Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

The Movie Studio, Inc.

A Delaware Corporation
2598 East Sunrise Boulevard Suite 2054
Fort Lauderdale, Florida 33304
954-336-6000
www.themoviestudio.com
gsv@themoviestudio.com
SIC: 7812

Annual Report Period Ending: June 30th, 2020

As of June 30th, 2020, the number of shares outstanding of our Common Stock was: 94,043,054.

As of March 31, 2020 the number of shares outstanding of our Common Stock was: 79,093,054.

As of June 30th, 2019, the number of shares outstanding of our Common Stock was: 44,206,298.

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control[1] of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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[1] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities.

(ii) The consummation of the sale or disposition by the Company of all or substantially all the Company's assets.

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities and the dates of the name changes.
Formerly Destination Television, Inc. until 6-2014
Formerly Magic Media Networks, Inc. until 2-07
Formerly Magicinc.com until 4-02
Formerly Magic Fingers, Inc. until 7-99

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Incorporated in Delaware on 7/28/1961. The Company is an active Delaware Corporation.

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Trading symbol: MVES
Exact title and class of securities outstanding: Common
CUSIP: 62459P
Par or stated value: 0.0001

Total shares authorized:	5,500,000,000	as of date: June 30, 2020
Total shares outstanding:	94,043,054	as of date: June 30, 2020
Number of shares in the Public Float[2]:	10,459,245	as of date: June 30, 2020
Total number of shareholders of record:	159	as of date: June 30, 2020

Additional class(es) of publicly traded securities (if any): None

Transfer Agent

Name: Pacific Stock Transfer Company
Address: 6725 Via Austi Pkwy, Suite 300 Las Vegas, NV 89119
Phone: 800-785-7782
Email: info@pacificstocktransfer.com

Is the Transfer Agent registered under the Exchange Act?[3] Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors: None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months: None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period. Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

Shareholders or noteholders that are corporate entities, and control persons:
Global Capital Group, LLC (Norman Gross), American Eagle Funding (Robert Hanson), Grand Havana Inc. (Robert Rico), Highland Light Productions (Victoria McKenzie), Twenty Year Media (Mark Rutledge), Worldwide Financial Marketing (Floyd Stump)

[2] "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.
[3] To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of June 30, 2018	Opening Balance: Common:4,066,149 Preferred: 194,250,000	*Right-click the rows below and select "Insert" to add rows as needed.							
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting/ investment control disclosed).**	**Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)**	**Restricted or Unrestricted as of this filing?**	**Exemption or Registration Type?**
07/13/2018	New Issuance	40,000	Common	0.075	No	Charles Keefe	Cash	Restricted	4(a)(2)
07/23/2018	New Issuance	40,000	Common	0.0625	No	Peter F. Merkle	Cash	Restricted	4(a)(2)
07/23/2018	New Issuance	40,000	Common	0.0625	No	Thomas Catalano	Cash	Restricted	4(a)(2)
07/27/2018	New Issuance	40,000	Common	0.125	No	Michael Spielberg	Cash	Restricted	4(a)(2)
08/16/2018	New Issuance	20,000	Common	0.25	No	Ross Gregg	Cash	Restricted	4(a)(2)
08/17/2018	New Issuance	40,000	Common	0.125	No	Jeffrey White	Cash	Restricted	4(a)(2)
08/17/2018	New Issuance	40,000	Common	0.125	No	Greg Brennan	Cash	Restricted	4(a)(2)
08/28/2018	New Issuance	80,000	Common	0.10	No	R Cem Cezayirli	Cash	Restricted	4(a)(2)
09/06/2018	New Issuance	80,000	Common	0.10	No	Douglas F. Martin	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	2,000,000	Common	0.010	No	R Cem Cezayirli	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.010	No	Michael Spielberg	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.010	No	Jeffrey White	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.010	No	Thomas Catalano	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	2,000,000	Common	0.010	No	Norman Gross	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	2,000,000	Common	0.010	No	Douglas F. Martin	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.010	No	Peter F. Merkel	Cash	Restricted	4(a)(2)

11/10/18	New Issuance	2,000,000	Common	0.005	No	Louis P Cimino	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	250,000	Common	0.010	No	Ignacio Allende	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.010	No	Ross Gregg	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	500,000	Common	0.010	No	Arron Laikin	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	500,000	Common	0.050	No	Jean-Pierre da Silva	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	250,000	Common	0.0001	No	Inger Garcia	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.0001	No	Charles Miller	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.0001	No	Naiel Kanno	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	2,000,000	Common	0.0001	No	Excelina Ordonez	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.0001	No	Pierre Muller	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	250,000	Common	0.0001	No	Ricardo Antonio Rodriguez	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	500,000	Common	0.0001	No	Todd Nugent	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	250,000	Common	0.0001	No	Monte C. Waldman	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	1,000,000	Common	0.0001	No	Michael J. Peter	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	50,000	Common	0.0001	No	Melissa Rosen	Cash	Restricted	4(a)(2)
11/10/18	New Issuance	500,000	Common	0.010	No	Cid Galindo	Cash	Restricted	4(a)(2)
11/21/18	New Issuance	1,000,000	Common	0.010	No	Louis P. Cimino	Cash	Restricted	4(a)(2)
12/13/18	New Issuance	1,000,000	Common	0.010	No	Ross Gregg	Cash	Restricted	4(a)(2)
1/19/19	New Issuance	1,000,000	Common	0.010	No	Ross Gregg	Cash	Restricted	4(a)(2)
3/26/19	New Issuance	464,150	Common	0.010	No	Stanley Van Dunn	Cash	Restricted	4(a)(2)
4/10/19	New Issuance	100,000	Common	0.010	No	Gil Dylla	Cash	Restricted	4(a)(2)
4/15/19	New Issuance	1,750,000	Common	0.010	No	Michael Spielberg	Cash	Restricted	4(a)(2)
4/18/19	New Issuance	1,000,000	Common	0.010	No	Howard S. Nunn Jr.	Cash	Restricted	4(a)(2)
4/19/19	New Issuance	2,000,000	Common	0.010	No	Gerald W. Simonson	Cash	Restricted	4(a)(2)

4/25/19	New Issuance	500,000	Common	0.010	No	Stanley Van Dunn	Cash	Restricted	4(a)(2)
5/1/19	New Issuance	1,000,000	Common	0.010	No	Wiley E. Ring III and Sara B. Ring	Cash	Restricted	4(a)(2)
5/20/19	New Issuance	250,000	Common	0.010	No	Stanley Rosen	Cash	Restricted	4(a)(2)
5/28/19	New Issuance	500,000	Common	0.010	No	Reed D. Way	Cash	Restricted	4(a)(2)
5/31/19	New Issuance	1,350,000	Common	0.010	No	Douglas F. Martin	Cash	Restricted	4(a)(2)
5/31/19	New Issuance	500,000	Common	0.010	No	Bill Anderson	Cash	Restricted	4(a)(2)
6/5/19	New Issuance	1,356,000	Common	0.010	No	R Cem Cezayirli	Cash	Restricted	4(a)(2)
6/12/19	New Issuance	400,000	Common	0.010	No	R Cem Cezayirli	Cash	Restricted	4(a)(2)
6/13/19	New Issuance	1,000,000	Common	0.010	No	Wiley E. Ring III and Sara B. Ring	Cash	Restricted	4(a)(2)
6/19/19	New Issuance	1,000,000	Common	0.010	No	Thomas A Catalano	Cash	Restricted	4(a)(2)
6/27/19	New Issuance	1,000,000	Common	0.010	No	Dean and Grace Anderson	Cash	Restricted	4(a)(2)
6/27/19	New Issuance	500,000	Common	0.010	No	Howard S. Nunn Jr.	Cash	Restricted	4(a)(2)
7/1/2019	New Issuance	250,000	Common	0.010	No	Dilbert Schafer	Cash	Restricted	4(a)(2)
7/11/2019	New Issuance	228,280	Common	0.010	No	Howard S. Nunn Jr.	Cash	Restricted	4(a)(2)
7/15/2019	New Issuance	1,000,000	Common	0.010	No	Reed D. Way	Cash	Restricted	4(a)(2)
7/15/2019	New Issuance	500,000	Common	0.010	No	Howard S. Nunn Jr.	Cash	Restricted	4(a)(2)
7/31/2019	New Issuance	1,988,020	Common	0.011	No	Green Tree Financial, Inc. R. Chris Cottone	Cash	Restricted	4(a)(2)
8/2/2019	New Issuance	500,000	Common	0.010	No	Sharon Rogow	Cash	Restricted	4(a)(2)
8/8/2019	New Issuance	500,000	Common	0.010	No	James Sharp	Cash	Restricted	4(a)(2)
8/28/2019	New Issuance	250,000	Common	0.010	No	Edward J. Newett	Cash	Restricted	4(a)(2)
8/28/2019	New Issuance	250,000	Common	0.010	No	Dilbert H. Schafer	Cash	Restricted	4(a)(2)
9/4/2019	New Issuance	1,000,000	Common	0.010	No	Howard S. Nunn Jr.	Cash	Restricted	4(a)(2)

