UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 10-Q

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2014

Hannover House, Inc.

(Exact name of registrant as specified in its charter)

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Wyoming	**000-28723**	**91-1906973**
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

1428 Chester Street, Springdale, AR 72764
(Address of Principal Executive Offices) (Zip Code)

479-751-4500
(Registrant's telephone number, including area code)

f/k/a "Target Development Group, Inc."

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☑

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☑

APPLICABLE ONLY TO CORPORATE ISSUERS

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

The Company's stock is traded on the OTC "Pinksheets" Markets under the trading symbol: HHSE. The Cusip number for the Company is: 410686 101. The following is true and correct, per our transfer agent, as of and at the period ending on June 30, 2014:

a. Total Common Stock Shares in issue as of June 30, 2014: 598,338,905

b. Above Shares Restricted From Sale: 109,060,595

TOTAL COMMON STOCK SHARES IN MARKET: 489,278,310

c. Series "A" Preferred Shares: 1,000,000

Shareholders of Record: 192 (Standard Registrar count)

Total Beneficial Shareholders: 1,989 (Broadridge, ICS count)

Total Authorized Common Stock Shares:700,000,000

Total Authorized Series "A" Preferred Shares: 10,000,000

The Transfer Agent for the Company's stock is:

Standard Registrar & Transfer Company, Inc.
12528 South 1840 East
Draper, UT 84020
Tel. 801-571-8844 / Fax 801-571-2551

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

FORWARD-LOOKING STATEMENTS

This disclosure statement contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases you can identify forward-looking statements by terms such as “may”, “intend”, “will”, “could”, “would”, “expects”, “believe”, “estimate”, or the negative of these terms, and similar expressions intended to identify forward-looking statements. These forward-looking statements reflect our current views with respect to future events and are based on assumptions and are subject to risks and uncertainties. Also, these forward-looking statements present our estimates and assumptions only as of the date of this disclosure statement. Except for our ongoing obligation to disclose material information as required by federal securities laws, we do not intend to update you concerning any future revisions to any forward-looking statements to reflect events or circumstances occurring after the date of this disclosure statement.

Actual results in the future could differ materially and adversely from those described in the forward-looking statements as a result of various important factors, including the substantial investment of capital required to produce and market films and television series, increased costs for producing and marketing feature films, budget overruns, limitations imposed by our credit facilities, unpredictability of the commercial success of our motion pictures and television programming, the cost of defending our intellectual property, difficulties in integrating acquired businesses, and technological changes and other trends affecting the entertainment industry.

PART I — FINANCIAL INFORMATION

The Company's Financial Statements for the three-month period ending June 30, 2014 are contained within the following pages. In compliance with regulations governing FORM 10-Q reports, the information contained within these financial statements is unaudited. Additional disclosures as are required for Current Reporting Status with the OTC Markets are included in this filing.

HANNOVER HOUSE, INC.

CONSOLIDATED STATEMENT OF INCOME & RETAINED EARNINGS
FOR THE THREE-MONTH PERIOD ENDING JUNE 30, 2014 (UNAUDITED)

REVENUES		
Product Sales *(consumer packaged goods and V.O.D.)*	$	156,440
*International Licenses**	$	0
Co-Productions *(incentive revenues on fully funded productions)*	$	708,000
VODwiz Income **	$	26,750
TOTAL REVENUES	$	891,190
COST OF SALES		
Commissions	$	0
Sales and Marketing	$	1,527
Video Manufacturing	$	2,300
Film and Book Royalties	$	4,680
Freight	$	2,100
Other Expense, Accrued third party participations ***	$	566,400
TOTAL COST OF SALES	$	577,007
GROSS PROFIT	$	314,183
GENERAL AND ADMINISTRATIVE EXPENSES	$	72,536
INCOME (LOSS) FROM OPERATIONS	$	241,647
OTHER INCOME (EXPENSE)	$	0
INCOME (LOSS) BEFORE INCOME TAXES	$	241,647
PROVISION FOR INCOME TAXES **	$	0
NET INCOME (LOSS)	$	241,647
RETAINED EARNINGS, BEGINNING OF PERIOD	$	4,754,713
RETAINED EARNING, END OF PERIOD	$	4,996,360

