

Edgar Filing: JJ&R Ventures, Inc. - Form 10-K

(Address of principal executive offices)

Issuer's telephone number: (831) 770-0217

Securities Registered pursuant to Section 12(b) of the Act: **None.**

Securities Registered pursuant to Section 12(g) of the Exchange Act: **None.**

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

Yes . No .

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

Yes . No .

Note checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes . No .

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

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

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) X .
company)

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

Yes No X .

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. Our common stock is not traded on any market or listed on any exchange. There was not an active market and no trading volume during fiscal 2010 and there has been no trading volume in 2009, therefore the aggregate market value of the issuer's common stock held by non-affiliates at March 10, 2011 is deemed to be \$-0-.

Note. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided that the assumptions are set forth in this Form.

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN BANKRUPTCY
PROCEEDING DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No .

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

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Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

<u>Class</u>	<u>Outstanding as of March 10, 2010</u>
Common Stock	22,345,500

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the Part of the Form 10-K (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or information statement; and (3) Any prospectus filed pursuant to Rule 424(b) or (c) under the Securities Act of 1933. The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1980).

PART I

ITEM 1. BUSINESS.

Business Development

Description of Business.

General

We were formed as a Nevada corporation on March 2, 2007 as JJ&R Ventures, Inc. We are in the business of developing and marketing educational book series, consisting of books, presentations, and flash cards focusing on healthy nutrition information for children. Our goal is to promote our books and educational materials by also developing educational programs for kids and parents throughout the United States. The educational programs will start with our "What's in My Food?" series designed to help kids to see the value of eating healthy.

Our business

JJ&R is in the business of developing children's books, flash cards, and other learning materials on most urgent and popular subjects for sale to the general public.

Initially, we plan on focusing primarily on the subject of healthy eating habits for kids. Childhood obesity is a very hot topic discussed daily in the news media. We believe that our initial product, "What's in My Food?" will attract the attention of parents and early education specialists and will help us enter the competitive market of children's books and educational materials. "What's in My Food" series of books and flash cards address what we believe to be a current gap in health and living section of children's literature and are designed to teach the kids and their parents how to make good choices for healthy living and interactions with others through stories as seen through the eyes of a child. The book is currently designed to be up to 30 pages long, in paper back and in full color. We believe that a competitive bright styling of the book and other related materials will initially appeal to the kids and attract their interest, and will fit in with the standards of most book stores.

Our second line of products, currently under development, is foreign language learning materials. JJ&R is developing foreign language flash cards, printed on a solid gloss paper stock for the durability and ease of use. Parents and early education professionals will be able to introduce young learners to multiple languages through repetitive use of our flash cards, with each card showing a word in English, Spanish and sign language. Each card will also include a

picture to visually connect with the word and help the child hold it in the long term memory bank.

Our revenues will be derived from sales of our educational products. We also plan on organizing seminars designed to attract children and their parents and put them in touch with the professionals specializing in the subject matter covered by the seminar. For example, for our What's in My Food series seminars, we may invite local pediatricians, nutritionists and diet specialists to give lectures to local kids and their parents on the values of good eating. The seminars will be free to the attendants, but fee-based to the presenters since the seminars will be a valuable way for these professionals to attract new clients. JJ&R will be actively marketing its products both to the attendants and the presenters, providing for a good cross-marketing opportunity. We intend to target preschools, elementary schools, home school groups & after school programs and need to cultivate a significant base of users in order to generate a ratable flow of sales and revenue. We do not believe that any single customer will be our major revenue stream.

Competition

The market for children's books and learning materials is highly competitive. Additionally, since more and more attention is being brought to the subject of childhood obesity, there have been an increasing number of businesses that cater to the same audience as us. We expect that this will continue to be the trend in this product niche. Some of our competitors include DiscoveryToys®, Kazoo Toys, S&S Educational Toys, Teachme2.com, Joonglee.com, as well as others.

Many of these businesses have longer operating histories and significantly greater financial, technical, marketing and managerial resources than we do. There are relatively low barriers to entry into our business. While we regard our educational materials, products and future trademarks as proprietary and rely primarily on federal statutory and common law protections to protect our interests in these materials, some of our proprietary materials may contain commonly used terms and do not afford us significant trademark protection that would preclude or inhibit competitors from designing materials with similar features as our products. We expect that we will continue to face additional competition from new entrants into the market in the future.

Our business is in an evolving industry and we may not be able to keep up with the market for our products. If we do not keep pace with changing trends and customer preferences, our current products may become obsolete or unmarketable.

Governmental Regulation

Although we intend to comply with all applicable laws and regulations, we cannot assure you that we are in compliance or that we will be able to comply with all future laws and regulations. Additional federal or state legislation, or changes in regulatory implementation, may limit our activities in the future or significantly increase the cost of regulatory compliance. If we fail to comply with applicable laws and regulations, criminal sanctions or civil remedies, including fines, injunctions, or seizures, could be imposed on us. This could have a material adverse effect on our operations.

Several proposals have been made at the U.S. state and local level that would impose additional taxes on the sale of goods and services through the Internet. These proposals, if adopted, could substantially impair the growth of e-commerce, and could diminish our opportunity to derive financial benefit from our activities. In December 2004, the U.S. federal government enacted legislation extending the moratorium on states and other local authorities imposing access or discriminatory taxes on the Internet through November 2007. This moratorium does not prohibit federal, state, or local authorities from collecting taxes on our income or from collecting taxes that are due under existing tax rules. In conjunction with the Streamlined Sales Tax Project, the U.S. Congress continues to consider overriding the Supreme Court's *Quill* decision, which limits the ability of state governments to require sellers outside of their own state to collect and remit sales taxes on goods purchased by in-state residents. An overturning of the *Quill* decision would harm our users and our business.

Current Status

The Company received its first shipment of 10,000 copies of its book *What's in My Food?* with 50% of the book inventory warehoused with the publisher. The books are soft cover, fully illustrated in color, 8" x 8" with 32 pages and has a current suggested retail price of \$12.95. Both the publisher and the author are scheduling signings and book store visits to promote and market the book. The Company intends to expand its marketing efforts by making the book available through on-line book stores.

Under contract with the Company, Winepress Group completed a direct sales marketing campaign. The author has been promoting the book and arranging presentations with community groups, schools, churches and other groups. In addition, the Company has listed the book with Albris which is an online company. The Company is actively pursuing a variety of promotional methods both online and in bookstores to increase sales of its book.

Since the second quarter of 2010, the author has actively been promoting *What's in My Food?* by attending health, wellness and character seminars for the Little League program through parks and recreation departments in the central California area. The author is continuing marketing activities with speaking engagements with local Boys & Girls Club organizations.

