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

FORM 10-Q

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

For the three-month period ended: September 30, 2016

Hannover House, Inc.

(Exact name of registrant as specified in its charter)

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)

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 September 30, 2016:

a. Total Common Stock Shares in issue as of Sept. 30, 2016: 799,929,996*
b. Above Shares Restricted from Sale: 100,860,595*

TOTAL COMMON STOCK SHARES IN MARKET: 699,069,401*

c. Series "A" Preferred Shares: 4,000,000

Shareholders of Record: 2,031 *(Standard Registrar count)*

Total Beneficial Shareholders: 343 *(Broadridge, ICS count)*

Total Authorized Common Stock Shares: 800,000,000 **

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

** Share count includes 10-mm restricted stock shares issued as collateral to TCA Global Master Fund, which, until settlement agreement made May 13, 2016, were expected to be subject to return to treasury stock. TCA has been unable or unwilling to return these shares; accordingly, HHSE is pursuing legal remedies in the Florida courts, and had a hearing scheduled for Oct. 20, 2016, which was mutually rescheduled for 45 days due to ongoing settlement negotiation at that time. Share count also includes the issuance by Transfer Agent during the Q3, 2015 reporting period of a block of 9,854,147 common stock shares to Blackbridge Capital, which Company has demonstrated to have been issued in error by the Transfer Agent, and which occurred without meritorious basis. Above share count also includes a discrepancy of 26,531,972 shares which purportedly were issued by the Company's Transfer Agent, but details for which do not appear on the Control Log of stock issuance transactions. Company is working with Standard Registrar to seek an amiable resolution and reconciliation of share count discrepancies. Lastly, the share count for Series "A" Preferred Shares has been corrected to 4,000,000. Prior listings for the voting shares were erroneously reported as 3,000,000 as they did not include the 1,000,000 shares originally issued to management upon the original merger of Hannover House with Target Development Group, Inc. in December, 2009.*

*** On October 1, 2016, subsequent to the end of this current reporting period, the Company's board of directors - acting on legal advice regarding the upcoming filing of the Form 10 registration statement - notified the Wyoming Secretary of State of an amendment to the Company's by-laws, article four, which amendment increased the total authorized common stock shares from 800-million to the new level of 900-million, effective as of Oct. 1, 2016. These additional common stock shares are considered as a "reserve" and were authorized in order that a mechanism would be in place in the event that surrendered shares from officers or "convertible" shares for short term lenders were called. The Company has no plans to issue shares, nor any information that officers or convertible note holders (if any) intend to receive shares in the upcoming year.*

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

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 September 30, 2016 are contained within the following pages. In compliance with regulations governing the reporting and disclosure requirements for Current Reporting Status for the OTC Markets, the information contained within these financial statements is currently unaudited.

HANNOVER HOUSE, INC.

CONSOLIDATED STATEMENT OF INCOME & RETAINED EARNINGS
FOR THE THREE-MONTH PERIOD ENDING SEPTEMBER 30, 2016 (UNAUDITED)

		Q1 2016		Q2 2016		Q3 2016		Q2/Q3 Change
REVENUES *(all media, fees & licenses)*	$	424,926	$	621,698	$	611,240	$	(10,458)
Net, Collected Revenues						192,372		
Additional Invoiced Shipments						523,585		
Reserve for Potential Returns		(66,245)		-		(104,717)		(104,717)
ADJUSTED REVENUES FOR PERIOD		358,651		**621,698**		**611,240**		(10,458)
								-
COST OF SALES								-
Commissions		-		-		-		-
Sales and Marketing		781		12,117		8,840		(3,277)
Video Manufacturing		26,250		40,054	(1)	59,684		19,630
Film & Book Royalties		11,827		67,135	(2)	102,123		34,988
Freight		1,628		4,866	(1)	9,326		4,460
Other Expenses		10,000		154,230	(2)	40,397		(113,833)
TOTAL COST OF SALES		50,486		278,402		220,370		227,916
GROSS PROFIT		308,195		343,296		390,870		35,101
GENERAL AND ADMINISTRATIVE EXP.		81,139		142,202	(3)	85,804		61,063
INCOME FROM OPERATIONS		227,056		201,094		305,066		103,972
								-
OTHER INCOME (EXPENSE)		-		42,250		-		(42,250)
								-
INCOME BEFORE TAXES		227,056		243,344		305,066		61,722
								-
PROVISION FOR INCOME TAXES	(4)	79,470	(4)	85,170	(4)	106,773		21,603
NET INCOME	$	147,586	$	**158,174**	$	**198,293**	$	40,119
RETAINED EARNINGS (Beginning of Period)						$ 3,291,776		
RETAINED EARNINGS (End of Period)						$ 3,490,069		

FOOTNOTES

(1) Increase in video replication and freight costs due to ramp up of new physical video sales via Cinedigm;

(2) Increase in third-party royalties and "Other" expenses showed increases in Q3 due to growth in home video sales as well as Theatrial P&A costs.

(3) Decrease in G&A for Q3 is due both to one-time adjustments in Q2, as well as smaller support staff in Q3.