** Company has elected to EXCLUDE International Sales Contracts and ventures for current and upcoming productions (including activities from the May, 2014 Cannes Film Festival), in order to recognize revenues as each film is fully funded and completed for delivery. Company retains the option to capture and recognize contract revenues for bonded productions, and to report same in upcoming quarters preceding delivery.*

*** VODwiz income during Q2 was derived entirely from mastering fees charged by Company to supplier partners as part of the on-boarding processes for the forthcoming consumer launch of the portal.*

**** Revenues from co-production incentives for fully funded projects ("Legend of Belle Starr" and "Shadow Vision") are commissionable, and can be recognized by Company; Net sums (less applicable 20% fee on co-productions) have been accrued as an obligation to the production entities for those films. International sales and co-production revenues for films not fully funded are not being recognized by Company at this time.*

HANNOVER HOUSE, INC.

CONSOLIDATED AND GENERAL & ADMINISTRATIVE EXPENSES
FOR THE THREE MONTH PERIOD ENDING JUNE 30, 2014 (UNAUDITED)

GENERAL AND ADMINISTRATIVE EXPENSES		
Auto	$	0
Bank Charges	$	658
Consulting	$	0
Employees	$	43,240
Entertainment*	$	0
Equipment	$	53
Fees	$	0
Insurance	$	0
Labor	$	0
Legal and Accounting	$	3,585
Miscellaneous*	$	3,970
Office	$	7,465
Rent	$	4,800
Taxes (including Payroll Taxes)	$	1,565
Telephone	$	3,807
Travel*	$	1,904
Utilities	$	1,489
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	**$**	**72,536**

* All costs incurred by Hannover House regarding travel, accommodations, entertainment and marketing expenses associated with the Company's attendance at the Cannes Film Festival and Marche Du Film in May, 2014, were prepaid by Maremanno Corporation as part of their strategic investment in the film, "***Black Eyed Dog***." Maremanno is entitled to recoupment of these Cannes costs *(approximately $29,650)* from incoming international sales licenses written by Odyssey Pictures Corporation, as such revenues are received. Accordingly, these expenses do not appear on the HHSE summary of recoupable investments.

HANNOVER HOUSE, INC.

CONSOLIDATED BALANCE SHEET
JUNE 30, 2014 (UNAUDITED)

ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents *	$	7,396
Accounts Receivable**	$	3,462,324
Co-Production Revenues Receivable	$	708,000
VODwiz Receivables	$	26,750
Prepaid Wages	$	0
Merchandise Inventory	$	148,665
Prepaid Advertising	$	0
Prepaid Producer Royalties	$	1,955,649
Producer Marketing Recoupment	$	2,204,544
Film Distribution Rights	$	2,314,914
Film Production Investments	$	497,166
Notes Receivable and Net Recoupment	$	0
TOTAL CURRENT ASSETS	**$**	**11,355,399**
PROPERTY & EQUIPMENT		
Office Furnishings, Fixtures and Equipment	$	155,134
Less Accumulated Depreciation	$	(39,356)
Vehicles***	$	15,000
Less Accumulated Depreciation	$	(5,000)
Real Property	$	0
TOTAL PROPERTY & EQUIPMENT	$	**125,778**
OTHER ASSETS		
FILM & TELEVISION LIBRARY	$	22,315,337
TOTAL OTHER ASSETS	$	22,315,337
	$	33,796,514

** Includes third-party financing proceeds designated specifically for use in new marketing ventures, and not for general purposes or payables.*

*** Accounts Receivable includes the gross contract values for fully-accepted, credit-worthy international presale agreements ($2,500,000), for which the net amount payable to producers / licensors is expensed on the liability detail. Company has retained previously recognized international presales and coproduction contracts, but has intentionally withheld recognition of new contracts and presales obtained during or after the Cannes Festival and Market, so that these revenues may be recognized at a later date, likely upon delivery of the subject films.*

HANNOVER HOUSE, INC.