9/9/2019	New Issuance	500,000	Common	0.010	No	David Hunt	Cash	Restricted	4(a)(2)
9/10/2019	New Issuance	2,000,000	Common	0.010	No	Robert H. Schafer	Cash	Restricted	4(a)(2)
9/23/2019	New Issuance	1,000,000	Common	0.010	No	Robert A. Englund	Cash	Restricted	4(a)(2)
9/27/2019	New issuance	1,000,000	Common	0.010	No	Wiley E. Ring III and Sara B. Ring	Cash	Restricted	4(a)(2)
9/30/2019	New Issuance	250,000	Common	0.0001	No	Danny Carson	Service	Restricted	4(a)(2)
9/30/2019	New Issuance	250,000	Common	0.0001	No	Byron Hunsberger	Service	Restricted	4(a)(2)
9/30/2019	New Issuance	250,000	Common	0.0001	No	Louis P. Cimino	Service	Restricted	4(a)(2)
Less: Shares Cancelled	MVES Treasury Stock	(370,108)	Common	0.032	No		Cash	Restricted	4(a)(2)
10/21/2019	New Issuance	2,000,000	Common	0.010	No	Robert L. Schafer	Cash	Restricted	4(a)(2)
10/21/2019	New Issuance	1,000,000	Common	0.010	No	Klaus P. Landau	Cash	Restricted	4(a)(2)
10/25/2019	New Issuance	2,000,000	Common	0.010	No	Robert A. Englund	Cash	Restricted	4(a)(2)
11/6/2019	New Issuance	500,000	Common	0.010	No	John C. Boesch	Cash	Restricted	4(a)(2)
11/8/2019	New Issuance	1,000,000	Common	0.010	No	Robert Gordon	Cash	Restricted	4(a)(2)
11/15/2019	New Issuance	1,000,000	Common	0.010	No	James A. Sharp	Cash	Restricted	4(a)(2)
11/22/2019	New Issuance	1,000,000	Common	0.010	No	Robert D. Hanson	Cash	Restricted	4(a)(2)
11/25/2019	New Issuance	500,000	Common	0.010	No	Mark A. Degirolamo	Cash	Restricted	4(a)(2)
11/29/2019	New Issuance	1,000,000	Common	0.010	No	Wiley E. Ring	Cash	Restricted	4(a)(2)
12/20/2019	New Issuance	250,000	Common	0.010	No	Frances Snow	Cash	Restricted	4(a)(2)
12/20/2019	New Issuance	200,000	Common	0.010	No	Frances Snow	Cash	Restricted	4(a)(2)
12/20/2019	New Issuance	100,000	Common	0.010	No	Frances Snow	Cash	Restricted	4(a)(2)
2/7/2020	New Issuance	3,938,223	Common	0.01295	No	Kanno Group Holdings II LTD	Debt Conversion	Restricted	4(a)(2)
2/26/20	New Issuance	250,000	Common	0.010	No	Stanley Rosen	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	100,000	Common	0.010	No	Keith Snow	Cash	Restricted	4(a)(2)

2/26/20	New Issuance	200,00	Common	0.010	No	Keith Snow & Frances Snow JTWROS	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	1,021,200	Common	0.010	No	Howard Stubbs Nunn Jr.	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	750,000	Common	0.010	No	Edward Newett	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	250,000	Common	0.010	No	Richard Taylor	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	1,000,000	Common	0.010	No	Edward Gianelloni	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	200,000	Common	0.010	No	Richard Ames	Cash	Restricted	4(a)(2)
2/26/20	New Issuance	1,000,000	Common	0.010	No	Leon Rausch	Cash	Restricted	4(a)(2)
3/4/20	New Issuance	500,000	Common	0.010	No	Robin Stein	Cash	Restricted	4(a)(2)
3/4/20	New Issuance	500,000	Common	0.010	No	Penny Landau Trustee	Cash	Restricted	4(a)(2)
3/4/20	New Issuance	1,000,000	Common	0.010	No	Thomas Catalano	Cash	Restricted	4(a)(2)
3/4/20	New Issuance	1,000,000	Common	0.010	No	Robert Shafer	Cash	Restricted	4(a)(2)
3/4/20	New Issuance	2,000,000	Common	0.010	No	Robert Cerzayirli	Cash	Restricted	4(a)(2)
3/31/20	New Issuance	200,000	Common	0.010	No	Keith Snow & Frances Snow JTWROS	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Edward Newett Jr.	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	250,000	Common	0.010	No	Timucin Yalcin	Services	Restricted	4(a)(2)
4/22/20	New Issuance	1,000,000	Common	0.010	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Greg Brennan	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	250,000	Common	0.010	No	Louis Cimino	Services	Restricted	4(a)(2)
4/22/20	New Issuance	800,000	Common	0.010	No	Sandra Moore Gillard	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Joyce Wolliston	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Allen Gordon	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Dorlan Maurice Parnell	Cash	Restricted	4(a)(2)

4/22/20	New Issuance	1,000,000	Common	0.010	No	Howard Stubbs Nunn Jr.	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	700,000	Common	0.010	No	Robert Gordon	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	500,000	Common	0.010	No	Faith Williams	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	1,500,000	Common	0.010	No	Ben Bialek	Cash	Restricted	4(a)(2)
4/22/20	New Issuance	3,000,000	Common	0.010	No	American Eagle Funding	Cash	Restricted	4(a)(2)
6/23/20	New Issuance	500,000	Common	0.010	No	Peter Lapore	Cash	Restricted	4(a)(2)
6/23/20	New Issuance	2,500,000	Common	0.010	No	Ross Gregg	Debt conversion	Restricted	4(a)(2)
6/23/20	New Issuance	250,000	Common	0.010	No	Brandon Smithwick	Cash	Restricted	4(a)(2)
Shares Outstanding on June 30, 2020:	Ending Balance: Common: 94,043,054 Preferred: 194,250,000								

On September 11th, 2018, the Company effected a 250 for 1 reverse stock split. The table reflects the Company's shares on a post-split basis.

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
1/2017	$102,000	$102,000	10%	12/31/19	Discounted to the Market Price	Tri-Bridge Ventures Inc./John Forsythe III	Loan
11/2017	$20,000	$20,000	0.0015%	12/31/19	Discounted to the Market Price	Global Capital Inc./Norman Gross	Loan
Total	$122,000	$122,000	$33,250				

4) Financial Statements

A. The following financial statements were prepared in accordance with:

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by the following accountant[4]:

Name: EMS Consulting Services, LLC.
Title: C.P.A.
Relationship to Issuer: Independent Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

C. Balance sheet
D. Statement of income
E. Statement of cash flows
F. Statement of Changes in Shareholders' Equity
G. Financial notes; and
H. Audit letter, if audited

June 30, 2020 unaudited financial statements are attached hereto

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Video on Demand, Motion Picture Production and Distribution

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers, or control persons. Subsidiary information may be included by reference.

None

C. Describe the issuers' principal products or services, and their markets

Motion Picture Library - VOD Distribution

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties, or facilities of the issuer, give the location of the principal plants and other property of the issuer, and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties, facilities, clearly describe them as above and the terms of their leases.

[4] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

The Company leases corporate office space on a month to month basis with REGUS Global Corporate Offices located at 2598 E. Sunrise Blvd. Suite 2054 Fort Lauderdale, Florida 33304.

7) Officers, Directors, and Control Persons

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Gordon S. Venters	C.E.O .	Ft. Lauderdale, FL	566,696	Common	.4%	None
Gordon S. Venters	C.E.O .	Ft. Lauderdale, FL	200,000,000	Preferred	100%	None
Louis P. Cimino	Officer and Director	Beverly Hills, CA 90211	2,520,000	Common	4.5%	None
Denise Casale	C.F.O and Director	Ft. Lauderdale, FL	250,000	Common	.04%	None
Jeff Hines	V.P. Director	Ft. Lauderdale, FL	250,000	Common	04%	None
Christine Curran	Officer and Director	Ft. Lauderdale, FL	250,000	Common	.04%	None

8) Legal / Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses).

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended, or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended, or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities.

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

3. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Jonathan Leinwand, Esq.
Firm: Jonathan D. Leinwand, P.A.
Address 1: 18851 NE 29th Ave.,Suite 1011
Address 2: Aventura, FL 33180
Phone: Tel (954)903-7856
Email: jonathan@jdlpa.com

Accountant or Auditor

Name: Eric Sherb C.P.A.
Firm: EMS Consulting Services, LLC.
Address 1: 157 Columbus Avenue
Address 2: New York, New York 10023
Phone: (516) 713-9590
e-mail: montewaldcpa@gmail.com

Investor Relations Consultant

Name: Jonathan Keim
Firm: Investor Brand Network
Address 1: 8033 Sunset Blvd.
Address 2: Los Angeles, CA 90036
Phone: 310-299-1717
Email: jonathan.keim@investorbrandnetwork.com

Other Service Providers

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

As Principal Executive Officer:

I, Gordon S. Venters hereby certify that:

1. I have reviewed this annual disclosure statement for The Movie Studio Inc.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 13, 2020

Gordon S. Venters

/S/ Gordon S. Venters

As Principal Financial Officer:

I, Gordon S. Venters hereby certify that:

1. I have reviewed this annual disclosure statement for The Movie Studio Inc.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 13, 2020

Gordon S. Venters

/S/ Gordon S. Venters

THE MOVIE STUDIO, INC

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THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC)
Consolidated Statement of Financial Positiion
As of the Years Ended

		Unaudited 30-Jun-20	**Unaudited 30-Jun-19**
Current assets			
	Cash	40,413	18,936
	Prepaid services	-	2,650
	Total current assets	40,413	21,586
Fixed assets			
	Property, plant and equipment	76,820	76,820
	Less accumulated depreciation	(76,820)	(76,820)
	net property, plant and equipment	-	-
Intellectual property			
	Intellectual property and equipment	169,500	169,500
	Motion picture in-process	175,837	125,810
	net property and equipment	345,337	295,310
Other assets			
	Capitalized amortizable intangible assets	859,082	859,082
	Less accumulated amortization	(212,237)	(159,178)
	net capitalized intangible assets	646,845	699,904
	Total assets	1,032,595	1,016,800
Liabilities and stockholders' deficiency			
Current liabilities			
	Notes payable	122,000	224,940
	Officer's salary payable	114,486	31,140
	Total current liabilities	236,486	256,080
Stockholders' equity			
Preferred stock, Series A, 100,000,000 convertible, $.0001 par value; authorized and 94,250,000 shares issued and outstanding at June 30, 2020 and June 30, 2019, respectively.		10,000	10,000
Preferred stock, Series B, 100,000,000 convertible, $.0001 par value; authorized and 100,000,000 shares issued and outstanding at June 30, 2020 and June 30, 2019, respectively.		10,000	10,000
Common stock, $0.0001 par value; 5,500,000,000 shares authorized 94,043,054 shares issued and outstanding at June 30, 2020 and 43,813,731 at June 30, 2019, respectively.		144,883	129,468
Additional paid in capital		11,888,429	11,359,381
Less: Treasury stock		-	(11,687)
Accumulated deficit		(11,257,204)	(10,736,443)
Total stockholders' equity		796,109	760,720
Total liabilities and stockholders' equity		1,032,595	1,016,800

