http://www.sacklunchproductions.com

Sack Lunch Productions, Inc. and Subsidiaries
Quarterly Financial Report

(Unaudited)

For the Three and Six Months ended June 30, 2016

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Item I: Exact name of the issuer and the address of its principal executive office

Sack Lunch Productions, Inc.
59 West 100 South, Second Floor, Salt Lake City, Utah 84101
Office: 801-575-8073
Fax: 801-575-8092
Web: www.sacklunchproductions.com

Item II: Shares outstanding

Common Stock		June 30, 2016	December 31, 2015
(i)	Number of shares authorized	990,000,000	990,000,000
(ii)	Number of shares outstanding	144,601,556	135,990,890
(iii)	Freely tradable shares (public float)	54,336,025	56,441,651
(iv)	Total number of beneficial shareholders (1)	4,500	3,100
(v)	Total number of shareholders of record	47	51

(1) Estimate of all holders in brokerage accounts.

Class A Preferred Stock		June 30, 2016	December 31, 2015
(i)	Number of shares authorized	10,000,000	10,000,000
(ii)	Number of shares outstanding	559,750	559,750
(iii)	Freely tradable shares (public float)	- - - -	- - - -
(iv)	Total number of beneficial shareholders	6	6
(v)	Total number of shareholders of record	6	6

Class B Preferred Stock		June 30, 2016	December 31, 2015
(i)	Number of shares authorized	20,000,000	20,000,000
(ii)	Number of shares outstanding	15,000,000	15,000,000
(iii)	Freely tradable shares (public float)	- - - -	- - - -
(iv)	Total number of beneficial shareholders	4	4
(v)	Total number of shareholders of record	4	4

Class C Preferred Stock		June 30, 2016	December 31, 2015
(i)	Number of shares authorized	20,000,000	5,000,000
(ii)	Number of shares outstanding	881,470	1,228,761
(iii)	Freely tradable shares (public float)	- - - -	- - - -
(iv)	Total number of beneficial shareholders	27	32
(v)	Total number of shareholders of record	27	32

Item III: Interim Financial Statements

Sack Lunch Productions, Inc. and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

	June 30, 2016	December 31, 2015
ASSETS		
Current assets		
Cash, includes restricted escrow amounts of $104,788 and $424,416, respectively	$ 546,457	$ 1,024,016
Accounts receivable, net of allowance for doubtful accounts of $268,714 and $264,598, respectively	120,869	216,254
Inventory	1,778,155	1,753,574
Prepaid expenses	373,304	156,276
Other current assets	1,810	15,624
Total current assets	2,820,595	3,165,744
Property and equipment, net of accumulated depreciation of $1,571,785 and $1,409,713, respectively	2,128,241	2,111,255
Notes receivable	181,663	224,751
Film costs, net amortization	345,761	345,761
Other assets	308,838	325,210
Trademarks, tradenames & customers	1,440,000	1,440,000
Total assets	$ 7,225,098	$ 7,612,721
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 2,543,510	$ 2,917,200
Deferred revenue	2,010,169	239,198
Deferred rent	81,659	86,818
Due to related parties	159,807	272,793
Derivative liability	91,835	215,802
Current portion of notes payable	1,940,291	2,274,962
Current portion of notes payable, related party	101,064	101,022
Current portion of capital lease obligations	2,211	13,854
Current portion of convertible notes payable, net of debt discount of $26,088 and $129,049, respectively	35,000	32,844
Total current liabilities	6,965,546	6,154,493
Long-term liabilities		
Notes payable	683,358	782,931
Notes payable, related party	8,752	14,389
Convertible notes payable, net of debt discount of $0 and $30,390 respectively	-	8,110
Capital lease obligations	21,008	21,294
Contingent liability	92,000	92,000
Total long-term liabilities	805,118	918,724
Total liabilities	7,770,664	7,073,217
Stockholders' deficit		
Series A preferred stock, par value $0.001; 10,000,000 shares authorized; 559,750 and 559,750 shares issued and outstanding respectively	590	560
Series B preferred stock, par value $0.001; 20,000,000 shares authorized; 15,000,000 and 15,000,000 shares issued and outstanding shares respectively	15,000	15,000
Series C preferred stock, par value $0.001; 5,000,000 shares authorized; 881,470 and 1,228,761 shares issued and outstanding, respectively	655	1,229
Common stock, par value $0.0001; 25,000,000,000 shares authorized; 144,601,556 and 135,999,890 shares issued and outstanding, respectively	14,929	13,599
Additional paid-in capital	38,427,966	37,918,769
Subscription receivable for subsidiary stock	(38,400)	(76,800)
Accumulated deficit	(37,396,526)	(35,846,285)
Accumulated other comprehensive income	(15,885)	(15,885)
Total Sack Lunch Productions, Inc. and subsidiaries stockholders' deficit	1,008,329	2,010,187
Non-controlling interest	(1,553,895)	(1,470,683)
Total stockholders' deficit	(545,566)	539,504
Total liabilities and stockholders' deficit	$ 7,225,098	$ 7,612,721

The accompanying notes are an integral part of these consolidated financial statements.