A second book is in process that deals with how food actually works in the body. This book is also geared toward children. Another project underway is an information booklet that will serve as a quick reference guide.

Employees

At the present time Deborah Flores is our only employee as well as our sole officer and director and a major shareholder. Mrs. Flores will devote such time as required to actively market and further develop our services and software products. At present, we expect Mrs. Flores will devote at least 30 hours per week to our business. We expect to contract the services of a web hosting company and use their central server for our web site needs. We do not anticipate hiring any additional employees until such time as additional staff is required to support our operations.

Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements or Labor Contracts, Including Duration

None; not applicable

Need For Any Government Approval of Principal Products or Services

None; not applicable

Effect of Existing or Probable Governmental Regulations on Business

None; not applicable

Time Spent During the Last Two Fiscal Years on Research and Development Activities

None; not applicable

Costs and Effects of Compliance with Environmental Laws (federal, state and local)

None; not applicable

ITEM 1A. RISK FACTORS.

Not required by smaller reporting companies.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

We do not currently own any property. We utilize office space in the residence of our President at no cost. We will not seek independent office space until we pursue a viable business opportunity and recognize income.

ITEM 3. LEGAL PROCEEDINGS.

The Company is not the subject of any pending legal proceedings; and to the knowledge of management, no proceedings are presently contemplated against the Company by any federal, state or local governmental agency.

Further, to the knowledge of management, no director or executive officer is party to any action in which any has an interest adverse to the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

Our common stock is listed on the Over the Counter Bulletin Board (OTCBB), under the symbol "JJRV". There was not an active market and no trading volume during fiscal 2009 and there has been no trading volume in 2010.

	CLOSING BID		CLOSING ASK	
	High	Low	High	Low
2010				
July 12 (first available) thru September 30	.05	.05	NONE	NONE
October 1 thru December 31	.05	.05	NONE	NONE

The above quotations, as provided by OTC Markets Group, Inc., represent prices between dealers and do not include retail markup, markdown or commission. In addition, these quotations do not represent actual transactions.

Holders

As of March 10, 2011, there were approximately 40 shareholders of record holding 22,345,500 shares of common stock. The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Holders of the common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock.

Dividends

We have not paid, nor declared, any cash dividends since our inception and do not intend to declare any such dividends in the foreseeable future. Our ability to pay cash dividends is subject to limitations imposed by Nevada law. Under Nevada law, cash dividends may be paid to the extent that a corporation's assets exceed its liabilities and it is able to pay its debts as they become due in the usual course of business.

Securities Authorized for Issuance Under Equity Compensation Plans

None.

Recent Sales or Purchases of Unregistered Securities

None.

ITEM 6. SELECTED FINANCIAL DATA.

Since we are a smaller reporting company, as defined by SEC regulation, we are not required to provide the information required by this Item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FORWARD-LOOKING STATEMENTS

The statements made below with respect to our outlook for fiscal 2009 and beyond represent forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934 and are subject to a number of risks and uncertainties. These include, among other risks and uncertainties, whether we will be able to generate sufficient cash flow from our operations or other sources to fund our working capital needs, maintain existing relationships with our lender, successfully introduce and attain market

acceptance of any new products, attract and retain qualified personnel both in our existing markets and in new territories in an extremely competitive environment, and potential obsolescence of our technologies.

In some cases, you can identify forward-looking statements by terms such as may, will, should, could, would, plans, anticipates, believes, estimates, projects, predicts, potential and similar expressions intended to describe forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this report. Except as otherwise required by law, we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this report to reflect any change in our expectations or any change in events, conditions or circumstances on which any of our forward-looking statements are based. We qualify all of our forward-looking statements by these cautionary statements.

Results of Operations

Years Ended December 31, 2010 and December 31, 2009

We have experienced losses since inception. During the year ended December 31, 2010, we generated \$1,083 in revenue. Cost of goods sold was \$384 giving us a gross profit of \$699. Expenses were \$27,098 with interest expense of \$2,564 giving us a net loss of \$28,963. For the year ended December 31, 2009 we generated \$1,058 in revenue less \$3 in discounts for a gross profit of \$456. For the year ended December 31, 2009, we had expenses of \$28,463 and interest expense of \$722 giving us a net loss of \$29,235. Expenses consisted of general and administrative expenses, office equipment and professional fees.

Years Ended December 31, 2009 and December 31, 2008

We have experienced losses since inception. We generated revenue of \$1,058 less \$3 in discounts for a gross profit of \$456 for the year ended December 31, 2009. For the year ended December 31, 2009, we had expenses of \$28,463 and interest expense of \$722 giving us a net loss of \$29,235. We did not generate any revenue for the year ended December 31, 2008. Expenses during the year ended December 31, 2008 were \$49,374 with interest expense of \$465, giving us a net loss of \$49,839. Expenses consisted of general and administrative expenses, office equipment and professional fees.

Liquidity and Capital Resources

At December 31, 2010, we had \$1 in available cash on hand, \$56 in accounts receivable and \$31,286 in prepaid inventory. We had fixed assets consisting of computer and equipment and software less accumulated depreciation of \$598. Our total assets as of December 31, 2010 were \$31,941. We anticipate our expenses for the next twelve months will be approximately \$30,000.

Liabilities consisted of \$6,654 in accounts payable, accrued interest of \$2,552 sales tax payable of \$44 and a related party loan of \$2,364. We have a note payable on computer equipment of \$1,741 and notes payable to related parties of \$38,678. Our total liabilities as of December 31, 2010 were \$52,033.

The Company entered into an agreement with Winepress for printing of its first book. The Company also entered into an addendum agreement with Winepress for marketing and publicity for its book. As of December 31, 2008, the Company paid \$31,550 in prepaid inventory for its books and \$3,409 for its marketing and publicity. As of December 31, 2010, the Company had received its inventory, and Winepress had completed its promotional publications and direct marketing.

As of December 31, 2010 and 2009, the Company had inventory of published books of \$31,286 and \$31,339 respectively.

At various times during 2010, the Company found it necessary to borrow funds from its shareholders to fund the Company. These notes were due and payable on December 31, 2010 and carry an interest rate of 8%. The shareholders have agreed to extend the notes until December 31, 2011. The total outstanding as of December 31, 2010 and 2009 was \$38,678 and \$12,489 respectively. The accrued interest on these notes as of December 31, 2010 and 2009 was \$2,552 and \$370 respectively.

The major shareholder also contributed funds for prepaid expenses. The total outstanding as of December 31, 2010 and 2009 was \$2,364 and \$464 respectively.

For the years ending December 31, 2010 and 2009, the related parties advanced the Company for working capital purposes \$26,189 and \$12,953 respectively.

