The Movie Studio, Inc. [MVES]
Financial Report
For The Ninth Month Quarter Then
Ended As of: July 31, 2017

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

THE MOVIE STUDIO, INC. (Formerly, Destination Television, Inc.)

Address of the issuer's principal executive offices
Company Headquarters

2) Name: THE MOVIE STUDIO, INC
Address: 800 Silks Run Store Front Unit #1330, Hallandale Beach, Florida 33309
Phone: (954) 332-6600
Website: themoviestudioinc.com
Email: gsv@themoviestudio.com

3) Security Information

Trading Symbol: MVES
Exact title and class of securities outstanding: Common
CUSIP: 62459P
Par or Stated Value: .0001
Total shares authorized: 750,000,000; as of: July 2017.
Total share outstanding: 286,353,316; as of: July 2017.

Transfer Agent
Name: Pacific Stock Transfer Company
Address: 6725 Via Austi Pkwy, Suite 300 Las Vegas, NV 89119

Restrictions on the transfer of security: See Legend On Reverse Side states, as follows:

The securities represented by this certificate have not been registered under the Securities Act of 1933 as amended and may not be sold, transferred, pledged, hypothecated or otherwise disposed of in absence of (i) an effective registration statement for such securities under said act or (ii) an opinion of the company counsel that such registration is not required.

Description of any trading suspension orders issued by the SEC in the past 3 months: None

List of any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 3 months:

Stock split: None
Stock dividend: None
Recapitalization: None
Merger: None
Acquisition: None
Spin-off: None
Reorganization: None
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4) Issuance History

Estimate of the number of shares issued during the ninth month period ended as of July 31, 2017, as follows:						
Date		Proceeds		Avg. Price		Shares Issued
11/1/2016		$2,297.00		0.001619		1,418,386
11/3/2016		2,500.00		0.001619		1,543,738
11/7/2016		2,500.00		0.001619		1,543,738
11/16/2016		7,500.00		0.001619		4,631,214
11/22/2016		5,000.00		0.001619		3,087,476
12/1/2016		2,500.00		0.001619		1,543,738
12/6/2016		2,500.00		0.001619		1,543,738
12/19/2016		2,500.00		0.001619		1,543,738
12/21/2016		6,000.00		0.001619		3,704,971
12/23/2016		2,500.00		0.001619		1,543,738
1/18/2017		2,500.00		0.001619		1,543,738
1/27/2017		2,000.00		0.001619		1,234,990
1/31/2017		4,990.00		0.001619		3,081,301
2/3/2017		5,000.00		0.001619		3,087,476
2/6/2017		2,000.00		0.001619		1,234,990
2/8/2017		5,000.00		0.001619		3,087,476
2/10/2017		4,000.00		0.001619		2,469,981
2/14/2017		2,500.00		0.001619		1,543,738
2/16/2017		5,500.00		0.001619		3,396,223
3/20/2017		5,000.00		0.001619		3,087,476
3/28/2017		5,000.00		0.001619		3,087,476
3/29/2017		7,500.00		0.001619		4,631,214
3/31/2017		2,000.00		0.001619		1,234,990
4/5/2017		4,000.00		0.001619		2,469,981
4/7/2017		5,000.00		0.001619		3,087,476
4/14/2017		15,000.00		0.001619		9,262,427
4/27/2017		5,000.00		0.001619		3,087,476
5/1/2017		2,500.00		0.002500		1,000,000
5/3/2017		5,000.00		0.002500		2,000,000
5/15/2017		2,894.85		0.002500		1,157,940
6/2/2017		6,000.00		0.002500		2,400,000
6/2/2017		4,952.10		0.002500		1,980,840
6/7/2017		6,000.00		0.002500		2,400,000
6/8/2017		4,000.00		0.002500		1,600,000
6/8/2017		2,500.00		0.002500		1,000,000
6/9/2017		2,500.00		0.002500		1,000,000
6/26/2017		7,500.00		0.002500		3,000,000
6/26/2017		9,990.00		0.002500		3,996,000
7/7/2017		6,750.00		0.002500		2,700,000
7/14/2017		7,200.00		0.002500		2,880,000
7/20/2017		5,000.00		0.002500		2,000,000
7/27/2017		3,750.00		0.002500		1,500,000
07/31/2017		39,045.00		0.005200		7,500,000
07/31/2017		28,354.00		0.004726		6,000,000
Totals		$261,723				116,847,684

