ANNUAL REPORT

LADYBUG RESOURCE GROUP, INC.

(Name of Issuer in its Charter)

Nevada	**26-1973389**
(State of Incorporation)	(IRS Employer Identification No.)
11630 Slater Ave, N.E., Ste. 1A, Kirkland, WA	**98034**
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number: 425-306-5028

For the Year Ending June 30, 2011

Ladybug Resource Group, Inc.
Annual Report

June 30, 2011

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PART I

ITEM 1.
Business.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K contains many forward-looking statements, which involve risks and uncertainties, such as our plans, objective, expectations and intentions. You can identify these statements by our use of words such as "may," "expect," "believe," "anticipate," "intend," "could," "estimate," "continue," "plans," or other similar words or phrases. Some of these statements include discussions regarding our future business strategy and our ability to generate revenue, income, and cash flow. We wish to caution the reader that all forward-looking statements contained in this Form 10-K are only estimates and predictions. Our actual results could differ materially from those anticipated as a result of risk facing us or actual events differing from the assumptions underlying such forward-looking statements. Readers are cautioned not to place undue reliance on any forward-looking statements contained in this Annual Report on Form 10-K. Readers are cautioned not to place undue reliance on these forward-looking statements. We undertake no obligation to update any of these factors or to publicly announce any change to our forward-looking statements made herein, whether as a result of new information, future events, changes in expectations or otherwise.

Overview

Ladybug Resource Group, Inc. (the Company, we) was incorporated in the State of Nevada on November 27, 2007. Our original business purpose was to assist in the design of websites and website components that use specific marketing messages or themes to reach target audiences. Ms. Ramage left the Company on October 21, 2009. As a consequence of the departure of Ms. Ramage, the Company expanded its business purpose to include identifying and acquiring breakthrough technologies, patents, patents-pending and trade secrets in the Energy, Health, and Intellectual Property sectors. During the second half of our fiscal year ended June 30, 2010, we successfully identified two opportunities and embarked on a strategy to develop the intellectual property of the two entities by incorporating it into two subsidiary companies.

Operations

Ladybug designs the message or marketing themes included on Internet Websites. We will accept engagements for the development of entire Websites in which case we will work with other contractors to code complex portions of the project and design portions that are not theme or marketing related.

By leveraging our Internet Website capabilities, our strategy involves building a strong web presence for the product to be licensed and then promoting the availability of the technology or product in foreign markets.

We also plan to arrange for initial manufacturing of our healthcare products in the United States for export to foreign licensees. Potential foreign licensees of our products may have intellectual property of their own which could offer interesting cross-licensing opportunities. Cross-licensing offers a low risk, low-cost way of leveraging intellectual property in our respective markets. We also intend to help foreign licensees of our products with their web site presence in the English language as part of our cross-licensing strategy.

Marketing

Ladybug obtains customer leads from the business and personal contacts of our officers, shareholders, and by word of mouth. Several of our shareholders and an officer have substantial knowledge of markets in China and South America and have committed to make introductions to large companies and other potential customers in those markets.

As a public company we are required to make certain disclosures about our activities. It has been our experience that potential customers learn about our activities from such public filings, as well as from market makers, press releases, and by word-of-mouth from our own shareholders who rely on the disclosures for reliable information.

Ladybug developed its first product to be marketed to companies in the funeral business. This product, when installed on a funeral home's Website, made it easy to place obituaries on the Website. While Molly Ramage remains available to assist us on a limited basis, no new sales to funeral businesses other than an original participating funeral business have been made this year and we are not actively soliciting new funeral web site development projects. If contacted, we remain available to assist former and new clients with their Internet Website needs. Ladybug has developed other web sites focused on our acquisition of New Solar Electricity Corporation and Inner Path Health Corporation. The respective sites for Ladybug, New Solar, and Inner Path may be found at:
http://ladybugrg.com/#/Home-01-00/
http://www.newsolarec.com/
http://innerpathhealth.com/

Competition

Web Site Marketing

The Web applications market is highly competitive and has low barriers to entry, which could hinder our ability to successfully market our products and services. We may not have the resources, expertise or other competitive factors to compete successfully in the future. Because there are few substantial barriers to entry, we expect that we will face additional competition from existing competitors and new market entrants in the future. Some of these competitors are part-time contractors willing to provide services at low rates to enter the industry or earn extra money. On the other hand, many of our current and potential competitors have greater name recognition and more established relationships in the industry and greater resources.

Technology Research and Development

Our subsidiaries, New Solar and Inner Path, compete in international markets along with thousands of companies, both extremely large and very small. The cost of conducting independent research and testing products can be extreme high. We may not have the resources, expertise or other competitive factors to successfully compete.

The solar energy and health product markets are dominated by large firms with substantial capital and human resources. Many of these companies have extensive portfolios of patents, infringement of which may be difficult to avoid.

We intend to license our products in China. Chinese commercial law is relatively undeveloped compared to the North and South America and Europe. While we intend to license our products to reputable Chinese companies and expect them to defend our license rights in their market, we may have limited legal recourse in the event that either they or their competitors violate the terms of our licenses. Limited protection of intellectual property under Chinese law may result in our products being manufactured locally or unauthorized parties may attempt to copy or otherwise obtain our product formulas. As a result, we cannot assure that we will be able to adequately protect our product formulas.

Intellectual Property

We have no patents or registered trademarks. Our beauty and health formulas are of a proprietary nature but the ingredients must be displayed on labels. As such they are subject to reverse engineering or modification.

Employees of Ladybug

As of June 30, 2011, we had three employees, including Mitchell Trace, the Company's Chief Executive Officer and Director, Patricia Barton, our Secretary, Director, and majority shareholder, and Dr. Craig Barton, our Vice President and Chief Operating Officer. None of our officers and directors is under contract. Mr. Trace and Ms. Barton spend approximately 10 hours each per month on Company matters. Our Vice President, Dr. Barton devotes approximately thirty hours per week to the Company and its subsidiaries. He is the husband of Patricia Barton.

ITEM 1A.

Risk Factors

You should be aware that there are various risks to an investment in our common stock. You should carefully consider these risk factors, together with all of the other information included in this Report, before you decide to invest in shares of our common stock.

If any of the following risks develop into actual events, then our business, financial condition, results of operations and/or prospects could be materially adversely affected. If that happens, the market price of our common stock, if any, could decline, and investors may lose all or part of their investment.

Risks Related to the Business

Ladybug has a very limited operating history and anticipates generating losses for the foreseeable future.

Ladybug was formed in November 2007. Therefore, we have insufficient operating history upon which an evaluation of our future performance and prospects can be made. Ladybug's future prospects must be considered in light of the risks, expenses, delays, problems and difficulties frequently encountered in the establishment of a new business. An investor in our common stock must consider the risks and difficulties frequently encountered by early stage companies operating in new and competitive markets such as ours. These risks include:

- competition from entities that are much more established and have greater financial and technical resources than do we;
- the need to develop corporate infrastructure;
- the ability to access and obtain capital when required; and
- the dependence upon key personnel.

Ladybug cannot be certain that its business strategy will be successful or that it will ever have profitable business activities or generate sustainable revenues. Furthermore, Ladybug believes that it is probable that it will incur operating losses and negative cash flow for the foreseeable future.

Ladybug has limited financial resources, and its independent registered auditors' report includes an explanatory paragraph stating that there is substantial doubt about its ability to continue as a going concern .

Ladybug has very limited financial resources and had negative working capital of $3,205 and an accumulated deficit of $73,095 at June 30, 2011. Our independent registered auditors included an explanatory paragraph in their opinion on Ladybug's financial statements as of June 30, 2011 that states that this lack of resources causes substantial doubt about our ability to continue as a going concern. No assurances can be given that we will generate sufficient revenue or obtain necessary financing to continue as a going concern.

Ladybug is and will continue to be completely dependent on the services of its President, Mitchell Trace, and its Secretary, Patricia Barton and its Chief Operating Officer, Craig Barton, the loss of whose services would likely cause its business operations to cease.

Ladybug's current business strategy is completely dependent upon the knowledge, reputation and business contacts of Mitchell Trace, its President, Patricia Barton, its Secretary, and Craig Barton, its Vice President and Chief Operating Officer, Craig Barton spends approximately 30 hours per week promoting our business and seeking business opportunities. He is principally responsible for the execution of our business. He is under no contractual obligation to remain employed by us. If he should choose to leave us for any reason before we have hired qualified additional personnel, our operations are likely to fail. Even if we are able to find additional personnel, it is uncertain whether we could find someone who could develop our business along the lines with our business plan. We will fail without Dr. Barton or an appropriate replacement(s).

We depend on a very limited number of customers.

During the fiscal year ended June 30, 2011, the Company derived 100% of its revenues from two (2) companies, Barton Family Funeral Service and Seattle Cremations. The work done for them related to our web development and obituary products and maintenance. We do not have long-term agreements with any customer and cannot predict the likelihood of getting additional engagements from them.

We operate in a highly competitive industry with low barriers to entry, and we may be unable to compete successfully against existing or new competitors.

