UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

[X] **QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2016

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____________ to _____________

Commission File Number: 000-55353

CAROLCO PICTURES, INC.
(Exact Name of Registrant as Specified in Its Charter)

Florida (State or Other Jurisdiction of Incorporation or Organization)	**26-4330545** (I.R.S. Employer Identification No.)
1395 Brickell Avenue Suite 800, Miami, Florida (Address of Principal Executive Office)	**33131** (Zip Code)

(877) 535-1400
(Registrant's Telephone Number, Including Area Code)

5550 Glades Road, Ste. 500, Boca Raton 33431
(Former name, former address and former fiscal year, if changed since last report)

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 [X]

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [X] 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. See definitions of "large accelerated filer," accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting company)	[ ]	Smaller reporting company	[X]

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

As of November 16, 2016, there were 337,397,856 shares of the registrant's common stock, par value $.0001 per share, outstanding.

Transitional Small Business Disclosure Format. Yes [ ] No [X]

CAROLCO PICTURES, INC.
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FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q contains forward-looking statements regarding our business, financial condition, results of operations and prospects. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions or variations of such words are intended to identify forward-looking statements, but are not deemed to represent an all-inclusive means of identifying forward-looking statements as denoted in this quarterly report on Form 10-Q. Additionally, statements concerning future matters are forward-looking statements.

Although forward-looking statements in this quarterly report on Form 10-Q reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those specifically addressed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our annual report on Form 10-K, for the fiscal year ended December 31, 2015, in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this quarterly report on Form 10-Q and in other reports that we file with the Securities and Exchange Commission (the “SEC”). You are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this quarterly report on Form 10-Q.

We file reports with the SEC. The SEC maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us. You can also read and copy any materials we file with, or furnish to, the SEC at the SEC’s Public Reference Room at 100 F Street, NE, Washington, DC 20549. You can obtain additional information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this quarterly report on Form 10-Q, except as required by law. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this quarterly report, which are designed to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Carolco Pictures, Inc.
Condensed Consolidated Balance Sheets

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
Current Assets		
Cash	$ 7,000	$ 48,000
Accounts receivable	1,000	-
Prepaid expenses and other current assets	14,000	13,000
Total current assets	22,000	61,000
Property and equipment, net of accumulated depreciation of $2,000 and $1,000, respectively	1,000	2,000
Deposits on project paid to related party	250,000	250,000
Total assets	$ 273,000	$ 313,000
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	$ 30,000	$ 22,000
Accrued interest (including interest to related party of $72,000 and $42,000, respectively)	81,000	65,000
Accrued payroll	170,000	125,000
Advances from related parties	226,000	31,000
Note payable	74,000	44,000
Convertible notes payable, net of debt discount of $0 and $79,000, respectively	57,000	182,000
Convertible notes payable-related party	543,000	543,000
Derivative liability	6,879,000	4,673,000
Total current liabilities	8,060,000	5,685,000
Commitments and Contingencies		
Stockholders' Deficit		
Preferred stock: $0.0001 par value, 50,000,000 shares authorized; none issued or outstanding	-	-
Common stock par value $0.0001: 5,000,000,000 shares authorized; 239,156,794 and 93,856,857 shares issued and outstanding, respectively	24,000	9,000
Additional paid-in capital	6,438,000	6,369,000
Accumulated deficit	(14,061,000)	(11,594,000)
Total Stockholders' Deficit	(7,599,000)	(5,216,000)
Non-Controlling Interest in Subsidiaries	(188,000)	(156,000)
Total Stockholder Deficit allocated to Carolco Pictures, Inc.	(7,787,000)	(5,372,000)
Total Liabilities and Stockholders' Deficit	$ 273,000	$ 313,000

See accompanying notes to condensed consolidated financial statements

Carolco Pictures, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended March 31, 2016	2015
Revenue	$ 22,000	$ 2,000
Cost of goods sold	2,000	32,000
Gross Profit	20,000	(30,000)
Operating expenses		
Compensation	114,000	518,000
Professional fees	-	115,000
General and administrative	28,000	93,000
Total operating expenses	142,000	726,000
Loss from operations	(122,000)	(756,000)
Other income (expense)		
Interest expense (including interest to related party of $30,000 and $4,000, respectively)	(170,000)	(6,000)
Change in fair value of derivative liability	(2,380,000)	-
Gain on extinguishment of derivative liability	174,000	-
Other income (expense)	(1,000)	32,000
Other income (expense), net	(2,377,000)	26,000
Loss before non-controlling interest	(2,499,000)	(730,000)
Loss attributable to non-controlling interest	(32,000)	(28,000)
Net loss attributable to Carolco Pictures, Inc.	$ (2,467,000)	$ (702,000)
Net loss per common share - basic and diluted	$ (0.02)	$ (0.03)
Weighted Average Common Shares Outstanding - basic and diluted	158,990,475	56,622,083

See accompanying notes to condensed consolidated financial statements

Carolco Pictures, Inc.
Condensed Consolidated Statement of Stockholders' Deficit
For the Three Months Ended March 31, 2016
(Unaudited)

	Common Stock, Par Value $0.0001					
	Number of Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Non Controlling Interest	Total Stockholders' Deficit
Balance, December 31, 2015	93,856,857	$ 9,000	$ 6,369,000	$ (11,594,000)	$ (156,000)	$ (5,372,000)
Common stock issued upon conversion of notes payable	145,299,937	15,000	69,000			84,000
Net loss				(2,467,000)	(32,000)	(2,499,000)
Balance, March 31, 2016	239,156,794	$ 24,000	$ 6,438,000	$ (14,061,000)	$ (188,000)	$ (7,787,000)

See accompanying notes to condensed consolidated financial statements

Carolco Pictures, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31,	
	2016	**2015**
Cash flows from operating activities:		
Net loss before noncontrolling interest	$ (2,499,000)	$ (730,000)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of derivative liability	2,380,000	-
Amortization of debt discount and issuance cost	79,000	-
Gain on extinguishment of derivative liability	(174,000)	-
Depreciation expense	1,000	-
Share based compensation	-	85,000
Warrants issued for services	-	9,000
Write-off of subscription receivable	-	8,000
Changes in operating assets and liabilities:		
Accounts receivable	(1,000)	10,000
Deposit on project paid to related party	-	(250,000)
Prepaid expenses and other current assets	(1,000)	(19,000)
Accounts payable	8,000	38,000
Accrued interest	18,000	4,000
Accrued expenses and other current liabilities	-	(2,000)
Accrued payroll	45,000	200,000
Net cash used in operating activities	(144,000)	(647,000)
Cash flows from financing activities:		
Advances from (repayments to) related parties	196,000	(50,000)
Repayment of convertible notes payable	(123,000)	-
Proceeds from note payable	30,000	334,000
Proceeds from bank borrowings	-	30,000
Proceeds from private placements of common stock	-	56,000
Proceeds from sale of units of common stock and warrants	-	147,000
Net cash provided by financing activities	103,000	517,000
Net cash decrease in cash and cash equivalents	(41,000)	(130,000)
Cash and cash equivalents - beginning of period	48,000	160,000
Cash and cash equivalents - end of period	$ 7,000	$ 30,000
Supplemental disclosures of cash flow information:		
Interest paid in cash	$ 19,000	$ 2,000
Taxes paid in cash	$ —	$ —
Non Cash Investing and Financing Activities		
Common stock issued upon conversion notes payable and accrued interest	$ 84,000	$ -
Accrued legal services paid in stock	$ -	$ 12,000
Minority share of losses of subsidiary	$ 32,0000	$ 28,000

See accompanying notes to condensed consolidated financial statements

Carolco Pictures, Inc.
Notes to the Condensed Consolidated Financial Statements
For the Three Months Ended March 31, 2016 and 2015
(Unaudited)

Note 1 - Organization and Basis of Operations

Carolco Pictures, Inc. (formerly "Brick Top Productions, Inc" or the "Company") was incorporated under the laws of the State of Florida in February 2009 under the name "York Entertainment, Inc." The Company changed its name to Brick Top Productions, Inc. in October 2010. In January 2015, the Company changed its name from Brick Top Productions, Inc. to Carolco Pictures, Inc. In addition, in January 2015, the Company changed its stock symbol from "BTOP" to "CRCO."