Sack Lunch Productions, Inc. and Subsidiaries

Consolidated Statements of Operations

(Unaudited)

	Three Months ended June 30,		Six Months ended June 30,	
	2016	**2015**	**2016**	**2015**
Revenue				
Services, net of discounts	$ 685,390	$ 551,140	$ 1,293,596	$ 1,055,657
Product, net of discounts	193,218	567,149	384,472	806,768
Rent	11,057	13,587	24,685	27,155
Events	4,744,782	359,345	5,229,855	502,049
Consulting	-	1,310	-	6,810
Total revenue	5,634,447	1,492,531	6,932,608	2,398,439
Costs and Expenses				
Cost of services	481,735	395,892	839,638	761,275
Cost of product	90,575	182,266	212,896	344,594
Event costs	2,674,900	264,495	2,988,789	264,495
Depreciation and amortization	72,673	62,071	162,074	113,599
General and administrative	2,272,301	964,933	4,068,911	1,738,941
Total operating expenses	5,592,184	1,869,657	8,272,308	3,222,904
Income (loss) from operations	42,263	(377,126)	(1,339,700)	(824,465)
Other income (expense)				
Interest income	8,152	2,263	9,714	4,461
Interest expense	(164,562)	(57,454)	(346,871)	(118,762)
Interest income (expense), related parties	9,726	(3,061)	-	(5,135)
Gain (loss) on derivative fair value adjustment	45,510	(51,500)	73,967	(81,880)
Loss on stock subscription receivable	33,380	-	-	-
Gain (loss) on forgiveness of debt	(39,839)	588,824	(39,839)	628,019
Other income (expense)	53,232	4,122	68,394	(1,052)
Total other income (expenses), net	(54,401)	483,194	(234,635)	425,651
Net income (loss)	(12,138)	106,068	(1,574,335)	(398,814)
Less net (income) loss attributable to non-controlling interest	22,547	235,080	75,781	436,093
Net income (loss) attributable to stockholders	$ 10,409	$ 341,148	$ (1,498,554)	$ 37,279
Net loss per common share				
Basic and Diluted:				
Basic and diluted loss per common share	$ 0	$ 0	$ 0	$ 0
Weighted average common shares outstanding	146,808,314	67,968,030	144,151,404	69,771,690

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Sack Lunch Productions, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Six Months ended June 30, 2016	2015
Cash flows from operating activities		
Net income (loss)	$ (1,574,335)	$ (398,814)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	162,072	113,599
(Gain) loss on derivative liability fair value adjustment	(108,522)	81,880
(Gain) loss on forgiveness of non-related party convertible debt	(30,050)	(110,220)
Amortization of debt discount	(127,519)	42,856
Write-off of subscription receivable	33,380	-
Stock issued by a subsidiary for services	191,370	-
Initial derivative expense	-	6,018
Certificate of deposit	-	28,660
Accounts receivable	95,385	508,131
Notes receivable - short term	43,088	28,986
Due from affiliates	-	1,637
Inventories	(24,581)	(674,441)
Prepaid expenses	(217,028)	(25,784)
Other assets	13,814	(182,088)
Accounts payable and accrued liabilities	(256,374)	406,815
Deferred revenue	1,770,971	1,157,768
Deferred rent expense	(5,159)	(4,458)
Net cash provided by operating activities	(33,488)	587,151
Cash flows from investing activities		
Purchases of property, plant, & equipment	(179,058)	(281,990)
Net cash (paid) acquired in business combinations	-	(14,000)
Net cash used in investing activities	(179,058)	(295,990)
Cash flows from financing activities		
Payments made on capital leases	(3,645)	(10,382)
Payments made on notes payable	(985,354)	(106,995)
Payments made on notes payable, related parties	(5,595)	(4,394)
Proceeds from issuance of convertible notes payable	-	98,000
Proceeds from issuance of preferred and common stock	165,000	13,000
Proceeds from stock subscription	33,380	26,176
Proceeds from issuance of notes payable	531,201	82,880
Proceeds from issuance of notes payable to related parties	-	35,082
Net cash provided (used) by financing activities	(265,013)	133,367
Net increase (decrease) in cash	(477,559)	424,528
Cash at beginning of period	1,024,016	730,208
Cash at end of period	$ 546,457	$ 1,154,736
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	$ 82,997	$ 5,264
Noncash investing and financing activities:		
Conversions of convertible notes and accrued interest to subsidiary stock	$ (28,020)	$ 661,896

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – ORGANIZATION AND BASIS OF FINANCIAL STATEMENT PRESENTATION

Organization and Nature of Operations

Sack Lunch Productions, Inc. ("SAKL") was incorporated under the laws of the State of Colorado on April 20, 1987 as Metropolitan Acquisition Corporation. On October 5, 2000, SAKL merged with a Nevada corporation with the same name, effectively changing its state of domicile from Colorado to Nevada. SAKL later changed its state of incorporation to Utah. SAKL is a holding company of a number of subsidiary companies.

SAKL's operating subsidiaries during the six months ending June 30, 2016 include the following:

- Color Me Rad Productions Inc. ("CMR")
- The Dirty Dash Productions Inc. ("Dash")
- Diversified Management Solutions, Inc. ("DMS")
- Downtown Development Corporation ("DDC")
- Green Endeavors, Inc. ("Green")
    - Landis Salons, Inc. ("Landis")
    - Landis Salons II, Inc. ("Landis II")
    - Landis Experience Center, LLC. ("LEC")
- Lantern Fest Productions Inc. ("Lantern")
- Redline Entertainment, Inc. ("Redline")
- Slide the City Productions Inc. ("Slide")
- Trike Riot Productions Inc. ("Trike")
- Wasatch Capital Corporation ("WCC")
- WG Productions Company. ("WG")

During the first quarter of 2016 the Company reorganized its operations to simplify the corporate structure and tax reporting of the Company's subsidiaries. For Color Me Rad and Dirty Dash this resulted in the purchase of 100% of the assets of the LLC's by new corporations formed to operate these events. Lantern Fest and Slide the City events operational LLC's have been merged into new corporations that will continue the operations of these events. These actions have resulted in the elimination and consolidation of numerous LLC's into four wholly-owned corporations. The resulting simplification of the organization operation of these events and the reduction of tax and accounting reporting generated by the prior organization.

Color Me Rad Productions Inc. ("CMR") a Utah corporation was organized on January, 29, 2016. CMR is a wholly-owned subsidiary of SAKL and operates Color Me Rad events.

The Dirty Dash Productions Inc. (Dirty Dash") a Utah corporation was organized on January 28, 2016. Dirty Dash is a wholly-owned subsidiary of SAKL and was organized to operate Dirty Dash, a fun mud-run type event.