(4) Company is reserving a total of 35% off pretax earnings as the cumulative, accrued tax liability for both Federal and applicable State Income Taxes

HANNOVER HOUSE, INC.
CONSOLIDATED GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDING 9-30-2016

GENERAL AND ADMINISTRATIVE EXPENSES

CATEGORY	3-Months Ending 6/30/2016	3-Months Ending 9/30/2016	Category Change In Period
Auto	$ -	$ -	$ -
Bank Charges	$ 689	$ 545	$ (144)
Consulting	$ -	$ -	$ -
Employees and Labor	$ 64,374	$ 31,565	$ (32,809)
Entertainment	$ -	$ -	$ -
Equipment	$ -	$ -	$ -
Fees	$ -	$ -	$ -
Insurance	$ -	$ 313	$ 313
Labor	$ -	$ 690	$ 690
Legal and Accounting	$ 13,000	$ 27,455	$ 14,455
Miscellaneous	$ 13,952	$ 1,266	$ (12,686)
Office	$ 155	$ 416	$ 261
Rent	$ 16,600	$ 6,700	$ (9,900)
Taxes	$ 5,870	$ 10,193	$ 4,323
Telephone	$ 2,759	$ 3,342	$ 583
Travel	$ 23,943	$ 1,894	$ (22,049)
Utilities	$ 880	$ 1,425	$ 545
TOTAL OF GENERAL AND ADMINISTRATIVE EXPENSES	**$ 142,222**	**$ 85,804**	**$ (56,418)**

HANNOVER HOUSE, INC.

Consolidated Balance Sheet / As of September 30, 2016 (Unaudited)

	6/30/2016		9/30/2016
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	43,753		14,747
Accounts Receivable, Net	4,803,556	*(1)*	5,222,424
Prepaid Wages			
Merchandise Inventory	233,789		165,179
Prepaid Advertising	765,000	*(2)*	765,000
Prepaid Producer Royalties	2,335,645		2,335,645
Producer Marketing Recoupment	2,429,406		2,490,756
Film Distribution Rights	1,996,379		1,996,379
Film Production Investments	423,259		423,259
Notes Receivable and Net Recoupment	-		-
TOTAL CURRENT ASSETS	13,030,787		13,413,389
PROPERTY & EQUIPMENT			
Office Furnishings, Equip. & Film Gear	163,563		163,563
Less Accumulated Depreciation	(39,356)		(39,356)
Vehicles	22,500		22,500
Less Accumulated Depreciation	(10,000)		(35,200)
Real Property	-		-
TOTAL PROPERTY & EQUIPMENT	136,707		111,507
OTHER ASSETS			
FILM & TV LIBRARY (incl. VODWIZ)*	23,565,337	*(3)*	23,565,337
TOTAL OTHER ASSETS	23,565,337		23,565,337
	36,732,831		**37,090,233**

** HHSE Film Library Valuation is currently being updated to include over 130 DVD titles previously not listed in the 2010 report, along with 23 titles since expired or discontinued. No value has yet been assessed on the 2,215 titles under license for the VODWIZ streaming portal other than those capitalized and otherwise recoupable amounts due to Company for mastering and preparation costs on titles.*

HANNOVER HOUSE, INC.

Consolidated Balance Sheet / As of September 30, 2016 (Unaudited) / continued

LIABILITIES & SHAREHOLDER'S EQUITY

	6/30/2016		9/30/2016
CURRENT LIABILITIES			
Accounts payable	103,595		115,742
Accrued Royalties	1,025,763	*(4)*	654,860
Acquisition Advances Due	7,500	*(5)*	357,970
Accrued Wages	20,460	*(6)*	101,184
Payroll Taxes Payable	23,042		25,198
Deferred Income Tax Payable	1,941,007	*(7)*	1,547,780
NB Cal AFIL P&A Loan	80,000		80,000
Hounddog P&A Note (Weinreb)	731,025		731,025
Interest on Weinreb Note	277,127		290,070
Graham Financial Services Note	80,000		80,000
Interest on Graham Note	11,668		13,068
Short Term Notes (Various)	154,936		122,850
Interest on Short Term Notes	27,501		29,650
Bank of Fayetteville Note	15,000		15,000
Interest on B.O.F. Note	6,179		6,442
TOTAL CURRENT LIABILITIES	4,504,803		4,170,839
LONG-TERM LIABILITIES			
Long-Term Payables	1,672,046		1,646,046
TCA Global Master Fund	-	*(8)*	-
Mortgage Note Payable	-		-
Executive Salary Deferrals	684,747		684,747
Officer Notes Payable	151,455		151,455
TOTAL LONG-TERM LIABILITIES	2,508,248		2,508,248
TOTAL OF ALL LIABILITIES	7,013,051		6,679,087
SHAREHOLDER'S EQUITY			
Common Stock	26,428,004		26,921,077
Retained Earnings	3,291,776		3,490,069
TOTAL SHAREHOLDER'S EQUITY	29,719,780		30,411,146
	36,732,831		**37,090,233**

Additional Footnotes to Balance Sheet

(for the three-month period ending September 30, 2016)

(1) Net accounts receivable includes previously recognized contract term sales through Netflix, previously recognized international presales for active production projects, and consignment accounts receivable, net of a returns reserve holdback.

(2) Prepaid Advertising refers to prepaid cable TV ad credits accumulated over the prior seven years, which company plans to utilize during the theatrical release launch of "Mother Goose: Journey To Utopia" to theatres in late 2017, as a theatrical marketing / P&A item.