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated in the United States of America ("U.S.") and with instructions to Form 10-Q pursuant to the rules and regulations of Securities and Exchange Act of 1934, as amended (the "Exchange Act") and Article 8-03 of Regulation S-X under the Exchange Act. Accordingly, these condensed consolidated financial statements do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, we have included all adjustments considered necessary (consisting of normal recurring adjustments) for a fair presentation. Operating results for the three months ended March 31, 2016 are not indicative of the results that may be expected for the fiscal year ending December 31, 2016. You should read these unaudited condensed consolidated financial statements in conjunction with the audited financial statements and the notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2015 filed on November 22, 2016. The condensed consolidated balance sheet as of December 31, 2015 has been derived from the audited financial statements included in the Form 10-K for that year.

Going Concern

The Company's consolidated financial statements have been prepared assuming that it will continue as a going concern, and which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business. As reflected in the consolidated financial statements, the Company had a stockholders' deficit of $7,787,000 at March 31, 2016, and incurred a net loss of $2,499,000, and utilized net cash used in operating activities $144,000 for the three months ended. In addition, at March 31, 2016, $543,000 of convertible notes payable – related party and $57,000 of convertible note matured and were in default. These factors raise substantial doubt about the Company's ability to continue as a going concern. In addition, our independent auditors, in their report on our audited financial statements for the year ended December 31, 2015 expressed substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the Company's ability to execute its strategy and in its ability to raise additional funds. Management is currently seeking additional funds, primarily through the issuance of equity securities for cash to operate its business. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing or cause substantial dilution for our stock holders, in case or equity financing. In July 2016, the Company raised approximately $416,000 through the issuance of 487,000 shares of common stock. Management estimates that the current funds on hand as of the date of this report, amounting to approximately $120,000 will be sufficient to continue operations through the year ended December 31, 2016.

Note 2 - Summary of Significant Accounting Policies

<u>Use of estimates</u>

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Those estimates and assumptions include depreciable lives of property and equipment, analysis of impairments of recorded goodwill, accruals for potential liabilities, assumptions made in valuing derivative liabilities and assumptions made in valuing stock instruments issued for services.

Principles of Consolidation

The Company's consolidated subsidiaries and/or entities are as follows:

Name of consolidated subsidiary or entity	State or other jurisdiction of incorporation or organization	Date of incorporation or formation (date of acquisition, if applicable)	Attributable interest
York Productions, LLC	The State of Florida	October 22, 2008 (June 1, 2010)	60%
York Productions II, LLC	The State of Florida	June 13, 2013	60%
S&G Holdings, Inc.	The State of Tennessee	January 4, 2005 (December 24, 2013)	75%

The accompanying financial statements are consolidated and include the accounts of the Company and its majority owned subsidiaries. The consolidated accounts include 100% of the assets and liabilities of our majority owned subsidiaries, and the ownership interests of minority investors are recorded as a minority interest. All inter-company balances and transactions have been eliminated.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in generally accepted accounting principles (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described:

Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash, other assets, accounts payable and accrued payroll, approximate their fair values because of the short maturity of these instruments. The carrying values of notes payable and convertible notes approximate their fair values due to the fact that the interest rates on these obligations are based on prevailing market interest rates.

The carrying amount of the Company's derivative liability of $6,879,000 and $4,673,000 as of March 31, 2016 and December 31, 2015 was based on Level 2 measurements.

Concentrations

During the three months ended March 31, 2016, the Company had one customer that accounted for 80% of sales respectively. During the three months ended March 31, 2015, the Company had one customer that accounted for 95% of sales.

Revenue Recognition

The Company specializes in the development and presentation of television programming including series, specials, pilots, live events and award shows. The Company recognizes revenue from its live events and award show productions when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the show or live event has been completed and occurred and there are no future production obligations, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Revenues from the sale of programming for television and other media will be recognized when the following criteria are met: (i) persuasive evidence of an arrangement exists; (ii) the show/episode is complete, and in accordance with the terms of the arrangement, has been delivered or is available for immediate and unconditional delivery; (iii) the price to the customer is fixed and determinable; and (iv) collectability is reasonably assured.

Stock-Based Compensation

The Company periodically issues stock options and warrants to employees and non-employees in non-capital raising transactions for services and for financing costs. The Company accounts for stock option and warrant grants issued and vesting to employees based on the authoritative guidance provided by FASB where the value of the award is measured on the date of grant and recognized as compensation expense on the straight-line basis over the vesting period. The Company accounts for stock option and warrant grants issued and vesting to non-employees in accordance with the authoritative guidance of the FASB where the value of the stock compensation is based upon the measurement date as determined at either a) the date at which a performance commitment is reached, or b) at the date at which the necessary performance to earn the equity instruments is complete. Options and warrants granted to non-employees are revalued each reporting period to determine the amount to be recorded as an expense in the respective period. As the options and warrants vest, they are valued on each vesting date and an adjustment is recorded for the difference between the value already recorded and the then current value on the date of vesting. In certain circumstances where there are no future performance requirements by the non-employee, option and warrant grants are immediately vested and the total stock-based compensation charge is recorded in the period of the measurement date.

The fair value of the Company's stock option and warrant grants are estimated using the Black-Scholes-Merton Option Pricing model, which uses certain assumptions related to risk-free interest rates, expected volatility, expected life of the stock options or warrants, and future dividends. Compensation expense is recorded based upon the value derived from the Black-Scholes-Merton Option Pricing model, and based on actual experience. The assumptions used in the Black-Scholes-Merton Option Pricing model could materially affect compensation expense recorded in future periods.

Deposit for Film Project to Related Party

Deposit for film project include capitalizable production costs, production overhead, interest, development costs and acquired production costs and are stated at the lower of cost, less accumulated amortization, or fair value. The amount by which the unamortized costs of film and television productions exceed their estimated fair values is written off. Film development costs for projects that have been abandoned or have not been set for production within three years are generally written off.

Loss Per Share

Basic loss per 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 share reflects the potential dilution, using the treasury stock method that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the loss of the Company. In computing diluted loss per share, the treasury stock method assumes that outstanding options and warrants are exercised and the proceeds are used to purchase common stock at the average market price during the period. Options and warrants may have a dilutive effect under the treasury stock method only when the average market price of the common stock during the period exceeds the exercise price of the options and warrants.

At March 31, 2016 and 2015 we had 2,952,600 warrants outstanding, which were excluded from the loss per share calculation as they were anti-dilutive.

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. The Company uses a probability weighted average Black-Scholes-Merton models to value the derivative instruments at inception and on subsequent valuation dates through the March 31, 2016, reporting date.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* . ASU 2014-09 is a comprehensive revenue recognition standard that will supersede nearly all existing revenue recognition guidance under current U.S. GAAP and replace it with a principle based approach for determining revenue recognition. ASU 2014-09 will require that companies recognize revenue based on the value of transferred goods or services as they occur in the contract. The ASU also will require additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. ASU 2014-09 is effective for interim and annual periods beginning after December 15, 2017. Early adoption is permitted only in annual reporting periods beginning after December 15, 2016, including interim periods therein. Entities will be able to transition to the standard either retrospectively or as a cumulative-effect adjustment as of the date of adoption. The Company is in the process of evaluating the impact of ASU 2014-09 on the Company's financial statements and disclosures.

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, Leases. ASU 2016-02 requires a lessee to record a right of use asset and a corresponding lease liability on the balance sheet for all leases with terms longer than 12 months. ASU 2016-02 is effective for all interim and annual reporting periods beginning after December 15, 2018. Early adoption is permitted. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is in the process of evaluating the impact of ASU 2016-02 on the Company's financial statements and disclosures.

In March 2016, the FASB issued the ASU 2016-09, *Compensation - Stock Compensation (Topic 718)* : Improvements to Employee Share-Based Payment Accounting. The amendments in this ASU require, among other things, that all income tax effects of awards be recognized in the income statement when the awards vest or are settled. The ASU also allows for an employer to repurchase more of an employee's shares than it can today for tax withholding purposes without triggering liability accounting and allows for a policy election to account for forfeitures as they occur. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted for any entity in any interim or annual period. The Company is currently evaluating the expected impact that the standard could have on its financial statements and related disclosures.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statement presentation or disclosures.

Note 3 – Deposit for Film Project Paid to Related Party

In April 2015, the Company entered into an agreement with Mr. Mario Kassar, who at the time was the Chairman of the Company. Pursuant to the agreement, the Company provided $250,000 in funding to a company managed by Mr. Kassar for the production of a film initially titled "Audition"

Pursuant to the terms of the Agreement, the Company engaged Mr. Kassar to render producing and sales services for each film in the "Rambo" franchise, "SMITE" franchise or other feature length motion picture property introduced to the Company by Mr. Kassar (each, a "Picture") on the same terms as apply to "Audition," except that the producing fee shall not be less than 10% of the budget of each Picture. The Company also agreed to pay Mr. Kassar 5% of the purchase price of any Carolco-produced feature length films in the "Rambo" franchise and all completed films or film libraries acquired by the Company with Mr. Kassar's assistance and based on Mr. Kassar's introduction to the Company of such completed films or film libraries. The terms of the Agreement also provide that the Company will pay Mr. Kassar a discretionary bonus in relation to his efforts in bringing projects and opportunities to the Company.