Financial Interpretation No. 48, Accounting for Uncertainty in Income Taxes An Interpretation of FASB Statement No. 109, Statement of Financial Accounting Standards (SFAS) No. 141 (revised 2007), Business Combinations, SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51, SFAS No. 159,

The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment of FASB Statement No. 115, SFAS No. 158, Employers Accounting for Defined Benefit Pension and Other Postretirement Plans, SFAS No. 157, Fair Value Measurements, SFAS No. 156, Accounting for Servicing of Financial Assets, SFAS No. 155, Accounting for Certain Hybrid Instruments, and SFAS No. 154, Accounting Changes and Error Corrections a replacement of APB Opinion No. 20 and FASB Statement No. 3, were recently issued. These recently-enacted accounting standards have no current applicability to the Company or their effect on the financial statements would not have been significant.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our consolidated financial condition, results of operations or liquidity.

Need For Additional Financing

In the past we have relied on advances from our president and shareholders and our initial public stock offering to cover our operating costs. While Management believes sales of its products will continue to increase and produce revenue for the Company Management also anticipates that it will not have sufficient capital to meet our needs through the next 12 months and will rely on loans and/or advances in order to continue operations until such time as revenues increase significantly. There is no assurance loans or advances will be forthcoming or at terms acceptable to the Company.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Since we have no assets and do not have any investments in eligible portfolio companies there is no quantitative information, as of the end of December 31, 2010, about market risk that has any impact on our present business. Once we begin making investments in eligible portfolio companies there will be market risk sensitive instruments and we will disclose the applicable market risk information at that time

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The required financial statements are included following the signature page of this Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

The Company has had no disagreements with its certified public accountants with respect to accounting practices or procedures or financial disclosure.

ITEM 9A(T). CONTROLS AND PROCEDURES.

(a) Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our President, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our President concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective such that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our President, as appropriate to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

We believe our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives and our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective.

Management's Annual Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes of accounting principles generally accepted in the United States.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives.

Our management, with the participation of the President, evaluated the effectiveness of the Company's internal control over financial reporting as of December 31, 2010. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control Integrated Framework. Based on this evaluation, our management, with the participation of the President, concluded that, as of December 31, 2010, our internal control over financial reporting was effective.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

(b) *Changes in Internal Control over Financial Reporting.* There were no changes in the Company's internal controls over financial reporting, known to the chief executive officer or the chief financial officer, that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

There are no further disclosures. All information that was required to be disclosed in a Form 8-K during the fourth quarter 2010 has been disclosed.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Identification of Directors and Executive Officers

The following table sets forth the name, age, position and office term of each executive officer and director of the Company.

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Director or Officer Since</u>
Deborah Flores	38	President, Secretary, Treasurer and Director	March 2, 2007

All officers hold their positions at the will of the Board of Directors. All directors hold their positions for one year or until their successors are elected and qualified.

Set forth below is certain biographical information regarding the Company's executive officer and director:

Deborah Flores, President, Secretary, Treasurer and Director. Mrs. Flores is an owner/operator of Go Espresso, formerly Michael's Cannery Row Deli since November 1993. Go Espresso is an exclusive catering and event vending business providing service in Monterey County, California and surrounding areas.

The Company has no audit committee financial expert, as defined under Section 228.401, serving on its audit committee because it has no audit committee and is not required to have an audit committee because it is not a listed security as defined in Section 240.10A-3.

Term of Office

The term of office of the current directors shall continue until new directors are elected or appointed.

Involvement in Certain Legal Proceedings

During the past five years, no present or former director, person nominated to become a director, executive officer, promoter or control person of the Company:

(1) Was a general partner or executive officer of any business by or against which any bankruptcy petition was filed, whether at the time of such filing or two years prior thereto;

(2) Was convicted in a criminal proceeding or named the subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3) Was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; and

(4) Was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activity;

(5) Was found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Financial Expert

The Company has no audit committee financial expert, as defined under Section 228.401, serving on its audit committee because it has no audit committee and is not required to have an audit committee because it is not a listed security as defined in Section 240.10A-3.

Code of Ethics

The Company has adopted a code of ethics that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller. The Company will provide, at no cost, a copy of the Code of Ethics to any shareholder of the Company upon receiving a written request sent to the Company's address shown on Page 1 of this report.

ITEM 11. EXECUTIVE COMPENSATION

No current or prior officer or director has received any remuneration or compensation from the Company in the past three years, nor has any member of the Company's management been granted any option or stock appreciation right. Accordingly, no tables relating to such items have been included within this Item. None of our employees are subject to a written employment agreement nor has any officer received a cash salary since our founding.

The Summary Compensation Table shows certain compensation information for services rendered in all capacities for the fiscal periods ended December 31, 2010, 2009, and 2008. Other than as set forth herein, no executive officer's salary and bonus exceeded \$100,000 in any of the applicable years. The following information includes the dollar value of base salaries, bonus awards, the number of stock options granted and certain other compensation, if any, whether paid or deferred.

SUMMARY COMPENSATION TABLE

<u>Name and principal position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$)</u>	<u>Stock Awards (\$) (4)</u>	<u>Option Awards (\$) (4)</u>	Non- Equity Incentive Plan	Nonquali- fied Deferred Compen- sation	All Other Compen- sation (\$)	<u>Total (\$)</u>
						Compen- sation (\$)	Earnings		
Deborah Flores	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sole Officer	2009	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2008	23,100	-0-	-0-	-0-	-0-	-0-	-0-	23,100

Compensation of Directors

There are no agreements to compensate any of the directors for their services.

Our officers and directors are reimbursed for expenses incurred on our behalf. Our officers and directors will not receive any finder's fee as a result of their efforts to implement the business plan outlined herein. However, our officers and directors anticipate receiving benefits as beneficial shareholders of our common stock.

We have not adopted any retirement, pension, profit sharing, stock option or insurance programs or other similar programs for the benefit of our employees.

Termination of Employment and Change of Control Arrangement

There are no compensatory plans or arrangements, including payments to be received from the Company, with respect to any former employees, officers or directors which would in any way result in payments to any such person because of his or her resignation, retirement or other termination of such person's employment with the Company or its subsidiaries, or any change in control of the Company, or a change in the person's responsibilities following a change in control of the Company.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth as of March 10, 2011, the number and percentage of the 22,345,500 shares of outstanding common stock which, according to the information supplied to the Company, were beneficially owned by (i) each person who is currently a director of the Company, (ii) each executive officer, (iii) all current directors and executive officers of the Company as a group and (iv) each person who, to the knowledge of the Company, is the beneficial owner of more than 5% of the outstanding common stock. Except as otherwise indicated, the persons named in the table have sole voting and dispositive power with respect to all shares beneficially owned, subject to community property laws where applicable.