CONSOLIDATED BALANCE SHEET
JUNE 30, 2014 (UNAUDITED)

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES		
Accounts Payable	$	155,352
Accrued Royalties	$	298,509
Producer Acquisition Advances Due	$	67,802
Accrued Wages	$	0
Producers' Share of Co-Production Revenues	$	566,400
VODwiz Third Party Payables	$	0
Payroll Taxes Payable	$	0
NB Cal AFIL P&A Loan	$	349,226
Hounddog P&A Note (Weinreb)	$	847,289
Other Bank Note (BOF and TCA)	$	442,043
TOTAL CURRENT LIABILITIES	$	**2,726,621**
LONG-TERM LIABILILTIES		
Long-Term Payables (including TCA, Interstar & Bedrock)	$	2,586,807
Assignment of Intl. Sales Net to Production	$	1,900,000
Executive Salary Deferrals	$	1,073,686
Officer Notes Payable	$	158,340
TOTAL LONG-TERM LIABILITIES	$	**5,718,833**
TOTAL OF ALL LIABILITIES*		8,445,454
SHAREHOLDER'S EQUITY		
Common Stock (598,338,905 shares issued and outstanding) **	$	20,354,700
Retained Earnings	$	4,996,360
TOTAL SHAREHOLDER'S EQUITY	$	25,351,061
	$	33,796,514

* Total Liabilities includes self-liquidating (self-funding) revenues from international presales and co-production incentives, which collectively represent $2,441,400.

** Total share count does not include the 10-million share deduction that is in the process of being returned to treasury stock from the dissolution and resolution of the TCA Global Master Fund credit line venture.

HANNOVER HOUSE, INC.

CHANGE IN SHARE STRUCTURE DURING REPORTING PERIOD
JUNE 30, 2014

Share Structure Description	6/30/2014	3/31/2014	Change During Quarter
Unrestricted Common Stock*	489,278,310	449,580,622	39,697,688
Restricted Common Stock	109,060,595	130,651,743	(21,591,148)
COMMON STOCK ISSUED*	598,338,905	580,232,365	18,106,540
COMMON STOCK AUTHORIZED	700,000,000	700,000,000	0
Preferred Shares Issued	1,000,000	1,000,000	0
Preferred Shares Authorized	10,000,000	10,000,000	0
Total Beneficial Owners	1,989	1,977	12
(per Broadridge)			
Total Shareholders of Record	192	183	9
(per Standard Registrar)			

** Common Stock share count as of June 30, 2014,*
per company's transfer agent, Standard Registrar & Transfer Co., Inc.

CHANGE IN REVENUE SOURCES
JUNE 30, 2014 vs. JUNE 30, 2013

Revenue Source	6/30/2014	6/30/2013	Change During Quarter
Core USA Consumer Products & VOD Revenues	156,440	223,802	(67,362)
International Sales Licenses*	0	0	0
Co-Production Revenues	708,000	0	708,000
VODwiz Revenues	26,750	0	26,750
TOTAL REVENUES BY PERIOD	**$891,190**	**$223,802**	**$667,388**

Hannover House, Inc.

Statement of Cash Flows - Q/E 6-30-2014 Vs. Q/E 3-31-2014

		6/30/2014
Net Income	$	241,647
Balance Sheet Adjustments to reconcile net income (accrual) to cash provided (used for) operations, and write-downs & adjustments	$	28,286

(Increase) Decrease in		**Change**		**6-30-2014**		**3-31-2014**
Accounts Receivable	$	18,887	$	3,462,324	$	3,481,211
Co-Production Revs Receivable	$	(708,000)	$	708,000	$	-
VODwiz Receivables	$	(26,750)	$	26,750	$	-
Prepaid wages	$	-	$	-	$	-
Inventory	$	(1,857)	$	148,665	$	146,808
Producer Marketing Recoupment	$	-	$	2,204,544	$	2,204,544
Prepaid Producer Royalties	$	(79,458)	$	1,955,649	$	1,876,191
Film Distribution Rights	$	-	$	2,314,914	$	2,314,914
Film Production Investments	$	-	$	497,166	$	497,166

