OTC MARKETS GROUP
304 HUDSON STREET
New York, NY 10013

QUARTERLY COMPLIANCE FILING

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934 AND PURSUANT TO
THE OTC MARKETS GUIDELINES FOR CURRENT REPORTING STATUS

For the three-month period ended: September 30, 2017

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.)

300 North College Ave., Suite 311, Fayetteville, AR 72701
(Address of Principal Executive Offices) (Zip Code)

479-521-5770
(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, 2017:

a. Total Common Stock Shares in issue as of September 30, 2017: 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: 194 *(Standard Registrar count)*

Total Beneficial Shareholders: 327 *(Broadridge, ICS count)*

Total Authorized Common Stock Shares: 800,000,000

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

The Transfer Agent for the Company's stock is:

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

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, 2017 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-MONTHS ENDING SEPTEMBER 30, 2017 (UNAUDITED)

	Q1 2017	Q2 2017		Q3 2017
REVENUES *(all media, fees & licenses)*	$ 283,479	$ 149,139		$ 351,252
Net, Collected Revenues	122,286	124,389		351,252
Additional Invoiced Sales	161,193	24,750		68,640
Reserve for Potential Returns	(70,870)	-		(13,728)
ADJUSTED REVENUES FOR PERIOD	**212,609**	**149,139**	(1)	**406,164**
COST OF SALES				
Commissions	-	-		-
Sales and Marketing	4,400	2,500		15,322
Video Manufacturing	26,506	5,906		3,959
Film & Book Royalties	-	-		132,000
Freight	3,828	1,482		855
Other Expenses	17,600	51,876	(2)	12,278
TOTAL COST OF SALES	52,334	61,764		164,414
GROSS PROFIT	160,275	87,375		241,750
GENERAL AND ADMINISTRATIVE EXP.	70,450	57,108	(3)	107,625
INCOME FROM OPERATIONS	89,825	30,267		134,125
OTHER INCOME (EXPENSE)	-	-		-
INCOME BEFORE TAXES	89,825	30,267		134,125
PROVISION FOR INCOME TAXES	22,456	7,567	(4)	33,531
NET INCOME	$ **67,369**	$ **22,700**		$ **100,594**
RETAINED EARNINGS (Beginning of Period)	3,640,919	3,708,288		3,730,988
RETAINED EARNINGS (End of Period)	3,708,288	3,730,988		3,831,582

FOOTNOTES

(1) During the Merger Process with Crimson Forest, Company purposely delayed the release of five (5) new release Home Video and V.O.D. titles, which will be released in 2017 and 2018. Company projects that the gross revenue value of the delayed titles is approx. $750,000.

(2) "Other Expense" include $12,278 towards the production of "WHERE'S THE DRAGON."

(3) Significant G&A expenses during Q3, 2017 included additional amounts for short-term / temp marketing, PR and technical service personnell relating to the forthcoming releases of DAISY WINTERS, BATTLECREEK, and BLOODFEAST.

(4) Company has adjusted the reserve for income taxes payable to 25% of pretax earnings.

HANNOVER HOUSE, INC.
CONSOLIDATED GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDING 9-30-2017

GENERAL AND ADMINISTRATIVE EXPENSES

CATEGORY	3-Months Ending 6/30/2017	3-Months Ending 9/30/2017	Difference In G&A Q2 -vs- Q3
Auto	$ -	$ 127	$ 127
Bank Charges	$ 170	$ 390	$ 220
Consulting	$ -	$ -	$ -
Employees and Labor	$ 22,910	$ 37,878	$ 14,968
Entertainment	$ -	$ -	$ -
Equipment	$ -	$ 12	$ 12
Fees	$ -	$ -	$ -
Insurance	$ -	$ 700	$ 700
Labor	$ -	$ -	$ -
Legal and Accounting	$ 6,900	$ 35,698	$ 28,798
Miscellaneous	$ 270	$ 1,427	$ 1,157
Office	$ 3,910	$ 1,712	$ (2,198)
Rent	$ 4,671	$ 10,795	$ 6,124
Taxes	$ -	$ 5,517	$ 5,517
Telephone	$ 527	$ 3,180	$ 2,653
Travel	$ 17,750	$ 10,189	$ (7,561)
Utilities	$ -	$ -	$ -
TOTAL OF GENERAL AND ADMINISTRATIVE EXPENSES	**$ 57,108**	**$ 107,625**	**$ 50,517**

Footnotes: Officer Salaries for Parkinson and Shefte (the majority of which are deferred income) appear on the income statement as accrued (but deferred) payables, as well as on the Company's balance sheets.

HANNOVER HOUSE, INC.