Downtown Development Corporation ("DDC"), a Utah corporation, was incorporated on November 30, 1999. DCC is a wholly-owned subsidiary of SAKL. DDC owns a 6,000 square foot commercial property in Salt Lake City, Utah.

Green Endeavors, Inc. ("Green"), a Utah corporation, was originally organized under the laws of the State of Delaware on April 25, 2002 as Jasper Holdings.com, Inc. SAKL holds 50.59% of Green' shares of common stock and has voting control of 87.96% of the total outstanding votes. Green is a publicly traded corporation under the stock symbol GRNE.

- Landis Salons, Inc. ("Landis"), a Utah corporation, was organized on May 4, 2005 for the purpose of operating an Aveda™ Lifestyle Salon. Landis is a wholly-owned subsidiary of Green Endeavors, Inc.

- Landis Salons II, Inc. ("Landis II"), a Utah corporation, was organized on March 17, 2010 for the purpose of opening a second Aveda™ Lifestyle Salon in the Marmalade area of Salt Lake City. Landis II is a wholly-owned subsidiary of Green Endeavors, Inc.

- Landis Experience Center, LLC ("LEC"), a Utah limited liability company, was organized in August, 2012 primarily for the purpose of selling Aveda™ retail products in the City Creek mall in downtown Salt Lake City. LEC is a wholly-owned subsidiary of Green Endeavors, Inc.

Lantern Fest Productions Inc. ("Lantern"), a Utah corporation, was organized on December 5, 2013, for the purpose of operating Lantern Fest™ events around the United States. The website for Lantern is http://www.thelanternfest.com.

Redline Entertainment, Inc. ("Redline"), a Utah corporation, was organized on April 15, 2010. Redline is a wholly-owned subsidiary of SAKL and was incorporated to license the foreign distribution rights of films produced by WG and third-party production companies.

Slide the City Productions Inc. ("Slide"), a Utah corporation, was organized on June 24, 2013 for the purpose of operating Slide the City™ events worldwide. Slide is a wholly-owned subsidiary of WG. The website for Slide is http://www.slidethecity.com.

Trike Riot Productions Inc. a Utah corporation was formed on February 10, 2016 and will operate Trike riot Events for the Company.

Wasatch Capital Corporation ("WCC"), a Utah corporation, was incorporated on June 10, 1991. WCC is a wholly-owned subsidiary of SAKL. WCC owns two residential rental properties in Salt Lake City.

WG Productions Company ("WG"), a Utah corporation, was organized on August 6, 2009, as Revel Entertainment, Inc. In May 2013, its name was changed to WG Productions Company. WG is a wholly-owned subsidiary of SAKL. WG was formed to produce films for its own account and for third parties and has added event ownership and management to its business activities. WG owns 100% interest in the following two subsidiaries:

Basis of Presentation

The consolidated financial statements include the accounts of Sack Lunch Productions, Inc. and its subsidiaries after elimination of intercompany accounts and transactions. In addition, SAKL consolidates various entities for which it is deemed to be the primary beneficiary. SAKL's controlling share of earnings or losses of subsidiaries is included in the consolidated operating results using the equity method of accounting.

SAKL consolidates entities under control and records a non-controlling interest for the portions not owned by SAKL. Control is determined, where applicable, by the sufficiency of equity invested and the rights of the equity holders, and by the ownership of a majority of the voting interests, with consideration given to the existence of approval or veto rights granted to the minority shareholder. If the minority shareholder holds substantive participating rights, it overcomes the presumption of control by the majority voting interest holder. In contrast, if the minority shareholder simply holds protective rights (such as consent rights over certain actions), it does not overcome the presumption of control by the majority voting interest holder.

The consolidated balance sheets as of June 30, 2106 and December 31, 2015 and the consolidated statements of operations and cash flows for the periods presented have been prepared by SAKL and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows for all periods presented have been made. The results of operations presented in the accompanying consolidated financial statements for the six months ended June 30, 2016, are not necessarily indicative of the results that may be expected for the 12 months ending December 31, 2016.

Use of Estimates in the Preparation of the Financial Statements

The consolidated financial statements are prepared in conformity with U.S. GAAP, which requires the use of estimates, judgments and assumptions that affect the amounts of assets and liabilities at the reporting date and the amounts of revenue and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Investments with original maturities of six months or less at the time of purchase are considered cash equivalents. As of June 30, 2016, and December 31, 2015, SAKL had no cash equivalents.

Inventory

Inventory consists of items held for resale and is carried at the lower of cost or market. SAKL's inventory consists of hair care products in its salon operations and goods used in the event operations and for resale at our events. Cost is determined using the average cost method. Market is determined based on the estimated net realizable value, which generally is the merchandise selling price. Inventory levels are reviewed in order to identify slow-moving merchandise and damaged items and markdowns are used to clear merchandise.

Property and Equipment

Property and equipment are stated at cost. Expenditures that materially increase the life of the assets are capitalized. Ordinary maintenance and repairs are charged to expense as incurred. When assets are sold, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized at that time. All capital leases are added to the property and equipment and depreciated over the life of the assets. Depreciation is computed on the straight-line method over the following useful lives:

Buildings	27.5-39 years
Computer equipment and related software	3 years
Leasehold improvements	Shorter of the lease term or the estimated useful life
Furniture, equipment and fixtures	3-10 years
Vehicles	5 years

When commercial buildings are sold, the net depreciated basis is deducted from the net cash and other consideration received and the difference is reported as a net gain or loss.

