that the laws and regulations governing federal and state programs change or are interpreted in a manner that would prevent charter schools from using federal funds to pay for the services we intend to provide, the loss of all or part of these funds would hurt our business.

No Child Left Behind Act. (“NCLB”)

This act is the 2001 reauthorization of the Elementary and Secondary Education Act of 1965. It contains numerous requirements pertaining to the receipt of a range of federal funds, including Title I. Two significant requirements of NCLB are standards pertaining to teacher qualifications and the requirement that schools make adequate yearly progress ("AYP") toward state standards for students. The AYP requirements must be met not only by the aggregate school population, but also by ethnic/racial subgroups, students with disabilities, and English language learners. Schools that fail to make AYP toward meeting state standards may lose some of their student enrollment due to school choice provisions, may be required to allocate a portion of their Title I funding toward the provision of supplemental services to some students, and may be subject to state takeover or other forms of district or state intervention. Failure to meet teacher qualification and related standards may result in the loss of NCLB funds at the school or district that failed to meet the Act's requirements.

Individuals with Disabilities in Education Act.

This act requires that students with qualified disabilities receive an appropriate education through special education and related services provided in a manner reasonably calculated to enable the child to receive educational benefit in the least restrictive environment. Our responsibility to provide the potentially extensive services required by this act varies depending on state law, type of school, and the terms of management agreements that we intend to enter into with charter schools. We would be generally responsible for ensuring the requirements of this act are met in the charter schools we intend to manage, unless state law assigns that responsibility to another entity. If we were to be found in violation of this act in one of the charter schools we intend to manage, we may incur costs relating to the provision of compensatory education services, and may be liable for reasonable attorney fees incurred by the families of individual students with disabilities.

Family Educational Rights and Privacy Act.

The charter schools we intend to manage may be subject to the federal Family Educational Rights and Privacy Act, which protects the privacy of a student's educational record, and generally prohibits a school from disclosing a student's records to a third party without the prior consent of his or her parents. The law also gives parents certain rights with respect to their minor children's education records. The failure of the charter schools we intend to manage to comply with this law may result in termination of their eligibility to receive federal education funds.

Gun-Free Schools Act.

The Gun-Free Schools Act, which became effective in 1994, requires the charter schools we intend to manage to effect certain policies, assurances and reports regarding the discipline of students who bring weapons to our schools. If those schools violate any of these requirements, they may be deemed ineligible to receive certain Federal education funds.

Federal Civil Rights Laws.

The charter schools we intend to manage must comply with federal civil rights laws or those schools could be determined ineligible to receive funds from federal programs or face criminal or civil penalties. These laws include the following:

Title VI of the Civil Rights Act of 1964. Title VI prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin.
Title IX of the Education Amendments of 1972. Title IX prohibits discrimination on the basis of gender by recipients of federal financial assistance.
Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination on the basis of disability by recipients of federal financial assistance.
Americans with Disabilities Act of 1990. This act prohibits discrimination in employment against a qualified individual with a disability and requires that buildings, facilities, and vehicles associated with public services be accessible to individuals with disabilities.
Age Discrimination Act of 1975. This act prohibits recipients of federal financial assistance from discriminating on the basis of age.
Age Discrimination in Employment Act of 1967. This act prohibits discrimination on the basis of age in employment.
Equal Pay Act of 1963. This act prohibits discrimination on the basis of gender in the payment of wages.
Title VII of the Civil Rights Act of 1964. Title VII prohibits discrimination on the basis of gender in employment.
Drug-Free Workplace Act of 1988. The Drug-Free Workplace Act requires a recipient of federal funds to certify that it provides a drug-free workplace. If we were to violate the certification and reporting requirements of this act, then we could be determined ineligible to receive federal funds.

State Regulations.

We are also subject to state statutory and regulatory requirements in the states in which we operate. All states have standards for the operation of schools concerning, for example, the length of the school year, curriculum, hours of the school day, physical education and other areas. We could be in violation of the management agreements we intend to enter into with charter boards or school districts if we were to fail to comply with these standards.

Foundation for Innovation in Education, Inc.

Foundation for Innovation in Education, Inc., is a Georgia non-profit corporation that was an N4E member and as a result of our acquisition of N4E is a significant shareholder. Upon our conversion in our series common stock it will hold approximately 37% of our series common stock. Foundation for Innovation in Education has informed us that over time it intends to acquire other NFPs that hold the charters to charter schools, and may start charter schools itself, as well as develop certain programs aimed at improving the learning ability of certain segments of the student population. Foundation for Innovation in Education may hire the Company, to be the EMO for charter schools that it starts and acquires, though it has no obligations with the Company at this time. Foundation for Innovation in Education intends to engage in research and other activities to advance the state education in America.

ITEM 1A. RISK FACTORS

Risks Related to Our Business

Our future operating results are highly uncertain. Before deciding to invest in us or to maintain or increase your investment, you should carefully consider the risks described below, in addition to the other information contained in this annual report. If any of these risks actually occur, our business, financial condition or results of operations could be seriously harmed. In that event, the market price for our common stock could decline and you may lose all or part of your investment.

Effective December 30, 2010, We Entered A New Business; This Makes It Difficult To Evaluate Our Business

We have yet to enter into any agreement to acquire an EMO or manage a charter school. We have not recorded any revenue from our new business initiatives. Our management team has only recently begun to work together, and has no experience in operating educational management organizations and charter schools. We have no operating history on which you can base your evaluation of our business and prospects. Accordingly, the Company should be evaluated in light of the expenses, delays, uncertainties, and other difficulties frequently encountered by unseasoned business enterprises entering new markets with unproven products. No assurance can be given that the Company will ever achieve profitable operations. Our failure to address these expenses, delays, uncertainties, and other difficulties could cause our operating results to suffer and result in the loss of all or part of your investment.

We Have A History Of Losses And Expect Losses In The Future

The Company has incurred losses since inception. We do not currently own, operate, or have agreements to acquire any school operations and therefore have no revenues. As a result of our technology initiatives and existing, and anticipated operating expenses, we expect to incur substantial net losses for the foreseeable future. Our ability to become profitable will depend upon our ability to generate and sustain revenue that is greater than our expenses. In order to generate revenue, we will need to enter into management agreements with charter schools, acquire other EMOs, and successfully acquire, and successfully launch our technology initiatives, or develop and license curricula, computer based education services, and school operation and management tools. Our ability to execute our business plans, and generate revenue, will be dependent, in part, on our ability to obtain financing sufficient to execute our business plan. Even if we do achieve profitability, we may not sustain or increase profitability on a quarterly or annual basis. Failure to become and remain profitable may adversely affect the market price of our common stock, our ability to raise capital, and our ability to continue operations.

Political risks

Charter Schools are authorized by state statutes. State legislatures may amend these statutes and the amendments may be unfavorable to our business. Courts may declare these statutes unconstitutional in whole or in part. In either event, we may be unable to grow our business and the market price of our common stock would be adversely affected.

The Private, For-Profit Management Of Charter Schools Is A Relatively New And Uncertain Industry, And It May Not Become Publicly Accepted

Our future is highly dependent upon the development, acceptance, and expansion of the market for private, for-profit management of charter schools. This market has only recently developed. The development of this market has been accompanied by significant press coverage and public debate concerning for-profit management of charter schools. If this business model fails to gain acceptance among the general public, educators, politicians and school boards, we may be unable to grow our business and the market price of our common stock would be adversely affected.

The Success Of Our Business Depends On Our Ability To Improve The Academic Achievement Of The Students Enrolled In Our Schools, And We May Face Difficulties In Doing So In The Future

We believe that the success of our business will be dependent, among other things, upon our ability to demonstrate general improvements in academic performance at the charter schools we intend to manage and operate. We anticipate that the management agreements with charter schools will contain performance requirements related to test scores and other measures of student achievement. If average student performance at our schools increases, whether due to improvements in achievement over time by individual students in our schools or changes in the average performance levels of new students entering our schools, aggregate absolute improvements in student performance will be more difficult to achieve. If academic performance at our schools declines, or simply fails to improve, we could lose business and our reputation could be seriously damaged, which would impair our ability to gain new business or renew existing school management agreements.

We Could Incur Losses At Our Schools If We Are Unable To Enroll Enough Students

We expect that the amount of revenue we will receive for operating a charter school will be dependent on the number of students enrolled, while the majority of the facility, operating, and on-site administrative costs will be fixed. Therefore, achieving site-specific enrollment objectives will be an important factor in our ability to achieve satisfactory financial performance at any particular school. We may be unable to expand or maintain enrollment in the charter schools we manage. To the extent we are unable to meet enrollment objectives at a school, the school will be less financially successful and our financial performance will be adversely affected.

We Desire Rapid Growth, Which May Strain Our Resources And May Not Be Sustainable

We desire to grow rapidly. Rapid growth may strain our managerial, operational, and other resources. If we are to manage our rapid growth successfully, we will need to hire and retain management personnel and other employees. We must also develop and improve our operational systems, procedures, and controls on a timely basis. If we fail to successfully manage our growth, we could experience client dissatisfaction, cost inefficiencies and lost growth opportunities, which could harm our operating results. We cannot guarantee that we will continue to grow at our historical rate.

We May Not Be Able To Attract And Retain Highly Skilled Principals And Teachers In The Numbers Required To Grow Our Business

Once we have acquired EMOs with management agreements with charter schools or entered into management agreements with charter schools, our success is likely to depend to a high degree upon our ability to attract and retain highly skilled school principals and teachers. We may need to hire new principals and new teachers to address turnover at the charter schools we manage. Currently, there is a well-publicized nationwide shortage of teachers and other educators in the United States. In addition, we may find it difficult to attract and retain principals and teachers for a variety of reasons, including the following:

- charter schools generally require our teachers to work a longer day and a longer year than most public schools;
- charter schools tend to have a larger proportion of our schools in challenging locations, such as low-income urban areas, which may make attracting principals and teachers more difficult; and
- charter schools generally impose more accountability on principals and teachers than do public schools as a whole.

These factors may increase the challenge we face in an already difficult market for attracting principals and teachers. Other EMO's have experienced higher levels of turnover among teachers than is generally found in public schools nationally, which we attribute in part to these factors. If we fail to attract and retain principals and teachers in sufficient numbers or of a sufficient quality, we could experience client dissatisfaction and lost growth opportunities, which would adversely affect our business.

Our Business Could Suffer If We Lose The Services Of Key Executives

Our future success depends upon the continued services of a number of our key executive personnel, particularly our Chairman of the Board of Directors, our Chief Executive Officer, or Chief Financial Officer. These executives will be instrumental in determining our strategic direction and focus and in publicly promoting the concept of private management of public schools. If we lose the services of either or any of our other executive officers or key employees, our ability to grow our business would be seriously compromised and the market price of our common stock may be adversely affected. We do not maintain any key man insurance on any of our executives.

Our Management Agreements Will Be Terminable Under Specified Circumstances And Generally Expire After A Term Of Five Years

We expect that our school management agreements will generally have a term of five years. When we expand by adding an additional school under an existing management agreement, the term with respect to that school generally expires at the end of the initial five-year period. We have no experience in negotiating school management agreements, and we cannot be assured that any school management agreements will be negotiated or renewed. In addition, school management agreements may be terminable by the school district or charter board at will, with or without good reason, and our school management agreements may be terminated for cause, including a failure to meet specified educational standards, such as academic performance based on standardized test scores. In addition, as a result of changes within a school district, such as changes in the political climate, we could from time to time face pressure to permit a school district or charter board to terminate our school management agreement even if they do not have a legal right to do so. If we fail to renew a significant number of school management agreements at the end of their term, or if school management agreements are terminated prior to their expiration, our reputation and financial results would be adversely affected.

Our Management Agreements Will Involve Financial Risk

Our school management agreements will provide that we will operate a school in return for per- pupil funding that generally does not vary with our actual costs. To the extent our actual costs under a school management agreement exceed our budgeted costs, or our actual revenue is less than planned because we are unable to enroll as many students as we anticipated or for any other reason, we would lose money at that school. We expect that our school management agreements will require us to continue operating a school for the duration of the school management agreement even if it becomes unprofitable to do so.

We May Need To Advance Or Loan Money To Charter Schools Or Their Related Charter Holding Equity That May Not Be Repaid

We may have to loan charter boards funds to finance the purchase or renovation of school facilities we manage or for other reasons. Loans to charter schools may be accelerated upon termination of the corresponding management agreement with the charter school. If these advances or loans are not repaid when due, our financial results could be adversely affected.

We Could Become Liable For Financial Obligations Of Charter Boards

We could have facility financing obligations for charter schools we no longer operate, because the terms of our facility financing obligations for some charter schools might exceed the term of the management agreement for those schools. While the charter board is generally responsible for locating and financing its own school building, the holders of school charters, which are often non-profit organizations, typically do not have the resources required to obtain the financing necessary to secure and maintain the school building. For this reason, if we want to obtain a management agreement with a particular charter board, we may help the charter board arrange for the necessary financing. For some of the charter schools we expect to manage, we may enter into a long-term lease for the school facility which may exceed the initial term of the management agreement. If our management agreements were to be terminated, or not renewed in these charter schools, our obligations to make lease payments would continue, which could adversely affect our financial results for the school building, typically in the form of loan guarantees or cash advances. Although the term of these arrangements may be coterminous with the term of the corresponding management agreement, our guarantee may not expire until the loan is repaid in full. The lenders under these facilities may not be committed to release us from our obligations unless replacement credit support is provided. The default by any charter school under a credit facility that we have guaranteed could result in a claim against us for the full amount of the borrowings. Furthermore, in the event any charter board becomes insolvent or has its charter revoked, our loans and advances to the charter board may not be recoverable, which could adversely affect our financial results.

We Expect Our Market To Become More Competitive

We expect the market for providing private, for-profit management of charter schools will become increasingly competitive. A variety of companies and entities could enter the market, including colleges and universities, other private companies that operate higher education or professional education schools, and others. Our existing competitors and these new market entrants could have financial, marketing and other resources significantly greater than ours. We will also compete for charter school funding with existing public schools that may pursue alternative reform initiatives, such as magnet schools and inter- district choice programs. In addition, in jurisdictions where voucher programs have been authorized, we will compete with existing private schools for public tuition funds.

Voucher programs provide for the issuance by local or other governmental bodies of tuition vouchers to parents worth a certain amount of money that they can redeem at any approved school of their choice, including private schools. If we are unable to compete successfully against any of these existing or potential competitors, our revenues could be reduced, resulting in increased losses.

Failure To Raise Necessary Additional Capital Could Restrict Our Growth And Hinder Our Ability To Compete

We are not certain when we will have positive cash flow, if at all. We expect that we will regularly need to raise funds in order to operate our business and may need to raise additional funds in the future. We cannot be certain that we will be able to obtain additional financing on favorable terms, if at all. If we issue additional equity securities, stockholders may experience dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of common stock. If we cannot raise funds on acceptable terms, if and when needed, we may not be able to take advantage of future opportunities, grow our business or respond to competitive pressures or unanticipated requirements, which could seriously harm our business.

We Expect To Derive A Substantial Portion Of Our Revenues From Public School Funding, Which Is Dependent On Support From Federal, State, And Local Governments. Changes Or Reductions In Funding For Public School Systems Could Reduce Our Revenues And Cash Flows And Negatively Impact Our Margins And Impede The Growth Of Our Business.

The availability of funding to purchase our products and services is subject to many factors that affect government spending. These factors include downturns in general economic conditions, like those which we are currently experiencing, that can reduce government tax revenues and may affect education funding, emergence of other priorities that can divert government funding from educational objectives, periodic changes in government leadership that can change spending priorities, and the government appropriations process, which is often slow and unpredictable. In many instances, customers rely on specific funding appropriations to purchase our products. Curtailments, delays, or reductions in this funding can delay or reduce revenues and cash flow we had otherwise forecasted to receive.

If We Are Unable To Adapt Our Products And Services To Technological Changes, To The Emergence Of New Computing Devices And To More Sophisticated Online Services, We May Lose Market Share And Service Revenue, And Our Business Could Suffer.

We need to anticipate, develop and introduce new products, services and applications on a timely and cost effective basis that keeps pace with technological developments and changing customer needs. We may encounter difficulties responding to these changes that could delay our introduction of products and services or require us to make larger than anticipated investments to maintain existing products. Software industries are characterized by rapid technological change and obsolescence, frequent product introductions, and evolving industry standards. Accordingly, it is difficult to predict the problems we may encounter in developing versions of our products and services and we may need to devote significant resources to the creation, support and maintenance of our products and services. If we fail to develop or sell products and services cost effectively that respond to these or other technological developments and changing customer needs, we may be unable to successfully market our products and services and our revenue and business could materially suffer.

Misuse Or Misappropriation Of Our Proprietary Rights Or Inadvertent Infringement By Us On The Rights Of Others Could Adversely Affect Our Results Of Operations.