Consolidated Balance Sheet / As of June 30, 2017 (Unaudited)

	6/30/2017		9/30/2017
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	14,092		20,905
Accounts Receivable, Net	5,783,864	(1)	5,794,556
Prepaid Wages			
Merchandise Inventory	67,222	(2)	67,222
Prepaid Advertising	765,000		765,000
Prepaid Producer Royalties	2,335,645		2,335,645
Producer Marketing Recoupment	2,543,627		2,888,949
Film Distribution Rights	1,996,379		1,996,379
Film Production Investments	449,309		461,587
Notes Receivable and Net Recoupment	-		-
TOTAL CURRENT ASSETS	13,955,138		14,330,243
PROPERTY & EQUIPMENT			
Office Furnishings, Equip. & Film Gear	154,331		154,331
Less Accumulated Depreciation	(37,164)		(37,164)
Vehicles	22,500		22,500
Less Accumulated Depreciation	(15,200)	(3)	(15,200)
Real Property	-		-
TOTAL PROPERTY & EQUIPMENT	124,467		124,467
OTHER ASSETS			
FILM & TV LIBRARY (incl. VODWIZ)*	23,565,337		23,565,337
TOTAL OTHER ASSETS	23,565,337		23,565,337
	37,644,942		**38,020,047**

** HHSE Film Library Valuation is currently being updated to include over 145 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 Sept. 30, 2017 (Unaudited) / continued

LIABILITIES & SHAREHOLDER'S EQUITY

	6/30/2017		9/30/2017
CURRENT LIABILITIES			
Accounts payable	115,386		115,386
Accrued Royalties	92,214		224,214
Acquisition Advances Due	312,084	*(4)*	312,084
Accrued Wages	100,209	*(5)*	100,209
Payroll Taxes Payable	24,088	*(6)*	24,088
Deferred Income Tax Payable	1,659,030	*(7)*	1,192,561
NB Cal AFIL P&A Loan	80,000		80,000
Hounddog P&A Note (EFG)	731,025		731,025
Interest on Hounddog Note	328,899		341,842
Graham Financial Services Note	80,000		80,000
Interest on Graham Note	17,268		18,668
Short Term Notes (Various)	289,330	*(8)*	299,330
Interest on Short Term Notes	40,443		45,506
Bank of Fayetteville Note	15,000		15,000
Interest on B.O.F. Note	-		-
TOTAL CURRENT LIABILITIES	3,884,976		3,579,913
LONG-TERM LIABILITIES			
Long-Term Payables	1,334,345		1,466,345
Executive Salary Deferrals	708,747		740,897
Officer Notes Payable	145,455		121,455
TOTAL LONG-TERM LIABILITIES	2,188,547		2,328,697
TOTAL OF ALL LIABILITIES	6,073,523		5,908,610
SHAREHOLDER'S EQUITY			
Common Stock	27,840,431		28,279,855
Retained Earnings	3,730,988		3,831,582
TOTAL SHAREHOLDER'S EQUITY	31,571,419		32,111,437
	37,644,942		**38,020,047**

Additional Footnotes to Balance Sheet
(for the three-month period ending September 30, 2017)

(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) Merchandise Inventory during Q3 was not affected due to new video manufacturing costs being incurred during Q3, but not physically received prior to the end of the reporting period.

(3) No new Depreciation has been assessed against the Company's Film (Grip & Electric) truck was during Q3 due to comparative values of similarly equipped vehicles.

(4) Includes reconciliation with Gaumont concerning applicable amounts received by 20th Century Fox, Freestyle and TV licenses, which were payments against the license fee or payments against other costs.

(5) Accrued Wages has been further reduced and reconciled.

(6) Payroll Tax liabilities were listed the same for Q3 as compared to Q2, due to reconciliation occurring with the IRS over amounts assessed in excess of the actual amounts payable. Company has since resolved the corrected balances due to the IRS and these updated items will be reflected in the year-end filings.

(7) Company has elected to write-down $500,000 worth of previously accrued Income Tax payable due to reduced corporate tax rates that will be in effect by the time that this accrual will be dur for payment.

(8) Short Term Notes include actual balance due to JSJ for convertible notes plus the maximum allowable interest under law, and an allowance for legal fees. JSJ obtained a judgment in the State of Texas for a sum exceeding legally allowable interest rates; Company counsel believes that this inflated balance can be contested in the State of Arkansas at such point in time that JSJ attempts to collect the inflated amount, and that Company will prevail in obtaining a judicial declaration for the proper amount as carried on the balance sheet. Short term notes also include $10,000 received during Q3 from private lenders on notes bearing 6% annual interest;

Hannover House, Inc.

