

Camelot Entertainment Group, Inc.
Form 10-Q
August 23, 2010

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2010

OR

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

For the transition period from _____

Commission file number 000-30785

CAMELOT ENTERTAINMENT GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

52-2195605
(I.R.S. Employer Identification No.)

8001 Irvine Center Drive, Suite 400 Irvine, CA 92618

(Address of principal executive offices) (zip code)

(949) 754 - 3030

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the last 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

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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 the definition of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="radio"/>	Accelerated Filer	<input type="radio"/>
Non-Accelerated Filer	<input type="radio"/>	Smaller Reporting Company	<input checked="" type="radio"/>

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

As of August 20, 2010, the Registrant had issued 6,620,823 shares of Common Stock, of which 6,490,823 shares were outstanding, and 50,543,032 shares of Preferred Stock, Class A, B, C, D, E, F and G.

CAMELOT ENTERTAINMENT GROUP, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Camelot Entertainment Group, Inc.
Balance Sheets
(unaudited)

ASSETS	As of June 30, 2010	As of December 31, 2009
Current Assets:		
Cash	\$ 21,012	\$ 56,320
Prepaid Expenses	23,212	53,345
Accounts Receivable	111,464	-
Total Current Assets	155,688	109,665
Equipment net of Accumulated Depreciation \$300	3,778	-
Total Other Assets – script costs	62,144	37,350
Long Term Accounts Receivable Film Library	94,924	-
Film Library Net of Accumulated Amortization \$54,000	2,938,496	-
Total Assets	\$ 3,255,030	\$ 147,015
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 1,183,685	\$ 529,759
Accrued Expenses to Related Parties	3,574,434	627,584
Secured Convertible Notes Payable, net of discount of \$167,948 and \$167,030, respectively	248,953	364,504
Derivative Liability - Conversion Feature	63,226	121,828
Notes Payable	1,073,599	-
Contingent Liability Film Library Acquisition	167,094	-
Total Current Liabilities	6,310,991	1,643,675
Long Term Liabilities:		
Derivative Liability - Preferred Stock Series A, B, and C	5,358	21,620
Convertible Notes Payable – net of discount \$449,239 and \$409,486, respectively	903,441	309,657
Derivative Liability – Conversion Features	940,378	512,198
Series E Liability	2,171,571	-
Total Long Term Liabilities	4,020,748	843,475
Total Liabilities	10,331,739	2,487,150
Series A, B, C, D and F Convertible Preferred Stock	101,293	56,505

Par value \$0.0001 per share, 50,000,000 shares
 authorized: 14,147,510(A),
 29,144,022(B), 7,151,500(C) and 100,000(F) shares
 issued and outstanding as of June 30, 2010

Par value \$0.0001 per share, 50,000,000 shares
 authorized: 10,147,510(A), 9,896,510(B) and
 7,151,500(C) shares issued and outstanding as of
 December 31, 2009

Stockholders' Deficit

Common Stock;

Par value \$0.0001 per share; authorized
 19,900,000,000 shares; 846,316 shares issued
 and 716,316 outstanding as of June 30, 2010
 153,067 issued and 148,067 shares outstanding as of
 December 31, 2009

	72	15
Additional Paid-in Capital	19,685,490	18,568,168
Accumulated Deficit	(26,863,564)	(20,964,823)
Total Stockholders' Deficit	(7,178,002)	(2,396,640)
Total Liabilities and Stockholders' Deficit	\$ 3,255,030	\$ 147,015

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

Camelot Entertainment Group, Inc.
Statements of Operations
(unaudited)

For Three Months Ended		For Six Months Ended	
June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009