The intellectual property rights in the software we intend to develop will be essential to our business. We intend to rely on a combination of the laws of copyrights, trademarks, and trade secrets, as well as license agreements, employment and employment termination agreements, third-party non-disclosure agreements, and other methods to protect our proprietary rights. We intend to enforce our intellectual property rights when we become aware of any infringements or potential infringements and believe they warrant such action. If we were unsuccessful in our ability to protect these rights, our operating results could be adversely affected. Third parties may assert infringement claims against us in the future. We may be required to modify our products, services or technologies or obtain a license to permit our continued use of those rights. We may not be able to do so in a timely manner or upon reasonable terms and conditions. Failure to do so could harm our business and operating results. In addition, we leverage certain third party generated products through license and/or royalty agreements and we have the risk that certain of these relationships will not continue or that the underlying products will not be properly supported or updated by the third parties.

If Our Security Measures Are Breached And Unauthorized Access Is Obtained To Our Web-Based Products, They May Be Perceived As Not Being Secure, Customers May Curtail Or Stop Using These Products And We May Incur Significant Legal And Financial Exposure And Liabilities.

We may develop web-based products that involve the storage of certain personal information with regard to the teachers and students using these products. If our security measures are breached and unauthorized access to this information occurs, our reputation will be damaged, our business may suffer, and we could incur significant liability. Because the techniques used to attempt unauthorized access to such systems change frequently and generally are not recognized until attempted on a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of our security occurs, the market perception of the security of our system could be harmed and we could lose sales and customers.

Claims Relating To Content Available On Or Accessible From, Our Web Sites May Subject Us To Liabilities And Additional Expense.

If we develop web-based products that incorporate content not under our direct control including content from, and links to, third-party web sites, and content uploaded by our customers, we could be subject to claims relating to this content. In addition to exposing us to potential liability, claims of this type could require us to change our web sites in a manner that could be less attractive to our customers and divert our financial and development resources.

We Rely On Government Funds For Specific Education Programs, And Our Business Could Suffer If We Fail To Comply With Rules Concerning The Receipt And Use Of The Funds

We expect to benefit from funds from federal and state programs to be used for specific educational purposes. Funding from the federal government under Title I of the Elementary and Secondary Education Act provides federal funds for children from low-income families. A number of factors relating to these government programs could lead to adverse effects on our business:

> These programs have strict requirements as to eligible students and allowable activities. If we or the charter schools that we intend to manage fail to comply with the regulations governing the programs, we or the charter schools that we intend to manage could be required to repay the funds or be determined ineligible to receive these funds, which would harm our business.

If the income demographics of a district's population were to change over the life of a management agreement for a charter school, resulting in a decrease in Title I funding for the charter school, we would receive less revenue for operating the charter school and our financial results could suffer.

Funding from federal and state education programs is allocated through formulas. If federal or state legislatures or, in some case, agencies were to change the formulas, we could receive less funding and the growth and financial performance of our business would suffer.

Federal, state and local education programs are subject to annual appropriations of funds. Federal or state legislatures or local officials could drastically reduce the funding amount of appropriation for any program, which would hurt our business and our ability to grow.

The authorization for the Elementary and Secondary Education Act, including Title I, has expired and this act is being funded by Congress on an interim appropriation basis. If Congress does not reauthorize or continue to provide interim appropriation for the Elementary and Secondary Education Act, we would receive less funding and our growth and financial results would suffer. Most federal education funds are administered through state and local education agencies, which allot funds to charter boards. These state and local education agencies are subject to extensive government regulation concerning their eligibility for federal funds. If these agencies were declared ineligible to receive federal education funds, the receipt of federal education funds by the charter schools we intend to manage could be delayed, which could in turn delay our payment from the charter schools we intend to manage. In addition, we could become ineligible to receive these funds if any of our high-ranking employees commit serious crimes.

We Could Be Subject To Extensive Government Regulation Because We Benefit From Federal Funds, And Our Failure To Comply With Government Regulations Could Result In The Reduction Or Loss Of Federal Education Funds

Because we expect to benefit from federal funds, we must also comply with a variety of federal laws and regulations not directly related to any federal education program, such as federal civil rights laws and laws relating to lobbying. Our failure to comply with these federal laws and regulations could result in the reduction or loss of federal education funds which would cause our business to suffer. In addition, our management agreements are potentially covered by federal procurement rules and regulations because our school district and charter board clients pay us, in part, with funds received from federal programs. Federal procurement rules and regulations generally require competitive bidding, awarding contracts based on lowest cost and similar requirements. If a court or federal agency determined that a management agreement was covered by federal procurement rules and regulations and was awarded without compliance with those rules and regulations, then the management agreement could be voided and we could be required to repay any federal funds we received under the management agreement, which would hurt our business.

Risks Related to Our Securities

Since our common stock is thinly traded it is more susceptible to extreme rises or declines in price, and you may not be able to sell your shares at or above the price paid.

Since our common stock is thinly traded, its trading price is likely to be highly volatile and could be subject to extreme fluctuations in response to various factors, many of which are beyond our control, including:

- the trading volume of our shares;
- the number of securities analysts, market-makers and brokers following our common stock;
- changes in, or failure to achieve, financial estimates by securities analysts;
- new products or services introduced or announced by us or our competitors;
- actual or anticipated variations in quarterly operating results;

- conditions or trends in our business industries;
- announcements by us of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;
- additions or departures of key personnel;
- sales of our common stock; and
- general stock market price and volume fluctuations of publicly-traded, and particularly microcap, companies.

You may have difficulty reselling shares of our common stock, either at or above the price you paid, or even at fair market value. The stock markets often experience significant price and volume changes that are not related to the operating performance of individual companies, and because our common stock is thinly traded it is particularly susceptible to such changes. These broad market changes may cause the market price of our common stock to decline regardless of how well we perform as a company. In addition, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. A securities class action suit against us could result in substantial legal fees, potential liabilities and the diversion of management's attention and resources from our business. Moreover, and as noted below, our shares are currently traded on the "pink sheets" and, further, are subject to the penny stock regulations. Price fluctuations in such shares are particularly volatile and subject to manipulation by market-makers, short-sellers and option traders.

Our common stock is subject to the "penny stock" regulations, which are likely to make it more difficult to sell.

Our common stock is considered a "penny stock," which generally is a stock trading under $5.00 and not registered on a national securities exchange or quoted on the Nasdaq National Market. The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. These rules generally have the result of reducing trading in such stocks, restricting the pool of potential investors for such stocks, and making it more difficult for investors to sell their shares once acquired. Prior to a transaction in a penny stock, a broker-dealer is required to:

- deliver to a prospective investor a standardized risk disclosure document that provides information about penny stocks and the nature and level of risks in the penny stock market;
- provide the prospective investor with current bid and ask quotations for the penny stock;
- explain to the prospective investor the compensation of the broker-dealer and its salesperson in the transaction;
- provide investors monthly account statements showing the market value of each penny stock held in the their account; and
- make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction.

These requirements may have the effect of reducing the level of trading activity in the secondary market for a stock that is subject to the penny stock rules. Since our common stock is subject to the penny stock rules, investors in our common stock may find it more difficult to sell their shares.

Future sales of shares of our common stock by our stockholders could cause our stock price to decline.

Future sales of shares of our common stock could adversely affect the prevailing market price of our stock. If our significant stockholders sell a large number of shares, or if we issue a large number of shares, the market price of our stock could decline. Moreover, the perception in the public market that stockholders might sell shares of our stock could depress the market for our shares. If our significant stockholders sell substantial amounts of our common stock in the public market, such sales could create a circumstance commonly referred to as an "overhang," in anticipation of which the market price of our common stock could fall. The existence of an overhang, whether or not sales have occurred or are occurring, also could make it more difficult for us to raise additional financing through the sale of equity or equity-related securities in the future at a time and price we deem reasonable or appropriate.

We will issue additional shares of common stock upon conversion of our series common stock and may issue additional shares capital stock to raise capital or complete acquisitions, which would substantially reduce the equity interest of our current stockholders.

The outstanding shares of our series common stock automatically convert into 95% of the outstanding common stock (giving effect to the conversion) upon the vote of holders of two-thirds of outstanding series common stock, voting as a separate series. In addition, we may issue a substantial number of additional shares of our common stock to complete a business combination or to raise capital. At this time, the Company is not aware of any intent of the holders of series common stock to vote to convert into common stock. The issuance of additional shares of our common stock may significantly reduce the equity interest of our existing stockholders and adversely affect prevailing market prices for our common stock.

We have not paid dividends in the past and do not expect to pay dividends in the future. Any return on investment may be limited to the value of our common stock.

We have never paid cash dividends on our common stock and do not anticipate doing so in the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition and other business and economic factors affecting it at such time as the Board of Directors may consider relevant. As the date of this report, our management intends to follow a policy of retaining all of our earnings to finance the development and execution of our strategy and the expansion of our business. If we do not pay dividends, our common stock may be less valuable because a return on your investment will occur only if our stock price appreciates.

ITEM 2. DESCRIPTION OF PROPERTY

The Company does not own any real or personal property. The Company maintains an office at 1201 Peachtree St St, NE Bldg 400 Ste 200 Atlanta, GA 30361. Its employees work from locations which are not owned or leased by the Company.

ITEM 3. LEGAL PROCEEDINGS

At the conclusion of 2011, to be best of our knowledge there are no outstanding legal proceedings involving the Company.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock was quoted on the Over the Counter Bulletin Board, a service maintained by the National Association of Securities Dealer, Inc., under the symbol, "SIBE" until mid-year 2009. In the fourth quarter, 2009 the Company was delisted from the OTC Bulletin Board Exchange for failure to make timely filings. During FY2011 we brought all of the Company's required filings under the Securities Act of 1934 current in November 2011, and the Company was upgraded from the Pink Sheets to the Over the Counter Bulletin Board, at level QB, indicating it was fully reporting.

Trading in the common stock in the over-the-counter market in the preceding two years has been limited and sporadic and the quotations set forth below are not necessarily indicative of actual market conditions. Further, these prices reflect inter-dealer prices without retail mark-up, mark-down, or commission, and may not necessarily reflect actual transactions.

Year	Quarter Ending	High	Low
2011	31-Dec	$0.20	$0.04
	30-Sep	$0.25	$0.04
	30-Jun	$0.14	$0.04
	31-Mar	$0.18	$0.02
2010	31-Dec	$0.02	$0.02
	30-Sep	$0.01	$0.01
	30-Jun	$0.02	$0.02
	31-Mar	$0.0431	$0.0431
2009	31-Dec	$0.041	$0.041
	29-Sep	$0.0551	$0.0551
	30-Jun	$0.0155	$0.0155
	31-Mar	$0.05	$0.04

Record Holders

As of December 31, 2011, there were approximately 136 stockholders of record holding a total of 71,593,931 shares of common stock and 9,879,854 shares of series common stock. Holders of common stock and series common stock vote together as a single class on all matters which our stockholders are entitled to vote. In addition, holders of series common stock are entitled to a series vote to approve certain material transactions. Each share of equity common stock is entitled to one vote and each share of series common stock is entitled to a number of votes equal to the number of shares of common stock into which one share of series common stock is convertible on the record date of the vote. If the Board of Directors declares a dividend on equity common stock, an equivalent dividend (based on the number of shares of equity common stock into which a share series common stock is then convertible) must be paid in respect of series common stock. Holders of the common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock. Upon conversion, the holders of series common stock would hold 95% of the then outstanding common stock, 85% of which would apply to the members of Newco4education, LLC, which was acquired in December, 2010, and 10% would be owned by the former holders of debentures in Sibling who consented to the elimination of their debt, and instead elected to received the series stock. The conversion can be made by the election of a vote 66% of the series shares.

Dividends

The Company has not declared any cash dividends since inception and does not anticipate paying any dividends in the foreseeable future. The payment of dividends is within the discretion of the board of directors and will depend on the Company's earnings, capital requirements, financial condition, and other relevant factors. There are no restrictions that currently limit the Company's ability to pay dividends on its common stock other than those generally imposed by applicable state law.

Recent Sales of Unregistered Securities

On February 18, 2010, the Company entered into an agreement with Highlands Capital to extinguish outstanding debt owed by the Company in exchange for the Company's common stock in the aggregate of 285,750 shares.

On November 3, 2010, the Company acted on the following matters that resulted in issuance of the Company's common stock.

- The Company entered into an agreement with Michael Baybak to settle outstanding debt owned by the Company in exchange for 3,300,000 shares of common stock.
- The Company entered into an agreement with Broad Street Ventures to settle consulting fees due from the Company in exchange for 3,000,000 shares of common stock.
- The Company entered into a settlement agreement with Ira Gaines in exchange for 1,000,000 shares of common stock.

- The Company entered into an agreement with Jamison Firestone to provide intermediary and translation services in dealing with foreign investors in connection with the conversion of the Series AA Debentures in exchange for 600,000 shares of common stock.

- The Company issued 2,700,000 of common stock to Mitchell Maxwell for services rendered as a member of the board of directors and in lieu of cash compensation as the Company's Chief Executive Officer and President.

- The Company issued 650,000 shares of common stock to Christian Fitzgerald for board of director services.

- The Company issued 375,000 of its common stock to Richard Bernstein for board of director services.

In the fourth quarter, 2010, the Company received notice from Capital Securities Management, Inc. of their intent to exercise its 2008 warrant agreement. Subsequently, on November 26, 2010, the Company issued to Capital Securities Management, Inc. 271,000 shares of the Company's common stock.

In the fourth quarter, 2010, the Company received notice from Vertical Innovation, Inc. of their intent to exercise its 2009 warrant agreement. Subsequently, on November 26, 2010, the Company issued to Vertical Innovation, Inc. 3,000,000 shares of the Company's common stock.

In the fourth quarter 2010, the Company informed Vertical Innovation, Inc. of their intention to issue common stock in payment for services rendered under the 2009 Vertical Innovation, Inc. Consulting Agreement. Subsequently, on November 3, 2010, the Company issued to Vertical Innovation, Inc. 2,600,000 shares of the Company's common stock in payment for services rendered from November 2009 to November, 2010. Additionally, on November 26, 2010, the Company issued to Vertical Innovation, Inc. 200,000 shares of the Company's common stock for payment for additional services rendered in December, 2010 in relation to the acquisition of N4E.

On December 21, 2010, the Company entered into an agreement with Rochester Wealth Management to provide consulting services in connection with the conversion of the Series AA Debentures in exchange for 1,050,000 shares of common stock.

Also, on December 21, 2010, the Company acted on the following matters that resulted in issuance of the Company's common stock.

- The Company entered into an investor relations agreement with Bear Creek Capital to provide investor relations consulting services in exchange for 500,000 shares of common stock.

- The Company entered into a consulting agreement with Carol Castelli to provide certain consulting services in exchange for 300,000 shares of common stock.

- The Company entered into an agreement with Anslow & Jaclin LLP to provide certain legal services in exchange for 250,000 shares of common stock.

- The Company entered into an agreement with Taylor Butterfield and Worth to provide certain consulting services in exchange for 200,000 shares of common stock.

- The Company entered into an agreement with Mark Caruso to provide certain consulting services in exchange for 250,000 shares of common stock.

On December 30, 2010, the Company issued 8,839,869 shares of our series common stock pursuant to a Securities Exchange Agreement by and among the Company, N4E, and the N4E Members.

In conjunction with the acquisition of N4E, issued 1,039,985 shares of our series common stock pursuant to debt conversion agreements with the holders of the Company's Series AA Debentures and related warrants.

During the first quarter, 2011, the Company took steps to significantly reduce outstanding debts associated with the acquisition of N4E by issuance of the Company's common stock as follows:

On January 14, 2011, the Company entered into an agreement with Mr. Richard Smyth, pursuant to which the Company issued 2,471,500 shares of common stock valued at $49,430, in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Meshugeneh LLC, pursuant to which the Company issued 4,250,000 shares of common stock valued at $85,000 in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Betsey V. Peterzell, pursuant to which the Company issued 1,075,000 shares of common stock valued at $51,500 in payment of legal services rendered to N4E.

On January 14, 2011, the Company entered into an agreement with Michael Baybak, pursuant to which the Company issued 2,000,000 shares of common stock valued at $40,000 for services rendered to the Company in connection with the acquisition of N4E.

On March 1, 2011, as amended June 1, 2011, the Company entered into an agreement with Viraxid Corporation, pursuant to which the Company issued 833,334 shares of common stock valued at $41,666 for accounting and bookkeeping services rendered to N4E.

a) Stock based compensation

On March 1, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 1,700,000 shares of common stock valued at $85,000 for services rendered to the Company in connection with the formation and development of strategy and business plans of N4E. These were issued on March 31, 2011.

