GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED BALANCE SHEET
December 31, 2010
(unaudited)

ASSETS

Cash	$	-
Property and equipment, net of accumulated depreciation of $28		950
Total Assets	$	950

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current Liabilities		
Bank Overdraft	$	8
Accounts Payable		3,376
Accrued Interest		3,628
Convertible Notes Payable		194,984
Total Current Liabilities		201,996
Stockholder's Deficit		
Preferred Stock Series A; $.00001 par; 10,000,000 shares authorized, 2,010,000 shares issued and outstanding		20
Preferred Stock Series B; $.00001 par; 90,000,000 shares authorized, 60,000,000 shares issued and outstanding		600
Preferred Stock Series C; $.00001 par; 20,000,000 shares authorized, 0 shares issued and outstanding		-
Common Stock; $.00001 par value;49,880,000,000 shares authorized 10,672,400,000 shares issued and outstanding		106,724
Additional paid-in-capital		137,826
Accumulated deficit		(446,216)
Total Stockholders' Deficit		(201,046)
Total Liabilities and Stockholders' Deficit	$	950

The accompanying notes are an integral part of these consolidated financial statements

GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2010
(unaudited)

Revenue	$ -
Operating Expenses	
General & Administrative	67,584
Interest Expense	102,145
Total Operating Expenses	169,729
Net Loss	$ (169,729)
Basic and diluted loss per common share	$ -
Basic weighted average common shares outstanding	1,351,304,110

The accompanying notes are an integral part of these consolidated financial statements

GOLDEN VALLEY DEVELOPMENT, INC
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
For the Year Ended December 31, 2010

	Common Stock		Preferred Stock Series A		Preferred Stock Series B		Additional Paid-in Capital	Accumulated Deficit	Totals
	Shares	Amount	Shares	Amount	Shares	Amount			
Balances at December 31, 2009	72,400,000	$ 724		$ -		$ -	$ 191,820	$ (276,487)	$ (83,943)
Shares issued for cash	400,000,000	4,000	10,000	-			46,000		50,000
Shares issued to purchase investees' stock	10,000,000,000	100,000	2,000,000	20	60,000,000	600	(201,127)		(100,507)
Debt converted to common shares	200,000,000	2,000							2,000
Imputed rent							4,656		4,656
Benefical conversion feature of convertible note payable							96,477		96,477
Net loss								(169,729)	(169,729)
Balances at December 31, 2010	10,672,400,000	$ 106,724	2,010,000	$ 20	60,000,000	$ 600	$ 137,826	$ (446,216)	$(201,046)

The accompanying notes are an integral part of these consolidated financial statements

GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2010
(unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES	
Net Loss	$ (169,729)
Adjustments to reconcile net loss	
to cash used in operating activities:	
Imputed rent expense	4,656
Amortization of BCF discount	96,477
Depreciation	28
Changes in:	
Accrued expenses	5,668
Accounts payable	(190)
NET CASH USED IN OPERATING ACTIVITIES	(63,090)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of computer equipment	(978)
CASH FLOWS FROM FINANCING ACTIVITIES	
Bank overdraft	8
Proceed from issuance of stock	50,000
Proceeds from note payable to related party	10,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	60,008
NET CHANGE IN CASH	(4,060)
Cash balance, beginning of the period	4,060
Cash balance, end of the period	$ -
Supplemental Disclosures:	
Taxes paid	$ -
Interest paid	$ -
Shares issued for conversion of debt	$ 2,000
Beneficial conversion feature on convertible note payable	$ 96,477
Change in par value of common stock	$ 71,676

The accompanying notes are an integral part of these consolidated financial statements

GOLDEN VALLEY DEVELOPMENT, INC.
Notes to Unaudited Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business. Golden Valley Development, Inc. ("Golden Valley" or "GVD") was incorporated in Nevada on July 26, 2004, and re-domiciled to the state of Wyoming on October 8, 2010. Since inception in 2004, Golden Valley's business plan has been that of an agriculture broker for farm and ranch products and equipment. In November of 2010, control of Golden Valley changed, and with the change in control, the focus of the business shifted to include the marketing, manufacture and distribution of patented and patentable products, beginning with its first two patented products, "Percuguard" and "Cutstop", which are intended to be used in the health care and hospitality services industries, respectively.

Consolidation Policy. On November 17, 2010, we purchased 100% of the stock of Media Sports Productions, Inc. and Digit-Pro. These consolidated financial statements include the financial information of the wholly owned subsidiaries. All significant inter-company accounts and transactions have been eliminated.

Use of Estimates. In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenue and expenses in the statement of expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents. For purposes of the statement of cash flows, Golden Valley considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Bank Overdraft. Under the Company’s cash management system, a bank overdraft balance exists for its primary disbursement account. This overdraft represents uncleared checks in excess of cash balances in the related bank account.

