

NON-REPORTING COMPANY
RULE 15c2-11 CHECKLIST

August 22, 2011

(i) The exact name of the issuer and its predecessor (if any):

Name: MEDIA SENTIMENT, INC.

Predecessor Company: California News Tech

(ii) The address of its principal executive offices:

529 Buchanan Street

San Francisco, Ca 94102

(iii) The state of incorporation, if it is a corporation

Wyoming

(iv) The exact title and class of the security

Common stock

(v) The par or stated value of the security

0.00000001

(vi) The number of shares or total amount of the securities outstanding as of the end of the issuer's most recent fiscal year

Common stock: 7,408,715,440 shares

(vii) The name and address of the transfer agent

PACIFIC STOCK TRANSFER COMPANY

4045 South Spencer Street, Suite 403

Las Vegas NV 89119

TEL (702) 361-3033

FAX (702) 433-1979

(viii) The nature of the issuer's business

We own and operate an online news media analysis research service. The service is called Media Sentiment® and it measures the sentiment of earnings news release coverage, or what we refer to as Media Sentiment®. The central premise behind Media Sentiment® is that media reports about the American economy in general and about specific, publicly traded companies contain important information which can be quantified, graphed, and presented to our customers in a manner that helps them understand media sentiment in order to make more informed decisions related to it. This can benefit our customers as they interpret and track the potential impact of media sentiment on the overall financial markets and as it may affect particular companies.

(ix) The nature of products or services offered

We have developed and are currently offering a few versions of our product:

1. Media Sentiment[®] free version, accessible by internet customers on our web site at www.mediasentiment.com
2. Media Sentiment[®] free version, accessible by internet customers from their own products via an RSS feed
3. Media Sentiment[®] free version for individual alerts, accessible by users via other web sites that offer financial news and information, via distribution with a partner,
4. Media Sentiment[®] free version for individual alerts, accessible by users via their own e-mail programs by signing up to our free service at www.mediasentiment.com,
5. Media Sentiment Limits[™] free version which offers historical data for statistically significant stock price movement intervals accessible by internet customers on our web site at www.mediasentiment.com
6. Media Sentiment Limits[™] subscription version which offers real-time data for statistically significant stock price movement intervals accessible by internet customers on our web site at www.mediasentiment.com
7. Media Sentiment Limits[™] (free and subscription versions) integration with TD AMERITRADE where users with a TD AMERITRADE account receive free real-time quotes and charts that display the alerts on the chart for each of our Media Sentiment alert
8. Media Sentiment[™] integration with MetaStock, a Thompson Reuters product where users with subscriptions to MetaStock and to a Media Sentiment service receive our Media Sentiment alerts, both in real-time and historically, integrated into the MetaStock product.

(x) The nature and extent of the issuer's facilities

Our computer systems are comprised of equipment we have purchased in addition to equipment that we lease from our internet service providers, Godaddy.com, Inc.
We rent our office space from our President and CEO. Our main office is located at:
529 Buchanan Street, San Francisco, Ca

(xi) The name of the chief executive officer and members of the board of directors

Marian Munz is our chief executive officer and sole director

(xii) The issuer's most recent balance sheet and profit and loss and retained earnings statements

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Comparative Financial Statements

For the Six Months ended June 30, 2011 and 2010

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Table of Contents

June 30, 2011

Balance Sheets as of June 30, 2011 and 2010	F-1
Statements of Operations for the Three Months Ended June 30, 2011 and 2010	F-2
Statements of Operations for the Six Months Ended June 30, 2011 and 2010 and for the Period from October 1, 2009 (Inception of Development Stage) to June 30, 2011	F-3
Statement of Stockholders' Deficit as of June 30, 2011	F-4
Statements of Cash Flows for the Six Months Ended June 30, 2011 and 2010 and for the Period from October 1, 2009 (Inception of Development Stage) to June 30, 2011	F-5
Notes to Financial Statements	F-6 – F-9

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Balance Sheets

	June 30, 2011	June 30, 2010
ASSETS		
Current Assets		
Cash	\$ 24	\$ 408
Deposits	1,500	1,500
Total Current Assets	1,524	1,908
Fixed Assets		
Equipment	1,500	
Accumulated depreciation	(125)	
Total Fixed Assets	1,375	
TOTAL ASSETS	\$ 2,899	\$ 1,908
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	\$ 25,612	\$ 19,377
Accounts payable - related party	73,377	58,798
Notes payable	11,325	
Notes payable - related party	324,269	319,650
Total Current Liabilities	434,583	397,825
Stockholders' Deficit		
Common stock: 49,880,000,000 shares authorized, \$.0000001 par value; 5,098,715,440 shares issued and outstanding at June 30, 2011 3,715,440 shares, par value \$.001, issued and outstanding at June 30, 2010	8,774	3,715
Preferred A stock: 10,000,000 shares authorized, \$.0000001 par value, 2,000,000 shares issued and outstanding at June 30, 2011	0	
Preferred B stock: 90,000,000 shares authorized, \$.0000001 par value, 2,000,000 shares issued and outstanding at June 30, 2011	0	
Additional paid-in capital	1,988,305	1,982,005
Accumulated deficit	(2,428,763)	(2,381,637)
Total Stockholders' Deficit	(431,684)	(395,917)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 2,899	\$ 1,908