Consolidated Statement of Cash Flow

For the Three-Month Period Ending Sept. 30, 2017

		9/30/2017
Cash flows from operating activities		
Net Income	$	100,594
Adjustments to reconcile net income		
to cash provided by (used in)		(326,698)
operations		-
Depreciation		-
Accounts receivable		(10,692)
Inventory		-
Prepaid advertising		-
Producer marketing recoupment		(345,322)
Prepaid producer royalties		-
Film distribution rights		-
Accounts payable		-
Short Term Notes		(15,063)
Hounddog P&A interest		(12,943)
Graham Financial interest		(1,400)
Bank of Fayetteville Interest		-
Long Term Payables		312,501
Real Estate Mortgage Payable		-
Accrued royalties		(132,000)
Deferred income tax payable		466,469
Accrued wages		7,645
Payroll taxes due		-
Executive salary deferral		-
Cash used in operations		43,091
Cashflows from investing activities		
Film production investments		12,278
Furnishings, Equipment, Truck		-
Hounddog P&A note		-
Graham Financial Services note		-
Bank of Fayetteville note		-
Acquisition Advances Payable		-
NB Cal loan (AFIL)		-
Officer notes payable		24,000
Cash provided by investing activities		36,278
Cash flows from financing activities		
Increase in cash		6,813
Cash, beginning of period		14,092
Cash, end of period	$	20,905

HANNOVER HOUSE, INC.

Change In Shareholder's Equity

For the Three Month Period Ending September 30, 2017

	Common Stock				Retained		
	Shares		Amount		Earnings		Total
Balance at June 30, 2017	799,929,996	$	27,840,431	$	3,730,988		31,571,419
Net Adjustments to Equity						$	439,424
Net Income				$	100,594	$	-
Balances at Sept. 30, 2017	799,929,996		-		3,831,582		32,111,437

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 year-ending December 31, 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.

As of 9-30-2017, there were no further changes of "control" excepting for the termination of a previously announced intent to merge operations with Crimson Forest Entertainment Group, Inc., as described in Item 11 a-1 in this filing.

As of 9-30-2017, there were no increases of 10% or more of the same class of outstanding equity securities excepting for the letter of intent to merge operations with Crimson Forest Entertainment Group, Inc., as described in Item 11 a-1 in this filing.

During the three-month reporting period ending 9-30-2017, 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 9-30-2017, 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, none of which management feels pose a significant or material threat to the ongoing operations and viability of the company. As of 9-30-2017 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 book publishing, Screen Actors Guild activities and some original 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.

As of 9-30-2017 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 9-30-2017, the Company had 6 full-time employees, positions were: CEO, President, VP Sales, Marketing Director, Technical Services Manager and Office Manager.

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; CMC Pictures, CMD; Crimson Forest Films; Daybreak Pictures; Empire Film Group, Inc.; Eurocine International; FilmWorks; Gaumont, SA; Film Sales Co.; Green Apple Films; Little Film Company; Plaza Entertainment, Inc.; Phoenix Entertainment; Phoenix Releasing Group; Priya Productions; Sola-Media, GmbH; Shoreline Entertainment; Silver Lining Pictures; 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 12-31-2016 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 an executive office suite (under lease from Mathias Properties, Springdale, AR), comprising approximately 2,800 square feet, located at 300 N. College Ave., Suite 311, Fayetteville, AR 72701. Primary DVD warehousing and order processing will now occur at Technicolor Labs fulfillment facility in Memphis, TN.

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 two years, 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. In July of 2016, Anderson-Alchemy filed for bankruptcy, and this impacted the Company by stopping the receipt of an estimated $754,000 worth of net video sales form Walmart and Best Buy locations that had been serviced by Anderson-Alchemy. Due to a change in the revenue recognition of consignment products in 2015, the value of these sales had not been previously recorded, although the costs for marketing, manufacturing, freight and other fulfillment had been expensed. Also in July of 2016, Allegro Music Group, the Company's exclusive distributor in Canada, declared a "non-bankruptcy reorganization" and proposed "cram-down" of supplier balances. Company has not accepted Allegro's desire to write-off over $91,000 worth of revenues due to Company, and is reserving all rights to pursue collection against the Allegro principals or affiliate entities.

With respect to creditors, including judgment lien holders, there can be no assurance that many 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. As of Dec. 31, 2016, based on year-end earnings and A/S, 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.

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, 2017, 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, 2017.

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, 2017, the Company was involved in the following legal matters for which ongoing court activities / filings or adjudicated status were still pending:

1). UPTONE PICTURES – The producers of "Union Bound" filed a lawsuit against company in Los Angeles Federal Court, which has since been settled by mutual agreement (settlement after the close of this reporting period).

2). XVIII ENTERTAINMENT – Subsequent to the end of the current reporting period, the licensor of four titles to Hannover House (specifically "Linda Vista Project," "Job's Daughter," "Revelations," and "Day of Redemption") filed suit in the U.S. District Court, Western District of California, seeking estimated and projected revenues from the DVD distribution of these titles. Company has engaged counsel and has made a motion for dismissal on several grounds, including jurisdiction and demonstrably knowledge of Plaintiff that no additional revenues inclusive of those sums previously paid by Hannover House, are due under the agreements.