Increase (Decrease) in						
Accounts Payable	$	11,151	$	155,352	$	144,201
Accrued Royalties	$	4,680	$	298,509	$	293,829
Producer Acquisition Advances	$	(79,458)	$	67,802	$	147,260
Accrued Wages	$	-	$	-	$	-
Payroll Taxes Due	$	-	$	-	$	-
Hounddog P&A Note	$	20,665	$	847,289	$	826,624
NB Cal Loan (AFIL)	$	-	$	349,226	$	349,226
Bank Note & TCA	$	(10,000)	$	432,043	$	442,043
Long Term Payables	$	(144,620)	$	2,586,807	$	2,731,427
Producer Share of Co-Prod. Revs.	$	566,400	$	556,400	$	-
Assignment of Intl Presales	$	-	$	1,900,000	$	1,900,000
Executive Salary Deferral	$	9,690	$	1,073,686	$	1,063,996
Officer Notes Payable	$	(11,500)	$	158,340	$	169,840

Cash Flows From Financing Activities		
Graham Financial Debt Conversion Proceeds	$	84,621
Cash Flows - Marketing Consulting Fees	$	25,000
Increase (Decrease) in Cash		
Cash, Beginning of Period	$	43,220
Cash, End of Period	$	7,396

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the unaudited interim consolidated financial statements and related notes to the unaudited interim consolidated financial statements included elsewhere in this report. This discussion contains forward-looking statements that relate to future events or our future financial performance. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These forward-looking statements are based largely on our current expectations and are subject to a number of uncertainties and risks including the Risk Factors identified in our Quarterly Form 10-Q for the three-month period ending June 30, 2014. Actual results could differ materially from these forward-looking statements. Hannover House, Inc. is sometimes referred to herein as "we," "us," "our" and the "Company."

The nature of the issuer's business is driven by the operating entity, Hannover House, which is a full-service producer and distributor of entertainment products *(i.e., feature films for theatrical, video, television and international distribution, and a publisher of books).*

Hannover House, Inc., is a Wyoming Corporation. Truman Press, Inc., d/b/a "Hannover House" is an Arkansas Corporation.

Hannover House, Inc., f/k/a Target Development Group, Inc. (which was also formerly known as "Mindset Interactive Corp.") was registered as a corporation in Wyoming on January 29, 2009. Truman Press, Inc., d/b/a "Hannover House" was registered as a corporation in California on September 15, 1993, and re-registered in Arkansas effective June 2008. The Ecklan Corporation, registered on March 25, 1998, in the State of Texas, was the predecessor entity to Target Development Group, Inc.

The Company, Hannover House, Inc., as well as Truman Press, Inc., d/b/a "Hannover House" each have an effective fiscal year-end date of December 31.

Neither the Company, Hannover House, Inc., nor the operating entity, Truman Press, Inc., d/b/a "Hannover House" have ever been in bankruptcy. To the best of management's knowledge, no predecessor entity has ever been in bankruptcy.

Effective January 1, 2010, Target Development Group, Inc., acquired all of the shares of Truman Press, Inc., d/b/a "Hannover House" in a stock-swap agreement. The details of this acquisition venture are described in detail within the information statement posted on the OTC Markets Disclosure Statement of December 14, 2009.

Over the past four years, the Company has defaulted on several loan or credit obligations, but none representing a material event to the Company or falling outside of the ordinary course of business. As previously disclosed through the Company's filings with the OTC Markets, the Company had incurred debt relating to the theatrical releasing costs of the film "Twelve" (debt obligations were accrued with Andersons, AOL, Bedrock Ventures, 42 West, Technicolor, Tribune Ent. and others). As of December 31, 2013 the Company had reduced the cumulative total of the outstanding debt balances for this film from an original gross of $4.2-million (inclusive of obligations to the production company / licensor), down to less than $850,000 as of this reporting period. Other significant obligations of the Company include "P&A" for the release of the film, "Hounddog" (Weinreb loan), "P&A" for the release of "All's Faire In Love" (NBCal Loan), producer / licensor obligations to Interstar Releasing, Fantastic Films and E.E. Smith, all of which are itemized or otherwise included within the Company's financials.

As of 6-30-2014, there were no further changes of "control".

As of 6-30-2014, there were no increases of 10% or more of the same class of outstanding equity securities.

During the quarterly reporting period ending 6-30-2014, the Company did not issue any new shares.