The accompanying notes are an integral part of the financial statements

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Statements of Operations

	Three Months Ended	
	June 30, 2011	June 30, 2010
Gross revenues	\$ 273	\$ 1,387
Operating expenses		
Sales and marketing expenses	1,500	168
Operating and administrative expenses	2,521	10,875
Depreciation and amortization	125	
Total operating expenses	4,146	11,043
Operating loss	(3,872)	(9,656)
Other income (expense)		
Interest and finance expense	(5,033)	(4,717)
Other		(7,500)
Total other income (expense)	(5,033)	(12,217)
Net Loss	\$ (8,906)	\$ (21,873)
Weighted average number of shares outstanding	5,098,715,440	3,715,440
Net income (loss) per share	\$ -	\$ -

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

F-2

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Statements of Operations

For the Six Months ended June 30, 2011 and 2010

For the Period from October 1, 2009 (Inception of Development Stage) to June 30, 2011

	Six months ended:		October 1, 2009
	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>Through June 30, 2011</u>
Gross revenues	\$ 534	\$ 2,717	\$ 5,506
Operating expenses			
Sales and marketing expenses	1,584	721	6,358
Operating and administrative expenses	2,521	12,855	43,023
Depreciation and amortization	125		125
Total operating expenses	<u>4,230</u>	<u>13,576</u>	<u>49,506</u>
Operating loss	(3,696)	(10,859)	(44,000)
Other income (expense)			
Interest and finance expense	(10,066)	(9,256)	(33,409)
Other	(800)	(8,300)	(15,188)
Total other income (expense)	<u>(10,866)</u>	<u>(17,556)</u>	<u>(48,597)</u>
Net Income (Loss)	\$ <u>(14,562)</u>	\$ <u>(28,415)</u>	\$ <u>(92,597)</u>
 Shares outstanding at end of period	 5,098,715,440	 3,715,440	 5,098,715,440
 Net income (loss) per share	 \$ <u>0</u>	 \$ <u>0</u>	 \$ <u>0</u>

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

F-3

MEDIA SENTIMENT, INC.

(A Development Stage Company)

**Statements of Statement of Shareholders' Deficit
For the Six Months ended June 30, 2011**

	<u>Common</u>		<u>Preferred A</u>		<u>Preferred B</u>		<u>Additional</u>	<u>Accumulated</u>	
	<u>Shares (000)</u>	<u>Amount</u>	<u>Shares (000)</u>	<u>Amount</u>	<u>Shares (000)</u>	<u>Amount</u>	<u>Paid-in Capital</u>	<u>Deficit</u>	<u>Total</u>
Beginning Balance December 31, 2010	7,408,715	\$ 8,789	2,000	\$	14,000	\$	\$ 1,982,005	\$ (2,414,200)	\$ (423,406)
Contribution to financing costs							6,309		6,309
Recission of purchase of FOTO Trust	(2,400,000)	(24)			(12,000)				(24)
Issue 90,000,000 shares of common stock	90,000	9					(9)		
Net loss six months ended June 30, 2011								(14,562)	(14,562)
Balance June 30, 2011	<u>5,098,715</u>	<u>\$ 8,774</u>	<u>2,000</u>	<u>\$</u>	<u>2,000</u>	<u>\$</u>	<u>\$ 1,988,305</u>	<u>\$ (2,428,762)</u>	<u>\$ (431,684)</u>

The accompanying notes are an integral part of the financial statement

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Statements of Cash Flows
For the Six Months ended June 30, 2011 and 2010

For the Period from October 1, 2009 (Inception of Development Stage) to June 30, 2011

	<u>Six months ended:</u>		<u>October 1, 2009</u>
	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>Through</u>
			<u>June 30, 2011</u>
Cash Flows from Operation Activities:			
Net income (loss) for the period	\$ (14,562)	\$ (28,415)	\$ (92,597)
Adjustments to Reconcile Net Loss to			
Cash used in Operating Activities:			
Depreciation and amortization	125	0	125
Changes in Asstes and Liabilities			
Decrease in accounts receivable	0	391	0
Decrease in deposits	0	(1,500)	(100)
Increase in accounts payable and accrued expenses	9,356	8,776	28,111
Net Cash Used in Operating Activities	<u>(5,081)</u>	<u>(20,747)</u>	<u>(64,461)</u>
Cash Flows from Investing Activities:			
Purchase of equipment	(1,500)		(1,500)
Investment in FOTO Trust			(24)
Recission of FOTO Trust investment	24		24
Net cash provided by Investing Activities	<u>(1,476)</u>		<u>(1,500)</u>
Cash Flows from Financing Activities:			
Proceeds from notes payable-related party	50	17,500	38,869
Proceeds from notes payable	0		11,325
Issuance of common stock	(24)	75	5,125
Contribution to financing costs	6,309		6,309
Additional paid-in capital		3,125	3,125
Issuance of preferred series A			
Issuance of preferred series B			
Net Cash Provided by Financing Activities	<u>6,335</u>	<u>20,700</u>	<u>64,753</u>
Net cash increase for the period	(222)	(47)	(1,209)
Cash - Beginning Balance	<u>246</u>	<u>455</u>	<u>1,232</u>
Cash - Ending Balance	<u>\$ 24</u>	<u>\$ 408</u>	<u>\$ 24</u>

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

F-5

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Notes to Financial Statements
June 30, 2011

Note 1. Description of Business

Media Sentiment Inc. (the Company) was incorporated during October 2006, under the laws of the State of Nevada, as a wholly owned subsidiary of California News Tech (CNT) to market the internet search tools developed by CNT. At this time, most of the assets of CNT were transferred to the Company.