<u>Title of Class</u>	<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percentage of Class</u>
Common	Deborah Flores (1) 1780 Granada St. Seaside, CA 93955	15,000,000	67.12%
Common	Brittany Grisham 1656 Darwin St. Seaside, CA 93955	2,000,000	8.95%
Common	Anastasiya Kravchenko 1359 Ahlrich Ave. Encinitas, CA 92024	2,100,000	9.39%
Common	Darya Shahvaran 1276 7 th Ave. San Francisco, CA 94122	2,100,000	9.39%
Total Officers and Directors As a Group (1 Person)		15,000,000	67.12%

(1) Officer and/or director

There are no contracts or other arrangements that could result in a change of control of the Company.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, DIRECTOR INDEPENDENCE.

Transactions with Management and Others

We utilize office space at the residence of Deborah Flores to conduct our activities at no charge.

Certain Business Relationships

At various times during 2009, the Company found it necessary to borrow funds from its shareholders to fund the Company. These notes are due and payable on December 31, 2010 and carry an interest rate of 8%. The shareholders have agreed to extend the notes until December 31, 2011, carrying an interest rate of 8%. The total outstanding as of December 31, 2010 and 2009 was \$38,678 and \$12,489 respectively. The accrued interest on these notes as of December 31, 2010 and 2009 was \$2,552 and \$370 respectively.

The major shareholder also contributed funds for prepaid expenses. The total outstanding as of December 31, 2010 and 2009 was \$2,364 and \$464 respectively.

For the years ending December 31, 2010 and 2009, the related parties advanced the Company for working capital purposes \$26,189 and \$12,953 respectively.

Indebtedness of Management

None; not applicable.

Conflicts of Interest

None of our key personnel is required to commit full time to our affairs and, accordingly, these individuals may have conflicts of interest in allocating management time among their various business activities. In the course of their other business activities, certain key personnel may become aware of investment and business opportunities which may be appropriate for presentation to us, as well as the other entities with which they are affiliated. As such, they may have conflicts of interest in determining to which entity a particular business opportunity should be presented.

Each officer and director is, so long as he is an officer or director, subject to the restriction that all opportunities contemplated by our plan of operation that come to his attention, either in the performance of his duties or in any other manner, will be considered opportunities of, and be made available to us and the companies that he is affiliated with on an equal basis. A breach of this requirement will be a breach of the fiduciary duties of the officer or director. If we or the companies to which the officer or director is affiliated each desire to take advantage of an opportunity, then the applicable officer or director would abstain from negotiating and voting upon the opportunity. However, the officer or director may still take advantage of opportunities if we should decline to do so. Except as set forth above, we have not adopted any other conflict of interest policy in connection with these types of transactions

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

Audit Fee

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of JJ&R Ventures, Inc. annual financial statement and review of financial statements included in JJ&R's 10-Q reports and services normally provided by the accountant in connection with statutory and regulatory filings or engagements were \$14,000 for fiscal year ended 2010 and \$14,000 for fiscal year ended 2009.

Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of JJ&R's financial statements that are not reported above were \$0 for fiscal year ended 2010 and \$0 for fiscal year ended 2009.

Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning were \$575 for fiscal year ended 2010 and \$575 for fiscal year ended 2009.

All Other Fees

The aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above were \$0 for fiscal year ended 2010 and \$0 for fiscal year ended 2009.

We do not have an audit committee currently serving and as a result our board of directors performs the duties of an audit committee. Our board of directors will evaluate and approve in advance, the scope and cost of the engagement of an auditor before the auditor renders audit and non-audit services. We do not rely on pre-approval policies and procedures.

PART IV**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.**

(a) Exhibits

The Company has adopted a code of ethics that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller. The Company will provide, at no cost, a copy of the Code of Ethics to any shareholder of the Company upon receiving a written request sent to the Company's address shown on Page 1 of this report.

<u>Exhibit #</u>	<u>Description</u>	<u>Location</u>
Exhibit 3(i)	Articles of Incorporation	*
Exhibit 3(ii)	Bylaws	*
Exhibit 31	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Attached
Exhibit 32	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**	Attached

* Incorporated by reference. Filed as exhibit to SB-2 on June 7, 2007.

** The Exhibit attached to this Form 10-KSB shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

(b) Reports on Form 8-K

None.

(c) Financial Statement Schedules

None.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

JJ&R Ventures, Inc.

Date: March 17, 2011

/s/ Debrah Flores

Deborah Flores

Chief Executive Officer and

Chief Financial Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: March 17, 2011

/s/ Debrah Flores

Deborah Flores

Director

Board of Directors

JJ&R Ventures, Inc.

Salinas, California

Report of Independent Registered Public Accounting Firm

We have audited the balance sheet of JJ&R Ventures, Inc. as of December 31, 2010 and 2009, and the related statements of operations, stockholders' equity and cash flows for the years ending December 31, 2010 and 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of accounts receivable is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule of accounts receivable. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JJ&R Ventures, Inc. as of December 31, 2010 and 2009, the results of operations, stockholders' equity and its cash flows for the years ended December 31, 2010 and 2009 in conformity with generally accepted accounting principles in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred net losses since inception, which raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustment that might result from the outcome of this uncertainty.

/s/ R.R. Hawkins & Associates International, a PC

January 27, 2011

Los Angeles, CA

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JJ and R Ventures, Inc.

Balance Sheet

For the years ended December 31, 2010 and 2009

<u>ASSETS</u>	2010	2009
Current assets		
Cash in bank	\$ 1	\$ 108
Accounts receivable	56	420
	57	528
Other current assets		
Inventory	31,286	31,339
	31,286	31,339
Fixed Assets		
Furniture and Equipment		
Computer	1,993	1,993
Accumulated depreciation	(1,395)	(997)
Total Fixed Assets	598	996
Total assets	\$ 31,941	\$ 32,863
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable-trade	\$ 6,654	\$ 8,993
Accrued interest	2,552	370
Sales tax payable	44	44
Loan - related party	2,364	464
Total current liabilities	11,614	9,871
Notes Payable-computer	1,741	1,632
Notes payable related parties	38,678	12,489
Total Long-Term Liabilities	40,419	14,121
Total liabilities	52,033	23,992
Shareholders' Equity (deficit)		
Preferred stock, 5,000,000 shares, \$.0001 par value, authorized, 0 outstanding	0	0
Common stock, 200,000,000 shares, \$.0001 par value, authorized, 22,345,500 outstanding	2,235	2,235
Paid in capital	126,015	126,015
Retained deficit	(148,342)	(119,379)
Total shareholders' equity	(20,092)	8,871
Total liabilities and shareholders' equity	\$ 31,941	\$ 32,863

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

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JJ and R Ventures, Inc.