3). JSJ INVESTMENTS – In early 2015, Company borrowed approximately $77,000 from JSJ Investments of Canada (which also operates a Texas-domiciled USA corporation). The terms of the notes called for maturity in 6-months with a maximum legal interest of 15%, as well as with an option to convert the debt into HHSE shares if Company did not pay in full when the notes were called. In September, 2015, when the notes matured, Company offered to pay them in full with cash on hand, (including interest) and asked JSJ for their bank details for a wire transfer. JSJ did not cooperate and said that they preferred to convert the note to HHSE unrestricted Common Stock shares at a 50% discount to market. The Company's response was that such a conversion only existed as a safety mechanism should the Company be unwilling or unable to pay the notes, and that to require such a lucrative level of repayment would violate the Usury Laws and practices governing predatory lenders. Company asked again in writing for the JSJ bank details for wire transfer, and held the funds for approximately thirty days until they were reallocated for other activities. JSJ subsequently filed a lawsuit in Texas, seeking to be paid the usurious amount of more than 100% over principal, plus a variety of dubious fees. In September, 2016, strained by the loss of over $843,000 in collections *(from the bankruptcy of Anderson-Alchemy, and the non-bankruptcy reorganization / cram-down by Allegro Music Group, as described in this filing),* HHSE was unable to sustain the costly legal fees to maintain its defense in the Texas courts. As a result, ultimately, JSJ was awarded a judgment, and without a damage hearing or prove-up, was granted a judgment award in excess of $300,000, despite the total lack of basis for such an excessive award. It is Company's intention to move to relitigate this judgment amount in the State of Arkansas, under rules and regulations that permit judicial review of disputed foreign judgments. Company feels that is has a meritorious basis to contest the foreign judgment under Arkansas law.

4). FANTASTIC FILMS, INC. – Company has prepared a motion for dismissal, with evidence of full payment of the obligation, plus interest, and an inadvertent overpayment of $17,553.35 – with a request for an order to compel repayment to Hannover House for the over-payment. Company Counsel is in communication with counsel for Fantastic Films to effectuate satisfaction of this matter without further filings or court costs.

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.

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: 300 N. College Ave., Suite 311, Fayetteville, AR 72701. At all times during the prior seven years, Mr. Parkinson has been employed as the C.E.O. of Hannover House, Inc., and Truman Press, Inc., d/b/a "Hannover House." During 2016, 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, 2016 to be deferred and accrued. As of December 31, 2016 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 June, 2018 or such time that the company's Registration Statement has been made with the Securities and Exchange Commission. 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 Hannover House, Inc. and 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 2016, 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, 2016 to be deferred and accrued. As of December 31, 2016 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 5-million shares of stock, to be held pending satisfaction of corporate governance achievements.

Neither Parkinson nor Shefte have moved to remove the Rule 144 Sale Restriction or otherwise sell any of their officer-owned shares in the past three years.

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. Sims is due an additional one-million (1,000,000) Common Stock Shares as of June, 2016 and another one-million (1,000,000) Common Stock Shares as of June 2017, neither of which have yet to be issued.

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 members 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 December 31, 2016) was 327. As of December 31, 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), 300 N. College Ave., Suite 311, Fayetteville, AR 72701 – holding or beneficially controlling 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 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.

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. Mr. Shefte retains a lien to reclaim up to 5-million shares from his original allotment of 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). CRIMSON FOREST – HANNOVER HOUSE MERGER UPDATE – As contained within the March 31, 2017 quarterly filings - and through a Form 8 Information Statement and press announcements - Company announced a plan and corporate merger agreement as mutually executed with Crimson Forest Entertainment Group, Inc., an OTC-listed company also active in the independent film production and distribution industry. The operational aspects of the merger (under which the companies would work together on day-to-day activities including acquisitions, productions, marketing and releasing), was completed and implemented in May, including a combined corporate presence at the Cannes Film Festival and Marche du Filme in which HHSE Executives were representing both companies. The stock-for-stock swap of Hannover House shares for Crimson Forest shares remains the only aspect of the merger not completed as of the date of this filing.

In order for the stock-for-stock swap to be completed, the Crimson Forest filings and compliance reports were required to be brought fully current, including, but not limited to, PCAOB audits for the years ending 2-28-2015, 2-29-2016 and the most recent year ending 2-28-2017.

HHSE company principals Eric Parkinson and Fred Shefte worked diligently with the outside auditors and outside CPA firm engaged to help expedite the completion and filing of Crimson Forest reports to achieve fully current reporting status. During this compliance process, it became evident that Crimson Forest was unable or unwilling to provide required back-up documentation requested by the auditors and Hannover House - including previous audits materials, tax returns and detailed banking ledgers.