On May 17, 2007, CNT completed a reverse merger with Debut Broadcasting Corporation, Inc., a Tennessee corporation (DBI) whereby it succeeded to the business of DBI and it changed its name to Debut Broadcasting Corporation, Inc. As a result of this merger, however, it was determined that the two business operations would be better served if operated and accounted for separately. Consequently, DBI's board of directors approved the distribution of all of its Media Sentiment shares to the CNT shareholders of record on April 20, 2007 on a pro-rata basis. DBI then, set aside all of its 3,640,440 outstanding shares of Media Sentiment for this purpose.

On August 23, 2010 the Company amended its Articles of Incorporation and filed its Amended Articles of Incorporation in Wyoming where the Company re-domiciled. The Amended Articles of Incorporation reduced the par value of all shares to .0000001. The Company is authorized to issue 49,880,000,000 shares of common stock, 10,000,000 shares of Preferred Stock Series A, 90,000,000 shares of Preferred Stock Series B, and 20,000,000 shares of Preferred Stock Series C.

Note 2. Summary of Significant Accounting Policies

Development Stage Company

The Company is considered to be a development stage company. A development stage company is one in which planned principal operations have not commenced or if its operations have commenced, there

have been no significant revenues there from. The Company has transitioned to development stage as of October 1, 2009.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and could affect future operating results.

Equipment

Equipment is recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives of three to five years. The straight-line method of depreciation is also used for income tax purposes.

F-6

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Notes to Financial Statements
June 30, 2011

Note 2. Summary of Significant Accounting Policies (Continued)

Impairment of Long-Lived Assets

The Company evaluates the recoverability of its equipment, product and website development costs and recognizes the impairment of long-lived assets in the event the net book value of such assets exceeds net realizable value. The Company evaluates asset recoverability at each balance sheet date or when an event occurs that may impair recoverability of the assets.

Revenue Recognition

The Company recognizes net revenue when the earnings process is complete, as evidenced by:

- an agreement with the customer;
- delivery to and acceptance of the product by the customer has occurred;
- the amount of the fees to be paid by the customer are fixed or determinable; and
- collection of these fees is probable.

If an acceptance period is contractually provided, license revenues are recognized upon the earlier of customer acceptance or the expiration of that period. In instances where delivery is electronic and all other criteria for revenue recognition have been achieved, the product is considered to have been delivered when the customer is provided the access code to download the software from the Internet.

Because of possible price fluctuations or technology obsolescence, subscription revenue will be deferred and recorded on a monthly basis as earned. Delivery, selling or other costs billed to the customers is included in net revenue and the related delivery, selling or other costs is included in the cost of selling subscriptions.

Product Development

Where there is reasonable assurance of recovery, development costs are capitalized. Capitalization of costs ceases when the product is available for general release to customers. Annual amortization of capitalized costs is the greater of amortization computed using the straight-line method over the remaining estimated economic life of the product or computed using the ratio of the product's current and anticipated future gross revenue.

Stock-based Compensation Plans

The Company has no stock-based compensation plans.

Financial Reporting

The Company's financial statements have been prepared, without audit, in accordance with generally accepted accounting principles and are consistent with the presentation and disclosures in the audited financial statements and notes thereto for the year ended December 31, 2009.

F-7

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Notes to Financial Statements
June 30, 2011

Note 2. Summary of Significant Accounting Policies (Continued)

Income Taxes and Deferred Taxes

The Company utilizes the liability method of accounting for income taxes. Deferred tax liabilities or assets are recognized for the expected future tax consequences of temporary differences between the book and tax bases of assets and liabilities. The Company regularly assesses the likelihood that the deferred tax assets will be recovered from future taxable income, and a valuation allowance is recorded to reduce the deferred tax assets to the amounts that are believed to be realizable.

A full valuation allowance on any future tax benefits is being provided until the Company can sustain a level of profitability that demonstrates the ability to utilize these assets.

Basic and Fully-diluted Loss per Common Share

Net loss per common share is based on the weighted average number of shares outstanding during the year. Fully-diluted net loss per common share is not reported because, under current conditions, the loss per share is anti-dilutive.

Certain Significant Risks and Uncertainties

The Company participates in the high technology industry and believes that changes in any of the following areas could have a material adverse effect on the Company's future financial position, results of operations or cash flows: advances and trends in new technologies; competitive pressures in the form of price reductions; market acceptance of the Company's services; development of sales channels; litigation or claims against the Company based on intellectual property, regulatory or other factors.

Note 3. Going Concern and Liquidity

Without raising additional capital the Company may not be able to continue operations. Historically, the Company has incurred significant losses and negative cash flows from operations. As of June 30, 2011, the accumulated deficit was \$ 2,428,762 and the negative working capital was \$ 433,058. The negative working capital includes \$ 324,268 in current notes payable and \$73,377 in accrued expenses owed to related parties. The Company plans to fund operations through private placements and a public offering. There is no assurance that these sources of capital will available to the Company in the future.

Note 4. Notes Payable to Related Parties

The notes payable of \$324,268 at June 30, 2011 and \$ 319,650 at June 30, 2010 are due to an officer and director of the Company, Marian Munz and his wife Tunde Munz. These notes are convertible, at the option of the note holder, into common and preferred shares of Media Sentiment, Inc on a non-dilutive basis, subject to adjustment for splits and reverse splits.

F-8

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Notes to Financial Statements

June 30, 2011

Note 5. Common and Preferred Stock

At June 30, 2011, the Company's authorized share capital consists of 50,000,000,000 shares at \$0.0000001 par value. At June 30, 2011 there were 5,098,715,440 common shares, 2,000,000 preference A

shares issued and outstanding and 2,000,000 preference B shares issued and outstanding. At June 30, 2010 there were 3,715,440, par value \$.001, common shares and no preference shares issued and outstanding.