The Web applications markets are highly competitive and have low barriers of entry, which could hinder our ability to successfully market our products and services. We may not have the resources, expertise or other competitive factors to compete successfully in the future. Because there are few substantial barriers to entry, we expect that we will face additional competition from existing competitors and new market entrants in the future. Some of these competitors are part-time contractors willing to provide services at low rates to enter the industry or earn extra money. On the other hand, many of our current and potential competitors have greater name recognition and more established relationships in the industry and greater resources. As a result, these competitors may be able to:

- Develop and expand their network infrastructures and service offerings more rapidly;
- Adapt to new or emerging technologies and changes in customer requirements more quickly; and
- Devote greater resources to the marketing and sale of their services and adopt more aggressive pricing policies than we can.

Current and potential competitors in the market include Web hosting service providers, applications hosting providers, Internet service providers, telecommunications companies, large information technology firms and computer hardware suppliers.

Our success depends on our ability to maintain our professional reputation and name. If we are unable to do so, our business would be significantly and negatively impacted.

We depend on our overall reputation and name recognition to secure new engagements. We expect to obtain and are likely to continue obtaining many of our new engagements from existing clients or from referrals by those clients. A client who is dissatisfied with our work can adversely affect our ability to secure new engagements. If any factor hurts our reputation, including poor performance, we may experience difficulties in competing successfully for new engagements. Failure to maintain our professional reputation and brand name could seriously harm our business, financial condition and results of operations.

We currently are likely to complete a limited number of engagements in a year. Our revenues and operating results will fluctuate significantly from quarter to quarter, which may cause our stock price, if one exists, to decline.

Our current limited sources of resources permit us to perform a limited number of engagements in any one financial reporting period. Performance of a small number of engagements in any one financial reporting quarter compared with the number of engagements performed in other surrounding periods will have a significant percentage impact on that quarter compared to the other quarters. As a result of these and other factors, we believe that period-to-period comparisons of our operating results will not be meaningful in the short term and that you should not rely upon our performance in a particular period as an indication of our performance in any future period.

We are subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended, and will incur audit fees and legal fees in connection with the preparation of such reports. These additional costs could reduce or eliminate our ability to earn a profit.

We are required to file periodic reports with the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder. In order to comply with these requirements, our independent registered public accounting firm has to review our financial statements on a quarterly basis and audit our financial statements on an annual basis. Moreover, our legal counsel has to review and assist in the preparation of such reports. The costs charged by these professionals for such services cannot be accurately predicted because factors such as the number and type of transactions that we engage in and the complexity of our reports cannot be determined at this time and will have a major affect on the amount of time to be spent by our auditors and attorneys. However, the incurrence of such costs will obviously be an expense to our operations and thus have a negative effect on our ability to meet our overhead requirements and earn a profit. If we cannot provide reliable financial reports or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and the trading price of our common stock, if a market ever develops, could drop significantly.

We currently have only three employees. We may be unable to afford the cost of increasing our staff or engaging outside consultants or professionals to overcome our lack of employees. During the course of our testing, we may identify other deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act. Moreover, effective internal controls, particularly those related to revenue recognition, are necessary for us to produce reliable financial reports and are important to help prevent financial fraud. If we cannot provide reliable financial reports or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and the trading price of our common stock, if a market ever develops, could drop significantly.

Thomas F. Kroeker, our Chief Executive Officer, and Chief Financial Officer, has no meaningful accounting or financial reporting education or experience and, accordingly, our ability to meet Exchange Act reporting requirements on a timely basis will be dependent to a significant degree upon others.

Thomas F. Kroeker, our Chief Executive Officer and Chief Accounting Officer, has no meaningful financial reporting education or experience. Consequently he is heavily dependent on advisors and consultants. As such, there is risk about our ability to comply with all financial reporting requirements accurately and on a timely basis.

Our internal controls may be inadequate, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. As defined in the Securities Exchange Act of 1934, as amended, Rule 13a-15(f), internal control over financial reporting is a process designed by, or under the supervision of, the principal executive and principal financial officer and effected by the board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and 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/or 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 financial statements. Our internal controls may be inadequate or ineffective, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public. Investors relying upon this misinformation may make an uninformed investment decision.

Having only one Director limits our ability to establish effective independent corporate governance procedures and increases the control of our President/Director.

We have only one Director, Eric S. Baron, who are also executive officers. Accordingly, we cannot establish Board committees comprised of independent members to oversee functions like compensation or audit issues. In addition, a tie vote of Board members is decided in favor of the Chairman, Mitchell Trace, which gives him significant control over all corporate issues.

Until we have a larger Board of Directors that would include some independent members, if ever, there will be limited oversight of our President's decisions and activities and little ability for minority shareholders to challenge or reverse those activities and decisions, even if they are not in the best interests of minority shareholders.

While we believe our research will result in patentable technology but there is no assurance that such technology will evolve or that patents will issue.

Risks Related to Our Common Stock

Shareholders may be diluted significantly through our efforts to obtain financing and satisfy obligations through the issuance of additional shares of our common stock.

We have no committed source of financing. Wherever possible, our Board of Directors will attempt to use non-cash consideration to satisfy obligations. In many instances, we believe that the non-cash consideration will consist of restricted shares of our common stock. Our Board of Directors has authority, without action or vote of the shareholders, to issue all or part of the authorized but unissued common shares. We have authorized 300,000,000 shares of common stock and 20,000,000 of preferred stock. As of June 30, 2011, 168,050,000 common shares and 20,000,000 preferred shares remain unissued. In addition, if a trading market develops for our common stock, we may attempt to raise capital by selling shares of our common stock, possibly at a discount to market. These actions will result in dilution of the ownership interests of existing shareholders, may further dilute common stock book value, and that dilution may be material. Such issuances may also serve to enhance existing management's ability to maintain control of Ladybug because the shares may be issued to parties or entities committed to supporting existing management.

Nevada law and our Articles of Incorporation authorize us to issue shares of stock, which shares may cause substantial dilution to our existing shareholders.

We have authorized capital stock consisting of 300,000,000 shares of common stock, $0.001 par value per share and 20,000,000 shares of preferred stock, $0.001 par value per share ("Preferred Stock"). As of the date of this Annual Report, we have 131,950,000 shares of common stock issued and outstanding and no shares of Preferred Stock issued and outstanding. As a result, our Board of Directors has the ability to issue a large number of additional shares of common stock without shareholder approval, which if issued could cause substantial dilution to our then shareholders. Additionally, shares of Preferred Stock may be issued by our Board of Directors without shareholder approval with voting powers, and such preferences and relative, participating, optional or other special rights and powers as determined by our Board of Directors, which may be greater than the shares of common stock currently outstanding. As a result, shares of Preferred Stock may be issued by our Board of Directors which cause the holders to have super majority voting power over our shares, provide the holders of the Preferred Stock the right to convert the shares of Preferred Stock they hold into shares of our common stock, which may cause substantial dilution to our then common stock shareholders and/or have other rights and preferences greater than those of our common stock shareholders. Investors should keep in mind that the Board of Directors has the authority to issue additional shares of common stock and Preferred Stock, which could cause substantial dilution to our existing shareholders. Additionally, the dilutive effect of any Preferred Stock, which we may issue may be exacerbated given the fact that such Preferred Stock may have super majority voting rights and/or other rights or preferences which

could provide the preferred shareholders with voting control over us subsequent to this offering and/or give those holders the power to prevent or cause a change in control. As a result, the issuance of shares of common stock and/or Preferred Stock may cause the value of our securities to decrease and/or become worthless.

Our Articles of Incorporation provide for indemnification of officers and Directors at our expense and limit their liability. These provisions may result in a major cost to us and hurt the interests of our shareholders because corporate resources may be expended for the benefit of officers and/or Directors.

Our Articles of Incorporation and applicable Nevada law provide for the indemnification of our Directors, officers, employees, and agents, under certain circumstances, against attorney's fees and other expenses incurred by them in any litigation to which they become a party arising from their association with or activities on our behalf. We will also bear the expenses of such litigation for any of our Directors, officers, employees, or agents, upon such person's written promise to repay us even if it is ultimately determined that any such person shall not have been entitled to indemnification. This indemnification policy could result in substantial expenditures by us that we may be unable to recoup.

We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. In the event that a claim for indemnification for liabilities arising under federal securities laws, other than the payment by us of expenses incurred or paid by a Director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by a Director, officer or controlling person in connection with the securities being registered, we will (unless in the opinion of our counsel, the matter has been settled by controlling precedent) submit to a court of appropriate jurisdiction, the question whether indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue. The legal process relating to this matter if it were to occur is likely to be very costly and may result in us receiving negative publicity, either of which factors is likely to materially reduce the market and price for our shares, if such a market ever develops.

Any market that develops in shares of our common stock will be subject to the penny stock regulations and restrictions pertaining to low priced stocks that will create a lack of liquidity and make trading difficult or impossible.

The trading of our securities is on the OTCBB as maintained by FINRA. As a result, an investor may find it difficult to dispose of, or to obtain accurate quotations as to the price of our securities.