5) Financial Statements

THE MOVIE STUDIO, INC

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ACCOUNTANT'S COMPILATION AND REVIEW REPORT

To the Board of Directors and Stockholders' of
The Movie Studio, Inc.
Hallandale Beach, Florida

I have compiled and reviewed the accompanying consolidated statements of financial position of The Movie Studio, Inc. as of October 31th, 2016 and July 31st 2017, and the related statements of operations, and statements of cash flows for the ninth month quarter then ended. I have compiled and reviewed the accompanying financial statements in accordance with the standards on accounting for compilations and review services issued by the American Institute of Certified Public Accountants that are principles generally accepted, nationally.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

I conducted my compilation and review in accordance with the standards of the American Institute of Certified Public Accountants (United States). Those standards require that I plan and perform the compilation and review in order to obtain reasonable assurance about whether the comparative financial statements are free of material misstatements, irregularities, errors, and omissions. A review includes examining, on a test basis, evidence supporting the amounts and disclosures in the comparative financial statements. A review also includes assessing the overall comparative financial statements presentation. I believe that my compilation and review provides a reasonable basis for my presentation.

My responsibility is to conduct the compilation and review in accordance with statements on standards for accounting and review services issued by the American Institute of Certified Public Accountants. The objective of a compilation and a review is to assist management in presenting financial information in the form of financial statements sufficiently without undertaking to obtain or provide the highest level of assurance that there are no material modifications that should be made to the financial statements.

Monte C. Waldman, CPA
August 31, 2017

THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC)
Consolidated Balance Sheets

		For The Ninth Month Ended	
		31-Jul-17	**31-Oct-16**
Current assets			
	Cash	$ 3367	$ 4.866
	Accounts receivable	109,364	109,364
	Total current assets	112,731	114,230
Fixed assets			
	Property, plant and equipment	76,820	76,820
	Less accumulated depreciation	(76,820)	(76,820)
	net property, plant and equipment	-	-
Intellectual property			
	Intellectual property and equipment	39,045	-
	Motion picture in-process	13,794	-
	net property and equipment	52,839	
Other assets			
	Capitalized amortizable intangible assets	863,830	841,733
	Less accumulated amortization	(55,994)	(55,994)
	net capitalized intangible assets	807,836	785,739
	Total assets	973,406	899,969
Liabilities and stockholders' deficiency			
Current liabilities			
	Due to Credit One Bank	394	
	KGH note payable	10,485	10,485
	Gregg Ross note payable	17,500	
	Officer's salary payable	-	97,878
	Total current liabilities	28,379	97,878
Long term liabilities			
	Cid Galindo Note payable	-	28,354
	KGH, Inc Note payable	1,205,490	1,501,670
	Total long term	1.205.490	1.638.387
Stockholders' deficiency			
Preferred stock, Series A, 20,000,000 convertible, $.0001 par value; 20,000,000 authorized, issued and outstanding at July 31, 2017 and October 31, 2016, respectively		2,000	575
Common stock, $0.0001 par value; 750,000,000 shares authorized 355,341,484 and 129,873,673 shares issued and outstanding at July 31, 2017 and October 31, 2016, respectively.		35,534	12,987
Additional paid in capital		9,651,148	9,021,134
Accumulated deficit		(9,949,145)	(9,774,721)
Total stockholders' deficiency		(260,463)	(738,418)
Total liabilities and stockholders' deficiency		973,406	899,969

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

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THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Consolidated Statements of Operations

	For The Ninth Month Ended	
	31-Jul-17	**31-Oct-16**
Gross sales	$ 10,729	$ 139,580
General and Administrative Expenses:		
Auto expense	6,705	5,748
Bank service charge	1616	835
Commissions expense	2,410	11,003
Consulting services	23,857	27,870
Dues and subscription	279	5,895
General supplies	1173	4,977
Interest expense	52	-
Meals and entertainment	14,520	18,132
Moving expense	-	3,447
Miscellaneous expense	198	939
Office assistance	11,155	6,810
Officer's salary	90,000	143,875
Office supplies	3,333	7,746
Postage and delivery	552	890
Professional fees	13,359	6,742
Public Relations	4,006	-
Repairs and maintenance	263	-
Stock transfer services	2,500	21,618
Storage rent	1,500	3,680
Studio rent	2,784	11,330
Taxes, licenses and permits	410	88
Telephone expense	807	-
Travel expense	-	1,153
Utilities	3,675	2,341
Total expenses	185,153	285,117
Net loss before income taxes	($ 174,424)	($ 145,537)
Basic and diluted loss per share:		
Basic and diluted loss per share:	(0.001)	(0.002)
Weighted average number of common shares outstanding, basic and fully diluted.	222,385,876	61,367,240