The Company has not experienced any delisting of the issuer's securities. As of the 6-30-2014, there were no current, past, pending or threatened legal proceedings or administrative actions that could have a material effect on the issuer's business, financial condition or operations other than those items specifically described hereunder or otherwise disclosed in OTC Markets Filings. As of 6-30-2014 and remaining true through the date of this filing, there were no past or pending trading suspensions by a securities regulator. The legal proceedings, whether past, pending or threatened, all fall under the guidelines of being within the ordinary course of business, and are disclosed in detail in this filing or incorporated within previously filed disclosures with the OTC Markets.

Business of Issuer -- The SIC Codes most closely conforming to the Company's business activities are: 7822 *(Services – Motion Picture & Video Tape Distribution)* and 2731 *(Books: Publishing)*. The Company is currently operating. At no time has the Company ever been a "shell company" as defined in the guidelines.

Through the operating entity of "Hannover House," the Company is actively involved with the production, acquisition and distribution of entertainment products into the USA and Canadian markets, including theatrical films, home video releases, rights licenses of films and videos to Video-On-Demand platforms and television, as well as book publishing (including printed editions and electronic "E-Book" formats).

FILMS & VIDEOS – Most of the film and video titles that are distributed by the Company are "acquired" or otherwise licensed from third-party suppliers, often production companies or media companies seeking to expand their income and market reach through a relationship with Hannover House. Some of the properties distributed by the Company are "*sales agency*" ventures, in which the Company performs certain sales & marketing functions on behalf of the owners of the properties, as opposed to having the Company actually purchase or otherwise license rights into the property. Historically, most of the titles sold by the Company were under such "*sales agency*" ventures. However, beginning in 2010 with the merger of Hannover House and Target Development Group, Inc., the Company began moving away from "*sales agency*" ventures and pursuing actual rights-licensing / acquisition structures for new titles. Beginning in 2013, the Company began exploring options to finance higher-profile films through private equity, international presales, co-production ventures, tax structures and other financing tools. The goal of the Company's activities in developing and producing higher profile films is to dramatically increase the Company's revenues and balance sheet without unreasonably encumbering cash or debt resources.

BOOKS / E-BOOKS – The Company remains active in the acquisition and licensing of publishing rights to printed books and e-Books. The gross margins earned by the Company in the release of Books are generally much higher than the margins derived from the release of Film and Video properties; however, the upside revenue potential for books is usually not as high as the potential for Films. So the Company seeks to maintain a balance in its release slate of high-margin book properties, with high-revenue Film and Video properties.

The use of the term "Company" refers to the combined entities, as reported on a consolidated basis, of Hannover House, Inc., Truman Press, Inc., d/b/a "Hannover House" and Bookworks, Inc. (a special purpose entity utilized for Screen Actors Guild activities and productions). Each of the corporate entities files separate income tax returns with the federal government and respective states of registration; however, financial statements and reports, as of January

1, 2010, refer to the combined and consolidated results of all entities. Hannover House, Inc. is the publicly-traded entity for all operating divisions. Truman Press, Inc., d/b/a “Hannover House” is the operating and releasing division entity for all consumer products. Bookworks, Inc., is a special purpose entity established for the servicing of book and publishing ventures, and more recently, used for Screen Actors Guild productions.

As of 6-30-2014 and remaining true through the date of this filing, the Company does not foresee any probable or existing governmental regulations as having an adverse or material impact to the operations.

During calendar year 2009 (and specifically limited to activities for Truman Press, Inc., d/b/a “Hannover House”), the Company invested approximately $15,000 on activities that could be characterized as ‘research and development.’ During the calendar year of 2010, and under the consolidated reporting of all entities, the Company invested approximately $20,000 on projects and activities that could be characterized as ‘research and development.’ During the calendar year of 2011 and under consolidated reporting of all entities, the Company invested approximately $166,000 on projects and activities that could be characterized as ‘research and development.’ (specifically, the production of feature film / video products). During 2012, the Company invested approximately $287,114 on production projects / R&D assignable; during 2013, the Company made no new investments in production or activities that would be R&D assignable.

The Company has not incurred any non-negligible costs relating to compliance with environmental laws, whether to federal, state or local.

As of 6-30-2014, the Company had 7 full-time employees.