Each Preference A share converts to common shares in a ratio of 4 times (o/s common shares + o/s series B shares + o/s series C shares) divided by o/s series A shares and votes by common equivalents. Preference B converts to common at a price of \$2.50 and a rate of 2,500 shares of common for each share of preference B stock and includes a liquidation premium of \$1.00 per share plus all unpaid dividends, dilution protection, and votes as ten shares of common stock. Preference C converts to 500 shares of common stock and includes liquidation rights of \$1.00 per share plus unpaid dividends and provides dilution protection.

Note 6. Commitments and Contingencies

The Company has no contractual commitments.

Note 7. Income Taxes

The tax effect of significant temporary differences representing future tax assets and future tax liabilities has been fully offset by a valuation allowance. The Company has determined that realization is uncertain and therefore a valuation allowance has been recorded against this future income tax asset.

As of December 31, 2010, the Company had a net operating loss carry-forward for U.S. federal income tax purposes of approximately \$ 719,000. The federal net operating loss carry-forward, if not utilized, will expire in 2027.

Note 8. Purchase of FOTO Trust.

On October 18, 2010 the Company acquired all the outstanding shares of beneficial interest in FOTO Trust, a California business trust, in exchange for 2,400,000,000 shares of common stock and 12,000,000 shares of Series B preferred stock in Media Sentiment Inc.

On June 30, 2011 the Company has notified the Financial Consultants who organized the purchase of the FOTO Trust that it is rescinding the purchase acquisition.

Note 9. Subsequent Events.

There were no material financial events during the period from July 1, 2011 through August 13, 2011.

- (xiii) **Similar financial information for such part of the 2 preceding fiscal years as the issuer or its predecessor has been in existence**

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Comparative Financial Statements

For the Year ended December 31, 2010 and 2009

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Table of Contents

December 31, 2010

Balance Sheets as of December 31, 2010 (unaudited) and December 31, 2009 (audited)	F-1
Statements of Operations for the Twelve Months Ended December 31, 2010 (unaudited) and 2009 (audited) and for the Period from October 1, 2009 (Inception of Development Stage) to December 31, 2010 (unaudited)	F-3
Statement of Stockholders' Deficit as of December 31, 2010 (unaudited)	F-4
Statements of Cash Flows for the Twelve Months Ended December 31, 2010 (unaudited) and 2009 (audited) and for the Period from October 1, 2009 (Inception of Development Stage) to December 31, 2010 (unaudited)	F-5
Notes to Financial Statements	F-6 – F-9

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Balance Sheets

	December 31, 2010 (unaudited)	December 31, 2009 (audited)
ASSETS		
Current Assets		
Cash	\$ 245	\$ 456
Accounts receivable		391
Deposits	1,500	
Other assets	24	
Total Current Assets	<u>1,770</u>	<u>847</u>
TOTAL ASSETS	<u>\$ 1,770</u>	<u>\$ 847</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	\$ 21,119	\$ 19,856
Accounts payable - related party	68,514	49,543
Notes payable	11,325	
Notes payable - related party	324,219	302,150
Total Current Liabilities	<u>425,176</u>	<u>371,549</u>
Stockholders' Deficit		
Common stock: 49,880,000,000 shares \$.0000001 par value; 7,408,715,440 shares issued and outstanding at December 31, 3,640,440 shares, par value \$.001, issued and outstanding at December 31, 2009	8,790	3,640
Preferred A stock: 10,000,000 shares authorized, \$.0000001 par value, 2,000,000 shares issued and outstanding at December 31, 2010.	0	
Preferred B stock: 90,000,000 shares \$.0000001 par value, 14,000,000 shares and outstanding at December 31, 2010	0	
Additional paid-in capital	1,982,004	1,978,880
Accumulated deficit	<u>(2,414,200)</u>	<u>(2,353,222)</u>
Total Stockholders' Deficit	<u>(423,406)</u>	<u>(370,702)</u>
TOTAL LIABILITIES AND STOCKHOLDERS'	<u>\$ 1,770</u>	<u>\$ 847</u>

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

MEDIA SENTIMENT, INC.
(A Development Stage Company)

Statements of Operations
(unaudited)

	Six Months Ended	
	December 31, 2010	December 31, 2009
Gross revenues	\$ 577	\$ 3,029
Operating expenses		
Sales and marketing expenses	2,835	1,632
Operating and administrative expenses	17,003	20,692
Total operating expenses	11,043	22,324
Operating loss	(19,260)	(19,295)
Other income (expense)		
Forgiveness of debt	0	13,685
Interest and finance expense	(9,715)	(8,571)
Other	(3,588)	(2,500)
Total other income (expense)	(13,303)	2,613
Net Income (Loss)	\$ (32,563)	\$ (16,681)
Weighted average number of shares outstanding	7,408,715,440	3,640,440
Net income (loss) per share	\$ -	\$ -

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

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Statements of Operations

For the Twelve Months ended December 31, 2010 and 2009

For the Period from October 1, 2009 (Inception of Development Stage) to December 31, 2010

	<u>Twelve months ended:</u>		<u>October 1, 2009</u>
	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>Through</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>December 31, 2010</u>
			<u>(unaudited)</u>
Gross revenues	\$ 3,295	\$ 6,336	\$ 4,972
Operating expenses			
Sales and marketing expenses	3,556	2,015	4,775
Operating and administrative expenses	<u>29,858</u>	<u>37,085</u>	<u>40,502</u>
Total operating expenses	33,414	39,100	45,277
Operating loss	(30,119)	(32,764)	(40,305)
Other income (expense)			
Forgiveness of debt	0	52,825	0
Interest and finance expense	(18,971)	(19,442)	(23,342)
Other	<u>(11,888)</u>	<u>(3,300)</u>	<u>(14,388)</u>
Total other income (expense)	(30,859)	30,083	(37,730)
Net Income (Loss)	\$ <u><u>(60,978)</u></u>	\$ <u><u>(2,681)</u></u>	\$ <u><u>(78,035)</u></u>
Shares outstanding at end of period	7,408,715,440	3,640,440	7,408,715,440
Net income (loss) per share	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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

MEDIA SENTIMENT, INC.