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

THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Consolidated Statement of Operations
For the Years Ended

	Unaudited 30-Jun-20	Unaudited 30-Jun-19
Gross sales	$ 0	$ 4,701
General and Administrative Expenses:		
Advertising and promotion	13,644	1,530
Auto expense	2,511	7,308
Bank service charge	230	689
Cellular phone service	1,199	2,446
Commissions expense	-	2,000
Computer and internet	855	5,085
Consulting services	220,481	38,770
Dues and subscription	159	2,055
General supplies	59	544
Investor relations	4,650	2,500
Leases and rents	2,423	5,700
Meals and entertainment	8,108	8,030
Miscellaneous expense	200	470
Office assistance	10,648	4,875
Office expense	14,540	19,667
Officer's salary	154,698	189,396
Office supplies	2,579	2,707
Postage and delivery	3,236	2,836
Professional fees	58,304	17,195
Public Relations	1,691	18,224
Repairs and maintenance	1,209	698
Security and alarms	-	-
Stock transfer services	6,641	7,149
Storage rent	3,358	119
Taxes, licenses and permits	-	150
Telephone expense	489	860
Travel expense	8,591	3,188
Utilities	259	330
Total expenses	520,762	344,520
Net loss before income taxes	($ 520,762)	($ 339,819)
Basic and diluted loss per share:	(0.0077)	(0.0195)
Weighted average number of common shares outstanding, basic and fully diluted.	67,534,020	17,394,818

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 Years Ended

		Unaudited		**Unaudited**
		30-Jun-20		**30-Jun-19**
Cash flows from operating activities:				
Net loss	$	(520,762)	$	(339,819)
Changes in operating assets and liabilities:				
Changes in prepaid services		2,650		40,020
Net cash used in operating activities		(518,112)		(299,799)
Cash flows from investing activities:				
Increase in motion picture in process		(51,476)		(69,741)
Net cash used in operating activities		(51,476)		(69,741)
Cash flows from financing activities:				
Changes in notes payable		(102,940)		22,500
Changes in officer's salary payable		110,716		31,140
Cash proceeds from issuance of common stock		583,289		343,790
Less: Treasury stock purchased		-		(11,687)
Non-cash supplement use from issuing of shares				-
Net cash provided by financing activities		591,065		385,743
Net increase in cash		21,477		16,203
Cash, beginning of period		18,936		2,733
Cash, end of period	$	40,413	$	18,936

The accompanying footnotes are an integral part of these financial statements

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

	Common Stock		Preferred Stock		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance, June 30, 2018	4,066,149	$ 125,454	194,250,000	$ 20,000	$10,229,674	$ (10,396,623)	$ (21,494)
Release of debt	-	-	-	-	842,990	-	842,990
Shares issued for cash	40,140,150	4,014	-	-	339,776	-	343,790
Depreciation and amortization	-	-	-	-	(53,059)	-	(53,059)
Treasury stock	(389,567)	-	-	-	(11,686)	-	(11,686)
Net income (loss)	-	-	-	-	-	(339,819)	(339,819)
Balance, June 30, 2019	43,816,731	129,468	194,250,000	20,000	11,347,694	(10,736,442)	760,721
Shares issued for cash	42,538,100	13,944	-	-	569,345	-	583,289
Treasury stock cancelled	-	27	-	-	11	-	38
Shares issued in conversion	6,438,223	644	-	-	68,800	-	69,444
Shares issued for services rendered	1,250,000	800	-	-	7,188	-	7,988
Accrued interest on promissory note	-	-	-	-	(51,550)	-	(51,550)
Depreciation and amortization	-	-	-	-	(53,059)	-	(53,059)
Net income (loss)	-	-	-	-	-	(520,762)	(520,762)
Balance, June 30, 2020	94,043,054	$ 144,883	194,250,000	$ 20,000	$11,888,429	$ (11,257,204)	$ 796,109

[THE] MOVIE STUDIO, INC.
[FORMERLY DESTINATION TELEVISION, INC.]
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended
As of June 30, 2020

Note 1 – Description of Business GENERAL

The Movie Studio Inc. is a vertically integrated motion picture production company focused on acquiring, developing, producing and distributing independent motion picture content for worldwide consumption via advertiser Video on Demand and subscription Video on Demand function (AVOD/SVOD) on a Over the Top (OTT) platform, foreign motion picture block chain sales integration sales and viewable on various media devices. The company is currently engaged in establishing its own OTT AVOD/SVOD platform to integrate both its own and aggregated feature films and projects in development and other media intellectual properties. The Movie Studio is disrupting traditional media content delivery systems with its digital business model of motion picture distribution, and the company currently utilizes a Block Chain platform of its content with geo-fractured territories for worldwide distribution.

The company has launched The Movie Studio App on Google Play and the App Store, enabling users to both view the company's aggregated/content and also potentially become part of it. The App is in the completion stage, and The Movie Studio is conducting its final beta test of the App's unique "audition submission" function, leveraging the company's "Watch Our Movies, Be in Our Movies!" content platform and "Everyone's a Star" campaign, which will be marketed via social media. Using the App, subscribers can upload a video audition submission that showcases them reading character dialog. Audition submissions will then be reviewed by producers for possible participation of the auditionee in upcoming feature films.

The audition submission function provides the subscriber the ability to disrupt traditional motion picture casting and management, enabling access to participation in The Movie Studio's independent motion picture and media content. At the same time, for the company this significantly reduces capital expenditures associated with those traditional media mechanisms. The Movie Studio's unique business model capitalizes on the global demand for film content through the production and distribution of its own films while also providing opportunities for direct viewer involvement in its content.

The Company operates using a growth-by-acquisition strategy that includes:

- The ability to upgrade legacy and acquired films to 4K resolution and remonetizing with "new" film content on our own OTT platform and popular VOD streaming platforms across the internet.
- Strategic partnerships and media content alignment with other OTT platforms and cross-collateralization of leverageable media assets for worldwide distribution.
- Producing micro-budget motion picture content with substantial production value utilizing new 4K technology and the company's extensive legacy resources and unique production process, thereby significantly reducing capital expenditures while allowing for the potential of significant return on investment (ROI) with one successful production.
- Controlling its revenue streams through server-driven geo-fracturing global territories and its own OTT platform using block chain technology.

Currently, The Movie Studio is producing three upcoming feature films: "Cause and Effect," "The Last Warhead" and "PEGASUS" - all with completed electronic press kits and pitch decks and fully produced motion picture-quality trailers ready for talent, distribution and financial integration.

The company has been successful in producing, casting, and distributing its films on major SVOD platforms without recognizable stars, which reduces capital expenditures. However, The Movie Studio intends to integrate recognizable stars and/or social media influencers (SMI) into the productions at value propositions either pre or post-completion and then integration of the talent into a re-edited feature film of the intellectual property and intends to produce feature films using the Company's |"Moviesode" process. The Moviesode process is where the Company breaks down production into chapters and then edits the completed scenes/Moviesodes into a completed feature film.

The company will utilize a one-two punch marketing campaign to promote The Movie Studio App. Sikey Corp. will provide the first component by generating market excitement utilizing a network of social media influencers and the Companies 4 completed App ads and have targeted, Facebook, Instagram, Hulu and YouTube to air the ads. Sikey's goal is to introduce the app to a cross demographic collective reach over the next 12 months with and an install SVOD subscription base of 500,000 users. Regarding the Companies free viewing of our movies AVOD component According to a February 17th 2020 article on muchneeded.com (https://muchneeded.com/hulu-statistics/) the average Hulu household streams 29 hours per month of content. On March 19, 2019 The Motley Fool revealed that Hulu commanded a minimum of $20 per thousand impressions of a thirty second ad (https://www.fool.com/investing/2019/05/19/hulu-has-a-massive-advertising-opportunity.aspx)and the Company intends to integrate 12 minutes of advertising per hour including 2 minutes advertising the company's services). A May 29, 2019 variety.com article (https://variety.com/2019/digital/news/hulu-ad-supported-subscribers-70-percent-1203227954/) states 70% of Hulu users choose the ad-supported plan. If the company is only one third as successful at converting free viewer ad-supported users into subscription-based users, and the conversion metrics creates a straddle and an additional revenue stream from the free AVOD viewer.

The Company has recently applied for the Registered Trademark ® for The Movie Studio and believe the brand has substantial value in the AVOD/SVOD and motion picture marketplace and currently owns the URL's www.themoviestudio.com, www.themoviestudio.net, www.moviesodes.com www.themoviestudiochannel.com www.themoviestudio.tv www.themoviestudio.org

Through successful beta testing, The Movie Studio has monetized film assets on the Amazon, tubi tv, Comcast and Showtime platforms. The company's proposed media player server-based model will provide licensing payment from global territories without third-party distribution fees, which have traditionally been as high as 35% and paying only a 10% distribution fee without exclusive licensing using block chain technology.

Founded in 1961 and formerly known as Destination Television, Inc., the company changed its name to The Movie Studio, Inc. in November 2012. The Movie Studio is headquartered in Fort Lauderdale, Florida.