As of March 31, 2016, the project was still in production stage. The Company determined there were no such impairment of the deposit at March 31, 2016 due to the early stages of the film production.

Note 4 –Note Payable

The Company has a note payable to a financial institution wherein the Company can make advances up to $75,000. The note payable is secured by certain of the Company' assets, bear an average interest rate of 5% per annum and will mature in April 2016 and has been renewed through April 2017.

As of March 31, 2016, and December 31, 2015, outstanding balance of the note amounted $74,000 and $44,000, respectively.

Note 5- Convertible Notes Payable in Default

Convertible notes payable consist of the following as of March 31, 2016 and December 31, 2015:

	March 31, 2016	December 31, 2015
(a) St. George	$ -	$ 56,000
(b) Vis Vires	-	78,000
(c) Auctus Find	57,000	86,000
(d) Vis Vires	-	41,000
Total Notes	57,000	261,000
Less Valuation Discount	-	(79,000)
Net Balance	$ 57,000	$ 182,000

(a) On May 6, 2015, the Company issued an unsecured convertible promissory note in the principal amount of $91,000 to St. George Investments, LLC (the "Lender"). The note bore interest at 22% per annum, as amended and matured in April 2016. Under the terms of the note, there was an original issue discount ("OID") of $8,000 withheld at funding and the Company agreed to pay $3,000 to the Lender to cover the Lender's legal fees and other transaction related costs. The Company recognized the OID as a note discount and the $3,000 fee as debt issuance costs. Both the note discount and issuance costs recognized in the transaction were accreted to interest expense over the life of the note. In addition, the Company paid an $8,000 finders' fee in the transaction which has been recorded in debt issuance costs and is being accreted to interest expense of the life of the note. The note was convertible by the Lender into common stock of the Company at the lesser of $0.45 per share or, in the event the Company's market capitalization falls below $15.0 million, at a defined Lender conversion price. As of December 31, 2015, outstanding balance of the note amounted to $56,000 and accrued interest of $4,000.

During the three months ended March 31, 2016, the Company accrued interest of $3,000 and paid off the note in its entirety with a total of interest and principal balance of $62,000.

(b) On May 12, 2015, the Company issued a convertible promissory note in the principal amount of $104,000 to the Vis Vires Group, Inc. ("VVG"). The note bore interest at 22% per annum, as amended, and matured in February 2016. VVG deducted $2,000 from the proceeds to cover their legal and other transaction related costs which was recorded as debt issuance costs and is being accreted to interest expense over the life of the note. The note carried a variable conversion price defined as 61% of the market price (representing a 39% discount), with market price being defined as the average of the lowest three trading days for the Company's common stock during the 10 day period prior to the conversion date. As of December 31, 2015, outstanding balance of the note amounted to $78,000 and accrued interest of $9,000.

During the three months ended March 31, 2016, the Company accrued interest of $3,000, paid off the note and accrued interest in the aggregate of $79,000 and converted the remaining principal balance of $11,000 to 5,978,947 shares of common stock.

(c) On June 22, 2015, the company issued a convertible promissory note in the amount of $88,000 to the Auctus Fund, LLC ("Auctus"). The note bears interest at 24% per annum, as amended, and matured in March 2016. Auctus deducted $8,000 from the proceeds to cover their legal and other transaction related costs which were recorded as debt issuance costs and is being accreted to interest expense over the life of the note. In addition, the Company paid an $8,000 finders' fee in this transaction which has been recorded in debt issuance costs and was accreted to interest expense over the life of the note. The note carried a variable conversion price defined as 50% of the market price (representing a 50% discount), with market price being defined as the lowest trading price of our common stock during the 25-trading day period prior to the conversion date. As of December 31, 2015, outstanding balance of the note amounted to $86,000 and accrued interest of $7,000.

During the three months ended March 31, 2016, the Company converted principal and accrued interest in the aggregate of $30,000 to 97,511,516 shares of common stock. As of March 31, 2016, outstanding note balance amounted to $57,000 and accrued interest of $9,000. As of March 31, 2016, the note was past due and in default.

(d) On July 10, 2015, the Company issued a convertible promissory note in the principal amount of $52,500 to the Vis Vires Group, Inc. ("VVG"). The note bore interest at 22% per annum, as amended and matured in April 2016. VVG deducted $1,000 from the proceeds to cover their legal related costs which were charged to interest expense. The note carried a variable conversion price defined as 61% of the market price (representing a 39% discount), with market price being defined as the average of the lowest three trading days for the Company's common stock during the 10-day period prior to the conversion date. As of December 31, 2015, outstanding balance of the note amounted to $41,000 and accrued interest of $3,000.

During the three months ended March 31, 2016, the Company converted the entire principal and accrued interest amounting to $43,000 to 41,809,474 shares of common stock.

The Company considered the current FASB guidance of “Contracts in Entity’s Own Stock” which indicates that any adjustment to the fixed amount (either conversion price or number of shares) of the instrument regardless of the probability of whether or not within the issuers’ control means the instrument is not indexed to the issuer’s own stock. Accordingly, the Company determined that the conversion prices of these Notes were not a fixed amount because they were subject to an adjustment based on the occurrence of future offerings or events. As a result, the Company determined that the conversion features of the Notes were not considered indexed to the Company’s own stock and characterized the fair value of the conversion features as derivative liabilities upon issuance. The Company determined that upon issuance of the Notes in 2015, the initial fair value of the embedded conversion feature was $532,000. As such, the Company recorded a $532,000 derivative liability, of which $305,000 was recorded as debt discount offsetting the fair value of the Notes and the remainder of $226,000 was recorded as a financing cost in 2015. The discount is being amortized using the effective interest rate method over the life of the debt instruments. The unamortized balance of the debt discount was $79,000 as of December 31, 2015.

During the three months ended March 31, 2016, the Company amortized to interest expense, $79,000 of the remaining debt discount recorded when these notes were issued in fiscal 2015. In addition, the Company also recorded and paid additional interest of $55,000 due to the default of certain of these notes.

Note 6 – Convertible Notes Payable to Related Party

In July 2015, the Company issued its convertible promissory notes to Alex Bafer, Chairman and former CEO in exchange for the cancellation of previously issued promissory notes in the aggregate of $555,000 and accrued interest of $13,000 for a total of $543,000. The notes are unsecured, bear interest of 5% per annum, matured on October 1, 2015 and are convertible to shares of common stock at a conversion price equal to the lowest 20-day stock price prior to conversion with a 50% discount.

The Company considered the current FASB guidance of “Contracts in Entity’s Own Stock” which indicates that any adjustment to the fixed amount (either conversion price or number of shares) of the instrument regardless of the probability of whether or not within the issuers’ control means the instrument is not indexed to the issuer’s own stock. Accordingly, the Company determined that the conversion prices of the Notes were not a fixed amount because they were subject to an adjustment based on the occurrence of future offerings or events. As a result, the Company determined that the conversion features of the Notes were not considered indexed to the Company’s own stock and characterized the fair value of the conversion features as derivative liabilities upon issuance. The Company determined that upon issuance of the convertible Notes in 2015, the initial fair value of the embedded conversion feature was $1.5 million. The Company determined that the cancellation of the previously issued promissory notes in exchange for the convertible notes issued in 2015 was an extinguishment of debt, and the fair value of the derivative liability of $1.5 million was created upon the exchange of debt instruments and was accounted as a debt extinguishment cost during the year ended December 31, 2015.

In October 2015, the notes matured and became past due. As a result, the stated interest of 5% increased to 22% pursuant to the term of the note. As of December 31, 2015, total outstanding note balance amounted to $543,000 and accrued interest of $42,000.

During the period ended March 31, 2016, the Company accrued interest of $30,000. As of March 31, 2016, total outstanding note balance amounted to $543,000 and accrued interest of $72,000.

In July 2016, the Company and Mr. Bafer agreed to extend the maturity date of these notes to August 1, 2017. There were no other terms changed and no additional compensation paid.