The following is a summary of SAKL's Property and equipment by major category as of June 30, 2016:

	Cost	Accumulated Depreciation	Net
Computer equipment and related software	$ 108,760	$ 92,625	$ 16,135
Construction in process	11,062	-	11,062
Leasehold improvements	668,196	500,937	167,259
Furniture and fixtures	248,449	91,325	157,124
Leased equipment	76,298	61,691	14,607
Equipment	1,172,829	433,795	739,034
Vehicle	185,584	72,151	113,433
Building and Improvements	736,474	304,254	432,220
Land	467,220	-	467,220
Signage	25,154	15,007	10,147
Total	$ 3,700,026	$ 1,571,785	$ 2,128,241

The following is a summary of SAKL's Property and equipment by major category as of December 31, 2015:

	Cost	Accumulated Depreciation	Net
Computer equipment and related software	$ 101,044	$ 87,898	$ 13,146
Construction in process	22,147	-	22,147
Leasehold improvements	639,253	476,654	162,599
Furniture and fixtures	163,798	75,864	87,934
Leased equipment	76,298	54,061	22,237
Equipment	1,114,046	356,757	757,289
Vehicle	175,534	58,537	116,997
Building and Improvements	736,474	286,140	450,334
Land	467,220	-	467,220
Signage	25,154	13,802	11,352
Total	$ 3,520,968	$ 1,409,713	$ 2,111,255

Fair Value Measurements

The fair value of a financial instrument is the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not include transaction costs. A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

- Level 1 – Quoted prices for identical instruments in active markets;
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Investments in Equity Securities

Marketable Securities

SAKL considers all of its investments in marketable securities as available-for-sale. Available-for-sale securities are stated at fair value, with the unrealized gains and losses presented net of tax and reported as a separate component of Stockholders' equity. Realized gains and losses are determined using the specific identification method. Gains are recognized when realized and are recorded in the Consolidated Statements of Operations as Other income. Losses are recognized as realized or when SAKL has determined that an other-than-temporary decline in fair value has occurred.

Long-Lived Assets

SAKL's long-lived assets consist of property, plant, and equipment and other intangible assets, excluding goodwill. SAKL recognizes impairment losses as the difference between historical cost and fair value of the asset, less costs to sell, when management determines that events and circumstances indicate a need to assess impairment, and when that assessment indicates that historical cost materially exceeds fair value, less costs to sell. There was no impairment expense of long-lived assets during the six months ended June 30, 2016 and for the year ended December 31, 2015.

Basic and Diluted Income (Loss) Per Common Share

SAKL computes net income (loss) per common share by dividing the net income (loss) available to common stockholders for the period by the weighted average number of common and potentially dilutive shares during the specified period. The calculation of diluted net income (loss) per share gives effect to common stock equivalents; however, potential common shares are excluded if their effect is anti-dilutive. Such potentially dilutive shares are excluded when the effect would be to reduce net loss per share. For the three and six months ended June 30, 2016, and 2015 these shares were not included in the diluted net loss per share calculation as their effect would be anti-dilutive.

Deferred Revenue

Deferred revenue arises when customers pay for products and/or services in advance of revenue recognition. SAKL's deferred revenue consists of unearned revenue associated with the purchase of gift certificates, event ticket sales, or franchise ownership sales for which revenue is recognized only when the service is performed, the product is delivered, the event takes place, or all training obligations have been satisfied.

As of June 30, 2016 and December 31, 2015 the classes of deferred revenue consisted of the following:

	Deferred Revenue by type as of	
	June 30, 2016	December 31, 2015
Gift Cards	$ 48,884	$ 66,048
Advanced Ticket Sales	1,961,285	173,150
Total Deferred Revenue	$ 2,010,169	$ 239,198

Revenue Recognition

SAKL recognizes revenue from its two main sources of revenue as follows:

Entertainment Revenue

Ticket sales are recorded in the period in which the event took place less an allowance for refunds. Franchise revenues are recorded according to agreements and recognized once all obligations to the franchisee has been provided.

Sales – Salon

Revenue from sale of services and products is recognized at the date the services are provided, or when the products are delivered to the customer.

Advertising and Promotional Expense

SAKL expenses advertising costs the first time the advertising occurs. For the six month period ended June 30, 2016 and 2015, advertising expense was $842,108 and $70,478, respectively.

Income Taxes

Deferred income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Also, SAKL's practice is to recognize interest and/or penalties related to income tax matters in income tax expense.

As of June 30, 2016, SAKL's deferred tax assets, which are solely related to net operating losses, have been fully offset by a valuation allowance.

Recent Accounting Pronouncements

Management believes the impact of other recently issued standards and updates, which are not yet effective, will not have a material impact on SAKL's consolidated financial position, results of operations or cash flows upon adoption.

NOTE 3 – GOING CONCERN

SAKL's consolidated financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. As of June 30, 2016, SAKL had negative working capital of $4,144,951 and an accumulated deficit through June 30, 2016 of $37,396,526.

Primarily, revenues have not been sufficient to cover SAKL's operating costs. Management's plans to enable SAKL to continue as a going concern include the following:

- Creating or Acquiring new types of events for the events line of business;
- Increasing the number of event locations for existing events;
- Increase retail sales of Landis Salons, Inc.;
- Open new salon locations;
- Reduce expenses through consolidating or disposing of certain subsidiary companies; and,
- Raising capital through planned public and private offerings.

There can be no assurance that SAKL can or will be successful in implementing any of its plans or that it will be successful in enabling SAKL to continue as a going concern. SAKL's consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4 – FAIR VALUE MEASUREMENTS

Our financial assets and liabilities carried at fair value are measured on a recurring basis. As of June 30, 2016 and December 31, 2015, they consisted of the following:

Description	Total fair value at June 30, 2016	Quoted prices in active markets (Level)	Significant other observable Inputs (Level 2)	Significant unobservable inputs (Level)
Derivative liability (1)	$ 91,835	$ -	$ 91,835	$ -

Description	Total fair value at December 31, 2015	Quoted prices in active markets (Level)	Significant other Observable Inputs (Level 2)	Significant unobservable inputs (Level)
Derivative liability (1)	$ 215,802	$ -	$ 215,802	$ -

(1) Derivative liability amounts are due to the embedded derivatives of certain convertible notes payable issued by the Company and are calculated using the Black Scholes pricing model.