Statement of Operations

For the years ended December 31, 2010 and 2009

	2010	2009
Revenues	\$ 1,083	\$ 1,058
Less: Discounts		(3)
	1,083	1,055
Less COGS	384	599
Gross Profit	699	456
Expenses		
Website	107	1,082
Advertising	51	3,209
Bank charges	522	168
Computer and internet expenses	215	20
Filing fees	776	259
Depreciation Expense	399	399
Office supplies	97	480
Professional fees	22,006	20,854
Taxes	842	
Telephone expenses	1,853	2,240
G&A Expense	230	208
Total expenses	27,098	28,919
Net loss from operations	(26,399)	(28,463)
Interest Expense	(2,564)	(772)
Net income (loss)	\$ (28,963)	\$ (29,235)
Loss per common share	\$ (0.01)	\$ (0.01)
Weighted average of shares outstanding	22,345,500	22,345,500

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

JJ and R Ventures, Inc.

Statement of Shareholders' Equity

For the years ended December 31, 2010 and 2009

	Common stock		Paid-In	Retained	
	Shares	Amount	Capital	Deficit	Total
				from Inception	
January 1, 2009	22,345,500	\$ 2,235	\$ 126,015	\$ (90,144)	\$ 38,106
Net loss for the period				(29,235)	(29,235)
December 31, 2009	22,345,500	\$ 2,235	\$ 126,015	\$ (119,379)	\$ 8,871
January 1, 2010	22,345,500	\$ 2,235	\$ 126,015	\$ (119,379)	\$ 8,871
Net loss for the period				(28,963)	(28,963)
December 31, 2010	22,345,500	\$ 2,235	\$ 126,015	\$ (148,342)	\$ (20,092)

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

JJ and R Ventures, Inc.

Statement of Cash Flows

For the years ended December 31, 2010 and 2009

	2010	2009
CASH FLOWS FROM		
OPERATING ACTIVITIES		
Net income (loss)	\$ (28,963)	\$ (29,235)
Adjustment to reconcile net to net cash provided by operating activities		
Depreciation	399	399
(Increase) decrease in accounts receivable	364	(420)
(Increase) decrease in inventory	53	(31,339)
Decrease (increase) in accounts payable	2,339	8,103
Decrease (increase) in accrued interest	(2,182)	370
Decrease (increase) in Loans PY	(109)	241
Decrease (Increase) in prepaid inventory	0	31,300
Decrease (Increase) in prepaid expenses	0	3,909
Increase in sales tax payable	0	44
Decrease in cash deposits from stock		
NET CASH PROVIDED		
BY OPERATING ACTIVITIES	(28,099)	(16,628)
NET CASH USED IN		
INVESTING ACTIVITIES		
Inventory	0	0
NET CASH REALIZED		
FROM INVESTING ACTIVITIES	0	0
FINANCING ACTIVITIES		
Proceeds fm unissued stocks sale	0	0
Sale of common stock	0	0
Related party notes	28,090	12,953
NET CASH REALIZED		
FROM FINANCING ACTIVITIES	28,090	12,953
INCREASE IN CASH		
AND CASH EQUIVALENTS	(9)	(3,675)
Cash and cash equivalents		
at the beginning of the year	108	3,783
CASH AND CASH EQUIVALENTS		
AT YEAR END	\$ 99	\$ 108

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

JJ&R Ventures, Inc.

Footnotes to Financial Statements

December 31, 2010 and 2009

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the business The Company was incorporated under the laws of the State of Nevada on March 2007. The Company for the past years has had no activity. JJ&R Ventures, Inc. (the Company) was formed to provide child education services.

Pervasiveness of estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, 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 these estimates.

Cash and cash equivalents For financial statement presentation purposes, the Company considers all short term investments with a maturity date of three months or less to be cash equivalents.

Property and equipment Property and equipment are stated at cost less accumulated depreciation. Cost includes the price paid to acquire the assets, including interest capitalized during the period and any expenditure that substantially add to the value of or substantially extend the useful life of an existing asset. Maintenance and repairs are charged to operations as incurred.

The Company computes depreciation expense using the straight-line method over the estimated useful lives of the assets, as presented in the table below. The estimated lives of the assets range from three to seven years.

Useful lives in years	
Computer Hardware	3-7
Computer Software	3-5

Furniture and Office Equipment	7
Production Equipment	7
Leasehold Improvements	10

Income Tax The Company accounts for income taxes under ASC 740 "Income Taxes" which codified SFAS 109, "Accounting for Income Taxes." under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. 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. Under ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Basic and Diluted Net Income (Loss) Per Share The Company computes net income (loss) per share in accordance with ASC 260 "Earnings Per Share" which codified SFAS No. 128. "Earnings per Share." ASC 260 requires presentation of both basic and diluted earnings per Share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti dilutive.

Fair Value of Financial Instruments Accounting Standard Codification ASC 825 "Financial Instruments" codified Statement of financial accounting standard No. 107, Disclosures about fair value of financial instruments, requires that the Company disclose estimated fair values of financial instruments. Unless otherwise indicated, the fair values of all reported assets and liabilities, which represent financial instruments, none of which are held for trading purposes, approximate are carrying values of such amounts.

Stock-based compensation ASC 718 "Compensation - Stock Compensation" codified SFAS No. 123 prescribes accounting and reporting standards for all stock-based compensation plans payments award to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, may be classified as either equity or liabilities. The Company should determine if a present obligation to settle the share-based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (a) the option to settle by issuing equity instruments lacks commercial substance or (b) the present obligation is implied because of an entity's past practices or stated policies. If a present obligation exists, the transaction should be recognized as a liability; otherwise, the transaction should be recognized as equity.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50 "Equity - Based Payments to Non-Employees" which codified SFAS 123 and the Emerging Issues Task Force consensus in Issue No. 96-18 ("EITF 96-18"), "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring or in Conjunction with Selling, Goods or Services". Measurement of share-based payment transactions with non-employees shall be based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction should be determined at the earlier of performance commitment date or performance completion date.

Issuance of shares for service The Company accounts for the issuance of equity instruments to acquire goods and services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably measurable.

Recognition of Revenues Wholesale revenues are recognized when the risks and rewards of ownership have passed to the customer, based on the terms of sale. This occurs upon shipment or upon receipt by the customer depending on the country of the sale and the agreement with the customer. Provisions for sales discounts, returns and miscellaneous claims from customers are made at the time of sale.

Inventory Valuation Inventories are stated at lower of cost or market and valued on a first-in, first-out (FIFO) or moving average cost basis.

