THE MOVIE STUDIO, INC.
Financial Statements
As of September 30, 2015 and 2014 (unaudited)

The Movie Studio, Inc.

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ACCOUNTANTS COMPILATION REPORT

To the Board of Directors and Stockholders' of
The Movie Studio, Inc.
Hollywood, Florida

I have compiled the accompanying balance sheets of The Movie Studio, Inc. as of October 31st 2015 and 2014, and the related statements of operations, changes in stockholders' deficit and cash flows for the years then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. I am not independent with respect to The Movie Studio, Inc.

/S/ Monte C. Waldman, CPA
February 9, 2016

	THE MOVIE STUDIO, INC.						
	(FORMERLY DESTINATION TELEVISION, INC)						
	Consolidated Balance Sheets						
				For The Twelve Months Ended			
				31-Oct-15		**31-Oct-14**	
Current assets							
	Cash			$ 21,414		$ 1,360	
	Accounts receivable			-		-	
Fixed assets							
	Property, plant and equipment			76,820		76,820	
	less: accumulaed depreciation			(76,820)		(76,820)	
	net property, plant and equipment			-		-	
Intellectual property							
	Intellectual property and equipment			-		-	
Other assets							
	Capitalized amortizable intangible assets			722,949		602,824	
		Total assets		744,362		604,184	
Liabilities and stockholders' deficiency							
Current liabilities							
	Payroll taxes payable			$ -		$ -	
	Accounts payable			13,000		5,000	
	Officer's salary payable			50,636		840,189	
		Total current liabilities		63,636		845,189	
Long term liabilities							
	KGH Loan Payable			1,762,500		-	
	Loan from VCP, LLC			-		-	
		Total long term liabilities		1,762,500		845,189	
Stockholders' deficiency							
Preferred stock, Series A, 5,750,000 convertible, $.0001 par value;				575		666,575	
5,750,000 authorized, issued and outstanding at October 31,							
2014 and 2015, respectively							
Common stock, $0.0001 par value; 750,000,000 shares authorized				25,688		23,600	
236,000,000 (par value $0.0001) and 25,687,955 shares issued							
and outstanding at October 31, 2014 and 2015, respectively							
Additional paid in capital				8,523,910		8,389,262	
Accumulated deficit				(9,631,947)		(9,320,443)	
Total stockholders' deficiency				(1,081,774)		(241,006)	
Total liabilities and stockholders' deficiency				744,362		604,184	
	The accompanying footnotes are an integral part of these financial statements.						
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THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Consolidated Statements of Operations

	For The Twelve Months Ended	
	31-Oct-15	**31-Oct-14**
Gross Sales	$ 34,593	$ 31,679
Expenses:		
General and administrative expenses	346,097	269,316
Consulting	-	-
Interest expense	-	-
Total expenses	346,097	269,316
Net loss before income taxes	$ (311,504)	$ (237,637)
Basic and diluted loss per share:		
Basic and diluted loss per share:	$ (0.02)	$ (0.002)
Weighted average number of common shares outstanding, basic and fully diluted.	14,513,321	203,572,534

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

THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Statement of Cash Flows

	For The Twelve Months Ended 31-Oct-15	31-Oct-14
Cash flows from operating activities:		
Net loss	$ (311,504)	$ (237,637)
Adjustment to reconcile net loss net cash used by operating activities:		
Depreciation and amortization	-	-
Changes in operating assets and liabilities:		
Increase in accounts payable	8,000	5,000
Increase in officer's salary payable	222,335	83,983
Increase (Decrease) in payroll taxes payable	-	(412,515)
Net cash used in operating activities	$ (81,169)	$ (561,169)
Cash flows from investing activities:		
Increase in VCP III - Motion Picture in Process	(120,125)	(73,545)
Increase in Intellectual Property	(1,917,500)	2,190
Net cash used in operating activities	(2,037,625)	(71,355)
Cash flows from financing activities:		
Due to Officer's Salary	(1,011,888)	-
KHG Loan Payable	1,762,500	-
Cash Proceeds from issuance of common stock	275,085	198,667
Non-Cash supplement issuances of common	1,113,151	-
Retained Earnings	-	412,515
Net cash provided by financing activities	2,138,848	611,182
Net increase (decrease) in cash	$ 20,053	$ (21,342)
Cash, beginning of period	1,360	22,702
Cash, end of period	$ 21,413	$ 1,360