Rule 3a51-1 of the Securities Exchange Act of 1934 establishes the definition of a "penny stock," for purposes relevant to us, as any equity security that has a minimum bid price of less than $4.00 per share or with an exercise price of less than $4.00 per share, subject to a limited number of exceptions which are not available to us. It is likely that our shares will be considered to be penny stocks for the immediately foreseeable future. This classification severely and adversely affects any market liquidity for our common stock.

For any transaction involving a penny stock, unless exempt, the penny stock rules require that a broker or dealer approve a person's account for transactions in penny stocks and the broker or dealer receive from the investor a written agreement to the transaction setting forth the identity and quantity of the penny stock to be purchased. In order to approve a person's account for transactions in penny stocks, the broker or dealer must obtain financial information and investment experience and objectives of the person and make a reasonable determination that the transactions in penny stocks are suitable for that person and that that person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prepared by the SEC relating to the penny stock market, which, in highlight form, sets forth:

- the basis on which the broker or dealer made the suitability determination, and
- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Disclosure also has to be made about the risks of investing in penny stock in both public offerings and in secondary trading and commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

Because of these regulations, broker-dealers may not wish to engage in the above-referenced necessary paperwork and disclosures and/or may encounter difficulties in their attempt to sell shares of our common stock, which may affect the ability of selling shareholders or other holders to sell their shares in any secondary market. Our common stock's penny stock status may also have the effect of reducing the level of trading activity in any secondary market. These additional sales practice and disclosure requirements could impede the sale of our securities, if and when our securities become publicly traded. In addition, the liquidity for our securities may decrease, with a corresponding decrease in the price of our securities. Our shares, in all probability, if they trade at all, will be subject to such penny stock rules for the foreseeable future, and our shareholders will, in all likelihood, find it difficult to sell their securities.

The market for penny stocks has experienced numerous frauds and abuses that could adversely impact investors in our stock.

Company management believes that the market for penny stocks has suffered from patterns of fraud and abuse. Such patterns include:

- Control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- Manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;
- "Boiler room" practices involving high pressure sales tactics and unrealistic price projections by sales persons;
- Excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- Wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

State securities laws may limit secondary trading, which may restrict the states in which and conditions under which you can sell shares.

Secondary trading in our common stock will not be possible in any state until the common stock is qualified for sale under the applicable securities laws of the state or there is confirmation that an exemption, such as listing in certain recognized securities manuals, is available for secondary trading in the state. If we fail to register or qualify, or to obtain or verify an exemption for the secondary trading of, the common stock in any particular state, the common stock could not be offered or sold to, or purchased by, a resident of that state. In the event that a significant number of states refuse to permit secondary trading in our common stock, the liquidity for the common stock could be significantly impacted.

The ability of our Secretary and majority shareholders to control our business may limit or eliminate minority shareholders' ability to influence corporate affairs.

Our Secretary and her husband and four other principal shareholders beneficially own 83.95% of our outstanding common stock. Because of this level of beneficial stock ownership, our President and four other principal shareholders will be in a position to continue to elect our Board of Directors, decide all matters requiring stockholder approval and determine our policies. The interests of our President and four other principal shareholders may differ from the interests of other shareholders with respect to the issuance of shares, business transactions with or sales to other companies, selection of officers and Directors and other business decisions. The minority shareholders would have no way of overriding decisions made by our President and three other principal

shareholders. This level of control may also have an adverse impact on the market value of our shares because our President and three other principal stockholders may institute or undertake transactions, policies or programs that result in losses, may not take any steps to increase our visibility in the financial community and / or may sell sufficient numbers of shares to significantly decrease our price per share.

Future sales of common stock by our existing shareholders could adversely affect our stock price.

As of June 30, 2011, Ladybug has 131,950,000 issued and outstanding shares of common stock. Sales of substantial amounts of common stock in the public market, or the perception that such sales will occur, could have a materially negative effect on the market price of our common stock if a market ever develops. This problem would be exacerbated if we issue common stock in exchange for services or in connection with fund raising transactions.

We do not expect to pay cash dividends in the foreseeable future

We have never paid cash dividends on our common stock. We do not expect to pay cash dividends on our common stock at any time in the foreseeable future. The future payment of dividends directly depends upon our future earnings, capital requirements, financial requirements and other factors that our Board of Directors will consider. Since we do not anticipate paying cash dividends on our common stock, return on your investment, if any, will depend solely on an increase, if any, in the market value of our common stock.

ITEM 2.
Properties

We currently operate out of office space located at 11630 Slater Ave., NE, Ste. 1A, Kirkland, Washington 98034 provided to us by our Secretary at no cost, which serves as our address. Ms. Barton incurs no incremental costs as a result of our using the space. Therefore, she does not charge us for its use. There is no written lease agreement.

ITEM 3.
Legal Proceedings

From time to time, we may become party to litigation or other legal proceedings that we consider to be a part of the ordinary course of our business. We are not currently involved in legal proceedings that could reasonably be expected to have a material adverse effect on our business, prospects, financial condition or results of operations. We may become involved in material legal proceedings in the future.

ITEM 4.
Removed and Reserved

PART II

ITEM 5.
Market for Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market For Common Equity And Related Stockholder Matters

Our common stock is quoted on the OTC Electronic Bulletin Board. The following table sets forth the high and low bid prices of our common stock for the quarters ending June 30, 2011 and 2010 and interim periods. The quotations set forth below reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.
Table No. 1

Quarter Ended:		
Fiscal 2011	High	Low

June 30	0.01	0.01
September 30	0.01	0.01
December 31	0.01	0.01
March 31	0.01	0.01

Fiscal 2010	High	Low
June 30	0.01	0.01
September 30	0.01	0.01
December 31	0.01	0.01
March 31	0.01	0.01

(a)
Holders

Our company has approximately 62 shareholders of its common stock as of June 30, 2011 holding 131,950,000 common shares. We have authorized capital stock consisting of 300,000,000 shares of common stock, $0.001 par value per share, and 20,000,000 shares of preferred stock, $0.001 par value per share ("Preferred Shares").

(b)
Dividends

There are no restrictions imposed on the Company which limit its ability to declare or pay dividends on its common stock, except for corporate state law limitations. No cash dividends have been declared or paid to date and none are expected to be paid in the foreseeable future.

(c)
Recent Sales of Unregistered Securities.

On June 2, 2011, the Company issued 2,000,000 shares of its common stock on behalf of Inner Path Health, its wholly-owned subsidiary for a license agreement for formulae owned by Inner Path Holdings, Inc ("Holdings"). The shareholders of Inner Path Holdings are significant shareholders of Ladybug; consequently the transaction has been valued at $0, their basis in the formulae.

On June 15, 2011 we sold 250,000 common shares to Centerpoint Communications Group, LLC for consulting services valued at $250 or $.001 per share.

We believe the shares were offered in a private non-public transaction exempt from the registration requirements pursuant to Section 4(2) of the Securities Act of 1933, as amended.

(d)
Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

The following table summarizes our equity compensation plan information as of June 30, 2011. Information is included for equity compensation plans not approved by our security holders.

Table No. 2

Plan Category	Number of Securities to be	Weighted-average Exercise price of	Number of Securities remaining available for

	issued upon exercise of outstanding options, warrants and rights (a)	outstanding options, warrants, and rights (b)	future issuance under equity compensation plans (excluding securities reflected in column (a) (c)
Equity Compensation Plans approved by security holders	-0-	-0-	-0-
Equity Compensation Plans not approved by security holders	-0-	-0-	-0-
Total			

(e) Forward Stock Split. On May 19, 2010, the Company implemented a Ten for One (10:1) forward stock split of its issued and outstanding common stock. New shares will be issued to each shareholder upon surrender and receipt of the old shares from the shareholder. The Cusip Service Bureau issued a new Cusip number for the shares subject to this transaction which is 50582Q 202. On the effective date, the Company's issued and outstanding common stock will be increased from 11,320,000 to 113,200,000 shares.

ITEM 6.
Selected Financial Data

Smaller Reporting Companies are not required to provide this data.

ITEM 7.
Managements Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the financial information included elsewhere in this Annual Report on Form 10-K.

The purpose of this section is to discuss and analyze our financial condition, liquidity and capital resources and results of operations. You should read this analysis in conjunction with the financial statements and notes that appear elsewhere in this Annual Report on Form 10-K. This section contains certain "forward-looking statements" within the meaning of federal securities laws that involve risks and uncertainties, including statements regarding our plans, objectives, goals, strategies and financial performance. The Company's actual results could differ materially from the results anticipated in these forward-looking statements as a result of factors set forth under "Disclosure Regarding Forward-Looking Statements" in this Annual Report on Form 10-K.

The following discussion should be read in conjunction with our financial statements.

RESULTS OF OPERATIONS FOR THE YEAR ENDED JUNE 30, 2011 COMPARED TO THE YEAR ENDED JUNE 30, 2011

We had total revenue of $30,000 for the year ended June 30, 2011, compared to total revenues of $9,309 for the year ended June 30, 2010, which represented an increase in revenue of $20,691 or 222.27% from the prior period. Revenues increased due to the reduction in our former President's services, and management's focus on developing the business of our subsidiaries.