Note 7 - Derivative Liability

The FASB has issued authoritative guidance whereby instruments which do not have fixed settlement provisions are deemed to be derivative instruments. Certain warrants issued to investors and conversion features of notes payable do not have fixed settlement provisions because their exercise prices will be lowered if the Company issues securities at lower prices in the future. In accordance with the FASB authoritative guidance, the conversion feature of the notes was separated from the host contract (i.e., the notes) and the fair value of the warrants have been recognized as a derivative and will be re-measured at the end of every reporting period with the change in value reported in the statement of operations.

The Company had one convertible note payable to a related party and warrants to purchase a total of 900,000 shares of common stock as of March 31, 2016 that were accounted for as derivative liability. The derivative liability was valued at the following dates using a probability based weighted-average Black-Scholes-Merton model with the following average assumptions:

	December 31,2015		March 31, 2016	
Stock Price	$	0.001	$	0.001
Risk free interest rate		0.003%		0.67%
Expected Volatility		404%		462%
Expected life in years		0.614		2.00
Expected dividend yield		0%		0%
Fair Value – Warrants	**$**	**3,658,000**	**$**	**5,894,000**
Fair Value – Note Conversion Feature	**$**	**1,015,000**	**$**	**985,000**

The risk-free interest rate was based on rates established by the Federal Reserve Bank. The Company uses the historical volatility of its common stock to estimate the future volatility for its common stock. The expected life of the was determined by the remaining contractual life of the derivative instrument. For derivative instrument that already matured, the Company used the estimated life. The expected dividend yield was based on the fact that the Company has not paid dividends to its common stockholders in the past and does not expect to pay dividends to its common stockholders in the future.

During the three months ended March 31, 2016, the Company recorded a gain of $174,000 upon the extinguishment of derivative liabilities related to the payment and conversion of the corresponding convertible notes, and $2,380,000 relating to the change in the fair value of the derivatives during the period. As of March 31, 2016, the aggregate fair value of the derivative liabilities was $6,879,000.

Note 8 - Stockholders' Deficit

In January 2016, the Company increased the number of authorized shares of common stock from 100,000,000 to 5,000,000,000 and the number of shares of its preferred stock from 10,000,000 to 50,000,000, the rights and preferences of which to be determined by the Board of Directors.

Common Shares Issued for Conversion of Notes Payable

During the three months ended March 31, 2016, the Company issued 145,299,937 of common shares for the payment and conversion of four convertible notes.

Summary of the Company's Stock Warrant Activities

The following table summarizes information concerning outstanding and exercisable warrants as of March 31, 2016 and December 31, 2015:

	Warrants	Weighted Average Price	
January 1, 2016	**2,952,600**	**$**	**0.08**
Granted	-		-
Exercised	-		-
Forfeited	-		-
March 31, 2016	**2,952,600**	**$**	**0.08**

The entire 2,952,600 warrants are fully vested and exercisable at March 31, 2016. The intrinsic value of the outstanding options was $0 as of March 31, 2016.

Note 9 - Related Party Transactions

Advances from Related Party

In prior periods, Mr. Alex Bafer, former Chief Executive Officer (CEO) and a shareholder advanced funds to the Company for working capital purpose. As of December 31, 2015, total outstanding advances amounted to $31,000.

During the three month ended March 31, 2016, Mr. Tarek Kirschen, the Company's CEO at that time, advanced a total of $196,000 which was used to payoff of certain of the Company's outstanding payables, convertible notes payable and accrued interest.

As of March 31, 2016, total outstanding advances amounted to $226,000. These advances were unsecured, non-interest bearing and due on demand.

Accrued Payroll

Pursuant to employment agreements with our former Chief Executive Officers, at March 31, 2016 and December 31, 2015, the Company had accrued payroll of $170,000 and $125,000, respectively.

Note 10 - Contingencies and Litigation

The Company may be involved in certain legal proceedings that arise from time to time in the ordinary course of its business. Except for income tax contingencies (commencing April 1, 2009), the Company records accruals for contingencies to the extent that management concludes that the occurrence is probable and that the related amounts of loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred.

Studiocanal S.A.

The Company is not currently engaged in any legal proceedings, however, the Company received a letter dated April 26, 2016 from Studiocanal S.A., which claims to be the assignee of trademark rights in certain marks previously registered by a company that has been defunct since 1996. The letter stated that use of the marks by the Company is likely to cause confusion, to cause mistake, or to deceive as to whether there is an affiliation or association between the Company and the defunct entity and/or Studiocanal, and requested that the Company cease and desist from use of such marks and relinquish trademark registrations legally obtained by the Company and after judicial decision. The Company responded and discussions were held between representatives of the Company and Studiocanal. At this time, Company is not aware of any legal claim having been brought by Studiocanal.

Note 11 - Subsequent Events

On June 22, 2016, the Company entered into a Stock Purchase Agreement (the "SPA") by and between the Company, Tarek Kirschen, the Chief Executive Officer of the Company and South Centre, Inc. a firm owned by a non-related individual, David Cohen. The SPA provided that the Company would issue to Mr. Kirschen 5,000,000 shares of newly designated Series A Preferred Stock of the Company, par value $0.0001 per share (the "Series A Stock") in exchange for the payment to the Company of $500, which would thereafter be sold by Mr. Kirschen to South Centre for $150,000. The principal of South Centre thereby became the controlling shareholder of the Company.

The SPA, as amended pursuant to Amendment No. 1 to the SPA, executed on June 24, 2016, provided that the closing of the transactions thereunder (the "Closing") would occur upon satisfaction of all conditions precedent, including the issuance of the shares of Series A Stock and the issuance of shares of Series B Preferred Stock of the Company, the delivery of certain documents to evidence the valid issuance of the Series A Stock to Mr. Kirschen, the execution and delivery of certain additional documents, including the Release and Issuance Agreement as discussed below, and certain other customary closing condition. All such conditions were satisfied and the transactions under the SPA closed on June 27, 2016.

On June 22, 2016, in connection with and as required by the SPA, the Company entered into a Release and Issuance Agreement by and between Mr. Kirschen, the Company, Alexander Bafer, a former officer and shareholder of the Company, and South Centre (the "Release Agreement"). Pursuant to the Release Agreement, effective as of the Closing, (i) Mr. Kirschen released all claims that he may have against the Company, Mr. Bafer and their respective related parties; and (ii) Mr. Bafer released all claims that he may have against Mr. Kirschen and his related parties.

In the Release Agreement, the Company also agreed to issue to Mr. Kirschen 5,000,000 shares of Series A Stock, and 1,000,000 shares of newly designated Series B Preferred Stock of the Company, par value $0.0001 per share (the "Series B Stock"), and Mr. Kirschen agreed to forgive $438,767.35 that was owed by the Company to Mr. Kirschen (the "Debt"). The transactions under the Release Agreement closed concurrently with the Closing under the SPA, on June 28, 2016.

On July 20, 2016, the Company entered into an Amendment to Promissory Notes ("Notes Amendment") with Alexander Bafer, whereby the maturity date of each of our five loans from Mr. Bafer was amended to be August 1, 2017 instead of October 1, 2015. The five loans are represented by Replacement Convertible Promissory Notes ("Notes"). Pursuant to the terms of the Notes Amendment, Mr. Bafer waived any default under each of the Notes through the date of the Notes Amendment as a result of any amounts payable under the Notes not being paid as of October 1, 2015 and waived the payment of any Default Interest (as defined in the Notes) through the date of the Notes Amendment as a result of such failure of payment. No other terms of the loans changed, and we did not pay any consideration for the extension. Our outstanding balance on the loans under the Notes as of July 20, 2016 was approximately $468,662.

On July 21, 2016, the Company entered into a Redemption and Issuance Agreement (the "Redemption Agreement") by and between the Company and South Centre, Inc., an entity owned and controlled by David Cohen, the Company's sole director (at the time) and Chief Executive Officer. Pursuant to the Redemption Agreement, on the same date, the Company redeemed 2,500,000 shares of the Company's Series A Preferred Stock (the "Series A Stock") in exchange for the payment to South Centre of $0.0001 per share, for a total consideration of $250. The Company undertook the redemption for the purposes of obtaining the shares of Series A Stock so that such shares could be paid to certain third parties in connection with the Contribution Agreement as disclosed below.

Also pursuant to the Redemption Agreement, on the same date, the Company issued to South Centre 12,750,000 shares of newly designated Series C Preferred Stock of the Company (the "Series C Stock") in exchange for payment to the Company of $1,275.

On July 25, 2016, the Company entered into a Contribution Agreement (the "Contribution Agreement") by and between the Company, Recall Studios, Inc., a Nevada corporation ("Recall"), South Centre, Inc. ("South Centre") and various other shareholders of Recall (the "Recall Shareholders").