(A Development Stage Company)

**Statements of Statement of Shareholders' Deficit
For the Twelve Months ended December 31, 2010 (unaudited)**

	<u>Common</u>		<u>Preferred A</u>		<u>Preferred B</u>		<u>Additional</u>	<u>Accumulated</u>	
	<u>Shares (000)</u>	<u>Amount</u>	<u>Shares (000)</u>	<u>Amount</u>	<u>Shares (000)</u>	<u>Amount</u>	<u>Paid-in Capital</u>	<u>Deficit</u>	<u>Total</u>
Beginning Balance December 31, 2009	3,640	\$ 3,640		\$		\$	\$ 1,978,880	\$ (2,353,222)	\$ (370,702)
Issue 5,075,000 shares of .001 par value common stock	5,075	5,075					3,125		8,200
Issue 9,000,000,000 shares of par value \$.0000001 stock	5,000,000	50	2,000		2,000				50
Purchase 1,200,000 shares of beneficial interest in FOTO Trus	2,400,000	24			12,000				24
Net loss year ended December 31, 2010								(60,978)	(60,978)
Balance December 31, 2010	<u>7,408,715</u>	<u>\$ 8,765</u>	<u>2,000</u>	<u>\$ 0.00</u>	<u>14,000</u>	<u>\$</u>	<u>\$ 1,982,005</u>	<u>\$ (2,414,200)</u>	<u>\$ (423,406)</u>

The accompanying notes are an integral part of the financial statement

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Statements of Cash Flows

For the Twelve Months ended December 31, 2010 and 2009 (audited)

For the Period from October 1, 2009 (Inception of Development Stage) to December 31, 2010

	Twelve months ended:		October 1, 2009
	December 31, 2010	December 31, 2009	Through
	(unaudited)	(audited)	December 31, 2010
			(unaudited)
Cash Flows from Operation Activities:			
Net income (loss) for the period	\$ (60,978)	\$ (2,681)	\$ (78,034)
Adjustments to Reconcile Net Loss to			
Cash used in Operating Activities:			
Depreciation and amortization	0	0	0
Changes in Asstes and Liabilities			
Decrease in accounts receivable	391	(391)	0
Decrease in deposits	(1,500)	1,400	(100)
Increase in accounts payable and accrued expenses	20,233	(52,137)	18,754
Net Cash Used in Operasting Activities	(41,853)	(53,810)	(59,380)
Cash Flows from Investing Activities:			
Investment in FOTO Trust	(24)		(24)
Net cash provided by Investing Activities	(24)		(24)
Cash Flows from Financing Activities:			
Proceeds from notes payable-related party	22,068	48,150	38,819
Proceeds from notes payable	11,325		11,325
Issuance of common stock	8,274		8,274
Issuance of preferred series A			
Issuance of preferred series B			
Net Cash Provided by Financing Activities	41,667	48,150	58,418
Net cash increase for the period	(210)	(5,660)	(986)
Cash - Beginning Balance	456	6,115	1,232
Cash - Ending Balance	\$ 245	\$ 456	\$ 245

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

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Notes to Financial Statements
December 31, 2010

Note 1. Description of Business

Media Sentiment Inc. (the Company) was incorporated during October 2006, under the laws of the State of Nevada, as a wholly owned subsidiary of California News Tech (CNT) to market the internet search tools developed by CNT. At this time, most of the assets of CNT were transferred to the Company.

On May 17, 2007, CNT completed a reverse merger with Debut Broadcasting Corporation, Inc., a Tennessee corporation (DBI) whereby it succeeded to the business of DBI and it changed its name to Debut Broadcasting Corporation, Inc. As a result of this merger, however, it was determined that the two business operations would be better served if operated and accounted for separately. Consequently, DBI's board of directors approved the distribution of all of its Media Sentiment shares to the CNT shareholders of record on April 20, 2007 on a pro-rata basis. DBI then, set aside all of its 3,640,440 outstanding shares of Media Sentiment for this purpose.

On August 23, 2010 the Company amended its Articles of Incorporation and filed its Amended Articles of Incorporation in Wyoming where the Company re-domiciled. The Amended Articles of Incorporation reduced the par value of all shares to .0000001. The Company is authorized to issue 49,880,000,000 shares of common stock, 10,000,000 shares of Preferred Stock Series A, 90,000,000 shares of Preferred Stock Series B, and 20,000,000 shares of Preferred Stock Series C.

Note 2. Summary of Significant Accounting Policies

Development Stage Company

The Company is considered to be a development stage company. A development stage company is one in which planned principal operations have not commenced or if its operations have commenced, there have been no significant revenues there from. The Company has transitioned to development stage as of October 1, 2009.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and could affect future operating results.

Equipment

Equipment is recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives of three to five years. The straight-line method of depreciation is also used for income tax purposes.

F-6

MEDIA SENTIMENT, INC.

(A Development Stage Company)

Notes to Financial Statements

December 31, 2010

Note 2. Summary of Significant Accounting Policies (Continued)

Impairment of Long-Lived Assets

The Company evaluates the recoverability of its equipment, product and website development costs

and recognizes the impairment of long-lived assets in the event the net book value of such assets exceeds net realizable value. The Company evaluates asset recoverability at each balance sheet date or when an event occurs that may impair recoverability of the assets.