Recent Pronouncements ASC 105, *Generally Accepted Accounting Principles* ("ASC 105") (formerly Statement of Financial Accounting Standards No.168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles a replacement of FASB Statement No.162*) reorganized by topic existing accounting and reporting guidance issued by the Financial Accounting Standards Board ("FASB") into a single source of authoritative generally accepted accounting principles ("GAAP") to be applied by nongovernmental entities. All guidance contained in the Accounting Standards Codification ("ASC") carries an equal level of authority. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal securities

laws are also sources of authoritative GAAP for SEC registrants. Accordingly, all other accounting literature will be deemed "non-authoritative". ASC 105 is effective on a prospective basis for financial statements issued for interim and annual periods ending after September 15, 2009. The Company has implemented the guidance included in ASC 105 as of July 1, 2009. The implementation of this guidance changed the Company's references to GAAP authoritative guidance but did not impact the Company's financial position or results of operations.

ASC 855, Subsequent Events ("ASC 855") (formerly Statement of Financial Accounting Standards No. 165, Subsequent Events) includes guidance that was issued by the FASB in May 2009, and is consistent with current auditing standards in defining a subsequent event. Additionally, the guidance provides for disclosure regarding the existence and timing of a company's evaluation of its subsequent events. ASC 855 defines two types of subsequent events, "recognized" and "non-recognized". Recognized subsequent events provide additional evidence about conditions that existed at the date of the balance sheet and are required to be reflected in the financial statements. Non-recognized subsequent events provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date and, therefore are not required to be reflected in the financial statements. However, certain non-recognized subsequent events may require disclosure to prevent the financial statements from being misleading. This guidance was effective prospectively for interim or annual financial periods ending after June 15, 2009. The Company implemented the guidance included in ASC 855 as of April 1, 2009. The effect of implementing this guidance was not material to the Company's financial position or results of operations.

ASC 944, Financial Services - Insurance ("ASC 944") contains guidance that was previously issued by the FASB in May 2008 as Statement of Financial Accounting Standards No. 163, Accounting for Financial Guarantee Insurance Contracts - an interpretation of FASB Statement No. 60 that provides for changes to both the recognition and measurement of premium revenues and claim liabilities for financial guarantee insurance contracts that do not qualify as a derivative instrument in accordance with ASC 815, Derivatives and Hedging (formerly included under Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities). This financial guarantee insurance contract guidance also expands the disclosure requirements related to these contracts to include such items as a company's method of tracking insured financial obligations with credit deterioration, financial information about the insured financial obligations, and management's policies for placing and monitoring the insured financial obligations. ASC 944, as it relates to financial guarantee insurance contracts, was effective for fiscal years beginning after December 15, 2008, except for certain disclosures related to the insured financial obligations, which were effective for the third quarter of 2008. The Company does not have financial guarantee insurance products, and, accordingly, the implementation of this portion of ASC 944 did not have an effect on the Company's results of operations or financial position.

ASC 805, Business Combinations ("ASC 805") (formerly included under Statement of Financial Accounting Standards No. 141 (revised 2007), Business Combinations) contains guidance that was issued by the FASB in December 2007. It requires the acquiring entity in a business combination to recognize all assets acquired and liabilities assumed in a transaction at the acquisition-date fair value, with certain exceptions. Additionally, the guidance requires changes to the accounting treatment of acquisition related items, including, among other items, transaction costs, contingent consideration, restructuring costs, indemnification assets and tax benefits. ASC 805 also provides for a substantial number of new disclosure requirements. ASC 805 also contains guidance that was formerly issued as FSP FAS 141(R)-1, Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies which was intended to provide additional guidance clarifying application issues regarding initial recognition and measurement, subsequent measurement and accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. ASC 805 was effective for business combinations initiated on or after the first annual reporting period beginning after December 15, 2008. The Company implemented this guidance effective January 1, 2009. Implementing this guidance did not have an effect on the Company's financial position or results of operations; however it will likely have an impact on the Company's accounting for future business combinations, but the effect is dependent upon acquisitions, if any, that are made in the future.

ASC 810, Consolidation ("ASC 810") includes new guidance issued by the FASB in December 2007 governing the accounting for and reporting of noncontrolling interests (previously referred to as minority interests). This guidance established reporting requirements which include, among other things, that noncontrolling interests be reflected as a separate component of equity, not as a liability. It also requires that the interests of the parent and the noncontrolling interest be clearly identifiable. Additionally, increases and decreases in a parent's ownership interest that leave control intact shall be reflected as equity transactions, rather than step acquisitions or dilution gains or losses. This guidance also requires changes to the presentation of information in the financial statements and provides for additional disclosure requirements. ASC 810 was effective for fiscal years beginning on or after December 15, 2008. The Company implemented this guidance as of January 1, 2009. The effect of implementing this guidance was not material to the Company's financial position or results of operations.

ASC 825, Financial Instruments ("ASC 825") includes guidance which was issued in February 2007 by the FASB and was previously included under Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an amendment of FASB Statement No. 115. The related sections within ASC 825 permit a company to choose, at specified election dates, to measure at fair value certain eligible financial assets and liabilities that are not currently required to be measured at fair value. The specified election dates include, but are not limited to, the date when an entity first recognizes the item, when an entity enters into a firm commitment or when changes in the financial instrument causes it to no longer qualify for fair value accounting under a different accounting standard. An entity may elect the fair value option for eligible items that exist at the effective date. At that date, the difference between the carrying amounts and the fair values of eligible items for which the fair value option is elected should be recognized as a cumulative effect adjustment to the opening balance of retained earnings. The fair value option may be elected for each entire financial instrument, but need not be applied to all similar instruments. Once the fair value option has been elected, it is irrevocable. Unrealized gains and losses on items for which the fair value option has been elected will be reported in earnings. This guidance was effective as of the beginning of fiscal years that began after November 15, 2007. The Company does not have eligible financial assets and liabilities, and, accordingly, the implementation of ASC 825 did not have an effect on the Company's results of operations or financial position.

ASC 820, Fair Value Measurements and Disclosures ("ASC 820") (formerly included under Statement of Financial Accounting Standards No. 157, Fair Value Measurements) includes guidance that was issued by the FASB in September 2006 that created a common definition of fair value to be used throughout generally accepted accounting principles. ASC 820 applies whenever other standards require or permit assets or liabilities to be measured at fair value, with certain exceptions. This guidance established a hierarchy for determining fair value which emphasizes the use of observable market data whenever available. It also required expanded disclosures which include the extent to which assets and liabilities are measured at fair value, the methods and assumptions used to measure fair value and the effect of fair value measures on earnings. ASC 820 also provides additional guidance for estimating fair value when the volume and level of activity for the asset or liability have significantly decreased. The emphasis of ASC 820 is that fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants, under current market conditions. ASC 820 also further clarifies the guidance to be considered when determining whether or not a transaction is orderly and clarifies the valuation of securities in markets that are not active. This guidance includes information related to a company's use of judgment, in addition to market information, in certain circumstances to value assets which have inactive markets.