The Contribution Agreement provided that the Recall Shareholders would contribute to the Company all of the shares of Recall held by the Recall Shareholders, which would result in Recall becoming a wholly owned subsidiary of the Company. In return for the contributions by the Recall Shareholders, the Company issued to the Recall Shareholders 25,256,250 shares of Series C Stock and 2,500,000 shares of the Series A Stock, that were redeemed by the Company from South Centre, as described above. The transactions under the Contribution Agreement closed on July 25, 2016.

The Contribution Agreement provided that upon the closing of the transactions in the Contribution Agreement, the Company would enter into employment agreements with (i) Bradley Albert as President and Chief Creative Officer of the Company, (ii) Justin Morris as Chief Operating Officer of the Company and (iii) Alexander Bafer as Chief Development Officer of the Company.

Upon the closing of the transactions, the Company entered into employment agreements with each of Mr. Albert, Mr. Morris and Mr. Bafer which commenced simultaneously with the closing of the transactions under the Contribution Agreement, on July 25, 2016.

The Company en tered into a Chairman Agreement with Alexander Bafer (the "Chairman Agreement") on July 25, 2016, pursuant to which Mr. Bafer was named to the Board and also named Chairman of the Board. Pursuant to the Chairman Agreement, on the effective date thereof the Company issued to Mr. Bafer 510,000 shares of Series A Stock of the Company, which shares were immediately vested.

On July 25, 2016, pursuant to the Contribution Agreement, the Company issued 1,990,000 shares of Series A Stock and 25,256,250 shares of Series C Stock to the Recall Shareholders in exchange for the contribution to the Company by the Recall Shareholders (collectively) of 25,256,250 shares of common stock of Recall, and 748,334 shares of Class A Preferred Stock of Recall, collectively constituting 100% of the issued and outstanding capital stock of Recall. The Company hired a valuation specialist to assist the Company in the determination of the value of the acquisition. As of the date of this report, the Company is still in the process of finalizing the valuation and the allocation of the purchase price.

Pursuant to the Redemption Agreement pursuant to which South Centre returned 2,500,000 shares of the Series A Stock to the Company, on July 25, 2016, the Company issued to South Centre 12,750,000 shares of Series C Stock in exchange for payment to the Company of $1,275.

In July 2016, the Company raised approximately $416,000 through the issuance of 487,000 shares of Recall's common stock. The Company and the purchasers of these common stock are currently in negotiations to convert the 487,000 shares of Recall common stock to the Company's Series C Preferred Stock.

At the option of the holder thereof, each share of Series C Stock is convertible into two shares of common stock of the Company (the "Common Stock") provided that this option is not exercisable until there are sufficient shares of Common Stock authorized for the conversion of all of the Series C Stock. There is no adjustment to the conversion ratio in the event of a reverse stock split of the common stock or for any other reason.

In addition to the above, on the closing of the transaction with Recall, the Company issued 1,000,000 shares of Series C Stock to Harrison Smith (a former shareholder of Recall) and 993,750 shares of Series C Stock to Frank Esposito (an advisor to the Company) in consideration of services rendered to the Company in connection with the Contribution Agreement and the transactions therein.

The issuances of the Series A Stock and the Series C Stock to the Recall Shareholders were completed pursuant to exemptions from registrations provided in Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act") and Rule 506 of Regulation D under the Securities Act.

In addition, as discussed above, pursuant to the Employment Agreement with Mr. Bafer, on the commencement of his employment term, the Company issued to Mr. Bafer 510,000 shares of Series A Stock of the Company, which shares were immediately vested.

On July 21, 2016, the Company amended its Articles of Incorporation to designate a new series of preferred stock, the Series C Preferred Stock (the "Series C Stock") to be utilized in the transactions described above. 40,000,000 shares were designated as Series C Stock.

From April 2016 through September 2016, the Company issued 243,540,999 share of common stock upon conversion of convertible notes and accrued interest in the aggregate of $116,000.

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

Unless otherwise indicated, references in this Quarterly Report on Form 10-Q to "we," "us," and "our" are to the Company, unless the context requires otherwise. The following discussion and analysis by our management of our financial condition and results of operations should be read in conjunction with our unaudited condensed interim financial statements and the accompanying related notes included in this quarterly report and our audited financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission.

Overview

We were incorporated on February 20, 2009, in the State of Florida, under the name York Entertainment, Inc. On October 5, 2010, we amended our articles of incorporation to change our name to Brick Top Productions, Inc. Effective December 31, 2014, we amended our articles of incorporation to change our name to Carolco Pictures, Inc.

We are an award-winning feature film and television specials production company. We seek to finance, produce and distribute one or more television series and feature films to be licensed for exploitation in domestic and international theatrical, television, cable, home video and pay per view markets.

Through our subsidiary, High Five Entertainment, we specialize in the development and presentation of quality television programming including live events and award shows.

Through our subsidiary, Recall Studios that we acquired in July 2016, we focus on Virtual Reality content, filling the demand attendant to the increased production of virtual reality viewing devices absent a corresponding increase in content production. Founded by business, media and entertainment industry leaders to meet growing demand for virtual reality and augmented reality content, Recall Studios operates within the convergence of immersive content and software. Recall Studios will allow consumers to create and share interactive experiences across all platforms. Combining modern business strategy with industry experience by bringing together highly trained relative newcomers and entertainment industry stalwarts to create low risk, high profit and artistically acclaimed feature film virtual reality and television projects, the Company and its subsidiaries are analyzing profitability across myriad entertainment sectors.

Management's Plan

The business side of our management team is disciplined in financial risk mitigation techniques. Aside from the commercialization of our management team's past successes, which cannot in themselves necessarily predict future success, we are experienced at balancing projects, budgets and growth to effectively manage risk in light of our business objectives.

We believe that we have unique access to Hollywood talent, scripts and third parties ripe for acquisition. We believe that the reputation of our management team in producing some of the most-well known, talked about and socially ingrained entertainment opens doors for us that are closed to others.

We believe we represent a new model in entertainment industry profitability. We intend to focus on growth and efficiency. Our development plan combines modern business strategy with old-fashioned industry experience. Our early acquisition, High Five Entertainment, has given us highly regarded, industry leading talent. We have matched that talent with new and existing property development. By targeting additional revenue positive entertainment projects and companies, we expect to achieve increased profitability and efficiency through scale.

We believe that our management team's reputation, contacts and experience give us a competitive edge. However, the market for productions currently is, and is expected to continue to be, extremely competitive. Our competitors include many companies that have substantially greater financial, management, marketing resources and experience than us. There can be no assurance that our productions will be competitive with other motion pictures or television shows, or that we will be able to achieve or maintain profitability.

Recent Developments

On January 1, 2016, Sam Lupowitz resigned as a member of the Board of Directors of the Company and as an officer of the Company. There were no disagreements with Sam Lupowitz as to the Company's operations, policies, or practices. On January 1, 2016, Tarek Kirschen was appointed as a member of the Board of Directors of the Company. On January 1, 2016, Tarek Kirschen was appointed as our Chief Executive Officer and Chief Financial (Accounting) Officer.

Effective January 11, 2016, the Company increased the number of authorized shares of common stock to 5,000,000,000 and the number of shares of its preferred stock to 50,000,000, the rights and preferences of which to be determined by the Board of Directors. This action was taken in order to provide sufficient contractually required reserve shares (in material multiples of the anticipated number of shares to be converted) of common stock for certain convertible promissory notes.

On January 28, 2016, Mario Kassar resigned as a member of the Board of Directors of the Company and as an officer of the Company. On February 1, 2016, Leonard Lauren was appointed as a member of the Board of Directors of the Company.

On June 22, 2016, the Company entered into a Stock Purchase Agreement (the "SPA") by and between the Company, Tarek Kirschen, the Chief Executive Officer of the Company and South Centre, Inc. a firm owned by a non-related individual, David Cohen. The SPA provided that the Company would issue to Mr. Kirschen 5,000,000 shares of newly designated Series A Preferred Stock of the Company, par value $0.0001 per share (the "Series A Stock") in exchange for the payment to the Company of $500, which would thereafter be sold by Mr. Kirschen to South Centre for $150,000. The principal of South Centre thereby became the controlling shareholder of the Company.