Revenue Recognition

The Company recognizes net revenue when the earnings process is complete, as evidenced by:

- an agreement with the customer;
- delivery to and acceptance of the product by the customer has occurred;
- the amount of the fees to be paid by the customer are fixed or determinable; and
- collection of these fees is probable.

If an acceptance period is contractually provided, license revenues are recognized upon the earlier of customer acceptance or the expiration of that period. In instances where delivery is electronic and all other criteria for revenue recognition have been achieved, the product is considered to have been delivered when the customer is provided the access code to download the software from the Internet.

Because of possible price fluctuations or technology obsolescence, subscription revenue will be deferred and recorded on a monthly basis as earned. Delivery, selling or other costs billed to the customers is included in net revenue and the related delivery, selling or other costs is included in the cost of selling subscriptions.

Product Development

Where there is reasonable assurance of recovery, development costs are capitalized. Capitalization of costs ceases when the product is available for general release to customers. Annual amortization of capitalized costs is the greater of amortization computed using the straight-line method over the remaining estimated economic life of the product or computed using the ratio of the product's current and anticipated future gross revenue.

Stock-based Compensation Plans

The Company has no stock-based compensation plans.

MEDIA SENTIMENT, INC.
(A Development Stage Company)
Notes to Financial Statements
December 31, 2010

Note 2. Summary of Significant Accounting Policies (Continued)

Financial Reporting

The Company's financial statements have been prepared, without audit, in accordance with generally accepted accounting principles and are consistent with the presentation and disclosures in the audited financial statements and notes thereto for the year ended December 31, 2009.

Income Taxes and Deferred Taxes

The Company utilizes the liability method of accounting for income taxes. Deferred tax liabilities or assets are recognized for the expected future tax consequences of temporary differences between the book and tax bases of assets and liabilities. The Company regularly assesses the likelihood that the deferred tax assets will be recovered from future taxable income, and a valuation allowance is recorded to reduce the deferred tax assets to the amounts that are believed to be realizable.

A full valuation allowance on any future tax benefits is being provided until the Company can sustain a level of profitability that demonstrates the ability to utilize these assets.

Basic and Fully-diluted Loss per Common Share

Net loss per common share is based on the weighted average number of shares outstanding during the year. Fully-diluted net loss per common share is not reported because, under current conditions, the loss per share is anti-dilutive.

Certain Significant Risks and Uncertainties

The Company participates in the high technology industry and believes that changes in any of the following areas could have a material adverse effect on the Company's future financial position, results of operations or cash flows: advances and trends in new technologies; competitive pressures in the form of price reductions; market acceptance of the Company's services; development of sales channels; litigation or claims against the Company based on intellectual property, regulatory or other factors.

Note 3. Going Concern and Liquidity

Without raising additional capital the Company may not be able to continue operations. Historically, the Company has incurred significant losses and negative cash flows from operations. As of December 31, 2010, the accumulated deficit was \$ 2,414,200 and the negative working capital was \$ 423,430. The negative working capital includes \$ 324,219 in current notes payable and \$68,514 in accrued expenses owed to related parties. The Company plans to fund operations through private placements and a public offering. There is no assurance that these sources of capital will be available to the Company in the future.

(A Development Stage Company)

Notes to Financial Statements

December 31, 2010

Note 4. Notes Payable to Related Parties

The notes payable of \$324,219 at December 31, 2010 and \$ 302,150 at December 31, 2009 are due to an officer and director of the Company, Marian Munz and his wife Tunde Munz. These notes are convertible, at the option of the note holder, into common and preferred shares of Media Sentiment, Inc on a non-dilutive basis, subject to adjustment for splits and reverse splits.

Note 5. Common and Preferred Stock

At December 31, 2010, the Company's authorized share capital consists of 50,000,000,000 shares at \$0.0000001 par value. At December 31, 2010 there were 7,408,715,440 common shares, 2,000,000 preference A shares issued and outstanding and 14,000,000 preference B shares issued and outstanding. At December 31, 2009 there were 3,640,440 common shares and no preference shares issued and outstanding.

Preference A converts to common at a price of \$1.00 in a ratio of $4(o/s \text{ common} + o/s \text{ series B} + o/s \text{ series C}) / (o/s \text{ series B} + o/s \text{ series C})$ and votes by common equivalents. Preference B converts to common at a price of \$2.50 and a rate of 2,500,00 shares of common for each share of preference B stock and includes a liquidation premium of \$1.00 per share plus all unpaid dividends, dilution protection, and votes as ten shares of common stock. Preference C converts to 500 shares of common stock and includes liquidation rights of \$1.00 per share plus unpaid dividends and provides dilution protection.

Note 6. Commitments and Contingencies

The Company has no contractual commitments.

Note 7. Income Taxes

The tax effect of significant temporary differences representing future tax assets and future tax liabilities has been fully offset by a valuation allowance. The Company has determined that realization is uncertain and therefore a valuation allowance has been recorded against this future income tax asset.

As of December 31, 2010, the Company had a net operating loss carry-forward for U.S. federal income tax purposes of approximately \$ 719,000. The federal net operating loss carry-forward, if not utilized, will expire in 2027.

Note 8. Purchase of FOTO Trust.

On October 18, 2010 the Company acquired all the outstanding shares of beneficial interest in FOTO Trust, a California business trust, in exchange for 2,400,000,000 shares of common stock and 12,000,000 shares of Series B preferred stock in Media Sentiment Inc.