The nature of products and services offered:

A. The principal products of the Company, and their respective markets are:
   i. Theatrical films – released to theatres in the United States
   ii. Home Video Products (DVDs, Blu-Rays, Digital Copies) – released to video specialty retailers, mass-merchandisers, bookstores, schools, libraries and rental outlets (including kiosks) in the United States and Canada;
   iii. Video-On-Demand releases – films and videos offered for direct ‘in-home viewing’ by consumers via a variety of service providers.
   iv. Books and E-Books – sold through bookstores, schools, libraries, internet retailers and streamed through a variety of e-Book platforms.

B. The primary distribution methods used by the Company for all consumer product goods can be categorized as: “two-step wholesale” distribution (wherein the Company sells its products to an authorized wholesale distributor, which in turn, resells the products to retailers or consumers) and “direct distribution” wherein the Company sells its products directly to consumers or directly to the end-user retailer.

C. The Company has announced, and included in previously published disclosures, a listing of some of the principal, upcoming theatrical films that will also be released onto home video formats.

D. Competitive Position – The Company competes for theatrical screens and retail (home video) shelf space against seven (7) Major Studio suppliers and approximately eight (8) independent studio suppliers. While all of the Major Studio competitors operate their own (in-house) home video distribution divisions, only three of the independent studio suppliers operate both theatrically and in the home video markets. Operating a home video releasing label “in-house” provides the Company with an advantage in the solicitation of titles for acquisition, as well as provides greater control over the Company’s cash-flow and corporate goals.

E. Materials and Suppliers – The principal service providers to the Company are listed in detail in this disclosure, below. The principal suppliers of new release film and video products include the following production companies and programming sources *(listed alphabetically):* Allegheny Image Factory; American Family Movies; Associated Television; Atlas Films; BerVon Entertainment; Cinetic Media; Daybreak Pictures; Empire Film Group, Inc.; Eurocine International; Gaumont, SA; Origin Motion Pictures; Plaza Entertainment, Inc.; Phoenix Entertainment; Phoenix Releasing Group; Sola-Media, GmbH; Shoreline Entertainment; Studio 3 Entertainment; PWI-Veracruz Entertainment. The principal suppliers of books for the Company to publish include (listed alphabetically): James Danielson, Phil Goodman, Brenda Hancock, Vivian Kaplan, Barr McClellan and Vivian Schilling. The Company sees no shortage of properties available for acquisition in any of the applicable media.

F. Dependence on Major Customers – Two of the Company's current customers as of 12-31-2013 contributed fifteen percent (15%) or more to the overall, annualized sales revenues. Wal-Mart Stores, Inc. (inclusive of sales to their SAM'S Clubs division), has been purchasing most of the Company's new release DVD titles.. The Company does not see the Wal-Mart market share as an unhealthy dependence on a key customer, as Wal-Mart constitutes a much smaller share of the Company's overall revenues than for many Major Studios, and the Company does not anticipate that the growth in sales to Wal-Mart Stores, Inc., will grow disproportionately with the Company's other customers. Revolution International has commenced activities for the international sales and licensing of higher-end properties owned or controlled by the Company, the revenue results for which also exceed the fifteen percent (15%) threshold of total, annualized revenues. The Company does not feel that the rapidly growing sales revenues being realized from the international markets poses an unreasonable or viable threat to operations, as sales are cumulative over multiple licensing agreements for specific territories, media and titles.

G. The Company does not own or control any patents, franchise or concessions. The licenses and royalty agreements fall under the category of being part of the ordinary course of business.

H. The company does not need any government approvals of principal products or services.

The nature and extent of the issuer's facilities include a primary office and warehouse combo unit (under lease from Elder Properties, Springdale, AR), comprising approximately 6,000 square feet.