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

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THE MOVIE STUDIO, INC.
(FORMERLY DESTINATION TELEVISION, INC.)
Statement of Cash Flows

	For The Ninth Month Ended	
	31-Jul-17	**31-Oct-16**
Cash flows from operating activities:		
Net loss	$ (174,424)	$ (145,537)
Adjustment to reconcile net loss		
net cash used by operating activities		
depreciation and amortization	-	55,994
Changes in operating assets and liabilities:		
Due to Credit One Bank	394	
Increase in accounts receivable	-	(109,364)
Net cash used in operating activities	($ 174,030)	($ 198,907)
Cash flows from investing activities:		
Increase in VCP III - motion picture in process	-	(60,026)
Increase in property and equipment	(74,935)	-
Net cash used in operating activities	(74,935)	(60,026)
Cash flows from financing activities:		
Increase in note payable - KGH	10,485	10,485
Increase in note payable - Gregg Ross	17,500	-
Increase in note payable - Cid Galindo	(28,354)	28,354
Decrease in officer's salary payable	(97,878)	47,241
Decrease in note payable - KHG	(296,180)	(260,830)
Cash proceeds from issuance of common stock	261,723	234,333
Non-cash supplement use from issuing of shares	380,179	238,797
Net cash provided by financing activities	247,475	298,380
Net increase (decrease) in cash	$ (1,490)	$ (16,547)
Cash, beginning of period	4,866	21,414
Cash, end of period	$ 3,376	$ 4,866

The accompanying footnotes are an integral part of these financial statements

VCP I, II, and III, LLC's
Consolidated Statement of Financial Positions
For The Ninth Month Quarter Ended
As of July 31, 2017

Intangible assets	**VCP I, Llc**	**VCP II, Llc**	**VCP III, Llc**	**Totals**
Motion picture in process				
Actors pay	50,000.00	35,900.14	52,730.17	138,630.31
Advertising and promotion	2,459.93	3,080.10	4,339.58	9,879.61
Auto expense	-	-	1,450.00	1,450.00
Bank charges	-	-	1,149.15	1,149.15
Business licenses	-	497.76	7,723.88	8,221.64
Cellular phones and service	-	-	6,006.96	6,006.96
Computer and internet	7,500.67	4,073.24	5,299.59	16,873.50
Costumes and clothing	2,062.22	1,237.41	7,250.05	10,549.68
Editing	11,403.85	13,755.00	24,064.00	49,222.85
Equipment items	-	1,164.95	3,477.69	4,642.64
Consulting fees	33,710.50	-	-	33,710.50
Legal fees	34,082.39	924.35	-	35,006.74
Make-up artists	-	1,975.00	-	1,975.00
On-location assistance	8,058.30	6,732.00	1,925.00	16,715.30
Photography	11,836.15	5,285.02	16,657.08	33,778.25
Postage and delivery	3,123.26	1,093.55	5,140.05	9,356.86
Printing and production	-	636.00	-	636.00
Producer and director payments	84,959.00	47,335.00	90,133.94	222,427.94
Public relations	-	1,232.33	7,627.70	8,860.03
Publications	-	429.00	722.07	1,151.07
Repairs and maintenance		-	4,463.81	4,463.81
Salon and make-up	-	-	1,862.23	1,862.23
Studio supplies and repairs	33,859.73	5,634.91	30,622.64	70,117.28
Talent agency fees	-	1,830.50	292.80	2,123.30
Travel expense	3,917.30	-	34,596.52	38,513.82
Sub-total motion picture in process	286,973.30	132,816.26	307,534.91	727,324.47
Services for shares				
Actors pay	50,000.00	-	600.00	50,600.00
Art work	5,000.00	-	-	5,000.00
Consulting	10,000.00	-	1,725.00	11,725.00
Legal fees	10,000.00	-	-	10,000.00
Make-up artists	-	-	375.00	375.00
Producer and director	50,000.00	-	-	50,000.00
Sub-total services for shares	125,000.00	-	2,700.00	127,700.00
Total motion picture in process	411,973.30	132,816.26	310,234.91	855,024.47
Less accumulated amortization	(28,987.27)	(7,233.40)	(16,838.73)	(53,059.40)
Net intangible assets	382,986.03	125,582.86	293,396.18	801,965.07
Fixed assets				
Furniture and equipment	8,804.97	-	-	8,804.97
Less accumulated depreciation	(2,935.00)	-	-	(2,935.00)
Net fixed assets	5,869.97	-	-	5,869.97
Total assets	388,856.00	125,582.86	293,396.18	807,835.04