The accompanying footnotes are an integral part of these financial statements

RESTATED

THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Consolidated Statements of Changes in Stockholders Deficiency

	Common Stock		Preferred Stock		Additional Paid-In	Accumulated	Total Stockholder's
	Shares	Amount	Shares	Amount	Capital	Deficit	Deficiency
Balance, October 31, 2011	102,355,260	$ 10,236	406,000	$ 406,000	6,426,877	(9,110,402)	(2,267,289)
Preferred Stock issued to VCP				$ (10,236)	18,000	-	7,764
Net Loss				-	-	(231,624)	(231,624)
Balance, October 31, 2012	102,355,260	10,236	406,000	395,764	6,444,877	(9,342,026)	(2,491,149)
Preferred Stock A issued	-	-	4,678,000	(395,189)	1,743,333	-	1,348,144
Preferred Stock B issued	-	-	666,000	666,000	-	(40,792)	666,000
Common Stock issued for cash	68,189,808	6,819	-	-		-	(25,043)
Net Loss					-	(112,502)	(112,502)
Balance, October 31, 2013	170,545,068	17,055	5,750,000	666,575	8,188,210	(9,495,320)	(614,550)
Common Stock issued for cash	65,454,932	6,545			201,053	-	198,668
Write-off Payroll Taxes Payable					-	412,515	412,515
Net Loss					-	(237,638)	(237,638)
Balance, October 31, 2014	2,360,000 *	23,600	5,750,000	666,575	8,389,263	(9,320,443)	(241,005)
Common Stock issued for VCP	1,083,336	10,833	-	(666,000)	706,000		40,000
Common Stock issued to GSV	2,500,000	25,000			918,151		918,151
Common Stock issued for services	(1,012)	(10)			2,911		4,999 ^
Common Stock issued for cash	10,606,788	106,068	-	-	275,085	-	275,085
Common Stock issued for debt	9,137,831	91,378	-	-	150,000	-	150,000
Impairment of asset	-	-	-	-	(1,917,500)		(1,917,500)
Net Loss	-				-	(311,504)	(311,504)
Balance, October 31, 2015	25,687,955 *	25,688 ^	5,750,000	575	8,523,910	(9,631,947)	(1,081,774) √

After reverse Stock Split of 100:1 on or around July 10, 2015.*
Adjustment for par value amended back to 0$.0001. ^
Crossfoots and foots. √

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

THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2015

Note 1 – Description of Business

The Movie Studio, Inc. (the "Company") was incorporated in the State of Delaware 1961 under the name Magic Fingers, Inc. The company is a vertically integrated motion picture production company that develops, manufactures and distributes independent motion picture content for worldwide consumption on a multitude of devices.

The Company has operated under various names since incorporation, most recently Destination Television, Inc. from February 2007 to November 2012, when the name was changed to The Movie Studio, Inc.

From October 31, 2001, the Company's focus was on the developing a private television network, in high traffic locations such as bars and nightclubs. During this development period, the Company received incidental revenue from the sale of advertising and the production of commercials. In 2010, the Company began implementation of its current business model, using the technology, knowledge and application of content creation previously developed for the private television network.

Note 2 – Summary of significant Accounting Policies

Basis of Presentation The consolidated financial statements include the accounts of The Movie Studio, Inc. (Formerly Destination Television, Inc.), a Delaware corporation, and its wholly owned subsidiary Destination Television, Inc., a Florida corporation. All significant inter-company account balances and transactions between the Company and its subsidiary have been eliminated in consolidation.

Long-Lived Assets In accordance with Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 360 *Property, Plant, and Equipment,* the Company records impairment losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. There were no impairment charges during the years ended October 31, 2015 and 2014.