Property and Equipment. Property and equipment is stated at cost and depreciated using the straight-line method over the estimated life of the assets of three years. The cost of normal maintenance and repairs is charged to expense as incurred and expenditures for major improvements are capitalized at cost. Gains or losses on the disposition of assets are reflected in the income statement at the time of disposal.

Revenue Recognition. Golden Valley recognizes revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price is fixed or determinable, and collectability is reasonably assured. Golden Valley performs as a broker without assuming the risks and rewards of ownership of the goods, therefore sales are reported on a net basis. After receiving an order, Golden Valley will locate and inspect the desired item. The item will be shipped directly to the customer from the supplier by Golden Valley or the customer can arrange for pickup at the supplier. The item must meet certain industry standards prior to customer acceptance. If the industry standards are not met, the loss carries back to the supplier. If the item meets industry standards and the customer were to reject the item, the loss belongs to the customer. Golden Valley recognizes revenues at the time the customer accepts the item.

Income Taxes. Golden Valley recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. Golden Valley provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Basic and Diluted Net Loss Per Share. Basic and diluted net loss per share calculations are calculated on the basis of the weighted average number of common shares outstanding during the year. They include the dilutive effect of common stock equivalents in years with net income. Basic and diluted loss per share is the same due to the absence of common stock equivalents.

Recently Issued Accounting Pronouncements. Golden Valley does not expect the adoption of recently issued accounting pronouncements to have a significant impact on Golden Valley's results of operations, financial position or cash flow.

NOTE 2 - GOING CONCERN

As shown in the accompanying consolidated financial statements, GVD had an accumulated deficit as of December 31, 2010. These conditions raise substantial doubt as to GVD's ability to continue as a going concern. Management is trying to raise additional capital through sales of stock. The financial statements do not include any adjustments that might be necessary if GVD is unable to continue as a going concern.

NOTE 3 – DEBT

Adavco, Inc. is owned by the immediate past President of GVD. For the year ended December 31, 2010 GVD participated in the following transactions with Adavco, Inc.:

On January 18, 2010, Adavco, Inc. provided a $5,000 loan to GVD due January 18, 2012 with a 5 percent interest rate. These notes are unsecured.

On June 1, 2010, Adavco, Inc. provided a $5,000 loan to GVD due June 1, 2012 with a 5 percent interest rate. These notes are unsecured.

Total debt owed to Adavco, Inc. after these additional loans during 2010 was $87,000. The accrued interest totaled $9,477 as of August 6, 2010.

On August 6, 2010 all debt owed to Adavco was refinanced into one convertible loan of $96,477. The debt is convertible at $.00001 which is 9,647,700,000 common shares, has an interest rate of 8% per annum and is due August 6, 2011. GVD evaluated the modification under FASB ASC 470-50 and determined that the modification was substantial and the revised terms constituted a debt extinguishment.

On October 25, 2010, GVD amended the common stock par value from $.001 to $.00001. GVD evaluated the possibility of a beneficial conversion feature when the loan was issued and again when the par value was changed. On both these dates, GVD evaluated the application of ASC 470-30 & ASC 470-05, "Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios," and ASC 470-30 & ASC 470-05, " ASC 470-30 & ASC 470-05 to Certain Convertible Instruments" and concluded that the conversion option was a beneficial conversion feature with intrinsic value at issuance on August 6, 2010. GVD determined the intrinsic value of the conversion option on this note to be $96,477 and recorded a discount on the note in this amount. When the par value was changed, the debt no longer had a beneficial conversion feature and therefore the discount was expensed to interest. GVD evaluated the application of ASC 815-15 and ASC 815-40 for this convertible note and concluded this instrument was not required to be accounted for as a derivative.

On November 17, 2010, GVD assumed debt of $100,507 when it purchased 100% of Media Sports Production, Inc.'s stock. The debt is convertible at $.00001 per share into an aggregate of 10,050,700,000 common shares, has an interest rate of 5% per annum and was due September 7, 2007. The loan is in default and is therefore shown in current liabilities. On December 15, 2010, $2,000 of this debt was converted into 200,000,000 shares of common stock.

GVD evaluated the application of ASC 815-15 and ASC 815-40 for this convertible note and concluded this instrument was not required to be accounted for as a derivative. GVD also evaluated the application of ASC 470-30 & ASC 470-05, "Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios," and ASC 470-30 & ASC 470-05, " ASC 470-30 & ASC 470-05 to Certain Convertible Instruments" and concluded that the conversion option was not a beneficial conversion feature with intrinsic value.

NOTE 4 - INCOME TAXES

Golden Valley uses the liability method, where deferred tax assets and liabilities are determined based on the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial and income tax reporting purposes. During fiscal 2010 Golden Valley incurred a net loss and, therefore, has no tax liability. The net deferred tax asset generated by the loss carry-forward has been fully reserved. The cumulative net operating loss carry-forward is approximately $446,000 at December 31, 2010, and will expire in the year 2029 and 2030.