As of June 30, 2016, the Company, has a $91,835 derivative liability balance on the balance sheet, and for the six months ended June 30, 2016, the Company recorded a $73,967 gain from derivative liability fair value adjustments. The derivative liability activity comes from convertible notes payable.

NOTE 5 – INVENTORY

SAKL's inventory consists of finished goods products that are held for resale at all salon locations or that are used for the services provided by the salons. The event companies maintain inventories for event participants and retail sales. Inventory is carried at the lower of cost or market. As of June 30, 2016 and December 31, 2015, inventory amounted to $1,778,155 and $1,753,574, respectively.

NOTE 6 – NOTES RECEIVABLE

A summary of notes receivable as of June 30, 2016 and December 31, 2015 is as follows:

	Maturity Date	June 30, 2016	December 31, 2015
Receivable from an LLC	5/1/2021	$ 181,663	$ 179,031
Receivable from a Related Party		-	13,524
Receivable from an Individual		-	45,720
Receivable from an Individual		1,810	2,100
Total		183,473	240,375
Less: current portion of notes receivable		1,810	15,624
Total long-term portion of notes receivable		$ 181,663	$ 224,751

NOTE 7 – DEBT

A summary of notes payable as of June 30, 2016 and December 31, 2015 is as follows:

	Interest Rate	Maturity Date	June 30, 2016	December 31, 2015
Notes Payable:				
Note payable due to a partnership	8.00%	7/21/2012	$ 20,373	$ 22,873
Note payable due to an individual	11.00%	2/27/2016	6,416	14,844
Note payable due to an individual	12.00%	3/31/2016	199,638	300,000
Note payable due to a corporation	13.00%	6/22/2016	324,103	-
Note payable due to an individual	8.00%	10/1/2016	-	40,000
Note payable due to a corporation	12.00%	12/13/2016	1,173,571	1,800,000
Note payable due to a bank	6.00%	3/1/2017	47,581	-
Note payable due to a corporation	5.00%	9/1/2017	13,693	18,935
Note payable due to a bank	12.00%	11/19/2017	186,170	261,806
Note payable due to a bank		2/9/2019	14,362	17,055
Note payable due to a partnership	8.00%	3/3/2019	7,392	8,532
Note payable due to a corporation	10.07%	8/19/2020	8,284	9,058
Note payable due to a corporation	14.32%	5/11/2019	63,898	-
Note payable due to a bank	6.50%	5/23/2021	558,168	564,790
Total Notes Payable			2,623,649	3,057,893
Less: Current Portion			1,940,291	2,274,962
Long Term Notes Payable			$ 683,358	$ 782,931

Convertible Notes Payable:	Interest Rate	Maturity Date	June 30, 2016	December 31, 2015
Note payable due to a corporation	8.00%	8/17/2014	$ 35,000	$ 35,000
Note payable due to a corporation	8.00%	3/25/2016	-	5,954
Total Convertible Notes Payable			35,000	40,954
Less: Current Portion			35,000	32,844
Long-Term Convertible Notes Payable			$ -	$ 8,110

Related Party Notes	Interest Rate	Maturity Date	June 30, 2016	December 31, 2015
Note payable due to Richard Surber, President and CEO of SAKL	24.00%	11/20/2011	$ 59,394	$ 60,282
Note payable due to Richard Surber, President and CEO of SAKL	20.00%	11/20/2011	25,000	25,000
Note payable due to a corporation	18.00%	5/6/2016	9,309	9,309
Note payable due to Richard Surber, President and CEO of SAKL	18.00%	3/12/2018	16,113	20,820
Total related Party Notes Payable			109,816	115,411
Less: Current Portion			101,064	101,022
Long Term Related Party Notes Payable			$ 8,752	$ 14,389

NOTE 8 – REAL PROPERTY LEASES

SAKL owns one commercial building and two residential homes which it leases out. Lease agreements are generally five years for the commercial building and one year for the residential homes. Annual lease amounts generally increase each year. Commercial tenant leases include reimbursement to SAKL for allocated property taxes, insurance on the building and common area expenses.

NOTE 9 – EQUITY

Preferred Stock

SAKL is authorized to issue 50,000,000 shares of preferred stock with a par value of $0.001 per share. The Preferred Stock can be issued in various series with varying dividend rates and preferences.

As of June 30, 2016 and December 31, 2015, the number of shares of Series A Convertible Preferred Stock issued and outstanding was 559,750. The Series A Preferred shares have voting rights equal to 100 shares of common stock for every 1 Series A Preferred share, and it may be converted into $10 worth of common stock. A total of 10,000,000 shares have been designated and authorized as Series A Preferred Stock.

As of June 30, 2016 and December 31, 2015, the number of shares of Series B Convertible Preferred Stock issued and outstanding was 15,000,000. The Series B preferred stock holds voting rights equal to 2,000 shares of common stock for each share of the Series B Preferred Stock issued. The shares do not have any conversion rights into common stock or any other class of stock of SAKL. A total of 20,000,000 shares have been designated and authorized as Series B Preferred Stock pursuant to a filing on November 3, 2009.

As of June 30, 2016 and December 31, 2015, the number of shares of Series C Preferred Stock issued and outstanding was 881,470 and 1,228,761 shares, respectively. The Series C Preferred shares may be converted into $5.00 worth of common stock and are subject to redemption by SAKL upon a $5.00 cash payment. The Series C Preferred shares hold voting rights equal to 1 share of common stock for every 1 Series C Preferred share. A total of 5,000,000 shares have been designated and authorized as Series C Preferred Stock.

Common Stock

As of June 30, 2016, SAKL was authorized to issue 990 Million shares of common stock with a par value of $0.0001 per share. As of June 30, 2016 and December 31, 2015, the number of common shares issued and outstanding was 144,601,556 and 135,999,890, respectively. The common stock holds voting rights of one vote per share. It has no dividend or preemptive rights.