Note 9. Subsequent Events

On June 30, 2011 the Company has notified the Financial Consultants who organized the purchase of the FOTO Trust that it is rescinding the purchase acquisition.

Report of Independent Registered Public Accounting Firm

To the Board of Directors of
Media Sentiment, Inc.
San Francisco, California

We have audited the accompanying balance sheet of Media Sentiment, Inc. (the "Company") as of December 31, 2009 and 2008, and the related statements of operations, stockholder's deficit, and cash flows for the periods then ended and the period from October 1, 2009 (inception of development stage) through December 31, 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 audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Media Sentiment, Inc. as of December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended and for the period from October 1, 2009 (inception of development stage) through December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has negative working capital, has received limited revenue from sales of products or services, and has incurred losses from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans with regard to these matters are described in Note 3. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Silberstein Ungar, PLLC
Bingham Farms, Michigan
April 15, 2010

F-1

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS
AS OF DECEMBER 31, 2009 AND 2008

	December 31, 2009	December 31, 2008
ASSETS		
Current Assets		
Cash	\$ 455	\$ 6,115
Accounts receivable	391	0
Prepaid expenses	0	1,400
Total Current Assets	846	7,515
TOTAL ASSETS	\$ 846	\$ 7,515
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	\$ 19,856	\$ 58,025
Accounts payable – related party	49,543	63,511
Notes payable – related party	302,150	254,000
Total Current Liabilities	371,549	375,536
Stockholders' Deficit		
Common stock: 100,000,000 shares authorized; \$.001 par value; 3,640,440 shares issued and outstanding	3,640	3,640
Additional paid-in capital	1,978,880	1,978,880
Accumulated deficit	(2,353,223)	(2,350,541)
Total Stockholders' Deficit	(370,703)	(368,021)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 846	\$ 7,515

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

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
PERIOD FROM OCTOBER 1, 2009 (INCEPTION OF DEVELOPMENT STAGE) TO DECEMBER 31,
2009

	December 31, 2009	December 31, 2008	From October 1, 2009 (Inception of development stage) to December 31, 2009
REVENUES	\$ 6,336	\$ 16,883	\$ 1,677
OPERATING EXPENSES			
Sales and marketing expenses	2,015	2,161	1,219
Operating and administrative expenses	39,585	158,752	13,143
TOTAL OPERATING EXPENSES	41,600	160,913	14,362
OPERATING LOSS	(35,264)	(144,030)	(12,685)
OTHER INCOME (EXPENSE)			
Forgiveness of debt	52,825	10,000	0
Interest and Taxes	(20,243)	0	(4,372)
TOTAL OTHER INCOME (EXPENSE)	32,582	10,000	(4,372)
NET LOSS	\$ (2,682)	\$ (134,030)	\$ (17,057)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING: BASIC AND DILUTED	3,640,440	3,640,440	
NET LOSS PER SHARE: BASIC AND DILUTED	\$ (0.00)	\$ (0.04)	

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

F-3

[Table of Contents](#)

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' DEFICIT
AS OF DECEMBER 31, 2009

	Common Stock		Additional Accumulated		
	Shares	Amount	Paid in Capital	Deficit	Total
Balance, December 31, 2007	3,640,440	\$ 3,640	\$ 1,978,880	\$ (2,216,511)	\$ (233,991)
Net loss for the year ended December 31, 2008	-	-	-	(134,030)	(134,030)
Balance, December 31, 2008	3,640,440	3,640	1,978,880	(2,350,541)	(368,021)
Net loss for the year ended December 31, 2009	-	-	-	(2,682)	(2,682)
Balance, December 31, 2009	3,640,440	\$ 3,640	\$ 1,978,880	\$ (2,353,223)	\$ (370,703)

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

F-4

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
PERIOD FROM OCTOBER 1, 2009 (INCEPTION OF DEVELOPMENT STAGE) TO DECEMBER 31,
2009

	December 31, 2009	December 31, 2008	From October 1, 2009 (Inception of development stage) to December 31, 2009
Cash Flows from Operating Activities:			
Net loss for the period	\$ (2,682)	\$ (134,030)	\$ (17,057)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Depreciation and amortization	0	0	0
Changes in Assets and Liabilities			
(Increase) decrease in accounts receivable	(391)	32,000	(391)
Decrease in prepaid expenses	1,400	2,400	1,400
(Decrease) in accounts payable and accrued expenses	(38,169)	(12,969)	(5,851)
Increase (decrease) in accounts payable – related party	(13,968)	5,293	4,372
Cash Used in Operating Activities	(53,810)	(107,306)	(17,527)
Cash Flows from Financing Activities:			
Proceeds from notes payable-related party	48,150	106,000	16,750
Net Cash from Financing Activities:	48,150	106,000	16,750
Net Decrease in Cash	(5,660)	(1,306)	(777)
Cash – Beginning Balance	6,115	7,421	1,232
Cash – Ending Balance	\$ 455	\$ 6,115	\$ 455
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid for interest	\$ 0	\$ 0	\$ 0
Cash paid for taxes	\$ 0	\$ 0	\$ 0

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

F-5

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

Note 1 – Description of Business

Media Sentiment Inc. (the Company) was incorporated during October 2006, under the laws of the State of Nevada, as a wholly owned subsidiary of California News Tech (CNT) to market the internet search tools developed by CNT. At this time, most of the assets of CNT were transferred to the Company.