We had total expenses of $83,157 for the year ended June 30, 2011, compared to total expenses of $57,985 for the year ended June 30, 2010, an increase in total expenses of $25,172 or 43.41% from the prior period. The reason for the increase in expenses was due to lower compensation paid and higher subcontractor costs.

We had a net income $95,633 for the year ended June 30, 2011, compared to a net loss of $54,607 for the year ended June 30, 2010, an increase of $150,240 or 275.13%, which increase in primarily due to write-off of loans and notes receivable.

LIQUIDITY AND CAPITAL RESOURCES

We had total assets of $33,246 as of June 30, 2011, consisting of total current assets totaling $30,246, including note receivable and current assets of discontinued operations.

We had total current liabilities, consisting of accrued professional fees, demand loans payable, liabilities of discontinued operations, of $33,451.

We had negative working capital of $3,205 and an accumulated deficit of $73,095 as of June 30, 2011.

We had total cash used in operating activities of $12,940 for the year ended June 30, 2011, which was mainly due to $95,633 of net income, $4,000 in prepaid expenses, loss from discontinued operations and loss on abandon equipment, all offset by $151,465 of write off of loans and notes receivable and $236,958 of increase in accrued expenses.

We had net cash used in financing activities of $12,512 for the year ended June 30, 2011 consisting of proceeds from loans and notes payable of $26,000, payment of notes receivable of $15,000 and note payable from discontinued operations of $915.

Ladybug does not have any credit facilities or other commitments for debt or equity financing. No assurances can be given that advances when needed will be available. We do not believe that we need funding to cover current operations because we do not have a capital intensive business plan and can also use independent contractors to assist in many projects.

As a corporate policy, we will not incur any cash obligations that we cannot satisfy with known resources, of which there are currently none except as described in “Liquidity” below and/or elsewhere herein. We believe that the perception that many people have of a public company make it more likely that they will accept restricted securities from a public company as consideration for indebtedness to them than they would from a private company. We have not performed any studies of this matter. Our conclusion is based on our own observations. However, there can be no assurances that we will be successful in any of those efforts even if we are a publicly traded entity. Additionally, issuance of restricted shares would necessarily dilute the percentage of ownership interest of our stockholders.

Liquidity

Private capital, if sought, will be sought from private investors referred to us our officers or shareholders. During 2011, we borrowed $26,500 from shareholders’. The loans were made on an unsecured non-interest-bearing basis and are due on December 31, 2011. Interest is not being inferred because the loan was received from a related party.

To date, we have not sought any other funding source and have not authorized any person or entity to seek out funding on our behalf. If a sustainable market for our shares develops, of which there can be no assurances, we may use restricted shares of our common stock to compensate employees/consultants and independent contractors wherever possible. Until we identify a source of cash or financing, we plan on keeping discretionary expenses requiring the short-term expenditure of cash to an absolute minimum.

To meet commitments that become due more than 12 months in the future, we will have to obtain engagements in sufficient number and at sufficient levels of profitability, of which there can be no assurance. There does not currently appear to be any other viable source of long-term financing except that management may consider various sources of debt and/or equity financing if the same financing can be obtained on terms deemed reasonable to management.

Recently Issued Accounting Pronouncements

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-01 *"Equity Topic 505 – Accounting for Distributions to Shareholders with Components of Stock and Cash"*, which clarify that the stock portion of a distribution to shareholders that allows them to elect to receive cash or stock with a potential limitation on the total amount of cash that all shareholders can elect to receive in the aggregate is considered a share issuance that is reflected in EPS prospectively and is not a stock dividend for purposes of applying Topics 505 and 260 (Equity and Earnings Per Share ("EPS")). Those distributions should be accounted for and included in EPS calculations in accordance with paragraphs 480-10-25-14 and 260-10-45-45 through 45-47 of the FASB Accounting Standards codification. The amendments in this Update also provide a technical correction to the Accounting Standards Codification. The correction moves guidance that was previously included in the Overview and Background Section to the definition of a stock dividend in the Master Glossary. That guidance indicates that a stock dividend takes nothing from the property of the corporation and adds nothing to the interests of the stockholders. It also indicates that the proportional interest of each shareholder remains the same, and is a key factor to consider in determining whether a distribution is a stock dividend. The amendments in this Update are effective for interim and annual periods ending on or after December 15, 2009, and should be applied on a retrospective basis.

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-02 *"Consolidation Topic 810 – Accounting and Reporting for Decreases in Ownership of a Subsidiary – a Scope Clarification"*, which provides amendments to Subtopic 810-10 and related guidance within U.S. GAAP to clarify that the scope of the decrease in ownership provisions of the Subtopic and related guidance applies to the following:

1. A subsidiary or group of assets that is a business or nonprofit activity
2. A subsidiary that is a business or nonprofit activity that is transferred to an equity method investee or joint venture
3. An exchange of a group of assets that constitutes a business or nonprofit activity for a noncontrolling interest in an entity (including an equity method investee or joint venture).

The amendments in this Update also clarify that the decrease in ownership guidance in Subtopic 810-10 does not apply to the following transactions even if they involve businesses:

1. Sales of in substance real estate. Entities should apply the sale of real estate guidance in Subtopics 360-20 (Property, Plant, and Equipment) and 976-605 (Retail/Land) to such transactions.
2. Conveyances of oil and gas mineral rights. Entities should apply the mineral property conveyance and related transactions guidance in Subtopic 932-360 (Oil and Gas-Property, Plant, and Equipment) to such transactions.

If a decrease in ownership occurs in a subsidiary that is not a business or nonprofit activity, an entity first needs to consider whether the substance of the transaction causing the decrease in ownership is addressed in other U.S. GAAP, such as transfers of financial assets, revenue recognition, exchanges of nonmonetary assets, sales of in substance real estate, or conveyances of oil and gas mineral rights, and apply that guidance as applicable. If no other guidance exists, an entity should apply the guidance in Subtopic 810-10. The amendments in this Update are effective beginning in the first interim or annual reporting period ending on or after December 15, 2009.

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-06 *"Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements"*, which provides amendments to Subtopic 820-10 that require new disclosures as follows:

1. Transfers in and out of Levels 1 and 2. A reporting entity should disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers.
2. Activity in Level 3 fair value measurements. In the reconciliation for fair value measurements using significant unobservable inputs (Level 3), a reporting entity should present separately information about purchases, sales, issuances, and settlements (that is, on a gross basis rather than as one net number).

This Update provides amendments to Subtopic 820-10 that clarify existing disclosures as follows:

1. Level of disaggregation. A reporting entity should provide fair value measurement disclosures for each class of assets and liabilities. A class is often a subset of assets or liabilities within a line item in the statement of financial position. A reporting entity needs to use judgment in determining the appropriate classes of assets and liabilities.
2. Disclosures about inputs and valuation techniques. A reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. Those disclosures are required for fair value measurements that fall in either Level 2 or Level 3.

This Update also includes conforming amendments to the guidance on employers' disclosures about postretirement benefit plan assets (Subtopic 715-20). The conforming amendments to Subtopic 715-20 change the terminology from *major categories* of assets to *classes* of assets and provide a cross reference to the guidance in Subtopic 820-10 on how to determine appropriate classes to present fair value disclosures. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

The scope of the reissuance disclosure requirements is refined to include revised financial statements only. The term *revised financial statements* is added to the glossary of Topic 855. Revised financial statements include financial statements revised either as a result of correction of an error or retrospective application of U.S. generally accepted accounting principles.

All of the amendments in this Update are effective upon issuance of the final Update, except for the use of the issued date for conduit debt obligors. That amendment is effective for interim or annual periods ending after June 15, 2010.

In April 2010, the FASB issued the FASB Accounting Standards Update No. 2010-17 *"Revenue Recognition — Milestone Method (Topic 605) Milestone Method of Revenue Recognition"*, which provides guidance on the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate. A vendor can recognize consideration that is contingent upon achievement of a milestone in its entirety as revenue in the period in which the milestone is achieved only if the milestone meets all criteria to be considered substantive.

Determining whether a milestone is substantive is a matter of judgment made at the inception of the arrangement. The following criteria must be met for a milestone to be considered substantive. The consideration earned by achieving the milestone should:

1. Be commensurate with either of the following:
    a. The vendor's performance to achieve the milestone
    b. The enhancement of the value of the item delivered as a result of a specific outcome resulting from the vendor's performance to achieve the milestone
2. Relate solely to past performance
3. Be reasonable relative to all deliverables and payment terms in the arrangement.

A milestone should be considered substantive in its entirety. An individual milestone may not be bifurcated. An arrangement may include more than one milestone, and each milestone should be evaluated separately to determine

whether the milestone is substantive. Accordingly, an arrangement may contain both substantive and nonsubstantive milestones.

A vendor's decision to use the milestone method of revenue recognition for transactions within the scope of the amendments in this Update is a policy election. Other proportional revenue recognition methods also may be applied as long as the application of those other methods does not result in the recognition of consideration in its entirety in the period the milestone is achieved.