On October 24, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 966,666 shares of common stock valued $48,334, for consulting services rendered to N4E in connection with the development of strategy and business plans of N4E and for services rendered to the Company as CEO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 596,747 shares of common stock valued $119,349 to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Stephen C. Carlson, CEO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 472,266 shares of common stock valued at $23,614 for services rendered to the Company as CFO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 661,173 shares of common stock valued at $132,235 to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Oswald A. Gayle, CFO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Amy Savage-Austin, a director, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Gerry L. Bedore, Jr., a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Timothy G. Drake, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On November 18, 2011, the Company entered into an agreement with Robert Copenhaver, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with Michael Hanlon, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with William W. Hanby, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

All of the shares issued were restricted under Rule 144 of the Securities Act.
The total number of shares of common stock issued and outstanding as of April 3, 2012 is 72,684,306.

In January, 2012, the Company issued 532,775 shares of common stock to Oswald Gayle, the former CFO, in full satisfaction of all amounts owed to him for his services. As a part of his resignation he tendered 200,000 shares of series common stock which he had acquired as a result of his position as a founding member of NEWCO4EDUCATION, LLC.

In January, 2012, the Company issued 557,600 shares of common stock to Steve Carlson, the former CEO, in full satisfaction of all amounts owed to him for his services.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other parts of this report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in the subsections entitled "Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition" below and the subsection entitled "Risk Factors" above. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report.

Results of Operations

The Company did not generate any significant revenues within the twelve months of operation ending December 31, 2011. The Company's net loss amounted to $2,363,353. The net loss was primarily the result of the expenses surrounding the developmental costs, completion of audits and management and overhead associated with the educational services businesses.

The 2011 operating expenses were mainly related to accrued expenses for management, consulting, legal and advisory services surrounding the move from entertainment related business activities, into the educational services and technology area, and for normal financial reporting and SEC compliance.

During 2011 the Company completed a number of key tasks relating to the reorientation from the entertainment businesses, into the education field. Included in these activities was the following:

- Completed relocation of records and files from the prior New York headquarters, to the new Atlanta site;
- Completed audits for Fiscal Year 2010 and Fiscal Year 2011;
- Filed its Form 10K for Fiscal Year 2010 and Fiscal Year 2011;
- Filed its interim period reports for all periods through September 30, 2011;
- Recruited a highly experienced CEO with a background in software, systems, and Internet based marketing, including learning management systems;
- Developed a deployment plan for both its education management organization (EMO) and its technology group;
- Recruited and retained a professional marketing and advertising organization, including a long term outsourcing agreement to provide immediate support on a scaleable basis, without increasing inhouse staff and overhead;

In the first nine (9) months of the year, management focused on the administrative needs to complete their SEC filings and audits, as well it as continued to evaluate its educational business areas. The audits were completed in late September and early October 2011, with the SEC filings completed shortly thereafter. Upon completion of the SEC filings the Company was able to upgrade its listing status from Pink Sheets, non-reporting, up to the Over the Counter Bulletin Board (OTCBB), in the QB section. This allows greater exposure into the investment community, and provides the transparency needed to support shareholder needs. During the fourth quarter management focused its efforts on refinement of its EMO and technology business efforts, and the marketing plans associated with the roll-out of its technology business.

We have not yet completed any significant financings for the Company, and have funded our operations to this point with either nominal advances from management, or through the issuance of our common stock, either in lieu of compensation, or in settlement of debt. Until such time as we complete a significant financing it is unlikely that we will be able to move forward with our plans.

Educational Market Changes and Strategy

Over the past year we spent significant time refining our market plan for the educational markets, both from an education management perspective, and with regard to the technology application used within the education arena.

The landscape within the Charter School area is under constant change. Federally funded programs, including Race to the Top, are aimed at improving education in the nation include specific components that serve to encourage states and local municipalities to embrace charter schools as a alternative to public schools. During the year a number of states moved forward to include, or enhance the role of charter schools, while some move backward, reducing funding, or creating new obstacles for charter schools. Consider the following information from The Center for Education Reform:

Table of Contents

All About Charter Schools

- There are more than 5,400 charter schools serving more than 1.7 million children across the country (Fall, 2010). Visit the National Charter School Directory for a complete searchable listing and website links.
- Charter schools across the United States are funded at 61 percent of their district counterparts. On average, charter schools are funded at $6,585 per pupil compared to $10,771 per pupil at conventional district public schools.
- There is a direct correlation between strong laws and successful charter schools. Of those states with strong laws, 65 percent show positive achievement gains; of the weak states, only two demonstrate the same level of progress.
- Charter School Closures: Of the approximately 6,700 charter schools that have ever opened across the United States, 1,036 have closed since 1992. That means that 15 percent of charters have closed for cause.

*The following chart summarizes the relative quality and availability of charter schools, as viewed By The Center for Education Reform (*http://www.edreform.com/map/ *)*

STATE REPORT CARD FROM EDREFORM.COM

STATE	GOVERNORS	MEDIA RELIABILITY	CHARTER SCHOOL LAW	TEACHER QUALITY	OVERALL GRADE
Alabama	F	C	F	C-	D-
Alaska	D	C-	D	D	D-
Arizona	A	C+	B+	D+	B-
Arkansas	F	D+	D	C	D
California	F	C	A-	D+	D+
Colorado	D	C	B	C	D+
Connecticut	F	C	D	C-	D
Delaware	F	C	C+	C	D+
District Of Columbia	F	B-	A	D	C-
Florida	A	C	B-	B	B
Georgia	B	C	C+	C	C
Hawaii	F	C-	D-	D-	D-
Idaho	A	C+	C	D+	C+
Illinois	F	C	D+	C	D
Indiana	A	C	B-	C+	B-
Iowa	D	C	F	D	D-
Kansas	A	C+	F	D	D+
Kentucky	F	C+	F	D+	D-
Louisiana	A	C	C+	C-	C+
Maine	A	C	F	D-	D+
Maryland	F	C+	D-	D+	D
Massachusetts	F	C	C+	C	D+
Michigan	B	C	B	C+	C+
Minnesota	F	B	A	C-	D+
Mississippi	B	C-	F	D	D
Missouri	F	C	B-	D	D
Montana	F	C-	F	F	F
Nebraska	D	C+	F	D-	D-
Nevada	A	C	C	C-	C-
New Hampshire	F	C	D	D-	D-
New Jersey	A	C	C	D+	C-
New Mexico	A	C	C	D+	C
New York	F	C+	B-	C	D+
North Carolina	F	C	D	D+	D
North Dakota	F	C+	F	D	D-
Ohio	A	C+	C	D+	C+
Oklahoma	A	C-	C-	B+	B-

Oregon	F	C	C	D-	D
Pennsylvania	A	C	B-	D+	C+
Rhode Island	F	C	D+	B-	D+
South Carolina	A	C	C	C-	C+
South Dakota	D	D+	F	D	F
Tennessee	B	C	C-	B-	C+
Texas	A	C	D+	C-	C
Utah	C	C+	B-	C-	D+
Vermont	D	C+	F	D-	D-
Virginia	A	C	F	D+	C-
Washington	F	C+	F	C-	D-
West Virginia	F	C-	F	D+	D-
Wisconsin	A	C	C+	D	C

Additionally, according to a report recently issued by The National Education Policy Center, the national landscape for EMO's is growing rapidly, and includes the following key points:

- The number of states in which for-profit EMOs operated was 33 in 2010-2011;
- In 2010-2011, 35% of all public charter schools in the U.S. were operated by private EMOs, and these schools accounted for almost 42% of all students enrolled in charter schools;
- Since the 1995-1996 school year, the number of for-profit EMOs has increased from 5 to 99, and the number of schools operating has increased from 6 to 758. It is estimated that enrollment has grown from approximately 1,000 students in 1995-1996 to 394,096 in 2010-2011;
- Large-sized for-profit EMOs account for 74.8% of all students enrolled in EMO managed schools, which has increased from 73.7% in 2009-2010. Medium for profit EMOs account for 13.5% and small for-profits only account for 11.8% of the total enrollment.
- Large-sized EMOs tend to have a larger average enrollment (588) than medium-size EMOs (439) and small-sized EMOs (461). The average enrollments for for-profit schools are much larger than nonprofit-managed schools' enrollments.

The full report can be found at: http://nepc.colorado.edu/files/EMO-profiles-10-11_0.pdf*, or by hardcopy at: National Education Policy Center, School of Education, University of Colorado Boulder, Boulder, CO 80309-0249, Telephone: (802) 383-0058*

The time invested during 2011 included in depth discussions with operators of charter schools in Georgia, California, Ohio, Michigan, Massachusetts, and Florida. This has given us much greater insight as to the complexities of the charter school area. In general, we believe we now have a more highly refined model, and intend to pursue targets on a very selective basis. While there are many attributes to consider, the following represent among the most important attributes for consideration in our acquisition strategy:

- We will seek only situations where the political climate is generally supportive of charter schools, especially at the state legal level;
- We will seek to acquire charter schools where the population in the school is, or can reasonably grow to 400 students, or more, within 24 months;
- We will seek to acquire charter schools where the existing facility is adequate for up to 600 students, with modest additions, or where a size compatible site is readily available within the desired cost structure;
- We will standardize the curriculum across any schools we manage, with a strong emphasis on the use of computer based education and testing, including on line access;
- We will prioritize situations where there is a specialized curriculum, including schools that embrace STEM learning (science, technology, engineering and math).

As of the time of this filing we have no definitive agreements in place with any charter school operators, though we continue to evaluate certain situations that we believe will meet our specifications.

Technology Market Changes and Strategy

We believe the use of technology in education is key to advancement and successful teaching. The use of technology is growing, and it appears to be fueled by both results, and cost effective deployment. As labor costs increase, and the cost to access, or deploy, technology based solutions drops, the solutions are finding their way into the market at an increasing rate. While we initially envisioned an offering solely of proprietary computer based curriculum, we now see a much broader opportunity. Our work during the last year to refine our plans in the technology arena has created three (3) unique product areas.

- An on line market for educational materials, including curriculum, testing, and assessment, created by teachers, professionals, and leading publishers, including computer based, and conventional materials;

- An online learning management system which can allow the tracking of student lessons, grades, profiles and class, or school level, results, for the benefit of the students, parents, teachers and regulatory staff;
- A set of proprietary testing and assessment tools, which take into consideration the complexities of individual student performance, goals, historical issues, and regulatory standards.

As we set our priorities, and allocate resources, we have moved our development of a curriculum sales platform to the lead, and have spent considerable resources during 2011 identifying the components and operating environment we believe will best support our needs. To support this area we have developed relationships with professionals who are key advisors to the Company, with experience directly related to this area. We expect to have our first offerings available to the market in the first half of 2012, subject to funding and other factors.

Capital Expenditures

The Company expended no amounts on capital expenditures for the period from June 10, 2010 (inception) to December 31, 2011.

Capital Resources and Liquidity

The Company is in the development stage. The Company is subject to the risks associated with activities of development stage companies. We currently have limited sources of capital, including the public and private placement of equity securities and the possibility of debt. Additional sources of debt will be limited, and we cannot provide assurance that these sources of funds will be available in the future. The Company will take sufficient action to raise additional debt and or equity as the markets will allow. At year-end 2011, the Company had current assets of $63 and total assets of $63. Stockholders' equity (deficit) in the Company was ($771,815) at December 31, 2011.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in sections titled "Plan of Operation" and "Description of Business", with the exception of historical facts are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These forward looking statements include, but are not limited to, statements concerning:

- our anticipated financial performance and business plan;
- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- the ability of the Company to generate revenues to fund future operations;
- the volatility of the stock market and;
- general economic conditions.

We wish to caution readers that the Company's operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated; including the factors set forth in the section entitled "Risk Factors" included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other that is required by law.

Critical Accounting Policies

a) Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(c) Financial Instruments

In accordance with the requirements of Financial Accounting Standards Board Accounting Standard Codification ("ASC") 825-10-50, "Financial Instruments-Disclosure," the Company has determined the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The carrying values of cash, promissory notes, accounts payable and amounts due to related parties approximate fair values due to the short-term maturity of the instruments.

Effect of Recent Accounting Pronouncements

In September 2011, the FASB issued ASU No. 2011-08, Intangible – Goodwill and Other (Topic 350), Testing Goodwill for Impairment. Under the amendments of this ASU, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. However, if an entity concludes otherwise, then it is required to perform the first step of the two-step impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit, as described in paragraph 350-20-35-4. If the carrying amount of a reporting unit exceeds its fair value, then the entity is required to perform the second step of the goodwill impairment test to measure the amount of the impairment loss, if any, as described in paragraph 350-20-35-9. Under the amendments in this Update, an entity has the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test. An entity may resume performing the qualitative assessment in any subsequent period. This ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company is evaluating the impact of the adoption of this ASU.

In May 2011, the FASB issued ASU 2011-04, *"Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs,"* ("ASU 2011-04"). This standard results in a common requirement between the FASB and the International Accounting Standards Board for measuring fair value and disclosing information about fair value measurements. ASU 2011-04 is effective for fiscal years and interim periods beginning after December 15, 2011. We do not expect the adoption of this accounting pronouncement to have any effect on our financial position and results of operations.

All other new accounting pronouncements issued but not yet effective or adopted have been deemed not to be relevant to us, hence are not expected to have any impact once adopted.

Going Concern

The financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated any revenues or completed development of any commercially acceptable products or services to date, has a working capital deficiency of $771,815 at December 31, 2011 and has incurred a loss of $2,697,784 since inception, and further significant losses are expected to be incurred in the Company's development stage. The Company will depend almost exclusively on outside capital through the issuance of common shares, and advances from related parties to finance ongoing operating losses. The ability of the Company to continue as a going concern is dependent on raising additional capital and ultimately on generating future profitable operations. There can be no assurance that the Company will be able to raise the necessary funds when needed to finance its ongoing costs. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The accompanying financial statements do not include any adjustments relative to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

ITEM 8. FINANCIAL STATEMENTS

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS
As of December 31, 2011 and December 31, 2010

With

Report of Independent Registered Public Accounting Firm

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

Sibling Entertainment Group Holdings, Inc.

We have audited the accompanying consolidated balances sheets of Sibling Entertainment Group Holdings, Inc. as of December 31, 2011 and 2010 and the related consolidated statements of operations, stockholders' deficit and cash flows for the year ended December 31, 2011, for the period from inception (June 10, 2010) to December 31, 2010 and the cumulative amounts from June 10, 2010 (inception) to December 21, 2011. These financial statements are the responsibility of Sibling Entertainment Group Holdings, Inc's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sibling Entertainment Group Holdings, Inc. as of December 31, 2011 and 2010 and the results of its operations and its cash flows for the year ended December 31, 2011 and 2010 and for the period from inception (June 10, 2010) to December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 1 to the financial statements, the Company has an accumulated deficit of $2,745,595 from inception through December 31, 2011, and a cumulative net loss from inception of $2,697,783 through December 31, 2011. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are described in note 1. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

/s/ Sherb & Co., LLP
Sherb & Co., LLP

New York, New York

April 20, 2012

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)
CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2011	December 31, 2010
Current assets:		
Cash	$ 63	$ -
Pre-paid expenses	-	89,704
Total current assets	63	89,704
Total assets	$ 63	$ 89,704

LIABILITIES AND STOCKHOLDERS' DEFICIT

	December 31, 2011	December 31, 2010
Current liabilities:		
Accounts payable	$ 575,821	$ 116,767
Accrued liabilities	23,122	91,597
Liabilities to be settled in stock	-	21,500
Liabilities to be settled in stock -related parties	-	134,430
Amounts due to related parties	71,298	42,000
Notes payable to related parties	5,000	-
Short-term notes payable	62,500	60,000
Derivative liability	34,137	-
Total current liabilities	771,878	466,294
Stockholders' deficit		
Convertible series common stock, $.0001 par value, 10,000,000 shares authorized, 9,879,854 shares issued and outstanding at December 31, 2011 and December 31, 2010	988	988
Common stock, $.0001 par value, 90,000,000 shares authorized, 71,593,831 and 46,635,816 issued and outstanding at December 31, 2011 and December 31, 2010, respectively	7,160	4,664
Additional paid-in capital	1,965,632	-
Deficit accumulated during developmental stage	(2,745,595)	(382,242)
Total stockholders' deficit	(771,815)	(376,590)
Total liabilities and stockholders' deficit	$ 63	$ 89,704

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2011	Period From June 10, 2010 (inception) to December 31, 2010	Cumulative Amounts From June 10, 2010 (inception) to December 31, 2011
Operating expenses:			
General and administrative costs	$ 2,134,200	$ 194,228	$ 2,328,429
Professional fees	111,119	139,302	250,421
Loss from operations	(2,245,319)	(333,530)	(2,578,849)
Non-operating expense:			
Interest expense	(9,984)	(900)	(10,884)
Loss on extinguishment of debt	(108,050)	-	(108,050)
Net loss	$ (2,363,353)	$ (334,430)	$ (2,697,783)
Earnings (loss) per common share:			
Basic earnings (loss) per share:			
Common stock	$ (.04)	$ (.01)	
Diluted earnings (loss) per share:			
Common stock	$ (.04)	$ (.01)	
Weighted average number of common shares outstanding: Basic - Diluted			
Common stock	58,863,126	46,635,816	