Fair value guidance in ASC 820 was initially effective for fiscal years beginning after November 15, 2007 and for interim periods within those fiscal years for financial assets and liabilities. The effective date of ASC 820 for all non-recurring fair value measurements of nonfinancial assets and nonfinancial liabilities was fiscal years beginning after November 15, 2008. Guidance related to fair value measurements in an inactive market was effective in October 2008 and guidance related to orderly transactions under current market conditions was effective for interim and annual reporting periods ending after June 15, 2009.

The Company applied the provisions of ASC 820 to its financial assets and liabilities upon adoption at January 1, 2008 and adopted the remaining provisions relating to certain nonfinancial assets and liabilities on January 1, 2009. The Company implemented the guidance related to orderly transactions under current market conditions as of April 1, 2009. The Company does not have eligible financial assets and liabilities, and, accordingly, the implementation of ASC 820 did not have an effect on the Company's results of operations or financial position.

In August 2009, the FASB issued ASC Update No. 2009-05, Fair Value Measurements and Disclosures (Topic 820): Measuring Liabilities at Fair Value ("ASC Update No. 2009-05"). This update amends ASC 820, Fair Value Measurements and Disclosures and provides further guidance on measuring the fair value of a liability. The guidance establishes the types of valuation techniques to be used to value a liability when a quoted market price in an active market for the identical liability is not available, such as the use of an identical or similar liability when traded as an asset. The guidance also further clarifies that a quoted price in an active market for the identical liability at the measurement date and the quoted price for the identical liability when traded as an asset in an active market when no adjustments to the quoted price of the asset are required are both Level 1 fair value measurements. If adjustments are required to be applied to the quoted price, it results in a level 2 or 3 fair value measurement. The guidance provided in the update is effective for the first reporting period (including interim periods) beginning after issuance. The Company does not expect that the implementation of ASC Update No. 2009-05 will have a material effect on its financial position or results of operations.

In September 2009, the FASB issued ASC Update ("ASU") No. 2009-12, Fair Value Measurements and Disclosures (Topic 820): Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent) ("ASC Update No. 2009-12"). This update sets forth guidance on using the net asset value per share provided by an investee to estimate the fair value of an alternative investment. Specifically, the update permits a reporting entity to measure the fair value of this type of investment on the basis of the net asset value per share of the investment (or its equivalent) if all or substantially all of the underlying investments used in the calculation of the net asset value is consistent with ASC 820. The update also requires additional disclosures by each major category of investment, including, but not limited to, fair value of underlying investments in the major category, significant investment strategies, redemption restrictions, and unfunded commitments related to investments in the major category. The amendments in this update are effective for interim and annual periods ending after December 15, 2009 with early application permitted. The Company does not expect that the implementation of ASC Update No. 2009-12 will have a material effect on its financial position or results of operations.

In October 2009, the FASB issued ASU No. 2009-13, Revenue Recognition (Topic 605): Multiple-Deliverable Revenue Arrangements (a consensus of the FASB Emerging Issues Task Force)." ("ASC Update No. 2009-13). This updates set forth the guidance on the existing multiple-element arrangement currently in FASB Topic 605-25 (Revenue Recognition - Multiple-Element Arrangements). This new guidance eliminates the requirement that all undelivered elements have objective evidence of fair value before a company can recognize the portion of the overall arrangement fee that is attributable to the items that have already been delivered. Further, companies will be required to allocate revenue in arrangements involving multiple deliverables based on the estimated selling price of each deliverable, even though such deliverables are not sold separately by either company itself or other vendors. This new guidance also significantly expands the disclosures required for multiple-element revenue arrangements. The revised guidance will be effective for the first annual period beginning on or after June 15, 2010. The Company does not expect that the implementation of ASU No. 2009-13 will have a material effect on its financial statements.

In June 2009, FASB issued Statement of Financial Accounting Standards No.167, *Amendments to FASB Interpretation No.46(R)* ("Statement No.167"). Statement No.167 amends FASB Interpretation No.46R, *Consolidation of Variable Interest Entities an interpretation of ARB No.51* ("FIN 46R") to require an analysis to determine whether a company has a controlling financial interest in a variable interest entity. This analysis identifies the primary beneficiary of a variable interest entity as the enterprise that has a) the power to direct the activities of a variable interest entity that most significantly impact the entity's economic performance and b) the obligation to absorb losses of the entity that could potentially be significant to the variable interest entity or the right to receive benefits from the entity that could potentially be significant to the variable interest entity. The statement requires an ongoing assessment of whether a company is the primary beneficiary of a variable interest entity when the holders of the entity, as a group, lose power, through voting or similar rights, to direct the actions that most significantly affect the entity's economic performance. This statement also enhances disclosures about a company's involvement in variable interest entities. Statement No.167 is effective as of the beginning of the first annual reporting period that begins after November 15, 2009. Although Statement No. 167 has not been incorporated into the Codification, in accordance with ASC 105, the standard shall remain authoritative until it is integrated. The Company does not expect the adoption of Statement No. 167 to have a material impact on its financial position or results of operations.

In June 2009, the FASB issued Statement of Financial Accounting Standards No.166, *Accounting for Transfers of Financial Assets an amendment of FASB Statement No.140* ("Statement No.166"). Statement No.166 revises FASB Statement of Financial Accounting Standards No. 140, *Accounting for Transfers and Extinguishment of Liabilities a replacement of FASB Statement 125* ("Statement No. 140") and requires additional disclosures about transfers of financial assets, including securitization transactions, and any continuing exposure to the risks related to transferred financial assets. It also eliminates the concept of a "qualifying special-purpose entity", changes the requirements for derecognizing financial assets, and enhances disclosure requirements. Statement No.166 is effective prospectively, for annual periods beginning after November 15, 2009, and interim and annual periods thereafter. Although Statement No.166 has not been incorporated into the Codification, in accordance with ASC 105, the standard shall remain authoritative until it is integrated. The Company does not expect the adoption of Statement No.166 will have a material impact on its financial position or results of operations.

In January 2010, the Financial Accounting Standards Board ("FASB") issued an accounting standard update, Fair Value Measurements and Disclosures (Topic 820), Improving Disclosures about Fair Value Measurements. The Update would affect all entities that are required to make disclosures about recurring and nonrecurring fair value measurements. The Board concluded that users will benefit from improved disclosures in this Update and that the benefits of the increased transparency in financial reporting will outweigh the costs of complying with the new requirements. 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 30, 2010, and for interim periods within those fiscal years. We are currently evaluating the impact this update will have on our financial statements.