On July 25, 2017, HHSE executives Eric Parkinson and Fred Shefte met in Los Angeles with legal counsel for Crimson Forest Entertainment Group, Inc., to address and resolve the issues of deficient disclosure, backup documentation and other managerial matters. Following additional communications with counsel for Crimson Forest in October and November, 2017 (after the applicable date of this filing), a mutual determination was made to not proceed with the Crimson Forest – Hannover House merger for a variety of operational and business-philosophical reasons. Crimson Forest has since been suspended from trading by the Securities and Exchange Commission, and their status as an operating entity is unknown to Hannover House management.

Item 6. Exhibits

Hannover House Stock Chart – and artwork for selected current and upcoming theatrical, home video and book releases are included with this filing.

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: January 5, 2018

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

Eric F. Parkinson,
Chairman & Chief Executive Officer

CERTIFICATION

I, Eric F. Parkinson certify that:

1. I have reviewed this quarterly report 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

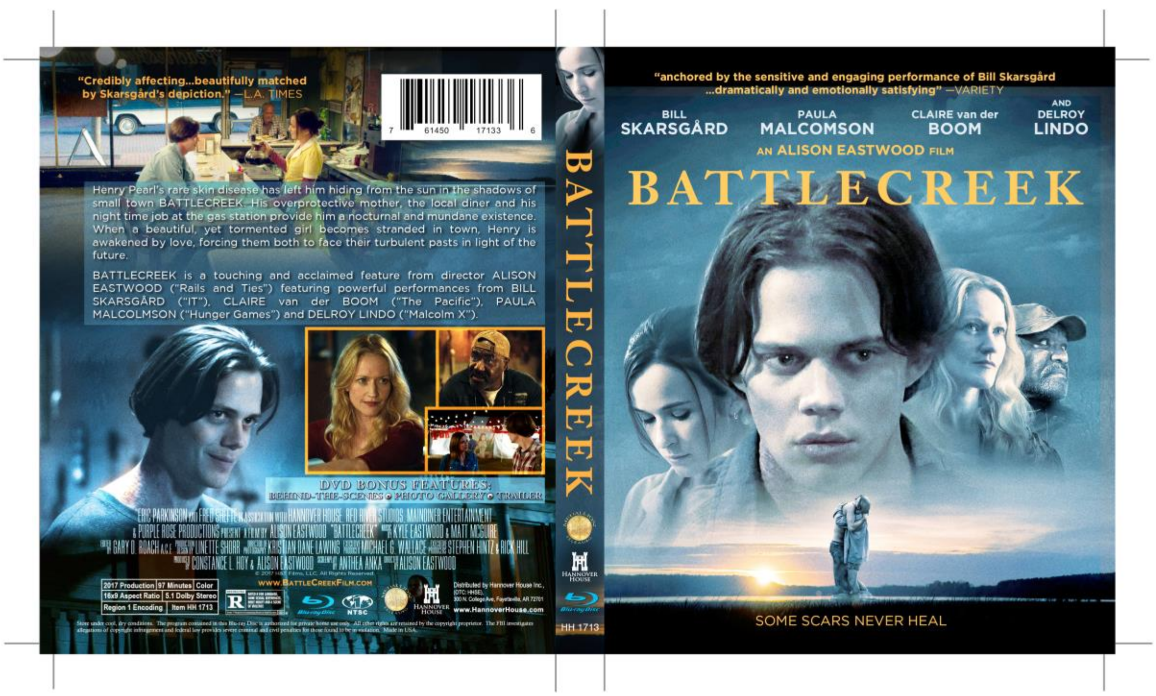
(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