See notes to the financial statements

Table of Contents

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Year Ended December 31, 2011	Period From June 10, 2010 (inception) to December 31, 2010	Cumulative Amounts From June 10, 2010 (inception) to December 31, 2011
OPERATING ACTIVITIES:			
Net loss	$ (2,363,353)	$ (334,430)	$ (2,697,783)
Adjustments to reconcile net loss to net cash used in operating activities:			
Common stock used for consulting fees	440,000	-	440,000
Common stock used for directors fees	470,000	-	470,000
Common stock used for services	30,000	-	30,000
Loss on extinguishment of debt	108,050	-	108,050
			-
Changes in operating assets and liabilities:			
Accounts payable	458,004	106,400	564,404
Liabilities to be settled in stock -	-	155,930	155,930
Accrued liabilities	(26,809)	-	(26,809)
Pre-paid expenses	314 ,704	-	314,704
Due to related parties	527,830	42,000	569,830
Derivative liability	34,137	-	34,137
Net cash used in operating activities	(7,437)	(30,100)	(37,537)
FINANCING ACTIVITIES:			
Common stock issued for cash	10,000	-	10,000
Proceeds from short-term notes payable	2,500	-	2,500
Repayments of notes payable related party'	(5,000)		(5,000)
Capital contribution	-	100	100
Proceeds from notes payable	-	30,000	30,000
Net cash provided by financing activities	$ 7,500	$ 30,100	$ 37,600
NET INCREASE IN CASH	63	-	63
CASH, BEGINNING OF PERIOD	$ -	$ -	$ -
CASH, END OF PERIOD	63	$ -	63
Supplemental Information:			
Interest Paid	$ -	$ -	$ -
Taxes Paid	$ -	$ -	$ -

See notes to the financial statements

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE PERIODS ENDED JUNE 10, 2010 (Inception) To December 31, 2011

	Convertible Series Common Shares	Amount	Common Shares	Amount	Additional Paid-In Capital $ 100	Deficit Accumulated During the Development Stage	Total
Balance at June 10, 2010 (Date of Inception)	-	$ -	$ -	$ -	$ 100	$ -	$ 100
Reverse merger recapitalization	9,879,854	988	46,635,816	4,664	(100)	(47,812)	(42,260)
Net loss	-	-	-	-	-	(334,430)	334,430
Balance at December 31, 2010	9,879,854	988	46,635,816	4,664	-	(382,242)	(376,590)
Common shares issued for cash at $0.02 per share	-	-	571,429	57	9,943	-	10,000
Common shares issued for fees accrued during merger	-	-	2,000,000	200	39,800	-	40,000
Common shares issued for prepaid expenses at $0.09 per share	-	-	2,500,000	250	224,750	-	225,000
Common shares issued for liabilities to be settled in stock at $0.02 per share, and $.05 per share	-	-	8,346,500	835	190,095	-	190,930
Common shares issued for settlement of accrued expenses at $0.05 per share (loss on extinguishment of $16,666)	-	-	833,334	83	41,583	-	41,666
Common shares issued to settle amounts due to related parties at	-	-	4,796,852	480	488,052	-	488,532

$0.05 per share, and $.20 per share (loss on extinguishment of $62,779)							
Common shares issued for consulting fees at $0.20 per share	-	-	2,000,000	200	399,800	-	400,000
Common shares issued for settlement of accounts payable at $0.13 per share	-	-	360,000	36	71,964		72,000
Common shares issued for Director's fees at $0.13 per share	-	-	3,400,000	340	469,660		470,000
Common shares issued for services at $0.20 per share	-	-	150,000	15	29,985		30,000
Net loss	-	-	-	-	-	(2,363,353)	(2,363,353)
Balance at December 31, 2011	**9,879,854**	**$ 988**	**71,593,931**	**$ 7,160**	**$ 1,965,632**	**$ (2,745,595)**	**$ (771,815)**

See notes to the financial statements

SIBLING ENTERTAINMENT GROUP HOLDINGS, INC.
(A Development Stage Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2011 and 2010

Note 1 - Nature of Operations and Basis of Presentation

(a) Organization

Sibling Entertainment Group Holdings, Inc., referenced as the “SIBE,” “Company,” “we,” “our,” and “us” was incorporated under the laws of the State of Texas on December 28, 1988, as “Houston Produce Corporation”. On June 24, 1997, the Company changed its name to “Net Masters Consultants, Inc.” On November 27, 2002, the Company changed its name to “Sona Development Corporation” in an effort to restructure the business image to attract prospective business opportunities. Our name changed on May 14, 2007 to “Sibling Entertainment Group Holdings, Inc.”, in New York City. Our business plan called for focusing on large group sales of tickets to New York based entertainment shows, mostly Broadway plays. We intended to create a full-featured Internet website and registered the domain name Stageseats.com on May 14, 2009. We hired an existing industry expert to head the entity and to execute the business plan. We started booking tickets in April 2009 and continued until November 27, 2009 when we closed the business due to our manager abruptly resigning and lack of funding to continue the business. In September 2009, the executives of SIBE discussed several different methods of obtaining intellectual property from which to launch the next Broadway play. In the fourth quarter of 2009, the Company continued to engage in additional capital efforts. During 2010, the Company continued to pursue additional opportunities in the entertainment industry as well as synergistic opportunities in other industries.

On December 30, 2010, Sibling Entertainment Group Holdings, Inc. (SIBE), entered into a Securities Exchange Agreement with NEWCO4EDUCATION, LLC (“N4E”), a newly formed entity on June 10, 2010, and the members of N4E. Pursuant to the Securities Exchange Agreement, SIBE has acquired N4E in exchange for 8,839,869 shares of SIBE’s newly authorized convertible series common stock. For accounting purposes, the acquisition has been treated as an acquisition of SIBE by N4E and as a recapitalization of N4E’s equity. N4E is the surviving and continuing entity and the historical financials following the reverse merger transaction will be those of N4E. As part of the recapitalization of N4E, the equity transactions since its inception have been retroactively restated to include the equivalent shares of the Company’s common stock received in the merger. Accordingly, the statement of changes in shareholders’ deficit reflects the restatement of these transactions. The consolidated financial statements are based on the historical consolidated financial statements of N4E after giving effect to the reverse merger. In conjunction with the acquisition of N4E, the company issued 1,039,985 shares of our series common stock pursuant to debt conversion agreements with the holders of the Company's Series AA Debentures and related warrants.

The Company, through its wholly-owned subsidiary, N4E, focuses on providing services and technology aimed at increasing the performance in educational settings and operates through two (2) divisions, its Educational Management Organization (EMO) and its Technology and Services Group (TSG). The EMO intends to provide school management services, primarily within the charter school arena. The TSG division is focused on the development and deployment of software, systems and procedures to enhance the rate of learning in both primary and secondary education. It is based in Atlanta, Georgia. The Company is considered a development stage company in accordance with ASC 915, “Development Stage Entities”.

(b) Going Concern

The financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated any revenues or completed development of any commercially acceptable products or services to date, and has incurred losses of $2,697,783 since inception, and further significant losses are expected to be incurred during the Company’s development stage. The Company will depend almost exclusively on outside capital through the issuance of common shares, debentures, and other loans, and advances from related parties to finance ongoing operating losses.

The ability of the Company to continue as a going concern is dependent on raising additional capital and ultimately on generating future profitable operations. There can be no assurance that the Company will be able to raise the necessary funds when needed to finance its ongoing costs. The accompanying financial statements do not include any adjustments relative to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

Note 2 - Summary of Significant Accounting Policies

(a) Use of Estimates
The preparation of financial statements in conformity with United States Generally Accepted Accounting Principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes
The Company utilizes Financial Accounting Standards Board Codification ('ASC"), ASC 740, "Accounting for Income Taxes", which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the estimated tax consequences in future years of differences between the tax bases of assets and liabilities, and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the period in which the differences are expected to affect taxable income.

(c) Financial Instruments
In accordance with the requirements of ASC 825, "Financial Instruments, Disclosures about Fair Value of Financial Instruments," the Company has determined the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The carrying values of cash, accounts payable, and amounts due to related parties approximate fair values due to the short-term maturity of the instruments.

(d) Stock-Based Compensation
The Company accounts for stock-based compensation in accordance ASC 718, "Compensation – Stock Compensation". Under the provisions of ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes-Merton (BSM) option-pricing model and/or market price of conversion shares, and is recognized as expense over the requisite service period. The BSM model requires various highly judgmental assumptions including volatility and expected option life. If any of the assumptions used in the BSM model change significantly, stock-based compensation expense may differ materially in the future from that recorded in the current period. In addition, the Company is required to estimate the expected forfeiture rate and only recognize expense for those shares expected to vest. The Company estimates the forfeiture rate based on historical experience. Further, if the extent of the Company's actual forfeiture rate is different from the estimate, then the stock-based compensation expense is adjusted accordingly.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 505-50 "Equity Based Payments to Non-Employees. Costs are measured at the estimated fair market value of the consideration received, or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by ASC 505-50.

(e) Loss per Share
The Company computes loss per share in accordance with ASC 260, "Earnings Per Share", which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. This guidance requires companies that have multiple classes of equity securities to use the "two-class" of "if converted method" in computing earnings per share. We compute loss per share using the two-class method. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for common stock and any participating securities according to dividends declared (whether paid or unpaid) and participation rights in undistributed earnings. Under the two-class method, earnings per common share are computed by dividing the sum of distributed earnings to common shareholders and undistributed earnings allocated to common shareholders by the weighted average number of common shares outstanding for the period. In applying the two-class method, undistributed earnings are allocated to both common shares and participating securities based on the weighted average shares outstanding during the period. The Company has excluded all common equivalent shares outstanding for warrants to purchase common stock from the calculation of diluted net loss per share because all such securities are antidilutive for the periods presented.

(f) Recent Accounting Pronouncements

In September 2011, the FASB issued ASU No. 2011-08, Intangible – Goodwill and Other (Topic 350), Testing Goodwill for Impairment. Under the amendments of this ASU, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. However, if an entity concludes otherwise, then it is required to perform the first step of the two-step impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit, as described in paragraph 350-20-35-4. If the carrying amount of a reporting unit exceeds its fair value, then the entity is required to perform the second step of the goodwill impairment test to measure the amount of the impairment loss, if any, as described in paragraph 350-20-35-9. Under the amendments in this Update, an entity has the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test. An entity may resume performing the qualitative assessment in any subsequent period. This ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company is evaluating the impact of the adoption of this ASU.

In May 2011, the FASB issued ASU 2011-04, *"Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs,"* ("ASU 2011-04"). This standard results in a common requirement between the FASB and the International Accounting Standards Board for measuring fair value and disclosing information about fair value measurements. ASU 2011-04 is effective for fiscal years and interim periods beginning after December 15, 2011. We do not expect the adoption of this accounting pronouncement to have any effect on our financial position and results of operations.

All other new accounting pronouncements issued but not yet effective or adopted have been deemed not to be relevant to us, hence are not expected to have any impact once adopted.

Note 3 - Prepaid expenses

On November 3, 2010, the Company issued 3,000,000 shares of common stock at a value of $0.051 per share, as compensation to Broad Street Ventures, LLC. This was based on an agreement entered into on March 5, 2010 (commitment date) for a period of two years and was non-cancelable by either party. Broad Street Ventures, LLC, was engaged on a non-exclusive basis to provide advice to the Company regarding its capital formation program.

On August 18, 2011, the Company issued 2,000,000 shares of common stock at a value of $0.09 per share, as compensation to Capital Advisory Group, LLC. This was based on an agreement entered into on the date noted above (commitment date) for consulting services for a period of six months. The agreement may be terminated with not less than 30 days written notice by either party.

Prepaid expenses related to these agreements are comprised of:

	December 31, 2011	December 31, 2010
Total value of share compensation over term	$ 333,000	$ 153,000
Less: compensation expense to date	$ (333,000)	$ (63,296)
	$ -	$ 89,704

Note 4 - Due to Related Parties

	December 31, 2011	December 31, 2010
Liabilities to be settled in stock - related parties	$ -	$ 134,430

On January 14, 2011, the Company agreed to permit settlement of the liabilities at a conversion price per share of $0.05 equal to the face of the debt, the conversion price being the price of the stock on that day on the parent's books. Any issuance of this common stock would be subject to Rule 144 of the Securities Act of 1934. These liabilities were settled at the end of the first quarter, 2011.

	December 31,	
	2011	2010
Due to a significant shareholders	$ 71,298	$ 42,000

Stephen C. Carlson was contracted through December 31, 2010 as a consultant to provide advisory services on a non-exclusive basis. At December 31, 2010 the Company owed $10,000 to Mr. Carlson for these provided services. On December 30, 2010, in conjunction with the acquisition of N4E, the Board of Directors of Sibling appointed Stephen C. Carlson as CEO, with a term of office that commenced December 31, 2010. The Company entered into an agreement on March 1, 2011 as amended June 1, 2011 with Stephen Carlson to convert debt for consulting services to N4E prior to the acquisition by the Company on December 30, 2010 and debt for services as CEO during the first quarter of 2011, in exchange for the Company's restricted Common Stock in the aggregate of 966,666 shares for an accrued amount of $29,000.

The Company entered into an agreement on October 1, 2011 with Stephen C. Carlson to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011 in exchange for the Company's restricted Common Stock in the aggregate of 596,747 shares for an accrued amount of $44,756. The company owed him a balance of $41,767 at December 31, 2011, including the $5,000 note payable described below.

Gerald F. Sullivan was contracted through December 31, 2010 as a consultant to provide advisory services on a nonexclusive basis. At December 31, 2010 the Company owed $32,000 to Mr. Sullivan for these provided services. The Company entered into an agreement on March 1, 2011 as amended June 1, 2011 with Gerald F. Sullivan to convert debt for consulting services originally incurred with the formation and development of strategy and business plans in exchange for the Company's restricted Common Stock in the aggregate of 1,700,000 shares for accrued compensation of $51,000. The company owed him a balance of $13,220 at December 31, 2011 for cash advances made to the company for operating expenses.

On December 30, 2010, in conjunction with the acquisition of N4E, the Board of Directors of Sibling appointed Oswald A. Gayle as CFO of the Company with a term of office that commenced December 31, 2010. During this period, he accrued total compensation of $21,200. The Company entered into an agreement with Oswald A. Gayle on March 1, 2011 to convert debt for services as CFO during the first quarter of 2011 in exchange for the Company's restricted Common Stock in the aggregate of 472,266 shares for an accrued amount of $14,168. The Company entered into an agreement on October 1, 2011 with Oswald A. Gayle to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011 in exchange for the Company's restricted Common Stock in the aggregate of 661,173 shares for an accrued amount of $49,588. The company owed him a balance of $21,311 at December 31, 2011.

Notes Payable –Related Party

On January 21, 2011 Stephen C. Carlson loaned the Company $5,000 in the form of a Promissory Note with an annual interest rate of 3.0%. There was balance due of $5,000 due on this loan at December 31, 2011. There was $469 in accrued interest on this note at December 31, 2011.

Note 5 - Short-Term Notes Payable

Short term notes payable consists of the following:

	December 31, 2011	December 31, 2010
Short Term Note	$ 32,500	$ 30,000
Outstanding Debenture	$ 30,000	$ 30,000
Total Short Term Notes	$ 62,500	$ 60,000

At December 31, 2011 and December 31, 2010 the Company had a note payable balance of $32,500 and $30,000 respectively. This represents a short term note with an annual interest rate of 12.0%. In the event that a Liquidity Event occurs earlier than the agreed to three month period, then the full principal amount together with any interest due and outstanding, shall become payable in full no later than five business following the liquidity event, or the fifth business day following the Liquidity Event, whichever is earlier. As further consideration for this obligation, the Company agreed to issue warrants for the purchase of unregistered common stock to the Payee in an amount equal to the amount loaned under the agreement and, which shall expire in two years. The pricing for the purchase of the common stock shall be set at eighty percent (80%) of the ten day closing price of the stock of the target prior to the request for the issuance of the warrant by the Payee. At December 31, 2011 this note had accrued interest in the amount of $5,027.

On December 30, 2010, the Company entered into Conversion Agreements with all but one of the holders of the Series AA debentures previously issued by SIBE and held on that date. Pursuant to the conversion agreements, the holders accepted a total of 1,039,985 shares of convertible series common stock and one-hundred percent (100%) of the membership interests of a new, wholly-owned subsidiary of SIBE, Debt Resolution, LLC (DR LLC) in full settlement of their debentures, underlying warrants and accrued interest as of that date. The Conversion Agreements released all claims that 43 of the holders of the debentures had, have, or might have against SIBE. Following this transaction, the Company now has a debenture balance of $30,000 and accrued interest of $17,626 as of December 31, 2011, which is in default.