A vendor that is affected by the amendments in this Update is required to provide all of the following disclosures:

1. A description of the overall arrangement
2. A description of each milestone and related contingent consideration
3. A determination of whether each milestone is considered substantive
4. The factors that the entity considered in determining whether the milestone or milestones are substantive
5. The amount of consideration recognized during the period for the milestone or milestones.

The amendments in this Update are effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Early adoption is permitted. If a vendor elects early adoption and the period of adoption is not the beginning of the entity's fiscal year, the entity should apply the amendments retrospectively from the beginning of the year of adoption. Additionally, a vendor electing early adoption should disclose the following information at a minimum for all previously reported interim periods in the fiscal year of adoption:

1. Revenue
2. Income before income taxes
3. Net income
4. Earnings per share
5. The effect of the change for the captions presented.

A vendor may elect, but is not required, to adopt the amendments in this Update retrospectively for all prior periods.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

Critical Accounting Policies

The preparation of financial statements and related notes requires us to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities.

An accounting policy is considered to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements.

Financial Reporting Release No. 60 requires all companies to include a discussion of critical accounting policies or methods used in the preparation of financial statements. There are no critical policies or decisions that rely on judgments that are based on assumptions about matters that are highly uncertain at the time the estimate is made. Note 2 to the financial statements included herein, includes a summary of the significant accounting policies and methods used in the preparation of our financial statements.

Seasonality

We do not yet have a basis to determine whether our business will be seasonal.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K, obligations under any guarantee contracts or contingent obligations. We also have no other commitments, other than the costs of being a public company that will increase our operating costs or cash requirements in the future.

Item 7A.
Quantitative and Qualitative Disclosure about Market Risk

Not applicable to small reporting companies.

ITEM 8.
Financial Statements and Supplementary Data.

ITEM 8B.
Other Information. None.

ITEM 9.
Changes In and Disagreements with Accountants on Accounting and Financial Disclosure.

We have had no disagreements on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures with any of our accountants for the years ended June 30, 2011 and 2010, or any interim periods. We have not had any other changes in, nor have we had any disagreements, whether or not resolved, with our accountants on accounting and financial disclosures during our recent fiscal year or any later interim period.

PART III

ITEM 10.
Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(A) of the Exchange Act.

Thomas F. Kroeker, our Chief Executive Officer, and Chief Financial Officer, has no meaningful accounting or financial reporting education or experience and, accordingly, our ability to meet Exchange Act reporting requirements on a timely basis will be dependent to a significant degree upon others.

Thomas F. Koeker, our Chief Executive Officer and Chief Accounting Officer, has no meaningful financial reporting education or experience. Consequently he is heavily dependent on advisors and consultants. As such, there is risk about our ability to comply with all financial reporting requirements accurately and on a timely basis**.**

Possible Potential Conflicts

The OTCBB, on which our shares of common stock are quoted, does not have any director independence requirements.

No member of management is or will be required by us to work on a full time basis, although our President currently devotes approximately 10 hours per month working for us and our Vice-president/COO devotes approximately 30 hours per week working for us. Accordingly, certain conflicts of interest may arise between us and our officers in that they may have other business interests in the future to which they devote their attention, and they may be expected to continue to do so although management time must also be devoted to our business. As a result, conflicts of interest may arise that can be resolved only through their exercise of such judgment as is consistent with their understanding of their fiduciary duties to the Company.

Board of Directors

All Directors hold office until the completion of their term of office, which is not longer than one year, or until their successors have been elected. All officers are appointed annually by the Board of Directors and, subject to existing employment agreements (of which there are currently none) and serve at the discretion of the board. Currently, our Directors receive no compensation for their role as Directors but may receive compensation for their role as officers. The Board of Directors has adopted a Code of Ethics.

Committees of the Board of Directors

Concurrent with having sufficient members and resources, the Ladybug Board of Directors will establish an audit committee and a compensation committee. We believe that we will need a minimum of five Directors to have effective committee systems. The audit committee will review the results and scope of the audit and other services provided by the independent auditors and review and evaluate the system of internal controls. The compensation committee will manage any stock option plan we may establish and review and recommend compensation arrangements for the officers. No final determination has yet been made as to the memberships of these committees or when we will have sufficient members to establish committees. See “Executive Compensation” hereinafter.

All Directors will be reimbursed by us for any expenses incurred in attending Directors' meetings provided that we have the resources to pay these fees. We will consider applying for officers and Directors liability insurance at such time when we have the resources to do so.

Indebtedness of Directors and Executive Officers

None of our directors or executive officers or their respective associates or affiliates is indebted to us.

Family Relationships

Molly S. Ramage and Stephen H. Ramage are married to each other. Benjamin Ramage is their adult son.

S. Craig Barton is the husband of Patricia Barton, the Company’s Secretary and a member of the board of directors.

Involvement In Certain Legal Proceedings

To the Company’s knowledge, there have been no events under any bankruptcy act, no criminal proceedings and no judgments, injunctions, orders or decrees material to the evaluation of the ability and integrity of any Director or executive officer, of Registrant during the past five years, other than as provided above.

ITEM 11.
Executive Compensation

Compensation Discussion and Analysis

Director Compensation

Our Board of Directors does not currently receive any consideration for their services as Directors of the Company. The Board of Directors reserves the right in the future to award the members of the Board of Directors cash or stock based consideration for their services to the Company, which awards, if granted shall be in the sole determination of the Board of Directors.

Executive Compensation Philosophy

Our Board of Directors determines the compensation given to our executive officers in their sole determination. As our executive officers currently draw no compensation from us, we do not currently have any executive compensation program in place. Although we have not to date, our Board of Directors also reserves the right to pay our executives a salary, and/or to issue them shares of common stock in consideration for services rendered and/or to award incentive bonuses which are linked to our performance, as well as to the individual executive officer's performance. This package may also include long-term stock based compensation to certain executives which is intended to align the performance of our executives with our long-term business strategies. Additionally, while our Board of Directors has not granted any performance base stock options to date, the Board of Directors reserves the right to grant such options in the future, if the Board in its sole determination believes such grants would be in the best interests of the Company.

Incentive Bonus

The Board of Directors may grant incentive bonuses to our executive officers in its sole discretion, if the Board of Directors believes such bonuses are in the Company's best interest, after analyzing our current business objectives and growth, if any, and the amount of revenue we are able to generate each month, which revenue is a direct result of the actions and ability of such executives.

Long-term, Stock Based Compensation

In order to attract, retain and motivate executive talent necessary to support the Company's long-term business strategy we may award certain executives with long-term, stock-based compensation in the future, in the sole discretion of our Board of Directors, which we do not currently have any immediate plans to award.

ITEM 12.
Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

As of June 30, 2011, we had 131,950,000 shares of common stock outstanding which are held by approximately 41 shareholders. The chart below sets forth the ownership, or claimed ownership, of certain individuals and entities. This chart discloses those persons known by the Board of Directors to have, or claim to have, beneficial ownership of more than 5% of the outstanding shares of our common stock as of June 30, 2011; of all Directors and executive officers of Ladybug; and of our Directors and officers as a group.

Unless otherwise indicated, Ladybug believes that all persons named in the table have sole voting and dispositive authority with respect to all shares of the common stock beneficially owned by them. A person is deemed to be the beneficial owner of securities which may be acquired by such person within 60 days from the date indicated above upon the exercise of options, warrants or convertible securities. Each beneficial owner's percentage ownership is determined by assuming that options, warrants or convertible securities that are held by such person (but not those held by any other person) and which are exercisable within 60 days of the date indicated above, have been exercised.

Table 1.
Management Beneficial Ownership

Name and Address	Amount and Nature of Beneficial Ownership	Class Percentage
Patricia Barton 11630 Slater Ave. NE Kirkland, WA 98034	75,000,000	56.8%
Craig Barton 11630 Slater Ave. NE Kirkland, WA 98034	75,000,000(1)	56.8(1)
Jeffrey Martin 11637 Orpington Street Orlando, FL 32817	12,300,000(4)	9.32%
Tomas L Tedrow(5) P.O Box 2879 Winter Park, FL 32790	7,950,000(5)	6.03%
Keith Barton 1611 Gatecreek Dr. Pearland, TX 77581	7,575,000	5.74%
Kristine Barton 2702 Pebblecreek Dr. Pearland, TX 77581	8,001,000	6.06%
All Officers and Directors As a Group		75,000,000

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

We currently operate out of office space located at 11630 Slater Ave., NE, Ste. 1A, Kirkland, Washington 98034 provided to us by our Secretary at no cost, which serves as our address. Ms. Barton incurs no incremental costs as a result of our using the space. Therefore, she does not charge us for its use. There is no written lease agreement.

During the fiscal year ended June 30, 2011, the Company derived 34% of its revenues from two (2) companies, VOF (23.95%) and Seattle Cremations (10.45%). VOF was introduced by the husband of an affiliate and Seattle Cremations was introduced by the same affiliate, Patricia Barton. VOF is a company involved in political web sites. That activity has ceased and it is unlikely that additional revenue will be generated from VOF in the foreseeable future. We do not have any agreements or contracts with any of the companies described above.