Fair Value of Financial Instruments The fair values of the Company's assets and liabilities that qualify as financial instruments under FASB ASC Topic 825, *Financial Instruments,* approximate their carrying amounts presented in the accompanying consolidated statements of financial condition at October 31, 2015 and 2014.

Revenue recognition In accordance with the FASB ASC Topic 605, *Revenue Recognition,* the Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable, and collectability is reasonably assured.

Income Taxes
The Company accounts for income taxes in accordance with FASB ASC Topic 740 *Income Taxes,* which requires accounting for deferred income taxes under the asset and liability method. Deferred income tax asset and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce the deferred income tax assets to the amount expected to be realized.

Note 2 – Summary of significant Accounting Policies (continued)

Income Taxes (continued)

In accordance with GAAP, the Company is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. state and local jurisdictions. Generally the Company is no longer subject to income tax examinations by major taxing authorities for years before 2005. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce net assets. This policy also provides guidance on thresholds, measurement, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition that is intended to provide better financial statement comparability among different entities. It must be applied to all existing tax positions upon initial adoption and the cumulative effect, if any, is to be reported as an adjustment to stockholder's equity as of January 1, 2009. Based on its analysis, the Company has determined that the adoption of this policy did not have a material impact on the Company's financial statements upon adoption. However, management's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof.

Comprehensive Income

The Company complies with FASB ASC Topic 220, *Comprehensive Income*, which establishes rules for the reporting and display of comprehensive income (loss) and its components. FASB ASC Topic 220 requires the Company's change in foreign currency translation adjustments to be included in other comprehensive loss, and is reflected as a separate component of stockholders' equity.

Stock-Based Compensation

The Company complies with FASB ASC Topic 718 *Compensation – Stock Compensation,* which establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. FASB ASC Topic 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. FASB ASC Topic 718 requires an entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). That cost will be recognized over the period during which an employee is required to provide service in exchange for the award (usually the vesting period). No compensation costs are recognized for equity instruments for which employees do not render the requisite service. The grant-date fair value of employee share options and similar instruments will be estimated using option-pricing models adjusted for the unique characteristics of those instruments (unless observable market prices for the same or similar instruments are available). If an equity award is modified after the grant date, incremental compensation cost will be recognized in an amount equal to the excess of the fair value of the modified award over the fair value of the original award immediately before the modification. No employee stock options or stock awards vested during 2015 or 2014 under FASB ASC 718

Note 2 – Summary of significant Accounting Policies (continued)

Nonemployee awards
The fair value of equity instruments issued to a nonemployee is measured by using the stock price and other measurement assumptions as of the date of either: (i) a commitment for performance by the nonemployee has been reached; or (ii) the counterparty's performance is complete. Expenses related to nonemployee awards are generally recognized in the same period as the Company incurs the related liability for goods and services received. The Company recorded stock compensation expense of approximately $1,200 issuing 12,000,000 shares at par value $0.0001; and $-0- during the years ended October 31, 2014 and October 31, 2015 for consulting services, respectively.

Recently Adopted Accounting Pronouncements
In February 2013, the accounting guidance was amended for obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date. The amendments provide guidance on the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements, including debt arrangements, other contractual obligations, and settled litigation and judicial rulings, for which the total amount of the obligation is fixed at the reporting date. The amendment was effective for the Company beginning January 1, 2014 and was applied retrospectively. The adoption of this guidance did not have a material effect on the Company's results of operations, cash flows or financial condition.

In July 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2013-11, *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carry forward, a Similar Tax Loss, or a Tax Credit Carry forward Exists*, which states that entities should present the unrecognized tax benefit as a reduction of the deferred tax asset for a net operating loss ("NOL") or similar tax loss or tax credit carry forward rather than as a liability when the uncertain tax position would reduce the NOL or other carry forward under the tax law. The Company will be required to adopt this new standard on a prospective basis in the first interim reporting period of fiscal 2015, though early adoption is permitted as is a retrospective application. We do not anticipate that the adoption of this standard will have a material effect on the Company's results of operations, financial position or cash flows.