On August 6th, 2015 the Company executed a Membership Unit Purchase Agreement to acquire sixty percent (60%) interest in SAFELA from Seven Arts Entertainment Louisiana LLC., now known as Wireless Connect Inc., (OTC: SAPX) the Seller is the owner of the membership interest of SAFELA whose capitalization, unaudited financial statements for the period ended June 30th, 2014, offices and legal addresses are set forth on SAFELA's controls distribution rights to the motion pictures set forth; and that the Seller desired to sell to Buyer and Buyer desires to buy from Seller the Shares of 7,500 shares $100 par value of Buyer's Series Preferred Stock and assumption by a to be created wholly owned subsidiary of the Buyer, SAFELA, Inc. $2,000,000 of the Seller's convertible promissory notes assumed as debt.

On September 15th, 2015, the Company completed the transaction and issued 7,500,000 shares of its common stock issuing 6,250,000 shares to the company Wireless Connect Inc.; and 750,000 to Global Capital Group LLC., the consultant that arranged execution of the transaction.

On October 28th, 2015, the Company entered into an Assignment and Settlement Agreement with Arrowhead Ltd. - In Liquidation Wireless Connect Inc. known as Seven Arts Entertainment Inc. and Seven Arts Entertainment Inc., Peter Hoffman, Susan Hoffman, Seven Arts Pictures PLC, Seven Arts Pictures Inc., Seven Arts Future Flows I LLC Cine Visions, Seven Arts Pictures Limited, Deal Investment LLC. Rectifier Productions LLC and Pool Hall Productions LLC (collectively with Purchaser of the Seven Arts Parties for $250,000 the Company has paid $10,000 towards the acquisition.

Up until June 29th, 2020, The Movie Studio, Inc. was of the firm belief and opinion based on all known facts that the Arrowhead Film Library contract was still valid, executable and capable of closing upon which The Movie Studio, Inc. reasonably relied. On June 29th, 2020 The Movie Studio, Inc. was notified by our Corporate Counsel, that the counsel for the liquidator, (who was also the counsel for The Movie Studio, waiver of conflict of interest contained in retainer agreement) first disclosed the Arrowhead Film Library films were sold to a third party on or about April, 2020. Our counsel representing us on the proposed purchase transaction never notified the Company of the sale. The Definitive Assignment and Settlement Agreement Signed April 20th, 2016 is subsequently terminated by impossibility of performance due to the prior un-noticed sale to a third party.

On June 24th, 2016, The Company purchased one hundred percent (100%) of the assets of Rainbow Pictures LLC and completed the transactional covenants on September 15th, 2016 and formed a wholly owned subsidiary, Gulfstream Movie Studios Inc. to house the intellectual properties, assets and production strategic associations. On July 20th, 2017, the Company assigned the screenplay intellectual property to MHP Productions, LLC for five thousand dollars ($5,000.00) while maintaining the other non-material assets and strategic partner associations and non-leased studio space. The Company executed an agreement on

October 9th, 2017 with the Village at Gulfstream Park, LLC. on a "month to month" agreement. The Company pays "No Rent" for tenancy under the current agreement and pays electric and general liability insurance only. The July 20th, 2017 Exit Agreement involved returning the shares issued by the recipients and states the correction of error made in the original July 24th, 2016 Purchase Agreement clarifying the Company purchased the assets of Rainbow Pictures LLC, but not the corporation.

On August 4th, 2017 the Company executed a Definitive Purchase Agreement with Twenty Year Media Corp, a Canadian Corporation, and the owner of a hundred percent (100%) of the capital stock of Emerging Media Corp d/b/a Emerging Pictures to purchase a hundred percent (100%) of Emerging Media Corp capital stock for 7,500,000 shares of the Company's common stock pursuant to Rule #144 pursuant to the terms of the agreement and the terms of the agreement never materialized and the Company ceased operations prior to us acquiring any physical assets of the Company.

On March 5th, 2020, the company executed a licensing agreement with FILMHUB, an online marketplace for film creators and streaming services. Per the agreement, The Movie Studio will license FILMHUB's catalog for viewing on The Movie Studio App, which is available on Google Play and the App Store. The Movie Studio will also license its catalog to FILMHUB for distribution via its online film marketplace.

May 5th, 2020, the company executed a consulting agreement with Brian Esposito as a consultant in the business providing consulting and marketing services. Secure third-party Strategic Partners and Merger and Acquisition opportunities synergistic with our sector.

On May 18th, 2020 the Company executes an integration with a digital content platform that brings sellers and distributors into one online digital marketplace. The platform enables the company to showcase its current motion picture content, accelerating the monetization and revenue stream of The Movie Studio's assets on a digital platform and offering title discovery of featur e films in pre-production to a global community of licensors.

On July 9th, 2020, the company executed an agreement with Brian Breach to act as Social Media Director under his company Sikey Co. The role is to manage and maximize full potential social media growth, presence, and direct users to The Movie Studio app. In the last couple years alone, he has worked with and managed social media accounts for politicians, media moguls, real estate agents, multimillion-dollar companies, gyms, travel agencies, clothing brands, restaurants, artists, models and more.

On July 15th, 2020, the company executed an advertising channel agreement with eStreamTV, a provider of integrating programmatic advertising on television platforms. The agreement will include revenue sharing and integration of eStreamTV into The Movie Studio's new app, currently available in the Google Play Store and the Apple App Store as part of a soft launch, with full launch anticipated to take place early fall 2020.

The Memorandum of Understanding between The Movie Studio, Inc. and BINGE Networks, Inc. dated March 28th, 2020 was cancelled on June 18th, 2020.

Note 2 – Summary of significant Accounting Policies

The accompanying unaudited consolidated annual financial statements have been prepared on a basis consistent with generally accepted accounting principles in the United States ("GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission ("SEC"). In the opinion of management, the accompanying unaudited financial statements reflect all adjustments, consisting of only normal and recurring adjustments, necessary for a fair presentation of the results of operations, financial position and cash flows for the periods presented.

The consolidated financial statements include the accounts of The Movie Studio, Inc. (Formerly Destination Television, Inc.), a Delaware corporation, and 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 year then ended as of June 30, 2020.

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 June 30, 2020 and 2019, and the related statements of operations, and statements of cash flows for the period then ended.

Revenue Recognition

In accordance with the FASB ASC Topic 606, 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.

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 2009. 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 March 3rd, 2020. 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 Stockholder's 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 the year ended as of June 30, 2020.

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 no stock compensation of approximately during the year ended June 30, 2020 related to consulting services pertaining to equity awards.

Amending the guidance to remove this rebuttable does not imply ignoring these changes as subsequent events either, however the update attempts to analyze whether estimating the fair value measurement reflects information and assumptions market participants have considered at the balance sheet date.

Unamortized film costs shall be tested for impairment whenever events or changes in circumstances indicate the fair value of the film may be less than its unamortized costs. The following are examples of these kinds of changes or events.

a. Ad adverse change in the expected performance of a film prior to release.
b. Actual costs substantially in excess of budgeted costs.
c. Substantial delays in completion or release schedules.
d. Changes in release plans, such as a reduction in the initial release pattern.
e. Insufficient funding or resources to complete the film and to market it effectively.
f. Actual performance subsequent to release failing to meet that which had been expected prior to release.

In the event an entity assesses the fair value is less than unamortized costs, the entity shall determine the fair value of the film and write-off to the income statement the amount of the unamortized costs that exceed the capitalized costs of the film down to its fair value at the close of its fiscal year rather than as a change in accounting estimate. The entity shall not restore the costs in any subsequent accounting periods. The Company has adopted these accounting pronouncements issued since December 31, 2007 through June 30, 2020, none of which had a material impact on the Company's financial statements.

Recently Adopted Accounting Pronouncements

The Company has adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 105-10, Generally Accepted Accounting Principles – Overall ("ASC 105-10"), which was formerly known as SFAS 168. ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the Securities and Exchange Commission (the "SEC") under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards and all other non-grandfathered, non-SEC accounting literature not included in the Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASUs"). The FASB will not consider ASUs as authoritative. ASUs will serve only to update the Codification, provide background information about the guidance, and provide the basis of conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

ASU 2011-04 In May 2011, the FASB issued Accounting Standards Update 2011-14, Fair Value Measurement (Topic 820). This Update will improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with US GAAP and International Financial Reporting Standards ("IFRS"). The amendments in this Update result in common fair value measurement and disclosure requirements in U.S. GAAP and IFRSs and they explain how to measure fair value and they do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The amendments in this Update apply to all reporting entities that are required or permitted to measure or disclose the fair value of an asset, a liability, or an instrument classified in a reporting entity's shareholders' equity in the financial statements.

The amendments in this update are to be applied prospectively. For public entities, the amendments are effective during interim and annual periods beginning after December 15th, 2011. Early application by public entities is not permitted. The adoption of ASU 2011-04 is not expected to have any material impact on our financial position, results of operations or cash flows.

ASC 480, In March of 2012, the FASB issued Accounting Standards Update, Distinguishing Liabilities from Equity; primarily originated from FAS 150 and related interpretations. This subtopic establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. The guidance applies to freestanding financial instruments, thus reinforcing the importance of this determination.

The Company has reviewed all other recently issued, but not yet adopted, accounting standards 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.

Recently Issued Accounting Standards

In October of 2012, the FASB issued Accounting Standards Update 926-20-35-12, "Fair Value Measurements and Disclosures (Topic 926) - Improving Disclosures about Fair Value Measurements" (*Amendments to Accounting Standards Codification*), as a basis for that is used to assess impairment of unamortized film costs, an entity should include in a valuation model using assumptions that market participants would have made about uncertainty in timing and amount of cash flows as of the measurement date. To the extent that uncertainties are resolved with new information that becomes known after the balance sheet date, but before the financial statements are issued, such effects should not be incorporated into the fair value measurement as of the balance sheet date unless such market participants would have made such assumptions.