DATED: JAN. 5, 2018

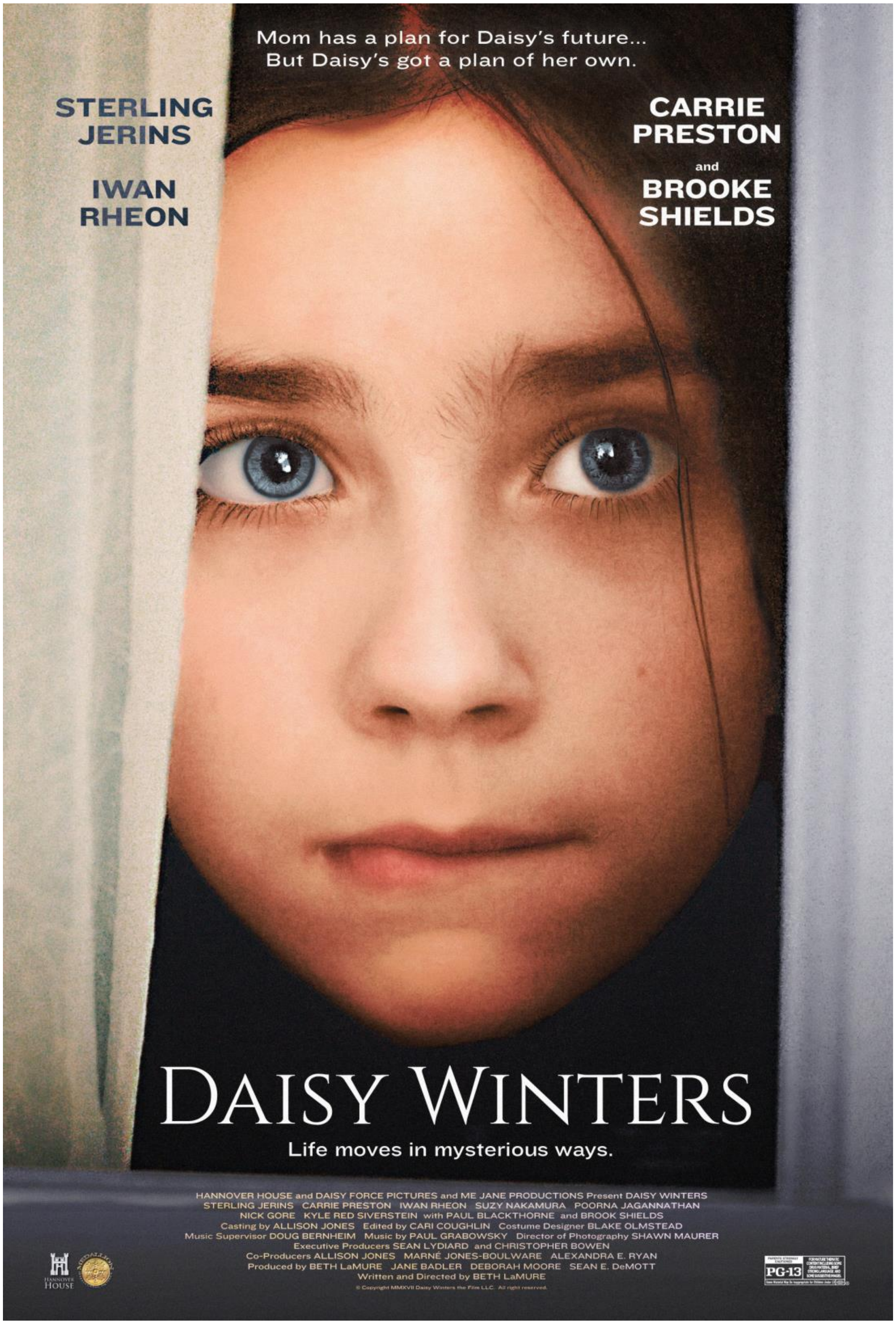
Hannover House, Inc.
By: /s/ Eric F. Parkinson
ERIC F. PARKINSON
Chairman & Chief Executive Officer

EXHIBIT "A" – Artwork for Selected Current and Upcoming Hannover House Releases

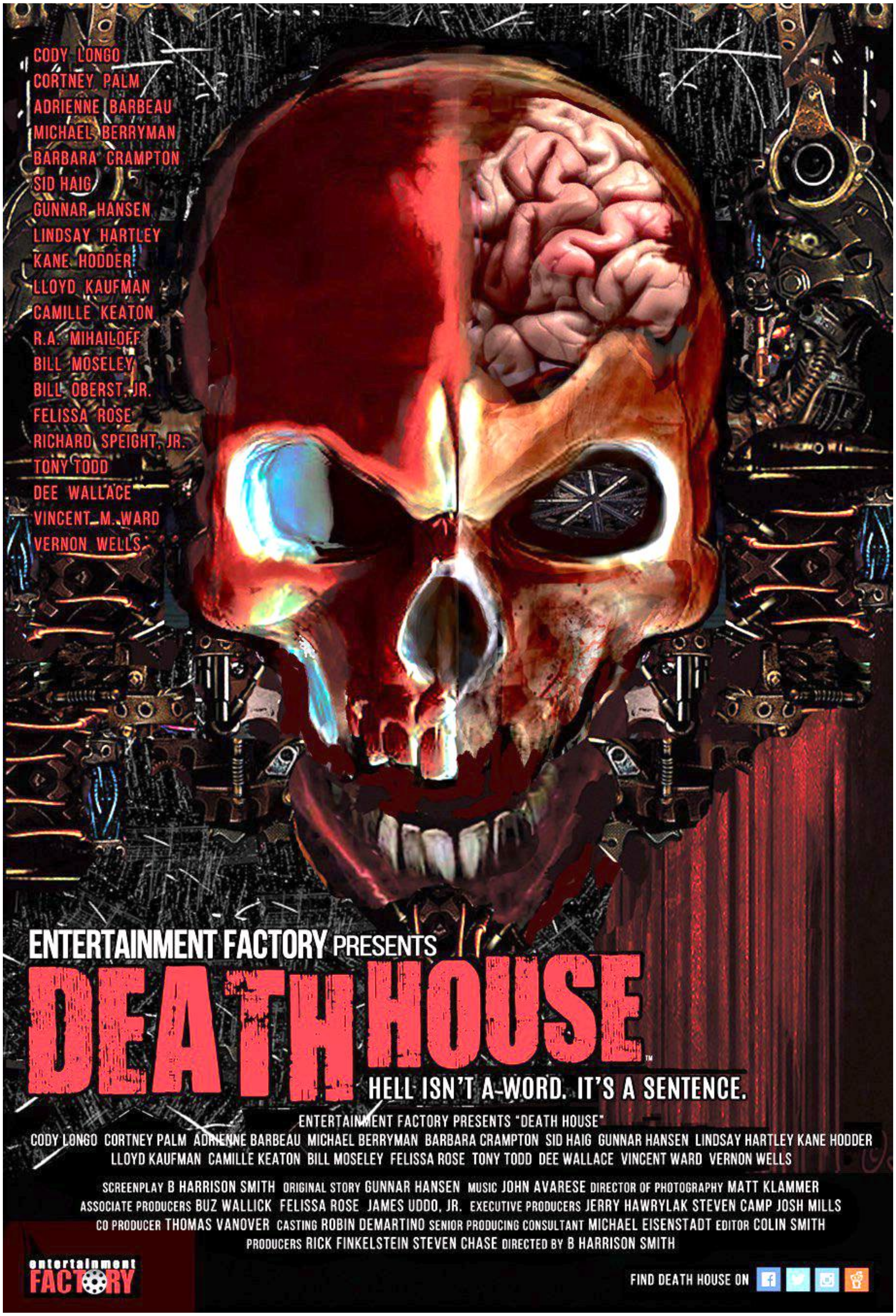
BLOODFEAST is about to open in theatres (commencing Jan., 2018) and will hit video and digital formats in Q1.