(3) Film Library Valuation is based on a five-year-old study, which is currently being updated to include new media revenue forecasts, and titles which have been added since 2011; management believes that the revised Film & Television Library Valuation Report will likely increase, based upon the large number of titles added to the Library.

(4) Accrued Royalties includes "net" payable amounts from international presales, along with earned royalties due, but not yet paid as of the date of this report, per various producer agreements.

(5) Acquisition Advances due was modified from the prior quarterly report to include reconciled balances due to all titles, some of which were previously included under "Accrued Royalties."

(6) Accrued Wages has been reconciled and correct from the prior quarterly report to include sums which were inadvertently omitted, including accrued but unpaid wages to Tom Sims, and accrued but unpaid Board of Director's honorarium payments to Eric Doctorow.

(7) Company has written down $500,000 as previously reported as deferred income taxes payable, due to reconciliation of actual net collections of certain consignment sales against which taxes were previously deferred or reserved;

(8) Although Company is showing an overpayment to TCA Global Master Fund of $28,439 (after payment of all principal, penalties, legal costs and maximum legal interest under applicable usury laws), TCA has represented that they are "still due" $100,000 for "investment advisory services" which were never performed. Company's position, as detailed in a motion by attorneys at the law firm of Shook Hardy & Bacon, was that TCA's efforts to be paid for non-existent services is an attempt to usurp the usury laws. A hearing is scheduled in Florida in December; because of the ongoing dispute as to which entity owes the other, this item has been marked for a footnote explanation on the balance sheet.

Hannover House, Inc.

Consolidated Statement of Cash Flow

For the Three-Month Period Ending September 30, 2016

		9/30/2016
Cash flows from operating activities		
Net Income	$	198,293
Adjustments to reconcile net income		
to cash provided by (used in)		(364,452)
operations		-
Depreciation		25,200
Accounts receivable		(418,868)
Inventory		68,610
Prepaid advertising		-
Producer marketing recoupment		(61,350)
Prepaid producer royalties		-
Film distribution rights		-
Accounts payable		(12,147)
Short Term Notes		32,086
Weinreb P&A interest		(12,943)
Graham Financial interest		(1,400)
Bank of Fayetteville Interest		(263)
Long Term Payables		26,000
Real Estate Mortgage Payable		-
TCA Global Master Fund		-
Accrued royalties		370,903
Deferred income tax payable		393,227
Accrued wages		80,724
Payroll taxes due		(2,156)
Executive salary deferral		-
Cash used in operations		321,464
Cashflows from investing activities		
Film production investments		-
Furnishings, Equipment, Truck		-
Weinreb / Hounddog P&A note		-
Graham Financial Services note		-
Bank of Fayetteville note		-
Acquisition Advances Payable		(350,470)
NB Cal loan (AFIL)		-
Officer notes payable		-
Cash provided by investing activities		(350,470)
Cash flows from financing activities		
Increase in cash		(29,006)
Cash, beginning of period		43,753
Cash, end of period	$	14,747

HANNOVER HOUSE, INC.

Change In Shareholder's Equity

For the Three Month Period Ending September 30, 2016

	Common Stock		Retained	
	Shares	**Amount**	**Earnings**	**Total**
Balance at June 30, 2016	799,929,996	$ 26,428,004	$ 3,291,776	29,719,780
Net Adjustments to Equity				$ 493,073
Net Income			$ 198,293	$ 198,293
Balances at Sept. 30, 2016	799,929,996	-	3,490,069	30,411,146

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 OTC Markets filing for the quarterly period ending September 30, 2016. 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., the principal unit and operating public company is a Wyoming Corporation. Truman Press, Inc., d/b/a "Hannover House" is an Arkansas Corporation. Medallion Releasing, Inc. and Bookworks, Inc., both special purpose entities, are also Arkansas corporations. VODWIZ, Inc. is a Wyoming 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" and the special purpose entities VODWiz, Inc., Bookworks, Inc., and Medallion Releasing, Inc. / FilmWorks each have an effective fiscal year-end date of December 31.

Neither the Company, Hannover House, Inc., nor any other corporate affiliate entity 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 six 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 September 30, 2016 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 $921,810 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. Company has made significant reductions in payables during calendar years 2015 and 2016, and continues to retire or otherwise manage these older debts.

As of 9-30-2016, there were no further changes of "control".

As of 9-30-2016, there were no increases of 10% or more of the same class of outstanding equity securities.

During the quarterly reporting period ending 9-30-2016, the Company did not authorize the issuance of any new shares.

The Company has not experienced any delisting of the issuer's securities. As of 9-30-2016, 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 9-30-2016 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 or through the company's recently formed multi-studio sales cooperative, Medallion Releasing, Inc. 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.

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 being released under the Hannover House label, as this form of licensing arrangement can ultimately be more lucrative for the company. Most of the titles being distributed by the Medallion Releasing division are under sales agency agreements, ranging from 15% to 50% revenue splits with the program suppliers and outside labels.

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)*, as well as VODWIZ, Inc. *(the special purpose video-on-demand portal venture)*, and Medallion Releasing, Inc. *(the multi-studio sales venture).* 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 9-30-2016 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.

Since 2009 and each year thereafter, the Company has been involved in varying degrees with the development and production of feature film and television properties, in addition to the core business activity of acquiring third party properties for distribution to various media markets.