Note 6 - Income Taxes

The Company accounts for income taxes under FASB ASC 740 –. Under ASC 740 deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. ASC 740 also requires that uncertain tax positions are evaluated in a two-step process, whereby (1) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (2) for those tax positions that meet the morelikely-than-not recognition threshold, the largest amount of tax benefit that is greater than fifty percent likely of being realized upon ultimate settlement with the related tax authority would be recognized.

The Company had net operating loss carryforwards available to offset future taxable income approximating $1.6 million as of December 31, 2011. The Company has determined that realization of a deferred tax asset that has resulted from the net operating losses is not likely and therefore a full valuation allowance has been recorded against this deferred income tax asset. There are no other material deferred tax positions recorded by the Company.

If the Company had more than a 50% change in ownership over a three year period, then the net operating loss carryforwards are limited as to its use under Internal Revenue Code Section 382. We believe the reverse merger that occurred in December 2010, triggered such Section 382 limitation, but no formal study has been under taken, as the Company has not filed its income tax returns in several years.

Note 7 – Reverse Merger with NEWCO4EDUCATION, LLC

On December 30, 2010, the Company, pursuant to a Securities Exchange Agreement, acquired all of the outstanding membership interests of NEWCO4EDUCATION, LLC by issuance of 8,839,869 shares of convertible series common stock. Each share of series common stock will entitle the holder thereof to a number of votes equal to the series conversion ratio determined as of the record date on all matters submitted to a vote of the stockholders of the Corporation. The holders of Series Common Stock shall be entitled to receive dividends when, as, and if declared by the Board of Directors out of funds legally available for that purpose. The Exchange Agreement was contingent on the consummation of two other transactions, which were completed as follows:

On December 29, 2010, the Company entered into a Loan Assignment Agreement with Sibling Theatricals, Inc. ("STI") and Debt Resolution, LLC ("DR LLC"), a newly formed subsidiary of the Company. Pursuant to the Loan Assignment Agreement, the Company assigned the Loan Receivable with STI and the related accrued interest receivable and certain related liabilities underlying these theatrical assets for 1 million membership interests in DR LLC. The Company's ownership interest in DR LLC was transferred to the Series AA debenture holders the next day as part of the settlement of those debt obligations (see below). The Company effectively exited the theatricals business as a result of these transactions.

On December 30, 2010, the Company entered into Conversion Agreements with all but one of the holders of the Series AA convertible debentures held on that date. Pursuant to the conversion agreements, the holders accepted a total of 1,039,985 shares of convertible series common stock and one-hundred percent (100%) of the membership interests of DR LLC in full settlement of their debentures, underlying warrants and accrued interest as of that date. The Conversion Agreements released all claims that 43 of the holders of the debentures had, have, or might have against the Company.

Note 8 - Capital Stock

On December 30, 2010, the Board of Directors, pursuant to authority granted in the Company’s certificate of formation created a a new series of common stock to effect a debt settlement. As a result, the 100,000,000 authorized shares of common stock are now divided into 2 series, 90,000,000 shares of equity common stock, and 10,000,000 shares of series common stock.

Series common stock automatically converts into common stock upon vote of two-thirds vote by the holders of the series common stock . As of December 31, 2011, each share of series common stock converts into 137.6826774 shares of common stock based on 71,593,931 shares of common stock issued and outstanding. Voting and dividend rights of the series common stock holders are based on the number of shares of equity common stock as of the series common stockholders converted. Approximately 73% of the series common stockholders have executed a letter to management effective December 30, 2010, agreeing not to vote to convert their series common stock to equity common stock, unless there is sufficient authorized common stock available to accommodate such conversion in total for all of the series common stockholders.

On December 30, 2010, the Company issued 8,839,869 shares of our series common stock pursuant to a Securities Exchange Agreement by and among the Company, N4E, and the N4E Members. Six shareholders of the series common stock entered into stock restriction agreements whereby these six individuals agreed to continue to render services to the Company for up to two years, through December 30, 2012. If the individual does not fulfill the two year term under the Stock Restriction Agreement the Company may purchase a pro-rata portion of the series common shares held by the shareholder for $1.00. If the individual terminates their employment before December 30, 2011 then the Company may repurchase 67% of the series common stock holdings subject to the Stock Restriction Agreement. If the individual terminates their employment between December 30, 2011 and December 31, 2012, then the Company may repurchase 33.34% of their series common stock holdings. These individuals were part of the founders of the Company and are paid separately for current services. Any changes as a result of these claw back provisions are considered to be capital and have no effect on the operations of the Company. As of December 30, 2011 and 2010 no shares have been reacquired by the Company as a result of termination by any of these individuals.

In conjunction with the acquisition of N4E, the Company issued 1,039,985 shares of our series common stock pursuant to debt conversion agreements with the holders of the Company’s Series AA Debentures and related warrants.

During the first quarter, 2011, the Company took steps to significantly reduce outstanding debts associated with the acquisition of N4E by issuance of the Company’s common stock as follows:

On January 14, 2011, the Company entered into an agreement with Mr. Richard Smyth, pursuant to which the Company issued 2,471,500 shares of common stock valued at $49,430, in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Meshugeneh LLC, pursuant to which the Company issued 4,250,000 shares of common stock valued at $85,000 in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Betsey V. Peterzell, pursuant to which the Company issued 1,075,000 shares of common stock valued at $51,500 in payment of legal services rendered to N4E.

On January 14, 2011, the Company entered into an agreement with Michael Baybak, pursuant to which the Company issued 2,000,000 shares of common stock valued at $40,000 for services rendered to the Company in connection with the acquisition of N4E.

On March 1, 2011, as amended June 1, 2011, the Company entered into an agreement with Viraxid Corporation, pursuant to which the Company issued 833,334 shares of common stock valued at $41,666 for accounting and bookkeeping services rendered to N4E.

On March 1, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 1,700,000 shares of common stock valued at $85,000 for services rendered to the Company in connection with the formation and development of strategy and business plans of N4E. These were issued on March 31, 2011.

On October 24, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 966,666 shares of common stock valued $48,334, for consulting services rendered to N4E in connection with the development of strategy and business plans of N4E and for services rendered to the Company as CEO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 596,747 shares of common stock valued $119,349 to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Stephen C. Carlson, CEO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 472,266 shares of common stock valued at $23,614 for services rendered to the Company as CFO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 661,173 shares of common stock valued at $132,235 to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Oswald A. Gayle, CFO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Amy Savage-Austin, a director, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Gerry L. Bedore, Jr., a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Timothy G. Drake, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On November 18, 2011, the Company entered into an agreement with Robert Copenhaver, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with Michael Hanlon, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with William W. Hanby, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

For the period January 1, 2011 through December 31, 2011, the Company sold 571,429 shares at a price of $0.0175 per share or $10,000 in the aggregate to one accredited investor.

Note 9 - Supplemental Cash Flow Information

Actual amounts paid for interest and income taxes for 2011 are as follows:

	December 31,	
	2011	2010
Interest	$ -	$ -
Income Taxes	$ -	$ -

Non-cash Investing and Financing Transactions:

	December 31,	
	2011	2010
Stock issued to settle liabilities to be settled in stock	$ 304,596	$ -
Stock issued for consulting fees / prepaid	$ 225,000	$ -
Stock issued to settle related party liabilities and accrued expenses	$ 488,532	$ -

Note 10 - Legal Proceedings

The Company may at times become involved in litigation or legal proceedings as a normal course of business, but there are no note worthy legal proceedings being pursued as of the date of this audit report.

Note 11 –Subsequent Events

ASC Topic 855-10, Subsequent Events, requires the Company to disclose the date through which subsequent events have been evaluated, as well as whether that date is the date the financial statements were issued. The Company has evaluated all other subsequent events through the date these consolidated financial statements were issued.

In January, 2012, the Company issued 532,775 shares of common stock to Oswald Gayle, the former CFO, in full satisfaction of all amounts owed to him for his services. As a part of his resignation he tendered 200,000 shares of series common stock which he had acquired as a result of his position as a founding member of NEWCO4EDUCATION, LLC.

In January, 2012, the Company issued 557,600 shares of common stock to Steve Carlson, the former CEO, in full satisfaction of all amounts owed to him for his services.

In January 2012, three (3) series common Shareholders relinquished 430,010 shares pursuant to their Stock Restriction Agreement. These shares were subsequently re-issued to other parties.

On April 9th, 2012, Rob Copenhaver, resigned as CEO of the Company to pursue another opportunity. Mr. Copenhaver will continue as a member of the Board of Directors and the Company looks forward to his continued contribution in this role.

ITEM 9A. CONTROLS AND PROCEDURES

Management's Report on Internal Controls over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the interim or annual financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

The Company's management did not assess the effectiveness of the Company's internal control over financial reporting as of December 31, 2011 in accordance with a recognized framework, due to its lack of resources. However, we have identified what we believe to be material weaknesses.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified during our annual audit for 2011 were (i) lack of segregation of duties, (ii) lack of sufficient resources with SEC, generally accepted accounting principles (GAAP), especially with regards to equity based transactions and tax accounting expertise; and (iii) inadequate security over information technology. These control deficiencies resulted in audit adjustments to the Company's 2011 annual financial statements. Accordingly, management has determined that these control deficiencies constitute material weaknesses.

Because of these material weaknesses, management concluded that the Company did not maintain effective internal control over financial reporting as of December 31, 2011. This report does not include an attestation report of our registered public accounting firm regarding our internal controls over financial reporting. The disclosure contained under this Item 9A was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only the disclosure under this Item 8A in this annual report.

The auditors did not test the effectiveness of nor relied on the internal controls of the Company for the fiscal years ended December 31, 2011.

We believe that the material weaknesses as reported will eventually be fully remediated, upon being properly capitalized to hire the proper personnel for segregation of duties and SEC and GAAP accounting knowledge.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Each of our current directors was appointed to serve as a director by the then existing Board of Directors and serves a term that ends at the next annual meeting of stockholders and until a successor is elected and qualified, or until his or her earlier resignation or removal. No family relationship exists among any of our directors or executive officers. None of our directors would be considered to be independent.

Fiscal year ended December 31, 2011 the Company made a number of changes to its Board of Directors and management team, as it transitioned from its prior entertainment business, completed its financial reporting and moved into the educational products and services areas. The following table lists the members of the Board of Directors during the period:

Name	Age	Positions and Offices	Appointed	Resigned
Gerald F. Sullivan	71	Chairman of the Board of Directors, Chair of the Compensation Committee	12/30/10	In place
Rob Copenhaver	53	Director, Chief Executive Officer as of 01/06/12	12/01/11	In place**
Amy Savage-Austin, PhD	42	Director and chair of the Audit Committee	12/30/12	In place
Michael Hanlon	47	Director	12/01/11	In place
Christian Fitzgerald	57	Director	11/03/10	12/01/11
Mitchell Maxwell	59	Director	02/28/07	12/01/11
Stephen C. Carlson	66	Director, Chief Executive Officer,	12/20/10	01/06/12
Oswald A. Gayle	52	Chief Financial Officer and Secretary	12/30/11	02/14/12

** Mr. Copenhaver was appointed to the Board of Directors on 12/1/11, and was appointed CEO at 01/06/12. On April 9th, 2012 he resigned his position as CEO to pursue another situation. He remains a member of the Board of Directors.

Each of our current directors was appointed to serve as a director by the then existing Board of Directors and serves a term that ends at the next annual meeting of stockholders and until a successor is elected and qualified, or until his or her earlier resignation or removal. No family relationship exists among any of our directors or executive officers. None of our directors would be considered to be independent.

Our executive officers are appointed by, and serve at the discretion of, our Board of Directors for a term ending at the first meeting of our Board of Directors after the next annual meeting of stockholders, or until his earlier resignation.

The following are the names and present principal occupations or employment, and material occupations, positions, offices or employments for the past five years, of each directors and executive officers of the Company that were appointed in connection with the acquisition of N4E.

***Gerald F. Sullivan**. Mr. Sullivan, age 71, has served 35 years as an executive in various industries including, but not limited to, commercial banking, home health care, and application software development and sales and seven years as a college professor, teaching finance and management in classroom and online environments. He holds a Doctor of Business Administration.*

***Rob Copenhaver.** Mr. Copenhaver, age 53, is a seasoned business executive with three decades of experience primarily leading sales, marketing, and operational teams for Internet based technology vendors. His career includes senior positions with start-ups as well as Fortune 500 organizations. He was most recently Vice President & Division Head, for EBIX, Inc., a publically traded company that provides technology solutions to the financial services industry. In his role at EBIX was responsible for all sales, marketing, product strategy, application development, system implementation, and customer support for three (3) divisions of EBIX. In addition to being responsible for all P&L in those divisions, he was active in the evaluation of acquisitions. He also brings experience in the area of Learning Management System (LMS) technologies. He received his Bachelors degree from Creighton University in Omaha, Nebraska in finance and accounting, as well as a Masters of Business Administration from Creighton. He resides in Atlanta, Georgia.*

Stephen C. Carlson**. Mr. Carlson, age 66, has 40 years' experience in business to business software system sales and provides strategic management consulting to a variety of technology and consumer products. He is currently a college professor, teaching marketing and management, in classroom and online environments. His education includes a Doctor of Business Administration. **NOTE: The Board accepted his resignation on January 6, 2012 so he could focus on his teaching at the college level. His resignation was expected and it was not the result of any disagreement with the Board on any matter related to the Company's operations, policies, or practices.

***Amy Savage-Austin**. Ms. Savage-Austin, age 42, has 10 years' experience, primarily in the area of finance with large publicly traded corporations. She currently is Assistant Professor and Program Director for Undergraduate Studies at a University. She has both classroom and online teaching experience, and holds a Ph.D. in Business.*

Oswald A. Gayle.** Mr. Gayle, age 52, is a senior financial executive with extensive public company experience. His educational background includes a Graduate Certificate of Taxation from Fordham Business School and a Bachelor of Science from the University of London. He is both a Certified Public Accountant (USA) and a Chartered Accountant (U.K.). **NOTE: The Board accepted his resignation on February 14, 2012 so he could pursue other interests. His resignation was expected and it was not the result of any disagreement with the Board on any matter related to the Company's operations, policies, or practices.

***Michael Hanlon.** Mr. Hanlon, age 47, operates his own consultancy, and has over twenty years of expertise with mergers and acquisitions across the globe. He specializes in the international expansion of both mature, and entrepreneurial organizations. He has a business degree from the University of Tampa in Florida, and resides in Atlanta, Georgia.*

The following are the names, title, age, and present principal occupations or employment, and material occupations, positions, offices or employments for the past five years, of the other non-executive members of our management team.

***William W. Hanby**, Key Advisor and Technical Officer – Age 56 - Mr. Hanby will oversee technology decisions in all operations as well as the corporate level. William's diverse technical background will give us the unique ability to deploy the kind of learning solutions that can change education worldwide. William has over 25 years of technology experience operating at the senior level in multiple companies within the public sector, private sector, and higher education. He has deployed large-scale systems, including substantial project development in web and virtualized solutions. He has BA in business administration from Bellevue University.*

***Dixon McLeod**, Director of Quality and Compliance - Age 60 - Has 33 years of primary education experience as worked as classroom teacher, assistant principal, principal, central office administrator overseeing charter school applications and dean of students as well Director of Education Programs at the university level. He holds a Doctor of Education degree.*

***Timothy G. Drake**, Director of Technology Platforms - Age 62 - Managing Partner, Higher Learning Technologies Group, LLC , fourteen years' experience in the online education field. An executive in both for profit and not for profit organizations. Functioned as an operating executive and consultant in the online learning field, worked with numerous organizations across the country in all phases of the development and execution of online learning programs. He holds a PhD in Business.*

***Gerry L. Bedore Jr.**, Director of Technology Services - Age 56 - Dr. Bedore co-founded the Socrates Distance Learning Technologies Group, served as an Executive Committee Member of Education Management Corporation Online Higher Education, and has supported the development of world-class online programs for many of the world's most recognized colleges and universities. He has extensive teaching experience in both classroom and online environments. He has a Ph. D in Education.*

Disclosure of Family Relationships.

None

Board of Directors Committees

The board of directors has not yet established an audit committee or a compensation committee. An audit committee typically reviews, acts on and reports to the board of directors with respect to various auditing and accounting matters, including the recommendations and performance of independent auditors, the scope of the annual audits, fees to be paid to the independent auditors, and internal accounting and financial control policies and procedures.

Code of Ethics

The Company has adopted a Code of Ethics within the meaning of Item 406(b) of Regulation S-B of the Securities Exchange Act of 1934. The Code of Ethics applies to directors and senior officers, such as the principal executive officer, principal financial officer, controller, and persons performing similar functions. The Company original incorporated its Code of Ethics in Form 10K filed with the SEC on March 30, 2004 and referenced as Exhibit 14 to this Form 10-K. Further, the Company's Code of Ethics is available in print, at no charge, to any security holder who requests such information by contacting the Company.