BATTLECREEK, a drama from director Alison Eastwood, opened in theatres on Nov. 3, and will be released to home video (physical and digital formats) on Feb. 6, 2018.

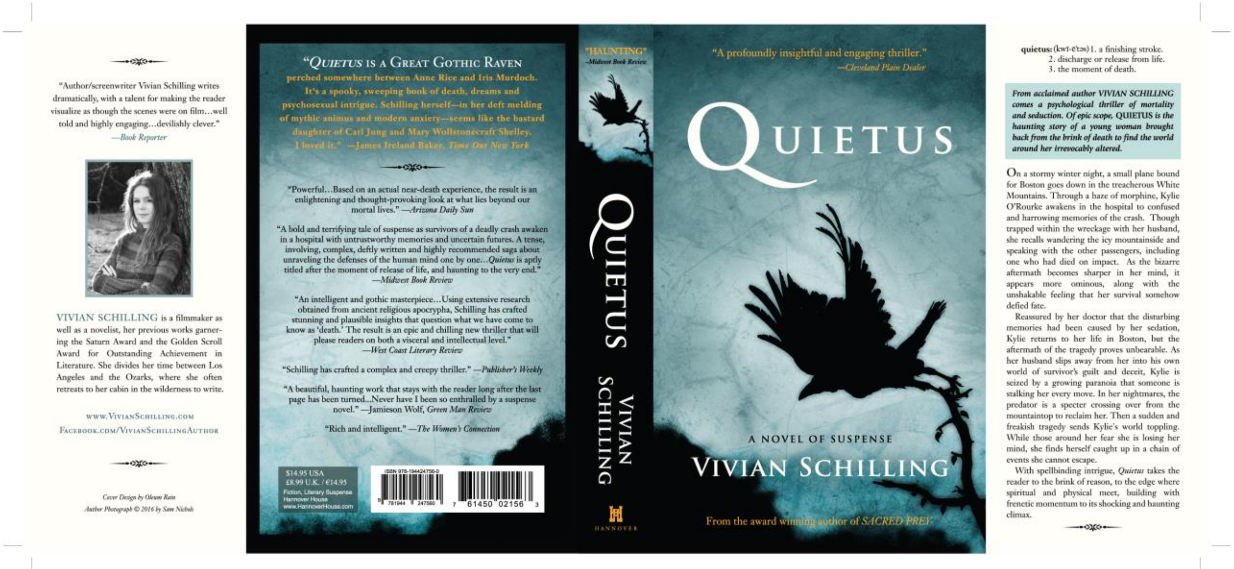


DAISY WINTERS is a critically-praised drama with an impressive cast. Theatrical launch commenced Dec. 1, and the film continues to play in theatres across the USA and Canada. Home Video and Digital Streaming release is coming soon.

