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ANNUAL REPORT

For the Period ending December 31, 2010

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KELYNIAM GLOBAL, INCORPORATED
Condensed Balance Sheets (Unaudited)

	December 31, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ (26,923)	\$ 80,461
Accounts receivable	60,189	84,344
Provision for doubtful accounts	(3,000)	(2,000)
Inventory:		
Merchandise	33,431	43,354
Manufacturing	100,166	67,537
Note Receivable	<u>65,898</u>	<u>76,969</u>
Total Current Assets	229,761	350,665
Fixed assets, net of accumulated depreciation of \$315,276, and \$209,016 respectively	220,196	327,298
Building improvements, net of accumulated depreciation of \$847, and \$519 respectively	6,449	6,777
Other assets	<u>486</u>	<u>1,034</u>
TOTAL ASSETS	<u>\$ 456,892</u>	<u>\$ 685,774</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of notes payable	\$ 42,473	\$ 40,341
Accounts payable and accrued expenses	244,721	144,983
Current portion of loans payable – related parties	<u>--</u>	<u>60,000</u>
Total Current Liabilities	<u>287,194</u>	<u>245,324</u>
LONG-TERM LIABILITIES		
Notes payable, net of current portion	160,556	203,037
Loans payable – related parties, net of current portion	<u>2,360</u>	<u>81,533</u>
Total Long-Term Liabilities	<u>162,916</u>	<u>284,570</u>
TOTAL LIABILITIES	<u>450,110</u>	<u>529,894</u>
SHAREHOLDERS' EQUITY		
Common stock, \$.001 Par Value, 20,000,000 shares authorized 12,600,000 and 12,629,706 shares issued and outstanding respectively	759,144	597,114
Additional paid-in capital	346,270	346,270
Treasury Stock, at cost, 264,000 and 139,500 shares in 2010 and 2009, respectively	<u>(81,780)</u>	<u>(69,200)</u>
Stock Subscription Receivable	<u>(100,000)</u>	<u>(60,000)</u>
Retained deficit	<u>(916,852)</u>	<u>(658,304)</u>
TOTAL SHAREHOLDERS' EQUITY	<u>6,782</u>	<u>155,880</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 456,892</u>	<u>\$ 685,774</u>

Condensed Statements of Income (Loss)
(unaudited)

	For Year ended December 31,		
	2010	2009	2008
OPERATING REVENUES			
Revenues	\$ 201,019	\$ 273,377	\$ 451,274
Cost of revenue	<u>(117,231)</u>	<u>(103,398)</u>	<u>(148,815)</u>
Gross profit	83,788	169,979	302,459
OPERATING EXPENSES			
General, administrative and selling expenses	300,076	360,451	456,785
Professional fees	23,312	6,643	51,905
Total operating expenses	<u>323,388</u>	<u>367,094</u>	<u>508,690</u>
OPERATING LOSS	<u>(239,600)</u>	<u>(197,115)</u>	<u>(206,231)</u>
OTHER INCOME (EXPENSE)			
Interest expense (net)	<u>(17,050)</u>	<u>(18,374)</u>	<u>(14,086)</u>
Loss on sale of securities	<u> --</u>	<u> --</u>	<u> --</u>
Total other income (expense)	<u>(17,050)</u>	<u>(18,374)</u>	<u>(14,086)</u>
NET LOSS	<u>\$ (256,650)</u>	<u>\$ (215,489)</u>	<u>\$ (220,317)</u>
Other comprehensive loss:			
Unrealized loss on investment securities	<u> --</u>	<u> --</u>	<u> --</u>
Total comprehensive income (loss)	<u>\$ (256,650)</u>	<u>\$ (215,489)</u>	<u>\$ (220,317)</u>
Shares issued and outstanding:			
Basic	12,600,000	12,629,706	19,432,600
(Loss) available to common shareholders per share			
Basic	\$ (.020)	\$ (.017)	\$ (.011)

SHARESTRUCTURE STATEMENT FOR PERIOD ENDING DECEMBER 31, 2010

Authorized shares	20,000,000
Issued and Outstanding	12,600,000

SIGNATURES

Date: May 31, 2011

KELYNIAM GLOBAL, INC.

By: /s/ James Ketner

James Ketner
President/CEO/Chairman
Principal Financial Officer and Principal Accounting Officer