Item 3 Quantitative and Qualitative Disclosures About Market Risk

Investment in the Company's Stock bears similar risks as may exist with other stocks trading on the OTC Markets board. The trading price for Company's Stock Shares can vary significantly based upon a variety of factors unrelated to the Company's actual value or revenue achievements. On an accrual basis, the Company is generating profits each quarter, with regular DVD and Blu-Ray product sales supplemented with long-term receivables for Subscription Video-On-Demand and Television sales. However, on a cash-flow basis, the Company's cash resources are often strained by immediate and long-term debt obligations. Some investors and shareholders have expressed discomfort with the Company's persistently tight cash position, which has been the result of balancing ongoing operational needs with debt management and new release activities against product cash flows. Conversely, many shareholders have also expressed resistance to the concept of issuing equity shares under "debt conversion" structures, which would relieve much of the cash-flow burdens but would result in a dilution of shareholder equity. Accordingly, management has worked to find the best balance of maximizing shareholder value and return, while minimizing equity dilution activities. There can be no assurance that ongoing cash flow from product sales will, by itself, be sufficient to meet the Company's combined operational, debt-management and growth needs. To address the Company's cash position, management has initiated an agreement with an Accounts Receivable-based lender, to accelerate cash flow from current product sales and thus facilitate faster growth into new areas (such as the Company's "VODwiz.com" streaming venture), as well as to provide working capital to enable the Company's Film and Television Rights Library to be more efficiently exploited.

While there are no material threats at present to the Company's ongoing viability, there can be no assurance that the majority of long-term creditors will continue to comply with debt reduction and installment payment agreements. And while the Company continues to generate DVD and Blu-Ray sales to major retailers (and Video-On-Demand contracts through the major VOD portals), there can be no assurance that current and past sales performance will continue into the future. The remedies available to the Company for continued viability and growth are revenues from product sales and licenses, credit arrangements (both with lenders and suppliers) and stock-equity opportunities (ranging from shelf-registration of new shares to "debt-conversion" ventures to alleviate the cash-flow burden from older, qualifying payables). Investment in the Company's Stock Shares bears significant risks, as well as significant upside potential. The "Price-Earnings Ratio" for publicly-traded entertainment stocks in the Company's area of activity results in an average P/E rate of 22-times. The current P/E ratio for Company's s(Hannover House's) is 3.7, suggesting that the shares are currently trading at a price that is undervalued by a factor of approximately 5-times when compared to the industry average.

Trading volume in Company's stock is averages approximately 1,243,400 shares per day, suggesting that investments in the Company's stock may not be as easily or quickly resold as some other stock offerings.

Item 4. Controls and Procedures - Evaluation of Disclosure Controls and Procedures

The term “disclosure controls and procedures” is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 as amended (the “Exchange Act”). These rules refer to the controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within required time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of June 30, 2014, the end of the period covered by this report, the Company carried out an evaluation under the supervision and with the participation of our Chief Executive Officer and President of the effectiveness of our disclosure controls and procedures. Our Chief Executive Officer and Chief Financial Officer have concluded that such controls and procedures continued to be effective as of June 30, 2014.

Item 4T. Controls and Procedures

Changes in Internal Control over Financial Reporting

As required by Rule 13a-15(d) of the Exchange Act, the Company, under the supervision and with the participation of the Company’s management, including the Chief Executive Officer and Chief Financial Officer, also evaluated whether any changes occurred to the Company’s internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, such control. Based on that evaluation, there has been no such change during the period covered by this report.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

As of June 30, 2014, the Company was not involved in any open or non-adjudicated litigation matters.

Item 1A. Risk Factors

Other than as set forth in this FORM 10-Q filing, there are no specific risk factors relating to the Company's securities that are not universally applicable to other equities trading on the OTC Markets.

Key Man / Principals - The Company is reliant upon the continued employment and work performance of the two, principal managers, Eric Parkinson (CEO) and D. Frederick Shefte (President). As an accommodation to benefit the Company's cash flow, both Parkinson and Shefte have been deferring a majority of their salaries. Additionally, as has been required by many third-party program suppliers, Parkinson has often been listed as a "key man" to the rights licenses or sales venture agreements for specific acquisitions, due to his successful home video sales track record.

The cessation of employment by either Parkinson or Shefte for any reason could have a material and negative impact on the Company, as current cash flows would not facilitate the hiring of comparably qualified executives, and the loss of Parkinson as "key man" could result in multiple title agreement cancellations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable to Issuer.

Item 3. Defaults Upon Senior Securities

Not applicable to Issuer.

Item 4. Submission of Matters to a Vote of Security Holders.

Not applicable to Issuer.

Item 5. Other Information.

None.

Item 6. Exhibits

None.

