

OTC DISCLOSURE AND NEWS SERVICE
COMPANY INFORMATION AND DISCLOSURE STATEMENT

(June 30, 2011)

TARGET DEVELOPMENT GROUP, INC.
(Pinksheets: TDGI)

WYOMING
(State of Incorporation)

91-1906973
(IRS Employer Identification No.)

1428 CHESTER STREET
SPRINGDALE, AR 72764
(Address of Principal Executive Offices)

479-751-4500
(Issuer's Telephone Number)

Cusip Number 87620A

SUMMARY OF Q1 – 2011 RESULTS
(Period Ending March 31, 2011)

Filing Date: June 30, 2011



HANNOVER
HOUSE

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FORWARD-LOOKING STATEMENTS

This disclosure statement contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases you can identify forward-looking statements by terms such as “may”, “intend”, “will”, “could”, “would”, “expects”, “believe”, “estimate”, or the negative of these terms, and similar expressions intended to identify forward-looking statements.

These forward-looking statements reflect our current views with respect to future events and are based on assumptions and are subject to risks and uncertainties. Also, these forward-looking statements present our estimates and assumptions only as of the date of this disclosure statement. Except for our ongoing obligation to disclose material information as required by federal securities laws, we do not intend to update you concerning any future revisions to any forward-looking statements to reflect events or circumstances occurring after the date of this disclosure statement.

Actual results in the future could differ materially and adversely from those described in the forward-looking statements as a result of various important factors, including the substantial investment of capital required to produce and market films and television series, increased costs for producing and marketing feature films, budget overruns, limitations imposed by our credit facilities, unpredictability of the commercial success of our motion pictures and television programming, the cost of defending our intellectual property, difficulties in integrating acquired businesses, and technological changes and other trends affecting the entertainment industry.

ITEM I Exact Name of Issuer and Address of Issuer's Principal Executive Offices

The name of our Company, also referred to the "Issuer" or "TDGI", is TARGET DEVELOPMENT GROUP, INC. The Company's principal executive offices and related contact information is as follows:

Our Contact Information:

Target Development Group, Inc.
Hannover House
1428 Chester St.
Springdale, AR 72764
Tel. 479-751-4500
Fax: 479-751-4999
www.TargetDevelopmentGroup.com

Contact Person:

D. Frederick Shefte, President
TDGI-Hannover House
1428 Chester St.
Springdale, AR 72764
Tel. 479-751-4500
Fax.: 479-751-4999
www.HannoverHouse.com
dfs.HannoverHouse@sbcglobal.net

ITEM II Number of Authorized and Outstanding Securities

The following is true and correct, per our transfer agent, as of and at the period ending on April 29, 2011:

- | | | |
|----|---|---------------------------|
| a. | Total shares in issue as of April 29, 2011: | 486,495,139 |
| b. | Above Shares Restricted From Sale: 192,592,478 | |
| | <u>TOTAL SHARES IN ISSUE:</u> | <u>486,495,139</u> |
| c. | Series "A" Preferred Shares (voting only, no par value): | 1,000,000 |
| d. | Addl. Restricted Shares reserved for Financing Venture
(pre-approved by Board of Directors, but not issued): | 15,000,000 |

Shareholders of Record: 171 (Standard Registrar count)

Total Beneficial Shareholders: 1,990 (Broadridge, ICS count)

Total Authorized Shares: 750,000,000

Note: the discrepancy between Shareholders of Record and Beneficial Shareholders is due to the consolidation of multiple shareholders within the larger brokerages houses. For example, Scott Trade, TD Ameritrade, E-Trade, Charles Schwab and National Financial Services collectively represent 1,644 Beneficial Owners of TDGI stock, yet are recorded by Standard Registrar as being only five (5) Shareholders of Record.

The Transfer Agent for the Company's stock is:

Standard Registrar & Transfer Company, Inc.
12528 South 1840 East
Draper, UT 84020
Tel. 801-571-8844 / Fax 801-571-2551

TARGET DEVELOPMENT GROUP, INC.

CONSOLIDATED BALANCE SHEET
MARCH 31, 2011
(UNAUDITED AND UNREVIEWED)

ASSETS

CURRENT ASSETS

Cash	\$	86,444
Accounts Receivable, Net		797,665
Prepaid wages		11,080
Merchandise Inventory (See "4" below)		129,612
Prepaid Advertising		845,000
Prepaid Producer Royalties		1,262,900
Producer Recoupment		1,325,824
Film Distribution Rights		2,030,000
Film Production Investments		50,500
Notes Receivable and Net Recoupment		<u>0</u>
Total Current Assets		<u>6,539,025</u>

PROPERTY AND EQUIPMENT

Office Furniture, Fixtures and Equipment		172,230
Less Accumulated depreciation		(\$34,356)
Vehicles		22,500
Less Accumulated depreciation		(5,000)
Real Property (warehouse and land)		<u>150,000</u>
Total Property and Equipment		<u>305,374</u>

OTHER ASSETS

Film and Television program library		<u>22,315,337</u>
Total Other Assets	\$	<u>22,315,337</u>

29,159,736

TARGET DEVELOPMENT GROUP, INC.