Among the New Solar shareholders who received Ladybug shares were Thomas L. Tedrow, whose beneficial ownership of the Company's shares increased to 6.03%, and Jeffery Martin whose beneficial ownership of the Company's shares increased to 9.32% at June 30, 2010 A copy of the Share Exchange Agreement is attached as Exhibit 2.0.

During the fiscal year ended June 30, 2011, all of our corporate income was generated by payments from Barton Family Funeral Services, LLC and Northwest Memorials. These two companies are controlled by Patricia and Craig Barton, company officers. These two companies paid Ladybug Resource Group for website maintenance.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

AUDIT FEES

The aggregate fees billed for the fiscal years ended June 30, 2011, for professional services rendered by our independent principal accountants, Li & Company, PC, for the audit of our annual financial statements as included in our Annual Report and Registration Statements on Form S-1, and the review of the financial statements included in our Registration Statement and Quarterly Reports on Form 10-Q, as well as services provided in connection with statutory and regulatory filings or engagements for those fiscal years were $11,000.

AUDIT RELATED FEES

None.

TAX FEES

None.

ALL OTHER FEES

None.

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.

Ladybug Resource Group, Inc.
(Officers Year Ending June 30, 2011)

Thomas F. Krucker
Chief Executive Officer

Eric S. Baron
President

Dated: June 21, 2016

Ladybug Resource Group, Inc.
(Registrant)

/s/ James Frack
By: James Frack
Title: President

LADYBUG RESOURCE GROUP, INC.

June 30, 2011 and 2010

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LADYBUG RESOURCE GROUP, INC.
Balance Sheet

	June 30, 2011	June 30, 2010
	(Unaudited)	
CURRENT ASSETS:		
Cash	$ -	$ 428
Prepaid expenses	-	4,000
Note Receivable	30,000	-
Current assets of dicontinued operations	246	65
Total current assets	30,246	4,493
COMPUTER EQUIPMENT - net of accumulated depreciation of $0 and $3,429	-	1,682
Deposit of discontinued operations	3,000	3,000
TOTAL ASSETS	$ 33,246	$ 9,175
LIABILITIES AND STOCKHOLDERS DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 19,991	$ 82,153
Loan payable - related party	-	11,000
Current liabilities of discontinued operations	4,132	3,444
Notes payable discontinued operations	9,328	8,416
Total current liabilities	33,451	105,013
STOCKHOLDERS' DEFICIT:		
Preferred stock: $0.001 par value; 20,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock: $0.001 par value; 300,000,000,shares authorized; 131,950,000 shares issued and outstanding	131,950	131,950
Additional Paid in capital	(59,060)	(59,060)
Accumulated deficit	(73,095)	(168,728)
	(205)	(95,838)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 33,246	$ 9,175

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

LADYBUG RESOURCE GROUP, INC.
Statement of Operations
(Unaudited)

	For the For the year Ended June 30, 2011	2010
Revenue	$ 30,000	$ 9,309
Operating Expenses:		
Advertising and promotion	3,080	-
Compensation	-	4,500
Professional fees	27,423	25,334
Office and subcontractor costs	50,590	8,286
Impairment of goodwill	-	19,865
Travel	2,064	-
Total operating expenses	83,157	57,985
Loss from continuing operations	(53,157)	(48,676)
Other income(expense)		
Write off of debt	151,465	-
Loss on abandon equipment	(1,256)	
Loss on discontinued operations	-	(5,931)
Total other income(expense)	150,209	(5,931)
Loss from continuing operation before income taxes	97,052	(54,607)
Provision for income tax	-	-
Loss from continuing operations	97,052	(54,607)
Loss from discontinued operations, net of income tax	(1,419)	-
Net loss	$ 95,633	$ (54,607)
Loss per common share basic and diluted		
Continuing operations	$ -	$ -
Discontinued operations	$ -	$ -
Weighted average number of common shares outstatnding - basic and diluted	131,950,000	11,320,000

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

LADYBUG RESOURCE GROUP, INC.
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the Fiscal Years Ended June 30, 2011 and 2010

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	(Defidit)
Balkance June 30, 2009	113,200,000	$ 113,200	$ (61,560)	$ (114,121)	$ (62,481)
Contribution of services	-	-	4,500	-	4,500
Issuance of common stock for acquisition of New Solar Electricity Corporation	16,500,000	16,500	-	-	16,500
Common stock issued for services	250,000	250	-	-	250
Common stock issued for license agreement	2,000,000	2,000	(2,000)	-	-
Net loss	-	-	-	(54,607)	(54,607)
Balance June 30, 2010	131,950,000	131,950	(59,060)	(168,728)	(95,838)
Net income				95,633	95,633
Balance June 30, 2011	131,950,000	131,950	(59,060)	(73,095)	(205)

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

LADYBUG RESOURCE GROUP, INC.
Statement of Cash Flows
(Unaudited)

	For the Year Ended June 30,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 95,633	$ (54,607)
Adjustments to reconcile net income(loss) to net cash used in operating activities:		
Depreciation	426	1,704
Common stock issued for services		250
Contribution of services	-	4,500
impairment of goodwill	-	19,865
Loss from discontinued operations	1,419	-
Loss from abandonment of equipment	1,256	-
Write off of debt	151,465	-
Changes in operating assets and liabilities:		
Accounts receivable	(30,000)	2,050
Current assets of discontinued operations	(181)	-
Prepaid expenses	4,000	(4,000)
Deposit	-	(3,000)
Accounts payable and accccrued expenses	(236,958)	10,621
	(12,940)	(22,617)
CASH FLOWS FROM INVESTING ACTIVITILES		
Cash received in acquisition	-	96
Cash included in discontinued operations	-	(65)
	-	31
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable	16,600	11,688
Proceeds from note payable	10,000	3,113
Payment of loan receivable	(15,000)	-
Note payable discontinued operations	912	-
	12,512	14,801
NET CHANGE IN CASH	(428)	(7,785)
CASH AT BEGINNING OF PERIOD	428	8,213
CASH AT END OF PERIOD	$ -	$ 428

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

LADYBUG RESOURCE GROUP, INC.
June 30, 2011 and 2010
Notes to Consolidated Financial Statements

NOTE 1 - ORGANIZATION

Ladybug Resource Group, Inc. ("Ladybug" or the "Company") was incorporated in the State of Nevada on November 27, 2007. Its business purpose is to assist in the design of websites and website components that use specific marketing messages or themes to reach target audiences. Its initial marketing focus is the websites of the funeral industry in the Seattle, Washington area.

New Solar Electricity Corporation ("New Solar") was incorporated in the State of Nevada on December 15, 2009. New Solar is a Nevada alternative energy corporation formed in 2009 seeking to capitalize on the growing global solar market through the planned development of a low cost solar concentrator.

Acquisition of New Solar

As part of the Company's plan to augment its financial resources and consider attractive business opportunities, on April 13, 2010, the Company acquired 16,500,000 shares of New Solar Electricity Corporation, a Nevada corporation ("New Solar"). At the time of acquisition these shares represented 36.6% of the issued and outstanding capital stock of New Solar. The balance of the shares were owned by Zhou (Jason) Yu. Mr. Yu had received his New Solar shares for his agreement to transfer intellectual property to New Solar. On May 17, 2010, Mr. Yu and New Solar terminated their relationship, each returning the originally tendered consideration. Mr. Yu resigned as New Solar's president. Due to the inactivity of New Solar during the period from April 13, 2010 to May 17, 2010, the issuance of the 16,500,000 shares has been treated as an acquisition of 100% of New Solar from the date of issuance. In June 2010, the Company discontinued operations of New Solar.

Formation of Inner Path Health Corporation

On May 27, 2010 Ladybug formed Inner Path Health Corporation ("Inner Path Health"), a wholly-owned subsidiary in the State of Nevada. Inner Path Health was formed to license formulae from a third party. In June 2010, the Company discontinued operations of Inner Path Health Corporation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Year-end

The Company has elected a fiscal year ending on June 30. Effective December 31, 2011 the year end will be December 31,

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business Combination

In accordance with section 805-10-05 of the FASB Accounting Standards Codification the Company allocates the purchase price of acquired entities to the tangible and intangible assets acquired and liabilities assumed, based on their estimated fair values.

Management makes estimates of fair values based upon assumptions believed to be reasonable. These estimates are based on historical experience and information obtained from the management of the acquired companies. These estimates are inherently uncertain and unpredictable. Assumptions may be incomplete or inaccurate, and unanticipated events and circumstances may occur which may affect the accuracy or validity of such assumptions, estimates or actual results.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Computer equipment

Computer equipment is stated at cost less accumulated depreciation. Depreciation is provided on the straight-line basis over an estimated useful life of three (3) years.

Goodwill

Goodwill represents the cost of a business acquisition over the fair value of the net identified assets acquired. In accordance with GAAP, indefinite-life identifiable intangible assets and goodwill are not amortized. GAAP requires that an annual impairment test of our goodwill be performed. Goodwill impairment is determined using a two-step process. The first step of the goodwill impairment test is used to identify potential impairment by comparing the fair value of a reporting unit, which we define as our business segments, with its net book value or carrying amount including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test compares the implied fair value of the reporting unit's goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. The fair value of the reporting unit is allocated to all of the assets and liabilities of that unit including any unrecognized intangible assets as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the purchase price paid to acquire the reporting unit. As of June 30, 2011, no impairment of goodwill was identified.