The objective of this Update is to provide information that is more useful to present and potential investors, creditors, and other capital market participants in making rational investment, credit, and other resource allocation decisions. Thus, the Task Force concluded these amendments will reduce existing inconsistencies in the testing of the impairment of unamortized film costs and improve financial reporting information.

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 The Movie Studio, Inc. will continue in operation for at 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 $11.3 million as of June 30, 2020, has limited cash available for payment of operating expenses, no source of revenue, and requires additional financing in order to finance its business activities as a going concern. 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.

DIVIDENDS

There are no restrictions that could prevent the Company from paying dividends on its common shares. The Movie Studio has not paid any dividends on its common shares as it not contemplated that the Company will pay any dividends in the immediate or foreseeable future. It is the Company's intention to use all available cash flow to finance further movie production projects.

RISK FACTORS

The following risk factors relate to the business of The Movie Studio; Currently has Limited Financial History and Operating Cash Flow Since incorporation, The Movie Studio has had limited financial activity and negative cash flow. There can be no certainty that The Movie Studio will ever achieve or sustain profitability or positive cash flow from its operating activities.
In addition, The Movie Studio's working capital and funding needs may vary significantly depending upon a number of factors including, but not limited to: • progress of The Movie Studio's production, financing, and distribution activities; • collaborative license agreements with third parties; • opportunities to in-license beneficial productions or potential acquisitions; • potential milestone or other payments that The Movie Studio may make to licensors or corporate partners; • technological and market consumption and distribution models or alternative forms of entertainment delivery that affect The Movie Studio's potential revenue levels or competitive position in the marketplace; • the level of sales and gross profit; • costs associated with production, labor and services costs, and The Movie Studio's ability to realize operation and production efficiencies; • fluctuations in certain working capital items, including library assets, short-term loans, and accounts receivable, that may be necessary to support the growth of The Movie Studio's business; • expenses associated with litigation; and • management of debt and repayment of such debt Early Stage The Movie Studio is an early stage company and as such, The Movie Studio is subject to many risks including undercapitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenue.

There is no assurance that The Movie Studio will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered considering its early stage of operations. The Movie Studio's prospects must be considered speculative considering the risks, expenses, and difficulties frequently encountered by companies in their early stages of operations, particularly in the highly competitive and rapidly evolving markets in which The Movie Studio operates. To attempt to address these risks, The Movie Studio must, among other things, successfully implement its business plan, marketing, and commercialization strategies, respond to competitive developments, and attract, retain, and motivate qualified personnel.

A substantial risk is involved in investing in The Movie Studio because, as a smaller commercial enterprise that has fewer resources than an established company, The Movie Studio's management may be more likely to make mistakes, and The Movie Studio may be more vulnerable operationally and financially to any mistakes that may be made, as well as to external factors beyond The Movie Studio's control.

The Movie Studio May Not be Able to Successfully Execute its Business Plan The execution of The Movie Studio's business plan poses many challenges and is based on several assumptions. The Movie Studio may not be able to successfully execute its business plan. If The Movie Studio experiences significant cost overruns, or if its business plan is more costly than it anticipates, certain activities may be delayed or eliminated, resulting in changes or delays to its current plans, or The Movie Studio may be compelled to secure additional funding (which may or may not be available) to execute its business plan. The Movie Studio cannot predict with certainty its future revenues or results from its operations. If the assumptions on which its revenues or expenditures forecasts are based change, the benefits of The Movie Studio's business plan may change as well.
In addition, The Movie Studio may consider expanding its business beyond what is currently contemplated in its business plan. Depending on the financing requirements of a potential business expansion, The Movie Studio may be required to raise additional capital through the issuance of equity or debt. If The Movie Studio is unable to raise additional capital on acceptable terms, it may be unable to pursue a potential business expansion. The Movie Studio Faces Substantial Capital Requirements and Financial Risks.

The business requires a substantial investment of capital. The production, acquisition, and distribution of motion picture and television content requires substantial capital. A significant amount of time may elapse between The Movie Studio's expenditure of funds and the receipt of revenues after release or distribution of such content. This may require a significant portion of funds from equity, credit, and other financing sources to fund the business. Although the risks of production exposure are reduced through tax credit programs, government and industry programs, other studios and co-financiers and other sources, there can be no assurance that these arrangements will continue to be successfully implemented or will not be subject to substantial financial risks relating to the production, acquisition, and distribution of future indie film and television content. In addition, if the production slate or the production budgets increase through internal growth or acquisition, there may be an increase to overhead and/or larger up-front payments for talent acquisition and, consequently, these increases bear greater financial risks. Any of the foregoing could have a material adverse effect on The Movie Studio's business, financial condition, operating results, liquidity, and prospects. Additional Capital Requirements The Movie Studio may need to engage in equity or debt financings to secure additional funds. If The Movie Studio raises additional funds through further issuances of equity or convertible debt securities, The Movie Studio's existing shareholders could suffer significant dilution, and any new equity securities The Movie Studio issues could have rights, preferences, and privileges superior to those of holders of The Movie Studio Shares.

Any debt financing secured by The Movie Studio in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for it to obtain additional capital and to pursue business opportunities. The Movie Studio can provide no assurance that sufficient debt or equity financing will be available on reasonable terms or at all to support its business growth and to respond to business challenges and failure to obtain sufficient debt or equity financing when required could have a material adverse effect on its business, prospects, financial condition, results of operations, and cash flows.

The Movie Studio expects to incur short-term losses and generate negative cash flow until it can produce sufficient revenues to cover its costs. The Movie Studio may never become profitable. Even if it does achieve profitability, The Movie Studio may be unable to sustain or increase its profitability in the future. For the reasons discussed in more detail below, there are substantial uncertainties associated with The Movie Studio achieving and sustaining profitability.

The Movie Studio expects its cash reserves will be reduced due to future operating losses and working capital requirements, and it cannot provide certainty as to how long its cash reserves will last or that it will be able to access additional capital if and when necessary. The Movie Studio May Need to Raise Additional Capital in the Future to Fund its Operations The Movie Studio may require substantial additional capital resources to further its production-packaging business model. Future cash requirements may vary materially from those expected if The Movie Studio elects to produce indie films, acquire indie films or experiences operational production delays or unexpected increases in costs related to the maintenance, defense, and enforcement of proprietary intellectual properties and tax credit refunds.

Sources of additional funding include collaborations and licensing arrangements, public or private equity, or debt financing. If The Movie Studio's commercialization activities do not show positive results, or if capital market conditions in general, or with respect to entertainment motion picture companies in particular, are unfavorable, The Movie Studio may be unable to raise funds when needed or on acceptable terms. Any Additional Equity Financings May Be Dilutive to The Movie Studio's Existing Stockholders If sufficient capital is not available, The Movie Studio may be required to delay, reduce the scope of, eliminate or divest one or more of its library assets or productions or suspend operations, any of which could have a material adverse effect on The Movie Studio's business, financial condition, prospects, or results of operations.
Fluctuation of the market price for the Company's shares Securities markets have a high level of price and volume volatility, and the market price of shares of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The market price of the common shares may be subject to significant fluctuation in response to numerous factors, many of which are beyond the Company's control, including variations in its annual or quarterly financial results or those of its competitors, conditions in the economy in general or in the broadcasting, film or television sectors in particular and unfavorable changes in applicable laws and regulations.

As a result of numerous factors, the market price of the common shares may be volatile and, at any given point in time, may not accurately reflect the long-term value of the Company. This volatility may affect the ability of holders of shares to sell their shares at an advantageous price. The Movie Studio has broad discretion over the Use of Net Proceeds. The Movie Studio will have broad discretion over the use of the net proceeds from any future capital raises. Because of the number and variability of factors that will determine The Movie Studio's use of such proceeds, the ultimate use might vary substantially from the planned use. Investors may not agree with how The Movie Studio allocates or spends the proceeds from future capital raises. The Movie Studio may pursue collaborations that ultimately do not result in an increase in the market value of the common shares and that instead increase The Movie Studio's losses.

Budget overruns may adversely affect The Movie Studio's Business while The Movie Studio's business model requires efficiency in the production of indie films and television content, actual production costs may exceed their budgets. The production, completion, and distribution of such content can be subject to a number of uncertainties, including delays and increased expenditures due to disruptions or events beyond The Movie Studio's control.

As a result, if each production incurs substantial budget overruns, additional financing may need to be sourced. There are no assurances regarding the availability of such additional financing or on mutually acceptable terms, or that such costs will be recouped. Budget overruns could also prevent a picture from being completed or released, thereby having a material adverse effect on the business, financial condition, operating results, liquidity, and prospects of The Movie Studio.

The Movie Studio's results of operations are difficult to predict and depend on a variety of factors. Results may fluctuate due to the timing, mix, number, and availability of indie films produced or acquired and home entertainment releases, as well as license periods for content. The operating results may increase or decrease during a particular period or fiscal year due to differences in the number and/or mix of films released compared to the corresponding period in the prior fiscal year.

Moreover, the results of operations may be impacted by the commercial success of all of The Movie Studio's film productions. There is no assurance that the production, acquisition, and distribution of all current and future motion pictures will be managed successfully to receive critical acclaim or perform well commercially. Any inability to achieve such commercial success could have a material adverse effect on The Movie Studio's business, financial condition, operating results, liquidity, and prospects. Operating results also fluctuate due to accounting practices which may recognize the acquisition and sale of indie films in different periods than the recognition of related revenues, which may occur in later periods. In addition, the comparability of results may be affected by changes in accounting guidance or changes in The Movie Studio's ownership of certain assets. Accordingly, the results of operations from year to year may not be directly comparable to prior reporting periods. As a result of the foregoing and other factors, the results of operations may fluctuate significantly from period to period, and the results of any one period may not be indicative of the results for any future periods.