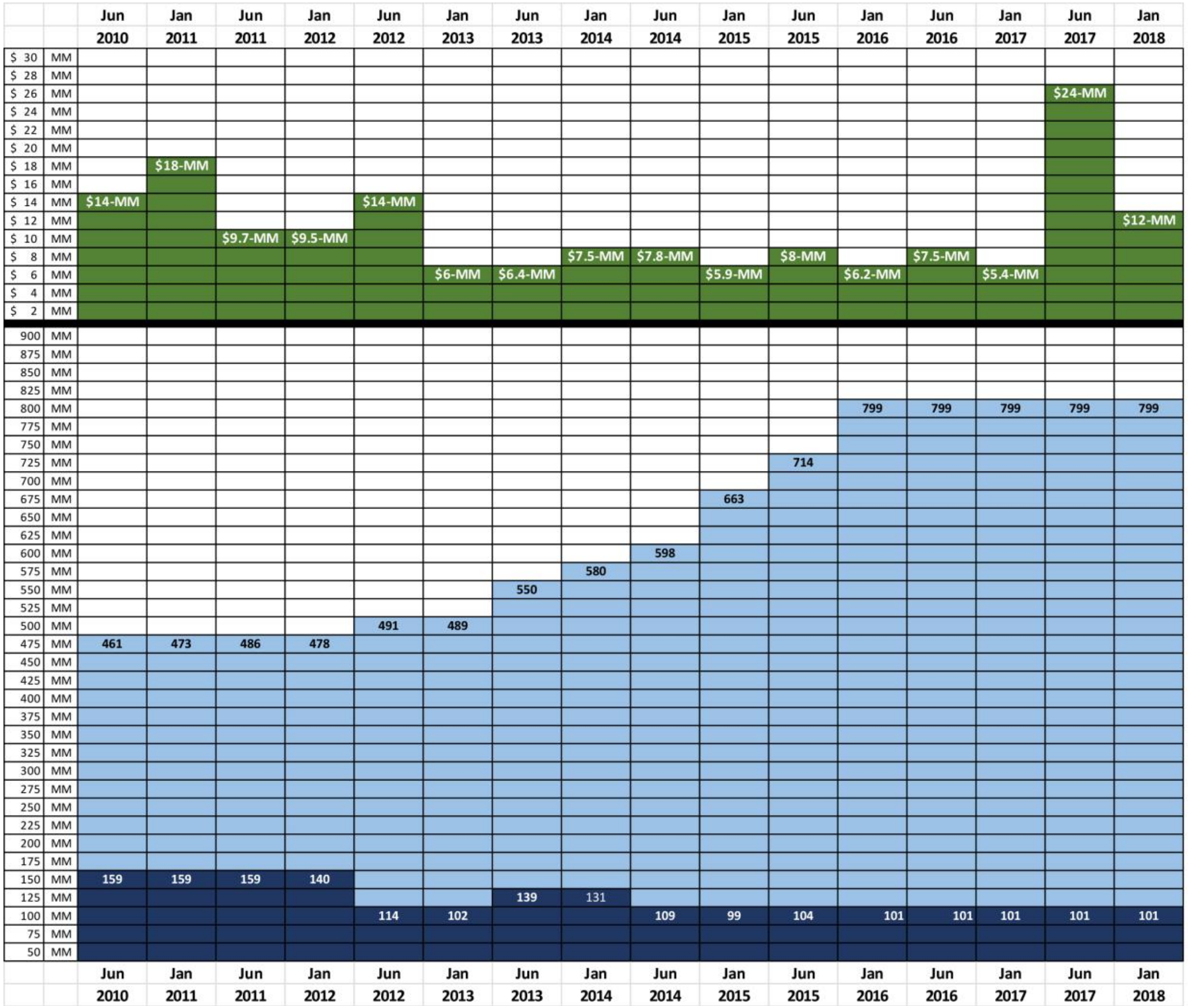


DEATH HOUSE is an intense, horror-thriller with an all-star cast of legendary genre' stars – and will be released to theatres in top USA markets commencing February 23, 2018

GETTING GRACE is an award-winning film, a comedy-drama directed by Daniel Roebuck, that will be released to theatres in key USA markets commencing March 23, 2018



QUIETUS – Literary-Suspense novel by VIVIAN SCHILLING, will be rereleased by Hannover House as a quality trade paperback to retail book stores on Feb. 27, 2018 – the seventh overall printing of a book that has already sold over 100,000 copies in prior editions (inclusive of Penguin-Putnam Tradeback and Onyx Mass Market).



HANNOVER HOUSE, INC. has not issued any shares in over 2-1/2 years, as can be seen on the bottom half of the chart above. The company's "market cap" has remained relatively stable, but enjoyed a substantial spike in value during the period of time during 2017 that efforts were being made to merge with Crimson Forest Entertainment Group, Inc. – a transaction that was cancelled due to filing and regulatory obstacles on the Crimson Forest side of the proposed merger (Crimson Forest has since been suspended from trading by the Securities and Exchange Commission). Based on the stable share structure and substantial current and upcoming release slate for Hannover House, management feels that the company is well-positioned for an improvement in market-cap and PPS – especially following the filing of a Form 10 Registration statement (anticipated in the upcoming weeks).