The SPA, as amended pursuant to Amendment No. 1 to the SPA, executed on June 24, 2016, provided that the closing of the transactions thereunder (the "Closing") would occur upon satisfaction of all conditions precedent, including the issuance of the shares of Series A Stock and the issuance of shares of Series B Preferred Stock of the Company, the delivery of certain documents to evidence the valid issuance of the Series A Stock to Mr. Kirschen, the execution and delivery of certain additional documents, including the Release and Issuance Agreement as discussed below, and certain other customary closing condition. All such conditions were satisfied and the transactions under the SPA closed on June 27, 2016.

On June 22, 2016, in connection with and as required by the SPA, the Company entered into a Release and Issuance Agreement by and between Mr. Kirschen, the Company, Alexander Bafer, a former officer and shareholder of the Company, and South Centre (the "Release Agreement"). Pursuant to the Release Agreement, effective as of the Closing, (i) Mr. Kirschen released all claims that he may have against the Company, Mr. Bafer and their respective related parties; and (ii) Mr. Bafer released all claims that he may have against Mr. Kirschen and his related parties.

In the Release Agreement, the Company also agreed to issue to Mr. Kirschen 5,000,000 shares of Series A Stock, and 1,000,000 shares of newly designated Series B Preferred Stock of the Company, par value $0.0001 per share (the "Series B Stock"), and Mr. Kirschen agreed to forgive $438,767.35 that was owed by the Company to Mr. Kirschen (the "Debt"). The transactions under the Release Agreement closed concurrently with the Closing under the SPA, on June 28, 2016.

On July 20, 2016, the Company entered into an Amendment to Promissory Notes ("Notes Amendment") with Alexander Bafer, with Alexander Bafer, whereby the maturity date of each of our five loans from Mr. Bafer was amended to be August 1, 2017 instead of October 1, 2015. The five loans are represented by Replacement Convertible Promissory Notes ("Notes"). Pursuant to the terms of the Notes Amendment, Mr. Bafer waived any default under each of the Notes through the date of the Notes Amendment as a result of any amounts payable under the Notes not being paid as of October 1, 2015 and waived the payment of any Default Interest (as defined in the Notes) through the date of the Notes Amendment as a result of such failure of payment. No other terms of the loans changed, and we did not pay any consideration for the extension. Our outstanding balance on the loans under the Notes as of July 20, 2016 was approximately $468,662.

On July 21, 2016, the Company entered into a Redemption and Issuance Agreement (the "Redemption Agreement") by and between the Company and South Centre, Inc., an entity owned and controlled by David Cohen, the Company's sole director (at the time) and Chief Executive Officer. Pursuant to the Redemption Agreement, on the same date, the Company redeemed 2,500,000 shares of the Company's Series A Preferred Stock (the "Series A Stock") in exchange for the payment to South Centre of $0.0001 per share, for a total consideration of $250. The Company undertook the redemption for the purposes of obtaining the shares of Series A Stock so that such shares could be paid to certain third parties in connection with the Contribution Agreement as disclosed below.

Also pursuant to the Redemption Agreement, on the same date, the Company issued to South Centre 12,750,000 shares of newly designated Series C Preferred Stock of the Company (the "Series C Stock") in exchange for payment to the Company of $1,275.

On July 25, 2016, the Company entered into a Contribution Agreement (the "Contribution Agreement") by and between the Company, Recall Studios, Inc., a Nevada corporation ("Recall"), South Centre, Inc. ("South Centre") and various other shareholders of Recall (the "Recall Shareholders").

The Contribution Agreement provided that the Recall Shareholders would contribute to the Company all of the shares of Recall held by the Recall Shareholders, which would result in Recall becoming a wholly owned subsidiary of the Company. In return for the contributions by the Recall Shareholders, the Company issued to the Recall Shareholders 25,256,250 shares of Series C Stock and 2,500,000 shares of the Series A Stock, that were redeemed by the Company from South Centre, as described above. The transactions under the Contribution Agreement closed on July 25, 2016.

Recall Studios focuses on Virtual Reality content. Founded by business, media and entertainment industry leaders to meet growing demand for Virtual Reality (VR), and Augmented Reality (AR) content, that Recall Studios is the future of new media entertainment and technology. Operating within the convergence of immersive content and software, Recall Studios is allowing consumers to create and share interactive experiences across all platforms through its production of content and software permitting consumer based editing of non-linear content.

The Contribution Agreement provided that upon the closing of the transactions in the Contribution Agreement, the Company would enter into employment agreements with (i) Bradley Albert as President and Chief Creative Officer of the Company, (ii) Justin Morris as Chief Operating Officer of the Company and (iii) Alexander Bafer as Chief Development Officer of the Company.

Upon the closing of the transactions, the Company entered into employment agreements with each of Mr. Albert, Mr. Morris and Mr. Bafer which commenced simultaneously with the closing of the transactions under the Contribution Agreement, on July 25, 2016.

The Company en tered into a Chairman Agreement with Alexander Bafer (the "Chairman Agreement") on July 25, 2016, pursuant to which Mr. Bafer was named to the Board and also named Chairman of the Board. Pursuant to the Chairman Agreement, on the effective date thereof the Company issued to Mr. Bafer 510,000 shares of Series A Stock of the Company, which shares were immediately vested.

On July 25, 2016, pursuant to the Contribution Agreement, the Company issued 1,990,000 shares of Series A Stock and 25,256,250 shares of Series C Stock to the Recall Shareholders in exchange for the contribution to the Company by the Recall Shareholders (collectively) of 25,256,250 shares of common stock of Recall, and 748,334 shares of Class A Preferred Stock of Recall, collectively constituting 100% of the issued and outstanding capital stock of Recall.

Pursuant to the Redemption Agreement pursuant to which South Centre returned 2,500,000 shares of the Series A Stock to the Company, on July 25, 2016, the Company issued to South Centre 12,750,000 shares of Series C Stock in exchange for payment to the Company of $1,275.

In July 2016, the Company raised approximately $416,000 through the issuance of 487,000 shares of Recall's common stock. The Company and the purchasers of these common stock are currently in negotiations to convert the 487,000 shares of Recall common stock to the Company's Series C Preferred Stock.

At the option of the holder thereof, each share of Series C Stock is convertible into two shares of common stock of the Company (the "Common Stock") provided that this option is not exercisable until there are sufficient shares of Common Stock authorized for the conversion of all of the Series C Stock. There is no adjustment to the conversion ratio in the event of a reverse stock split of the common stock or for any other reason.

In addition to the above, on the closing of the transaction with Recall, the Company issued 1,000,000 shares of Series C Stock to Harrison Smith (a former shareholder of Recall) and 993,750 shares of Series C Stock to Frank Esposito (an advisor to the Company) in consideration of services rendered to the Company in connection with the Contribution Agreement and the transactions therein.

The issuances of the Series A Stock and the Series C Stock to the Recall Shareholders were completed pursuant to exemptions from registrations provided in Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act") and Rule 506 of Regulation D under the Securities Act.

In addition, as discussed above, pursuant to the Employment Agreement with Mr. Bafer, on the commencement of his employment term, the Company issued to Mr. Bafer 510,000 shares of Series A Stock of the Company, which shares were immediately vested.

On July 21, 2016, the Company amended its Articles of Incorporation to designate a new series of preferred stock, the Series C Preferred Stock (the "Series C Stock") to be utilized in the transactions described above. 40,000,000 shares were designated as Series C Stock.

The Company hired a valuation specialist to assist the Company in the determination of the value of the acquisition. As of the date of this report, the Company is still in the process of finalizing the valuation and the allocation of the purchase price.

From April 2016 through June 2016, the Company issued 98,241,062 share of common stock upon conversion of convertible notes and accrued interest in the aggregate of $108,000.

On June 29, 2016, Carolco Pictures, Inc. (the "Company"), entered into a letter agreement with Esposito Partners, PLLC ("Esposito Partners"), pursuant to which the Company engaged Esposito Partners to provide legal services to the Company (the "Agreement"). T he Agreement provides for a one-time fee payable to Esposito Partners in the amount of $60,000, which the Company may elect to pay by the delivery of stock of the Company. The Agreement also provides that Frank Esposito, the Managing Member of Esposito Partners, shall be named as a Director of the Company and shall also serve as the Company's Chief Legal Officer and Secretary.

Private Unit Offering

On March 2, 2015, we commenced an offering to sell to certain "accredited investors" up to 31,250,000 units (each, a "Unit") at a price per Unit of $0.50, each Unit consisting of one share of our common stock, one Class A Common Stock Purchase Warrant (the "Class A Warrant") and one Class B Common Stock Purchase Warrant (the "Class B Warrant"). Each Class A Warrant entitles the holder to purchase one share of our common stock at an exercise price of $3.00 per share for a period of two years after its issuance and each Class B Warrant entitles the holder to purchase one share of our common stock at an exercise price of $6.00 per share for a period of two years after its issuance. The minimum investment amount per investor is $100,000 for 125,000 Units subject to our right to accept subscriptions in a lesser amount. We expect to invest up to $4,000,000 of the proceeds from this offering to partially finance the production of a motion picture based on the screenplay titled "Audition" written by Richard Gray. In addition, we plan to continue use the balance of the offering proceeds in our feature film and television production business.