The Movie Studio typically does not enter into long-term production contracts with the creative producers of motion picture and television content that it produces, acquires, or distributes. Moreover, The Movie Studio generally has certain derivative rights that provide for distribution rights to, for example, prequels, sequels, and remakes of certain content that The Movie Studio may produce, acquire or distribute. However, there is no guarantee that The Movie Studio will produce, acquire or distribute future content by any creative producer or co-financing partner, and a failure to do so could adversely affect the business, financial condition, operating results, liquidity, and prospects of The Movie Studio.

There are No Long-Term Agreements with Retailers. There is no assurance that favorable relationships with retailers and distributors will develop or, if developed, will be maintained or that they will not be adversely affected by economic conditions. If any retailer or distributor reduces or cancels a significant order or becomes bankrupt, it could have a material adverse effect on the business, financial condition, operating results, liquidity, and prospects of The Movie Studio.

The Movie Studio's Success Depends on the commercial success of motion pictures, which is unpredictable generally, the popularity of The Movie Studio's movies depends on many factors, including the critical acclaim they receive, the format of their initial release, their talent, their genre and their specific subject matter, audience reaction, the quality and acceptance of motion pictures or television content that The Movie Studio's competitors release into the marketplace at or near the same time, critical reviews, the availability of alternative forms of entertainment and leisure activities, general economic conditions, and other tangible and intangible factors, many of which The Movie Studio does not control and all of which may change.

The Movie Studio cannot predict the future effects of these factors with certainty. In addition, because a performance in ancillary markets, such as home video and pay and free television, is often directly related to its box office performance or television ratings, poor box office results or poor television ratings may negatively affect future revenue streams.

The Movie Studio's success will depend on the experience and judgment of its management to select and develop new investment and production opportunities. The Movie Studio cannot assure that its motion pictures and movies will obtain favorable reviews or ratings, that its motion pictures will perform well at the box office or in ancillary markets, or that broadcasters will license the rights to broadcast any of its movies in the development or renewal of licenses to broadcast programs in its library. Additionally, The Movie Studio cannot assure that any original programming content will appeal to its distributors and subscribers.

The Movie Studio's Business involves risks of liability claims for content of material, which could adversely affect its Business, results of operations, and Financial Condition. As a distributor of media content, The Movie Studio may face potential liability for defamation, invasion of privacy, negligence, copyright or trademark infringement, and other claims based on the nature and content of the materials distributed. These types of claims have been brought, sometimes successfully, against producers and distributors of media content.

Any imposition of liability that is not covered by insurance or is more than insurance coverage could have a material adverse effect on The Movie Studio's business, financial condition, operating results, liquidity, and prospects. Piracy of Films and Television Programs could adversely affect The Movie Studio's Business. Over time piracy is extensive in many parts of the world and is made easier by the availability of digital copies of content and technological advances allowing conversion of films and television content into digital formats. This trend facilitates the creation, transmission, and sharing of high-quality unauthorized copies of motion pictures and television content. The proliferation of unauthorized copies of these products has had and will likely continue to have an adverse effect on The Movie Studio's business, because these products reduce the revenue it receives from its products. In order to contain this problem, The Movie Studio may have to implement elaborate and costly security and anti-piracy measures, which could result in significant expenses and losses of revenue.

There is No Assurance that even the highest levels of security and anti-piracy measures will prevent piracy in particular, unauthorized copying and piracy are prevalent in countries outside of the United States, Canada, and Western Europe, whose legal systems may make it difficult for The Movie Studio to enforce its intellectual property rights.

While the United States government has publicly considered implementing trade sanctions against specific countries that, in its opinion, do not make appropriate efforts to prevent copyright infringements of United States-produced motion pictures and television content, there can be no assurance that any such sanctions will be enacted or, if enacted, will be effective. In addition, if enacted, such sanctions could impact the amount of revenue that The Movie Studio realizes from the international exploitation of its content.

Protecting and defending against Intellectual Property Claims may have a material adverse effect on The Movie Studio's Business ability to compete depends, in part, upon successful protection of its intellectual property. The Movie Studio attempt to protect proprietary and intellectual property rights to its productions through available copyright and trademark laws and licensing and distribution arrangements with reputable international companies in specific territories and media for limited durations. Despite these precautions, existing copyright and trademark laws afford only limited practical protection in certain countries where The Movie Studio distributes its products. As a result, it may be possible for unauthorized third parties to copy and distribute The Movie Studio's productions or certain portions or applications of its intended productions, which could have a material adverse effect on its business, financial condition, operating results, liquidity, and prospects.

Litigation may also be necessary to enforce The Movie Studio's intellectual property rights, to protect its trade secrets, or to determine the validity and scope of the proprietary rights of others or to defend against claims of infringement or invalidity. Any such litigation, infringement or invalidity claims could result in substantial costs and the diversion of resources and could have a material adverse effect on The Movie Studio's business, financial condition, operating results, liquidity, and prospects. The Movie Studio's more successful and popular film or television products or franchises may experience higher levels of infringing activity, particularly around key release dates. Alleged infringers have claimed and may claim that their products are permitted under fair use or similar doctrines, that they are entitled to compensatory or punitive damages because The Movie Studio's efforts to protect its intellectual property rights are illegal or improper, and that its key trademarks or other significant intellectual property are invalid. Such claims, even if meritless, may result in adverse publicity or costly litigation. The Movie Studio will vigorously defend its copyrights and trademarks from infringing products and activity, which can result in litigation. The Movie Studio may receive unfavorable preliminary or interim rulings during litigation, and there can be no assurance that a favorable final outcome will be obtained in all cases.

Additionally, one of the risks of the film and television production business is the possibility that others may claim that The Movie Studio's productions and production techniques misappropriate or infringe the intellectual property rights of third parties with respect to their previously developed films and televisions series, stories, characters, other entertainment or intellectual property. Regardless of the validity or the success of the assertion of any such claims, The Movie Studio could incur significant costs and diversion of resources in enforcing its intellectual property rights or in defending against such claims, which could have a material adverse effect on its business, financial condition, operating results, liquidity, and prospects. The Movie Studio faces risks from doing business internationally. The Movie Studio distributes content outside the United States and derive revenues from international sources.

As a result, The Movie Studio's business is subject to certain risks inherent in international business, many of which are beyond its control. These risks may include: • laws and policies affecting trade, investment and taxes, including laws and policies relating to the repatriation of funds and withholding taxes, and changes in these laws; • anti-corruption laws and regulations such as the Corruption of Foreign Public Officials Act Canada, the Foreign Corrupt Practices Act (U.S.A.), and the Bribery Act (U.K.) that impose strict requirements on how The Movie Studio conducts its foreign operations and changes in these laws and regulations; • changes in local regulatory requirements, including restrictions on content and differing cultural tastes and attitudes; • international jurisdictions where laws are less protective of intellectual property and varying attitudes towards the piracy of intellectual property; • financial instability and increased market concentration of buyers in foreign television markets, including in European pay television markets; • the instability of foreign economies and governments; • fluctuating foreign exchange rates; • the spread of communicable diseases in such jurisdictions, which may impact business in such jurisdictions; and • war and acts of terrorism. Events or developments related to these and other risks associated with international trade could adversely affect The Movie Studio's revenues from non-U.S. sources, which could have a material adverse effect on its business, financial condition, operating results, liquidity, and prospects.

Protection of electronically stored data is costly and if The Movie Studio's data is compromised despite this protection, The Movie Studio may incur additional costs, lost opportunities, and damage to its reputation. The Movie Studio maintains information in digital form as necessary to conduct its business, including confidential and proprietary information, copies of films, television programs and other content, and personal information regarding its employees. Data maintained in digital form is subject to the risk of intrusion, tampering, and theft.

The Movie Studio develops and maintains systems to prevent this from occurring, but it is costly and requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated. Moreover, despite The Movie Studio's efforts, the possibility of intrusion, tampering, and theft cannot be eliminated entirely, and risks associated with each of these acts remain.
In addition, The Movie Studio provides confidential information, digital content, and personal information to third parties when it is necessary to pursue business objectives. While The Movie Studio obtains assurances that these third parties will protect this information and, where appropriate, monitor the protections employed by these third parties, there is a risk that data systems of these third parties may be compromised. If The Movie Studio's data systems or data systems of these third parties are compromised, The Movie Studio's ability to conduct its business may be impaired, it may lose profitable opportunities or the value of those opportunities may be diminished and it may lose revenue as a result of unlicensed use of its intellectual property. A breach of The Movie Studio's network security or other theft or misuse of confidential and proprietary information, digital content or personal employee information could subject The Movie Studio to business, regulatory, litigation, and reputation risk, which could have a materially adverse effect on its business, financial condition, and results of operations.

Fluctuations in currency exchange rates could decrease the production activity of the Company's customers and adversely affect the results of operations and financial condition of the Company. The Company cannot predict the effect of exchange rate fluctuations upon its future operating results. The Movie Studio Incurs Expenditures in Foreign Currency and Does Not Hedge Against Foreign Currency Risks The Movie Studio operates internationally and United States and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency. The operating results and the financial position of The Movie Studio are reported in US dollars.

The fluctuations of the operating currencies in relation to the US dollar will, consequently, have an impact upon the reporting results of The Movie Studio and may also affect the value of The Movie Studio's assets and liabilities. The Movie Studio Faces substantial competition in all aspects of Its Business. The Movie Studio is smaller and less diversified than many of its competitors. Unlike The Movie Studio, an independent distributor and producer, most of the major United States studios are part of large diversified corporate groups with a variety of other operations that can provide both the means of distributing their products and stable sources of earnings that may allow them to better offset fluctuations in the financial performance of their motion picture and television operations.