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No.2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). It outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. ASU 2014-09 is effective for annual periods beginning after December 15, 2016, including interim periods within that annual period. The Company is in the process of assessing the impact of the adoption of ASU 2014-09 to its consolidated financial statements.

In June 2014, accounting guidance was updated for stock-based awards when the terms of an award provide that a performance target that affects vesting could be achieved after the requisite service period. The current accounting standard for stock-based compensation as it applies to awards with performance conditions should be applied. This guidance is effective for the Company as of January 1, 2016. The Company is currently evaluating this guidance, but does not anticipate it will have a material impact on its financial statements.

In June 2014, the FASB issued ASU 2014-12, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*. This guidance requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition of the award. A reporting entity should apply existing guidance in Accounting Standards Codification Topic 718, *Compensation-Stock Compensation*, as it relates to such awards. The guidance is effective for fiscal years beginning after December 15, 2015, and may be applied prospectively.

Note 2 – Summary of significant Accounting Policies (continued)

Recently Adopted Accounting Pronouncements (continued)
or retrospectively. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company's consolidated statements and related disclosures.

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements – Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern.* The guidance requires an entity to evaluate whether there are conditions or events, in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the financial statements are available to be issued when applicable) and to provide related footnote disclosures in certain circumstances. The guidance is effective for the annual period ending after December 15, 2016, and for annual and interim periods thereafter. Early application is permitted. We do not believe the adoption of this guidance will have a significant impact the Company's consolidated statements and related disclosures.

The Company has reviewed all other recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on its results of operation, financial position or cash flows. Based on that review, the Company believes that none of these pronouncements will have a significant effect on its consolidated financial statements.

Loss per Common Share

The Company complies with the accounting and disclosure requirements of FASB ASC 260, *Earnings Per Share.* Basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted loss per common share incorporates the dilutive effect of common stock equivalents on an average basis during the period.

Note 3 – Going Concern

The accompany financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that Destination Television, Inc. will continue in operation for a least one year and realize its assets and discharge its liabilities in the normal course of operations.

Several conditions cast doubt about the Company's ability to continue as a going concern. The Company has an accumulated deficit of approximately $9,631,947 as of October 31, 2015, has no cash available for payment of operating expenses, no source of revenue, and requires additional financing in order to finance its business activities on ongoing basis. The Company's future capital requirements will depend on numerous factors, including but not limited to continued progress in the pursuit of business opportunities. The Company is actively pursuing alternative financing and has discussions with various third parties, although no firm commitments have been obtained. In the interim, the principal shareholder has committed to meeting any operating expenses incurred by the Company. The Company believes that actions it is presently taking to revise its operating and financial requirements provide it with the opportunity to continue as a going concern.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate continuation of the Company as a going concern. While we believe that the actions already taken or planned, will mitigate the adverse conditions and events which raise doubt about the validity of going concern assumption used in preparing these financial statements, there can be no assurance that these actions will be successful. If the Company were unable to continue as a going concern, then substantial adjustments would be necessary to the carrying values of the reported liabilities.

Note 4 - Acquired Amortizable Intangible Assets

On June 8, 2015 The Company signed a definitive letter of intent and closed on the film library business deal with Seven Arts Filmed Entertainment Louisiana LLC (SAFELA). As per the agreement, The Company acquired 60% membership interest in the Seven Arts Filmed Entertainment Louisiana LLC, the owner of the distribution rights to thirteen motion pictures for $1,962,500. The Company has issued $50,000 worth of a new class of Preferred Stock that converted into 5,000,000 shares of MVES common stock, and $1,912,500 in Convertible Notes. As of October 31, 2015, the Company has determined that the value of this intangible asset was deemed worthless and therefore it has been written-off against Paid- In-Capital as an impaired asset.