In January 2010, the Financial Accounting Standards Board ("FASB") issued an accounting standard update to address implementation issues related to the changes in ownership provisions in the Consolidation-Overall Subtopic (Subtopic 810-10) of the FASB Accounting Standards Codification, originally issued as FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements. Subtopic 810-10 establishes the accounting and reporting guidance for noncontrolling interests and changes in ownership interests of a subsidiary. An entity is required to deconsolidate a subsidiary when the entity ceases to have a controlling financial interest in the subsidiary. Upon deconsolidation of a subsidiary, an entity recognizes a gain or loss on the transaction and measures any retained investment in the subsidiary at fair value. The gain or loss includes any gain or loss associated with the difference between the fair value of the retained investment in the subsidiary and its carrying amount at the date the subsidiary is deconsolidated. In contrast, an entity is required to account for a decrease in its ownership interest of a subsidiary that does not result in a change of control of the subsidiary as an equity transaction.

In December 2009, the Financial Accounting Standards Board ("FASB") issued an accounting standard update for improvements to financial reporting by enterprises involved with Variable Interest Entities. The subsections clarify the application of the General Subsections to certain legal entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the legal entity to finance its activities without additional subordinated financial support [FIN 46(R), paragraph 1, sequence 55.1] or, as a group, the holders of the equity investment at risk lack any one of the following three characteristics: [FIN 46(R), paragraph 1, sequence 55.2]:

- a. The power, through voting rights or similar rights, to direct the activities of a legal entity that most significantly impact the entity's economic performance [FIN 46(R), paragraph 1, sequence 55.2.1];
- b. The obligation to absorb the expected losses of the legal entity [FIN 46(R), paragraph 1, sequence 55.2.2];
- c. The right to receive the expected residual returns of the legal entity. [FIN 46(R), paragraph 1, sequence 55.2.3].

The amendments in this update to the Accounting Standards Codification are the result of FASB Statement No. 167, Amendments to FASB Interpretation No. 46(R). The adoption of this update to improving the financial reporting by enterprises involved with Variable Interest Entities, as codified in ASC 810, did not have any impact on the Company's financial statements.

In December 2009, the Financial Accounting Standards Board ("FASB") issued an accounting standard update, Transfers and Servicing (Topic 860) Accounting for Transfers of Financial Assets. The amendments in this update to the Accounting Standards Codification are the result of FASB Statement No. 166, Accounting for Transfers of Financial Assets. The adoption of this update did not have any impact on the Company's financial statements.

The FASB has issued FASB Accounting Standards Update (ASU) No. 2010-22, Accounting for Various Topics. ASU 2010-22 amends various SEC paragraphs in the FASB Accounting Standards Codification™ (Codification) based on external comments received and the issuance of Staff Accounting Bulletin (SAB) No. 112, which amends or rescinds portions of certain SAB topics. Specifically, SAB 112 was issued to bring existing SEC guidance into conformity with: Codification Topic 805, Business Combinations (originally issued as FASB Statement No. 141 (Revised December 2007), Business Combinations); and Codification Topic 810, Consolidation (originally issued as FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements).

The FASB has issued ASU 2010-29, Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations. This amendment affects any public entity as defined by Topic 805, Business Combinations that enters into business combinations that are material on an individual or aggregate basis. The comparative financial statements should present and disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments also expand the supplemental pro forma disclosures to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The amendments are effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. The adoption of the ASU 2010-29 will not have material impact to the financial statements of the Company.

NOTE 2

UNCERTAINTY OF ABILITY TO CONTINUE AS A GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. As reflected in the accompanying financial statements, the company has minimal revenues, net accumulated losses since inception, and a retained deficit of \$148,342. These factors raise substantial doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the company's sales of "What's In My Food?", a children's book on nutrition, and potential additional titles. The financial statements do not include any adjustments that might be necessary if the company is unable to continue as a going concern.

NOTE 3

INVENTORY, PREPAID INVENTORY AND MARKETING

The Company entered into an agreement with Winepress for printing of its first book. The Company also entered into an addendum agreement with Winepress for marketing and publicity for its book. As of December 31, 2008, the Company paid \$31,550 in prepaid inventory for its books and \$3,409 for its marketing and publicity. As of December 31, 2009, the Company had received its inventory, and Winepress had completed its promotional publications and direct marketing.

As of December 31, 2010 and 2009, the Company had inventory of published books of \$31,286 and 31,339 respectively.

NOTE 4

PROPERTY AND EQUIPMENT

The Company purchased a computer in 2007. The computer is being depreciated over 5 years. As of December 31, 2010 and 2009, the company recorded depreciation expense of \$399 and \$399 respectively.

NOTE 5

COMMON STOCK

On January 2, 2008, the Company received proceeds of its fundraising through 2007. The Company raised \$114,500 from sale of 1,145,500 shares of stock to unrelated individuals.

There were no stock transactions for the years ending December 31, 2010 and 2009.

NOTE 6

NOTE PAYABLE

In 2007, the Company purchased a computer and financed it for five years at an interest rate of 24.99%. The five year principal payments are as follows:

2011	\$366
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NOTE 7

RELATED PARTY TRANSACTIONS

During the period ending December 31, 2008, the Company repaid borrowings from one of its shareholders of \$3,000 including interest.

At various times during 2009, the Company found it necessary to borrow funds from its shareholders to fund the Company. These notes are due and payable on December 31, 2010 and carry an interest rate of 8%. The shareholders have agreed to extend the notes until December 31, 2011, carrying an interest rate of 8%. The total outstanding as of December 31, 2010 and 2009 was \$38,678 and \$12,489 respectively. The accrued interest on these notes as of December 31, 2010 and 2009 was \$2,552 and \$370 respectively.

The major shareholder also contributed funds for prepaid expenses. The total outstanding as of December 31, 2010 and 2009 was \$2,364 and \$464 respectively.

For the years ending December 31, 2010 and 2009, the related parties advanced the Company for working capital purposes \$26,189 and \$12,953 respectively.

NOTE 8

INCOME TAXES

No provision was made for income tax for the year ending December 31, 2010. The Company from the date of inception to the period December 31, 2010 has incurred net operating losses for tax purposes of approximately \$148,342. The net operating loss carry-forward may be used to reduce taxable income through the year 2027. The availability of the Company's net operating loss carry-forwards is subject to limitation if there is a 50% or more change in the ownership of the Company's stock.

There was no significant difference between reportable income tax and statutory income tax. The gross deferred tax asset balance as of December 31, 2010 was approximately \$22,251. A 100% valuation allowance has been established against the deferred tax asset, as the utilization of the loss carry-forwards cannot reasonably be assured.

A reconciliation between the income taxes computed in the United States is as follows:

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	December 31,	
	2010	
	\$	
United States federal income tax rate	15%	
Valuation allowance - US federal income tax	(15%)	
Provision for income tax	\$	0

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