Compliance with Section 16(a) of the Exchange Act

Based solely upon a review of Forms 3, 4 and 5 furnished to the Company, the Company is unaware of any individuals or entities who during the period ended December 31, 2011, were directors, officers, or beneficial owners of more than ten percent of the common stock of the Company, and who failed to file, on a timely basis, reports required by Section 16(a) of the Securities Exchange Act of 1934.

Compliance with Section 16(a) of the Exchange Act

Based solely upon a review of Forms 3, 4 and 5 furnished to the Company, the Company is aware that during the fiscal year ended December 31st, 2011, the following individuals failed to file, on a timely basis, reports required by Section 16(a) of the Securities Exchange Act of 1934:

On November 3, 2010, Mr. Christian Fitzgerald was appointed to the Board of Directors of the Company and failed to timely file a Form 3. Mr. Fitzgerald filed Form 3 on January 14, 2011.

On December 31, 2010, Messrs. Gerald F. Sullivan and Stephen Carlson, and Dr. Amy Austin-Savage were appointed to the board of directors of the Company and failed to timely file a Form 3. Messrs. Sullivan and Carlson, and Dr. Austin-Savage filed Forms 3 on January 14, 2011.

On December 31, 2010, Mr. Oswald A. Gale was appointed as the Chief Financial Officer of the Company and failed to timely file a Form 3. Mr. Gale filed Form 3 on January 14, 2011.

On November 18, 2011, Messrs. Robert Copenhaver and Michael Hanlon were appointed to the Board of Directors of the Company and failed to timely file a Form 3. Messrs. Copenhaver and Hanlon filed Forms 3 on January 9, 2012 and January 10, 2012, respectively.

On November 18, 2011, Messrs. Timothy G. Drake, Gerry L. Bedore, and William W. Hanby were designated as key employees of the Company and failed to timely file a Form 3. Messrs. Drake, Bedore, and Hanby filed Forms 3 on January 5, 2012, January 9, 2012 and January 11, 2012, respectively.

The Company intends to institute procedures to assist its executive officers and directors to meet their filing obligations.

ITEM 11. EXECUTIVE COMPENSATION

Executive Compensation

Except as set forth below, no compensation in excess of $100,000 was awarded to, earned by, or paid to any executive officer of the Company during the years 2009, 2010 and 2011. The following table and the accompanying notes provide summary information for each of the last three fiscal years concerning cash and non-cash compensation paid or accrued by the Company's current and past officers over the past three years.

Summary Compensation Table

Name and Principal Positions	Year	Salary	Bonus	Other Annual Compensation	Restricted Stock Award(s)	Securities Underlying Options	LTIP payouts	All Other Compensation
		Long Term Compensation			Annual Compensation: Awards		Annual Compensation: Payouts	
Current Board and Management		($)	($)	($)	($)	SARs(#)	($)	($)
Gerald F. Sullivan	2011	-	-	-	$25,900.00	-	-	-
Rob Copenhaver	2011	-	-	-	$21,000.00	-	-	-
Amy Savage-Austin, PhD	2011	-	-	-	$3,800.00	-	-	-
Michael Hanlon	2011	-	-	-	$21,000.00	-	-	-
Christian Fitzgerald	2011	-	-	-	-	-	-	-
Mitchell Maxwell	2011	-	-	-	-	-	-	-
Stephen C. Carlson	2011	-	-	-	$28,301.00	-	-	-
Oswald A. Gayle	2011	-	-	-	$23,163.00	-	-	-
Previous Board and Management								
Mitchell Maxwell	2010	$0.00	-	-	-	-	-	-
	2009	$0.00	-	-	$87,500.00	-	-	-
James Cardwell	2010	$0.00	-	-	-	-	-	-
	2009	$0.00	-	-	$37,000.00	-	-	-
Richard Bernstein	2010	$0.00	-	-	-	-	-	-
	2009	$0.00	-	-	$25,000.00	-	-	-

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of December 31, 2011, the number of shares of our common stock and series common stock beneficially owned by (a) each person or group who was known to us to be the beneficial owner of more than 5% of either of our outstanding common stock or outstanding series common stock, (b) each of our current directors, (c) our chief executive officer and chief financial officer; and (d) all our directors and executive officers, as a group (6 persons). Unless otherwise noted, the business address of each individual listed below is c/o Sibling Entertainment Group Holdings, Inc., 1201 Peachtree St. NE, Bldg 400 Ste 200, Atlanta , GA 30361. The beneficial ownership (1) percentages reflected in the table below are based on 71,593,931 shares of our common stock and 9,879,854 shares of our series common stock outstanding as of December 31, 2011.

Greater than 5% Shareholders as of 12/31/2011	***Common***	***Series Common***	***Percent on conversion of Series Common***
Foundation For Innovation in Education, Inc.		3,263,869	31.38%
Directors and Officers during FY2011			
Gerald F. Sullivan, Chairman, and Director (3) (2)	1,900,000	518,900	5.12%
Steven Carlson, Former CEO and Director (3) (2)	1,763,413	476,500	4.70%
Gerry Bedore, Key Advisor (3) (2)	1,000,000	261,000	2.58%

Tim Drake, Key Advisor (3) (2)	1,000,000	261,000		2.58%
Amy Savage-Austin, Director (3) (2)	200,000	261,000		2.52%
Oswald Anthony Gayle, Former CFO (3) (2)	1,333,439	200,000		2.02%
Dixon McLeod, Key Advisor (2)		200,000		1.92%
Mitchell Maxwell, Former Director (3) (2) (4)	6,200,000	4,177		*
Rob Copenhaver, Current CEO and Director (3)	1,000,000			*
William Hanby, Key Advisor (3)	1,000,000			*
Michael Hanlon, Director (3)	1,000,000			*
Christian Fitzgerald, Former Director (3)	650,000			*

All directors and executive officers as a group 17,046,8522,182,577 22.18%

* *Less than 1%*

(1) "Beneficial ownership" generally means any person who, directly or indirectly, has or shares voting or investment power with respect to a security or has the right to acquire such power within 60 days. Shares of common stock subject to options or warrants that are currently exercisable or exercisable within 60 days of December 31, 2011 are deemed outstanding for computing the ownership percentage of the person holding such options, but are not deemed outstanding for computing the ownership percentage of any other person. Restricted stock is included in the beneficial ownership amounts even though it may not be transferred

(2) Shares of series common stock. As of December 31, 2011, each share of series common stock is convertible into 137.6826774 shares of common stock and entitles and the holder thereof to 137.6826774 votes.

(3) Shares of common stock

(4) Includes 4,177 shares of series common stock registered in the name of Zachwell, Ltd. which is owned by Mitchell Maxwell.

Note: On December 30, 2010, pursuant to the Securities Exchange Agreement described in Item 1.01 of Form 8-K filed January 6, 2011, the N4E members collectively hold 8,839,869 shares of our series common stock. The shares of Series Common Stock issued to the N4E members represents in the aggregate, 85% of the voting power of the Company and upon conversion of the series common stock into our common stock, the N4E members will hold 85% of the shares of common stock outstanding on the date of conversion.

Securities Offerings and Shares Issued for Services

Date	Common Shares Issued	Common Shares Outstanding
Balance at December 31, 2010		46,635,816
Stock issued for fees accrued during merger	2,000,000	48,635,816
Stock issued for consulting fees	2,000,000	50,635,816
Stock issued for liabilities settled in stock	9,539,834	60,175,650
Stock issued for services	2,650,000	62,825,650
Stock issued for directors fees	3,400,000	66,225,650
Stock issued to settle amounts due to related party	4,796,852	71,022,502
Stock issued for financing	571,429	71,593,931
Balance at December 31, 2011		71,593,931

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

For the Fiscal Year ended December 31, 2010, the Company accrued or paid no fees for services rendered by Sherb & Co., LLP for audit and review services.

For the Fiscal Year ended December 31, 2011, the Company accrued $18,500 for services rendered by Sherb & Co., LLP for audit and review services.

Audit Related Fees - None

ITEM 15. EXHIBITS

Exhibits required by Item 601 of Regulation S-B are listed in the Index to Exhibits beginning on Page 63 of this Form 10-K, which is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 30, 2012

Sibling Entertainment Group Holdings, Inc.

/s/ Gerald F. Sullivan
Gerald F. Sullivan,
Chief Executive Officer and Director
(Principal Executive Officer)

/s/ Gerald F. Sullivan
Gerald F. Sullivan,
Chief Financial Officer
(Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicate

04/30/12	*/s/ Gerald F. Sullivan* Gerald F. Sullivan Chief Executive Officer and Director (Principal Executive Officer)
04/30/12	*/s/ Amy Savage-Austin* Amy Savage-Austin, Director
04/30/12	/s/ *Rob Copenhaver* Rob Copenhaver Secretary, Director
04/30/12	/s/ Michael Hanlon Michael Hanlon Director

Table of Contents

INDEX TO EXHIBITS

Exhibit No.	Description
2.1	Securities Exchange Agreement by and among Sibling Entertainment Group Holdings, Inc., Newco4Education I, LLC and the members of Newco4Education I, LLC dated as of December 30, 2010[4]
3(i)	Articles of Incorporation of the Company[1]
3(i)(b)	Amended Articles of Incorporation of the Company[1]
3(i)(c)	Amended Articles of Incorporation of the Company filed with the State of Texas on November 27, 2002.[2]
3(i)(d)	Certificate of Designation[4]
3(iii)	Bylaws of the Company[1]
10.1	Loan Assignment Agreement by and among Sibling Entertainment Group Holdings, Inc., Sibling Theatricals, Inc., and Debt Resolution, LLC dated as of December 29, 2010[4]
10.2	Form of Conversion Agreement, by and between Sibling Entertainment Group Holdings, Inc. and each holder of 13% Series AA Debentures[4]
10.3	Lock-Up Agreement by and between Sibling Entertainment Group Holdings, Inc. and Mitchell Maxwell dated as of December 30, 2010[4]
10.4	Lock-Up Agreement by and between Sibling Entertainment Group Holdings, Inc. and Ray Meyers dated as of December 30, 2010[4]
10.5	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and Gerry L. Bedore Jr. dated as of December 30, 2010[4]
10.6	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and Timothy G. Drake dated as of December 30, 2010[4]
10.7	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and Oswald Gayle dated as of December 30, 2010[4]
10.8	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and Amy Savage-Austin dated as of December 30, 2010[4]
10.9	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and Stephen C. Carlson dated as of December 30, 2010[4]
10.10	Stock Restriction Agreement by and between Sibling Entertainment Group Holdings, Inc. and A. Dixon McLeod dated as of December 30, 2010[4]
10.11	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Gerald F. Sullivan dated as of March 1, 2011*
10.12	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Stephen C. Carlson dated as of March 1, 2011*
10.13	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Oswald A. Gayle dated as of March 1, 2011*
10.14	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Oswald A. Gayle dated as of October 1, 2011*
10.15	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Stephen C. Carlson dated as of October 1, 2011*
10.16	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Gerald Sullivan dated as of October 24, 2011*
10.17	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Steve Carlson dated as of October 24, 2011*
10.18	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Oswald Gayle dated as of October 24, 2011*
10.19	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Amy Austin dated as of October 24, 2011*
10.20	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Gerry Bedore dated as of October 24, 2011*
10.21	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Tim Drake dated as of October 24, 2011*
10.22	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Rob Copenhaver dated as of November 18, 2011*
10.23	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Michael Hanlon dated as of November 18, 2011

10.24	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and William Hanby dated as of November 18, 2011*
10.25	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Oswald Gayle dated as of January 31, 2012*
10.26	Memorandum Agreement by and between Sibling Entertainment Group Holdings, Inc. and Steve Carlson dated as of January 31, 2012*
14	Code of Ethics dated March 1, 2004.[3]
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, promulgated under the Securities and Exchange Act of 1934, as amended.*
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, promulgated under the Securities and Exchange Act of 1934, as amended.*
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

[1] Incorporated by reference from the Form 10SB/A filed with the Commission on April 18, 2000

[2] Incorporated by reference from the Form 10K filed with the Commission on April 3, 2003

[3] Incorporated by reference from the Form 10K filed with the Commission on March 30, 2004

[4] Incorporated by reference form the Form 8K filed with the Commission on January 6, 2011

* Filed herewith

** Furnished herewith

Exhibit 10.11

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: March 1, 2011

From: Steve Carlson, CEO

TO: Gerald Sullivan

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On March 1, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 1,700,000 shares of common stock valued at $85,000 for services rendered to the Company in connection with the formation and development of strategy and business plans of N4E. These were issued on March 31, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ Steve Carlson/
Steve Carlson
CEO

Exhibit 10.12

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: March 1, 2011

From: Gerald Sullivan, Chairman

TO: Steve Carlson

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On March 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 966,666 shares of common stock valued $48,334, for consulting services rendered to N4E in connection with the development of strategy and business plans of N4E and for services rendered to the Company as CEO during the first quarter of 2011. These were issued on March 31, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.13

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: March 1, 2011

From: Gerald Sullivan, Chairman

TO: Oswald Gayle

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On March 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 472,266 shares of common stock valued at $23,614 for services rendered to the Company as CFO during the first quarter of 2011. These were issued on March 31, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.14

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 1, 2011

From: Gerald Sullivan, Chairman

TO: Oswald Gayle

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 661,173 shares of common stock valued at $132,235 to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.15

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 1, 2011

From: Gerald Sullivan, Chairman

TO: Steve Carlson

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 596,747 shares of common stock valued $119,349 to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.16

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Steve Carlson, CEO

TO: Gerald Sullivan

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ STEVE CARLSON
Steve Carlson
CEO

Exhibit 10.17

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Gerald Sullivan, Chairman

TO: Steve Carlson

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement Stephen C. Carlson, CEO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.18

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Gerald Sullivan, Chairman

TO: Oswald Gayle

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement Oswald A. Gayle, CFO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.19

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Gerald Sullivan, Chairman

TO: Amy Savage-

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement with Dr. Amy Savage- Austin, a director, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000 as an incentive bonus. These were issued on October 24, 2011.

<u>Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months</u>. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. <u>Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock</u>.

Thanks again, and I look forward to working with you going forward.

<u>/s/ GERALD F. SULLIVAN</u>
Gerald F. Sullivan
Chairman

Exhibit 10.20

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Gerald Sullivan, Chairman

TO: Gerry Bedore

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement with Dr. Gerry L. Bedore, Jr., a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.21

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: October 24, 2011

From: Gerald Sullivan, Chairman

TO: Tim Drake

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On October 24, 2011, the Company entered into an agreement with Dr. Timothy G. Drake, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.22

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: November 18, 2011

From: Gerald Sullivan, Chairman

TO: Rob Copenhaver

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On November 18, 2011, the Company entered into an agreement with Robert Copenhaver, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at
$130,000 as an incentive bonus. These were issued on November 18, 2011.

<u>Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months</u>. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. <u>Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock</u>.

Thanks again, and I look forward to working with you going forward.

<u>/s/ GERALD F. SULLIVAN</u>
Gerald F. Sullivan
Chairman

Exhibit 10.23

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: November 18, 2011

From: Gerald Sullivan, Chairman

TO: Michael Hanlon

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On November 18, 2011, the Company entered into an agreement with Michael Hanlon, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

<u>Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months</u>. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. <u>Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock</u>.

Thanks again, and I look forward to working with you going forward.

<u>/s/ GERALD F. SULLIVAN</u>
Gerald F. Sullivan
Chairman

Exhibit 10.24

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: November 18, 2011

From: Gerald Sullivan, Chairman

TO: William Hanby

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

On November 18, 2011, the Company entered into an agreement with William W. Hanby, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.25

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: January 31, 2012

From: Gerald Sullivan, Chairman

TO: Oswald Gayle

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

In January, 2012, the Company issued 532,775 shares of common stock to Oswald Gayle, the former CFO, in full satisfaction of all amounts owed to him for his services.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 10.26

MEMO FROM SIBLING ENTERTAINMENT HOLDINGS, INC.

Date: January 31, 2012

From: Gerald Sullivan, Chairman

TO: Steve Carlson

RE: Conversion of Debt

As Chairman of Sibling Entertainment, I want to thank you for your willingness to help us by agreeing to accept shares of the common stock of SIBE in exchange for our obligations to you. Please accept this as support for the issuance as noted below:

In January, 2012, the Company issued 557,600 shares of common stock to Steve Carlson, the former CEO, in full satisfaction of all amounts owed to him for his services.

Please note that these shares are restricted under Rule 144 and cannot be traded for at least six (6) months. Also note that the stock trades infrequently, and there may be no trading market for the shares when you are ready to trade. Also note that the Series common stock, which you are an owner of, may convert into common stock and that event may cause dilution to the common stock, and reduce the share price, or market for the stock.

Thanks again, and I look forward to working with you going forward.