At December 31, 2010, deferred tax assets consisted of the following:

Deferred tax assets

		2010
Net operating losses	$	66,900
Less: valuation allowance		(66,900)
Net deferred tax asset	$	-

NOTE 5 - COMMON AND PREFERRED STOCK

On October 25, 2010, GVD amended its Certificate of Incorporation to increase its authorized common stock to 49,880,000,000 and establish a preferred Series A class with 10,000,000 shares authorized, a preferred Series B class with 90,000,000 shares authorized, and a preferred Series C class with 20,000,000 shares authorized. GVD also amended its common stock par value from $.001 to $.00001. All preferred stock par value was set at $.00001.

On November 2, 2010, 400,000,000 shares of common stock and 10,000 shares of preferred stock Series B were sold for $50,000.

On November 17, 2010, 10,000,000,000 shares of common stock and 800,000 shares of preferred stock Series A were issued in exchange for 100% of Media Sports Production, Inc.'s stock.

On November 17, 2010, 1,200,000 shares of preferred stock Series A and 60,000,000 shares of preferred stock Series B were issued in exchange for 100% of Digit-Pro's stock.

On December 15, 2010, 200,000,000 shares of common stock were issued when $2,000 of debt was converted to equity.

Each share of Series A preferred stock is convertible at any time into the number of shares of common stock equal to four times the sum of all shares of common stock issued and outstanding at time of conversion plus all shares of Series B and Series C preferred stock issued and outstanding at time of conversion divided by the number of shares of Series A preferred stock issued and outstanding at the time of conversion. The holders of Series A preferred stock are entitled to receive dividends when, and if declared by the Board of Directors, in its sole discretion.

Each share of Series B preferred stock is convertible into the number of shares of the corporation's common stock, par value $.00001 per share, equal to the designated $2 initial price of the Series B preferred stock divided by the par value of the common stock subject to adjustments as may be determined by the Board of Directors from time to time. The holders of Series B preferred stock are entitled to receive dividends when, and if declared by the Board of Directors, in its sole discretion. Upon liquidation, dissolution or winding up of the corporation, whether voluntarily or involuntarily, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series B preferred stock, the holders of the Series B preferred stock are entitled to be paid out of the assets of the corporation an amount equal to $1.00 per share or in the event of an aggregate subscription by a single subscriber for Series B preferred stock in excess of $100,000, $0.997 per share (as adjusted for any stock dividends, combinations, splits and recapitalization), plus all declared but unpaid dividends, for each share of Series B preferred stock held. After the payment of the full applicable preference value of each share of the Series B preferred stock, the remaining assets of the corporation legally available for distribution, if any, will be distributed ratably to the holders of the corporation’s common stock.

Each share of Series C preferred stock is convertible at any time into 500 shares of the corporation’s common stock, par value $.00001 per share. The holders of Series A preferred stock are entitled to receive dividends when, and if declared by the Board of Directors, in its sole discretion. Upon liquidation, dissolution or winding up of the corporation, whether voluntarily or involuntarily, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series B preferred stock, the holders of the Series C preferred stock are entitled to be paid out of the assets of the corporation an amount equal to $1.00 per share or in the event of an aggregate subscription by a single subscriber for Series C preferred stock in excess of $100,000, $0.997 per share (as adjusted for any stock dividends, combinations, splits and recapitalization), plus all declared but unpaid dividends, for each share of Series B preferred stock held. After the payment of the full applicable preference value of each share of the Series B preferred stock, the remaining assets of the corporation legally available for distribution, if any, will be distributed ratably to the holders of the corporation’s common stock.

GVD evaluated the application of ASC 815-15 and ASC 815-40 for the preferred stock listed above and concluded these instruments were not required to be accounted for as derivatives. GVD also evaluated the application of ASC 470-30 & ASC 470-05, "Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios," and ASC 470-30 & ASC 470-05, " ASC 470-30 & ASC 470-05 to Certain Convertible Instruments" and concluded that the conversion option was not a beneficial conversion feature with intrinsic value.

NOTE 6 – IMPUTED INTEREST

GVD operates out of its President’s office; therefore, rent is imputed based on the fair value of the office space. Imputed rent expense for the year ended as of December 31, 2010 is $4,656.

NOTE 7 – SUBSEQUENT EVENTS

In March 2011, GVD issued a convertible note to the majority stockholder for $7,040. It is due March 8, 2012, bears interest of 8% per annum, and is convertible at $.00001 per share. GVD evaluated the application of ASC 470-30 & ASC 470-05, "Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios," and ASC 470-30 & ASC 470-05, " ASC 470-30 & ASC 470-05 to Certain Convertible Instruments" and concluded that the conversion option was not a beneficial conversion feature with intrinsic value.