The major studios also have more resources with which to compete for ideas, storylines, and scripts created by third parties as well as for actors, directors, and other personnel required for production. These resources may also give them an advantage in acquiring other businesses or assets, including film libraries, that The Movie Studio might also be interested in acquiring. The Motion Picture Industry is highly competitive. The limited supply of motion picture screens compounds this product oversupply problem, which may be most pronounced during peak release times such as holidays, when theater attendance is expected to be highest. As a result of changes in the theatrical exhibition industry, including reorganizations and consolidations, and major studio releases occupying more screens, the number of screens available to The Movie Studio when it wants to release a picture may decrease.

If the number of motion picture screens decreases, box office receipts, and the correlating future revenue streams, such as from home entertainment and pay and free television, of The Movie Studio’s motion pictures may also decrease. Moreover, The Movie Studio cannot guarantee that it can release all its films when they are otherwise scheduled due to production or other delays, or a change in the schedule of a major studio. Any such change could adversely impact a film's financial performance. In addition, if The Movie Studio cannot change its schedule after such a change by a major studio because it is too close to the release date, the major studio's release and its typically larger promotion budget may adversely impact the financial performance of The Movie Studio’s film. The Home Entertainment Industry is highly competitive. The Movie Studio competes with all of the major United States studios which distribute their theatrical, television, and titles acquired from third parties on DVDs/Blu-ray discs and other media and have marketing budgets greater than The Movie Studio’s budgets.

The Movie Studio not only competes for ultimate consumer sales, but also with these parties and independent home entertainment distributors for location and shelf space placement at retailers and other distributors. The quality and quantity of titles as well as the quality of The Movie Studio’s marketing programs determines how much shelf space it can garner at any given time as retailers and other distributors look to maximize sales.

The Movie Studio also competes with United States studios and other distributors that may have certain competitive advantages over the company to acquire the rights to sell or rent DVDs/Blu-ray discs and other media. The Movie Studio’s ability to license and produce quality content in sufficient quantities has a direct impact on its ability to acquire shelf space at retail locations and on websites. In addition, certain of The Movie Studio’s content is obtained through agreements with other parties that have produced or own the rights to such content, while other United States studios may produce most of the content they distribute. The Movie Studio’s sales and other media sales are also impacted by myriad choices consumers have to view entertainment content, including over-the-air broadcast television, cable television networks, online services, mobile services, radio, print media, motion picture theaters, and other sources of information and entertainment.

The Movie Studio can successfully respond to rapid technological changes and alternative forms of delivery or storage to remain competitive. The entertainment industry continues to undergo significant developments as advances in technologies and new methods of product delivery and storage (including the emergence of alternative distribution platforms), and certain changes in consumer behavior driven by these developments emerge.

New technologies affect the demand for The Movie Studio’s content, the manner in which its content is distributed to consumers, the sources and nature of competing content offerings, and the time and manner in which consumers acquire and view its content. New technologies also may affect The Movie Studio’s ability to maintain or grow its business and may increase its capital expenditures. The Movie Studio and its distributors must adapt its Businesses to shifting patterns of content consumption and changing consumer behavior and preferences through the adoption and exploitation of new technologies.

For instance, such changes may impact the revenue The Movie Studio is able to generate from traditional distribution methods by decreasing the viewership of its networks on systems of cable operators, satellite television providers, and telecommunication companies, or by decreasing the number of households subscribing to services offered by those distributors. If The Movie Studio cannot successfully exploit these and other emerging technologies, its appeal to targeted audiences might decline which could have a material adverse effect on its business, financial condition, operating results, liquidity, and prospects.

Dependence on Management and Key Personnel The Movie Studio’s success depends largely upon the continued services of its executive officers and other key employees. From time to time, there may be changes in The Movie Studio’s executive management team resulting from the hiring or departure of executives, which could disrupt its business. If The Movie Studio is unable to attract and retain top talents, its ability to compete may be harmed. The Movie Studio’s success is also highly dependent on its continuing ability to identify, hire, train, retain and motivate highly qualified personnel. Competition for highly skilled entertainment executives and other employees is high in The Movie Studio’s industry, and The Movie Studio may not be successful in attracting and retaining such personnel.

Failure to attract and retain qualified executive officers and other key employees could have a material adverse effect on its business, prospects, financial condition, results of operations, and cashflows. The Movie Studio’s Success Depends on Attracting and Retaining Talent. The Movie Studio’s success depends upon the continued efforts, abilities, and expertise of key employees, including production, creative, and technical personnel. The Movie Studio’s success also depends on its ability to identify, attract, hire, train, and retain such personnel. The Movie Studio has entered into agreements with production executives but does not currently have significant “key person” life insurance policies for any employees.

Although it is standard in the industry to rely on employment agreements as a method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. In addition, competition for the limited number of business, production, and creative personnel necessary to create and distribute The Movie Studio’s entertainment content is intense and may grow in the future. The Movie Studio may not be successful in identifying, attracting, hiring, training, and retaining such personnel in the future, and its inability to do so could have a material adverse effect on its business, financial condition, operating results, liquidity, and prospects.

The Movie Studio is not directly or indirectly dependent upon highly specialized union members who are essential to the production of motion pictures and television content. A strike by, or a lockout of, one or more of the unions that provide personnel essential to the production of motion pictures or television content likely not delay or halt The Movie Studio’s ongoing production activities.

Conflicts of Interest certain of the directors, officers, and other members of management of The Movie Studio serve (and may in the future serve) as directors, officers, and members of management of other companies and therefore, it is possible that a conflict may arise between their duties as a director, officer or member of management of The Movie Studio and their duties as a director, officer or member of management of such other companies. The directors and officers of The Movie Studio are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and The Movie Studio will rely upon such laws in respect of any directors’ and officers’ conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

All such conflicts will be disclosed by such directors or officers in accordingly with Business Corporations Act and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. All The Movie Studio’s directors and executive officers reside principally in the US. Because all or a substantial portion of The Movie Studio’s assets and the assets of these persons are located in the US, it may not be possible for foreign investors to effect service of process from outside of the US upon The Movie Studio or those persons. Furthermore, it may not be possible to enforce against The Movie Studio foreign judgments obtained in courts outside of US based upon the civil liability provisions of the securities laws or other laws in those jurisdictions.

Any Disruption at The Movie Studio’s Places of Business could delay revenues or increase expenses. All The Movie Studio’s operations are conducted at locations in US. A natural disaster, such as a fire, flood or earthquake, could cause substantial delays in The Movie Studio’s operations, damage or destroy its offices, and cause The Movie Studio to incur additional expenses.

In addition, because The Movie Studio does not maintain “key person” life insurance on any of its executive officers, employees or consultants, any delay in replacing such persons, or an inability to replace them with persons of similar expertise, would have a material adverse effect on The Movie Studio’s business, financial condition, and results of operations.

The Movie Studio’s Systems are vulnerable to damage and failure despite the implementation of security measures, The Movie Studio’s internal computer systems are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war, and telecommunication and electrical failure. Any system failure, accident or security breach that causes interruption in The Movie Studio’s operations could result in a material disruption of its projects. To the extent that any disruption or security breach results in a loss or damage to The Movie Studio’s data or applications, or inappropriate disclosure of confidential or proprietary information, The Movie Studio may incur liability as a result.

In addition, The Movie Studio’s technology program may be adversely affected, and the further development of its technology may be delayed. The Movie Studio may also incur additional costs to remedy the damages caused by these disruptions or security breaches. Business interruptions could adversely affect Head Office Operations The Movie Studio’s operations are vulnerable to outages and interruptions due to fire, floods, power loss, telecommunications failures, and similar events beyond its control.

The Movie Studio’s headquarters are located in South Florida, which is subject to hurricanes. Although The Movie Studio has developed certain plans to respond in the event of a disaster, there can be no assurance that they will be effective in the event of a specific disaster. In the event of a short-term power outage. A long-term power outage, however, could disrupt The Movie

Studio’s operations. Losses or damages incurred by The Movie Studio could have a material adverse effect on its business and results of operations.

The Movie Studio is Subject to Risks Associated with Possible Acquisitions, Business Combinations, or Joint Ventures From time to time, The Movie Studio could be engaged in discussions and activities with respect to possible acquisitions, sale of assets, business combinations, or joint ventures intended to complement or expand the business. The anticipated benefit from any of the transactions The Movie Studio pursues may not be realized. Regardless of whether any such transaction is consummated, the negotiation of a potential transaction and the integration of the acquired business could incur significant costs and cause diversion of management's time and resources. Any such transaction could also result in impairment of goodwill and other intangibles, development write-offs, and other related expenses. Such transactions may pose challenges in the consolidation and integration of information technology, accounting systems, personnel, and operations.

The Movie Studio may also have difficulty managing the combined entity in the short term if it experiences a significant loss of management personnel during the transition period after a significant acquisition. No assurance can be given that expansion or acquisition opportunities will be successful, completed on time, or that The Movie Studio will realize expected operating efficiencies, cost savings, revenue enhancements, synergies, or other benefits. Any of the foregoing could have a material adverse effect on the business, financial condition, operating results, liquidity, and prospects of The Movie Studio. Claims Against The Movie Studio Relating to Any Acquisition or Business Combination May Necessitate Seeking Claims Against the Seller for which the Seller May Not Indemnify.

The Movie Studio or that may exceed the seller's indemnification obligations. There may be liabilities assumed in any acquisition or business combination that The Movie Studio did not discover or that it underestimated while performing its due diligence. Although a seller generally will have indemnification obligations to The Movie Studio under an acquisition or merger agreement, these obligations usually will be subject to financial limitations, such as general deductibles and maximum recovery amounts, as well as time limitations. There is no assurance that The Movie Studio’s right to indemnification from any seller will be enforceable, collectible or sufficient in amount, scope or duration to fully offset the amount of any undiscovered or underestimated liabilities that The Movie Studio may incur.