The Company has not incurred any non-negligible costs relating to compliance with environmental laws, whether to federal, state or local. As of 9-30-2016, the Company had 5 full-time employees, positions were: CEO, President, VP Sales, Film Booker and Bookkeeper.

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; Arkansas One Network; Associated Television; Atlantic-Pacific Pictures; Atlas Films; BerVon Entertainment; Cinetic Media; CMD; Crimson Forest Films; Daybreak Pictures; Empire Film Group, Inc.; Eurocine International; FilmWorks; Gaumont, SA; Film Sales Co.; Green Apple Films; Little Film Company; Origin Motion Pictures; Plaza Entertainment, Inc.; Phoenix Entertainment; Phoenix Releasing Group; Priya Productions; Sola-Media, GmbH; Shoreline Entertainment; SND Films; PWI-Veracruz Entertainment and XVIII Entertainment. The principal suppliers of books for the Company to publish include (listed alphabetically): James Danielson, 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 9-30-2016 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), and through wholesaler Cinedigm Entertainment has been purchasing many 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. With respect to Netflix and the licensing agreements for many of the Company's theatrical titles for Subscription Video-On-Demand, Company has changed its policy of revenue recognition, and is now recording these contracts only as the licensing window commences (which is usually 60-days after the initial USA Home Video release of each title). In the past, Company was recognizing the full value of the Netflix SVOD agreements upon execution, as opposed to on licensing term. By changing the manner in which Netflix agreements are recognized, Netflix remains at under 15% of Company's revenues for the current reporting quarter.

   Medallion Releasing 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 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 Summit Properties, Springdale, AR), comprising approximately 6,000 square feet. As of November 3, 2016, the Company moved its primary offices to 300 N. College Ave., Suite 311, Fayetteville, AR 72701, under an annual lease from Mathias Properties. Primary DVD warehousing and order processing will now occur at Technicolor Labs fulfillment facility in Memphis, TN. The new executive offices are in a more desirable business building and location, and he combined savings (inclusive of rent, utilities and phones from the prior Springdale location) will save the Company approximately $4,500 per month.

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. During the prior year, Company has expanded its activities in the realm of "Theatrical Servicing" in which Company is paid (upfront) for the distribution, booking and marketing of films to theatres for third-parties. In many cases, Company has also been engaged on a pure distribution fee basis to also handle the physical, digital and television rights to these Theatrical Servicing titles. With respect to cash flow, the Company's cash resources have traditionally been strained by the out-of-pocket costs for the marketing, manufacturing and shipment of new release DVD and BluRay physical units, which often do not generate positive cash flow for six or more months. Accordingly, the need to reinvest collections into new manufacturing for order fulfillment has compromised the timely retirement of 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. In response to Shareholders, Company has not made any "debt" conversion or equity issuances in over a year, and has no current plans to do so. Notwithstanding this preferred management position, 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.

While there are no material threats at present to the Company's ongoing viability, the Company has been enduring a prolonged cash flow strain since December, 2015 – due primarily to the late 2015 mergers or sale of two principal customers *(specifically, Anderson Merchandisers and FreeStyle Releasing)* and the impact that these transactions has had on the generation of new orders and the collection of past due receivables for Hannover House. With respect to creditors, including judgment lien holders, 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 of these core revenue streams will continue into the future. The remedies available to the Company for continued viability and growth are revenues from product sales and licenses *(including the new media revenue streams from Medallion International and from VODWIZ)*, ongoing and expanded credit arrangements *(both with lenders and suppliers), private investor transactions for specific titles (production, distribution or both), bank activities for credit facilities secured against receivables, rights presales or corporate guarantees,* 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).* In response to shareholder reaction and the shareholder resistance to the pursuit of 'debt conversion' transactions (which have demonstrated in the past to negatively impact the share price), the Management has endeavored to secure operating funds, growth capital and payables management funding from resources other than these debt-conversion transactions or convertible notes.

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 (Hannover House's) is about 4.1, based on an annualized projection of the current reporting period. If the Company's stock were trading consistent with the pricing for this industry sector, it would be trading for approx.. $.038 per share, approximately 5-X current price pricing per share. This Industry P/E price, while 5-X greater than current PPS, also does not take into account the prospective value of the Company's activities towards the launch of the **VODWIZ** streaming portal or the forthcoming major motion picture production of "**Mother Goose: Journey To Utopia**" which many entertainment stock experts have relayed to management as supporting their belief that the PPS could support a price in excess of $.10 per share.

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 September 30, 2016, 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 President have concluded that such controls and procedures continued to be effective as of September 30, 2016.

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 September 30, 2016, the Company was involved in the following legal matters for which ongoing court activities / filings or adjudicated status were still pending:

1). TCA GLOBAL MASTER FUND – The previously disclosed balance due to TCA Global from Company, was the subject of a Florida Courts judgement issued during Q3, 2015.