Note 1 – Description of Business

The Movie Studio, Inc. (the "Company") was incorporated in the State of Delaware 1961 under the name Magic Fingers, Inc. The company is a vertically integrated motion picture production company that develops, manufactures and distributes independent motion picture content for worldwide consumption on a multitude of devices.

The Company has operated under various names since incorporation, most recently Destination Television, Inc. from February 2007 to November 2012, when the name was changed to The Movie Studio, Inc.

A. Management's Discussion and Analysis

The following Management's Discussion and Analysis ('MD&A") is intended to help the reader understand the results of operations and financial condition of The Movie Studio, Inc. F/K/A Destination Television, Inc.. MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying notes to the financial statements.

Forward Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. Certain information included in this Annual Report on Form 10-K, and other materials filed or to be filed by us with the Securities and Exchange Commission (as well as information included in oral statements or other written statements made or to be made by us or our management) contain or will contain, forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. The words "believe," "expect," "anticipate," "estimate," project" and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. We undertake no obligation to publicly update or revise any forward-looking statements. Such forward-looking statements are based upon management's current plans or expectations and are subject to a number of uncertainties and risks that could significantly affect current plans, anticipated actions and our future financial conditions and results. As a consequence, actual results may differ materially from those expressed in any forward-looking statements made by or on behalf of us as a result of various factors. Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made.

Plan of Operation

During the fiscal years ended October 31, 2016 the Company was engaged primarily in the planning and development of an interactive network to provide entertainment via the Internet.

Subsequent to October 31, 2016, the Company redirected its business focus to the acquisition of the private company Emerging Pictures LLC., a commercial business to business (B2B) Video on Demand (VOD) network designed to distribute full length feature films and other content directly to theaters, television networks and other ancillary film market segments such as DVD and other distributors. At the signing of the definitive acquisition agreement on August 4th, 2017 the VOD platform is in use and is presently deployed in over 130 theaters, and is in digital distribution rights to many hundreds of films.

The Commercial VOD platform compares with Netflix, Hulu or Amazon Prime for movie theaters. It provides seamless point-to-point digital distribution and lowers costs across the whole distribution network.

Additionally, the BigData Analytics platform is designed to gauge consumer demand, as well as provide advanced data analytics to match and deliver content (suggested videos or trending videos for example). This enables providers and exhibitors to be more effective and advanced in their

distribution tactics and have greater direct contact and feedback from their audiences.

The technology now owned by The Movie Studio is a far more efficient means of distribution, with the goal of increasing overall revenues for all parties in the motion picture production and distribution channels. It breaks away from the physical copies distribution format, DVDs or hard drive files, and helps to eliminate piracy, revenue loss from copying and video manipulation. It will eliminate movie stealing and increases revenues for producers and the related companies impacted by that, and makes a strong case of revenue generation for The Movie Studio.

Note 2 – Summary of significant Accounting Policies

Basis of Presentation

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

The consolidated financial statements include the accounts of The Movie Studio, Inc. (Formerly Destination Television, Inc.), a Delaware corporation, and wholly owned subsidiary Destination Television, Inc., a Florida corporation. All significant inter-company account balances and transactions between the Company and its subsidiary have been eliminated in consolidation.

Long-Lived Assets

In accordance with Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 360 *Property, Plant, and Equipment,* the Company records impairment losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. There was no impairment charges during the quarter then ended as of July 31, 2017.

Fair Value of Financial Instruments

The fair values of the Company's assets and liabilities that qualify as financial instruments under FASB ASC Topic 825, *Financial Instruments*, approximate their carrying amounts presented in the accompanying consolidated statements of financial position as of July 31, 2017 and October 31, 2016.