Impaired assets	October 31, 2015	October 31, 2014
SAFELA Film Library	-	-
Amortizable assets		
VCP I - Motion Picture in Process	443,614	411,973
VCP II - Motion Picture in Process	108,501	108,501
VCP III - Motion Picture in Process	170,835	73,545
Total of Intellectual Property	722,950	594,019

Note 5 - Income Taxes

The Company has approximately $9,631,947 million in net operating loss carryovers available to reduce future income taxes. These carryovers expire at various dates through the year 2033. The Company has adopted FASB ASC Topic 740, “Income Taxes,” which provides for the recognition of a deferred tax asset based upon the value the loss carry-forwards will have to reduce future income taxes and management's estimate of the probability of the realization of these tax benefits. The Company's management determined that it was more likely than not that the Company's net operating loss carry-forwards would not be utilized; therefore, a valuation allowance against the related deferred tax asset has been established.

A summary of the deferred tax asset presented on the accompanying balance sheets represents the amount of preserved carryover losses due to changes in the US Tax Code from the five year carryover rule for accumulated Net Operating Losses to twenty years IRC§1179, is as follows:

	RESTATED		
		October 31,	
		2015	2014
Deferred tax asset:			
Net operating loss carryforwards		$ (9,631,947)	$ (9,320,443)
Deferred tax asset		$ (9,631,947)	$ (9,320,443)
Less: Valuation allowance		9,631,947	9,320,443
Net deferred tax asset		$ -	$ -

The Company has taken a full valuation allowance against the deferred asset attributable to the NOL carryovers of approximately $9,631,947 and $9,320,443 at October 31, 2015 and 2014, respectively, due to the uncertainty of realizing the future tax benefits.

	October 31,	
	2015	2014
Statutory federal income tax expense	(34) %	(34) %
State and local income tax (net of federal benefits)	(5)	(5)
Other temporary differences	-	-
Valuation allowance	39	39
	- %	- %

Note 6 – Commitments

Facilities

The Company leased from a stockholder, Dr. H. K. Terry, pursuant to an oral agreement on a month-to-month basis, an 8,500 square foot building in Fort Lauderdale, Florida, which serves as its administrative offices and computer operations center. The rent is $4,500 per month and the Company is responsible for utilities. Rent expense was $54,000 for each of the years ended October 31, 2014 and October 31, 2013.

As of November 1st 2014, the Movie Studio, Inc. moved its production facility without executing a lease agreement or rent agreement to a new 17,000 square foot studio in Hollywood, Florida with administrative office space, food court, and 5,000 square foot sound stage/green screen, edit suites and two audio suites and voice over booth. Its new business address is 2040 Sherman Street Hollywood, Florida 33020. Rent expense for the year then ended October 31, 2015 was $8000.

Employment Agreements

Gordon Scott Venters is employed as the Company's president and chief executive officer pursuant to an employment agreement, effective November 1, 2007. The three-year employment agreement, which extended a previous agreement, provides for an annual salary of $161,662; annual increases of a minimum of 5%; and participation in incentive or bonus plans at the discretion of the board of directors. The agreement additionally provides for certain confidentiality and non-competition provisions and a minimum payment of 18 months in the event of a change of control or termination without cause, or if the employee terminates for good reason. As of October 31, 2015 and 2014, the Company owed Mr. Venters $945,952 (unpaid wages of $875,470; advances of $70,482) and $902,370 (unpaid wages of $831,888; advances of $70,482), respectively, for unpaid wages and advances he made to the Company. As of August 1, the Company has converted $918,151of the balance owed to Mr. Venters for 25 million shares of common stock, prior to the reverse stock split, which will have one to one voting rights. As of October 31, 2015, the net balance owed to Mr. Venters for his accumulated salary is $50,636.

Note 7 - Payroll Taxes Payable

The Company has been delinquent in its payment of payroll taxes for the periods of December 2005; March, June and September of 2006 in the amount of $412,500. During February of 2013, the Internal Revenue Service deemed the unpaid balance as "Uncollectible" and the President of the Company was issued a Levy on Wages, Salary, and Other Income personally in the amount of $93,457 owed to and for the Trust Fund Management Penalty. Payroll tax obligations for the calendar years since 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014 that have been incurred have paid as required. There were no payroll taxes incurred for the four quarters then ended October 31, 2015.