NOTE 10 – SEGMENT REPORTING

The Company has two significant operating segments, action-oriented events (Events) and health and beauty salons (Salons). The Events segment is comprised of Slide the City Productions, Inc., Color Me Rad Productions, Inc., Lantern Fest Productions, Inc., Dirty Dash Productions, Inc. and Trike Riot. The Salons segment is comprised of two Aveda Lifestyle salons and an Aveda retail store.

The following table identifies assets and profit/loss for the significant operating segments.

Date	Events	Salons	Non-segment	Total Consolidated
			ASSETS	
6/30/16	$ 3,480,860	$ 471,188	$ 3,273,050	$ 7,225,098
12/31/15	3,247,891	576,494	3,788,336	7,612,721
			PROFIT/(LOSS)	
6/30/16	(789,652)	77,340	(862,023)	(1,574,335)
6/30/15	$ 835,670	$ (30,300)	$ (1,204,184)	$ (398,814)

NOTE 11 – SUBSEQUENT EVENTS

SAKL has evaluated subsequent events through August 22, 2016, which is the date the financial statements were issued.

On July 5, 2016, the Board of Directors approved the issuance of 4,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $20,000.

On July 6, 2016, the Board of Directors approved the issuance of 4,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $20,000.

On July 5, 2016 the Board of Directors approved the issuance of 20,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $100,000.

On July 13, 2016 the Company entered into an agreement with TCA Global Credit Master Fund LP for an additional draw of $440,000 under its existing Credit Agreement and $375,000 to satisfy the Company's obligation under its Stock Repurchase Agreement with TCA. After fees and costs the Company received the return of 85.000 shares of restricted Series C Preferred shares held in the name of TCA worth a total of 450,00.

into 2,232,364 shares of Common Stock. The shares were converted at $0.07428 based on the conversion provisions of the Series C Preferred Stock.

On August 3, 2016, SAKL issued a $550,000 Convertible Promissory Note, with initial consideration of $240,000, to Tangiers Global, LLC ("Tangiers Note") that matures August 3, 2017. The Tangiers Note bears interest at a rate of 7% per annum and can be convertible into SAKL's common shares, at the holder's option, at the conversion rate of 70% of the market price (a 30% discount) of the lowest closing price of SAKL's common shares during the ten days prior to the date of the conversion.

On August 5, 2016 the Board of Directors approved the issuance of 40,000 shares of Series C Preferred Stock in exchange for a cash payment in the sum of $100,000.

In the above stock transactions, the Board of Directors relied upon Rule 506 of the Securities Act of 1933 in originally issuing the convertible notes or preferred stock and in the subsequent issuances resulting from conversions of the notes and preferred securities into common stock were done pursuant to Rule 4(2) of the Securities Act of 1933.

Item IV: Management's Discussion and Analysis of Plan of Operation

Cautionary Statement Regarding Forward Looking Statements

The information herein contains certain forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Investors are cautioned that all forward looking statements involve risks and uncertainty, including, without limitation, the ability of SAKL to continue its business strategy, changes in the real estate markets, labor and employee benefits, as well as general market conditions, competition, and pricing. Although SAKL believes that the assumptions underlying the forward looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore, there can be no assurance that the forward looking statements included in this disclosure will prove to be accurate. In view of the significant uncertainties inherent in the forward looking statements included herein, the inclusion of such information should not be regarded as a representation by SAKL or any other person that the objectives and plans of SAKL will be achieved.

General

Sack Lunch Productions, Inc. ("SAKL" or the "Company") is an entertainment holding company whose subsidiaries have operations in event management, film production and distribution. SAKL also holds a majority interest in Green Endeavors, Inc. (GRNE) which operate Aveda licensed salons and an Aveda retail location. SAKL through its subsidiaries now holds the following national or international event brands: Slide the City, Color Me Rad, The Dirty Dash, The Lantern Fest and Trike Riot. Both Slide the City and Color Me Rad have been franchised nationally and internationally in addition to the events that we operate. The Dirty Dash operates fun mud runs, Color Me Rad holds fun runs complete with color stations, Slide the City operates giant water slide events on city streets, Lantern Fest organizes sky lantern festivals and Trike riot is a three wheeled bike or trike that participants navigate on various obstacle courses.

Results of Operations

The following discussion examines our results of operations and financial condition based on our consolidated financial statements for the three and six months ended June 30, 2016 and 2015.

Revenue

	Three Months Ended June 30,			
Gross Revenue	2016	2015	Variance	%
Services	$ 685,390	$ 551,140	$ 134,250	24
Product	193,218	567,149	(373,931)	(66)
Rent	11,057	13,587	(2,530)	(19)
Events	4,744,782	359,345	4,385,437	1,220
Consulting	-	1,310	(1,310)	(100)
Total Revenue	$ 5,634,447	$ 1,492,531	$ 4,141,916	278

The increase in revenues is due primarily to an increase in the number of events that were held during the period in 2016 as compared to 2015 and event franchise fees.

	Six Months Ended June 30,			
Gross Revenue	2016	2015	Variance	%
Services	$ 1,293,596	$ 1,055,657	$ 237,939	23
Product	384,472	806,768	(422,296)	(52)
Rent	24,685	27,155	(2,470)	(9)
Events	5,229,855	502,049	4,727,806	942
Consulting	-	6,810	(6,810)	(100)
Total Revenue	$ 6,932,608	$ 2,398,439	$ 4,534,169	189

The increase in revenues is due primarily to an increase in the number of events that were held during the period in 2016 as compared to 2015 and event franchise fees.

Costs and Expenses

	Three Months Ended June 30,			
Costs and Expenses	2016	2015	Variance	%
Cost of services	$ 481,735	$ 395,892	$ 85,843	22
Cost of Product	90,575	182,266	(91,691)	(50)
Event costs	2,674,900	264,495	2,410,405	-
Depreciation and amortization	72,673	62,071	10,602	17
General and administrative	2,272,301	964,933	1,307,368	135
Total Cost and Expenses	$ 5,592,184	$ 1,869,657	$ 3,722,527	199

The increase over the comparable quarterly period is primarily attributable to an increase in event related costs such as salaries and advertising expense, as a result of increased number of events that will be held this fiscal year compared with the prior period.