Under paragraph 350-20-35-1 of the FASB Accounting Standards Codification, goodwill acquired in a business combination with indefinite useful lives are not amortized; rather, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate the asset might be impaired.

Impairment of long-lived assets

The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which include computer equipment, deposit of discontinued operations and goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount

over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1	Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
Level 2	Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
Level 3	Pricing inputs that are generally observable inputs and not corroborated by market data.

As defined by SFAS No. 107, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale, which was further clarified as the price that would be received to sell an asset or paid to transfer a liability ("an exit price") in an orderly transaction between market participants at the measurement date. The carrying amounts of the Company's financial assets and liabilities, such as cash and accrued expenses, approximate their fair values because of the short maturity of these instruments. The Company's loan payable approximates the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangement at June 30, 2011.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis, consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at June 30, 2011 or 2010, nor gains or losses are reported in the statement of operations that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date for the fiscal years ended June 30, 2011 and 2010.

Revenue Recognition

The Company applies paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Stock-based compensation for obtaining employee services

The Company accounts for equity instruments issued to parties other than employees for acquiring goods or services under guidance of section 505-50-30 of the FASB Accounting Standards Codification. Pursuant to paragraph 718-10-30-6 of the FASB Accounting Standards Codification, all transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the

consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date used to determine the fair value of the equity instrument issued is the earlier of the date on which the performance is complete or the date on which it is probable that performance will occur.

The fair value of each option award is estimated on the date of grant using a Black-Scholes option-pricing valuation model. The ranges of assumptions for inputs are as follows:

The Company uses historical data to estimate employee termination behavior. The expected life of options granted is derived from paragraph 718-10-S99-1 of the FASB Accounting Standards Codification and represents the period of time the options are expected to be outstanding.

The expected volatility is based on a combination of the historical volatility of the comparable companies' stock over the contractual life of the options.

The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods within the contractual life of the option.

The expected dividend yield is based on the Company's current dividend yield as the best estimate of projected dividend yield for periods within the contractual life of the option.

The Company's policy is to recognize compensation cost for awards with only service conditions and a graded vesting schedule on a straight-line basis over the requisite service period for the entire award.

Equity instruments issued to parties other than employees for acquiring goods or services

The Company accounts for equity instruments issued to parties other than employees for acquiring goods or services under guidance of section 505-50-30 of the FASB Accounting Standards Codification ("FASB ASC Section 505-50-30"). Pursuant to FASB ASC Section 505-50-30, all transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date used to determine the fair value of the equity instrument issued is the earlier of the date on which the performance is complete or the date on which it is probable that performance will occur.

Income Taxes

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification. Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Net Loss per Common Share

Net loss per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock and potentially outstanding shares of common stock during each period. There were no potentially dilutive shares outstanding as of June 30, 2010 or 2009.

Commitment and Contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Cash Flows Reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements are issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently Issued Accounting Standards

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-01 *"Equity Topic 505 – Accounting for Distributions to Shareholders with Components of Stock and Cash"*, which clarify that the stock portion of a distribution to shareholders that allows them to elect to receive cash or stock with a potential limitation on the total amount of cash that all shareholders can elect to receive in the aggregate is considered a share issuance that is reflected in EPS prospectively and is not a stock dividend for purposes of applying Topics 505 and 260 (Equity and Earnings Per Share ("EPS")). Those distributions should be accounted for and included in EPS calculations in accordance with paragraphs 480-10-25-14 and 260-10-45-45 through 45-47 of the FASB Accounting Standards codification. The amendments in this Update also provide a technical correction to the Accounting Standards Codification. The correction moves guidance that was previously included in the Overview and Background Section to the definition of a stock dividend in the Master Glossary. That guidance indicates that a stock dividend takes nothing from the property of the corporation and adds nothing to the interests of the stockholders. It also indicates that the proportional interest of each shareholder remains the same, and is a key factor to consider in determining whether a distribution is a stock dividend. The amendments in this Update are effective for interim and annual periods ending on or after December 15, 2009, and should be applied on a retrospective basis.

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-02 *"Consolidation Topic 810 – Accounting and Reporting for Decreases in Ownership of a Subsidiary – a Scope Clarification"*, which provides amendments to Subtopic 810-10 and related guidance within U.S. GAAP to clarify that the scope of the decrease in ownership provisions of the Subtopic and related guidance applies to the following:

1. A subsidiary or group of assets that is a business or nonprofit activity
2. A subsidiary that is a business or nonprofit activity that is transferred to an equity method investee or joint venture
3. An exchange of a group of assets that constitutes a business or nonprofit activity for a noncontrolling interest in an entity (including an equity method investee or joint venture).

The amendments in this Update also clarify that the decrease in ownership guidance in Subtopic 810-10 does not apply to the following transactions even if they involve businesses:

1. Sales of in substance real estate. Entities should apply the sale of real estate guidance in Subtopics 360-20 (Property, Plant, and Equipment) and 976-605 (Retail/Land) to such transactions.
2. Conveyances of oil and gas mineral rights. Entities should apply the mineral property conveyance and related transactions guidance in Subtopic 932-360 (Oil and Gas-Property, Plant, and Equipment) to such transactions.

If a decrease in ownership occurs in a subsidiary that is not a business or nonprofit activity, an entity first needs to consider whether the substance of the transaction causing the decrease in ownership is addressed in other U.S. GAAP, such as transfers of financial assets, revenue recognition, exchanges of nonmonetary assets, sales of in substance real estate, or conveyances of oil and gas mineral rights, and apply that guidance as applicable. If no other guidance exists, an entity should apply the guidance in Subtopic 810-10. The amendments in this Update are effective beginning in the first interim or annual reporting period ending on or after December 15, 2009.

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-06 *"Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements"*, which provides amendments to Subtopic 820-10 that require new disclosures as follows:

1. Transfers in and out of Levels 1 and 2. A reporting entity should disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers.
2. Activity in Level 3 fair value measurements. In the reconciliation for fair value measurements using significant unobservable inputs (Level 3), a reporting entity should present separately information about purchases, sales, issuances, and settlements (that is, on a gross basis rather than as one net number).

This Update provides amendments to Subtopic 820-10 that clarify existing disclosures as follows:

1. Level of disaggregation. A reporting entity should provide fair value measurement disclosures for each class of assets and liabilities. A class is often a subset of assets or liabilities within a line item in the statement of financial position. A reporting entity needs to use judgment in determining the appropriate classes of assets and liabilities.
2. Disclosures about inputs and valuation techniques. A reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. Those disclosures are required for fair value measurements that fall in either Level 2 or Level 3.

This Update also includes conforming amendments to the guidance on employers' disclosures about postretirement benefit plan assets (Subtopic 715-20). The conforming amendments to Subtopic 715-20 change the terminology

from *major categories* of assets to *classes* of assets and provide a cross reference to the guidance in Subtopic 820-10 on how to determine appropriate classes to present fair value disclosures. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

In February 2010, the FASB issued the FASB Accounting Standards Update No. 2010-09 *"Subsequent Events (Topic 855) Amendments to Certain Recognition and Disclosure Requirements"*, which provides amendments to Subtopic 855-10 as follows:

1. An entity that either (a) is an SEC filer or(b) is a conduit bond obligor for conduit debt securities that are traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local or regional markets) is required to evaluate subsequent events through the date that the financial statements are issued. If an entity meets neither of those criteria, then it should evaluate subsequent events through the date the financial statements are available to be issued.
2. An entity that is an SEC filer is not required to disclose the date through which subsequent events have been evaluated. This change alleviates potential conflicts between Subtopic 855-10 and the SEC's requirements.
3. The scope of the reissuance disclosure requirements is refined to include revised financial statements only. The term *revised financial statements* is added to the glossary of Topic 855. Revised financial statements include financial statements revised either as a result of correction of an error or retrospective application of U.S. generally accepted accounting principles.

All of the amendments in this Update are effective upon issuance of the final Update, except for the use of the issued date for conduit debt obligors. That amendment is effective for interim or annual periods ending after June 15, 2010.

In April 2010, the FASB issued the FASB Accounting Standards Update No. 2010-17 *"Revenue Recognition — Milestone Method (Topic 605) Milestone Method of Revenue Recognition"*, which provides guidance on the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate. A vendor can recognize consideration that is contingent upon achievement of a milestone in its entirety as revenue in the period in which the milestone is achieved only if the milestone meets all criteria to be considered substantive.

Determining whether a milestone is substantive is a matter of judgment made at the inception of the arrangement. The following criteria must be met for a milestone to be considered substantive. The consideration earned by achieving the milestone should:

1. Be commensurate with either of the following:
    a. The vendor's performance to achieve the milestone
    b. The enhancement of the value of the item delivered as a result of a specific outcome resulting from the vendor's performance to achieve the milestone
2. Relate solely to past performance
3. Be reasonable relative to all deliverables and payment terms in the arrangement.