Revenue recognition

In accordance with the FASB ASC Topic 605, *Revenue Recognition*, the Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable, and collectability is reasonably assured.

Note 2 – Summary of significant Accounting Policies (continued)

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC Topic 740 *Income Taxes,* which requires accounting for deferred income taxes under the asset and liability method. Deferred income tax asset and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce the deferred income tax assets to the amount expected to be realized.

In accordance with GAAP, the Company is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. state and local jurisdictions. Generally the Company is no longer subject to income tax examinations by major taxing authorities for years before 2009. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce net assets. This policy also provides guidance on thresholds, measurement, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition that is intended to provide better financial statement comparability among different entities. It must be applied to all existing tax positions upon initial adoption and the cumulative effect, if any, is to be reported as an adjustment to stockholder's equity as of January 1, 2009. Based on its analysis, the Company has determined that the adoption of this policy did not have a material impact on the Company's financial statements upon adoption. However, management's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof.

Comprehensive Income

The Company complies with FASB ASC Topic 220, *Comprehensive Income,* which establishes rules for the reporting and display of comprehensive income (loss) and its components. FASB ASC Topic 220 requires the Company's change in foreign currency translation adjustments to be included in other comprehensive loss, and is reflected as a separate component of stockholders' equity.

Stock-Based Compensation

The Company complies with FASB ASC Topic 718 *Compensation – Stock Compensation,* which establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. FASB ASC Topic 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. FASB ASC Topic 718 requires an entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). That cost will be recognized over the period during which an employee is required to provide service in exchange for the award (usually the vesting period). No compensation costs are recognized for equity instruments for which employees do not render the requisite service. The grant-date fair value of employee share options and similar instruments will be estimated using option-pricing models adjusted for the unique characteristics of those instruments (unless observable market prices for the same or similar instruments are available). If an equity award is modified after the grant date, incremental compensation cost will be recognized in an amount equal to the excess of the fair value of the modified award over the fair value of the original award immediately before the modification. No employee stock options or stock awards vested during the fiscal quarter then ended as of July 31, 2017 under FASB ASC 718.

Non-employee awards

The fair value of equity instruments issued to a nonemployee is measured by using the stock price and other measurement assumptions as of the date of either: (i) a commitment for performance by the nonemployee has been reached; or (ii) the counterparty's performance is complete. Expenses related to nonemployee awards are generally recognized in the same period as the Company incurs the related liability for goods and services received. The Company recorded no stock compensation of approximately during the three months ended as of July 31, 2017 related to consulting services.

Recently Adopted Accounting Pronouncements

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

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

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

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

The Company has reviewed all other recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on its results of operation, financial position or cash flows. Based on that review, the Company believes that none of these pronouncements will have a significant effect on its consolidated financial statements.

Loss per Common Share

The Company complies with the accounting and disclosure requirements of FASB ASC 260, *Earnings Per Share.* Basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted loss per common share incorporates the dilutive effect of common stock equivalents on an average basis during the period.

Adapted Recently Issued Accounting Standards

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

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

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

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

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

In the event an entity assesses the fair value is less than unamortized costs, the entity shall determine the fair value of the film and write-off to the income statement the amount of the unamortized costs that exceed the capitalized costs of the film down to its fair value at the close of its fiscal year rather than as a change in accounting estimate. The entity shall not restore the costs in any subsequent accounting periods.

The Company has adopted these accounting pronouncements issued since December 31, 2007 through July 31, 2017, none of which had a material impact on the Company's financial statements.

Note 3 – Going Concern

The accompany financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that The Movie Studio, Inc. will continue in operation for at least one year and realize its assets and discharge its liabilities in the normal course of operations.

Several conditions cast doubt about the Company's ability to continue as a going concern. The Company has an accumulated deficit of approximately $9.95 million as of July 31, 2017, has limited cash available for payment of operating expenses, no source of revenue, and requires additional financing in order to finance its business activities as a going concern. The Company's future capital requirements will depend on numerous factors, including but not limited to continued progress in the pursuit of business opportunities. The Company is actively pursuing alternative financing and has discussions with various third parties, although no firm commitments have been obtained. In the interim, the principal shareholder has committed to meeting any operating expenses incurred by the Company. The Company believes that actions it is presently taking to revise its operating and financial requirements provide it with The opportunity to continue as a going concern.