	Six Months Ended June 30,			
Costs and Expenses	2016	2015	Variance	%
Cost of services	$ 839,638	$ 761,275	$ 78,363	10
Cost of Product	212,896	344,594	(131,698)	(38)
Event costs	2,988,789	264,495	2,724,294	-
Depreciation and amortization	162,074	113,599	48,475	43
General and administrative	4,068,911	1,738,941	2,329,970	134
Total Cost and Expenses	$ 8,272,308	$ 3,222,904	$ 5,049,404	157

The increase over the comparable six month period is primarily attributable to an increase in event related costs such as salaries and advertising expense, as a result of increased number of events that will be held this fiscal year compared with the prior period.

Other Income, net

	Three Months Ended June 30,			
Other Income, (Expense)	2016	2015	Variance	%
Interest expense (net)	$ (146,684)	$ (58,252)	$ (88,432)	152
Gain (loss) on derivative fair value adjustment	45,510	(51,500)	97,010	(188)
Loss on stock subscription receivable	33,380	-	33,380	-
Gain on forgiveness of debt	(39,839)	588,824	(628,663)	(107)
Other income (expense)	53,232	4,122	49,110	1,191
Total	$ (54,401)	$ 483,194	$ (537,595)	(111)

The increase is primarily due to an increase in interest expense related to increased borrowings necessary to acquire and operate Color Me Rad and The Dirty Dash events.

	Six Months Ended June 30,			
Other Income, (Expense)	2016	2015	Variance	%
Interest expense (net)	$ (337,157)	$ (119,436)	$ (217,721)	182
Gain (loss) on derivative fair value adjustment	73,967	(81,880)	155,847	(190)
Loss on stock subscription receivable	-	-	-	-
Gain on forgiveness of debt	(39,839)	628,019	(667,858)	(106)
Other income (expense)	68,394	(1,052)	69,446	(6,601)
Total	$ (234,635)	$ 425,651	$ (660,286)	(155)

The increase is primarily due to an increase in interest expense related to increased borrowings necessary to acquire and operate Color Me Rad and The Dirty Dash events.

Net Income (loss)

	Three Months Ended June 30,			
	2016	2015	Variance	%
Net Loss	$ (12,138)	$ 106,068	$ (118,206)	(111)

The increase in net loss is primarily due to event related salaries, advertising and other professional services necessary to generate pre-sales of tickets that are held as deferred revenues on the balance sheet.

	Six Months Ended June 30,			
	2016	2015	Variance	%
Net Loss	$ (1,574,335)	$ (398,814)	$ (1,175,521)	295

The increase in net loss is primarily due to event related salaries, advertising and other professional services necessary to generate pre-sales of tickets that are held as deferred revenues on the balance sheet.

Liquidity and Capital Resources

	For the Period Ended			
Working Capital	June 30, 2016	December 31, 2015	Variance	%
Current Assets				
Cash	$ 546,457	$ 1,024,016	$ (477,559)	(47)
Accounts receivable	120,869	216,254	(95,385)	(44)
Inventory	1,778,155	1,753,574	24,581	1
Prepaid expenses	373,304	156,276	217,028	139
Current portion of notes receivable	1,810	15,624	(13,814)	(88)
Total Current Assets	2,820,595	3,165,744	(345,149)	(11)
Current Liabilities				
Accounts payable and accrued expenses	2,543,510	2,917,200	(373,690)	(13)
Deferred revenue	2,010,169	239,198	1,770,971	740
Deferred rent	81,659	86,818	(5,159)	(6)
Due to related parties	159,807	272,793	(112,986)	(41)
Derivative liability	91,835	215,802	(123,967)	(57)
Current portion of notes payable	1,940,291	2,274,962	(334,671)	(15)
Current portion of notes payable, related party	101,064	101,022	42	0
Current portion of capital lease obligations	2,211	13,854	(11,643)	(84)
Current portion of convertible notes payable	35,000	32,844	2,156	7
Total Current Liabilities	6,965,546	6,154,493	811,053	13
Working Capital Deficit	$ 4,144,951	$ 2,988,749	$ 1,156,202	39

The increase in deferred revenues resulting from advanced ticket sales for events was the largest change to our working capital deficit. We expect to fully realize all deferred revenue by the end of the fiscal year. Prepaid expenses increased as many event venue costs are paid in advance and then expensed as the event is completed.

Cash Flows from Operating Activities

Cash flows from operating activities include net loss, adjusted for certain non-cash charges, as well as changes in the balances of certain assets and liabilities.

	Six Months Ended June 30,			
	2016	2015	Variance	%
Cash Flows from Operating Activities	$ (33,488)	$ 587,151	$ (620,639)	(106)

We expect to increase cash provided by operating activities over the next twelve months by executing the individual business strategies of our subsidiaries, which are outlined in note 3.

Cash Flows from Investing Activities

	Six Months Ended June 30,			
	2016	2015	Variance	%
Cash Flows from Investing Activities	$ (179,058)	$ (295,990)	$ 116,932	(40)

The decrease in cash flows used in investing activities is primarily due to a decrease in the purchases of property, plant, and equipment.

We expect to continue our investing activities, including purchasing both property and equipment for additional salon locations and making both short and long-term equity investments.

Cash Flows from Financing Activities

	Six Months Ended June 30,			
	2016	2015	Variance	%
Cash Flows from Financing Activities	$ (265,013)	$ 133,367	$ (398,380)	(299)

The transition from cash flows used in financing activities over the comparable period is due to an increase in payments to notes payable and convertible notes payable.