Results of Operations for the Three Months Ended March 31, 2016 and 2015

	Three Months Ended March 31,			
	2016		**2015**	
Revenue	$	22,000	$	2,000
Cost of goods sold	$	2,000		32,000
Operating expenses	$	142,000	$	726,000
Loss before income tax provision and non-controlling interest	$	(2,499,000)	$	(730,000)
Net loss attributable to non-controlling interest	$	(32,000)	$	(28,000)
Net loss attributable to Carolco Pictures' stockholders	$	(2,467,000)	$	(702,000)

Revenues for the three months ended March 31, 2016 and 2015 were 22,000 and $2,000, respectively. The increase of $20,000 is derived from production services, including award programming, much of which is seasonal.

Cost of goods sold for the three months ended March 31, 2016 compared to the same period in 2015 decreased by $30,000. The decrease was attributable primarily due to lower production labor as the Company was not heavily involved in production projects during the three months ended March 31, 2016.

Operating expenses for the three months ended March 31, 2016 totaled $142,000, compared to $726,000 for the three months ended March 31, 2015. The decrease of approximately $584,000 was primarily attributable to a decrease in compensation expenses recognized between the periods. Compensation expense recognized in the prior period reflected significant costs associated with stock based compensation expense recognized attributable to the Company's acquisition of S&G Holdings, Inc.

The Company realized a loss before income tax provision and non-controlling interest of $2,499,000 for the three months ended March 31, 2016, compared to a loss before income tax provision and non-controlling interest of $730,000 for the three months ended March 31, 2015. The increase is primarily due to the change in fair value of derivatives associated with warrants and convertible notes outstanding, which amounted to $2,380,000 for the three months ended March 31, 2016.

Liquidity and Capital Resources

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Net Cash Used in Operating Activities	$ (144,000)	$ (647,000)
Net Cash Provided by Financing Activities	$ 103,000	$ 517,000
Net Change in Cash	$ (41,000)	$ (130,000)

As of March 31, 2016, our assets totaled $273,000 and our liabilities totaled $8,060,000 and we had negative working capital of $8,038,000.

Pursuant to the terms of our employment agreement with Mr. Bafer, we are obligated to pay Mr. Bafer $150,000 per year. On October 1, 2011, Mr. Bafer agreed to waive future base salary under his employment agreement, until further notice, in an effort to reduce our operating expenses. Prior to that time, we did not have sufficient cash flows to make the required payments under the employment agreement and therefore, accrued all unpaid salary until such time we generate revenues from operations or raise additional capital through one or more financing transactions. Accrued salaries due totaled $170,000 and $125,000 at March 31, 2016 and December 31, 2015, respectively.

As part of the Company's acquisition of S&G Holdings, Inc. (doing business as High Five Entertainment) ("S&G") in December 2013, the Company entered into an executive employment agreement with Mr. Martin Fischer, pursuant to which Mr. Fischer will serve as S&G's president for an initial term of five years with an initial base salary of $144,000. He will also be entitled to an annual bonus of up to $100,000 based on performance and a monthly car allowance of $500. In addition, the Company awarded Mr. Fischer an option to purchase 1,491,351 shares of common stock, exercisable at $0.01 per share, which vested throughout 2014.

We have suffered recurring losses from operations. The continuation of our company is dependent upon our attaining and maintaining profitable operations and raising additional capital as needed. In this regard, we have raised additional capital through equity offerings and loan transactions, and, in the short term, will seek to raise additional capital in such manners to fund our operations. We do not currently have any additional third party financing available in the form of loans, advances, or commitments. Our officers and shareholders have not made any written or oral agreement to provide us additional financing. There can be no assurance that we will be able to continue to raise capital on terms and conditions that are deemed acceptable to us.

Off-Balance Sheet Arrangements

As of March 31, 2016, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations liquidity, capital expenditures or capital resources.

Going Concern

The Company's consolidated financial statements have been prepared assuming that it will continue as a going concern, and which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business. As reflected in the consolidated financial statements, the Company had a stockholders' deficit of $7,787,000 at March 31, 2016, and incurred a net loss of $2,499,000, and utilized net cash used in operating activities $144,000 for the three months ended March 31, 2016. In addition, at March 31, 2016, $543,000 of convertible notes payable to related parties and $57,000 of convertible note matured and were in default. These factors raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the Company's ability to execute its strategy and in its ability to raise additional funds. Management is currently seeking additional funds, primarily through the issuance of equity securities for cash to operate its business. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing or cause substantial dilution for our stock holders, in case or equity financing. In July 2016, the Company raised approximately $416,000 through the issuance of 487,000 shares of common stock. Management estimates that the current funds on hand as of the date of this report, amounting to approximately $120,000, will be sufficient to continue operations through the year ended December 31, 2016.

Critical Accounting Policies

We have identified the following policies below as critical to our business and results of operations. Our reported results are impacted by the application of the following accounting policies, certain of which require management to make subjective or complex judgments. These judgments involve making estimates about the effect of matters that are inherently uncertain and may significantly impact quarterly or annual results of operations. For all of these policies, management cautions that future events rarely develop exactly as expected, and the best estimates routinely require adjustment. Specific risks associated with these critical accounting policies are described in the following paragraphs.

Non-Controlling Interest. The Company reports the non-controlling interest in its majority owned subsidiaries in the consolidated balance sheets within the equity section, separately from the Company's stockholders' equity. Non-controlling interest represents the non-controlling interest holders' proportionate share of the equity of the Company's majority-owned subsidiaries. Non-controlling interest is adjusted for the non-controlling interest holders' proportionate share of the earnings or losses and other comprehensive income (loss) and the non-controlling interest continues to be attributed its share of losses even if that attribution results in a deficit non-controlling interest balance.

Derivative Financial Instruments The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, the Company uses a probability weighted average Black-Scholes-Merton models to value the derivative instruments at inception and on subsequent valuation dates through the December 31, 2015, reporting date. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period.

Stock-Based Compensation The Company periodically issues stock options and warrants to employees and non-employees in non-capital raising transactions for services and for financing costs. The Company accounts for stock option and warrant grants issued and vesting to employees based on the authoritative guidance provided by FASB where the value of the award is measured on the date of grant and recognized as compensation expense on the straight-line basis over the vesting period. The Company accounts for stock option and warrant grants issued and vesting to non-employees in accordance with the authoritative guidance of the FASB where the value of the stock compensation is based upon the measurement date as determined at either a) the date at which a performance commitment is reached, or b) at the date at which the necessary performance to earn the equity instruments is complete. Options and warrants granted to non-employees are revalued each reporting period to determine the amount to be recorded as an expense in the respective period. As the options and warrants vest, they are valued on each vesting date and an adjustment is recorded for the difference between the value already recorded and the then current value on the date of vesting. In certain circumstances where there are no future performance requirements by the non-employee, option and warrant grants are immediately vested and the total stock-based compensation charge is recorded in the period of the measurement date. The fair value of the Company's stock option and warrant grants are estimated using the Black-Scholes-Merton Option Pricing model, which uses certain assumptions related to risk-free interest rates, expected volatility, expected life of the stock options or warrants, and future dividends. Compensation expense is recorded based upon the value derived from the Black-Scholes-Merton Option Pricing model, and based on actual experience. The assumptions used in the Black-Scholes-Merton Option Pricing model could materially affect compensation expense recorded in future periods.

Recently Issued Accounting Pronouncements

See Note 2 in the accompanying financial statements for a discussion of recent accounting policies.