CONSOLIDATED BALANCE SHEET
MARCH 31, 2011
(UNAUDITED AND UNREVIEWED)

Liabilities and Stockholders' Equity

CURRENT LIABILITIES

Accounts Payable	\$	420,758
Accrued Royalties		59,480
Producer Acquisition Advances Due		1,147,094
Accrued Wages		15,400
Payroll Taxes Payable		14,983
Hounddog P and A Payable (Weinreb)		799,202
Bank Note		19,822

Total Current Liabilities		<u>2,476,739</u>
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LONG-TERM LIABILITIES

Long Term Payables		997,164
Real Property Loan		50,000
Executive Salary Deferrals		748,724

Total Long-Term Liabilities		<u>1,795,888</u>
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4,272,627

SHAREHOLDERS' EQUITY

Common Stock (486,495,139 shares issued and outstanding)		23,033,665
Retained Earnings		1,099,404

Total Shareholders' Equity		24,887,109
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29,159,736

TARGET DEVELOPMENT GROUP, INC.

CONSOLIDATED BALANCE SHEET

MARCH 31, 2011

(UNAUDITED AND UNREVIEWED)

MANAGEMENT FOOTNOTES TO BALANCE SHEET / MARCH 31, 2011

- 1). GRAHAM FINANCIAL VENTURE -- During this reporting quarter, Company received \$459,408 from Graham Financial Services, which proceeds were utilized to make substantial reductions in the company's payables, long term debt and producer obligations.
- 2). 20TH CENTURY FOX "TWELVE" VIDEO REVENUES -- Company has reserved \$1,042,158 in accrued sales from the FOX video release of "TWELVE." Only revenues collected and paid have been recognized for this reporting quarter. Cumulative results (both collections and accrued) to date have fallen within 2% of Company goals for the title and venture with FOX, and will likely be exceeded when the DVD and Blu-Ray editions of the videos are repriced and repromoted by FOX.
- 3). 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. Hogan Taylor (auditors) will determine the reasonable amounts to reserve or write-off pending completion of their audit review of Accounts Receivable, which may result in a greater or lesser holdback than Company has reserved.
- 4). FILM & TELEVISION LIBRARY VALUATION -- No new titles acquired during the Q1 reporting period have been added to the Film Library Valuation report as of this filing date.
- 5). MERCHANDISE INVENTORY -- At the recommendation of Hogan Taylor, Company has made adjustments to the valuation of some of the Merchandise Inventory to better reflect liquidation value as well as cost-of-goods.
- 6). LEGAL JUDGMENTS IN FAVOR OF COMPANY -- At the recommendation of Hogan Taylor, Company has removed asset listings of legal lawsuits and judgments in Company's favor with the plan to realize the revenues only if, as and when collected. The face value of these two, primary judgements (against UMS-Expedia and Blue Steel Releasing), total over \$1-million.

TARGET DEVELOPMENT GROUP, INC.

**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE THREE MONTHS ENDED MARCH 31, 2011
(UNAUDITED AND UNREVIEWED)**

REVENUES	
Product Sales	\$1,412,832
TOTAL REVENUES	1,412,832
COST OF SALES	
Commissions	212,011
Sales and Marketing	238,180
Production	368,029
Freight	200
Other Expense	9,990
	<hr/>
TOTAL COST OF SALES	<hr/> \$828,410
GROSS PROFIT	\$584,422
GENERAL AND ADMINISTRATIVE EXPENSES	<hr/> \$230,906
INCOME (LOSS) FROM OPERATIONS	\$353,516
OTHER INCOME (EXPENSE)	<hr/> \$0
INCOME OR LOSS BEFORE INCOME TAXES	\$353,516
PROVISION FOR INCOME TAXES	<hr/>
NET INCOME OR LOSS	\$353,516
RETAINED EARNINGS, BEGINNING OF PERIOD	<hr/> \$745,888
RETAINED EARNINGS, END OF PERIOD	<hr/> <hr/> \$1,099,404

TARGET DEVELOPMENT GROUP, INC.

**CONSOLIDATED GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDED MARCH 31, 2011
(UNAUDITED AND UNREVIEWED)**

GENERAL AND ADMINISTRATIVE EXPENSES

Bank Charges	\$	650
Consulting		34,850
Employees		119,410
Entertainment		0
Equipment		4,894
Fees		0
Insurance		0
Labor		1,738
Legal and Accounting		15,100
Miscellaneous		4,373
Office		15,448
Rent		10,600
Taxes		1,717
Telephone		2,599
Travel		18,084
Utilities		1,443
		<hr/>
Total general and administrative expenses	\$	<u><u>230,906</u></u>

TARGET DEVELOPMENT GROUP, INC.

**CONSOLIDATED GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDED MARCH 31, 2011
(UNAUDITED AND UNREVIEWED)**

ITEM IV Certifications

I, ERIC F. PARKINSON, hereby certify that;

- (1) I have reviewed the Financial Reports and Management Comments for the period ending March 31, 2011, covering various activities for Target Development Group, Inc. and Hannover House (the “Company”);
- (2) Based on my knowledge, these Financial Reports do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Filing;
- (3) Based on my knowledge, the financial information included or incorporated by reference in these Financial Reports, fairly present in all material respects the financial condition, results of operations, and cash flows of the Issuer as of, and for, the periods presented in these Financial Reports.

Dated: 30 June 2011

/s/ _____
By: Eric F. Parkinson
Title: Chairman and Chief Executive Officer