Other Factors Affecting Liquidity and Capital Resources

We have insufficient current assets to meet our current liabilities due to negative working capital of $4,148,299 as of June 30, 2016. By December 31, 2016, we expect to fully realize all deferred revenues. Recognition of these revenues will improve our working capital by the same amount. Historically, we have funded our cash needs from a combination of revenues, carried payables, sales of equity, and debt transactions. Since we are not currently realizing net cash flows from our business, we may need to seek financing to continue our operations. Prospective sources of funding could include shareholder loans, equity sales or loans from other sources though no assurance can be given that such sources would be available or that any commitment of support is forthcoming to date. We must refinance high interest short term loans like the TCA debt in order to have sufficient cash flow to continue operations in 2017.

We do not intend to pay cash dividends in the foreseeable future.

We expect to purchase property or equipment for an additional salon location. We are currently seeking and analyzing equipment loans and capital leasing options to fund a significant portion of the equipment needed. We expect to purchase fixed assets as needed for our event companies.

We expect to hire approximately 20 stylists over the course of the next 12 months to fully staff our existing salons and in the range of 30 to 40 stylists in the next 24 months to staff an additional salon location. The operating funds needed to carry out this plan will be generated through equity or debt financing.

We expect to continue to expand the event operations of Slide the City, The Lantern Fest, Color Me Rad, and The Dirty Dash. We also expect to launch new event concepts like Trike Riot in 2016. We also expect to improve our cash flows from the sale of additional international franchise or licenses for Slide the City and Lantern Fest. Cash flows from operations are expected to improve liquidity due to such activities. The seasonality of our businesses impact our working capital disproportionally in the first and third quarters of our fiscal year ending December 31.

Impact of Inflation

We compensate some of our salon employees with percentage commissions based on sales they generate. Accordingly, this provides us certain protection against inflationary increases, as payroll expense is a variable cost of sales. In addition, we may increase pricing in our salons to offset any significant increases in wages and cost of services provided. Therefore, we do not believe inflation has had a significant impact on the results of our operations.

Off Balance Sheet Arrangements

We do not have any off balance sheet financing arrangements.

Item V: Legal Proceedings

1. Eventbrite Co. vs. Sack Lunch Productions Inc., Arbitration case No. 01-16-0000-7716, claim amount of $1,000,000. Arising out of a contract by Springbok Management LLC with Eventbrite for online ticket sales by CMR and DD. Filed March 8, 2016. Settlement pending agreement on terms of a contract to retain Eventbrite to provide online ticketing for Sack Lunch' event companies beginning in October of 2016.
2. Lantern Fest Productions, Inc. f/k/a Lantern Fest, LLC v. Pike's Peak International Raceway, LLC and Robert Joseph Boileau, III, United States District Court for the District of Colorado, Civil Action No. 16-cv-00684-MJW. Suit filed in 2016 by Lantern Fest to seek recovery of damages for actions by the named defendants to interfere and damage the rights of Lantern Fest. The matter was settled by the parties entering into a contract providing for an exclusive contract to hold Lantern Fest events for the next three years at Pike's Peak International Raceway.

The Company has been named as a defendant in other litigation that is not believed to be material in amount and arise from the operation of events in which personal injury is a risk or arise from business disputes regarding the underlying claims that are being asserted. Insurance is in place for all such events to protect the company from such claims and the number of such claims arising from the significant number of events conducted by the Company is limited in number.

Item VI: Defaults upon senior securities

None.

Item VI: Other information

Item VII: Exhibits

A. Series C Preferred Stock Designation
B. Series A Preferred Stock Designation

Material Contracts

None.

Subsequent Events

On July 6 2016, the Board of Directors approved the issuance of 4,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $20,000.

On July 5, 2016, the Board of Directors approved the issuance of 4,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $20,000.

On July 5, 2016 the Board of Directors approved the issuance of 20,000 shares of Series A Preferred Stock in exchange for a cash payment in the sum of $100,000.

On July 13, 2016 the Company entered into an agreement with TCA Global Credit Master Fund LP for an additional draw of $440,000 under its existing Credit Agreement and $375,000 to satisfy the Company's obligation under its Stock Repurchase Agreement with TCA. After fees and costs the Company received the return of 85.000 shares of restricted Series C Preferred shares held in the name of TCA worth a total of 450,00.

On July 20, 2016 the Board of Directors approved the conversion of 32,616 shares of Series C Preferred Stock into 2,232,364 shares of Common Stock. The shares were converted at $0.07428 based on the conversion provisions of the Series C Preferred Stock.

On August 3, 2016, SAKL issued a $550,000 Convertible Promissory Note, with initial consideration of $240,000, to Tangiers Global, LLC ("Tangiers Note") that matures August 3, 2017. The Tangiers Note bears interest at a rate of 7% per annum and can be convertible into SAKL's common shares, at the holder's option, at the conversion rate of 70% of the market price (a 30% discount) of the lowest closing price of SAKL's common shares during the ten days prior to the date of the conversion.

On August 5, 2016 the Board of Directors approved the issuance of 40,000 shares of Series C Preferred Stock in exchange for a cash payment in the sum of $100,000.

In the above stock transactions, the Board of Directors relied upon Rule 506 of the Securities Act of 1933 in originally issuing the convertible notes or preferred stock and in the subsequent issuances resulting from conversions of the notes and preferred securities into common stock were done pursuant to Rule 4(2) of the Securities Act of 1933.

Articles of Incorporation

The following items are incorporated by reference from the Annual Report of Sack Lunch Productions, Inc. filed with Pink Sheets on July 14, 2009:

Restated Articles of Incorporation of the Company
Articles of Incorporation of Nexia Holdings, Inc. in Utah
Plan of Merger and Share Exchange Agreement
Bylaws of Nexia Holdings, Inc.

Item VIII: Certifications.

I, Richard D. Surber, certify that:

1. I have reviewed this disclosure statement for the quarter ended June 30, 2016 of Sack Lunch Productions, Inc.;

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

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

Date: August 22, 2016

/s/ Richard D Surber
Richard D. Surber
President, CEO, CFO and Director