A milestone should be considered substantive in its entirety. An individual milestone may not be bifurcated. An arrangement may include more than one milestone, and each milestone should be evaluated separately to determine whether the milestone is substantive. Accordingly, an arrangement may contain both substantive and nonsubstantive milestones.

A vendor's decision to use the milestone method of revenue recognition for transactions within the scope of the amendments in this Update is a policy election. Other proportional revenue recognition methods also may be applied as long as the application of those other methods does not result in the recognition of consideration in its entirety in the period the milestone is achieved.

A vendor that is affected by the amendments in this Update is required to provide all of the following disclosures:

1. A description of the overall arrangement
2. A description of each milestone and related contingent consideration
3. A determination of whether each milestone is considered substantive
4. The factors that the entity considered in determining whether the milestone or milestones are substantive
5. The amount of consideration recognized during the period for the milestone or milestones.

The amendments in this Update are effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Early adoption is permitted. If a vendor elects early adoption and the period of adoption is not the beginning of the entity's fiscal year, the entity should apply the amendments retrospectively from the beginning of the year of adoption. Additionally, a vendor electing early adoption should disclose the following information at a minimum for all previously reported interim periods in the fiscal year of adoption:

1. Revenue
2. Income before income taxes
3. Net income
4. Earnings per share
5. The effect of the change for the captions presented.

A vendor may elect, but is not required, to adopt the amendments in this Update retrospectively for all prior periods.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

NOTE 3 - GOING CONCERN

The Company was incorporated on November 27, 2007 and began generating revenues in early 2008. It has very limited financial resources and no committed sources of debt or equity financing. As reflected in the accompanying financial statements, the Company had an accumulated deficit of $73,095 at June 30, 2011 and had a net income of $95,633 and net cash used in operating activities of $12,940 for the fiscal year then ended

The Company intends to seek business aggressively through the business contacts of its management. While the Company believes in the viability of its strategy to increase revenues and in its ability to raise funds if necessary, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company’s ability to generate increased levels of revenues. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – ACQUISITION

On April 13, 2010, Ladybug Resource Group, Inc. acquired 16,500,000 shares of New Solar Electricity Corporation, a Nevada corporation ("New Solar"). At the time of acquisition these shares represented 36.6% of the issued and outstanding capital stock of New Solar. The balance of the shares were owned by Zhou (Jason) Yu. Mr. Yu had received his New Solar shares for his agreement to transfer intellectual property to New Solar. On May 17, 2010, Mr. Yu, then the majority stockholder of New Solar relinquished his 63.4% equity interest in New Solar for the patents owned by the Company. Due to the inactivity of New Solar during the period from April 13, 2010 to May 17, 2010, the issuance of the 16,500,000 shares which was valued at par or $16,500 has been treated as an acquisition of 100% of New Solar from the date of issuance.

The acquisition of New Solar was accounted for using the purchase method of accounting in accordance with ASC section 805-10-05 of the FASB Accounting Standards Codification by allocating the purchase price over the assets acquired, and liabilities assumed, based on their estimated fair values at the date of acquisition. The excess of the liabilities assumed and the purchase price over the net assets acquired was recorded as goodwill. The purchase price has been allocated to the assets and liabilities as follows:

	Book Value	Fair Value Adjustment	Fair Market Value
	$		
Cash	$ 96	$	$ 96
Accounts receivable	1,200		1,200
Goodwill	-	19,865	19,865
Accrued expenses	(45)		(45)
Notes payable	(4,616)		(4,616)
Purchase price	$ (3,365)	$ 19,865	$ 16,500

NOTE 5 – NOTES PAYABLE OF DISCONTINUED OPERATIONS

Notes payable of New Solar Electricity Corporation, of $8,416, accrues interest at 5% per annum, are due on demand and are payable to related parties.

NOTE 6 – STOCKHOLDERS' DEFICIT

On April 13, 2010, Ladybug Resource Group, Inc. acquired 16,500,000 shares of New Solar Electricity Corporation, a Nevada corporation ("New Solar"). At the time of acquisition these shares represented 36.6% of the issued and outstanding capital stock of New Solar. The balance of the shares were owned by Zhou (Jason) Yu. Mr. Yu had received his New Solar shares for his agreement to transfer intellectual property to New Solar. On May 17, 2010, Mr. Yu, then the majority stockholder of New Solar relinquished his 63.4% equity interest in New Solar for the patents owned by the Company. Due to the inactivity of New Solar during the period from April 13, 2010 to May 17, 2010, the issuance of the 16,500,000 shares which was valued at par or $16,500 has been treated as an acquisition of 100% of New Solar from the date of issuance.

On April 16, 2010, the board of directors of the Company recommended that the Company implement a Ten for One (10:1) forward stock split of its issued and outstanding common stock. On April 19, 2010, the Company's majority shareholder approved the forward stock split transaction. The effective date for the forward split was May 19, 2010. The consolidated financial statements give retroactive effect to this forward stock split.

On June 2, 2010, the Company issued 2,000,000 shares of its common stock on behalf of Inner Path Health, its wholly-owned subsidiary for a license agreement for formulae owned by Inner Path Holdings, Inc ("Holdings"). The shareholders of Holdings are significant shareholders of Ladybug and because of this the transaction has been valued at $0.

On June 15, 2010, the Company issued 250,000 shares of common stock to an unrelated third party for services performed with a fair value of $250.

NOTE 7 – DISCONTINUED OPERATIONS

Effective June 30, 2010, the Company discontinued the operations of its two wholly owned subsidiaries, Inner Path Health and New Solar. As a result, the 2010 operations of these subsidiaries are treated as discontinued operations in the consolidated financial statements.

The following table summarizes the operating result of the discontinued operations for the fiscal year ended June 30, 2010:

New Solar	
Professional fees	$ 4,165
Bad debt expense	1,200)
Office	66
	5,431)
Inner Path Health	
Organization costs	500)
Loss from discontinued operations	$ 5,931

NOTE 7 - RELATED PARTY TRANSACTIONS

The Company's former President, who resigned in October 2009 because of health issues, performed work and permitted the Company to use facilities and equipment owned by her without charge. The estimated cost of this service ($0 for the fiscal year ended June 30, 2011 and $4,500 for the fiscal year ended June 30, 2010) was recorded as an expense and as a contribution to paid-in-capital.

During the fiscal year ended June 30, 2011, the Company proceeds from loans of $26,500 and paid $15,000 of loan receivable. During June 30, 2010, the Company received loan of $10,500 from an entity controlled by relatives of the major shareholder.

All sales for the fiscal year ended June 30, 2011 were to entities controlled by the Company's president.

NOTE 8 - INCOME TAXES

Deferred tax assets

At June 30, 2011, the Company had net operating loss ("NOL") carryforwards for Federal income tax purposes of $72,258 that may be used to offset future taxable income through 2031. No tax benefit has been reported with respect to these NOL carry-forwards in the accompanying financial statements because the Company believes that the realization of the benefit from the Company's net deferred tax assets was not considered more likely than not and accordingly, the potential tax benefits of the net loss carry-forwards are fully offset by a valuation allowance of $25,290.

Deferred tax assets consist primarily of the potential tax effects of NOL carry forwards. The Company has provided a full valuation allowance on the deferred tax assets because of the uncertainty regarding its realization. The valuation allowance increased approximately $(32,077) and $18,566, respectively, for the fiscal years ended June 30, 2011 and 2010.

Components of deferred tax assets at June 30, 2011 and 2010 are as follows:

	June 30, 2011	June 30, 2010
Net deferred tax assets – Non-current:		
Expected income tax benefit from NOL carry-forwards	$ 25,290	$ 57,367
Less valuation allowance	(25,290)	(57,367)
Deferred tax assets, net of valuation allowance	$ ---	---

The Company's utilization of NOL carryforwards is subject to an annual limitation due to ownership changes that have occurred previously or that could occur in the future as provided in Section 382 of the Internal Revenue Code of 1986. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of certain stockholders or public group in the stock of a corporation by more than 50 percentage points over a three-year period. Since its formation, the Company has raised capital through the issuance of capital stock and various convertible instruments which, combined with the purchasing shareholders' subsequent disposition of these shares, has resulted in an ownership change as defined by Section 382, and also could result in an ownership change in the future upon subsequent disposition.

The annual NOL limitation is determined by first multiplying the value of the Company's stock at the time of ownership change by the applicable long-term tax exempt rate, and could then be subject to additional adjustments, as required. Any limitation may result in expiration of a portion of the NOL carryforwards before utilization.

Income taxes in the statements of operations

A reconciliation of the federal statutory income tax rate and the effective income tax rate as a percentage of income before income taxes is as follows:

	For the Year Ended June 30, 2011	For the Year Ended June 30, 2010
Federal statutory income tax rate	34.0%	34.0%
Change in valuation allowance on net operating loss carry-forwards	(34.0)%	(34.0)%
Effective income tax rate	0.0%	0.0%

NOTE 9 - SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date through the date these financial statements were issued. The Management of the Company determined that there were no reportable events that occurred during that subsequent period to be disclosed or recorded.