The Company noted that the court filings from the attorneys for TCA contained several demonstrably erroneous statements, including the wrong balances and misstatements that TCA had been unable to secure payment via "debt conversion" transactions *(which had been occurring regularly throughout the prior year)*. Rather than spend significant legal fees to rebut and contest the statement errors, Company decided instead to pay off the proper balance, in order to enjoy the benefits of the release of the UCC Security Interest and the return of the 10-million "collateral" shares of Company's stock that were issued to TCA back in May of 2013. In December, 2015, counsel for Company filed a motion with the Washington County (Arkansas) courts, where TCA had filed a notification of foreign judgment. The Company's pleading demonstrated that Company had fully paid off the TCA note and balance, and exceeded the total payments by $28,439. In demonstrating that the matter had been fully paid, Company utilized TCA's auditor's statement, and applied the maximum legal interest rate, less payments made by (or on behalf) of Hannover House, Inc. A judicial declaration is expected in December to finalize this matter.

<u>2). STOCK MANIPULATOR'S SUIT</u> – The Company has engaged George B. Morton, Esq., to pursue an action against five known members of an organized stock "bashing" gang that have collectively damaged the Company's share price by more than $10-million in market capitalization value over the past three years. Due to the size of the damages in this case, the jurisdiction will be the US Federal Court, western district of Arkansas. This civil action has still not been filed as of the date of this filing, due to a strategic determination regarding the ideal timing for the filing of this action, and the impact of this move and subsequent public announcement relative to other corporate governance achievements. A related action to pursue charges for the criminality of the actions taken by these manipulators is also being prepared for this same court venue. On October 24, 2016 (subsequent to the period covered by this filing), the FBI investigator escalated this matter to the U.S. Attorney's office, Western District of Arkansas, with a prosecutor assigned for the purposes of seeking criminal charges against the identified defendants.

<u>3). JOHN BOAL PHOTOGRAPHY VS. HANNOVER HOUSE</u> – Company was sued in a Virginia Court by a special events photographer, John Boal, who had grown impatient at the slow payment of his $1,000 work-for-hire fee. In violation of the copyright established by Hannover House under First Use provisions and notification, Mr. Boal proceeded to file an infringing copyright claim with the U.S. Copyright Office 10-weeks later, under the belief that such actions would improve his leverage to elicit his event services payment. Company plans to utilize the clear requirements and regulations under copyright law to set aside any monetary judgments that may be awarded to Mr. Boal; Company may pursue charges of fraud if the action filed on behalf of Mr. Boal is not voluntarily dismissed. Subsequent to the period covered by this filing, the U.S. Copyright office has agreed to vacate Mr. Boal's unauthorized copyright filing, as an infringement on the first use rights exerted by Hannover House, Inc. This action restores the matter to a claim solely for photography services.

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. Additionally, the engagement of Tom Sims as VP of Sales for both Hannover House, Inc. and Medallion Releasing, Inc., makes him into an important and key man employee. The cessation of employment by any of these principals 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. During the applicable reporting period covered by this agreement, Company has entered into a financing and distribution agreement with Silver Line Films, Inc. which could have a temporary impact on the Key Man issues with respect to C.E.O. Eric Parkinson. Under the terms of the agreement, Silver Line is advancing $3,500,000 towards the production costs for the feature film, "Mother Goose: Journey To Utopia" with designated stars Shirley MacLaine and Samuel L. Jackson. Under this agreement, C.E.O. Parkinson will be required to take a 90-day partial leave-of-absence from the Company in order to perform duties as the Director of this motion picture, filming for which will take place primarily in the State of Arkansas (Fayetteville) – with one week of filming to occur in either Western Ireland, or Southern Germany *(the film offices or location studio partners at both locales have proposed co-production funding opportunities which are being evaluated for best suitability).* This production was previously planned to be shot in the State of Georgia; however, the film incentives and rebates from the State of Arkansas could total nearly 40% of the total budget for the film. Additionally, the Company may benefit from facilities and infra-structure established for the production, but remaining here in Arkansas. The Company feels that the "Mother Goose" project will have a materially positive impact on the Company's profile and revenues.

Accordingly, the requirement to lose a key man for a three-month period is viewed as a worthy reallocation of resources in order to deliver a greater end result for the Company and its shareholders. During Mr. Parkinson's leave-of-absence the primary duties normally being performed by Parkinson will be reallocated internally to other support staff and executive team members *(e.g., sales activities, marketing planning, new product acquisitions, shareholder outreach and OTC markets compliance).*

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, although a previously active credit arrangement with TCA Global Master Fund has since been terminated by mutual consent.

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

Not applicable to Issuer.

Item 5. Other Information.

Additional Information required by the OTC Markets that is not (necessarily) required under S.E.C. reporting guidelines:

(OTC MARKETS "GUIDELINES FOR CURRENT REPORTING STATUS" - PART D / MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

Item 11 (A-1 through A–6) – **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 Truman Press, Inc., d/b/a "Hannover House." During 2015, Mr. Parkinson had been earning an accrued salary of ninety-thousand dollars (USD $90,000) per year, for which the vast majority has been, and continued up to and including December 31, 2015 to be deferred and accrued. As of January 1, 2016, Parkinson has reduced his annual salary to one (1) US Dollar per year, until such time that the Company's Registration Statement (and applicable supporting documents of the Audits and updated Film Library evaluation report) have been fully accepted by the Securities and Exchange Commission. As of December 31, 2015 and continuing to this date, Mr. Parkinson beneficially owned 43,141,649 shares of Class A common stock in the Company, and 2,400,000 shares of Series A Preferred Stock (for clarity, the Series A Preferred Stock Shares are managerial voting shares which have not been authorized or valued for sale, transfer or hypothecation except to Mr. Parkinson as a required tool of his management duties). Mr. Parkinson has voluntarily surrendered back into company treasury a total of 31,800,000 shares of Common Stock, to be held pending satisfaction of corporate and sales achievements, and subsequently delayed for review until January, 2016, and delayed again until August, 2016, and extended again to Dec. 2016. 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: 3741 N. Old Wire Road, Fayetteville, AR 72703. At all times since November, 2006, Mr. Shefte has been employed as the President of Truman Press, Inc., d/b/a "Hannover House" 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. During 2015, Mr. Shefte had been earning an accrued salary of ninety-thousand dollars (USD $90,000) per year, for which the vast majority has been, and continued up to and including December 31, 2015 to be deferred and accrued. As of January 1, 2016, Shefte agreed to reduce his annual salary to one (1) US Dollar per year, until such time that the Company's Registration Statement (and applicable supporting documents of the Audits and updated Film Library evaluation report) have been fully accepted by the Securities and Exchange Commission. As of December 31, 2015 and continuing to this date, Mr. Shefte beneficially owns 31,487,546 shares of Class A common stock in the Company, and 1,600,000 shares of Series A Preferred Stock (again, which have not been authorized or valued for sale, transfer or hypothecation except to Mr. Shefte as a required tool of his management duties). Shefte has no other Board memberships of affiliations other than volunteer, nonprofit associations. Shefte has voluntarily surrendered back into company treasury total of 5million shares of stock, to be held pending satisfaction of corporate governance achievements.

c) Tom Sims, currently employed as Vice President of Sales for Hannover House, Inc., and Executive Vice President of Medallion Releasing, Inc., has agreed to join the Board of Directors for Hannover House, Inc., effective upon the Company's full registration and acceptance as a fully-reporting Issuer with the Securities and Exchange Commission and the effective date upon which Sims is added as an additionally named, covered party of the Officers and Director's Liability Insurance. As of June 30, 2015, Sims received a first-year bonus of one-million (1,000,000) shares of Common Stock. Under the terms of his employment as Vice President of Sales, Sims is also entitled to receive an additional one-million (1,000,000) shares for each $10-million in gross revenue generated by the Company in any given calendar year under his sales management.

B. **Legal / Disciplinary History**. Neither of the board of directors members have 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) Item 14 – **Beneficial Owners**

The total count of Beneficial Owners as reported to the Company by Broadridge ICS (as of September 30, 2016) was 343. As of September 30, 2016 and remaining true through the date of this filing, the Company was aware of only two shareholders controlling directly or beneficially more than five percent (5%) of any class of the issuer's total authorized equity securities (except as described in Item 14 c) below):

a) Eric F. Parkinson (CEO), 1428 Chester St., Springdale, AR 72764 – holding 43,141,649 shares of Common Stock. Parkinson also owns 2,400,000 shares of Series A Preferred Stock. Mr. Parkinson retains a performance-based lien to reclaim up to 31.8-million shares from his original allotment of TDGI shares, which were a voluntarily surrendered back to the company's treasury pending achievement of certain corporate and revenue goals for the company under his direction as C.E.O. During Q2 (2012), Parkinson allocated from his personal holdings a total of 1,800,000 shares of restricted stock, for the benefit of key employees and as additional consideration for a term note extended to the Company by a private investor. Parkinson has an agreement with the Company regarding a performance-based formula for the recapture / replacement of these shares, to occur no sooner December, 2016 for re-evaluation.

b) Don Frederick Shefte (President), 3741 N. Old Wire Road, Fayetteville, AR 72703 – beneficially owned 31,487,546 shares of Common Stock. Shefte also owns 1,600,000 shares of Series A Preferred Stock. Upon closing of the acquisition of Truman Press, Inc. by Target Development Group, Inc., in January, 2010, the TDGI stock allocation for Shefte was divided with Shefte receiving 50,987,547 shares and each of his two adult children receiving 6,373,443 shares under a pre-existing agreement relating to Shefte's ownership interested in Truman Press, Inc. Mr. Shefte retains a lien to reclaim up to 5-million shares from his original allotment of TDGI shares, which were a voluntarily surrendered back to the company's treasury pending achievement of certain corporate governance goals for the company under his direction as President.

Item 11 A1-A6 – Supplemental Disclosures.