On May 17, 2007, CNT completed a reverse merger with Debut Broadcasting Corporation, Inc., a Tennessee corporation (DBI) whereby it succeeded to the business of DBI and it changed its name to Debut Broadcasting Corporation, Inc. As a result of this merger, however, it was determined that the two business operations would be better served if operated and accounted for separately. Consequently, DBI's board of directors approved the distribution of all of its Media Sentiment shares to the CNT shareholders of record on April 20, 2007 on a pro-rata basis. DBI then, set aside all of its 3,640,440 outstanding shares of Media Sentiment for this purpose.

Note 2 – Summary of Significant Accounting Policies

Development Stage Company

The Company is considered to be a development stage company. A development-stage company is one in which planned principal operations have not commenced or if its operations have commenced, there has been no significant revenues there from. The Company has transitioned to development stage as of October 1, 2009.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and could affect future operating results.

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

Accounting Basis

The Company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America ("GAAP" accounting). The Company has adopted a December 31 fiscal year end.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less to be cash equivalents. At December 31, 2009 and 2008 the Company had \$455 and \$6,115 of cash.

F-6

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

Note 2 – Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, accounts payable to a related party, and notes payable to a related party. The carrying amount of

these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

Equipment

Equipment is recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives of three to five years. The straight-line method of depreciation is also used for income tax purposes.

Impairment of Long-Lived Assets

The Company evaluates the recoverability of its equipment, product and website development costs and recognizes the impairment of long-lived assets in the event the net book value of such assets exceeds net realizable value. The Company evaluates asset recoverability at each balance sheet date or when an event occurs that may impair recoverability of the asset.

Product Development

Where there is reasonable assurance of recovery, development costs are capitalized. Capitalization of costs ceases when the product is available for general release to customers. Annual amortization of capitalized costs is the greater of amortization computed using the straight-line method over the remaining estimated economic life of the product or computed using the ratio of the product's current and anticipated future gross revenue.

Advertising Costs

The Company's policy regarding advertising is to expense advertising when incurred. The Company incurred advertising expense of \$0 and \$0 during the periods ended December 31, 2009 and 2008, respectively.

Revenue Recognition

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Stock-Based Compensation

Stock-based compensation is accounted for at fair value in accordance with SFAS No. 123 and 123 (R) (ASC 718). To date, the Company has not adopted a stock option plan and has not granted any stock options.

As of December 31, 2009, the Company has not issued any stock-based payments to its employees.

F-7

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

Note 2 – Summary of Significant Accounting Policies (Continued)

Income Taxes

Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

Dividends

The Company has not adopted any policy regarding payment of dividends. No dividends have been paid during any of the periods shown.

Basic Income (Loss) Per Share

Basic income (loss) per share is calculated by dividing the Company's net loss applicable to common shareholders by the weighted average number of common shares during the period. Diluted earnings per share is calculated by dividing the Company's net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. There are no such common stock equivalents outstanding as of December 31, 2009.

Certain Significant Risks and Uncertainties

The Company participates in the high technology industry and believes that changes in any of the following areas could have a material adverse effect on the Company's future financial position, results of operations or cash flows: advances and trends in new technologies; competitive pressures in the form of price reductions; market acceptance of the Company's services; development of sales channels; litigation or claims against the Company based on intellectual property, regulatory or other factors.

Recent Accounting Pronouncements

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flow.

Note 3 – Going Concern and Liquidity

Without raising additional capital the Company will not continue operations. Historically, the Company has incurred significant losses and negative cash flows from operations. As of December 31, 2009, the accumulated deficit was \$ 2,353,223 and the negative working capital was \$ 370,203. The negative working capital includes \$ 302,150 in current notes payable owed to related parties. The Company plans to fund operations through private placements and a public offering. There is no assurance that these sources of capital will available to the Company in the future.

F-8

MEDIA SENTIMENT, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

Note 4 – Notes Payable to Related Parties

The notes payable of \$302,150 at December 31, 2009 and \$ 254,000 at December 31, 2008 are due to an officer and director of the Company, Marian Munz and his wife Tunde Munz. These notes are convertible, at the option of the note holder, into common and preferred shares of Media Sentiment, Inc at a price of \$0.01 per share, subject to adjustment for splits and reverse splits. The notes were amended as of January 1, 2009 to bear 6% interest instead of the previous rate of 10%. Total accrued interest at December 31, 2009 was \$49,543.

Note 5 – Common and Preferred Stock

At December 31, 2009, the Company's authorized share capital consists of 100,000,000 shares at \$0.001 par value and 10,000,000 at \$0.001 par value preference shares authorized. At December 31, 2009 there were 3,640,440 common shares and no preference shares issued and outstanding.

Note 6 – Commitments and Contingencies

Media Sentiment neither owns nor leases any real or personal property. The Company terminated its office lease as of December 1, 2009. From that date forward an officer has provided office services without charge. There is no obligation for the officer to continue this arrangement. Such costs are immaterial to the financial statements and accordingly are not reflected herein. The officers and directors are involved in other business activities and most likely will become involved in other business activities in the future.

Note 7 – Income Taxes

For the period ended December 31, 2009, the Company has incurred net losses 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 \$658,500 at December 31, 2009, and will expire beginning in the year 2027.

The cumulative tax effect at the expected rate of 34% of significant items comprising our net deferred tax amount is as follows at December 31:

	<u>2009</u>	<u>2008</u>
Deferred tax asset attributable to:		
Net operating loss carryover	\$ 223,890	\$ 223,040
Valuation allowance	(223,890)	(223,040)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Note 8 – Subsequent Events

The Company has analyzed its operations subsequent to December 31, 2009 through the date these financial statements were filed with the Securities and Exchange Commission and has determined that it does not have any material subsequent events to disclose.