Note 8 - Notes Payable

At March 31, 2011, the Company owed Dr. K. Terry, a related party shareholder, a total of $1,371,463, which represented $436,500 for accrued rent, $705,000 for convertible notes, and $229,963 for accrued interest against the convertible notes. On April 1, 2011, the total due Dr. Terry of $1,371,463 was purchased by Ventures Capital Partners, LLC, another related party, which provided Dr.Terry an equity interest in Ventures Capital Partners, LLC.

As of September 30, 2015, the Company entered into a convertible note with Kano Group Holdings II Ltd in the amount of $1,912,120 on behalf of a stock purchase agreement representing consideration for the film library acquired from Seven Arts Entertainment, Inc. The note is a non-interest bearing note unless in default whereas, 18% interest will be applied. The note is convertible into the Company's common stock at 50% of the last sales price as reported by or on behalf of the principal market for the common stock on the trading day immediately preceded date on which the conversion notice shall have been transmitted to the Company.

Note 9 - Stockholders' Deficiency

Common Stock Issued for Cash

During the fiscal year then ended October 31, 2015, the Company issued to accredited investors approximately 15,744,621 shares of common stock for approximately $275,085 all of which were issued at various prices during the year between $0.001 and $0.10 per share depending on when they were issued before or after the reverse stock split.

None of the above shares have been registered under the Securities Act of 1933, as amended, and therefore, may not be transferred in the absence of an exemption from registration under such laws and will be considered "restricted securities" as that term is defined in Rule 144 adopted under the Securities Act, and may be sold only in compliance with the resale provisions set forth therein.

As of October 31, 2015, the Company has a total of 25,687,955 shares issued and outstanding and as of October 31, 2014 had a total of 236,000,000 shares issued and outstanding.

Common Stock Issued for Non-Cash

During the year end, the Company converted $691,000 worth of VCP LLC's limited partnership interests for 1,083,336 shares of MVES common stock. The Company's conversion concession is 83,334 shares of MVES common stock for every $10,000 worth in VCP partnership interests.

Note 9 - Stockholders' Deficiency (continued)

Preferred Stock

Series B Preferred Stock The Series B preferred stock is identical in all aspects to the common shares including the right to receive dividends, except that each share of Series B Preferred Stock has voting rights equivalent to four times the number of shares of Common Stock into which it could be converted. As of October 31, 2015 and 2014, there were 5,750,000 shares of Series B preferred stock outstanding. Each share of Series B preferred stock is convertible into one share of common stock.

Note 10- Common Stock Options
No options or warrants were outstanding at October 31, 2015 and October 31, 2014.

Note 11 – Litigation
As of October 31, 2015, the Company was not a party to any existing or threatened litigation.

Note 12 - Related Party Transactions

Gordon Scott Venters
Effective November 2007, Gordon Scott Venters, entered into an employment agreement with the Company, which is described above in Note 6--Commitments-Employment Agreements.

Note 13 – Subsequent Events

As of November 5, 2015 the Company issued a Private Placement Memorandum for The Movie Studio, Inc.'s 175,000,000 shares offered at $.003 per share totaling $525,000 with a minimum investment of $25,000 for 8,333,333 shares. The Company is conducting a 506(b) exempted offering to sell 175,000,000 shares having a par value of $.0001 per share at the discounted price of $.003 per share, offered on a "best efforts" basis to accredited investors only. The funds will be used to acquire the Company's first film library.

As of February 2nd 2016 the Company's Transfer Agreement with Continental Stock Transfer is terminated.

As of February 9th 2016, The Company has engaged Interwest Transfer Co., Inc. as its Transfer Agent.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1933, this registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Hollywood, State of Florida, on February 9, 2016.

THE MOVIE STUDIO, INC
(Registrant)

Gordon S. Venters, President, CEO
By (Signature and Title)

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

/s/ Gordon Scott Venters
President, Chief Executive Officer, Director

Dated: February 9, 2016