/s/ GERALD F. SULLIVAN
Gerald F. Sullivan
Chairman

Exhibit 31.1

I, Gerald F. Sullivan, certify that:

1. I have reviewed this annual report on Form 10-K of Sibling Entertainment Group Holdings, Inc. for the year ended December 31, 2011;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. As the registrant's sole certifying officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation.

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. As the registrant's sole certifying officer, I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2012
/s/ Gerald F. Sullivan
By: Gerald F. Sullivan,
Chairman of the Board of Directors and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

I, Gerald F. Sullivan, certify that:

1. I have reviewed this annual report on Form 10-K of Sibling Entertainment Group Holdings, Inc. for the year ended December 31, 2011;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. As the registrant’s sole certifying officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation.

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. As the registrant’s sole certifying officer, I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2012
/s/ Gerald F. Sullivan
By: Gerald F. Sullivan,
Chief Financial Officer
(Principal Accounting Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gerald F. Sullivancertify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Annual Report on Form 10-K of Sibling Entertainment Group Holdings, Inc., (the "***Company***") for the period ended ended December 31, 2011 (the "**Report**") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2012

By: /s/ Gerald F. Sullivan
Name: Gerald F. Sullivan
Title: Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Accounting Officer)

Summary of Significant Accounting Policies

12 Months Ended Dec. 31, 2011

Summary of Significant Accounting Policies [Abstract]

Summary of Significant Accounting Policies

Note 2 - Summary of Significant Accounting Policies

(a) Use of Estimates
The preparation of financial statements in conformity with United States Generally Accepted Accounting Principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes
The Company utilizes Financial Accounting Standards Board Codification ('ASC"), ASC 740, "Accounting for Income Taxes", which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the estimated tax consequences in future years of differences between the tax bases of assets and liabilities, and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the period in which the differences are expected to affect taxable income.

(c) Financial Instruments
In accordance with the requirements of ASC 825, "Financial Instruments, Disclosures about Fair Value of Financial Instruments," the Company has determined the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The carrying values of cash, accounts payable, and amounts due to related parties approximate fair values due to the short-term maturity of the instruments.

(d) Stock-Based Compensation
The Company accounts for stock-based compensation in accordance ASC 718, "Compensation - Stock Compensation". Under the provisions of ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes-Merton (BSM) option-pricing model and/or market price of conversion shares, and is recognized as expense over the requisite service period. The BSM model requires various highly judgmental assumptions including volatility and expected option life. If any of the assumptions used in the BSM model change significantly, stock-based compensation expense may differ materially in the future from that recorded in the current period. In addition, the Company is required to estimate the expected forfeiture rate and only recognize expense for those shares expected to vest. The Company estimates the forfeiture rate based on historical experience. Further, if the extent of the Company's actual forfeiture rate is different from the estimate, then the stock-based compensation expense is adjusted accordingly.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 505-50 "Equity Based Payments to Non-Employees. Costs are measured at the estimated fair market value of the consideration received, or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by ASC 505-50.

(e) Loss per Share

The Company computes loss per share in accordance with ASC 260, "Earnings Per Share", which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. This guidance requires companies that have multiple classes of equity securities to use the "two-class" of "if converted method" in computing earnings per share. We compute loss per share using the two-class method. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for common stock and any participating securities according to dividends declared (whether paid or unpaid) and participation rights in undistributed earnings. Under the two-class method, earnings per common share are computed by dividing the sum of distributed earnings to common shareholders and undistributed earnings allocated to common shareholders by the weighted average number of common shares outstanding for the period. In applying the two-class method, undistributed earnings are allocated to both common shares and participating securities based on the weighted average shares outstanding during the period. The Company has excluded all common equivalent shares outstanding for warrants to purchase common stock from the calculation of diluted net loss per share because all such securities are antidilutive for the periods presented.

(f) Recent Accounting Pronouncements

In September 2011, the FASB issued ASU No. 2011-08, Intangible - Goodwill and Other (Topic 350), Testing Goodwill for Impairment. Under the amendments of this ASU, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. However, if an entity concludes otherwise, then it is required to perform the first step of the two-step impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit, as described in paragraph 350-20-35-4. If the carrying amount of a reporting unit exceeds its fair value, then the entity is required to perform the second step of the goodwill impairment test to measure the amount of the impairment loss, if any, as described in paragraph 350-20-35-9. Under the amendments in this Update, an entity has the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test. An entity may resume performing the qualitative assessment in any subsequent period. This ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company is evaluating the impact of the adoption of this ASU.

In May 2011, the FASB issued ASU 2011-04, *"Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs,"* ("ASU 2011-04"). This standard results in a common requirement between the FASB and the International Accounting Standards Board for measuring fair value and disclosing information about fair value measurements. ASU 2011-04 is effective for fiscal years and interim periods beginning after December 15, 2011. We do not expect the adoption of this accounting pronouncement to have any effect on our financial position and results of operations.

All other new accounting pronouncements issued but not yet effective or adopted have been deemed not to be relevant to us, hence are not expected to have any impact once adopted.

Nature of Operations and Basis of Presentation	12 Months Ended Dec. 31, 2011
Nature of Operations and Basis of Presentation [Abstract]	
Nature of Operations and Basis of Presentation	**Note 1 - Nature of Operations and Basis of Presentation**

(a) Organization

Sibling Entertainment Group Holdings, Inc., referenced as the "SIBE," "Company," "we," "our," and "us" was incorporated under the laws of the State of Texas on December 28, 1988, as "Houston Produce Corporation". On June 24, 1997, the Company changed its name to "Net Masters Consultants, Inc." On November 27, 2002, the Company changed its name to "Sona Development Corporation" in an effort to restructure the business image to attract prospective business opportunities. Our name changed on May 14, 2007 to "Sibling Entertainment Group Holdings, Inc.", in New York City. Our business plan called for focusing on large group sales of tickets to New York based entertainment shows, mostly Broadway plays. We intended to create a full-featured Internet website and registered the domain name Stageseats.com on May 14, 2009. We hired an existing industry expert to head the entity and to execute the business plan. We started booking tickets in April 2009 and continued until November 27, 2009 when we closed the business due to our manager abruptly resigning and lack of funding to continue the business. In September 2009, the executives of SIBE discussed several different methods of obtaining intellectual property from which to launch the next Broadway play. In the fourth quarter of 2009, the Company continued to engage in additional capital efforts. During 2010, the Company continued to pursue additional opportunities in the entertainment industry as well as synergistic opportunities in other industries.

On December 30, 2010, Sibling Entertainment Group Holdings, Inc. (SIBE), entered into a Securities Exchange Agreement with NEWCO4EDUCATION, LLC ("N4E"), a newly formed entity on June 10, 2010, and the members of N4E. Pursuant to the Securities Exchange Agreement, SIBE has acquired N4E in exchange for 8,839,869 shares of SIBE's newly authorized convertible series common stock. For accounting purposes, the acquisition has been treated as an acquisition of SIBE by N4E and as a recapitalization of N4E's equity. N4E is the surviving and continuing entity and the historical financials following the reverse merger transaction will be those of N4E. As part of the recapitalization of N4E, the equity transactions since its inception have been retroactively restated to include the equivalent shares of the Company's common stock received in the merger. Accordingly, the statement of changes in shareholders' deficit reflects the restatement of these transactions. The consolidated financial statements are based on the historical consolidated financial statements of N4E after giving effect to the reverse merger. In conjunction with the acquisition of N4E, the company issued 1,039,985 shares of our series common stock pursuant to debt conversion agreements with the holders of the Company's Series AA Debentures and related warrants.

The Company, through its wholly-owned subsidiary, N4E, focuses on providing services and technology aimed at increasing the performance in educational settings and operates through two (2) divisions, its Educational Management Organization (EMO) and its Technology and Services Group (TSG). The EMO intends to provide school management services, primarily within the charter school arena. The TSG division is focused on the development and deployment of software, systems and procedures to enhance the rate of learning in both primary and secondary education. It is based in Atlanta, Georgia. The Company is considered a development stage company in accordance with ASC 915, "Development Stage Entities".

(b) Going Concern

The financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated any revenues or completed development of any commercially acceptable products or services to date, and has incurred losses of $2,697,783 since inception, and further significant losses are expected to be incurred during the Company's development stage. The Company will depend almost exclusively on outside capital through the issuance of common shares, debentures, and other loans, and advances from related parties to finance ongoing operating losses.

The ability of the Company to continue as a going concern is dependent on raising additional capital and ultimately on generating future profitable operations. There can be no assurance that the Company will be able to raise the necessary funds when needed to finance its ongoing costs. The accompanying financial statements do not include any adjustments relative to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

CONSOLIDATED BALANCE SHEETS (USD $)	Dec. 31, 2011	Dec. 31, 2010
Current assets:		
Cash	$ 63	
Pre-paid expenses		89,704
Total current assets	63	89,704
Total assets	63	89,704
Current liabilities:		
Accounts Payable	575,821	116,767
Accrued liabilities	23,122	91,597
Liabilities to be settled in stock		21,500
Liabilities to be settled in stock -related parties		134,430
Amounts due to related parties	71,298	42,000
Notes payable to related parties	5,000	
Short-term notes payable	62,500	60,000
Derivative liability	34,137	
Total current liabilities	771,878	466,294
Stockholders' deficit		
Additional paid-in capital	1,965,632	
Deficit accumulated during developmental stage	(2,745,595)	(382,242)
Total stockholders' deficit	(771,815)	(376,590)
Total liabilities and stockholders' deficit	63	89,704
Convertible Series Common Stock [Member]		
Stockholders' deficit		
Common stock	988	988
Common Stock [Member]		
Stockholders' deficit		
Common stock	$ 7,160	$ 4,664

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT (USD $)	Total	Convertible Series Common Stock [Member]	Common Stock [Member]	Additional Paid-In Capital [Member]	Deficit Accumulated During the Development Stage [Member]
Balance at Jun. 09, 2010	$ 100			$ 100	
Balance, shares at Jun. 09, 2010					
Reverse merger recapitalization	(42,260)	988	4,664	(100)	(47,812)
Reverse merger recapitalization, shares		9,879,854	46,635,816		
Net loss	(334,430)				(334,430)
Balance at Dec. 31, 2010	(376,590)	988	4,664		(382,242)
Balance, shares at Dec. 31, 2010		9,879,854	46,635,816		
Common shares issued for cash at $0.02 per share	10,000		57	9,943	
Common shares issued for cash at $0.02 per share, shares			571,429		
Common shares issued for fees accrued during merger	40,000		200	39,800	
Common shares issued for fees accrued during merger, shares			2,000,000		
Common shares issued for prepaid expenses at $0.09 per share	225,000		250	224,750	
Common shares issued for prepaid expenses at $0.09 per share, shares			2,500,000		
Common shares issued for liabilities to be settled in stock at $0.02 per share, and $.05 per share	190,930		835	190,095	
Common shares issued for liabilities to be settled in stock at $0.02 per share, and $.05 per share, shares			8,346,500		
Common shares issued for settlement of accrued expenses at $0.05 per share (loss on extinguishment of $16,666)	41,666		83	41,583	
Common shares issued for settlement of accrued expenses at $0.05 per share (loss on extinguishment of $16,666), shares			833,334		
Common shares issued to settle amounts due to related parties at $0.05 per share, and $.20 per share (loss on extinguishment of $62,779)	488,532		480	488,052	
Common shares issued to settle amounts due to related parties at $0.05 per share, and $.20 per share (loss on extinguishment of $62,779), shares			4,796,852		
Common shares issued for consulting fees at $0.20 per share	400,000		200	399,800	

Common shares issued for consulting fees at $0.20 per share, shares			2,000,000		
Common shares issued for settlement of accounts payable at $0.13 per share	72,000		36	71,964	
Common shares issued for settlement of accounts payable at $0.13 per share, shares			360,000		
Common shares issued for Director's fees at $0.13 per share	470,000		340	469,660	
Common shares issued for Director's fees at $0.13 per share, shares			3,400,000		
Common shares issued for services at $0.20 per share	30,000		15	29,985	
Common shares issued for services at $0.20 per share			150,000		
Net loss	(2,363,353)				(2,363,353)
Balance at Dec. 31, 2011	$ (771,815)	$ 988	$ 7,160	$ 1,965,632	$ (2,745,595)
Balance, shares at Dec. 31, 2011		9,879,854	71,593,931		

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT (Parenthetical) (USD $)	12 Months Ended Dec. 31, 2011	19 Months Ended Dec. 31, 2011
Extinguishment of Debt [Line Items]		
Loss on extinguishment of debt	$ (108,050)	$ (108,050)
Issuance for Cash [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.02	$ 0.02
Issuance for Prepaid Expenses [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.09	$ 0.09
Issuance for Liabilities to be Settled in Stock [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.02	$ 0.02
Issuance for Liabilities to be Settled in Stock Two [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.05	$ 0.05
Issuance for Accrued Expenses [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.05	$ 0.05
Issuance for Settlement of Amounts Due to Related Parties [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.05	$ 0.05
Issuance for Settlement of Amounts Due to Related Parties Two [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.2	$ 0.2
Issuance for Consulting Fees [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.13	$ 0.13
Issuance for Directors Fees [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.13	$ 0.13
Issuance for Services [Member]		
Equity Issuance Since Inception [Line Items]		
Common stock issued for cash, price per share	$ 0.2	$ 0.2
Accrued Liabilities [Member]		
Extinguishment of Debt [Line Items]		
Loss on extinguishment of debt	(16,666)	
Amounts Due to Related Parties [Member]		
Extinguishment of Debt [Line Items]		
Loss on extinguishment of debt	$ (62,779)	

CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD $)	Dec. 31, 2011	Dec. 31, 2010
Convertible Series Common Stock [Member]		
Common stock, par value per share	$ 0.0001	$ 0.0001
Common stock, shares authorized	10,000,000	10,000,000
Common stock, shares issued	9,879,854	9,879,854
Common stock, shares outstanding	9,879,854	9,879,854
Common Stock [Member]		
Common stock, par value per share	$ 0.0001	$ 0.0001
Common stock, shares authorized	90,000,000	90,000,000
Common stock, shares issued	71,593,831	46,635,816
Common stock, shares outstanding	71,593,831	46,635,816

Legal Proceedings	12 Months Ended Dec. 31, 2011
Legal Proceedings [Abstract]	
Legal Proceedings	**Note 10 - Legal Proceedings** The Company may at times become involved in litigation or legal proceedings as a normal course of business, but there are no note worthy legal proceedings being pursued as of the date of this audit report.

Document and Entity Information (USD $)	12 Months Ended Dec. 31, 2011
Document and Entity Information [Abstract]	
Document Type	10-K
Amendment Flag	false
Document Period End Date	Dec. 31, 2011
Entity Registrant Name	Sibling Entertainment Group Holdings, Inc.
Entity Central Index Key	0001099728
Current Fiscal Year End Date	--12-31
Document Fiscal Year Focus	2011
Document Fiscal Period Focus	FY
Entity Filer Category	Smaller Reporting Company
Entity Common Stock, Shares Outstanding	71,593,931
Entity Current Reporting Status	Yes
Entity Well-known Seasoned Issuer	No
Entity Voluntary Filers	No
Entity Public Float	$ 4,295,635

Subsequent Events	12 Months Ended Dec. 31, 2011
Subsequent Events [Abstract]	
Subsequent Events	**Note 11 -Subsequent Events** ASC Topic 855-10, Subsequent Events, requires the Company to disclose the date through which subsequent events have been evaluated, as well as whether that date is the date the financial statements were issued. The Company has evaluated all other subsequent events through the date these consolidated financial statements were issued. In January, 2012, the Company issued 532,775 shares of common stock to Oswald Gayle, the former CFO, in full satisfaction of all amounts owed to him for his services. As a part of his resignation he tendered 200,000 shares of series common stock which he had acquired as a result of his position as a founding member of NEWCO4EDUCATION, LLC. In January, 2012, the Company issued 557,600 shares of common stock to Steve Carlson, the former CEO, in full satisfaction of all amounts owed to him for his services. In January 2012, three (3) series common Shareholders relinquished 430,010 shares pursuant to their Stock Restriction Agreement. These shares were subsequently re-issued to other parties. On April 9th, 2012, Rob Copenhaver, resigned as CEO of the Company to pursue another opportunity. Mr. Copenhaver will continue as a member of the Board of Directors and the Company looks forward to his continued contribution in this role.