Jumpstart Our Business Startups Act of 2012

The JOBS Act permits an "emerging growth company" such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. Pursuant to Section 107(b) of the JOBS Act, we have elected to use the extended transition period for complying with new or revised accounting standards for an "emerging growth company." This election will permit us to delay the adoption of new or revised accounting standards that will have different effective dates for public and private companies until such time as those standards apply to private companies. Consequently, our financial statements may not be comparable to companies that comply with public company effective dates.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not required for smaller reporting companies.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures, which are designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our CEO and Chief Accounting Officer, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our CEO and Principal Financial and Accounting Officer, an evaluation was performed on the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report. Based on that evaluation, our management, including our CEO and Principal Financial and Accounting Officer, concluded that our disclosure controls and procedures were ineffective as of the end of the period covered by this report due to the Company's limited resources and limited number of employees. To mitigate the current limited resources and limited employees, we rely heavily on direct management oversight of transactions, along with the use of legal and outsourced accounting professionals. As we grow, we expect to increase our number of employees, which, we believe, will enable us to implement adequate segregation of duties within the internal control framework.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 of the Exchange Act that occurred during the fiscal quarter ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

The Company may be involved in certain legal proceedings that arise from time to time in the ordinary course of its business. Except for income tax contingencies (commencing April 1, 2009), the Company records accruals for contingencies to the extent that management concludes that the occurrence is probable and that the related amounts of loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred.

Studiocanal S.A.

The Company is not currently engaged in any legal proceedings, however, the Company received a letter dated April 26, 2016 from Studiocanal S.A., which claims to be the assignee of trademark rights in certain marks previously registered by a company that has been defunct since 1996. The letter stated that use of the marks by the Company is likely to cause confusion, to cause mistake, or to deceive as to whether there is an affiliation or association between the Company and the defunct entity and/or Studiocanal, and requested that the Company cease and desist from use of such marks and relinquish trademark registrations legally obtained by the Company and after judicial decision. The Company responded and discussions were held between representatives of the Company and Studiocanal. At this time, Company is not aware of any legal claim having been brought by Studiocanal.

Item 1A. Risk Factors

Not applicable for smaller reporting companies.

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

During the three month period ended March 31, 2016, the Company issued a total of 145,299,937 common shares in connection with our convertible notes payable.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Number	Description
3.1(a)	Articles of Incorporation (Incorporated by reference to Exhibit 3.1(i) to the Company's Registration Statement on Form S-1 (Commission File No. 333-176093) filed with the SEC on August 5, 2011).
3.1(b)	Amendment to Articles of Incorporation (Incorporated by reference to Exhibit 3.1(ii) to the Company's Registration Statement on Form S-1 (Commission File No. 333-176093) filed with the SEC on August 5, 2011).
3.1(c)	Amendment to Articles of Incorporation filed with the Secretary of State of Florida on December 31, 2014 (Incorporated by reference to Exhibit 3.1(III) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and filed with the SEC on March 31, 2015).

3.1(d)	Certificate of Designation of Series A Preferred Stock (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on November 27, 2015).
3.1(e)	Amended Articles of Incorporation of Carolco Pictures, Inc. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 29, 2016).
3.1(f)	Certificate of Designation of Series A Preferred Stock (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
3.1(g)	Certificate of Designation of Series B Preferred Stock (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
3.1(h)	Certificate of Designation of Series C Preferred Stock of the Company, effective as of July 21, 2016 (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
3.2(a)	By-Laws (Incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1 (Commission File No. 333-176093) filed with the SEC on August 5, 2011).
3.2(b)	Bylaws, as amended on June 22, 2016 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
3.2(c)	Bylaws of the Company, as amended on July 20, 2016 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
10.1+	2014 Incentive Stock Plan (Incorporated by reference to the Company's Annual Report on Form 10-K filed with the SEC on April 15, 2015).
10.2+	Employment Agreement with Alexander Bafer (Incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 (Commission File No. 333-176093) filed with the SEC on August 5, 2011)
10.3	Production Services Agreement (Incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1/A (Commission File No. 333-176093) filed with the SEC on December 29, 2011).
10.4	Operating Agreement to York Productions, LLC (Incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-1/A (Commission File No. 333-176093) filed with the SEC on December 29, 2011).
10.5	Stock Purchase Agreement between Brick Top Productions, Inc. and Martin Fischer dated December 24, 2013 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2013).
10.6+	Executive Employment Agreement between S&G Holdings, Inc. and Martin Fischer (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2013).
10.7+	Brick Top Chief Development Executive Services Agreement between Brick Top Productions, Inc. and Mario Kassar dated November 20, 2014 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on November 24, 2014).
10.8+	Brick Top Productions Executive Services Agreement between Brick Top Productions, Inc. and Harrison Smith and Felissa Rose dated December 15, 2014 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 17, 2014).
10.9	Debt Conversion Agreement dated as of December 29, 2014 between Brick Top Productions, Inc. and Alexander Bafer (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 31, 2014).

10.10+	Agreement for Chairman of Board of Directors among Carolco Pictures, Inc., certain shareholders of the Company and Mario Kassar dated as of February 13, 2015 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 17, 2015).
10.11+	Agreement dated April 29, 2015, by and between Carolco Pictures, Inc. and Mario Kassar (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on May 4, 2015).
10.12	Form of Securities Purchase Agreement (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 9, 2015).
10.13	Convertible promissory note in favor of Alexander Bafer for $45,527, dated July 9, 2015 (Incorporated by reference to Exhibit 10.14 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.14	Convertible promissory note in favor of Alexander Bafer for $51,076 dated July 9, 2015 (Incorporated by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.15	Convertible promissory note in favor of Alexander Bafer for $102,042 dated July 9, 2015 (Incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.16	Convertible promissory note in favor of Alexander Bafer for $155,875 dated July 9, 2015 (Incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.17	Convertible promissory note in favor of Alexander Bafer for $188,597 dated July 9, 2015 (Incorporated by reference to Exhibit 10.18 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.18	Convertible promissory note in favor of Vis Vires Group, Inc. $52,500 dated July 10, 2015 (Incorporated by reference to Exhibit 10.19 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 16, 2015).
10.19	Stock Purchase Agreement, dated as of June 22, 2016 by and between Tarek Kirschen, South Centre, Inc. and Carolco Pictures, Inc. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
10.20	Amendment No. 1 to Stock Purchase Agreement, dated as of June 24, 2016, by and between Tarek Kirschen, South Centre, Inc. and Carolco Pictures, Inc. (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
10.21	Release and Issuance Agreement, dated as of June 22, 2016, by and between Tarek Kirschen, South Centre, Inc., Alexander Bafer and Carolco Pictures, Inc. (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on June 28, 2016).
10.22	Letter Agreement between Carolco Pictures, Inc. and Esposito Partners, PLLC (Incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K filed with the SEC on July 6, 2016).
10.23	Redemption Agreement, dated as of July 21, 2016, by and between South Centre, Inc. and the Company (Incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).

10.24	Contribution Agreement, dated as of July 25, 2016, by and between the Company and the other parties thereto (Incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
10.25+	Employment Agreement, dated as of July 25, 2016, by and between the Company and Bradley Albert (Incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
10.26+	Employment Agreement, dated as of July 25, 2016, by and between the Company and Justin Morris (Incorporated by reference to Exhibit 10.10 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
10.27+	Employment Agreement, dated as of July 25, 2016, by and between the Company and Alexander Bafer (Incorporated by reference to Exhibit 10.11 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
10.28+	Chairman Agreement, dated as of July 25, 2016, by and between the Company and Alexander Bafer (Incorporated by reference to Exhibit 10.12 to the Company's Current Report on Form 8-K filed with the SEC on July 26, 2016).
21.1	Subsidiaries of the Registrant (Previously filed as an exhibit to the Company's S-1 Registration Statement filed with the SEC on August 5, 2011).
31.1*	Section 302 Certificate of Chief Executive Officer and Chief Financial Officer
32.1*	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer
101.INS	XBRL INSTANCE DOCUMENT*
101.SCH	XBRL TAXONOMY EXTENSION SCHEMA*
101.CAL	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE*
101.DEF	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE*
101.LAB	XBRL TAXONOMY EXTENSION LABEL LINKBASE*
101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE*

* Filed herewith.
+ Management contract or compensatory plan or arrangement.

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.

CAROLCO PICTURES, INC.

Date: November 23, 2016

By: */s/ David Cohen*

David Cohen
Chief Executive Officer (Principal Executive Officer) and
Director (Principal Financial and Accounting Officer)

EXHIBIT 31.1

Certification of Chief Executive Officer and Principal Accounting Officer

I, David Cohen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carolco Pictures, 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(s) 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.

5. The registrant's other certifying officer(s) 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 functions):

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

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

Date: November 23, 2016

By: */s/ David Cohen*
David Cohen
Chief Executive Officer (Principal Executive Officer) and Director
(Principal Financial and Accounting Officer)

Exhibit 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, David Cohen, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge, Carolco Pictures, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2016 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 23, 2016

By: */s/ David Cohen*

David Cohen
Chief Executive Officer (Principal Executive Officer) and
Director (Principal Financial and Accounting Officer)