i). The Company has completed the written and disclosure portions of a Form 10-12(g) Registration Statement, which was previously planned for filing with the Securities and Exchange Commission on or Jan. 15, 2016, subject to the completion of outside audits by a PCAOB licensed auditing firm. The Company has since engaged a qualifying auditing firm and participated in extensive interviews and reviews of filings, reports and back-up materials. As disclosed to shareholders on the HHSE Company blog site on January 30, 2016, the new auditors have made several determinations of material deficiencies in the financials for the Company, specifically, 1). The value of the Film Library relative to all other assets *(and the issues of the five-year-aging of the prior Film Library Valuation report, the changing marketplace for physical video sales as compared to the growing market for digital streaming, and the significant exclusions of key titles from the prior Film Library)* and 2). The need for Internal Controls and Compliance Documentation that would conform to standards prescribed under Sarbanes-Oxley Act 404. While technically not "advising" the Company on how to conduct internal controls or instructing the Company to conduct a more thorough and current Film Library Valuation Study, the new auditors did clarify that not addressing or rectifying these issues would result in significant comments by the auditors to the Form 10-12(g) audit portion, and this could result in commentary and non-compliance following S.E.C. review of the registration filing. Having the Company's largest balance sheet asset reviewed under more recent valuation, and having the Company conform to widely accepted Internal Controls Procedures, would be a requirement for the auditors, unless the Company was willing to proceed with significant auditor's footnote commentary on these issues. Rather than risk having another obstacle impact the S.E.C. acceptance of the Company's registration, management has taken the steps to conform to these higher disclosure and operational standards. Company anticipates that the updated Form 10-12(g) Registration Filing, including 2-years of full-year audits and a revised and updated Film Library Valuation Report will be submitted to the S.E.C. during 2016, subject to the completion of the new Film Library Valuation (it should be noted that Company is seeking to obtain a lowered valuation than the initial figure determined by the new Library Evaluators, which contains sales forecasts for titles greater than Company Management's estimates. It is Company's position that a Library Valuation that is significantly higher than forecasts based on Company's existing, internal self-distribution apparatus, could elevate shareholder expectations higher than management's more conservative forecasts. While the higher sales values provided by the first Library Valuation report have as a premise the assumption that HHSE will align itself with one of the Major Studios in the coming year, there can be no assurance that such a deal will occur, and as such, management feels that the current Film Library Valuation should reflect existing distribution channels and revenues, and conform closer to management's estimated current value of $28-mm. A review of sales activities at the Cannes Film Festival and Marche du Film and other relevant agenda items affecting the Company's Film Library Valuation have occurred over the summer (2016) and the Company feels confident of having reached a consensus with the valuators on the current and anticipated value of each title, by media income stream.

With respect to the Company's auditors and the Company's Film Library valuation service provider, Counsel has advised that Company is not required to disclose the new auditing firm until the Registration Statement is filed. This strategy has been accepted by management as a move to minimize shareholder interference with the auditing process and the Film Library Valuation.

ii). Company has recently enacted a change of corporate direction which puts a greater emphasis on theatrical release activities, international sales and motion picture production ventures, with the generation of fees for release services as well as from revenue collections.

iii). Company plans to add a total of three (3) new members to the Board of Directors, timed with the activation of Officers & Director's Liability Coverage and the filing of the Form 10 Registration;

iv). A prior plan for Company to begin repurchasing HHSE Stock shares off the open market – previously planned for January, 2016 – has been delayed due to cash flow issues resulting from the sale or merger of two major customers for Company (as described hereinabove).

v). Company has structured installment payment plans for several key. With respect to the Bedrock, Interstar and the E.E. Smith judgments, Company counsel has a legal strategy to pursue having these default judgments set aside and enabling the merits of each case to be adjudicated in Arkansas. Management believes that the stronger cash flow being generated from current enhanced theatrical and home video releasing activities can ultimately be utilized to reduce or retire the debt burden from the key creditors, once the restricted cash flow from Alchemy Entertainment and FreeStyle Releasing have been fully supplanted with new revenues from alternative distribution partners for the respective media rights previously handled for Company by Alchemy and FreeStyle.

i). Company has been offered a significant opportunity to dramatically expand the VODWIZ venture, by accessing a film library of approximately 6,500 titles *(which are already fully mastered and conformed for digital streaming).* The implementation of such a move for VODWIZ would require a modification or cancellation of the current "hosting" agreement set forth with Nanotech Entertainment several years ago. It is Company's belief that other, more lucrative and less-labor intensive ventures and projects for Nanotech have proven to be a greater priority than the on-boarding of new titles for the VODWIZ streaming portal. Accordingly, it is Company's belief that a revision or cancellation of the Nanotech Entertainment hosting-services agreement for VODWIZ may be in the mutual best interests of both companies. It is the position of Hannover House / VODWIZ that the consumer portal site cannot be reasonably "launched to consumers" until 500 or more titles are immediately available and accessible to consumers for downloading. Company and Nanotech reached an impasse last summer due to certain demands by Nanotech which were not prescribed in the services agreement, and which were not deemed to be functionally realistic. While there are many digital portals, websites and O-T-T entertainment service providers, Company feels that there is a market for the VODWIZ site if a significant quantity of independent films can be offered to consumers (even on a non-exclusive basis).

Item 6. Exhibits

Key Art Posters for current and upcoming theatrical and home video releases are included with this Quarterly Report as Exhibit "A". However, shareholders may see frequent (weekly) updates on the Hannover House Blog, www.HannoverHouseMovies.BlogSpot.com

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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: November 15, 2016

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 annual report 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: November 15, 2016