CONSOLIDATED STATEMENTS OF OPERATIONS (USD $)	7 Months Ended Dec. 31, 2010	12 Months Ended Dec. 31, 2011	19 Months Ended Dec. 31, 2011
Operating expenses:			
General and administrative costs	$ 194,228	$ 2,134,200	$ 2,328,429
Professional fees	139,302	111,119	250,421
Loss from operations	(333,530)	(2,245,319)	(2,578,849)
Non-operating expense:			
Interest expense	(900)	(9,984)	(10,884)
Loss on extinguishment of debt		(108,050)	(108,050)
Net loss	$ (334,430)	$ (2,363,353)	$ (2,697,783)
Basic earnings (loss) per share:			
Common stock	$ (0.01)	$ (0.04)	
Diluted earnings (loss) per share:			
Common stock	$ (0.01)	$ (0.04)	
Weighted average number of common shares outstanding: Basic - Diluted			
Common stock	46,635,816	58,863,126	

Short-Term Notes Payable	12 Months Ended Dec. 31, 2011
Short-Term Notes Payable [Abstract]	
Short-Term Notes Payable	**Note 5 - Short-Term Notes Payable** Short term notes payable consists of the following:

	December 31, 2011	2010
Short Term Note	$ 32,500	$ 30,000
Outstanding Debenture	$ 30,000	$ 30,000
Total Short Term Notes	$ 62,500	$ 60,000

At December 31, 2011 and December 31, 2010 the Company had a note payable balance of $32,500 and $30,000 respectively. This represents a short term note with an annual interest rate of 12.0%. In the event that a Liquidity Event occurs earlier than the agreed to three month period, then the full principal amount together with any interest due and outstanding, shall become payable in full no later than five business following the liquidity event, or the fifth business day following the Liquidity Event, whichever is earlier. As further consideration for this obligation, the Company agreed to issue warrants for the purchase of unregistered common stock to the Payee in an amount equal to the amount loaned under the agreement and, which shall expire in two years. The pricing for the purchase of the common stock shall be set at eighty percent (80%) of the ten day closing price of the stock of the target prior to the request for the issuance of the warrant by the Payee. At December 31, 2011 this note had accrued interest in the amount of $5,027.

On December 30, 2010, the Company entered into Conversion Agreements with all but one of the holders of the Series AA debentures previously issued by SIBE and held on that date. Pursuant to the conversion agreements, the holders accepted a total of 1,039,985 shares of convertible series common stock and one-hundred percent (100%) of the membership interests of a new, wholly-owned subsidiary of SIBE, Debt Resolution, LLC (DR LLC) in full settlement of their debentures, underlying warrants and accrued interest as of that date. The Conversion Agreements released all claims that 43 of the holders of the debentures had, have, or might have against SIBE. Following this transaction, the Company now has a debenture balance of $30,000 and accrued interest of $17,626 as of December 31, 2011, which is in default.

Due to Related Parties

12 Months Ended
Dec. 31, 2011

Due to Related Parties [Abstract]

Due to Related Parties

Note 4 - Due to Related Parties

	December 31, 2011	2010
Liabilities to be settled in stock - related parties	$ -	$ 134,430

On January 14, 2011, the Company agreed to permit settlement of the liabilities at a conversion price per share of $0.05 equal to the face of the debt, the conversion price being the price of the stock on that day on the parent's books. Any issuance of this common stock would be subject to Rule 144 of the Securities Act of 1934. These liabilities were settled at the end of the first quarter, 2011.

	December 31, 2011	2010
Due to a significant shareholders	$ 71,298	$ 42,000

Stephen C. Carlson was contracted through December 31, 2010 as a consultant to provide advisory services on a non-exclusive basis. At December 31, 2010 the Company owed $10,000 to Mr. Carlson for these provided services. On December 30, 2010, in conjunction with the acquisition of N4E, the Board of Directors of Sibling appointed Stephen C. Carlson as CEO, with a term of office that commenced December 31, 2010. The Company entered into an agreement on March 1, 2011 as amended June 1, 2011 with Stephen Carlson to convert debt for consulting services to N4E prior to the acquisition by the Company on December 30, 2010 and debt for services as CEO during the first quarter of 2011, in exchange for the Company's restricted Common Stock in the aggregate of 966,666 shares for an accrued amount of $29,000.

The Company entered into an agreement on October 1, 2011 with Stephen C. Carlson to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011 in exchange for the Company's restricted Common Stock in the aggregate of 596,747 shares for an accrued amount of $44,756. The company owed him a balance of $41,767 at December 31, 2011, including the $5,000 note payable described below.

Gerald F. Sullivan was contracted through December 31, 2010 as a consultant to provide advisory services on a nonexclusive basis. At December 31, 2010 the Company owed $32,000 to Mr. Sullivan for these provided services. The Company entered into an agreement on March 1, 2011 as amended June 1, 2011 with Gerald F. Sullivan to convert debt for consulting services originally incurred with the formation and development of strategy and business plans in exchange for the Company's restricted Common Stock in the aggregate of 1,700,000 shares for accrued compensation of $51,000. The company owed him a balance of $13,220 at December 31, 2011 for cash advances made to the company for operating expenses.

On December 30, 2010, in conjunction with the acquisition of N4E, the Board of Directors of Sibling appointed Oswald A. Gayle as CFO of the Company with a term of office that commenced December 31, 2010. During this period, he accrued total compensation of $21,200. The Company entered into an agreement with Oswald A. Gayle on March 1, 2011 to convert debt for services as CFO during the first quarter of 2011 in exchange for the Company's restricted Common Stock in the aggregate of 472,266 shares for an accrued amount of $14,168. The Company entered into an agreement on October 1, 2011 with Oswald A. Gayle to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011 in exchange for the Company's restricted Common Stock in the aggregate of 661,173 shares for an accrued amount of $49,588. The company owed him a balance of $21,311 at December 31, 2011.

Notes Payable -Related Party
On January 21, 2011 Stephen C. Carlson loaned the Company $5,000 in the form of a Promissory Note with an annual interest rate of 3.0%. There was balance due of $5,000 due on this loan at December 31, 2011. There was $469 in accrued interest on this note at December 31, 2011.

Capital Stock	12 Months Ended Dec. 31, 2011
Capital Stock [Abstract]	
Capital Stock	**Note 8 - Capital Stock**

Note 8 - Capital Stock

On December 30, 2010, the Board of Directors, pursuant to authority granted in the Company's certificate of formation created a a new series of common stock to effect a debt settlement. As a result, the 100,000,000 authorized shares of common stock are now divided into 2 series, 90,000,000 shares of equity common stock, and 10,000,000 shares of series common stock.

Series common stock automatically converts into common stock upon vote of two-thirds vote by the holders of the series common stock . As of December 31, 2011, each share of series common stock converts into 137.6826774 shares of common stock based on 71,593,931 shares of common stock issued and outstanding. Voting and dividend rights of the series common stock holders are based on the number of shares of equity common stock as of the series common stockholders converted. Approximately 73% of the series common stockholders have executed a letter to management effective December 30, 2010, agreeing not to vote to convert their series common stock to equity common stock, unless there is sufficient authorized common stock available to accommodate such conversion in total for all of the series common stockholders.

On December 30, 2010, the Company issued 8,839,869 shares of our series common stock pursuant to a Securities Exchange Agreement by and among the Company, N4E, and the N4E Members. Six shareholders of the series common stock entered into stock restriction agreements whereby these six individuals agreed to continue to render services to the Company for up to two years, through December 30, 2012. If the individual does not fulfill the two year term under the Stock Restriction Agreement the Company may purchase a pro-rata portion of the series common shares held by the shareholder for $1.00. If the individual terminates their employment before December 30, 2011 then the Company may repurchase 67% of the series common stock holdings subject to the Stock Restriction Agreement. If the individual terminates their employment between December 30, 2011 and December 31, 2012, then the Company may repurchase 33.34% of their series common stock holdings. These individuals were part of the founders of the Company and are paid separately for current services. Any changes as a result of these claw back provisions are considered to be capital and have no effect on the operations of the Company. As of December 30, 2011 and 2010 no shares have been reacquired by the Company as a result of termination by any of these individuals.

In conjunction with the acquisition of N4E, the Company issued 1,039,985 shares of our series common stock pursuant to debt conversion agreements with the holders of the Company's Series AA Debentures and related warrants.

During the first quarter, 2011, the Company took steps to significantly reduce outstanding debts associated with the acquisition of N4E by issuance of the Company's common stock as follows:

On January 14, 2011, the Company entered into an agreement with Mr. Richard Smyth, pursuant to which the Company issued 2,471,500 shares of common stock valued at $49,430, in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Meshugeneh LLC, pursuant to which the Company issued 4,250,000 shares of common stock valued at $85,000 in payment of consulting services rendered to N4E in connection with the formation and development of the strategy and business plans of N4E.

On January 14, 2011, the Company entered into an agreement with Betsey V. Peterzell, pursuant to which the Company issued 1,075,000 shares of common stock valued at $51,500 in payment of legal services rendered to N4E.

On January 14, 2011, the Company entered into an agreement with Michael Baybak, pursuant to which the Company issued 2,000,000 shares of common stock valued at $40,000 for services rendered to the Company in connection with the acquisition of N4E.

On March 1, 2011, as amended June 1, 2011, the Company entered into an agreement with Viraxid Corporation, pursuant to which the Company issued 833,334 shares of common stock valued at $41,666 for accounting and bookkeeping services rendered to N4E.

On March 1, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 1,700,000 shares of common stock valued at $85,000 for services rendered to the Company in connection with the formation and development of strategy and business plans of N4E. These were issued on March 31, 2011.

On October 24, 2011, the Company entered into an agreement with Gerald F. Sullivan, Chairman, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 966,666 shares of common stock valued $48,334, for consulting services rendered to N4E in connection with the development of strategy and business plans of N4E and for services rendered to the Company as CEO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Stephen C. Carlson, CEO, pursuant to which the Company issued 596,747 shares of common stock valued $119,349 to convert debt for services as CEO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Stephen C. Carlson, CEO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On March 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 472,266 shares of common stock valued at $23,614 for services rendered to the Company as CFO during the first quarter of 2011. These were issued on March 31, 2011.

On October 1, 2011, the Company entered into an agreement with Oswald A. Gayle, CFO, pursuant to which the Company issued 661,173 shares of common stock valued at $132,235 to convert debt for services as CFO for the period April 1, 2011 to September 30, 2011. These were issued on October 3, 2011.

On October 24, 2011, the Company entered into an agreement Oswald A. Gayle, CFO, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000, as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Amy Savage-Austin, a director, pursuant to which the Company issued 200,000 shares of common stock valued at $40,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Gerry L. Bedore, Jr., a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On October 24, 2011, the Company entered into an agreement with Dr. Timothy G. Drake, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $200,000 as an incentive bonus. These were issued on October 24, 2011.

On November 18, 2011, the Company entered into an agreement with Robert Copenhaver, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with Michael Hanlon, a director, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

On November 18, 2011, the Company entered into an agreement with William W. Hanby, a key advisor, pursuant to which the Company issued 1,000,000 shares of common stock valued at $130,000 as an incentive bonus. These were issued on November 18, 2011.

For the period January 1, 2011 through December 31, 2011, the Company sold 571,429 shares at a price of $0.0175 per share or $10,000 in the aggregate to one accredited investor.

Income Taxes	12 Months Ended Dec. 31, 2011
Income Taxes [Abstract]	
Income Taxes	**Note 6 - Income Taxes** The Company accounts for income taxes under FASB ASC 740 -. Under ASC 740 deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. ASC 740 also requires that uncertain tax positions are evaluated in a two-step process, whereby (1) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (2) for those tax positions that meet the morelikely-than-not recognition threshold, the largest amount of tax benefit that is greater than fifty percent likely of being realized upon ultimate settlement with the related tax authority would be recognized. The Company had net operating loss carryforwards available to offset future taxable income approximating $1.6 million as of December 31, 2011. The Company has determined that realization of a deferred tax asset that has resulted from the net operating losses is not likely and therefore a full valuation allowance has been recorded against this deferred income tax asset. There are no other material deferred tax positions recorded by the Company. If the Company had more than a 50% change in ownership over a three year period, then the net operating loss carryforwards are limited as to its use under Internal Revenue Code Section 382. We believe the reverse merger that occurred in December 2010, triggered such Section 382 limitation, but no formal study has been under taken, as the Company has not filed its income tax returns in several years.

Reverse Merger with NEWCO4EDUCATION, LLC	12 Months Ended Dec. 31, 2011
Reverse Merger with NEWCO4EDUCATION, LLC [Abstract]	
Reverse Merger with NEWCO4EDUCATION, LLC	**Note 7 - Reverse Merger with NEWCO4EDUCATION, LLC** On December 30, 2010, the Company, pursuant to a Securities Exchange Agreement, acquired all of the outstanding membership interests of NEWCO4EDUCATION, LLC by issuance of 8,839,869 shares of convertible series common stock. Each share of series common stock will entitle the holder thereof to a number of votes equal to the series conversion ratio determined as of the record date on all matters submitted to a vote of the stockholders of the Corporation. The holders of Series Common Stock shall be entitled to receive dividends when, as, and if declared by the Board of Directors out of funds legally available for that purpose. The Exchange Agreement was contingent on the consummation of two other transactions, which were completed as follows: On December 29, 2010, the Company entered into a Loan Assignment Agreement with Sibling Theatricals, Inc. ("STI") and Debt Resolution, LLC ("DR LLC"), a newly formed subsidiary of the Company. Pursuant to the Loan Assignment Agreement, the Company assigned the Loan Receivable with STI and the related accrued interest receivable and certain related liabilities underlying these theatrical assets for 1 million membership interests in DR LLC. The Company's ownership interest in DR LLC was transferred to the Series AA debenture holders the next day as part of the settlement of those debt obligations (see below). The Company effectively exited the theatricals business as a result of these transactions. On December 30, 2010, the Company entered into Conversion Agreements with all but one of the holders of the Series AA convertible debentures held on that date. Pursuant to the conversion agreements, the holders accepted a total of 1,039,985 shares of convertible series common stock and one-hundred percent (100%) of the membership interests of DR LLC in full settlement of their debentures, underlying warrants and accrued interest as of that date. The Conversion Agreements released all claims that 43 of the holders of the debentures had, have, or might have against the Company.

Supplemental Cash Flow Information	12 Months Ended Dec. 31, 2011
Supplemental Cash Flow Information [Abstract]	
Supplemental Cash Flow Information	**Note 9 - Supplemental Cash Flow Information** Actual amounts paid for interest and income taxes for 2011 are as follows: (table below)

	December 31, 2011	2010
Interest	$ -	$ -
Income Taxes	$ -	$ -

Non-cash Investing and Financing Transactions:

	December 31, 2011	2010
Stock issued to settle liabilities to be settled in stock	$ 304,596	$ -
Stock issued for consulting fees / prepaid	$ 225,000	$ -
Stock issued to settle related party liabilities and accrued expenses	$ 488,532	$ -

CONSOLIDATED STATEMENTS OF CASH FLOWS (USD $)	7 Months Ended Dec. 31, 2010	12 Months Ended Dec. 31, 2011	19 Months Ended Dec. 31, 2011
OPERATING ACTIVITIES:			
Net loss	$ (334,430)	$ (2,363,353)	$ (2,697,783)
Adjustments to reconcile net loss to net cash used in operating activities:			
Common stock used for consulting fees		440,000	440,000
Common stock used for directors fees		470,000	470,000
Common stock used for services		30,000	30,000
Loss on extinguishment of debt		108,050	108,050
Changes in operating assets and liabilities:			
Accounts payable	106,400	458,004	564,404
Liabilities to be settled in stock -	155,930		155,930
Accrued liabilities		(26,809)	(26,809)
Pre-paid expenses		314,704	314,704
Due to related parties	42,000	527,830	569,830
Derivative liability		34,137	34,137
Net cash used in operating activities	(30,100)	(7,437)	(37,537)
FINANCING ACTIVITIES:			
Common stock issued for cash		10,000	10,000
Proceeds from short-term notes payable		2,500	2,500
Repayments of notes payable related party'		(5,000)	(5,000)
Capital contribution	100		100
Proceeds from notes payable	30,000		30,000
Net cash provided by financing activities	30,100	7,500	37,600
NET INCREASE IN CASH		63	63
CASH, BEGINNING OF PERIOD			
CASH, END OF PERIOD		63	63
Supplemental Information:			
Interest Paid			
Taxes Paid			

Prepaid expenses	12 Months Ended Dec. 31, 2011
Pre-paid expenses [Abstract]	
Pre-paid expenses	**Note 3 - Prepaid expenses** On November 3, 2010, the Company issued 3,000,000 shares of common stock at a value of $0.051 per share, as compensation to Broad Street Ventures, LLC. This was based on an agreement entered into on March 5, 2010 (commitment date) for a period of two years and was non-cancelable by either party. Broad Street Ventures, LLC, was engaged on a non-exclusive basis to provide advice to the Company regarding its capital formation program. On August 18, 2011, the Company issued 2,000,000 shares of common stock at a value of $0.09 per share, as compensation to Capital Advisory Group, LLC. This was based on an agreement entered into on the date noted above (commitment date) for consulting services for a period of six months. The agreement may be terminated with not less than 30 days written notice by either party. Prepaid expenses related to these agreements are comprised of:

	December 31, 2011	2010
Total value of share compensation over term	$ 333,000	$ 153,000
Less: compensation expense to date	$ (333,000)	$ (63,296)
	$ -	$ 89,704