Note 4 - Amortizable Intangible Assets

Amortizable assets	Account Balances
VCP I - Motion Picture In-Process	411,973
VCP II - Motion Picture In-Process	132,816
VCP III - Motion Picture In-Process	310,235
Total of Intellectual Property and	855,024
Less accumulated amortization	(53,059)
Intangible Assets	801,965
Other - Motion Picture In-Process:	
Actors, Producers and Director Fees	4,853
Costumes and Make-up	368
Equipment Items	1,640
Photography and Film Production Fees	6,143
Studio supplies	789
Total of Motion Picture In-Process	13,793

Note 5 - Income Taxes

As of July 31, 2017, the Company has approximately $9.95 million in net operating loss carryovers available to reduce future income taxes. These carryovers expire at various dates through the year 2031.

The Company has adopted FASB ASC Topic 740 which provides for the recognition of a deferred tax asset based upon the value of loss carry-forwards that will have to reduce future income taxes and management's estimates of the probability of the realization of these tax benefits. The Company's management determined that it was more likely than not that the Company's net operating loss carry-forwards would not be utilized; therefore, a valuation allowance against the related deferred tax asset has been established.

A summary of the deferred tax asset presented on the accompanying balance sheets is as follows:

	July 31, 2017	October 31, 2016
Deferred tax asset:		
Net operating loss carryforwards	$ (9,949,145	$ (9,675,584)
Deferred tax asset	$ (9,949,145)	$ (9,675,584)
Less: Valuation allowance	$ 9,949,145	9,675,584
Net deferred tax asset	$ -	$ -

Note 6 - Commitments and Facilities

As of November 1, 2016, the Movie Studio, Inc. moved its production facility without executing a lease nor rent agreement for a new 3,000 square foot studio located at 800 Silks Run Way #1330 in the new Gulfstream Raceway mall in the City of Hallandale Beach, Florida. The lease for using this studio facility has been negotiated for the exclusive rights and promise to provide the making of a movie for and on behalf of the owners of Gulfstream Raceway.

Note 7 - Employment Agreements

Gordon Scott Venters is employed as the Company's president and chief executive officer pursuant to an employment agreement since inception November 1, 2004. The employment agreement, which has been extended to date provides for an annual salary of $133,000 with annual increases of a minimum of 5% per year; and participation in incentive or bonus plans at the discretion of the board of directors. The agreement additionally provides for certain confidentiality and non-competition provisions and a minimum payment of 18 months in the event of a change of control or termination without cause, or if the employee terminates for good reason.

For the sixth month quarter ended as of July 31, 2017, Mr. Venters salary accrued an additional $30,000 for the quarter ended less drawings of $28,000 leaving and ending balance amount of $0.

Note 8 - Payroll Taxes Payable

There have been no payroll taxes incurred for the ninth month quarter then ended as of July 31, 2017.

Note 9 – Common Stock Issued for Cash

During the ninth month period ended July 31, 2017, the Company issued to accredited investors 116,847,684 restricted shares of common stock raising approximately $261,723, all of which were issued at various prices between $0.001 and $0.01 per share.

None of the above shares have been registered under the Securities Act of 1933, as amended, and therefore, may not be transferred in the absence of an exemption from registration under such laws and will be considered "restricted securities" as that term is defined in Rule 144 adopted under the Securities Act, and may be sold only in compliance with the resale provisions set forth therein.

As of October 31, 2016, the Company had a total of 129,873,673 shares issued and outstanding; and as of July 31, 2017 it had a total of 355,341.484, shares issued and outstanding.

Note 10 – Common Stock Issued for Services

During the fiscal quarter ended July 31, 2017, the Company issued no shares of common stock for services rendered.

Note 11 - Preferred Stock - Series A Preferred Stock

The Series A Preferred Stock is identical in all aspects to the Common Stock, including the right to receive dividends, except that each share of Series B Preferred Stock has voting rights equivalent to four times the number of shares of Common Stock into which it could be converted.

As of July 31, 2017, there were 20,000,000 shares of Series B Preferred Stock outstanding and on October 31, 2016 there were 5,750,000 shares outstanding. Each share of Series B Preferred Stock is convertible into one share of common stock.