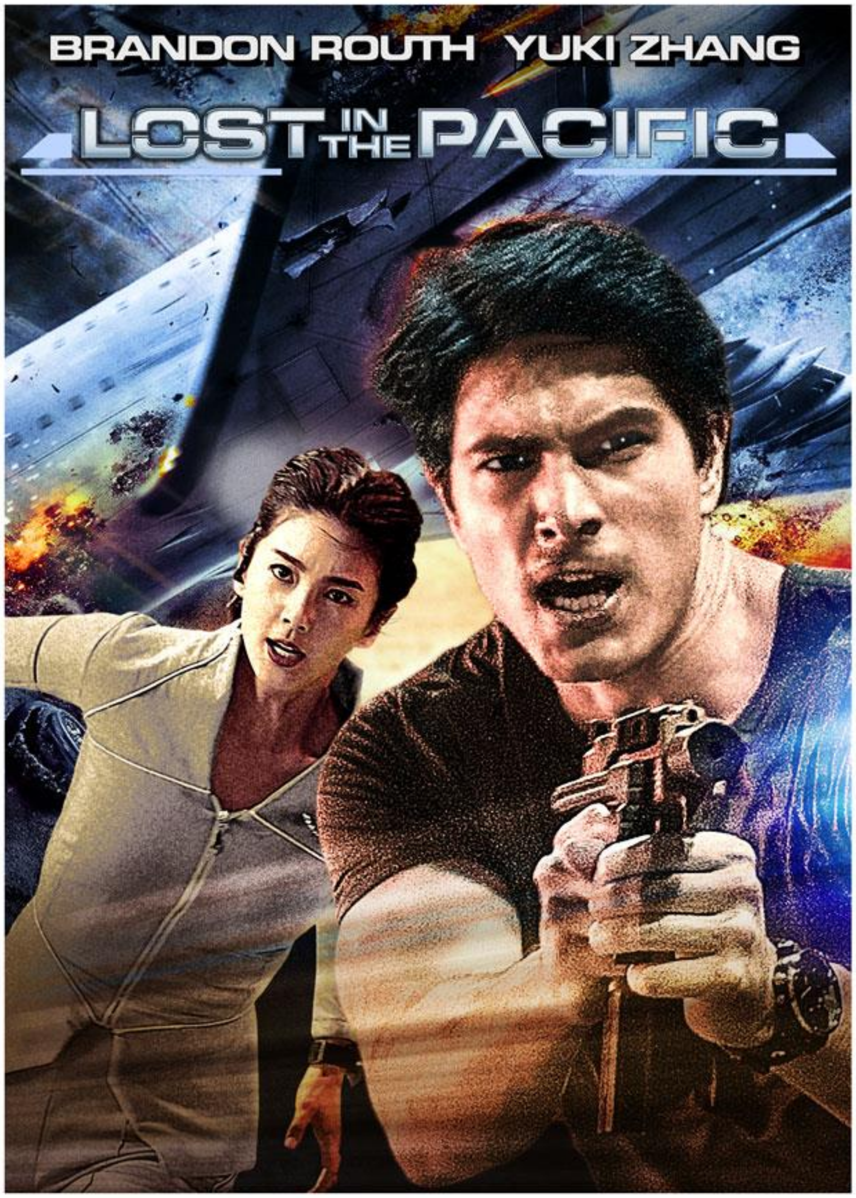
Hannover House, Inc

By: /s/ Eric F. Parkinson

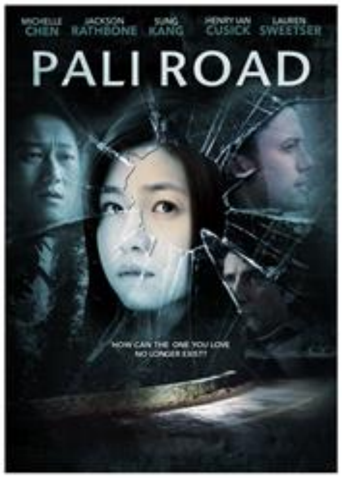
Eric F. Parkinson
Chairman Chief Executive Officer

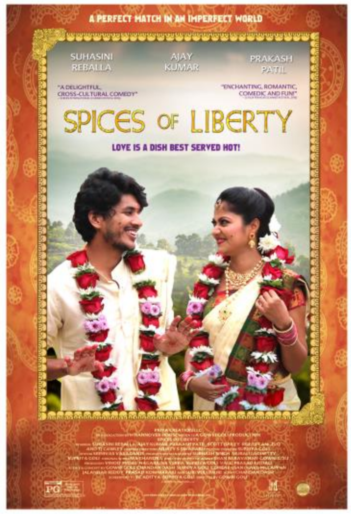
EXHIBIT "A"

KEY ART FOR SELECTED CURRENT & UPCOMING THEATRICAL AND HOME VIDEO RELEASES FROM HANNOVER HOUSE, INC. & MEDALLION RELEASING, INC.



LOST IN THE PACIFIC – An Epic-Scale, Action-Adventure starring BRANDON ROUTH *(from "Superman Returns");* will hit home video at major retailers in January, 2017 from Hannover House., Medallion Releasing and Crimson Forest Films.





PALI ROAD
Suspense-Thriller with solid cast of Henry Cusick & Jackson Rathbone.

SPICES OF LIBERTY
Romantic comedy should appeal to Bollywood & Mainstream Fans

CHOSEN
Awards qualifying run in Q4 to draw attention to Harvey Keitel & Script.

WHERE’S THE DRAGON?

Multi-Million Dollar Animated Feature (original language: Chinese / Mandarin) that is being re-recorded into English for a Jan. 27, 2017 Key Market theatrical release (the day before the Chinese New Year). Hannover House and Medallion believe that the English-language version will be very consumer friendly as the characters, the comedy and the animation are comparable to major studio animated features.