ITEM 2 – ADDITIONAL DISCLOSURES & ITEMS REQUIRED FOR "CURRENT REPORTING" STATUS UNDER OTC MARKETS GUIDELINES

OTC MARKETS GUIDELINES ITEM 8 – Provide specific information on the CEO, members of the board of directors, control persons including legal/disciplinary history. Please also provide the name, address and shareholdings of beneficial shareholders of more than 10%.

The name of the Chief Executive Officer, members of the board of directors, as well as control persons are:

a) Eric Filson Parkinson, Chief Executive Officer and member of the board; business address for Mr. Parkinson is: 1428 Chester St., Springdale, AR 72764. At all times during the prior five years, Mr. Parkinson has been employed as the C.E.O. of Hannover House, Inc. and all affiliated subsidiaries, including Truman Press, Inc. and

Bookworks, Inc, referred to in all documents collectively as "Hannover House, Inc." or "Company." Mr. Parkinson has an accrued salary of ninety-thousand dollars (USD $90,000) per year, for which the vast majority has been, and continues to be deferred and accrued. As of March 31, 2014, Mr. Parkinson beneficially owned 64,051,649 shares of Class A common stock in the Company, and 600,000 shares of Series A Preferred Stock. Mr. Parkinson has voluntarily surrendered back into company treasury a total of 26,800,000 shares of stock, to be held pending satisfaction of corporate and sales achievements. Parkinson has no other Board memberships or affiliations other than volunteer, non-profit associations.

b) Don Frederick Shefte, President and member of the board; business address for Mr. Shefte is: 1428 Chester St., Springdale, AR 72764. At all times since November, 2006, Mr. Shefte has been employed as the President of Hannover House, Inc. and all affiliated subsidiaries, including Truman Press, Inc. and Bookworks, Inc, referred to in all documents collectively as "Hannover House, Inc." or "Company." Additionally, and only on an occasional basis, Shefte has also worked part-time as an as well as a part-time, adjunct professor of Business at the Sam Walton School of Business at the University of Arkansas. Prior to joining Truman Press, Inc. (in November 2006), Shefte was the Senior Vice President and Senior Trust Officer at the Bank of Fayetteville. Mr. Shefte has an accrued salary of ninety-thousand dollars (USD $90,000) per year, for which the vast majority has been, and continues to be deferred and accrued. As of March 31, 2014, Mr. Shefte beneficially owns 41,237,547 shares of Class A common stock in the Company, and 400,000 shares of Series A Preferred Stock. Shefte has no other Board memberships of affiliations other than volunteer, non-profit associations. Shefte has voluntarily surrendered back into company treasury total of 5-million shares of stock, to be held pending satisfaction of corporate governance achievements.

B. Legal / Disciplinary History. Neither board member has been involved in any form of criminal conviction or proceeding or named as a defendant in a pending criminal proceeding; neither director has been suspended, vacated or otherwise barred from any involvement in securities, commodities or banking activities; neither director has been affected by a finding or judgment by a court of competent jurisdiction, the Securities and Exchange Commission, the Commodity Futures Trade Commission or a state securities regulator of a violation of federal or state securities or commodities laws; neither director has received an order by a self-regulatory organization that permanently or temporarily bars or limits such person's involvement in securities activities.

C. Disclosure of Family Relationships – There are no family relationships existing between or among either of the Board of Directors, or any other officers, directors, or beneficial owners of more than five percent (5%) of any of the class of the issuer's equity securities.

D. Disclosure of Related Party Transactions – The Company was not involved in any Related Party Transactions valued at $120,000 or more, or valued at more than one percent of the issuer's total assets at year-end for its last three fiscal years.

E. Disclosure of Conflicts of Interest – There are no known conflicts of interest.

OTC MARKETS GUIDELINES ITEM 9 – Provide contact information for the outside providers that advise on matters relating to the operations, business development and disclosure, as of the period ending 6-3-2014:

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JimScheltema@gmail.com

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 15, 2014

Hannover House, Inc.
By: /s/ Eric F. Parkinson
Eric F. Parkinson,
Chairman & Chief Executive Officer

CERTIFICATION

I, Eric F. Parkinson certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hannover House, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2014

Hannover House, Inc
By: /s/ Eric F. Parkinson

Eric F, Parkinson
Chairman Chief Executive Officer