Note 12 - Common Stock Options

No options or warrants were outstanding at July 31, 2017 and October 31, 2016.

Note 13 – Litigation

As of July 31, 2017, the Company hasn't had any reportable legal proceedings, law suits or litigation as plaintiff nor defendant.

Note 14 – Notes Payable

As of July 31, 2017 and October 31, 2016, the company had current liabilities in the amount of $10,485 non-interest bearing notes at 8% from one party in the amounts of $10,485; and as of July 31, 2017 it had long-term liabilities in the amount of $17,500 representing a non-interest bearing convertible promissory note at 10% and $0, respectively.

As of July 22nd 2017 the Company retired the Cid Galindo November 1st 2015 eight percent 8% convertible note of $28,354 in exchange for six million shares 6,000,000 of The Movie Studio, Inc. publicly traded common shares pursuant to Rule $144 at .0001 and obtained a general release.

Note 15 – Subsequent Events

As of August 4, 2017 the Company agreed to acquire 100% of Emerging Media Corp (EM), from Twenty Year Media Corporation a Canadian corporation, that did business as Emerging Pictures d/b/a in the business of distributing and deploying motion pictures through Video on Demand

(VOD)technology to approximately one hundred and fifty theaters (150) thoughout the United States and Canada for 7,500,000 shares of the Company's stock. The Company's stock was valued at $.0006 per share in the open market on August 4th and applied the Ten Day Moving Average (TDMA) of $.00520 in order to evaluate the acquisition for EM 's equipment and intellectual property in the amount of $39,045.

Note 15 – Subsequent Events - Continued

As of July 18, 2017, the Company has entered into a convertible non-interest bearing promissory note with Tri-Bridge Ventures, LLC in the amount of $100,000 at 10% for one year. So far, the Company has received proceeds in the amount of $12,500 on August 30, 2017.

6) See Note 1 of financial statements.

7) See Note 6 of financial statements.

8) Officers, Directors, and Control Persons:

A.. The following table illustrates the common stock and preferred stock ownership of Gordon Scott Venters as of July 31th, 2017.

Title of Class	Name, Title and Address of Beneficial Owner of Shares	Amount of Beneficial Ownership	% of Shareholdings
Common	Gordon Scott Venter's, CEO/ Director 2806 N.E. 21st Terrace Ft. Lauderdale, Florida 33306	21,609,617 million shares	7.54%
Common	Todd W. Nugent Officer/Director 16555 Ocean Walk Circle #112 Ft. Meyers Florida 33908	2,810,408 million shares	0.98%
Common	Charles Rodney Miller COO/Director 12980 Vista Isle Dr. #312 Plantation Florida 33325	15,594,958 million shares	5.44%
Preferred	Gordon Scott Venters, CEO/ Director 2806 N.E.21st Terrace Ft. Lauderdale Florida 33306	5.75 million shares	100%

The address for all officers and directors is 800 Silks Run Way #1330 Hallandale Beach, Florida 33309.

B. Legal/Disciplinary History

1. A conviction in a criminal proceeding or named defendant in a criminal proceeding: None
2. The entry of an order, judgment or decree not subsequently reversed, suspended or vacated by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities: None
3. A finding or judgment by a court order (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities violation of a federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated: None
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities: None

C. Beneficial Shareholders

There are none.

Third Party Providers

Legal Counsel
Name: Inger Gracia ESQ.
Firm: Inger Gracia ESQ.
Address: 4839 Volunteer Rd. #514,
Davie, FL 33330
Phone: 954-394-7461
Email: attorney@ingrgarcia.com

Accountant or Auditor
Name: Monte Waldman CPA
Firm: Monte Waldman CPA
Address: 2598 E Sunrise Blvd
Suite 201A
Ft. Lauderdale, FL 33304
Phone: 954-234-0353
Email: montewaldcpa@gmail.com

Investor Relations Consultant
Name:
Firm:
Address:
Phone:
Email:

9) Issuer Certification

I, Mr. Gordon Scott Venters, certify that:

1. I have reviewed this quarterly disclosure on behalf of our quarterly report ending July 31, 2017;

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 circumstance 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.

THE MOVIE STUDIO, INC
Date: August 31, 2017

/s/ Gordon Scott Venters
Gordon Scott Venters, President, Secretary and Director