

TARGET DEVELOPMENT GROUP, INC.

CONSOLIDATED BALANCE SHEET
MARCH 31, 2010
(UNAUDITED AND UNREVIEWED)

ASSETS

CURRENT ASSETS

Cash	\$	103,646
Accounts Receivable, Net (see "1" below)		382,305
Prepaid wages		6,600
Merchandise Inventory		338,558
Prepaid Advertising		1,045,000
Prepaid Producer Royalties		1,213,450
Producer Recoupment (P&A and Marketing Due)		586,582
Film Distribution Rights		1,280,000
Film Production Investments		46,500
Notes Receivable and Net Recoupment		<u>0</u>

Total Current Assets		<u>5,002,641</u>
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PROPERTY AND EQUIPMENT

Office Furniture, Fixtures and Equipment		171,170
Less Accumulated depreciation		(\$34,356)
Vehicles		22,500
Less Accumulated depreciation		<u>(5,000)</u>

Total Property and Equipment		<u>154,314</u>
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OTHER ASSETS

Contracts Receivable (see "2" below)		1,200,000
Film and Television program library		22,315,337

Total Other Assets	\$	<u>23,515,337</u>
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28,672,292

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Liabilities and Stockholders' Equity

CURRENT LIABILITIES

Accounts Payable	\$	70,465
Accrued Royalties		96,150
Producer Acquisition Advances Due		1,280,000
Accrued Wages		27,418
Payroll Taxes Payable		4,125
Hounddog P and A Payable (Weinreb)		713,974
Bank Note		17,544

Total Current Liabilities		<u>2,209,676</u>
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LONG-TERM LIABILITIES

Long Term Payables		1,319,873
Executive Salary Deferrals		<u>607,972</u>

Total Long-Term Liabilities		<u>1,927,845</u>
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4,137,521

SHAREHOLDERS' EQUITY

Common Stock (461,206,692 shares issued and outstanding)		24,070,897
Retained Earnings		<u>463,874</u>

Total Shareholders' Equity		24,534,771
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28,672,292

FOOTNOTES

- 1). **ACCOUNTS RECEIVABLE** -- Management has elected to hold back or reserve approximately \$1,094,766 in Accounts Receivable and / or Contracts Receivable from Anderson Merchandisers, Allumination FilmWorks ("Peace Arch"), Gravitas Ventures and Starlight Home Video due to collection issues or disputes still pending resolution.
- 2). **CONTRACTS RECEIVABLE** -- Management has reserved \$500,000 in production services fees until earned; balance listed is the total of fundings as of 03/31/10 contracted to be paid out to company under the Stock Purchase Option Agreement as previously reported.

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REVENUES	
Product Sales	\$239,373
TOTAL REVENUES	239,373
COST OF SALES	
Commissions	0
Sales and Marketing	13,734
Production	25,739
Freight	3,685
Other Expense	<u>6,000</u>
TOTAL COST OF SALES	<u>\$49,158</u>
GROSS PROFIT	\$190,215
GENERAL AND ADMINISTRATIVE EXPENSES	<u>\$186,448</u>
INCOME (LOSS) FROM OPERATIONS	\$3,767
OTHER INCOME (EXPENSE)	<u>\$0</u>
INCOME OR LOSS BEFORE INCOME TAXES	\$3,767
PROVISION FOR INCOME TAXES	<u></u>
NET INCOME OR LOSS	\$3,767
RETAINED EARNINGS, BEGINNING OF YEAR	<u>\$460,107</u>
RETAINED EARNINGS, END OF YEAR	<u><u>\$463,874</u></u>

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GENERAL AND ADMINISTRATIVE EXPENSES

Bank Charges	\$	566
Credit Card		3,193
Employees		67,722
Entertainment		0
Equipment		0
Fees		0
Insurance		0
Labor		39,908
Legal and Accounting		20,500
Miscellaneous		8,733
Office		1,868
Rent		13,400
Taxes		4,587
Telephone		2,557
Travel		21,999
Utilities		1,415
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Total general and administrative expenses	\$	<u><u>186,448</u></u>