Any such liabilities could have a material adverse effect on the business, financial condition, operating results, liquidity, and prospects of The Movie Studio. Growth may cause pressure on The Movie Studio’s management and systems. The Movie Studio’s future growth may cause significant pressure on its management, and its operational, financial, and other resources and systems. The Movie Studio’s ability to manage its growth effectively will require the company to implement and improve its operational, financial, manufacturing, and management information systems, hire new personnel and then train, manage, and motivate these new employees. These demands may require the hiring of additional management personnel and the development of additional expertise within the existing management team. Any increase in resources devoted to production, business development, and distribution efforts without a corresponding increase in The Movie Studio’s operational, financial, and management information systems could have a material adverse effect on its business, financial condition, and results of operations.

The Movie Studio has never declared or paid a dividend The Movie Studio has never declared or paid any dividends on the common shares. The Movie Studio currently intends to retain its future earnings, if any, to finance further research and the expansion of The Movie Studio’s business. As a result, the return on an investment in the The Movie Studio Shares will depend upon any future appreciation in value. There is no guarantee that the common shares will appreciate or even maintain the price at which shareholders have purchased their shares.

Global Economic Turmoil and Regional Economic Conditions in the United States Could Adversely Affect its Business Global economic turmoil may cause a general tightening in the credit markets, lower levels of liquidity, increases in the rates of default and bankruptcy, levels of intervention from the United States federal government and other foreign governments, decreased consumer confidence, overall slower economic activity, and extreme volatility in credit, equity, and fixed income markets.
A decrease in economic activity in the United States or in other regions of the world in which The Movie Studio does business could adversely affect demand for its content, thus reducing its revenues and earnings. A decline in economic conditions could reduce performance of The Movie Studio’s theatrical, television, and home entertainment releases. In addition, an increase in price levels generally could result in a shift in consumer demand away from the entertainment that The Movie Studio offers, which could also adversely affect its revenues and, at the same time, increase its costs.

For instance, lower household income and decreases in United States consumer discretionary spending, which is sensitive to general economic conditions, may affect cable television and other video service subscriptions. Risks Related to the COVID-19 Pandemic The 2020 novel coronavirus (COVID-19) pandemic has caused extreme market volatility and uncertainty that could jeopardize the funding of future projects. Additionally, companies and various international jurisdictions have imposed restrictions, such as quarantines, closures, cancellations, and travel restrictions. Entertainment projects that generate revenue for the Company rely on convenient international travel and ongoing restrictions may delay or encumber such projects. Additionally, restrictions related to the gathering of people may adversely affect the Company's operations. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Note 4 - Amortizable Intangible Assets

Amortizable assets	Account Balances
Total of Intellectual Property	859,082
Less: Accumulated Amortization	159,178
Net Intangible Assets	699,904

As of June 30, 2020, the Company has been filming the motion picture entitled Cause and Effect on an independent basis without any contract per se, and has absorbed costs in process in the amount of $175,836, as follows:

Cause and Effect	
Motion Picture In-Process:	
Actors Pay	43,059
Producer Fees	31,859
Audio Engineer	1,700
Catering	1,144
Costumes	2,398
Director Fees	7,313
Editing	6,779
Equipment Items	9,870
Film Production	10,185
Grip Work	5,064
Make-up Artists	1,490
Photography	15,754
Studio Supplies	8,979
Total	175,836

The motion picture in-process known as "Cause and Effect" features Excelina Ordonez The costs upon completion of this motion picture will be capitalized and then made part of the costs of the motion picture in-process for VCP II that began during the early part of the year of 2013. As a result of the defaulted Wonderfilm Strategic partnership agreement the production of Cause & Effect have been impaired as the divesture of our featured artist Excelina Ordonez. The Company is working on re-integration of the intellectual property utilizing the Companies "Moivesode" process however there is no assurance the process will be successful on the re-structuring.

Note 5 - Income Taxes

The Company has approximately $11.257 million in net operating loss carryovers available to reduce future income taxes. These carryovers expire at various dates through the year 2039.

The Company has adopted FASB ASC Topic 740 which provides for the recognition of a deferred tax asset based upon the value of loss carry forwards that will reduce future income taxes liabilities. 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.

	June 30, 2020	June 30, 2019
Deferred tax asset:		
Net operating loss carryforwards	$ (11,257,204)	$ (10,736,443)
Deferred tax asset	$ (11,257,204)	$ (10,736,443)
Less: Valuation allowance	11,257,204	10,736,443
Net deferred tax asset	$ -	$ -

Note 6 - Commitments and Facilities

As of June 30, 2020, the Company maintains its offices in shared executive suites with RMG REGUS, Inc. located at their office complex in Fort Lauderdale, Florida at 2598 E. Sunrise Blvd, Suite 2054. The new operating lease is projected for a one year renewable and pays monthly rent in the amount of approximately $2500 per month.

Note 7 - Employment Agreements

Gordon Scott Venter's is employed as the Company's president and chief executive officer pursuant to an employment agreement since inception November 1st, 2004. The employment agreement, which has been extended to date provides for an annual salary of $133,000 with annual increases of a minimum of 5% per year, 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.

For the year ended June 30, 2020, Mr. Venter's salary was accrued for in the amount of $154,698, less drawings of $40,212. As of June 30, 2020, the accumulated balance due to Mr. Venter's is in the amount of $114,486.

Note 8 - Payroll Taxes Payable

Payroll taxes for non-farm paid $2,462 for the year ended June 30, 2020

Note 9 – Common Stock Issued for Cash

During the year ended June 30, 2020, the Company issued to accredited investors approximately 42,538,100 shares of common stock for $569,345 all of which were issued at prices between $0.0001 and $0.01 per share.

None of the above shares have been registered under the Securities Act of 1933, nor 1934, 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 June 30th, 2019, and 2020, the Company had a total authorization in the amount of 5.5 billion shares subject to a reserve requirement by our transfer agent for unforeseen debt conversions in the amount of 277,316,185 thus, having a net authorization available before our issuances for cash in the amount of 5,443,946,910.

As of June 30th, 2019, and March 31st, 2020, there were 44,206,298 and 94,043,054 shares issued and outstanding, respectively.

Note 10 – Common Stock Issued for Services and Acquisitions

During the years then ended, there were no shares issued for services rendered, but there no shares issued for acquisitions.

Note 11 - Preferred Stock - series A and B Preferred Stock

The series A Preferred Stock is identical in all aspects to the Common Stock, 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 June 30, 2020, there were 92,250,000 series A Preferred Shares and 100,000,000 series B Preferred shares issued and remaining outstanding.

Note 12 - Common Stock Options

No options, rights or warrants were issued or outstanding as of June 30, 2020 and 2019.

Note 13 – Litigation and Legal Disclosures

The Movie Studio, Inc. entered an agreement with Wonderfilm Media Corporation (OTC: WDRFF TSX: WNDR) et al. on March 18th, 2019 and July 30th, 2019, respectively. The Company terminated the "agreement with cause" on September 19th, 2019.

On November 26th, 2019, The Movie Studio Inc. as Plaintiffs served Wonderfilm Media Corporation a Civil complaint filed in Broward County Florida Case #19022958 in connection with the terminated agreement with cause. The case is still pending.

The Movie Studio, Inc. on June 28th, 2019 entered into a settlement non-disparagement agreement with Joseph B. Elkind that included a Five Thousand Dollar ($5,000) payment ("Settlement Amount"). The agreement consisted of the assignment of themoviestudio.net to the Company and return, surrender, transfer and assignment of 12,018 shares of The Movie Studio, Inc. [MVES] common stock, respectively.

On April 17th, 2020 The Movie Studio, Inc. was issued a claim for arbitration under IFTA Rules by Pulp Video SLR. On June 8th, 2020, the Company entered a Confidential Settlement and final Release Agreement of records with prejudice. The terms of the settlement shall not be construed as admissions of any liability or responsibility, and each released party expressively denies any liability or responsibility.

Up until June 29th, 2020, The Movie Studio, Inc. was of the firm belief and opinion based on all known facts that the Arrowhead Film Library contract was still valid, executable and capable of closing upon which The Movie Studio, Inc. reasonably relied. On June 29th, 2020 The Movie Studio, Inc. was notified by our Corporate Counsel, that the counsel for the liquidator, (who was also the counsel for The Movie Studio, waiver of conflict of interest contained in retainer agreement) first disclosed the Arrowhead Film Library films were sold to a third party on or about April, 2020. Our counsel representing us on the proposed purchase transaction never notified the Company of the sale. The Definitive Assignment and Settlement Agreement Signed April 20th, 2016 is subsequently terminated by impossibility of performance due to the prior un-noticed sale to a third party.

As of June 30, 2020, the Company has not had any other legal proceedings, lawsuits or litigation as Plaintiff or Defendant.

The Company has received a subpoena from the SEC for the production of certain records of the Company including those related to the Arrowhead Film Library and Seven Arts Entertainment Inc. The Company is in the process of responding to the subpoena. Neither the Company nor any other party identified herein has been accused of any wrongdoing or violation of any law or regulation.

Note 14 – Notes Payable and Promissory Convertible Notes Payable

Below is a schedule of our holders of these notes for the periods then ended as of June 30th, 2020 and 2019, are as follows:

	June 30, 2020	June 30, 2019
Current liabilities		
Tri-Bridge Ventures LLC note payable	102,000	102,000
KGH, Inc note payable	-	20,440
Blue Stone Equity LLC	-	10,000
Global Capital Inc. note payable	20,000	20,000
Green Tree financial Inc. note payable	-	55,000
Ross Gregg note payable	-	17,500
Totals	122,000	224,940
Long term liabilities		
KGH, Inc Convertible note payable	-	-
Sub-total	-	-
Totals	122,000	224,940